



# DELIVERING STABILITY AND SUSTAINABLE VALUE

**MEETING THE  
DAILY NEEDS OF  
U.S. CONSUMERS**

United Hampshire US REIT



*Upland Square*



*St. Lucie West*



*Carteret Self-Storage*





## PROVEN RESILIENCE DELIVERING SUSTAINABLE GROWTH

United Hampshire US REIT's portfolio comprises two recession-resistant, cycle-agnostic sectors, namely Grocery & Necessity properties and modern, climate-controlled Self-Storage properties that produce stable cash flows over time, supported by long weighted average lease expiry and resilient consumer demand for essential products and services in the U.S. We strive to offer Unitholders a sustainable return underpinned by stable and consistent cash flow as well as growth potential.

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# CORPORATE PROFILE

United Hampshire US REIT ("UHREIT" or the "REIT") is a real estate investment trust listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 12 March 2020. It was established with the principal investment strategy of investing in a diversified portfolio of stabilised income-producing (i) grocery-anchored and necessity-based retail properties ("Grocery & Necessity"), and (ii) modern, climate-controlled self-storage facilities ("Self-Storage"), located in the United States ("U.S.").

As at 31 December 2023, UHREIT's portfolio comprised 20 Grocery & Necessity and two Self-Storage properties that serve the non-discretionary needs of the U.S. consumer. The properties are strategically located in the populous and affluent East Coast markets of the U.S. Cumulatively, the portfolio has a total appraised value of approximately US\$763.4 million and an aggregate net lettable area ("NLA") of approximately 3.8 million square feet.

The majority of UHREIT's tenants are providing essential goods and services to the U.S. consumer, and comprise grocers & wholesalers, warehouse clubs, home improvement stores, discount retailers and other uses with strong omnichannel platforms.

UHREIT is managed by United Hampshire US REIT Management Pte. Ltd. (the "Manager"). The Manager is jointly owned by UOB Global Capital LLC ("UOB Sponsor"), a subsidiary of United Overseas Bank Limited ("UOB"), and Hampshire U.S. Holdco, LLC, a wholly owned subsidiary of The Hampshire Companies, LLC ("Hampshire Sponsor"). The UOB Sponsor is an originator and distributor of private equity, hedge funds, fixed income and real estate products, while the Hampshire Sponsor has over 60 years of experience in acquiring, developing, leasing, repositioning, managing and financing real estate.



**20**

**GROCERY &  
NECESSITY  
PROPERTIES**

**2**

**SELF-  
STORAGE  
PROPERTIES**



**TOTAL APPRAISED VALUE  
OF APPROXIMATELY**

**US\$763.4  
MILLION**



**AGGREGATE NET  
LETTABLE AREA ("NLA") OF  
APPROXIMATELY**

**3.8 MILLION  
SQ FT**

# FY2023 HIGHLIGHTS



## GROSS REVENUE

**US\$72.2** MILLION

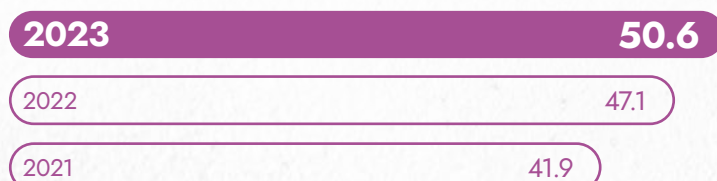
▲ 7.1% VS FY2022



## NET PROPERTY INCOME

**US\$50.6** MILLION

▲ 7.6% VS FY2022



## APPRAISED VALUE

**US\$763.4** MILLION

▲ 4.7% VS FY2022<sup>1</sup>





DISTRIBUTABLE INCOME

**US\$30.4** MILLIONDISTRIBUTION  
PER UNIT**4.79**  
US CENTSSTABLE NET  
ASSET VALUE**US\$0.74**  
PER UNITFIXED-RATE  
DEBT**78.8%**<sup>2</sup>AGGREGATE  
LEVERAGE**41.7%**INTEREST  
COVERAGE RATIO**2.9 TIMES**<sup>3</sup>WEIGHTED AVERAGE  
INTEREST RATE**4.32%**<sup>4</sup> PER  
ANNUM

1 The like-for-like basis portfolio valuation computation does not include Big Pine Center, which was divested in August 2023.

2 Includes floating-rate loans that have been swapped to fixed rate.

3 The interest coverage ratio is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees (excluding interest on lease liabilities).

4 Trailing 12-month and excludes upfront debt-related transaction costs.







# PROACTIVE

The divestment of Big Pine Center at an attractive premium of 7.7% over the purchase price is part of UHREIT's proactive portfolio and asset management strategy. In addition, the new development project for Academy Sports + Outdoors store at St. Lucie West has been completed ahead of schedule. This development showcases UHREIT's focus on active capital recycling as well as organic growth within the portfolio.





**COMPLETED DIVESTMENT  
OF BIG PINE CENTER  
AT A PREMIUM IN  
AUGUST 2023**



**EARLY COMPLETION  
OF CONSTRUCTION OF  
ACADEMY SPORTS  
BUILDING IN  
NOVEMBER 2023**



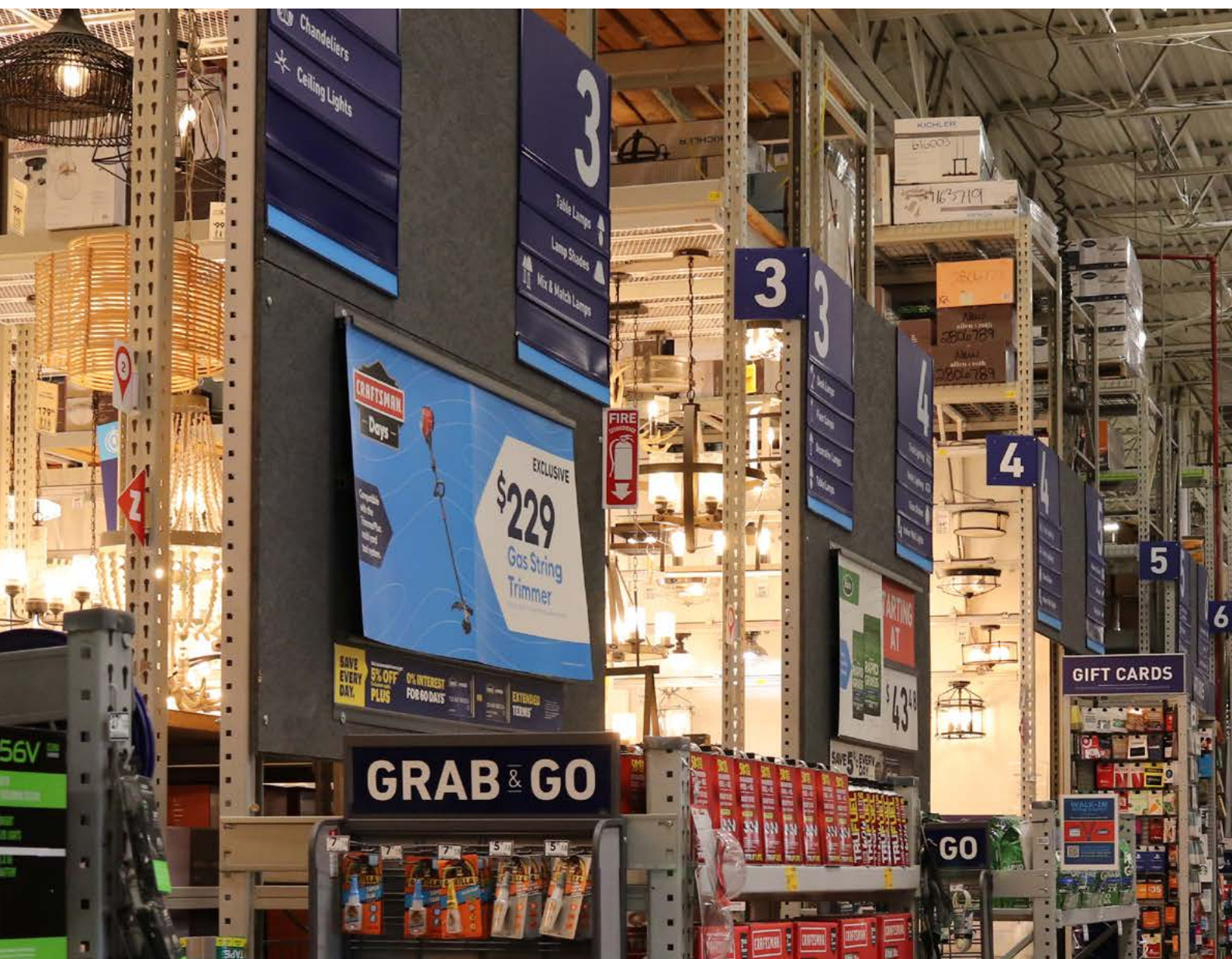
**PORTFOLIO VALUATION<sup>1</sup>**

**↑4.7%**

**FROM 31 DECEMBER 2022**

<sup>1</sup> The like-for-like basis portfolio valuation computation does not include Big Pine Center, which was divested in August 2023.





# CONTINUITY

UHREIT achieved a high tenant retention rate of 92% since IPO which is a testament to the attractiveness of our properties and our proactive asset management approach to meet our tenants' evolving needs. Notable tenants with whom we signed new or renewal leases include Walmart, Dicks Sporting Goods, Burlington Coat Factory and Wells Fargo.





MINIMAL LEASING  
RISK WITH ONLY

**2.2%<sup>1</sup>**

LEASE EXPIRY  
IN 2024

IN FY2023, EXECUTED

**36**

LEASES,  
AMOUNTING TO

**528,665 SQ FT**

AND **14.4%<sup>2</sup>**

OF THE GROCERY &  
NECESSITY PORTFOLIO  
BY NLA



HIGH TENANT  
RETENTION RATE OF

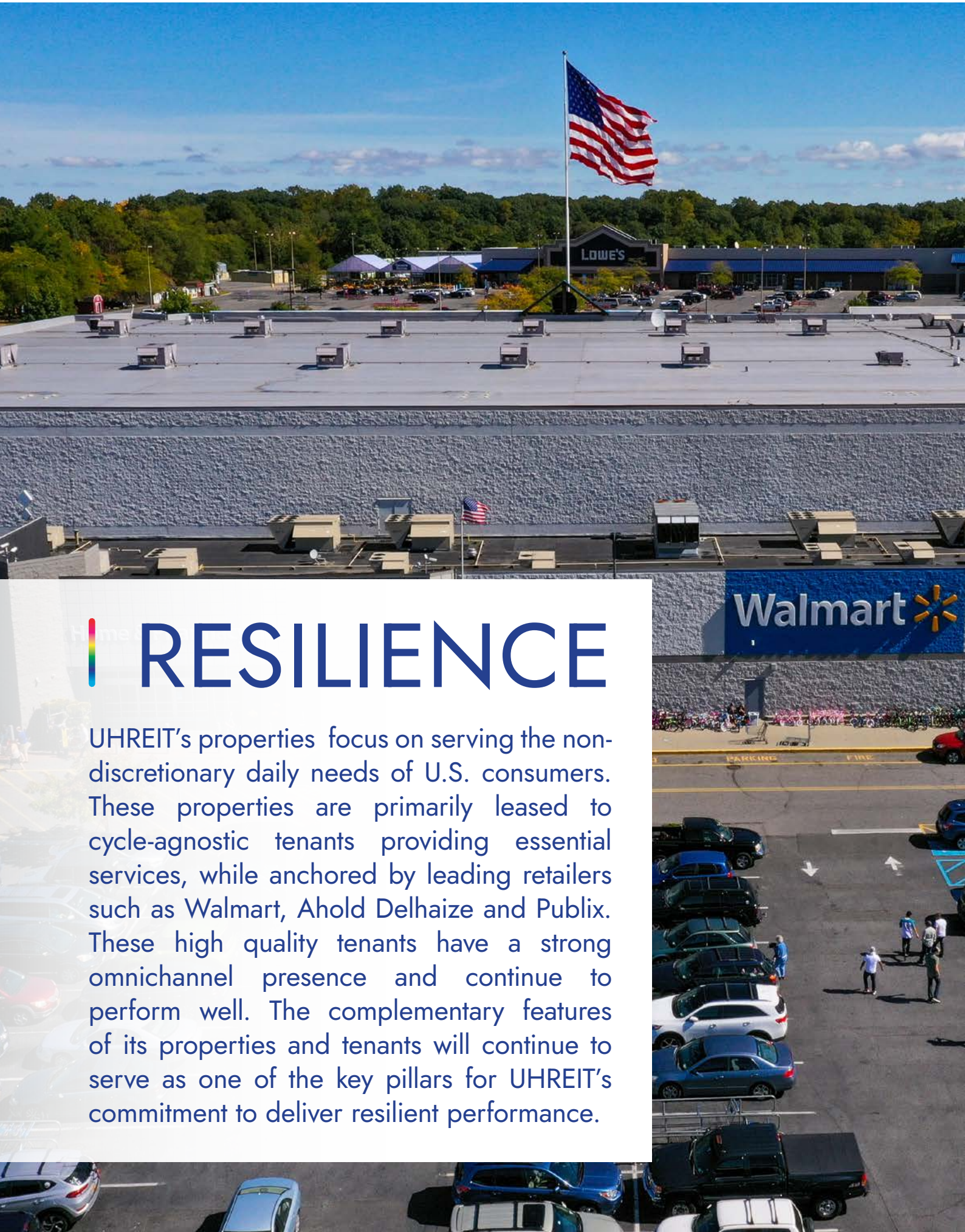
**92%**

SINCE IPO

<sup>1</sup> Based on base rental income of Grocery & Necessity properties for the month of December 2023.

<sup>2</sup> Computation is based on existing Grocery & Necessity properties NLA of 3,662,342 sq ft as at 31 December 2023.





# RESILIENCE

UHREIT's properties focus on serving the non-discretionary daily needs of U.S. consumers. These properties are primarily leased to cycle-agnostic tenants providing essential services, while anchored by leading retailers such as Walmart, Ahold Delhaize and Publix. These high quality tenants have a strong omnichannel presence and continue to perform well. The complementary features of its properties and tenants will continue to serve as one of the key pillars for UHREIT's commitment to deliver resilient performance.

Walmart





**ACHIEVED HIGH  
GROCERY & NECESSITY  
COMMITTED  
OCCUPANCY**

**97.4%**



**LONG WALE<sup>1</sup>**

**7.1 Years**



**61.6%<sup>2</sup>**

**OF RENTS GENERATED  
FROM TENANTS IN  
THE ESSENTIAL  
SERVICES SECTOR**

<sup>1</sup> Computation included forward committed leases for Grocery & Necessity properties only. Excluding forward committed leases, the WALE is 7.0 years as at 31 December 2023.

<sup>2</sup> Based on the definition of "Essential Retail Businesses" by the State of New Jersey.





# I ACCOLADES

UHREIT has been included in the SGX Fast Track Programme since 2021, a testament to its high corporate governance standards and good compliance track record. In addition, UHREIT also received various prestigious industry awards, enhancing its exposure and reputation within the investment community.





**INCLUDED IN SGX FAST  
TRACK PROGRAMME  
SINCE 2021**



**UHREIT'S FY2022  
ANNUAL REPORT WAS  
RECOGNIZED AS THE  
PLATINUM WINNER AT  
THE INTERNATIONAL  
HERMES CREATIVE  
AWARDS 2023**

**AWARDED BY THE ASIA  
PACIFIC BEST OF THE  
BREEDS REITS AWARDS  
2023:**



**BEST CEO  
(ASIA PACIFIC)**



**BEST CFO  
(ASIA PACIFIC)**



**BEST RETAIL  
REIT**



**AWARDED BY IR MAGAZINE  
FORUM & AWARDS  
- SOUTH EAST ASIA  
CERTIFICATE OF EXCELLENCE  
IN INVESTOR RELATIONS  
FOR THE SECOND  
CONSECUTIVE YEAR**

# MESSAGE TO UNITHOLDERS



## Dear Unitholders,

On behalf of the Board and management, we are pleased to present United Hampshire US Real Estate Investment Trust's ("UHREIT") annual report for the financial year ended 31 December 2023 ("FY2023").

The global economy experienced moderate growth in 2023 and inflation fell faster than expected in many regions, helped by falling energy prices and lower supply chain pressures. The IMF expects global headline inflation to fall to 5.8% in 2024 and 4.4% in 2025<sup>1</sup>. At the same time, geopolitical tensions increased in the Middle East and interest rates remained high.

In the U.S., where UHREIT's properties are located, the economy performed well, buoyed by robust consumer spending and sentiment. U.S. GDP grew 2.5% in 2023, accelerating from a 1.9% growth in the previous year<sup>2</sup>. The unemployment rate stood at a healthy level of 3.7%<sup>3</sup> in January 2024. U.S. consumption, which makes up two-thirds of the economy, continued to grow. Total sales for retail and food services in 2023 was up by 3.4%<sup>4</sup> from 2022 and

consumer confidence remained high. U.S. inflation continued to show signs of slowing and stabilisation. Inflation rate for January 2024 was down to 3.1%<sup>5</sup> and the increase in personal consumption expenditure (PCE) was 2.4%<sup>6</sup> year-on-year ("y-o-y"). The U.S. Federal Reserve stopped raising interest rates since the second half of 2023 and has indicated the possibility of interest rate cuts in 2024.

## RESILIENT AND STABLE, HIGHER PORTFOLIO VALUATION

UHREIT delivered another commendable performance in FY2023, a testament to the strength and resiliency of our portfolio of Grocery & Necessity and Self-Storage properties. Occupancy of our Grocery & Necessity properties increased to 97.4% as at 31 December 2023 and there is minimal leasing risk in 2024 with only 2.2% of leases expiring. Our weighted average lease maturity ("WALE") also remained high at 7.1 years. For our Self-Storage properties, occupancy stood at over 91% in 2023 and average annual net rental rate remained high at US\$25.5 psf (FY2022: US\$23.9 psf).

<sup>1</sup> IMF World Economic Outlook Update, 30 January 2024

<sup>2</sup> U.S. Bureau of Economic Analysis, "Gross Domestic Product, Fourth Quarter and Year 2023 (Second Estimate)", 28 February 2024.

<sup>3</sup> U.S. Bureau of Labor Statistics, "The Employment Situation - January 2024", 08 February 2024.

<sup>4</sup> U.S. Census Bureau, "Advance monthly sales for retail and food services - January 2024", 15 February 2024.

<sup>5</sup> U.S. Bureau of Labor Statistics, "Consumer Price Index - January 2024", 13 February 2024.

<sup>6</sup> U.S. Bureau of Economic Analysis, "Personal Consumption Expenditures Price Index in January 2024", 29 February 2024.



UHREIT delivered another commendable performance in FY2023, a testament to the strength and resiliency of our portfolio of Grocery & Necessity and Self-Storage properties. Occupancy of our Grocery & Necessity properties increased to 97.4% as at 31 December 2023 and there is minimal leasing risk in 2024 with only 2.2% of leases expiring. Our weighted average lease maturity also remained high at 7.1 years. For our Self-Storage properties, occupancy stood at over 91% as at 31 December 2023. Portfolio valuation as at 31 December 2023 increased by 4.7% y-o-y on a like-for-like basis<sup>10</sup> to US\$763.4 million.

UHREIT's FY2023 gross revenue increased 7.1% y-o-y to US\$72.2 million whilst net property income also grew strongly, by 7.6% to US\$50.6 million. Distributable income was US\$30.4 million, 8.2% lower y-o-y. Total Distribution per Unit ("DPU") for FY2023 was 4.79 US cents. This was lower than the previous year due to higher interest rates. The retention of income as capital reserve to fund new development initiatives and the Manager electing to receive 100% of its 2H2023 base fee in the form of cash, which reduces unitholder dilution. Nonetheless, UHREIT offered an attractive FY2023 DPU yield of 9.5%, 560 bps higher than the 10-year US Treasury yield<sup>7</sup>.

Notably, UHREIT was the second-best performing S-REIT for 2023, delivering a total return of 22.7%<sup>8</sup>. We also outperformed the FTSE ST All-Share Real Estate Investment Trusts Index and iEdge S-REIT Index whose returns were 6.5% and 6.6% respectively over the same period<sup>9</sup>.

Portfolio valuation as at 31 December 2023 increased by 4.7% y-o-y on a like-for-like basis<sup>10</sup> to US\$763.4 million. Despite higher average capitalisation and discount rates, UHREIT's

strong operating performance led to the higher portfolio valuation. Net asset value per unit remained relatively stable at US\$0.74.

## ASSET ENHANCEMENT INITIATIVES AND DIVESTMENTS

As part of our proactive portfolio and asset management strategy, we developed a new 63,000 sq ft building on excess land at our St. Lucie West property in Florida. This has been leased to Academy Sports + Outdoors, a Fortune Global 500 company and one of the largest sporting goods retailer in the U.S., on a new long-term, 15-year lease. The construction of the new building was completed ahead of schedule and the new store opened in November 2023, in time for the peak year end festive shopping season. This large new store will positively contribute to our net property income for FY2024.

In August 2023, we opportunistically divested Big Pine Center in Florida at an attractive 7.7% premium over its purchase price. The net proceeds from the divestment were used to partially repay debt, lowering UHREIT's gearing as well as its interest expense.

## GROCERY AND NECESSITY SECTOR CONTINUES TO PERFORM STRONGLY

The grocery and necessity sector experienced broad-based tenant demand for space throughout the year and vacancy rates are at historically low levels due to high construction costs, keeping new strip center supply at a minimum<sup>11</sup>. UHREIT's Grocery & Necessity properties located in the suburbs have also benefitted from the work-from-home ("WFH") trend which saw increased demand for goods and services offered in strip centers, ranging from grocery shopping to dining. The sector's greater emphasis on essentials (e.g., groceries, drug stores, and medical services) and off-price retail compared to other retail formats is a highly desirable attribute in a period when consumers are diligently managing budgets amidst high inflation.

Physical stores are increasingly playing a key role in the distribution of goods ordered online, helping to reduce time for deliveries and save on transportation costs. Strip centers are particularly well-suited for this role, as they offer convenient street access, accommodate drive-thru pickup lanes, and are located close to the consumers' homes.

7 Based on FY2023 total distribution of 4.79 US cents and unit closing price of US\$0.505 as at 29 December 2023 compared against the 10-year US Treasury yield as at 29 December 2023.

8 The Business Times, "Better year seen for S-Reits ahead as data centre, hospitality plays top volatile 2023", 09 January 2023.

9 Bloomberg, Comparative Returns.

10 The like-for-like basis portfolio valuation computation does not include Big Pine Center, which was divested in August 2023.

11 Green Street, "Strip Center Outlook", 19 January 2024.

# MESSAGE TO UNITHOLDERS

UHREIT has worked closely with our tenants to support their omnichannel retail strategy. We have continued to adapt our properties in order to support our tenants' evolving needs, for example, by creating designated parking spaces for curbside pickup for online/app orders, facilitating buy online pickup in-store and micro-fulfilment of online/app e-commerce orders.

With our proactive approach to asset management, we achieved very strong leasing momentum in FY2023. We executed 36 new and renewal leases, with an aggregate NLA of 528,665 sq ft. Notable tenants with whom we signed new or renewal leases include Walmart, Dicks Sporting Goods, Burlington Coat Factory and Wells Fargo. We also have minimal leasing risk over the next two years with only 2.2% and 4.2% of leases expiring in 2024 and 2025 respectively<sup>12</sup>. Our tenant retention rate of 92% since IPO is also very high. The strong leasing momentum continued into 1Q 2024 with long-term lease renewals signed with LA Fitness at three separate locations, and Home Depot.

## SELF-STORAGE SECTOR REMAINS BUOYANT

The self-storage sector's fundamentals reached all-time highs in 2021 and 2022 due to the demand surge from COVID. Whilst the fundamentals have normalised somewhat in 2023, UHREIT's two Self-Storage properties continued to perform strongly. Occupancy at our two Self-Storage properties, Carteret and Millburn, remained high at 91.3% and 92.2% respectively, as at 31 December 2023. Average quarterly net rental rates also trended upwards during the year.

Going forward, the sector's performance is expected to be supported by a deeper demand pool that emerged during COVID. In addition, the new supply of self-storage properties is also expected to be low given high construction costs coupled with high interest rates.

## PRUDENT CAPITAL MANAGEMENT

UHREIT adopts a prudent and proactive approach to capital management. In 2022 we refinanced term loans which were maturing in 2023 and 2024. In February 2024, we successfully refinanced our only remaining near-term loan maturity, the US\$21.1 million Arundel Plaza loan. With this refinancing completed, the REIT has no refinancing requirements until November 2026<sup>13</sup>.

UHREIT's FY 2023 performance remained strong due to the resilient attributes of our properties with our tenants focused on providing non-discretionary essential goods and services. Our high occupancy, long weighted average lease expiry, minimal 2024 lease expiries, largely triple net lease structure and prudent capital management, with no loans due for refinancing, will stand us in good stead for 2024.

As at 31 December 2023, our weighted average debt maturity is 3.0 years<sup>13</sup> and 78.8% of our total loans are either fixed-rate loans or floating-rate loans that have been hedged using interest rate swaps. Our interest coverage ratio is 2.9 times<sup>14</sup> and our aggregate leverage of 41.7% is well below the limit set out by the Monetary Authority of Singapore.

## DISTRIBUTION REINVESTMENT PLAN

To provide Unitholders with an opportunity to increase their unitholding in UHREIT without incurring brokerage fees, stamp duties and other related costs, we established the Distribution Reinvestment Plan ("DRP") on 23 February 2022. Unitholders have the option to elect to receive distributions in cash or new units in UHREIT or a combination of both cash and new units. The issue of new units in lieu of cash distributions under the DRP will also strengthen UHREIT's balance sheet, enhance our working capital reserves and improve the liquidity of the units.

## COMMITMENT TO SUSTAINABILITY AND GOOD CORPORATE GOVERNANCE

UHREIT believes that a strong Environmental, Social and Governance ("ESG") strategy is important to our continued success. In 2023, we further strengthened our ESG efforts, delivering good progress in making our operations more energy efficient and lowering our greenhouse gas emissions. Overall, we reduced our common area electricity usage portfolio wide by 14%<sup>15</sup> from the previous year.

<sup>12</sup> Based on base rental income of Grocery & Necessity Properties for the month of December 2023.

<sup>13</sup> Assuming the loan extension option is fully exercised and successfully refinanced Arundel Plaza Mortgage Loan subsequent to year end.

<sup>14</sup> The interest coverage ratio is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees (excluding interest on lease liabilities).

<sup>15</sup> Electricity consumption here excludes properties in FY2023 with partial year data due to acquisition and divestment activities.



One of our key sustainability initiatives is the installation of energy efficient LED lighting at the common areas of our properties. In FY2023 we further increased the percentage of properties with LED lighting to 59%, comfortably surpassing our 50% target for the year. We also actively engaged our top 10 tenants to work together on ESG initiatives to collectively reduce our carbon footprint. For example, we have discussed the possibility of the installation of new solar systems on the roofs over tenant spaces as well as other initiatives to support the tenant's adoption of more energy efficient processes such as energy efficient HVAC systems.

Governance is another key component of ESG. UHREIT maintains high standards of corporate governance and transparency and has been included in the SGX Fast Track for our outstanding compliance track record since 2021. We also boast zero instances of non-compliance with anti-corruption laws and regulations, which further highlights our commitment to strong corporate governance. Since September 2022, UHREIT has also been included in the iEdge SG ESG transparency index which is an ESG factor index that measures the performance of a stock in the broad sustainability index.

We are also honoured to have won several prestigious awards during the year. The REIT and management team won three awards at the Asia Pacific Best of the Breeds REITs Awards 2023:

- Best CEO (Asia Pacific) – Gold
- Best CFO (Asia Pacific) – Gold
- Best Retail REIT – Gold

UHREIT's FY2022 Annual Report was also named as a Platinum Winner at the renowned International Hermes Creative Awards 2023. Furthermore, we were awarded a Certificate for Excellence in Investor Relations by the IR Magazine Awards - Southeast Asia 2023 for the second consecutive year. In addition, we were shortlisted as a finalist for two other awards - Best Use of Multimedia for Investor Relations and Best Investor Relations Website.

## LOOKING AHEAD

Whilst the risk of a hard landing appears to have receded, the global economy is likely to face continued uncertainties and challenges in 2024. Geopolitical risks remain high, particularly in the Middle East, which may cause energy and commodity prices to spike. In the U.S., there is cautious optimism that the Federal Reserve may cut interest rates this year, although the timing and number of interest rate cuts is uncertain. The

U.S. Presidential election will also take place this year and may result in significant changes in fiscal and economic policies.

UHREIT's FY2023 performance remained strong due to the resilient attributes of our properties with our tenants focused on providing non-discretionary essential goods and services. Our high occupancy, long WALE, minimal 2024 lease expiries, largely triple net lease structure and prudent capital management, with no loans due for refinancing, will stand us in good stead for 2024.

We will be nimble and proactive in our portfolio and asset management strategy. We will continue to pursue asset enhancement and development initiatives which can grow the REIT's income streams organically. We will also selectively consider opportunistic divestment opportunities to reduce gearing or to re-deploy the capital into better yielding asset enhancement opportunities or acquisitions. We will also explore inorganic growth opportunities such as accretive acquisitions.

## ACKNOWLEDGEMENT

We would like to extend our gratitude to our Board for their strong stewardship, advice, and wise guidance. We would also like to thank our management team and staff for their dedication and contributions to our success.

On behalf of the Board and the Management team, we would like to thank Mr. Robert Schmitt, who stepped down as CEO on 1 May 2023. We value his contributions, astute leadership and dedication since the listing of the UHREIT in March 2020.

We would also like to thank our Sponsors, partners, tenants and shoppers for your devoted and continued support, and our special appreciation to our Unitholders, for your continued trust and belief in our strategy.

We are committed to ensuring the continued growth of our resilient, high quality property portfolio. By delivering stability and sustainable value to our Unitholders, we are excited to chart UHREIT's next phase of growth.

Yours sincerely,

**TAN TONG HAI**

Chairman and Independent  
Non-Executive Director

**GERARD YUEN**

Chief Executive Officer



# 2023 KEY EVENTS



## FEBRUARY

- Announced 2H 2022 & FY2022 financial results on 22 February 2023, FY2022 Distributable Income of \$33.1 million was 6.2% higher than FY2021.

## MARCH

- Won three prestigious Gold Awards at Asia Pacific Best of the Breeds REITs Awards 2023, namely Best CEO (Asia Pacific), Best CFO (Asia Pacific) and Best Retail REIT (for REITs under US\$1.0 billion market capitalisation).

## APRIL

- Held virtual Annual General Meeting on 21 April 2023 with all proposed resolutions duly passed.

## MAY

- Retirement of Mr. Robert Schmitt as CEO and appointment of Mr. Gerard Yuen as new CEO.
- UHREIT's FY2022 Annual Report was recognised as the Platinum winner at the International Hermes Creative Awards 2023.
- Announced 1Q 2023 Operational Updates on 12 May 2023, Distributable Income of US\$8.8 million for 1Q 2023 was 7.6% higher than 1Q 2022.
- Participated in the Singapore REITs Symposium physical event to share insights on UHREIT's strategy and business developments with the retail investors.

## AUGUST

- Announced 1H 2023 financial results on 12 August 2023, Distributable Income of US\$16.7 million for 1H 2023 was 2.2% higher than 1H 2022.
- Announced the completion of divestment of Big Pine Center for a total sales consideration of US\$9.9 million, representing an attractive premium of 3.7% over the 31 December 2022 appraised value and a 7.7% premium over the purchase price.

## NOVEMBER

- Announced 3Q 2023 Key Business and Operational Updates on 9 November 2023. Net Property Income for the 9-month ended 30 September 2023 was 12.2% higher than the prior comparative period.
- Construction of Academy Sports + Outdoors building at St. Lucie West, Florida was completed ahead of schedule with store opening, in time for the U.S. Thanksgiving and Christmas festive season.

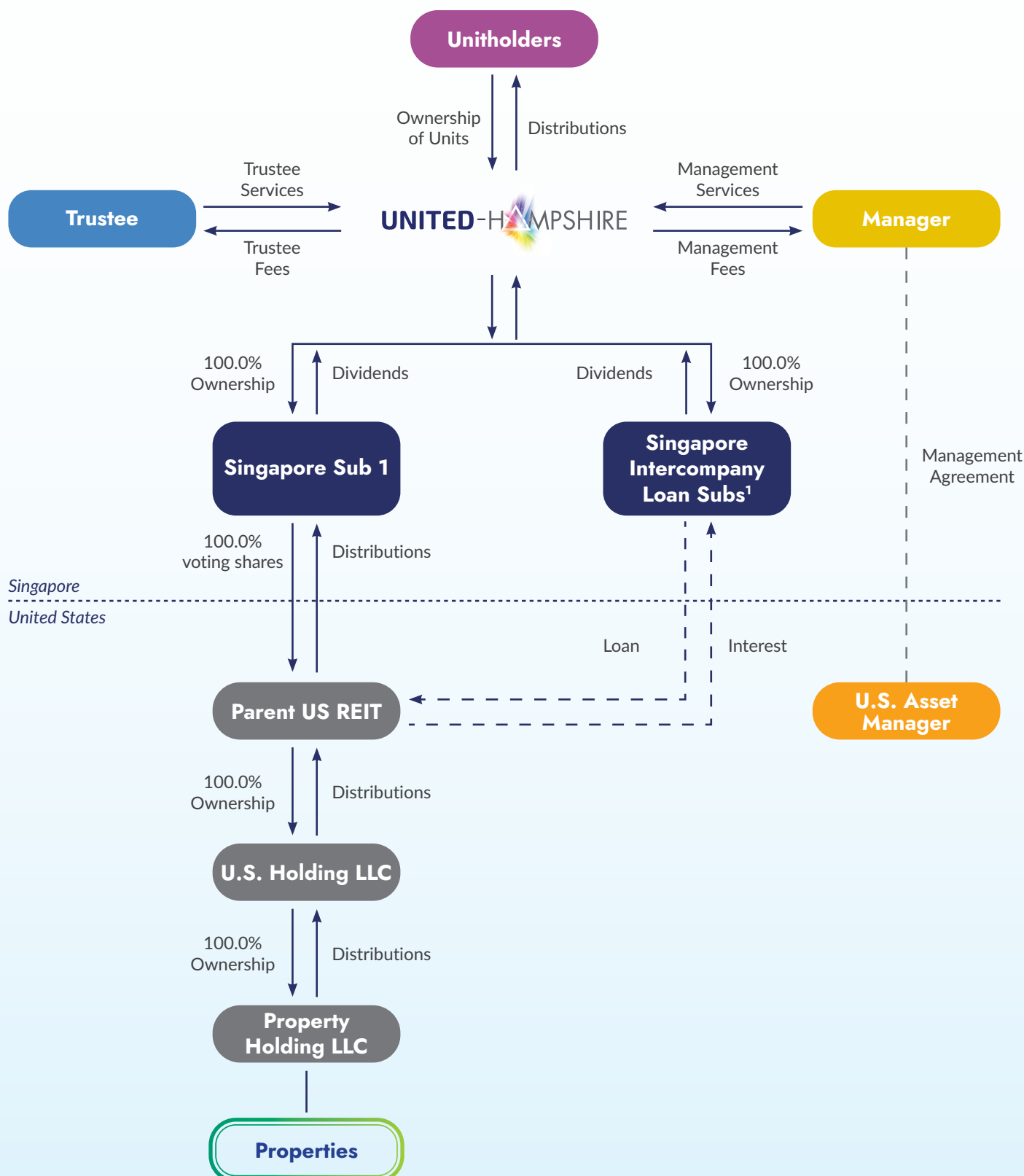
## DECEMBER

- Awarded Certificate of Excellence in Investor Relations by IR Magazine Forum & Awards – South East Asia 2023.



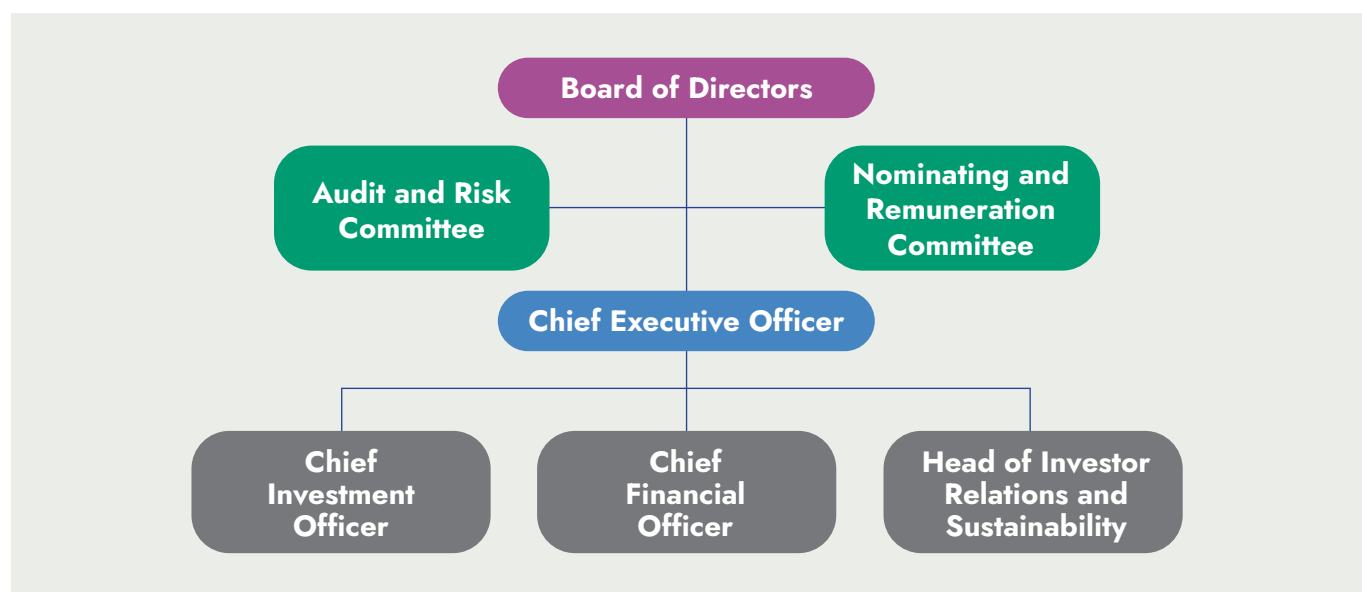
# TRUST AND TAX STRUCTURE

The following diagram illustrates the relationship, among others, between UHREIT, the Manager, the Trustee, the U.S. Asset Manager and Unitholders as at 31 December 2023:



<sup>1</sup> There are two wholly-owned Singapore Intercompany Loan Subsidiaries extending intercompany loans to the Parent US REIT.

# ORGANISATION STRUCTURE



## THE SPONSORS AND THE MANAGER

### THE SPONSORS

The Sponsors of UHREIT are UOB Global Capital LLC and The Hampshire Companies, LLC.

#### UOB Global Capital LLC ("UOB Sponsor")

UOB Global Capital LLC is an originator and distributor of private equity, hedge funds, fixed income and real estate products, and a global asset management subsidiary of United Overseas Bank Limited ("UOB"), a leading bank in Asia. UOB Global Capital LLC was founded in 1998 with US\$3.7 billion in Asset under Management ("AUM") as of 31 December 2023. It operates from offices in New York and Paris, with representation at UOB's headquarters in Singapore. In this way, the firm can conduct its activities and meet investors' needs across the Americas, Europe, the Middle East and Asia.

#### The Hampshire Companies, LLC ("Hampshire Sponsor")

The Hampshire Companies, LLC is a privately held, fully integrated real estate firm and real estate investment fund manager, which has over 60 years of hands-on experience in acquiring, developing, leasing, repositioning, managing, financing and disposing of real estate. It has a diversified

investment platform and derives results from its broad experience in multiple commercial real estate asset classes, including retail, self-storage, office, industrial and multifamily. The Hampshire Companies, LLC currently owns and operates a diversified portfolio of 180 properties across the U.S. with an AUM of approximately US\$1.7 billion in value and approximately 13.5 million square feet<sup>1</sup>. The Hampshire Companies, LLC is also the asset manager of UHREIT bringing its total regulatory and non-regulatory AUM to US\$2.5 billion<sup>1</sup>.

Since 2008, UOB Global Capital LLC and The Hampshire Companies, LLC have jointly formed three funds with combined AUM of approximately US\$1.3 billion (as at 31 December 2023) to focus on investment opportunities in income producing real estate assets in the U.S.

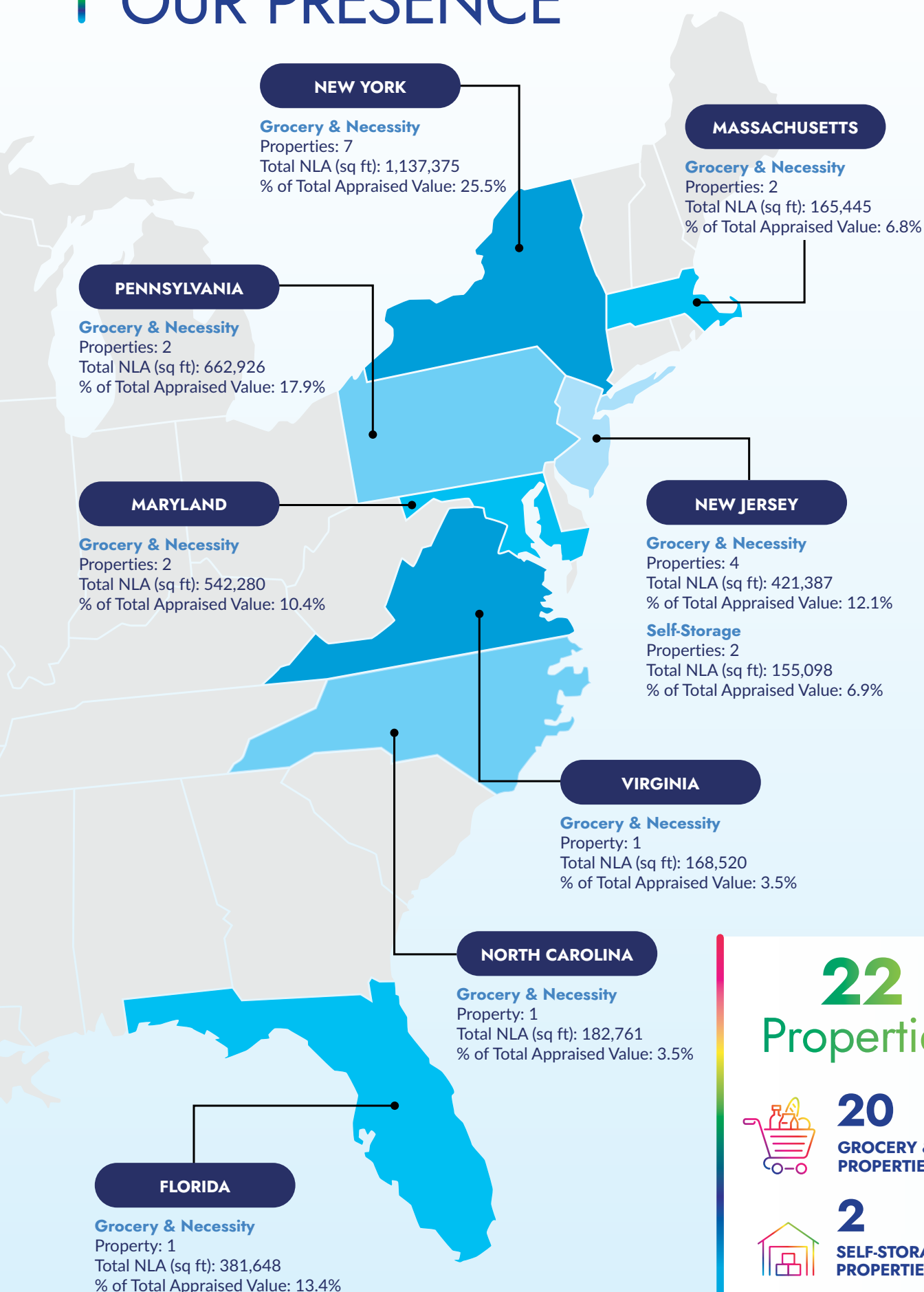
### THE MANAGER

United Hampshire US REIT Management Pte. Ltd. is the Manager of UHREIT. The Manager is jointly owned by UOB Sponsor and Hampshire U.S. Holdco, LLC, a wholly owned subsidiary of the Hampshire Sponsor. The Manager is able to harness synergies and draw competencies from the two best-in-class management platforms of its Sponsors.

<sup>1</sup> As at 31 December 2023.



# OUR PRESENCE



**22**  
**Properties**



**20**

**GROCERY & NECESSITY  
 PROPERTIES**



**2**

**SELF-STORAGE  
 PROPERTIES**

# BOARD OF DIRECTORS



**TAN TONG HAI**

Chairman and Independent Non-Executive Director



**JAMES ERNEST EDWIN HANSON II**

Non-Independent Non-Executive Director



**DAVID TUVIA GOSS**

Non-Independent Non-Executive Director



**WEE TENG WEN**

Non-Independent Non-Executive Director



**CHUA TECK HUAT BILL**

Independent Non-Executive Director



**JAELE ANG KER TJIA**

Independent Non-Executive Director



**TAN TONG HAI, 60**

Chairman and Independent Non-Executive Director

**Date of First Appointment as a Director**

21 February 2020

**Date of First Appointment as a Chairman (for Chairman only)**

21 February 2020

**Length of Service as a Director (as at 31 December 2023)**

3 years 10 months

**Board Committees Served On**

- Chairman of the Nominating and Remuneration Committee
- Member of the Audit and Risk Committee

**Present Directorships in other Listed Companies**

- Taiwan Mobile Co. Ltd
- Metis Energy Limited

**Present Principal Commitments**

- Nanyang Polytechnic (Chairman of Board of Governors)
- Manhattan Property Development Pte. Ltd. (Director)

**Past Directorships or Principal Commitments held over the Preceding Three Years (1 January 2021 to 31 December 2023)**

- Super Sea Cable Networks Pte. Ltd. (Director)
- Seax Global Pte. Ltd. (Director)

**Background and Working Experience**

Mr. Tan holds directorships in Manhattan Property Development Pte. Ltd., Metis Energy Limited and Taiwan Mobile Co. Ltd. In the public sector, he serves as the Chairman of Nanyang Polytechnic.

Mr. Tan has extensive experience in the Telecom, Media and Technology sector. He held positions as President and Chief Executive Officer in StarHub Ltd. (2013 to 2018), and also in Singapore Computer Systems Ltd (2005 to 2008) and NASDAQ-listed Pacific Internet Ltd (2001 to 2005).

In 2015, Mr. Tan was conferred the prestigious IT Leader of the Year Award by Singapore Computer Society.

In 2020, Mr. Tan was awarded a Public Service Medal (PBM) for his contribution to education in Singapore.

**Academic and Professional Qualifications**

Bachelor of Electrical Engineering (Hons), National University of Singapore

**Awards**

The Public Service Medal, 2020

**JAMES ERNEST EDWIN HANSON II, 65**

Non-Independent Non-Executive Director

**Date of First Appointment as a Director**

24 May 2019

**Length of Service as a Director (as at 31 December 2023)**

4 years and 7 months

**Board Committees Served On**

Member of the Nominating and Remuneration Committee

**Present Directorships in other Listed Companies**

- Lakeland Bancorp, Inc. (Director)
- Lakeland Bank, Inc. (Director)

**Present Principal Commitments**

- United Hampshire US Parent REIT, Inc. (Director)
- Anderson Fund VII, LLC (Director)
- Owl Creek Capital Corp. (Director)
- The Hampshire Companies, LLC (Director)
- Hampshire Partners REIT VIII, Inc (Director)
- Hampshire Partners II, LLC (Director)
- Sonehan, LLC (Director)
- JDJ Associates (Director)
- Hanson Family LP (Director)
- FIMCO LLC (Director)
- CIMCO Fourteen LLC (Director)
- Hampshire Destination Properties LLC (Director)
- NJ Division of Investments, State Investment Council (Council Member)
- Palisades Interstate Park Commission (Commissioner & President)

**Past Directorships or Principal Commitments held over the Preceding Three Years (1 January 2021 to 31 December 2023)**

- United Hampshire US REIT Sub 1 Pte. Ltd. (Director)
- United Hampshire US REIT Sub 2 Pte. Ltd. (Director)

**Background and Working Experience**

Mr. Hanson is the President and Chief Executive Officer of The Hampshire Companies, LLC, a vertically integrated real estate development and operating platform. As at 31 December 2023, The Hampshire Companies, LLC owns and operates a diversified portfolio of properties across the U.S. with an AUM in excess of US\$2.0 billion. The Hampshire Companies, LLC is also the asset manager of UHREIT bringing its total regulatory and non-regulatory AUM to US\$2.5 billion. Mr. Hanson oversees the operation and investment activities of The Hampshire Companies and its Funds and has over 35 years of real estate investment management and operational experience. Prior to this, he was the President of The Hampshire Companies, LLC from September 2001 to December 2003.

**Academic and Professional Qualifications**

- Bachelor of Arts, Hope College
- Juris Doctor Degree, Vermont Law School

# BOARD OF DIRECTORS

## DAVID TUVIA GOSS, 76

Non-Independent Non-Executive Director

### Date of First Appointment as a Director

6 June 2019

### Length of Service as a Director (as at 31 December 2023)

4 years and 6 months

### Board Committees Served On

Member of the Nominating and Remuneration Committee

### Present Directorships in other Listed Companies

Nil

### Present Principal Commitments

- United Hampshire US Parent REIT, Inc. (Director)
- UOB Capital Partners LLC (Director)
- UOB Global Capital Private Limited (Director)
- UOB Global Capital LLC (Director)
- ACIF GP Ltd. (Director)
- UOB Global Equity Sales LLC (Manager)
- Teamco Management Company LLC (Manager)
- UOB/HGF Real Estate Partners LLC (Manager)
- UOB Eagle Rock GP LLC (Manager)
- HUH Real Estate Partners, LLC (Manager)
- HUH Real Estate Partners II, LLC (Manager)
- United Hampshire US Holdings LLC (Manager)

### Past Directorships or Principal Commitments held over the Preceding Three Years (1 January 2021 to 31 December 2023)

- U.S. RE Fund Offshore Feeder 1, Ltd (Director)
- United Hampshire US REIT Sub 1 Pte. Ltd. (Director)
- United Hampshire US REIT Sub 2 Pte. Ltd. (Director)
- UOB Global Capital (Dublin) Ltd. (Director)
- UOB Global Strategies Funds PLC (Director)
- UOB Portfolio Advisors Pan Asia Select Fund GP, Ltd. (Director)
- Asia Select Management Ltd. (Director)

### Background and Working Experience

Mr. Goss is the Managing Director of UOB Global Capital LLC since September 1998. Prior to co-founding UOB Global Capital LLC in 1998, Mr. Goss was President and CEO of AIG Asset Management Services ("AIG") in New York from March 1995, with global responsibility for AIG's third-party asset management activities.

Before joining AIG, he was Global Marketing Director for Equitilink, an Australian independent asset management company, from September 1986. Before joining Equitilink, he was an executive with overall management responsibilities at Bingo Cash and Carry, a wholesale distributor, from April 1982. Before Bingo Cash and Carry, he was a sales and marketing executive at Reinhold Brothers, a diamond dealer, from March 1978. Prior to Reinhold Brothers, he was a Partner at the law firm Harry Goss Attorneys from December 1972.

### Academic and Professional Qualifications

Bachelor of Arts in Law and Economics and a Bachelor of Laws, University of Witwatersrand Johannesburg

## WEE TENG WEN, 43

Non-Independent Non-Executive Director

### Date of First Appointment as a Director

21 February 2020

### Length of Service as a Director (as at 31 December 2023)

3 years 10 months

### Board Committees Served On

Nil

### Present Directorships in other Listed Companies

Nil

### Present Principal Commitments

- The Lo and Behold Group Pte. Ltd. (Director)
- The White Rabbit Pte. Ltd. (Director)
- Over Easy Pte. Ltd. (Director)
- Tanjong Beach Club Pte. Ltd. (Director)
- For the Love of Laundry Pte. Ltd. (Director)
- TWTC Pte. Ltd. (Director)
- Extra Virgin Pizza Pte. Ltd. (Director)
- MS15 Pte. Ltd. (Director)
- Loof Pte. Ltd. (Director)
- Cecil Street Pte. Ltd. (Director)
- Lo and Behold Hotels Pte. Ltd. (Director)
- BTV Group Pte. Ltd. (Director)
- The Coconut Club Pte. Ltd. (Director)
- Odette Restaurant Pte. Ltd. (Director)
- Esora Pte. Ltd. (Director)
- Horse Devours Pte. Ltd. (Director)
- Akronym Pte. Ltd. (Director)
- Behold Julien Pte. Ltd. (Director)
- Grain Holdings Pte. Ltd. (Director)
- Claudine Pte. Ltd. (Director)
- Clink Clink Pte. Ltd. (Director)
- Lo and Behold Properties Pte. Ltd. (Director)
- Verso Restaurant Pte. Ltd. (Director)
- Fico Restaurant Pte. Ltd. (Director)
- Re:Growth Pte. Ltd. (Director)
- New Bahru Pte. Ltd. (Director)
- W2HS (Owner)

### Past Directorships or Principal Commitments held over the Preceding Three Years (1 January 2021 to 31 December 2023)

- Members Only Hospitality Pte. Ltd. (Director)
- Eatsy Technologies Pte. Ltd. (company has been struck-off) (Director)
- CS19 Pte. Ltd. (company has been struckoff) (Director)

### Background and Working Experience

Mr. Wee is the Managing Director of The Lo and Behold Group Pte. Ltd., a Singapore-based hospitality group, since June 2007. From January 2006 to January 2008, Mr. Wee was based in Boston and held the position of Management Consultant at Monitor Group, a multinational strategy consulting practice.

### Academic and Professional Qualifications

Bachelor of Science in Economics, University of Pennsylvania, U.S.A.

### Awards

Outstanding Tourism Entrepreneur (Singapore Tourism Board)



## CHUA TECK HUAT BILL, 70

Independent Non-Executive Director

### Date of First Appointment as a Director

21 February 2020

### Length of Service as a Director (as at 31 December 2023)

3 years 10 months

### Board Committees Served On

- Chairman of the Audit and Risk Committee
- Member of the Nominating and Remuneration Committee

### Present Directorships in other Listed Companies

- Amara Holdings Limited

### Present Principal Commitments

- Sunseap Group Pte. Ltd. (Director)
- Citibank Singapore Limited (Director)
- Swan & Maclaren Group Pte. Ltd. (Director)

### Past Directorships or Principal Commitments held over the Preceding Three Years (1 January 2021 to 31 December 2023)

Nil

### Background and Working Experience

Mr. Chua is currently an Independent Director of Sunseap Group Pte. Ltd., Citibank Singapore Limited and Amara Holdings Limited. He has served on other boards in the last 23 years, such as the Defence Science and Technology Agency, DSO National Laboratories, CLS AG, the holding company of CLS Bank & CLS Services Ltd, Jurong International, a subsidiary of JTC Corporation, and Singapore Technologies Electronics Ltd and Singapore Technologies Kinetics Limited, both subsidiaries of Singapore Technologies Engineering Ltd.

Mr. Chua has extensive financial services experience, having worked at United Overseas Banking Group ("UOB"), Overseas Union Banking Group and Citibank NA from 2000 to 2014. He was the Managing Director and Head of Global Financial Institutions Group at UOB when he retired in 2014. He has had other senior management responsibilities at these banks ranging from Coverage, Structuring, Distribution, Risk Management and Operations in Institutional, Wholesale and Retail Banking.

### Academic and Professional Qualifications

Bachelor of Arts and Bachelor of Engineering (Hons), University of Newcastle, Australia

### Awards

- The Public Service Star, 2012
- The Public Service Medal, 2004

## JAELE ANG KER TJIA, 43

Independent Non-Executive Director

### Date of First Appointment as a Director

21 February 2020

### Length of Service as a Director (as at 31 December 2023)

3 years 10 months

### Board Committees Served On

- Member of the Audit and Risk Committee
- Member of the Nominating and Remuneration Committee

### Present Directorships in other Listed Companies

Nil

### Present Principal Commitments

- Indigo Paradigm 13 Pte. Ltd. (Director)
- Sky Pacific Pte. Ltd. (Director)
- The Great Room Pte. Ltd. (Director)
- The George Offices Pte. Ltd. (Director)
- The Great Room CT Pte. Ltd. (Director)
- The Great Room RH Pte. Ltd. (Director)
- The Great Room NA Pte. Ltd. (Director)
- The Great Room AAIM Pte. Ltd. (Director)
- The Great Room SB Pte. Ltd. (Director)
- The Great Room (Hong Kong) Limited (Director)
- The Great Room CJC Limited
- The Great Room (Australia) Pty Ltd
- The Great Room CR Pty Ltd
- Singapore Land Authority (Director)

### Past Directorships or Principal Commitments held over the Preceding Three Years (1 January 2021 to 31 December 2023)

- Playeum Ltd. (Director)
- Country Group Development PCL (Director)

### Background and Working Experience

Ms. Ang has been a Co-Founder and CEO of The Great Room, a coworking space inspired by hospitality since January 2016.

From October 2009 to January 2016, Ms. Ang was the Head of Development of Country Group Development PCL. From February to August 2009, Ms. Ang was with Credit Suisse as the Assistant Vice President of Business Development, prior to which, Ms. Ang was with Citi Private Bank as an Associate of Strategy, Mergers and Acquisition (International) from June 2006 to February 2009.

### Academic and Professional Qualifications

- Bachelor of Architecture, University College London
- Master of Business Administration, Imperial College London

# I THE MANAGER



**GERARD YUEN WEI YI**  
Chief Executive Officer

Mr. Yuen was appointed as the Chief Executive Officer (the “CEO”) of the Manager on the 1 May 2023. Prior to this, Mr. Yuen was the Chief Financial Officer of the Manager and played a pivotal role in the successful listing of UHREIT on the SGX-ST on 12 March 2020.

As the CEO, Mr. Yuen works with the Board to determine the strategy for UHREIT. He is also responsible for the overall day-to-day management and operations, as well as working closely with the investment, asset management, financial, investor relations and compliance personnel to meet the strategic, investment and operational objectives of UHREIT.

Mr. Yuen has more than 20 years of experience in investment banking, finance and the public sector. Prior to joining the Manager, Mr. Yuen was a Managing Director with Nomura Singapore Limited. Before that, he was with Deutsche Bank AG, Singapore Branch where he held a variety of positions within the Global Banking and Global Markets Division.

Mr. Yuen started his career with the Ministry of Finance, Singapore.

Mr. Yuen graduated with First Class Honours, Bachelor of Arts, Philosophy, Politics and Economics from St Edmund Hall, University of Oxford, and a Master of Science, Economics for Development from St Edmund Hall, University of Oxford.



**DEREK GARDELLA**  
Chief Investment Officer

Mr. Gardella is the Chief Investment Officer and was deeply involved in UHREIT’s IPO. He works closely with the CEO and other members of the management team on corporate strategy and planning initiatives in addition to overseeing the strategic execution of the portfolio management, acquisitions and asset management activities of UHREIT.

Mr. Gardella has more than 20 years of real estate experience. He joined The Hampshire Companies in 2011 and has held a diverse range of positions over the last 12 years. Mr. Gardella was a Portfolio Manager for Core-Plus and Value-Add Closed-End Institutional Real Estate Funds, and also previously served as a Director of Acquisitions and Financing where he managed a team in structuring and negotiating acquisitions and financings for a variety of property types. Prior to joining The Hampshire Companies, he spent the majority of his career with JPMorgan where he held a variety of roles in the Investment Management and Investment Banking divisions.

Mr. Gardella holds a Bachelor of Science Degree from Fairfield University with a Dual Major in Finance and Information Systems, as well as a Master of Science Degree in Real Estate from New York University. He is a member of the International Council of Shopping Centers. Mr. Gardella is also a member of the Adjunct faculty at New York University and Fordham University where he teaches courses focused on real estate.







**YAP SOH CHENG**  
Chief Financial Officer

Ms. Yap was appointed as the Chief Financial Officer (the “CFO”) of the Manager on the 1 May 2023. Before her current appointment, Ms. Yap was the Finance Director of the Manager and played a pivotal role in the successful listing of UHREIT on the SGX-ST on 12 March 2020.

As the CFO, Ms. Yap provides support to the CEO in the execution of UHREIT’s overall growth strategies, as well as oversight of the finance function. She is responsible for the formulation and execution of UHREIT’s financial strategies, capital management, financial risk management, treasury, tax and financial reporting.

Ms. Yap also develops and maintains appropriate policies, procedures and processes for finance and other operational areas to ensure appropriate internal controls are in place.

Ms. Yap has more than 20 years of experience in a wide spectrum of financial and accounting functions, including financial strategic planning, corporate finance, treasury, group consolidation, management and financial reporting, budgeting and compliance matters, as well as auditing function. Prior to joining the Manager, she was the Financial Controller of CashShield Pte Ltd and Leader Energy Pte Ltd, and was a Finance Director with Heptagon Micro Optics Pte Ltd.

Early in her career, Ms. Yap was an external auditor with PricewaterhouseCoopers LLP and Ernst & Young LLP.

Ms. Yap graduated with a professional qualification with ACCA. She is a Chartered Accountant (Singapore) and member of the Institute of Singapore Chartered Accountants and affiliate member of the Association of Chartered Certified Accountants.



**WONG SIEW LU, CFA, CA (SINGAPORE)**  
Head of Investor Relations and Sustainability

Ms. Wong is responsible for managing the Investor Relations, Communications and Sustainability functions of UHREIT. As the key liaison between UHREIT and the investment community, Ms. Wong nurtures relationships with institutional and retail investors, research analysts and the media, as well as facilitates two-way communication with the investment community. In addition, she works with the management team to develop and implement UHREIT’s sustainability strategy.

She brings over 15 years of extensive international experience in investor relations, capital markets (buy-side), corporate banking, and has been actively involved in capital raising, M&A transactions, corporate strategy and business development.

Ms. Wong has extensive international exposure to various industries and roles, having worked and lived in 6 countries over the course of her career. Prior to joining the Manager, she was the Head of Investor Relations and Capital Markets in Sasseur REIT. At Sasseur REIT, she was instrumental in profiling the REIT to be the top 5 performing SREIT in 2019.

Early in her career, Ms. Wong held corporate banking positions at National Australia Bank as well as investment analyst positions at asset management firms, before heading the investor relations role at SGX Mainboard-listed oil and gas company, Falcon Energy Group Limited.

Ms. Wong holds a Bachelor of Applied Science (Computational Finance) Degree from National University of Singapore. She is a Chartered Financial Analyst (CFA®) Charterholder and a Chartered Accountant of Singapore, as well as a member of the Institute of Singapore Chartered Accountants.

# I U.S. ASSET MANAGER



**TIMOTHY SOULAS**  
Portfolio Manager and Head  
of Asset Management

Mr. Soulas is the Portfolio Manager and Head of Asset Management for The Hampshire Companies in its role as U.S. Asset Manager for UHREIT. He is responsible for oversight of the asset management, leasing, and property management teams and execution of the annual business plan.

Mr. Soulas has over ten years of experience in the real estate industry. Prior to joining The Hampshire Companies, Mr. Soulas was Vice President of Asset Management for Advance Realty, focused on a portfolio of retail, industrial and office assets. He holds a Bachelor of Business Administration degree in Finance and Real Estate from Villanova University.



**DANIEL CASEY**  
Acquisitions Associate

Mr. Casey is the Acquisitions Associate of The Hampshire Companies and his responsibilities include sourcing for acquisition opportunities, underwriting, due diligence and managing the valuation process. He is also involved in developing the property and portfolio-level analytical tools.

Mr. Casey joined The Hampshire Companies in 2017 and completed the three-year Analyst Program. In his prior role at The Hampshire Companies, Mr. Casey was responsible for the fund modeling for Core-Plus Real Estate Funds and underwriting for retail, industrial and self-storage properties.

Mr. Casey has six years of experience in the real estate industry and holds a Bachelor of Science Degree in Business Management from Babson College.



**LESLI SKIRBE**  
Asset Administrator

Ms. Skirbe is the Asset Administrator of The Hampshire Companies. She is responsible for overseeing the day-to-day administrative function which includes handling of leasing documents, calendar management, document maintenance, sustainability efforts as well as overseeing special projects while supporting the Chief Investment Officer and the management team of the Manager.

Ms. Skirbe has more than 10 years of real estate and administrative experience. Prior to her current role, she was a Fund Administrator of The Hampshire Companies and prior to that, she was a Mortgage Account Executive responsible for generating monthly mortgage sales and overseeing the loan process. Ms. Skirbe graduated from Berkeley College of Business.





# FINANCIAL REVIEW AND CAPITAL MANAGEMENT

**UHREIT DELIVERS STABLE AND SUSTAINABLE VALUE WITH HEALTHY GROWTH IN GROSS REVENUE, NET PROPERTY INCOME AND APPRAISED PORTFOLIO VALUATION**



## OVERALL REVIEW

UHREIT continues to deliver healthy growth in gross revenue and net property income for the financial year ended 31 December 2023.

The Group's gross revenue and net property income for the full year ended 31 December 2023 ("FY2023") increased by 7.1% and 7.6% to US\$72.2 million and US\$50.6 million respectively. This was mainly driven by the contributions from (i) new leases and rent escalation from the existing leases (ii) Upland Square which was acquired in July 2022 and (iii) new Academy Sports store at St. Lucie West which opened in November 2023.

The Group's distributable income for the financial year ended 31 December 2023 of US\$30.4 million decreased by 8.2% from US\$33.1 million achieved in the previous corresponding year ("FY2022"). This was mainly attributable to the change in Manager's base fee payout as the Manager has elected to receive 100% of its base fee of US\$1.5 million for the financial period from 1 July 2023 to 31 December 2023 ("2H2023") in cash in lieu of Units. For a like-for-like comparison, assuming the Manager's base fee for 2H2023 was paid in the form of Units, the adjusted distributable income of FY2023 would have been US\$31.9 million, 3.6% lower year-on-year ("y-o-y") compared to distributable income of US\$33.1 million in FY2022.

Distribution per Unit ("DPU") for FY2023 was 4.79 US cents, 18.5% lower than FY2022's DPU of 5.88 US cents. During the current financial year ended 31 December 2023, the Manager has retained US\$2.8 million from the distributable income as capital reserve to fund its asset enhancement initiatives. On a like-for-like basis, excluding the retention of distributable income and Manager's base fee in cash, the adjusted DPU for FY2023 would have been 5.54 US cents, 5.8% lower than FY2022's DPU of 5.88 US cents, which was mainly attributable to higher finance costs due to rising interest rates.

# FINANCIAL REVIEW AND CAPITAL MANAGEMENT

	FY2023 US\$'000	FY2022 US\$'000	+/(–) %
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>			
Gross revenue	72,229	67,452	7.1
Property expenses	(21,581)	(20,569)	4.9
Other income	–	175	(100.0)
<b>Net property income</b>	<b>50,648</b>	<b>47,058</b>	<b>7.6</b>
Manager's base fee	(3,195)	(3,313)	(3.6)
Trustee's fee	(150)	(138)	8.7
Other trust expenses	(2,213)	(1,943)	13.9
Finance costs	(16,132)	(12,204)	32.2
Finance income	21	45	(53.3)
<b>Net income before tax, fair value changes and gain/(loss) on divestment of investment properties</b>	<b>28,979</b>	<b>29,505</b>	<b>(1.8)</b>
Gain/(loss) on divestment of investment properties	89	(481)	(118.5)
Fair value change in investment properties	13,286	(2,979)	N.M.
Fair value change on financial derivatives	(2,536)	3,702	(168.5)
<b>Net income before tax</b>	<b>39,818</b>	<b>29,747</b>	<b>33.9</b>
Income tax expense	(6,827)	(3,149)	116.8
<b>Net income after tax</b>	<b>32,991</b>	<b>26,598</b>	<b>24.0</b>
<b>Net income after tax attributable to:</b>			
Unitholders	32,817	26,166	25.4
Non-controlling interests	174	432	(59.7)
<b>Net income for the year</b>	<b>32,991</b>	<b>26,598</b>	<b>24.0</b>
<b>DISTRIBUTION STATEMENT</b>			
Net income after tax attributable to Unitholders	32,817	26,166	25.4
Distribution adjustments	(2,396)	6,965	(134.4)
<b>Net income available for distribution to Unitholders</b>	<b>30,421</b>	<b>33,131</b>	<b>(8.2)</b>
<b>DPU (US cents)</b>	<b>4.79</b>	<b>5.88</b>	<b>(18.5)</b>

N.M. Not Meaningful



## GROSS REVENUE AND NET PROPERTY INCOME ("NPI")

Gross revenue of US\$72.2 million for FY2023 was higher than FY2022 by 7.1% largely due to the contributions from (i) new leases and rent escalation from the existing leases (ii) Upland Square which was acquired in July 2022 as well as (iii) new Academy Sports store at St. Lucie West which opened in November 2023.

Property expenses of US\$21.6 million for FY2023 were higher than FY2022 by 4.9% mainly attributable to Upland Square.

## NET INCOME

Other trust expenses of US\$2.2 million for FY2023 were higher than FY2022 by 13.9% due to higher professional fees incurred.

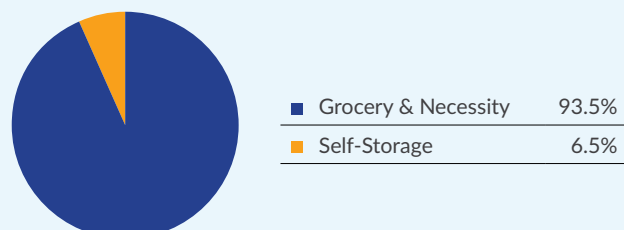
Finance costs of US\$16.1 million for FY2023 were 32.2% higher than FY2022, largely due to the additional loans taken up to partially finance the acquisition of Upland Square, rising interest rates as well as the additional revolving credit facility ("RCF") drawn during FY2023 to finance capital expenditures and tenant improvements.

Net fair value gain in investment properties for FY2023, after taking into consideration the capital expenditure and tenant improvements spent in FY2023, was US\$13.3 million as compared to a net fair value loss of US\$3.0 million in FY2022.

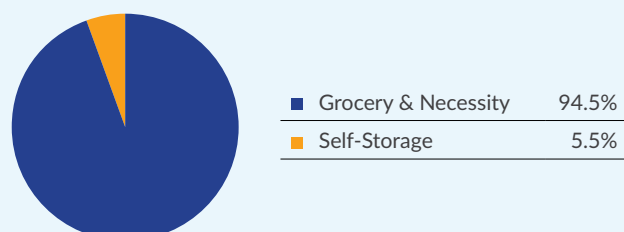
Fair value loss of US\$2.5 million on derivatives in FY2023 as compared to FY2022 fair value gain of US\$3.7 million was due to movement in interest rates for the respective periods.

Consequently, FY2023 net income before tax of US\$39.8 million was higher than FY2022 by 33.9%. The tax expense of US\$6.8 million in FY2023 was higher than FY2022 by 116.8%, attributable to the deferred tax liabilities recognised on the fair value gain in investment properties. Due to the net effects of the above, net income for FY2023 was US\$33.0 million, which is 24.0% higher than FY2022.

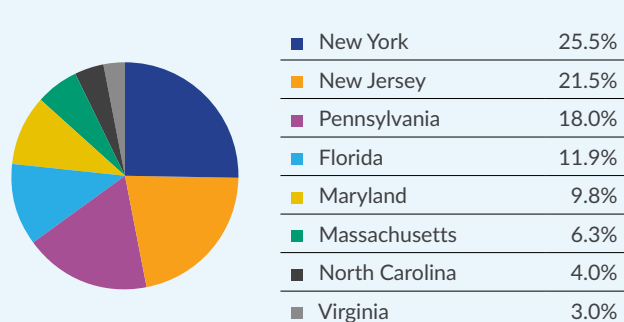
### BASE RENT BY SEGMENT<sup>1</sup>



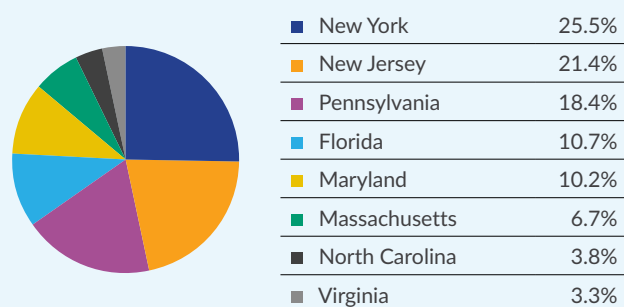
### NPI BY SEGMENT<sup>1</sup>



### BASE RENT BY LOCATION<sup>1</sup>



### NPI BY LOCATION<sup>1</sup>



1 Based on FY2023 Base Rental Income and Net Property Income.

# FINANCIAL REVIEW AND CAPITAL MANAGEMENT

## INVESTMENT PROPERTIES

Given the strong characteristics of the portfolio, UHREIT's portfolio valuation increased 4.7% y-o-y on a like-for-like basis<sup>2</sup> to US\$763.4 million as at 31 December 2023. Despite higher average capitalisation and discount rates, UHREIT's strong operating performance led to the higher portfolio valuation.

## NET ASSET VALUE ("NAV") PER UNIT

As at 31 December 2023, NAV per Unit was US\$0.74 (31 December 2022: US\$0.75). Excluding the DPU of 2.14 US cents, for the period from 1 July 2023 to 31 December 2023, the adjusted NAV per Unit was US\$0.72 (31 December 2022: US\$0.72).

## PROACTIVE AND PRUDENT CAPITAL MANAGEMENT

### KEY FINANCIAL INDICATORS

Total Gross Loans and Borrowings	US\$328.0 million
Undrawn Revolving Credit Facility	US\$24.1 million
Aggregate Leverage	41.7%
Weighted Average Interest Rate	4.74% p.a.
Weighted Average Debt Maturity	3.0 years <sup>3</sup>
Interest Coverage Ratio	2.77 times
Unencumbered Properties as a percentage of Total Portfolio	69.3%

## FUNDING AND BORROWINGS

As at 31 December 2023, UHREIT's gross borrowings amounted to US\$328.0 million (31 December 2022: US\$319.5 million). The y-o-y increase was mainly due to the additional RCF drawn during FY2023 to finance asset enhancement initiatives and general working capital requirements. The Group has US\$24.1 million of undrawn RCF available to meet its future obligations.

All of UHREIT's borrowings are U.S. dollar-denominated, providing a natural hedge for its U.S. investments and income. To mitigate interest rate risk exposures, 78.8% (31 December 2022: 81.4%) of the total gross loans and borrowings are fixed rate loans or floating rate loans that have been hedged using floating-for-fixed interest rate swaps. The Group will continue to benefit from the existing interest rate swaps until the maturity of these swaps.

The weighted average interest rate on loans and borrowings for the financial year was 4.74% (31 December 2022: 3.83%). Excluding upfront debt-related transaction costs, the year-to-date average interest rate is 4.32% (31 December 2022: 2.77%). Aggregate leverage, as defined in the Property Funds Appendix set out within the CIS Code, as at 31 December 2023 was 41.7% (31 December 2022: 41.8%).

The Manager continues to adopt a prudent approach towards capital management, closely monitoring the Group's cash flow position and working capital requirements to ensure that there is adequate liquidity to meet its short- and medium-term obligations. As at 31 December 2023, the weighted average term to maturity of UHREIT's loans and borrowings was 3.0 years (31 December 2022: 4.0 years), assuming the exercise of loan extension options.

As at 31 December 2023, the Group's cash and cash equivalents were US\$13.9 million. Net cash generated from operating activities for FY2023 was US\$45.6 million, mainly from cash received from NPI. Net cash used in investing activities for FY2023 amounted to US\$9.3 million. This included mainly cash of US\$18.7 million deployed for capital expenditure relating to investment properties during FY2023. This was offset by net cash of US\$9.4 million received from the divestment of Big Pine Center. Net cash used in financing activities amounted to US\$34.7 million.

## WELL-SPREAD DEBT MATURITY PROFILE

The Group has completed the refinancing of Arundel Plaza Mortgage Loan subsequent to year end. Post completion of this refinancing, the Group has a debt maturity profile well-staggered over six years with no immediate refinancing requirements until November 2026<sup>3</sup>, mitigating near-term liquidity and funding cost risks.

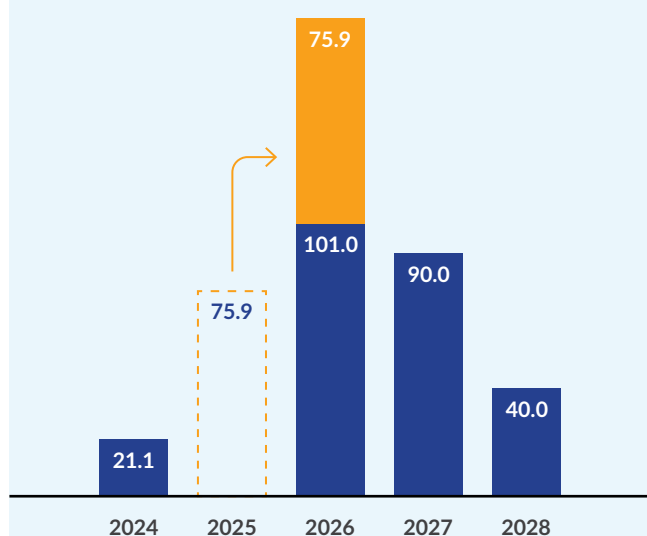
<sup>2</sup> The like-for-like basis portfolio valuation computation does not include Big Pine Center, which was divested in August 2023.

<sup>3</sup> Assuming the exercise of loan extension options.

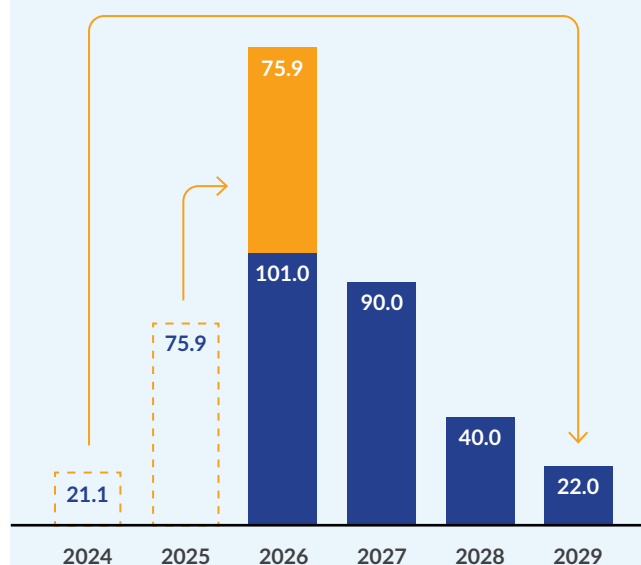


**DEBT MATURITY PROFILE (US\$ MILLION)**

Before refinancing of Arundel Plaza Mortgage Loan and assuming the exercise of loan extension options

**ADJUSTED DEBT MATURITY PROFILE (US\$ MILLION)**

Post refinancing of Arundel Plaza Mortgage Loan and assuming the exercise of loan extension options

**CAPITAL MANAGEMENT**

The Manager manages the capital of the Group to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Unitholders through the optimisation of debt and net assets attributable to Unitholders, and to ensure that all other externally imposed capital requirements are complied with.

The capital structure of the Group consists of debts, which include bank borrowings and net assets attributable to Unitholders comprising issued and issuable units, and reserves. Effective 16 April 2020, the Trust and the Group are required to maintain aggregate leverage not exceeding 50.0% of the total asset value of the Group in accordance with the CIS Code issued by the Monetary Authority of Singapore ("MAS"). With a minimum interest coverage ratio of 2.5 times, Singapore REITs are allowed to increase their leverage to beyond the prevailing 45.0% limit (up to 50.0%). A breach will result in a non-compliance to the regulation.

**FINANCIAL AND TAX RISK MANAGEMENT**

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects of changes in the financial markets

on the financial performance of the Group. Risk management is carried out by the Group under internal management policies. The management of the Group identifies, evaluates and manages financial risks and provides guidelines for overall risk management, covering specific areas, such as mitigating interest rate risks, credit risk, liquidity risks and foreign currency exchange risks.

A subsidiary group of the Group has elected to be taxed as a Real Estate Investment Trust for U.S. Federal income tax purposes. This is subject to meeting certain qualification conditions over its income, asset, distribution and shareholders' test. The Group is in compliance with the relevant qualification test for the period ended 31 December 2023 to qualify as a Real Estate Investment Trust for U.S. Federal income tax purposes.

**ACCOUNTING POLICY**

The financial statements have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board, the applicable requirements of the CIS Code issued by the MAS and the provisions of the Trust Deed.

The Group's significant policies are discussed in more detail in the notes to the financial statements.

# OPERATIONS REVIEW

## PORTFOLIO SUMMARY

UHREIT's portfolio consists of Grocery & Necessity and Self-Storage properties located across eight states, focused on the populous and affluent East Coast markets of the U.S. The aggregate Net Lettable Area ("NLA") of the portfolio is approximately 3.8 million sq ft, comprising 20 Grocery & Necessity and two Self-Storage properties.

## PORTFOLIO VALUATION

All the properties were appraised by CBRE, Inc., an independent valuer appointed by the Trustee of UHREIT. The total appraised value of the portfolio is US\$763.4 million as at 31 December 2023, representing a 4.7% increase on a like-for-like basis as compared to FY2022<sup>1</sup>.

## VALUATION

	31 DECEMBER 2023 (US\$'000)	31 DECEMBER 2022 (US\$'000)	CHANGE (%)
Garden City Square – BJ's Wholesale Club	57,000	49,000	16.3%
Garden City Square – LA Fitness	23,100	22,300	3.6%
Albany – Supermarket	25,700	23,700	8.4%
Albany – Gas Station	4,590	4,400	4.3%
Price Chopper Plaza	19,400	21,100	-8.1%
Wallkill Price Chopper	13,900	12,600	10.3%
Hudson Valley Plaza	51,200	48,600	5.4%
Wallington ShopRite	15,900	15,700	1.3%
Stop & Shop Plaza	27,600	26,000	6.2%
Towne Crossing	16,300	12,600	29.4%
Lawnside Commons	32,700	33,850	-3.4%
St. Lucie West	102,500	86,500	18.5%
Big Pine Center <sup>2</sup>	–	9,500	N.M.
Arundel Plaza	49,000	44,200	10.9%
Parkway Crossing	30,000	30,300	-1.0%
BJ's Quincy	31,500	33,400	-5.7%
Fairhaven Plaza	20,300	18,900	7.4%
Lynncroft Center	26,700	27,125	-1.6%
Penrose Plaza	54,000	53,900	0.2%
Colonial Square	26,900	25,100	7.2%
Upland Square <sup>3</sup>	82,950	86,000	-3.5%
Carteret Self-Storage	21,400	23,800	-10.1%
Millburn Self-Storage	30,800	30,100	2.3%
<b>Total</b>	<b>763,440</b>	<b>738,675</b>	<b>3.4%</b>
Grocery & Necessity Properties	711,240	684,775	3.9%
Self-Storage Properties	52,200	53,900	-3.2%
<b>Total</b>	<b>763,440</b>	<b>738,675</b>	<b>3.4%</b>

N.M. Not Meaningful

<sup>1</sup> The like-for-like basis portfolio valuation computation does not include Big Pine Center, which was divested in August 2023.

<sup>2</sup> Divestment of Big Pine Center was completed on 25 August 2023.

<sup>3</sup> Acquisition of Upland Square was completed on 28 July 2022.



## GROCERY & NECESSITY PROPERTIES

The Grocery & Necessity segment within UHREIT's portfolio comprises 20 properties spanning a NLA of 3.7 million sq ft and contributing 93.2% of the total portfolio appraised value. UHREIT's Grocery & Necessity properties are equipped with spacious parking lots and common areas. The single-storey, open-air centers not only provide a conducive environment for consumers to do their shopping, but also facilitate in-store and curbside pickup which are supported by the omnichannel strategies adopted by majority of the tenants. Additionally, strong leasing momentum for the Grocery & Necessity segment demonstrates the continued demand from tenants for space at UHREIT's properties, highlighting the strength of the U.S. consumer.

On 25 August 2023, UHREIT completed the divestment of Big Pine Center in Florida. The sale consideration of US\$9.9 million represented an attractive premium of 3.7% over the 31 December 2022 appraised value of US\$9.5 million, and a 7.7% premium over the purchase price of US\$9.2 million. The divestment is part of UHREIT's proactive portfolio and asset management strategy. Net proceeds from the divestment have been used to partially repay debt, lowering UHREIT's gearing as well as its interest expense.

## COMMITTED OCCUPANCY BY NLA (%)

	AS AT 31 DECEMBER 2023	AS AT 31 DECEMBER 2022
Garden City Square – BJ's Wholesale Club	100.0%	100.0%
Garden City Square – LA Fitness	100.0%	100.0%
Albany – Supermarket	100.0%	100.0%
Albany – Gas Station	100.0%	100.0%
Price Chopper Plaza	100.0%	100.0%
Wallkill Price Chopper	94.2%	95.8%
Hudson Valley Plaza	97.6%	88.3%
Wallington ShopRite	100.0%	100.0%
Stop & Shop Plaza	100.0%	100.0%
Towne Crossing	98.1%	98.1%
Lawnside Commons	100.0%	100.0%
St. Lucie West	97.1%	97.1%
Big Pine Center	–	93.5%
Arundel Plaza	100.0%	100.0%
Parkway Crossing	99.2%	100.0%
BJ's Quincy	100.0%	100.0%
Fairhaven Plaza	100.0%	100.0%
Lynncroft Center	88.1%	99.0%
Colonial Square	89.7%	97.6%
Penrose Plaza	93.6%	94.9%
Upland Square	100.0%	100.0%
<b>Total</b>	<b>97.4%</b>	<b>96.9%</b>

## STABLE CASH FLOW FROM LONG LEASES AND HIGH OCCUPANCY

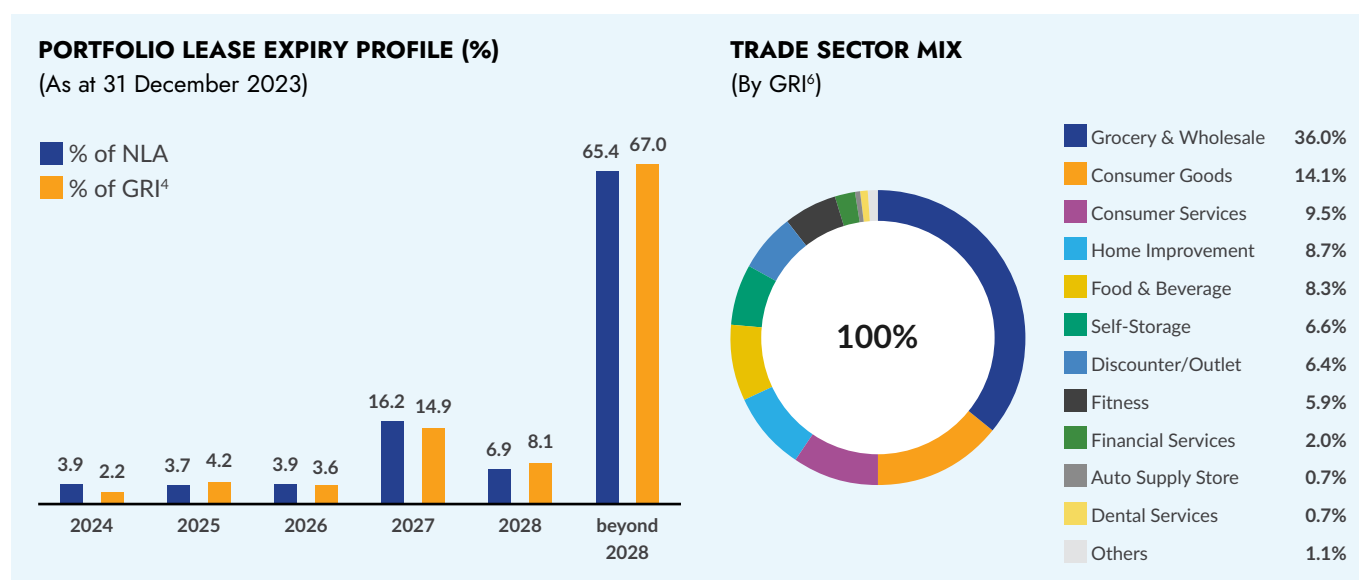
The Grocery & Necessity portfolio enjoys a high committed occupancy rate of 97.4% as at 31 December 2023. It also benefits from a long weighted average lease to expiry ("WALE") of 7.1 years by Gross Rental Income ("GRI"), including forward committed leases. Excluding forward committed leases, the WALE is 7.0 years by GRI. Further, the majority of the leases are triple net, with tenants responsible for their pro-rata share of all real estate taxes, building insurance, property expenses and common area operating expenses.

In 2023, 36 leases of approximately 528,665 sq ft, representing 14.4% of the total NLA of the Grocery & Necessity portfolio were executed. These leases comprised of new leases, early extensions and lease renewals from expiring leases. For new leases executed in 2023, the WALE based on the date of commencement of the leases is 7.8 years by GRI and accounts for 2.3% of the total GRI. UHREIT has a high tenant retention rate of 92% since IPO, with minimal upcoming lease expiration over the next three years.

# OPERATIONS REVIEW

## TRADE SECTOR MIX

The Grocery & Necessity properties generate income that comes from a well-diversified tenant mix comprising supermarkets, home improvement stores, warehouse clubs, restaurants and other necessity retailers that serve the U.S. consumer. A significant portion of the tenants have embraced omnichannel strategies, wherein physical stores play a vital role in enhancing the shopping experience and offer consumers the flexibility to receive their purchases. Examples of omnichannel shopping options include in-store shopping and BOPIS (Buy Online and Pickup In Store). The accessibility of the brick-and-mortar store enables same-day order fulfillment and allows shoppers to conveniently collect their purchases either in-store or via curbside pickup, where the items are delivered directly to their vehicles. Additionally, there are also third-party shopping services available to help consumers to make purchases at their local stores, with delivery of their orders fulfilled within two hours. UHREIT has a total of 237 tenants as at 31 December 2023 and the majority (61.6%)<sup>4</sup> of the tenants providing essential goods and services<sup>5</sup>.



## TOP 10 TENANTS

Focused on the leading anchors in growing sectors and tenants with strong underlying financial and operating performance, UHREIT's top 10 tenants include some of the largest grocers, wholesalers, home improvement retailers and discounters in the U.S.

TENANT	TRADE SECTOR	% OF GRI <sup>4</sup>
1 Wakefern Food Corporation / ShopRite	Grocery and Wholesale	10.5%
2 BJ's Wholesale Club Holdings, Inc	Grocery and Wholesale	10.1%
3 Ahold Delhaize / Stop & Shop	Grocery and Wholesale	8.9%
4 LA Fitness	Fitness	5.4%
5 Lowe's Companies, Inc	Home Improvement	5.2%
6 Walmart Inc. / Sam's Club	Grocery and Wholesale	4.2%
7 Home Depot USA, Inc	Home Improvement	3.8%
8 Publix Super Markets Inc.	Grocery and Wholesale	2.7%
9 Price Chopper Supermarkets	Grocery and Wholesale	2.7%
10 PetSmart	Consumer Goods	1.4%
<b>Total</b>		<b>54.9%</b>

<sup>4</sup> Based on base rental income of Grocery & Necessity properties for the month of December 2023.

<sup>5</sup> Based on the definition of "Essential Retail Businesses" by the State of New Jersey.

<sup>6</sup> Based on base rental income for the month of December 2023.

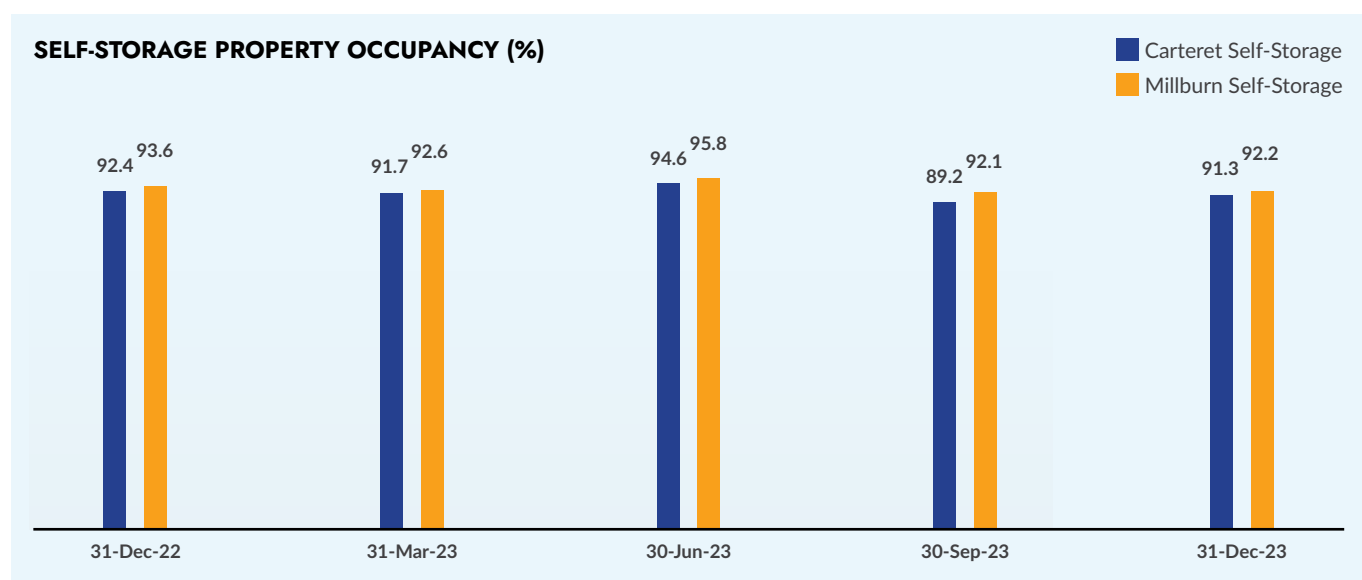


## SELF-STORAGE PROPERTIES

As at 31 December 2023, UHREIT's portfolio consists of two Self-Storage properties, Carteret Self-Storage ("Carteret") and Millburn Self-Storage ("Millburn"). The Self-Storage portfolio represents 6.8% of UHREIT's total portfolio appraised value and has a total NLA of 0.1 million sq ft.

UHREIT's Self-Storage properties are located in New Jersey, which is the most densely populated state in the country. Both Carteret and Millburn have achieved strong occupancy rates exceeding 90% as at 31 December 2023.

The Self-Storage portfolio is managed by Extra Space Storage, Inc. ("Extra Space Storage"), which is one of the largest owner-operators and managers of self-storage properties in the U.S. Extra Space Storage is a publicly listed third party.



## COMPLETION OF ACADEMY SPORTS CONSTRUCTION AT ST. LUCIE WEST, FLORIDA



In December 2022, UHREIT successfully negotiated a long-term, 15-year new lease agreement with Academy Sports, a Fortune Global 500 company and one of the largest sporting goods retailers in the U.S., to develop a new 63,325 sq ft building on excess land at our St. Lucie West property in Florida.

Construction was completed ahead of schedule, and the store opened in November 2023, in time for the U.S. Thanksgiving and Christmas festive seasons. The new store will enhance the property's financial performance and is also expected to generate an increase in foot traffic.

# PORTFOLIO AT A GLANCE

	NAME	LOCATION	NLA (31 DEC 2023) (SQ FT)	LAND TENURE
1	<b>Garden City Square – BJ's Wholesale Club</b>	711 Stewart Avenue, Garden City, Nassau County, New York 11530	121,000	Freehold
2	<b>Garden City Square – LA Fitness</b>	711 Stewart Avenue, Garden City, Nassau County, New York 11530	55,000	Freehold
3	<b>Albany – Supermarket</b>	709 Central Avenue, Albany, Albany County, New York 12206	65,000	Freehold
4	<b>Albany – Gas Station</b>	651 Central Avenue, Albany, Albany County, New York 12206	915	Freehold
5	<b>Price Chopper Plaza</b>	142-146 State Route 94, Warwick, New York 10990	84,295	Freehold
6	<b>Wallkill Price Chopper</b>	505-511 Schutt Road, Middletown, Orange County, New York 10940	137,795	Freehold
7	<b>Hudson Valley Plaza</b>	401 Frank Stottile Boulevard, Kingston, Ulster County, New York 12401	673,370	Freehold
8	<b>Wallington ShopRite</b>	375 Paterson Avenue, Wallington, Bergen County, New Jersey 07057	94,027	Leasehold <sup>3</sup>
9	<b>Stop &amp; Shop Plaza</b>	581 Stelton Road, Piscataway, Middlesex County, New Jersey 08854	84,167	Freehold
10	<b>Towne Crossing</b>	2703 Burlington-Mount Holly Road, Burlington, Burlington County, New Jersey 08016	92,117	Freehold
11	<b>Lawnside Commons</b>	310 North White Horse Pike, Lawnside, Camden County, New Jersey 08045	151,076	Freehold
12	<b>St. Lucie West</b>	1315-1497 St. Lucie West Blvd, Port St. Lucie, St. Lucie County, Florida 34986	381,648	Freehold
13	<b>Arundel Plaza</b>	6604-6654 Ritchie Highway, Glen Burnie, Anne Arundel County, Maryland 21061	282,039	Freehold
14	<b>Parkway Crossing</b>	2331-2535 Cleanleigh Drive, Parkville, Baltimore County, Maryland 21234	260,241	Freehold
15	<b>BJ's Quincy</b>	200 Crown Colony Drive, Quincy, Norfolk County, Massachusetts 02169	84,360	Freehold
16	<b>Fairhaven Plaza</b>	221 Huttleston Avenue, Fairhaven, Bristol County, Massachusetts 02719	81,085	Freehold
17	<b>Lynncroft Center</b>	3120-3160 Evans Street, Greenville, Pitt County, North Carolina 27834	182,761	Freehold
18	<b>Colonial Square</b>	3107 Boulevard, Colonial Heights, Virginia 23834	168,520	Freehold
19	<b>Penrose Plaza</b>	2900 - 3000 Island Ave, Philadelphia, Pennsylvania 19153	262,252	Freehold
20	<b>Upland Square</b>	180 Upland Square Drive, Pottstown, Montgomery County, Pennsylvania 19464	400,674	Freehold
21	<b>Carteret Self-Storage</b>	6640 Industrial Highway, Carteret, Middlesex County, New Jersey 07008	74,175	Freehold
22	<b>Millburn Self-Storage</b>	30 Bleeker Street, Millburn, Essex County, New Jersey 07041	80,923	Freehold

N.M. Not meaningful

1 The purchase consideration of Wallkill Price Chopper excluded the related adjustment attributable to minority interests of 3.0%, or US\$0.3 million that was held by the non-controlling interest party. On a 100% basis, the purchase consideration was US\$13.6 million.

2 The occupancy rate of Hudson Valley Plaza is calculated based on the NLA of 673,370 sq ft minus the non-functional static space of 38,806 sq ft.

3 The Wallington ShopRite property consists of the leasehold interest under a ground lease between the Group and the landlord, Wallington Plaza, L.L.C., with an initial term that commenced on 30 May 2013 and will expire on 24 June 2040. The tenant has two 10-year renewal options that would take the term through 24 June 2060.



MARKET VALUATION (31 DEC 2023) (US\$ MILLION)	PURCHASE PRICE (US\$ MILLION)	ACQUISITION DATE	COMMITTED OCCUPANCY RATE (31 DEC 2023)	NO OF TENANTS	MAJOR TENANTS
57.0	47.9	12-Mar-20	100.0%	1	BJ's Wholesale Club
23.1	21.7	12-Mar-20	100.0%	1	LA Fitness
25.7	22.9	12-Mar-20	100.0%	1	ShopRite/Price Chopper
4.6	4.2	12-Mar-20	100.0%	1	ShopRite
19.4	20.0	12-Mar-20	100.0%	8	Price Chopper Supermarkets
13.9	13.3 <sup>1</sup>	12-Mar-20	94.2%	6	Price Chopper Supermarkets
51.2	46.0	12-Mar-20	97.6% <sup>2</sup>	10	Walmart, Lowe's, Sam's Club, PetSmart, Ashley Furniture
15.9	15.9	12-Mar-20	100.0%	1	ShopRite
27.6	29.3	12-Mar-20	100.0%	5	Stop & Shop
16.3	13.4	12-Mar-20	98.1%	8	Dick's Sporting Goods
32.7	32.4 <sup>4</sup>	12-Mar-20	100.0%	5	Home Depot, PetSmart
102.5	76.1	12-Mar-20	97.1%	48	Academy Sports, Publix, LA Fitness, Burlington, HomeGoods
49.0	45.3	12-Mar-20	100.0%	15	Lowe's, Giant Food
30.0	25.2 <sup>5</sup>	12-Mar-20	99.2%	23	ShopRite, Home Depot, Big Lots
31.5	33.6	12-Mar-20	100.0%	1	BJ's Wholesale Club
20.3	18.5	12-Mar-20	100.0%	6	Stop & Shop
26.7	24.9	12-Mar-20	88.1%	18	Best Buy, Ross, Ulta, Marshalls, Michaels
26.9	26.3	12-Nov-21	89.7%	17	Publix, Locke Supply Co., Wells Fargo, Dollar General
54.0	52.0	24-Nov-21	93.6%	26	ShopRite, dd's Discount, Dollar Tree, Citi Trends
83.0	85.7	28-Jul-22	100.0%	36	Giant Food, Burlington Coat Factory, TJ Maxx, Ross Dress for Less, LA Fitness
21.4	17.3	12-Mar-20	91.3%	N.M.	-
30.8	22.2	12-Mar-20	92.2%	N.M.	-

<sup>4</sup> The purchase consideration of Lawnside Commons excluded the related adjustment attributable to minority interest of 1.0%, or US\$0.3 million that was held by the non-controlling interest party. On a 100% basis, the purchase consideration was US\$32.7 million.

<sup>5</sup> The purchase consideration of Parkway Crossing excluded the related adjustment attributable to minority interests of 10.0%, or US\$1.4 million that was held by the non-controlling interest party. On a 100% basis, the purchase consideration was US\$26.6 million.

# PROPERTY SUMMARY



## GARDEN CITY SQUARE – BJ'S WHOLESALE CLUB

Garden City Square – BJ's Wholesale Club is a single-storey wholesale club and part of Garden City Square, a retail/medical office condominium complex located in the Town of Hempstead, Nassau County, New York. The neighbourhood contains a mix of office buildings, retail stores, light industrial uses, recreational uses and the Nassau Community College campus. Garden City Square – BJ's Wholesale Club is situated just south of the Roosevelt Field Mall and has easy access to Ring Road, a public/private roadway running around the perimeter of the mall's property, thus benefiting from access to the mall. Both bus and rail services are available around Garden City Square – BJ's Wholesale Club, while major roadways are accessible via the Meadowbrook Parkway and Northern Parkway.

<b>Location</b>	711 Stewart Avenue, Garden City, Nassau County, New York 11530
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	121,000
<b>Property Value (US\$ Million)</b>	57.0
<b>WALE by GRI<sup>1</sup> (years)</b>	8.9
<b>Number of Tenants</b>	1
<b>Sole Tenant</b>	BJ's Wholesale Club
<b>Property Manager</b>	The Hampshire Companies, LLC



## GARDEN CITY SQUARE – LA FITNESS

Garden City Square – LA Fitness is a two-storey health fitness facility which is part of Garden City Square, a retail/medical office condominium complex located in the Town of Hempstead, Nassau County, New York. The neighbourhood contains a mix of office buildings, retail stores, light industrial uses, recreational uses and the Nassau Community College campus. Garden City Square – LA Fitness is situated just south of the Roosevelt Field Mall and has easy access to Ring Road, a public/private roadway running around the perimeter of the mall's property, thus benefiting from access to the mall. Both bus and rail services are available around Garden City Square, while major roadways are accessible via the Meadowbrook Parkway and Northern Parkway.

<b>Location</b>	711 Stewart Avenue, Garden City, Nassau County, New York 11530
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	55,000
<b>Property Value (US\$ Million)</b>	23.1
<b>WALE by GRI<sup>1</sup> (years)</b>	6.5
<b>Number of Tenants</b>	1
<b>Sole Tenant</b>	LA Fitness
<b>Property Manager</b>	The Hampshire Companies, LLC

<sup>1</sup> Based on base rental income for the month of December 2023.



### ALBANY – SUPERMARKET

Albany – Supermarket is a single-storey free-standing Grocery & Necessity property situated along the main commercial corridor of Central Avenue in the City of Albany, Albany County, New York. Price Chopper Operating Co. is the sole tenant, following its assumption of the lease from Wakefern Food Corp. (ShopRite) in Q4 2023. The property is being remodeled and is scheduled to reopen under Price Chopper's popular Market 32 brand in Q3 2024. The property is 0.4 miles from Interstate 90, a regional thoroughfare. Within the neighbourhood, there are several retail tenants as well as single and multi-family residential, industrial and office properties.

<b>Location</b>	709 Central Avenue, Albany, Albany County, New York 12206
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	65,000
<b>Property Value (US\$ Million)</b>	25.7
<b>WALE by GRI<sup>1</sup> (years)</b>	8.3
<b>Number of Tenants</b>	1
<b>Sole Tenant</b>	ShopRite/Price Chopper
<b>Property Manager</b>	The Hampshire Companies, LLC



### ALBANY – GAS STATION

Albany – Gas Station is a single-storey gas station with eight double sided gas pumps and a convenience store. Wakefern Food Corp. (ShopRite) is the sole tenant and the property was renovated in 2012. Albany – Gas Station is located along a main commercial corridor of the neighbourhood in the City of Albany, Albany County, New York. In Q1 2024, Wakefern subleased the property to a local franchisee who will be operating the site under the popular brand, Mobil. Wakefern remains the sole tenant under the lease and is responsible for all lease requirements. The property is 0.4 miles from Interstate 90, a regional thoroughfare. Within the neighbourhood, there are several retail tenants as well as single and multi-family residential, industrial and office properties.

<b>Location</b>	651 Central Avenue, Albany, Albany County, New York 12206
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	915
<b>Property Value (US\$ Million)</b>	4.6
<b>WALE by GRI<sup>1</sup> (years)</b>	8.3
<b>Number of Tenants</b>	1
<b>Sole Tenant</b>	ShopRite
<b>Property Manager</b>	The Hampshire Companies, LLC

1 Based on base rental income for the month of December 2023.



# PROPERTY SUMMARY



## PRICE CHOPPER PLAZA

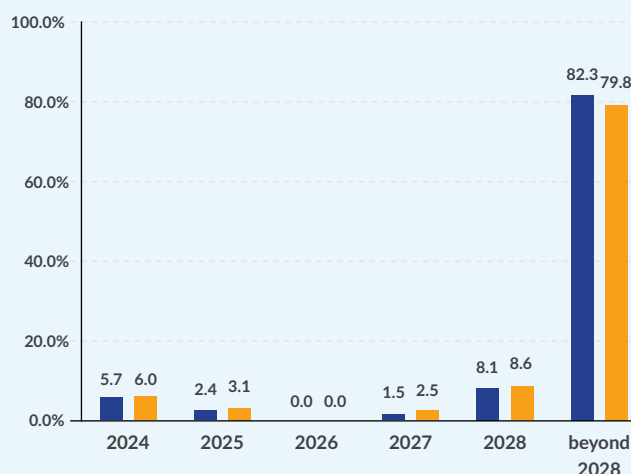
Price Chopper Plaza is a Grocery & Necessity property situated on State Route 94 in the Town of Warwick, Orange County, New York. The property is anchored by Price Chopper Supermarkets and contains five single-storey buildings. The area surrounding Price Chopper Plaza is considered rural in character. State Route 94 (17A) is the primary thoroughfare and is supplemented by several secondary roadways.

<b>Location</b>	142 – 146 State Route 94, Warwick, New York 10990
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	84,295
<b>Property Value (US\$ Million)</b>	19.4
<b>WALE by GRI<sup>1</sup> (years)</b>	9.1
<b>Number of Tenants</b>	8
<b>Key Tenant</b>	Price Chopper Supermarkets
<b>Property Manager</b>	The Hampshire Companies, LLC

## LEASE EXPIRY PROFILE

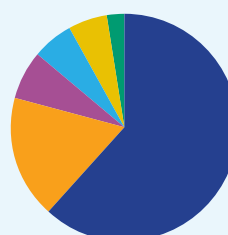
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



■ Grocery & Wholesale	62.0%
■ Auto Supply Store	17.3%
■ Financial Services	6.8%
■ Fitness	6.0%
■ Consumer Services	5.4%
■ Food & Beverage	2.5%

<sup>1</sup> Based on base rental income for the month of December 2023.



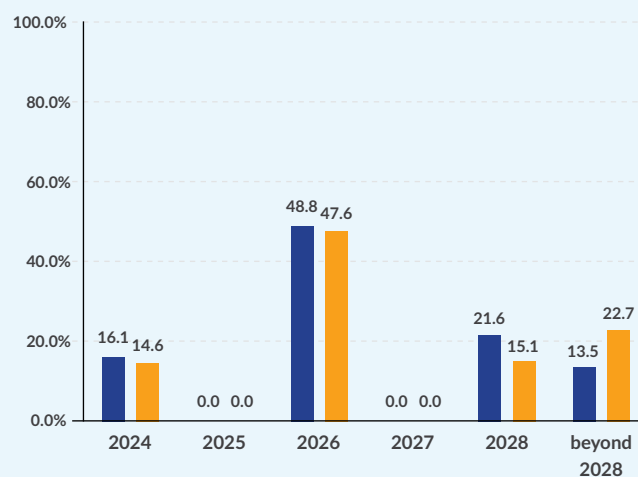
## WALLKILL PRICE CHOPPER

Wallkill Price Chopper is a single-storey Grocery & Necessity property located in the Town of Wallkill, Orange County, New York. Price Chopper Supermarkets anchors the property which is surrounded by other retail uses including Dunning Farms Shopping Center and Orange Plaza. Wallkill Price Chopper is situated near the intersection of State Route 17 and Interstate 84, both of which are major highways providing local access. Regional access is also provided by Interstate 87, which offers direct access to New York City, Albany and nearby major parkways serving New York and New Jersey.

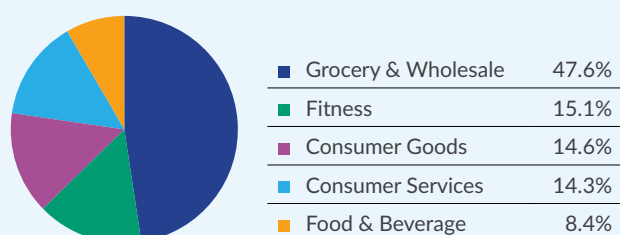
<b>Location</b>	505-511 Schutt Road, Middletown, Orange County, New York 10940
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	94.2%
<b>NLA (sq ft)</b>	137,795
<b>Property Value (US\$ Million)</b>	13.9
<b>WALE by GRI<sup>1</sup> (years)</b>	4.0
<b>Number of Tenants</b>	6
<b>Key Tenant</b>	Price Chopper Supermarkets
<b>Property Manager</b>	The Hampshire Companies, LLC

## LEASE EXPIRY PROFILE (As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN (By GRI<sup>1</sup>)



1 Based on base rental income for the month of December 2023.

# PROPERTY SUMMARY



## HUDSON VALLEY PLAZA

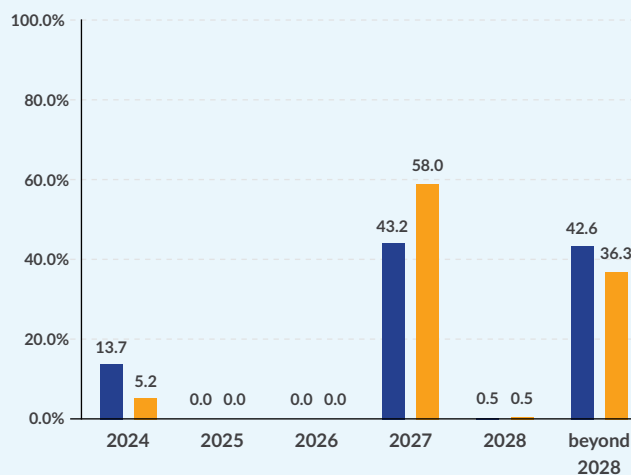
Hudson Valley Plaza is a regional center which was developed between 1996 and 1998. It is the largest property by NLA in the portfolio. The property is located in the Town of Ulster, Ulster County, New York and comprises five buildings. Walmart, Lowe's Home Center, Sam's Club and PetSmart are the anchor tenants of the property. Hudson Valley Plaza is surrounded by retail and residential uses and is located less than two miles from I-87, I-587, Route 32 and Route 9W.

<b>Location</b>	401 Frank Stottile Boulevard, Kingston, Ulster County, New York 12401
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	97.6%
<b>NLA (sq ft)</b>	673,370
<b>Property Value (US\$ Million)</b>	51.2
<b>WALE by GRI<sup>1</sup> (years)</b>	4.6
<b>Number of Tenants</b>	10
<b>Key Tenants</b>	Walmart, Lowe's, Sam's Club, PetSmart, Ashley Furniture The Hampshire Companies, LLC
<b>Property Manager</b>	The Hampshire Companies, LLC

## LEASE EXPIRY PROFILE

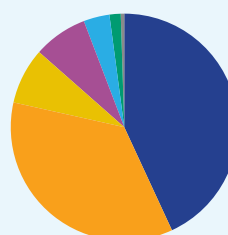
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



Grocery & Wholesale	43.1%
Home Improvement	35.4%
Consumer Services	8.0%
Consumer Goods	7.7%
Discounter/Outlet	3.7%
Others	1.6%
Food & Beverage	0.5%

<sup>1</sup> The occupancy rate of Hudson Valley Plaza is calculated based on the NLA of 673,370 sq ft minus the non-functional static space of 38,806 sf.

<sup>2</sup> Based on base rental income for the month of December 2023.





## WALLINGTON SHOPRITE

Wallington ShopRite is a single-storey Grocery & Necessity property in the Borough of Wallington, Bergen County, New Jersey. The property is surrounded by residential and retail uses and is accessible from State Routes 3, 17 and 46. There is also an accessible public transport network of buses and trains provided by New Jersey Transit. The entire property is leased by ShopRite who has subleased the spaces not occupied by the grocery store to other retail tenants.

<b>Location</b>	375 Paterson Avenue, Wallington, Bergen County, New Jersey 07057
<b>Land Tenure</b>	Leasehold (expiring in 2040 with two consecutive 10-year extensions after 2040)
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	94,027
<b>Property Value (US\$ Million)</b>	15.9
<b>WALE by GRI<sup>1</sup> (years)</b>	16.5
<b>Number of Tenants</b>	1
<b>Sole Tenant</b>	ShopRite
<b>Property Manager</b>	The Hampshire Companies, LLC

1 Based on base rental income for the month of December 2023.

# PROPERTY SUMMARY



## STOP & SHOP PLAZA

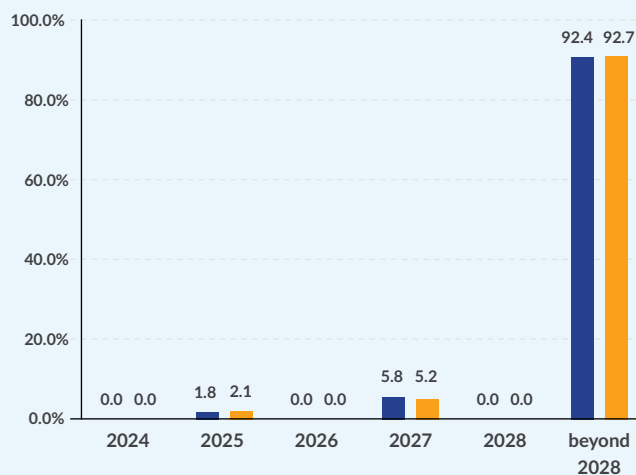
Stop & Shop Plaza is a Grocery & Necessity property located in Piscataway Township, Middlesex County, New Jersey. Anchored by Stop & Shop Supermarket, the property comprises three single-storey buildings. The surrounding area contains residential, industrial, retail and office uses. The neighbourhood is accessible via Interstate 287, which is south of Stop & Shop Plaza.

<b>Location</b>	581 Stelton Road, Piscataway, Middlesex County, New Jersey 08854
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	84,167
<b>Property Value (US\$ Million)</b>	27.6
<b>WALE by GRI<sup>1</sup> (years)</b>	9.2
<b>Number of Tenants</b>	5
<b>Key Tenants</b>	Stop & Shop
<b>Property Manager</b>	The Hampshire Companies, LLC

## LEASE EXPIRY PROFILE

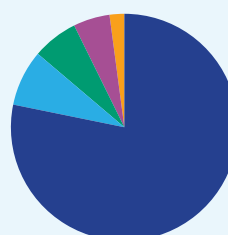
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



<sup>1</sup> Based on base rental income for the month of December 2023.



## TOWNE CROSSING

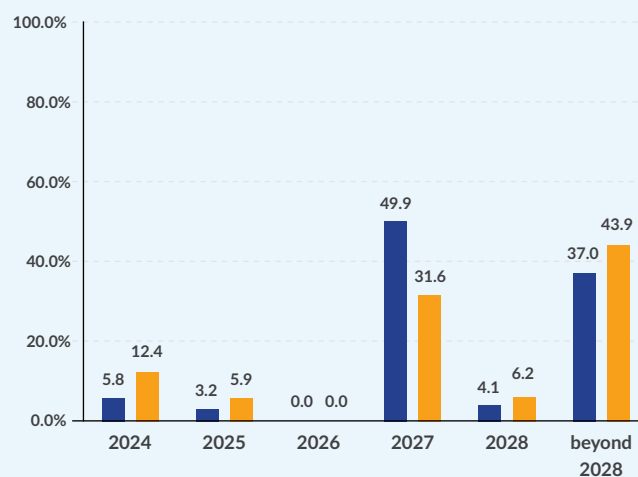
Towne Crossing is a Grocery & Necessity property that is part of a larger shopping center made up of five single-storey buildings located in Burlington Township, Burlington County, New Jersey. The property is anchored by Dick's Sporting Goods and is shadow anchored by Home Depot, Target and Kohl's. Towne Crossing is situated in close proximity to Route 130, Interstate 295 and the New Jersey Turnpike, a system of controlled-access highways in New Jersey. The area immediately surrounding the property comprises retail and residential uses.

<b>Location</b>	2703 Burlington-Mount Holly Road, Burlington, Burlington County, New Jersey 08016
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	98.1%
<b>NLA (sq ft)</b>	92,117
<b>Property Value (US\$ Million)</b>	16.3
<b>WALE by GRI<sup>1</sup> (years)</b>	5.4
<b>Number of Tenants</b>	8
<b>Key Tenant</b>	Dick's Sporting Goods
<b>Property Manager</b>	The Hampshire Companies, LLC

## LEASE EXPIRY PROFILE

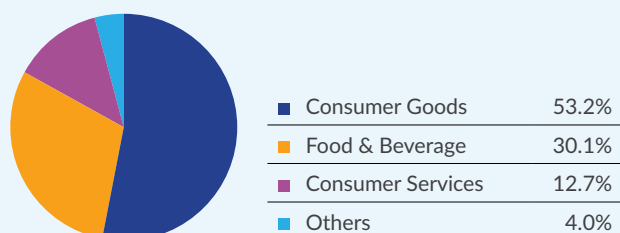
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



<sup>1</sup> Based on base rental income for the month of December 2023.



# PROPERTY SUMMARY



## LAWNSIDE COMMONS

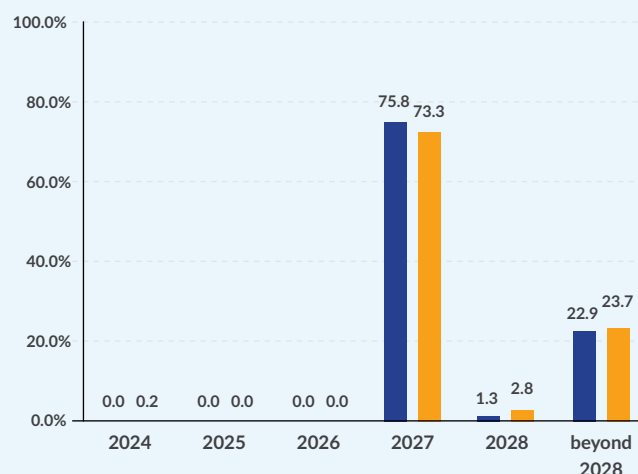
Lawnside Commons is a single-storey Grocery & Necessity property located along White House Pike in Lawnside, Camden County, New Jersey. The property is anchored by Home Depot which occupies 111,300 sq ft. The property contains four other tenants including PetSmart, Inc, Wendy's International, LLC, Mattress Firm and T-Mobile. United Hampshire US REIT holds a 99.0% equity interest in Lawnside Commons with the remaining interest held by an unrelated third party.

<b>Location</b>	310 North White Horse Pike, Lawnside, Camden County, New Jersey 08045
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	151,076
<b>Property Value (US\$ Million)</b>	32.7
<b>WALE by GRI<sup>1</sup> (years)</b>	4.7
<b>Number of Tenants</b>	5
<b>Key Tenants</b>	Home Depot, PetSmart
<b>Property Manager</b>	MCB Property Management, LLC

## LEASE EXPIRY PROFILE

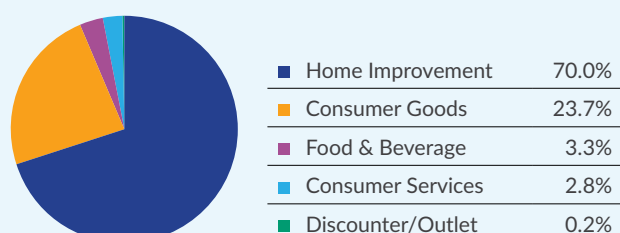
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



<sup>1</sup> Based on base rental income for the month of December 2023.



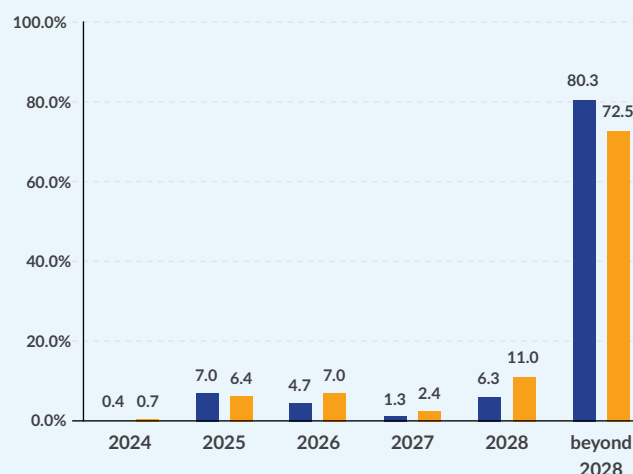
## ST. LUCIE WEST

St. Lucie West is a Grocery & Necessity property located in the City of Port St. Lucie, St. Lucie County, Florida. St. Lucie West currently consists of eight single-storey buildings, and is anchored by Academy Sports + Outdoors ("Academy Sports"), Publix, Burlington Coat Factory, LA Fitness and HomeGoods. Development of a new 63,325 sq ft building on excess land at the property for a new tenant, Academy Sports, has been completed ahead of schedule and the tenant opened for business in November 2023. St. Lucie West is primarily surrounded by single-family residential uses and is near the master-planned community of Tradition, which consists of charter schools, shops, offices, a 300-bed hospital and approximately 3,000 residences. Regional access is provided by Interstate 95, U.S. Highway 1 and the Florida Turnpike.

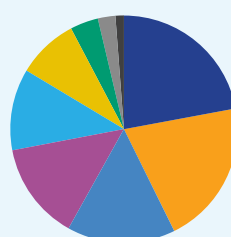
<b>Location</b>	1315-1497 St. Lucie West Blvd, Port St. Lucie, St. Lucie County, Florida 34986
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	97.1%
<b>NLA (sq ft)</b>	381,648
<b>Property Value (US\$ Million)</b>	102.5
<b>WALE by GRI<sup>1</sup> (years)</b>	8.4
<b>Number of Tenants</b>	48
<b>Key Tenant</b>	Academy Sports, Publix, LA Fitness, Burlington, HomeGoods
<b>Property Manager</b>	The Hampshire Companies, LLC

## LEASE EXPIRY PROFILE (As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN (By GRI<sup>1</sup>)



■ Discounter/Outlet	22.1%
■ Food & Beverage	20.6%
■ Consumer Goods	15.4%
■ Grocery & Wholesale	13.9%
■ Consumer Services	11.6%
■ Fitness	8.7%
■ Dental Services	4.0%
■ Others	2.5%
■ Financial Services	1.2%

1 Based on base rental income for the month of December 2023.

# PROPERTY SUMMARY

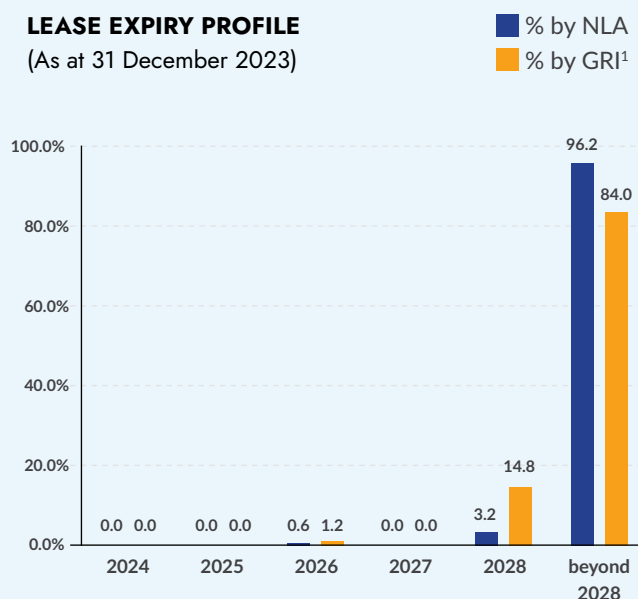


## ARUNDEL PLAZA

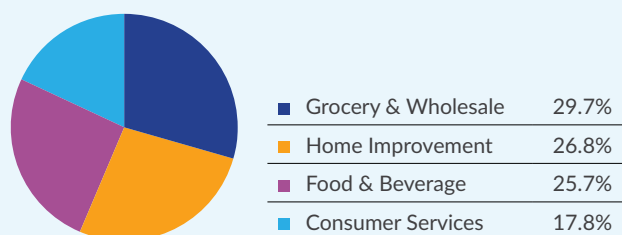
Arundel Plaza is a Grocery & Necessity property which was built in 1966 and renovated in 2018. It is located within a well-established suburban community with a stable population and household base of above average household income. Arundel Plaza is anchored by a freestanding Lowe's Home Improvement store on a ground lease since 1998 and a Giant Food store on a lease since 1966. The Giant store was redeveloped and reopened in 2018, with adjacent inline retail space leased by six tenants. There are also four outparcel buildings fronting Ritchie Highway leased by seven tenants. Arundel Plaza is easily accessed from surrounding communities and employment centers, with Governor Ritchie Highway, Maryland Route 10 and Crain Highway being the local arteries nearby. Public bus service is provided within the local area, and the closest Maryland Area Regional Commuter rail station (BWI Airport) is located about two miles southwest of Arundel Plaza, and the closest light rail stop (Linthicum station) is located about two miles west of Arundel Plaza.

<b>Location</b>	6604-6654 Ritchie Highway, Glen Burnie, Anne Arundel County, Maryland 21061
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	282,039
<b>Property Value (US\$ Million)</b>	49.0
<b>WALE by GRI<sup>1</sup> (years)</b>	7.8
<b>Number of Tenants</b>	15
<b>Key Tenants</b>	Lowe's, Giant Food
<b>Property Manager</b>	MCB Property Management, LLC

## LEASE EXPIRY PROFILE (As at 31 December 2023)



## TRADE SECTOR BREAKDOWN (By GRI<sup>1</sup>)



<sup>1</sup> Based on base rental income for the month of December 2023.





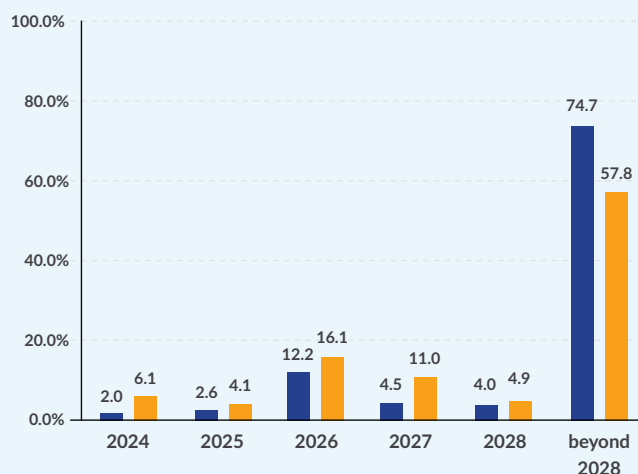
## PARKWAY CROSSING

Parkway Crossing is a Grocery & Necessity property located in Parkville, Baltimore County, Maryland. It is anchored by Home Depot, ShopRite and Big Lots. Parkway Crossing is surrounded by a mix of residential uses. It is located near Morgan State University and Towson, and is also approximately five miles north of Baltimore's Central Business District. Access throughout the local area is provided by primary and secondary thoroughfares and Maryland Transit Administration buses. The closest light rail station, Riderwood Station, is located about four miles northwest of Parkway Crossing. Regional access is provided by major roadways, including Interstates 83, 95 and 695.

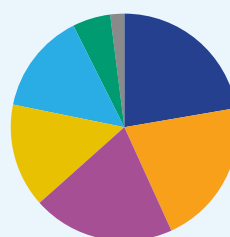
<b>Location</b>	2331-2535 Cleanleigh Drive, Parkville, Baltimore County, Maryland 21234
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	99.2%
<b>NLA (sq ft)</b>	260,241
<b>Property Value (US\$ Million)</b>	30.0
<b>WALE by GRI<sup>1</sup> (years)</b>	5.8
<b>Number of Tenants</b>	23
<b>Key Tenants</b>	ShopRite, Home Depot, Big Lots
<b>Property Manager</b>	MCB Property Management, LLC

## LEASE EXPIRY PROFILE (As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN (By GRI<sup>1</sup>)



<sup>1</sup> Based on base rental income for the month of December 2023.

# PROPERTY SUMMARY



## BJ'S QUINCY

BJ's Quincy is a single-storey free-standing wholesale club located in Quincy, Norfolk County, Massachusetts and is immediately surrounded by office buildings and apartments. The property was built in 2009 and has been leased to BJ's Wholesale Club since 2010 on a lease with a 20-year term. It is located in close proximity to multiple highways and public transportation including the Massachusetts Bay Transportation Authority Quincy Adams Station.

<b>Location</b>	200 Crown Colony Drive, Quincy, Norfolk County, Massachusetts 02169
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	84,360
<b>Property Value (US\$ Million)</b>	31.5
<b>WALE by GRI<sup>1</sup> (years)</b>	6.3
<b>Number of Tenants</b>	1
<b>Sole Tenant</b>	BJ's Wholesale Club
<b>Property Manager</b>	The Hampshire Companies, LLC

<sup>1</sup> Based on base rental income for the month of December 2023.



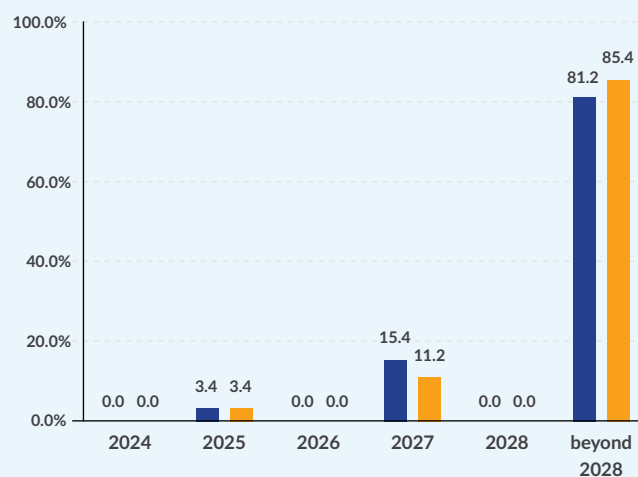
## FAIRHAVEN PLAZA

Fairhaven Plaza is a single-storey Grocery & Necessity property located along Huttleston Avenue in Fairhaven, Bristol County, Massachusetts. The property is anchored by Stop & Shop and other tenants include a hardware store and pizza restaurant. Fairhaven Plaza is immediately surrounded by retail uses which include Fairhaven Commons and Ocean State Job Lot Plaza. The neighbourhood is accessible via Interstate 195, providing access to Routes 6 and 240.

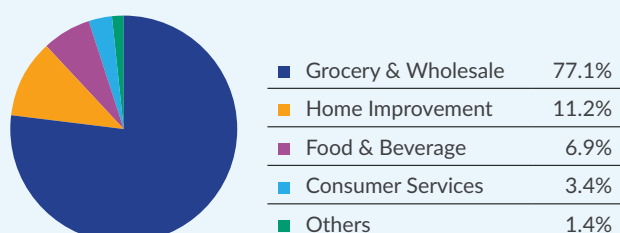
<b>Location</b>	221 Huttleston Avenue, Fairhaven, Bristol County, Massachusetts 02719
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	81,085
<b>Property Value (US\$ Million)</b>	20.3
<b>WALE by GRI<sup>1</sup> (years)</b>	5.7
<b>Number of Tenants</b>	6
<b>Key Tenant</b>	Stop & Shop
<b>Property Manager</b>	The Hampshire Companies, LLC

## LEASE EXPIRY PROFILE (As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN (By GRI<sup>1</sup>)



<sup>1</sup> Based on base rental income for the month of December 2023.



# PROPERTY SUMMARY



## LYNNCROFT CENTER

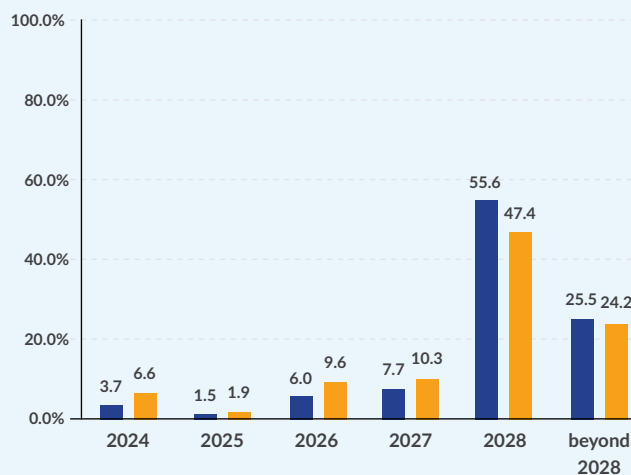
Lynncroft Center is a Grocery & Necessity property located along Evans Street in Greenville, Pitt County, North Carolina. It consists of six single-storey buildings and is anchored by Marshalls, Michaels, Best Buy and Ross. Lynncroft Center is surrounded by shopping centers, single-family residences and office buildings. Greenville is a regional marketing hub for Eastern North Carolina. U.S. Highway 264 By-Pass provides regional access to the town of Wilson, the City of Raleigh and Interstate 95. While bus service is available from the Greenville Bus System and has various routes around Lynncroft Center, transportation around is primarily by way of private automobiles.

<b>Location</b>	3120-3160 Evans Street, Greenville, Pitt County, North Carolina 27834
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	88.1%
<b>NLA (sq ft)</b>	182,761
<b>Property Value (US\$ Million)</b>	26.7
<b>WALE by GRI<sup>1</sup> (years)</b>	4.0
<b>Number of Tenants</b>	18
<b>Key Tenants</b>	Best Buy, Ross, Ulta, Marshalls, Michaels
<b>Property Manager</b>	MCB Property Management, LLC

## LEASE EXPIRY PROFILE

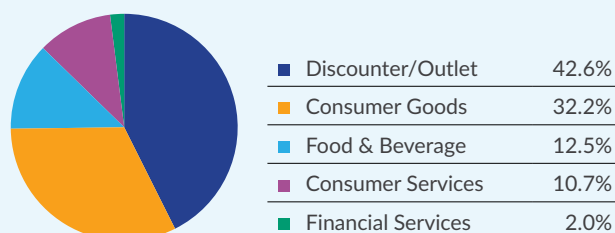
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



<sup>1</sup> Based on base rental income for the month of December 2023.



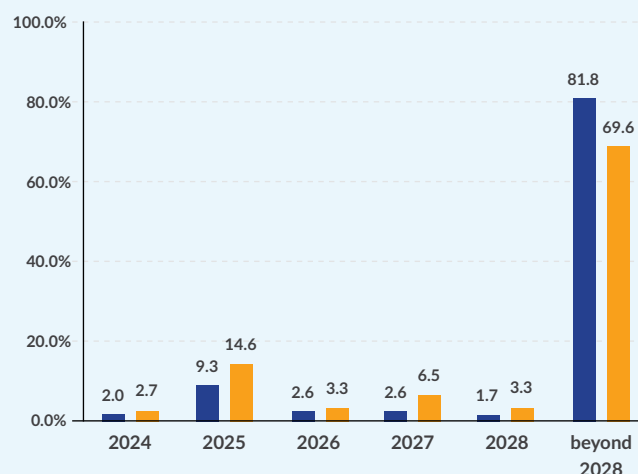
## COLONIAL SQUARE

Colonial Square is a dominant Grocery & Necessity property located in the centre of Colonial Heights, which is approximately 20-minute drive to Downtown Richmond, Virginia. It is strategically located at the intersection of Boulevard and East Ellerslie Avenue, offering superior access from surrounding neighbourhoods and main commuting corridors such as Boulevard, I-85 and I-95. Colonial Square is anchored by Publix and Locke Supply Co. There are relatively few grocery stores in the vicinity, and they do not have the reputational strength and superior inventory offerings as Publix.

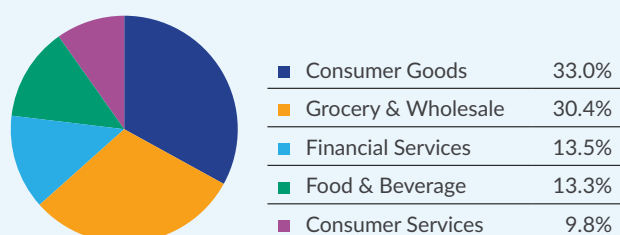
<b>Location</b>	3107 Boulevard, Colonial Heights, Virginia 23834
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	89.7%
<b>NLA (sq ft)</b>	168,520
<b>Property Value (US\$ Million)</b>	26.9
<b>WALE by GRI<sup>1</sup> (years)</b>	6.0
<b>Number of Tenants</b>	17
<b>Key Tenants</b>	Publix, Locke Supply Co., Wells Fargo, Dollar General
<b>Property Manager</b>	MCB Property Management, LLC

## LEASE EXPIRY PROFILE (As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN (By GRI<sup>1</sup>)



1 Based on base rental income for the month of December 2023.

# PROPERTY SUMMARY



## PENROSE PLAZA

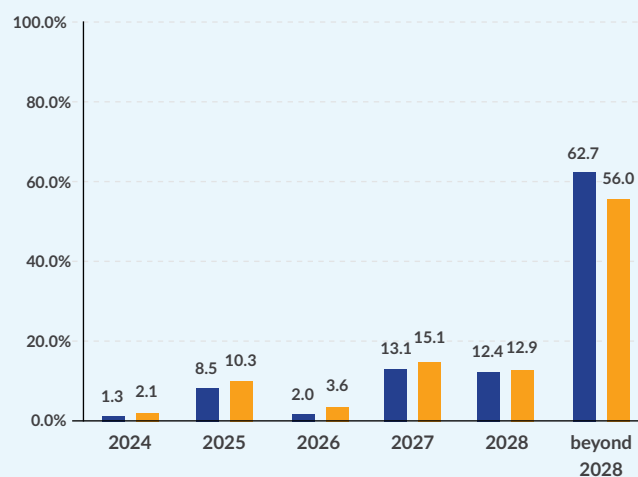
Penrose Plaza is a Grocery & Necessity property, positioned as the dominant retail destination serving the Eastwick section of Southwest Philadelphia, Pennsylvania. It is anchored by ShopRite, dd's Discounts and other national retailers. Penrose Plaza is strategically located at the intersection of Island Avenue and Lindbergh Boulevard and is minutes from the Philadelphia International Airport and major highway arteries, including I-76, I-95 and I-476. The neighbourhood is densely populated with limited retail options, and many consumers are within walking distance of Penrose Plaza.

<b>Location</b>	2900 - 3000 Island Ave, Philadelphia, Pennsylvania 19153
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	93.6%
<b>NLA (sq ft)</b>	262,252
<b>Property Value (US\$ Million)</b>	54.0
<b>WALE by GRI<sup>1</sup> (years)</b>	7.3
<b>Number of Tenants</b>	26
<b>Key Tenants</b>	ShopRite, dd's Discount, Dollar Tree, Citi Trends
<b>Property Manager</b>	MCB Property Management, LLC

## LEASE EXPIRY PROFILE

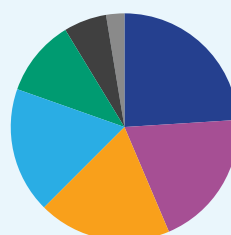
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



■ Consumer Services	24.0%
■ Grocery & Wholesale	19.6%
■ Consumer Goods	18.9%
■ Food & Beverage	17.9%
■ Financial Services	10.9%
■ Fitness	6.1%
■ Dental services	2.6%

1 Based on base rental income for the month of December 2023.





## UPLAND SQUARE

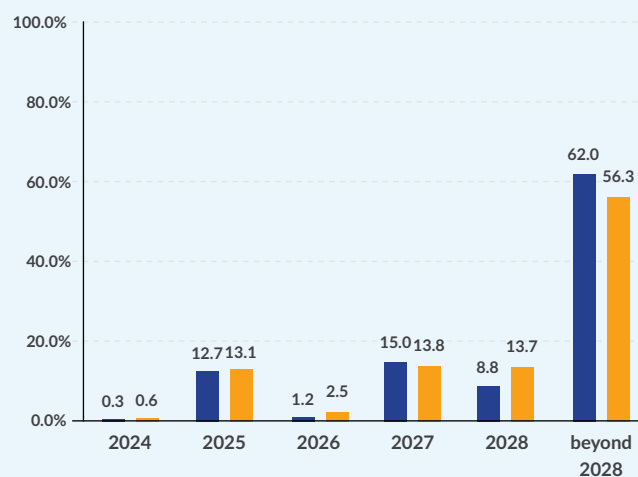
Upland Square is a Grocery & Necessity property located in Pottstown, Montgomery County, Pennsylvania, along Route 100 (Pottstown Highway) which is less than 2 miles from Route 422 interchange. The property is strategically positioned within the Philadelphia Core Based Statistical Area and benefits from strong regional and local accessibility as well as the proliferation of peripheral draws. It is anchored by Giant Foods and shadow anchored by a Target discount department store, which provides additional foot traffic to the property. The diverse line up of complementary retailers provide the necessary combination of products and services to attract a strong customer base to the property.

<b>Location</b>	180 Upland Square Drive, Pottstown, Montgomery County, Pennsylvania 19464
<b>Land Tenure</b>	Freehold
<b>Committed Occupancy</b>	100.0%
<b>NLA (sq ft)</b>	400,674
<b>Property Value (US\$ Million)</b>	83.0
<b>WALE by GRI<sup>1</sup> (years)</b>	4.9
<b>Number of Tenants</b>	36
<b>Key Tenants</b>	Giant Foods, Burlington Coat Factory, TJ Maxx, Ross Dress for Less, LA Fitness
<b>Property Manager</b>	MCB Property Management, LLC

## LEASE EXPIRY PROFILE

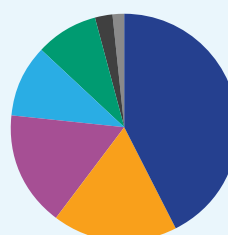
(As at 31 December 2023)

■ % by NLA  
■ % by GRI<sup>1</sup>



## TRADE SECTOR BREAKDOWN

(By GRI<sup>1</sup>)



■ Consumer Goods	42.5%
■ Consumer Services	17.8%
■ Grocery & Wholesale	16.4%
■ Discounter/Outlet	10.5%
■ Fitness	8.8%
■ Food & Beverage	2.5%
■ Financial Services	1.5%

1 Based on base rental income for the month of December 2023.

# PROPERTY SUMMARY



## CARTERET SELF-STORAGE

Carteret Self-Storage is a self-storage facility developed in 2017 and managed by Extra Space Storage. It consists of one four-storey building and three smaller corrugated steel single-storey buildings. The facility's amenities include surveillance cameras, individual unit locks, climate control units, keypad entry, on-site management and an office with a small retail area. Carteret Self-Storage is located in Carteret, New Jersey with the Arthur Kill waterway to the east, Linden to the north, Avenel to the west and Port Reading to the south. The area is accessible from U.S.-1 and 9 and Roosevelt Avenue, and primarily via Exit 12 of the New Jersey Turnpike, a system of controlled-access highways in New Jersey. Carteret Self-Storage is also approximately 15 minutes away from Newark Liberty International Airport, and is located near Newark and Manhattan's Central business districts.

<b>Location</b>	6640 Industrial Highway, Carteret, Middlesex County, New Jersey 07008
<b>Land Tenure</b>	Freehold
<b>Occupancy</b>	91.3%
<b>NLA (sq ft)</b>	74,175
<b>Property Value (US\$ Million)</b>	21.4
<b>Property Manager</b>	Extra Space Storage Inc.



## MILLBURN SELF-STORAGE

Millburn Self-Storage is a three-storey self-storage facility constructed in 2018 and managed by Extra Space Storage. It is located along the south side of Bleeker Street in Millburn, New Jersey and is immediately surrounded by a mix of light industrial facilities and office buildings. There is an accessible public transportation network near Millburn Self-Storage, providing both local and regional accessibility. The facility is highly visible from Route 78, a highway connecting to the New Jersey Turnpike, which is a system of controlled-access highways providing direct access to New York City and Philadelphia. Within the property, there is adequate surface parking, including reserved handicap spaces. The security system consists of a secured and covered loading area, electronic access control, security cameras and monitoring, motion sensor lighting and a comprehensive sprinkler system.

<b>Location</b>	30 Bleeker Street, Millburn, Essex County, New Jersey 07041
<b>Land Tenure</b>	Freehold
<b>Occupancy</b>	92.2%
<b>NLA (sq ft)</b>	80,923
<b>Property Value (US\$ Million)</b>	30.8
<b>Property Manager</b>	Extra Space Storage Inc.



# SUSTAINABILITY AND TCFD REPORT

## 1.0 BOARD STATEMENT

We are delighted to present United Hampshire US REIT's ("UHREIT") Sustainability Report for the financial year ended 31 December 2023 ("FY2023"). This Sustainability Report outlines the strategy and approach of UHREIT's management (the "Manager") towards sustainability and a summary of its operational performance and progress in managing ESG. The success of UHREIT is intrinsically linked to the people we work with, and the markets in which we operate. By valuing our employees and the communities they are linked to, we strive to achieve sustainable growth and long lasting value for our Unitholders.

The Board of Directors ("Board") maintains oversight of and seeks to integrate appropriate environmental, social and governance ("ESG") and climate related considerations into various levels of UHREIT's business, including areas relating to risk management, policy setting, annual budgets, capital expenditure planning, as well as acquisition and divestment deliberation.

We introduced our ESG initiatives and targets in our inaugural Sustainability Report in FY2021. The material ESG factors are reviewed by the Board together with the management annually. For FY2023, we continued to prioritise eight ESG matters, namely Economic Performance, Greenhouse Gas ("GHG") Emissions and Energy Consumption, Training and Development, Diversity and Employment, Community Engagement, Business Ethics, Cybersecurity and Data Privacy, and Safety and Wellbeing as material to our business for reporting.

Our FY2023 ESG targets include installation of EV charging stations and LED lighting at common areas, reduce common area electricity usage, maintain zero incidents of employee discrimination and ensure fair hiring process and zero reported instances of corruption or bribery. We have also engaged with our major tenants on initiatives to reduce GHG emission and promote sustainable living. Our aim is to design and implement a decarbonisation strategy that is in tandem with our tenants' ESG goals and support our tenants in achieving their sustainability goals.

It is clear that climate change poses significant risks but also creates opportunities for businesses. Against this background, we have committed ourselves to enhance our adaptability in the transition to a lower carbon future. The report comprises our second climate report, consistent with the Taskforce on Climate-Related Financial Disclosures ("TCFD") framework, and the Guidelines on Environmental Risk Management ("ERM") for Asset Managers, issued by the Monetary Authority of Singapore ("MAS"). In our TCFD report, we highlighted how UHREIT oversees and manages climate-related matters including key risks and opportunities, metrics, and targets.

The Board would like to thank all stakeholders for their trust and continuous support as we continue our sustainability journey. Moving forward, the Board remains dedicated to achieving our ESG goals to create sustainable value for our customers, employees, investors and communities.

## 2.0 REPORT SCOPE

### 2.1 About United Hampshire US Real Estate Investment Trust

As at 31 December 2023, UHREIT's portfolio consists of 20 Grocery & Necessity Properties and two Self-Storage Properties strategically located in the populous and affluent East Coast markets of the U.S. These properties have a total appraised value and net lettable area ("NLA") of approximately US\$763.4 million and 3.8 million sq ft respectively.

UHREIT tenants are e-commerce resistant, with majority of the anchor tenants of Grocery & Necessity properties utilising their physical stores for their omnichannel strategies. Furthermore, leases are typically triple net, with tenants responsible for their pro-rata share of property taxes, insurance and common area maintenance expenses. Tenants are also responsible for regular upkeep and maintenance of their leased premises to ensure the safety of our patrons.

UHREIT's operational responsibilities at the Grocery & Necessity properties primarily relate to the maintenance of carpark and common areas. These areas generally have minimal water consumption and electricity usage, and are usually reimbursable by tenants under the triple net lease agreement.





# SUSTAINABILITY AND TCFD REPORT

## 2.2 UHREIT's Sponsors and Manager

UHREIT is managed by United Hampshire US REIT Management Pte. Ltd. (the "Manager"). The Manager is jointly owned by two Sponsors, UOB Global Capital LLC ("UOB Sponsor") and Hampshire U.S. Holdco, LLC, a wholly owned subsidiary of The Hampshire Companies LLC ("Hampshire Sponsor").

The Manager comprising both The Board and management, sets the strategic direction and approach to governance for Sustainability, while the Management team provides general control over the management and operational execution. The services provided by the Manager include investment management, property management, capital management, internal audit, compliance, accounting, investor relations and sustainability management and reporting. The Manager sets the strategic guidance including requirements relating to location, sector-type, and other characteristics of UHREIT's portfolio. The Manager works closely with the Property Managers to execute UHREIT's property management strategy.

## 2.3 UHREIT's Property Managers

The Hampshire Sponsor and MCB Property Management, LLC ("MCB") are the Property Managers of the Grocery & Necessity properties and Extra Space Storage Inc. is the Property Manager of the Self-Storage properties (collectively "The Property Managers"). The Hampshire Sponsor and MCB have also incorporated a joint venture vehicle, MCB-THC Property Manager, to serve as an integrated property management and leasing services platform.

The responsibilities of the Property Managers include maintaining long-term relationships with tenants, conducting day-to-day management, operation, maintenance and servicing of the properties. The Property Managers also help to ensure that properties obtain the necessary licenses and are compliant with all applicable laws and regulations.

## 2.4 About the Report

### Reporting Period and Scope

This report outlines the sustainability strategies and performance of UHREIT in relation to the ESG topics assessed to be material to our business and industry.

The reporting period covered in this report is from 1 January 2023 to 31 December 2023 ("FY2023"). Where applicable, data from previous years have been included for comparison. This report covers UHREIT, the Manager and UHREIT's business operations for 22 existing properties as at 31 December 2023 and Big Pine Center, which was divested by UHREIT on 25 August 2023.

Social and governance performance data in this report covers primarily personnel employed directly by the Manager as well as the U.S. Asset Managers who are assigned to UHREIT. The total number of employees covered in this report is 13 as of 31 December 2023.

This report should be read together with the financial performance and corporate governance information detailed in the Annual Report for a comprehensive picture of UHREIT's business and performance.

The data in this report has undergone a rigorous review. While the external assurance has not been sought for the reporting period, the Manager will review the need for external assurance in the future.

## Standards and Frameworks

This report has been prepared with reference to the following regulations, standards and guidelines:

- The updated Global Reporting Initiative ("GRI") Standards 2021 consisting of a modular system set of three series namely, the GRI Universal Standards, the GRI Sector Standards and the GRI Topic Standards.
- Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Rules 711A and 711B on Sustainability Report and Practice Note 7.6 Sustainability Reporting Guide
- Task Force on Climate-related Financial Disclosures ("TCFD") framework
- Monetary Authority of Singapore ("MAS") Environmental Risk Management Guidelines for Asset Managers

The GRI Standards was selected due to its global adoption and industry guidance, promoting comparability against global and local peers. We view this framework as the most appropriate for communicating relevant information to stakeholders on UHREIT's ESG and climate related risks and opportunities.

The GRI Content Index and TCFD Content Index are available on pages 81 to 84 of this report.

## Feedback

The Manager welcomes all questions and feedback on the sustainability performance and reporting practices. Please direct any questions or comments to [IR@uhreit.com](mailto:IR@uhreit.com).

## 2.5 Key Highlights for FY2023

<b>ENVIRONMENTAL</b>	<ul style="list-style-type: none"> <li>• Reduced common area electricity usage portfolio wide by 14%<sup>1</sup></li> <li>• Installed LED lighting at 59% of UHREIT's properties (common areas within our control)</li> </ul>
<b>SOCIAL</b>	<ul style="list-style-type: none"> <li>• Achieved a total of 393 employee training hours, with an average of 33 training hours per employee</li> <li>• Maintained zero incidents of employee discrimination and unfair hiring process</li> <li>• Maintained a strong track record for workplace safety, with zero fatalities and reported incidents</li> <li>• Achieved 112 hours of staff volunteerism, across Singapore and U.S.</li> <li>• Achieved 100% participation rate in the annual employee feedback survey</li> </ul>
<b>GOVERNANCE</b>	<ul style="list-style-type: none"> <li>• All Directors and employees have completed their mandatory annual anti-corruption and cybersecurity awareness trainings</li> <li>• Achieved zero cases of non-compliance with data privacy laws</li> <li>• Achieved zero cases of corruption or bribery</li> <li>• Achieved zero breaches of cybersecurity</li> <li>• Developed and put in place an environmental risk management (EnRM) framework</li> <li>• Achieved zero cases of non-compliance with relevant laws and regulations</li> <li>• Achieved zero substantiated complaints or substantiated cases concerning breaches of privacy and losses of data</li> <li>• Included in the SGX Fast Track Programme for good compliance track record</li> </ul>

<sup>1</sup> Excluding properties with partial year data due to acquisition and divestment activities.

# SUSTAINABILITY AND TCFD REPORT

## 3.0 OUR APPROACH AND STRATEGY

### 3.1 Governance Structure

The Board determines, reviews and monitors UHREIT's ESG strategy, goals and initiatives, which are discussed regularly in the board meetings. The Board also oversees the management and monitoring of UHREIT's ESG performance, with inputs from the Management. In FY2021, the Board established the Sustainability Steering Committee ("SSC") to drive sustainability initiatives and performance. The SSC is led by the Chief Executive Officer ("CEO") of the Manager, and comprises members including the Chief Financial Officer ("CFO"), Chief Investment Officer ("CIO") and Head of Investor Relations and Sustainability. The SSC leads the development of UHREIT's ESG strategy, providing oversight on UHREIT's sustainability efforts across business operations. This includes the recommendation of proposals such as the review of sustainability policies, strategies, work plans, setting and achieving ESG targets and formulating UHREIT's ESG framework. The SSC also ensures the adequate allocation of resources in achieving UHREIT's sustainability goals and provides oversight to ensure compliance with all sustainability-related legal and regulatory requirements.

The SSC is supported by all employees of the Manager and comprises of representatives from Finance, Compliance, Investor Relations and Sustainability, Asset and Property management functions. Management is responsible for implementing sustainability strategies across the properties and collecting ESG data from various stakeholders for internal reporting purposes.



Figure 1: UHREIT's Sustainability Governance Structure



### 3.2 Our Sustainability Approach

UHREIT's sustainability vision is to deliver a sustainable future for all stakeholders and in the markets which the Manager operates. The Manager pursues sustainable growth by striving towards economic, social, and environmental progress and deliver superior returns for the Unitholders. The Manager is pleased to communicate the progress of the sustainability efforts in Table 2 and an outline of the sustainability roadmap is shown in Table 3.



Figure 2: UHREIT's Sustainability Approach

### 3.3 Materiality Assessment

The Board and management reviews and determines the material ESG factors on an annual basis, taking into account the prevailing operation, business strategy, macroeconomic condition, peers and industry benchmarking and stakeholder concerns. The materiality review exercise helps the company to focus its sustainability effort, management practices and reporting on the most significant factors in order to create sustainable value to the stakeholders.

In FY2023, The Board and management reviewed the eight material ESG topics prioritised in the FY2022 report and concluded that they remain material, relevant and aligned to stakeholder expectations for this year's reporting cycle. The assessment was based on a four-step approach detailed in Figure 3 below and took into consideration guidelines by the GRI standards to identify the topics for reporting. A total of eight material ESG topics have been identified through the exercise and the list can be found in Table 1 below.

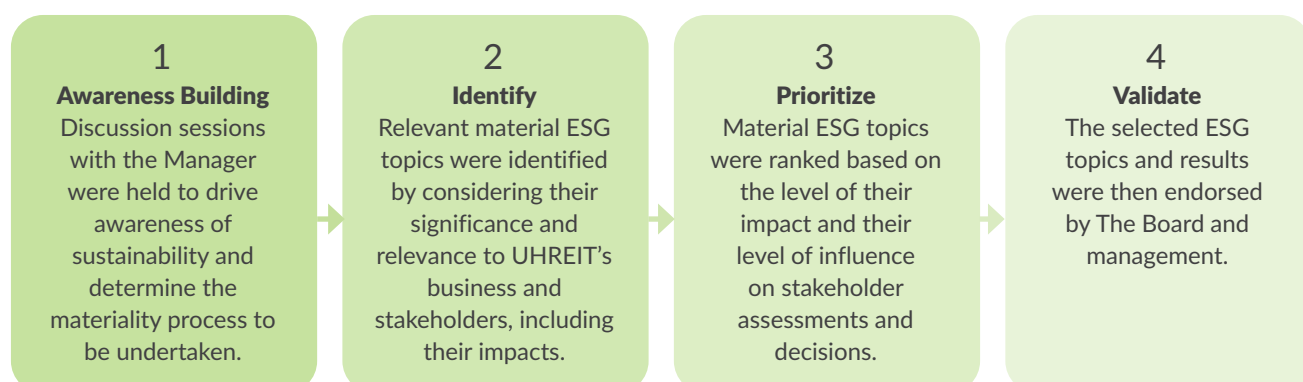


Figure 3: UHREIT's Approach to Materiality Assessment

# SUSTAINABILITY AND TCFD REPORT

Table 1: UHREIT's Material ESG Topics for FY2023

TOPICS REPORTED FOR FY2023		RELEVANCE TO UHREIT
1	Economic Performance	UHREIT is committed to achieve sustainable economic growth and deliver long-term value to its stakeholders.
2	GHG Emissions and Energy Consumption	The increasing urgency for climate action is clear. The Manager recognises the need to engage tenants to decarbonise, which the Manager believes, is imperative to generate long-term value and sustainable growth for stakeholders.
3	Training and Development	The Manager is well-positioned to deliver sustainable economic growth and long-term value for its stakeholders through continuous training and upskilling of employees.
4	Diversity and Employment	The Manager operates on the belief that the success of the Company is dependent on the passion and dedication of employees. Being key drivers to the success and long-term growth of the Company, it is vital to foster a working environment that empowers employees and celebrates equality, inclusivity, collaboration and professional and personal growth.
5	Community Engagement	As a corporate citizen, the Manager believes in giving back and uplifting the communities where the Manager operates in.
6	Business Ethics	Strong corporate governance is critical to every business and is one of the key pillars for the Manager. It provides accountability and transparency to all stakeholders and enhances investor confidence.
7	Cybersecurity and Data Privacy	The Manager is committed to robust management of cybersecurity and data privacy in order to reduce the exposure to potential cyberthreats.
8	Safety and Wellbeing	Safety at both workplace and properties continue to be top priorities. Any disregard for safety shall pose significant operational and reputation risk to the organisation.

## 3.4 Sustainability Progress and Targets

Table 2: UHREIT's Sustainability Progress and Targets

MATERIAL TOPIC FOR FY2023	GRI TOPIC STANDARDS	TARGETS FOR FY2023	FY2023 PERFORMANCE
1 Economic Performance	GRI 201: Economic Performance 2016	<ul style="list-style-type: none"> <li>Achieve sustainable economic growth and delivering long-term value for UHREIT's stakeholders</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>Please refer to financial statements for more details on UHREIT's financial results and performance for FY2023</li> </ul>

	MATERIAL TOPIC FOR FY2023	GRI TOPIC STANDARDS	TARGETS FOR FY2023	FY2023 PERFORMANCE
2	GHG Emissions and Energy Consumption	GRI 302: Energy 2016 GRI 305: Emissions 2016	<ul style="list-style-type: none"> <li>Reduce portfolio wide common area electricity consumption by 1.5%</li> <li>Install LED lighting at 39% of UHREIT's properties (common areas within our control)</li> <li>Install EV charging stations at 25% of UHREIT properties</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>Met target of reducing common area electricity consumption</li> <li>Installed LED lighting at 59% of UHREIT's properties (common areas within our control)</li> </ul> <p><b>Not achieved</b></p> <ul style="list-style-type: none"> <li>Installed EV charging stations at 9% of UHREIT properties<sup>2</sup></li> </ul>
3	Training and Development	GRI 404: Training and Education 2016	<ul style="list-style-type: none"> <li>Maintain an average of 20 training hours per employee</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>Average 33 training hours per employee</li> </ul>
4	Diversity and Employment	GRI 401: Employment 2016	<ul style="list-style-type: none"> <li>Maintain zero incidents of employee discrimination and unfair hiring process</li> <li>Achieve 100% participation rate in the annual employee feedback survey</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>Zero incidents of employee discrimination and unfair hiring process</li> <li>100% participation rate in the annual employee feedback survey</li> </ul>
5	Community Engagement	Non-GRI Topic	<ul style="list-style-type: none"> <li>Achieve 100 hours of staff volunteerism</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>The Manager's Singapore and U.S. teams volunteered at various community engagements and achieved a total of 112 hours of staff volunteerism</li> </ul>
6	Business Ethics	GRI 205: Anti-corruption 2016	<ul style="list-style-type: none"> <li>100% of governance body members have been communicated to and received training on anti-corruption</li> <li>Achieve zero cases of corruption or bribery</li> <li>Develop and put in place an environmental risk management (EnRM) framework</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>All Directors and employees of the Manager have completed their mandatory anti-corruption trainings</li> <li>Zero cases of corruption or bribery</li> <li>Developed and put in place TCFD report as EnRM framework</li> </ul>
7	Cybersecurity and Data Privacy	GRI 418: Customer Privacy 2016	<ul style="list-style-type: none"> <li>Zero breaches of cybersecurity internally</li> <li>Zero incidents of non-compliance with data privacy laws</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>All Directors and employees of the Manager have attended their mandatory annual cybersecurity awareness training</li> <li>Zero breach of cybersecurity internally</li> <li>Zero incidents of non-compliance with data privacy laws</li> </ul>
8	Safety and Wellbeing	GRI 403: Occupational Health and Safety 2018	<ul style="list-style-type: none"> <li>Zero incidents of workplace fatalities and injuries</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>Maintained a strong track record for workplace safety, with zero fatalities and reported incidents</li> </ul>

2 Target not met due to U.S. supply chain issues as the appointed EV charging vendor was undergoing internal restructuring exercise.



# SUSTAINABILITY AND TCFD REPORT

Table 3: UHREIT’s Sustainability Roadmap



### 3.5 Stakeholder Engagement

The Board and management is dedicated to foster sustainable growth and long-term value creation for its stakeholders. The management interacts with stakeholders regularly and values their input. The engagement strategy for each stakeholder group is described in Table 4, along with the manner of interaction and action plans for relevant areas of interest. For FY2023, no critical concerns were communicated.

Table 4: UHREIT's Stakeholder Engagement

STAKEHOLDERS	ENGAGEMENT METHOD	STAKEHOLDERS' KEY CONCERN
INTERNAL STAKEHOLDERS		
EMPLOYEES	<ul style="list-style-type: none"><li>• Regular conference calls across Singapore and U.S. team</li><li>• Face-to-face meetings</li><li>• Annual employee performance reviews</li><li>• Annual virtual townhall meetings across Singapore and U.S. team</li><li>• Annual employee feedback survey</li><li>• Health and well-being activities</li></ul>	<ul style="list-style-type: none"><li>• Compensation and benefits</li><li>• Career progression</li><li>• Learning and development opportunities</li><li>• Work-life balance</li><li>• Fair and competitive employment practices</li><li>• Effective communication engagement between global teams</li></ul>
	<p><i>Our Response:</i> The management engages employees regularly to build a positive work environment and aim to be the employer of choice. The management keeps employees updated on all the latest developments regarding UHREIT and its performance and organises regular team bonding activities across the Singapore and U.S. offices. Regular one-on-one performance reviews serve as a platform for employees to raise any concerns to the management.</p>	
BOARD OF DIRECTORS	<ul style="list-style-type: none"><li>• Meetings and calls</li><li>• Email</li><li>• Quarterly Board Meetings</li><li>• Ad hoc Board Meetings (Whenever required)</li></ul>	<ul style="list-style-type: none"><li>• Proper governance</li><li>• Regulatory matters</li><li>• Strategic oversight</li><li>• UHREIT's financial and operational performance</li></ul>
	<p><i>Our Response:</i> The management engages the Board of Directors regularly to keep them updated on UHREIT's performance. Detailed presentations of financial reports are presented at Board Meetings to keep the Board of Directors apprised of UHREIT's latest developments to enable transparent and good governance on their part. The Board has oversight of major new policies, and the management also engages with Directors directly where necessary to discuss important matters or address any potential issues.</p>	
EXTERNAL STAKEHOLDERS		
TENANTS	<ul style="list-style-type: none"><li>• Meetings with tenants</li><li>• Quarterly inspection of building structures</li></ul>	<ul style="list-style-type: none"><li>• Competitive rental rates</li><li>• Maintenance of building quality</li><li>• Health and workplace safety</li></ul>
	<p><i>Our Response:</i> The management conducted physical building inspections to ensure that the quality of the properties is kept at a high standard, to ensure the quality-of-life as well as the health and safety of tenants and their employees. The management also maintains close communication with tenants to stay abreast of any financial concerns that they might have and address those concerns swiftly and come to an arrangement amenable to both parties. The management has commenced discussions with tenants and incorporated sustainability provisions in new lease agreements.</p>	

# SUSTAINABILITY AND TCFD REPORT

STAKEHOLDERS	ENGAGEMENT METHOD	STAKEHOLDERS' KEY CONCERN
<b>UNITHOLDERS/ INVESTMENT COMMUNITY</b>	<ul style="list-style-type: none"> <li>• Announcements</li> <li>• Annual reports</li> <li>• Publications</li> <li>• Meetings, webinars, seminars, and conferences</li> <li>• Annual General Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• Stable and sustainable distributions and returns</li> <li>• Long-term strategy and outlook</li> <li>• Regular, timely and transparent reporting</li> <li>• Good corporate governance</li> </ul>
	<p><i>Our Response:</i></p> <p>The management recognises its responsibility towards the Unitholders, and is committed to providing returns in a sustainable manner. All announcements and news are promptly released to SGX-ST and published on UHREIT's corporate website. The management also holds regular meetings and participates in various webinars and conferences to provide insights on UHREIT's business environment and market outlook, as well as to gather feedback from our Unitholders.</p> <p>The management is proactive in managing UHREIT's properties, to be prepared for any economic eventualities. The management is also on a constant lookout for accretive acquisition opportunities, tempered by a disciplined approach and a robust risk management framework. The results of the approach is reflected in the FY2023 performance, which can be found in the Annual Report.</p>	
<b>BUSINESS PARTNERS (E.G. PROPERTY MANAGERS, THIRD-PARTY SERVICE PROVIDERS)</b>	<ul style="list-style-type: none"> <li>• Meetings, briefings, and consultations</li> </ul>	<ul style="list-style-type: none"> <li>• Fair and reasonable business practices</li> <li>• Market compensation for services rendered</li> <li>• Safe working environment</li> </ul>
	<p><i>Our Response:</i></p> <p>The management conducted regular face-to-face meetings, conference calls, emails and feedback sessions with the Property Managers and third-party service providers.</p>	
<b>REGULATORS AND INDUSTRY ASSOCIATIONS</b>	<ul style="list-style-type: none"> <li>• SGX announcements</li> <li>• Annual reports</li> <li>• Surveys, ongoing dialogues, feedback, and networking events</li> <li>• Circulars and electronic communication</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with rules and regulations</li> <li>• Strong corporate governance</li> </ul>
	<p><i>Our Response:</i></p> <p>The management engages with government agencies and regulators to ensure it complies with all applicable laws and regulations, and that the business practices are ethical and fair. UHREIT is a member of industry associations such as the REIT Association of Singapore ("REITAS") and the Singapore Business Federation ("SBF"). The management also actively participated in activities conducted by SGX, REITAS and Securities Investors Association (Singapore) ("SIAS"). In addition, the management also engages with regulators such as the SGX and the Monetary Authority of Singapore ("MAS").</p>	
<b>LOCAL COMMUNITY</b>	<ul style="list-style-type: none"> <li>• Corporate social responsibility ("CSR") programs</li> </ul>	<ul style="list-style-type: none"> <li>• Positive impact to the community and environment</li> </ul>
	<p><i>Our Response:</i></p> <p>The management is dedicated to giving back to the local areas where it works by supporting and taking part in local community initiatives that have beneficial socioeconomic impact. The Community Engagement section contains further information on the CSR activities that the Singapore and U.S. staff participated in.</p>	



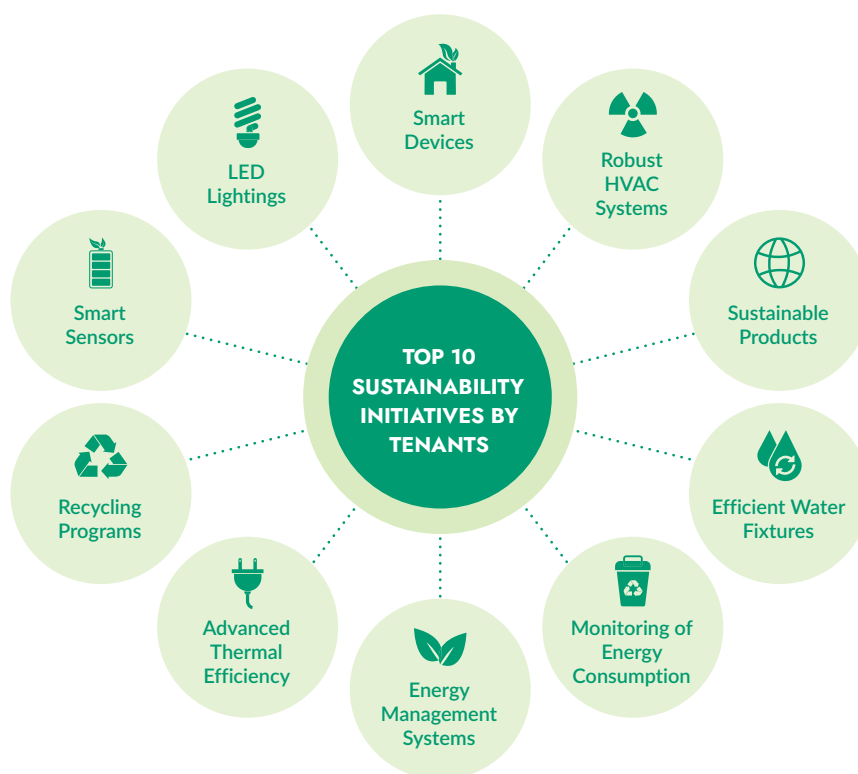


Figure 4: UHREIT's Tenant Engagement in FY2023

#### 4.0 ENVIRONMENTAL

The real estate sector has an important role to play in global decarbonisation efforts and The Board and management recognises that we and our tenants have much to contribute to this global agenda. The Board and management strives to reduce our environmental impact and engage our tenants to build operational resilience to address impacts from climate change.

The management has an Environmental Policy in place and is working towards developing a decarbonisation plan that details our approach to manage key climate risks and opportunities. The Environmental Policy requires all business entities to adhere to all applicable environmental legislations and regulations mandated, and the management has measures in place to stay abreast of any regulatory changes. The management also aims to uphold high standards of environmental compliance across our business operations, through incorporating sustainability within our investment philosophy, asset management and any new investments considered. Waste and water usage are not part of our material topics as the amount of waste and water usage at our properties is low. Therefore, we do not collect data on waste and water usage. In line with our material topics, the management has prioritised the data collection for GHG Emissions and Energy Consumption in FY2023.

In terms of our GHG emission reduction plans, the management adopts a two-pronged approach. This approach involves (i) focusing on reducing the operational GHG emissions from landlord-controlled common areas; and (ii) engaging with tenants to support their adoption of more energy efficient initiatives. While the management continues to measure our Scope 2 inventory<sup>3</sup> in FY2023, we are simultaneously developing a strategy to address the Scope 3 indirect GHG emissions both upstream and downstream. This provides a useful overview of the baseline emissions and helps us set realistic and credible GHG reduction targets to decarbonise.

Businesses may also suffer financial impacts from climate change. Therefore, it is important that the management understands and effectively manages key climate risks and opportunities.

This is our second TCFD Report and outlines The Board and management's approach towards adopting the TCFD recommendations. It aligns with the recommendations set out by TCFD and provides our stakeholders with useful information on climate-related risks and opportunities relevant to UHREIT.

3 Scope 2 inventory refers to emissions arising from energy consumption from landlord-controlled common areas from UHREIT's portfolio of Grocery & Necessity and Self-Storage properties. The tenant-controlled areas in the properties are excluded as they are not under our direct control but fall under Scope 3 which will be reported in the future.

# SUSTAINABILITY AND TCFD REPORT

## 4.1 Our response to TCFD

TCFD gives UHREIT a standardised, equivalent, and globally recognised reporting format so the Manager can better inform our stakeholders about the opportunities and risks associated with climate change adaptation. By implementing TCFD, The Board and management seeks to give Unitholders, lenders, and other stakeholders more information to make financial decisions and to better understand our perspective on sustainability at UHREIT. The Board and management believe that transparency is most important. As such, The Board and management is committed to continually improve how risk is managed and disclosed in future reports. As a responsible property owner, UHREIT carefully considers the long-term impact of climate-related risks, both physical and transitional, as well as potential opportunities.

Physical risks can be classified into two types – chronic risk and acute risk. Acute physical risks refer to event-driven risks, including increased severity of extreme weather events such as floods, wildfires, drought or hurricanes. Likewise, chronic physical risks refer to longer-term shifts in climate patterns, such as persistent higher temperatures that may cause sea level rise or chronic heat waves. Both types of physical risks can be catastrophic to our properties, causing disruption to our business operations, resulting in impairment of asset value and rendering a property unleaseable in the event of extremely severe climate disasters.

The need to transition to lower carbon or net zero carbon economy can pose a range of potential transition risks to UHREIT's portfolio. Transition risks may arise from significant changes in policy, regulation and technology to address mitigation and adaptation requirements triggered by climate change.

Table 5 provides a summary of identified climate-related risks and opportunities which are relevant to UHREIT.

**Table 5: UHREIT's Identified Climate-Related Risks and Opportunities**

RISK TYPE	RISK	IMPACTS
<b>PHYSICAL (CHRONIC)</b>	Higher Temperatures	Increases in temperature can lead to reduced water supply available, resulting in higher utility usage, supply interruptions and impairment of UHREIT's reputation in communities where our properties are located. This can eventually lead to higher design, construction, and operational costs to meet compliance obligations.  Potential increase in extreme weather events such as heatwaves. Due to the burning of fossil fuels, average temperatures will increase causing heatwaves to be hotter, longer and more frequent. This may have a substantial effect on those who work outdoors. Heat-related illnesses including heat exhaustion and dehydration can be more common. Increased absenteeism, higher medical expenses, and perhaps legal ramifications could result from this. To mitigate the effects of heatwaves there might also be additional costs incurred, such as the replacement of equipment at the properties.
	Rising Sea Levels	Rising sea levels may lead to storm surge and other potential impacts on our low-lying coastal properties. This can cause damage, loss of property value, and interruptions to the operations of the shopping centers. Especially those properties located in the Southeastern coast of the U.S. Furthermore, it may result in higher insurance costs especially for those properties in coastal areas that may require standalone policies.

RISK TYPE	RISK	IMPACTS
<b>PHYSICAL (ACUTE)</b>		Increased frequency and intensity of windstorms, such as hurricanes, can lead to property damage, loss of property value and disruptions in operation of shopping centers and storage facilities. This can result in higher capital investment to repair assets that are impaired, and invest in new technologies to mitigate the effects of climate change.
	Increase in Storms and Extreme Weather Events	On days with high temperatures and extreme dry weather conditions, trees may catch fire easily resulting in forest fire in the areas which UHREIT's properties are located. These disastrous events can cause potential damage to UHREIT's properties and result in loss of income due to operational disruptions and shutdown of business premises. Fires could potentially lead to permanent loss of property, stress on human health (air quality), and stress on ecosystem services.
	Flooding	There is also an increased frequency and intensity of windstorms such as hurricanes which could lead to damage and loss in value of UHREIT's properties. Such storms; which are known to hit the Eastern coast of USA, may cause increased operating and capital costs, insurance premiums, and interruptions to business operations of UHREIT.
<b>TRANSITION</b>	Regulatory	Changes in rainfall conditions could lead to increased frequency and severity of flooding. Resulting in property damage, loss of property value and closure of properties especially those located in floodplain regions in the Southeast and Northeast coast of the U.S. In extreme weather locations, the shrinking population base can lead to reduced retail tenant sales volumes and a smaller labor force, resulting in higher labour costs for tenants.
	Market	Regulations at the federal, state, and local levels could impose additional operating and capital costs associated with utilities, energy efficiency, building materials and compliance for both design and operation permits.
	Reputational	There is increasing interest among retail tenants in efficient and sustainable building design and criteria. This could result in a reduction in tenant demand for antiquated buildings that do not adhere to the same standards.
	Technology	Lack of response to stakeholder preferences and failure to comply with ESG-related regulations could pose a reputational risk and create a competitive disadvantage which restricts ability to attract investors.
<b>OPPORTUNITIES</b>		
<b>ADOPTION OF LOW-CARBON TECHNOLOGIES</b>	Cost and resources required to transition to lower emission building and operational technologies (i.e. LED lighting).	
<b>PARTICIPATION IN RENEWABLE ENERGY PROGRAMS</b>	Shift to lower emission technologies such as, solar panel systems on flat roofs and parking lots of shopping centers, and light sensors in the Self-Storage properties, may reduce our carbon footprint and operational costs of properties.	
<b>GREEN FINANCING</b>	Participation in government-funded renewable energy programs can lead to reduced operating costs.	
	Exploring green financing options (e.g., Green Loans or Sustainability-Linked Loans) to finance sustainability initiatives and meet sustainability targets, while potentially reducing cost of borrowing and generate interest savings for stakeholders.	



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For FY2023, UHREIT has stepped forward to monitor TCFD-related matters. We have engaged an external ESG consultant to support The Board and management on TCFD-related matters. UHREIT aims to gradually incorporate TCFD guidelines through a phased approach. We understand that effectively managing climate-related risks and opportunities is essential to generate long-term value for UHREIT's stakeholders, and it goes beyond simply adhering to legal obligations.

With this being the second year UHREIT is aligning our business to the TCFD recommendations, we have made good progress in understanding and aligning our decisions to the TCFD guidelines. We also understand that there is room to further refine and improve our disclosures. Therefore, to address climate change and build business resilience, The Board and management has developed and progressed through UHREIT's roadmap illustrated in Table 3, to integrate climate-related risks and opportunities into our business strategy, in order to meet the ever-changing landscape.

## Governance:

The Board and management has established oversight and accountability for UHREIT's climate risk strategy. The Board is kept informed on climate-related issues or regulatory changes by the management during board meetings.

The management plays a critical role in managing and assessing climate-related risks and opportunities. Key climate-related issues are considered when making strategic decisions with regards to UHREIT's business strategy and policies. The management is also responsible for developing sustainability objectives and driving the overall sustainability performance of the REIT, with climate-related issues forming a significant portion of this. Progress of UHREIT towards its targets and performance on climate-related issues are monitored and reported to the Board on a regular basis.

In FY2023, we have reviewed and updated our TCFD Framework, and set ESG-related metrics in employee remuneration.

## Strategy:

The Manager regularly monitors and assesses its exposure to climate-related risks and opportunities. In FY2023, The Board and management performed a business impact analysis and identified the key risks and opportunities (highlighted in Table 5 above) that are relevant to our business. This analysis has also allowed us to identify material drivers and indicators affecting our properties. With this information, we are better able to devise our action plan and strategy with regards to decarbonisation.

As part of our ongoing strategy to reduce GHG emission at our properties, UHREIT continues to engage with our tenants' to understand their decarbonisation strategy, with the aim of aligning them to UHREIT's business strategy.

UHREIT has been progressively enhancing our identification and monitoring of the emissions generated by our supply chain. In FY2023, we continued to engage our tenants to provide information required to compute our Scope 3 emission for upcoming years. Moving forward, UHREIT will work towards expanding our Scope 3 coverage, aligning with relevant reporting frameworks and requirement, and improving overall climate-related disclosures. Additionally, we will endeavour to perform a scenario analysis to understand the financial impact of climate change on our business activities.

## Risk Management:

The Board and management is in charge and responsible for identifying and putting in place mitigating measures for the material risks affecting UHREIT. The Enterprise Risk Management ("ERM") framework is utilised to identify and assess material hazards, including climate-related risks, through a top-down and bottom-up risk review process. For FY2023, we have identified and incorporated various climate-related risks into UHREIT's updated ERM Manual.

We aim to gain better understanding and appreciation of these risks, along with the various types of obstacles involved in executing mitigation strategies. Thus, The Board and management aims to involve various stakeholder groups such as our ESG Consultant to gather their viewpoints and insights on such issues. We also endeavour to use a risk management process to map climate-related risks and assess the severity of the impacts to our business activities while establishing a process to identify appropriate risk mitigation measures to address such risks.

## Metrics and Targets:

For FY2023, we have reviewed greenhouse gas Scope 2 inventory and disclosed our climate-related metrics, targets, and performance data in the report on pages 71 to 72. We have also started the process of acquiring the Scope 3 emissions for relevant categories. For example, tenant GHG emissions to prepare for its disclosure in the coming years.

## 4.2 GHG Emissions and Energy Consumption

UHREIT's portfolio consists of Grocery & Necessity and Self-Storage properties. As the majority of our Grocery & Necessity leases are triple-net where tenants manage the energy usage within their own units, our main usage of energy is electricity consumption in the common areas.

The Board and management has established a target of lowering the common area energy usage for our properties. Guided by the Manager's Environmental Policy, The Board and management has made a conscious effort to involve our tenants, staff, and business partners in this coordinated effort. For example, while we may not have direct control over tenants who are responsible for the energy use in their units, we actively encourage them to adopt more energy-efficient practices.

The Property Manager monitors the electricity use for each property and reacts to unusual fluctuations in energy consumption in a timely manner. This also supports The Board and management in its efforts to introduce measures to reduce electricity use where possible. We also comply with all applicable environmental legislations and regulations.

In FY2023, UHREIT's electricity consumption stood at 3,010MWh and Scope 2 emissions stood at 792 tonnes CO<sub>2</sub>e. This comprises the following: (a) 12 months' worth of contributions from every property; and (b) 8 months' worth of contributions from Big Pine Center, which was divested in August 2023. After accounting for these and the operating processes at each property, the overall electrical consumption and Scope 2 emissions both reduced by 13% and 13% respectively, as compared to FY2022 (Table 6). Table 7 showcases our performance in relation to the goals.

**Table 6: UHREIT's Scope 2 Emissions and Electricity Consumption for FY2022 and FY2023**

Scope 2 Emissions	COVERAGE	FY2022 (TONNES CO <sub>2</sub> e)	FY2023 (TONNES CO <sub>2</sub> e)	CHANGE
	All properties	912	792	-13%
	Excluding properties with partial year data	753	635	-16%
Electricity Consumption	COVERAGE	FY2022 (MWh)	FY2023 (MWh)	CHANGE
	All properties	3,475	3,010	-13%
	Excluding properties with partial year data	2,925	2,514	-14%

UHREIT's Scope 2 emissions data was collected and prepared using the location-based method according to the GHG Protocol. It consists of emissions from purchased electricity as a result of UHREIT's operations from landlord-controlled common areas in our properties. UHREIT does not report figures from tenant-controlled areas in our properties as they are not within UHREIT's direct control. The emission factors for electricity were obtained from the US EPA eGRID 2021 data.

# SUSTAINABILITY AND TCFD REPORT

*Table 7: UHREIT's Progress against Targets*

TARGET		FY2023 PERFORMANCE	PROGRESS
Electricity Consumption	Reduce common area electricity usage portfolio wide by 1.5%	Reduced common area electricity usage portfolio wide by 14% <sup>4</sup>	On track
EV charging stations Installation	Install EV charging stations at properties (25% by FY2023)	Installed EV charging stations at 9% of our properties	Not Met <sup>5</sup>
LED lighting Installation	Install LED lighting at the common areas of our properties (50% by FY2023)	Installed LED Lighting at the common areas of 59% of our properties	On track

<sup>4</sup> Excluding properties with partial year data due to acquisition and divestment activities.

<sup>5</sup> Target not met due to U.S. supply chain issues as the appointed EV charging vendor was undergoing internal restructuring.

## 5.0 SOCIAL

We believe that employees are key to our success. It is therefore vital for us to foster a working environment that empowers employees and celebrates equality, inclusivity, professional and personal growth, as well as collaboration across departments. We are committed to employee well-being, diversity, workplace health and safety and training and development of our employees to help them reach their full potential. We adopt merit-based recruitment practices and emphasise on diversity, equity and inclusiveness.

### 5.1 Diversity and Employment

To provide an inclusive workplace and promote high levels of employee engagement, The Board and management strives to:

- Promote a conducive workplace environment.
- Provide fair remuneration and attractive employment benefits.
- Actively seek employee feedback to improve workplace culture and employee engagement.

#### Promoting a conducive workplace environment

The Board and management is committed to creating a fair and inclusive work environment by providing equal opportunities for all employees regardless of their background. At the Board level, we have a Board Diversity Policy which sets out the approach to encourage and ensure diversity among the Board of Directors. The Board Diversity Policy is considered in determining the optimum composition of the Board and aims to ensure there is an appropriate balance and mix of skills, knowledge, and experience among Board members. In FY2023, the Board comprises of 5 males and 1 female. Across the Manager, we have a total of 13 employees. Of which, 31% are males and 69% are females (Table 8). In terms of age diversity, 31% are below 30, 61% are between 30 to 50 and 8% are above 50 (Table 9). In FY2023, there were no reports of employee discrimination. Tables 10 and 11 describes the employee turnover and new hire rates.



Table 8: Gender Diversity

	FEMALE	MALE
SINGAPORE	8	1
U.S.	1	3
TOTAL	9 (69%)	4 (31%)



Table 9: Age Diversity

	UNDER 30	30 TO 50	ABOVE 50
SINGAPORE	3	6	0
U.S.	1	2	1
TOTAL	4 (31%)	8 (61%)	1 (8%)

Table 10: New Employee Hires and Turnover<sup>6</sup> by Gender

	FEMALE	MALE
RATE OF NEW HIRES	8% (1 female employee was hired)	8% (1 male employee was hired)
RATE OF TURNOVER	0%	8% (1 male employee left)

Table 11: New Employee Hires and Turnover<sup>6</sup> by Age Group

	UNDER 30	30 TO 50	ABOVE 50
RATE OF NEW HIRES	0%	16% (2 employees, in the age group 30 to 50, were hired)	0%
RATE OF TURNOVER	0%	0%	8% (1 employee, in the age group above 50, left)

6 The total number of employees as of 31 December 2023 was used as the denominator to calculate the respective new hire and turnover rates by gender and age group.



# SUSTAINABILITY AND TCFD REPORT

## Fair remuneration and attractive employee benefits

Prior to commencement of work with the Manager, all employees are required to sign an employment contract with key employment terms and conditions clearly defined within. This minimises potential employment disputes in the future as it allows employees to understand their full employment right and obligation, as well as those of the Manager. Key employment terms specified in the employment contract include, but is not limited to, job title and description, official working hours, salary and allowances, mandatory statutory contribution and deduction, leave entitlements, probation and notice periods, and key insurance and medical benefits.

To ensure that the Manager remains competitive and continues to attract and retain the right talent, we review the remuneration package of all its employees regularly. Salaries are reviewed against industry benchmarks, with the specific job scope and responsibilities of each employee taken into consideration. All employees will undergo an annual performance review with their reporting manager, where there is an open discussion on their job performance, areas for improvement, development needs and career plans.

The Manager offers a comprehensive and competitive compensation package and benefits program. We observe a pay-for-performance philosophy that rewards laudable performance, aligning employee and Unitholder interests to deliver business results. The Manager's annual variable bonus pool is determined based on the organisation's achievement against a holistic set of qualitative and quantitative targets prescribed in our balance scorecard. The amount of variable bonus awarded to each employee is further based on their relative contributions and individual performance.

The Manager also provides attractive employment benefits for our employees, including benefits mandated by prevailing local labour regulations. We partner with reputable third-party medical and insurance providers to provide holistic healthcare and insurance coverage for our employees. This includes, but is not limited to, corporate medical benefits such as life insurance, medical care benefits, disability coverage, parental leaves, and retirement provisions. Through this, we hope to provide our employees peace of mind when handling medical-related expenses, enabling them to perform their day-to-day duties in an optimal manner. In FY2023, we also introduced several wellbeing programs (further discussed in section 5.3 below), with the aim of helping employees achieve balanced work-life and healthy mental wellbeing.

Being a relatively young company listed the Singapore Exchange Securities Trading Limited on 12 March 2020, we are proud to share that close to 40% of our employees have been with us for at least three years. In FY2023, we had only one employee departure, due to personal health reasons. We also conduct interviews with employees who have resigned as part of our continuous effort to improve our retention policies.

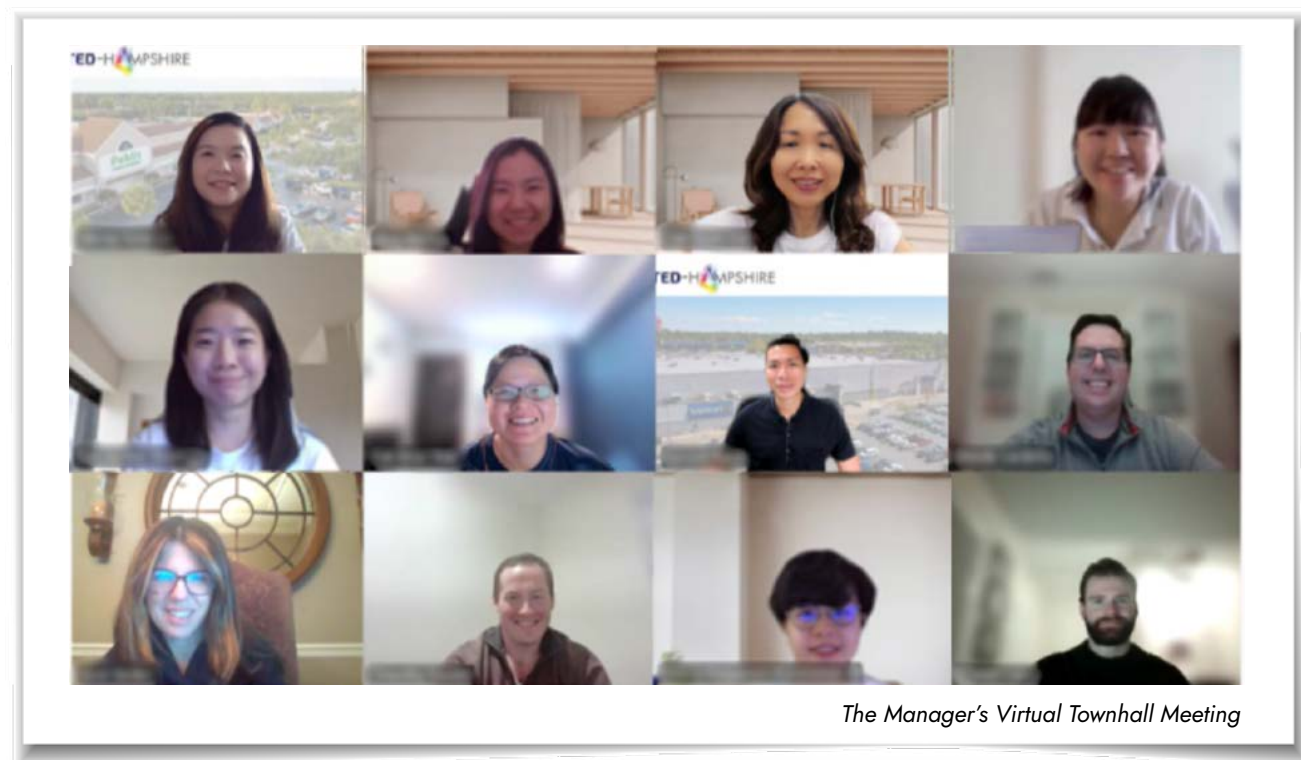
## Gathering employee feedback and building team cohesion

The Manager actively gathers employee insights and considers their opinions when making corporate policy decisions. To better understand what motivates employees and support the Manager's vision and mission, we have been conducting annual employee feedback survey since FY2021. The survey includes aspects related to job satisfaction, sense of purpose and happiness at work. In the Manager's employee feedback survey for 2023, we achieved a 100% response rate. Results from the survey also allow the Manager to gain insights as to how well the team is aligned with its core purpose of organisational excellence relative to culture, talent, strategy and performance.

As part of the due diligence process to proactively identify potential human rights issues including discrimination and harassment risks, channels such as regular conversations or feedback sessions between employees and their reporting managers, and annual performance review sessions, are in place to allow employees to raise their concerns.

The Manager is of the view that employees are important stakeholders in the organisation and should be kept up-to-date of any major shifts that would affect the environment. We seek to give our employees adequate notice of any significant changes in the Manager's policies and operational direction. For example, twice weekly virtual Teams meeting involving all members from the Singapore and U.S. team are held to facilitate discussion and exchange views on key company operational matters. Annual virtual townhall meetings are also held, to enable employees to express their feedback and have their questions answered. On 22 November 2023, the Manager held a virtual townhall meeting and provided organisation wide updates covering topics such as, achievements and milestones attained by the team in FY2023, as well as an overview of UHREIT's goals and strategy for the upcoming year. Furthermore, a team bonding game was conducted via an online platform "Kahoot!" during the townhall, to encourage interaction and promote cohesion between our cross-border team.

Team building activities were held regularly throughout the year as we believe that a strong team is built through forming bonds and connections. For example, an outing to the Forest Adventure at Bedok Reservoir was organised by the Singapore team in September 2023. Stronger bonds and friendships were forged through the activities as the employees worked together to clear the high elements obstacles course.





# SUSTAINABILITY AND TCFD REPORT



*The Manager's Team Bonding Sessions*

## 5.2 Training and Development

Developing our workforce through continuous learning ensures that we have a future-ready workforce. To drive our new engine of growth, we leverage on both internal and external programmes to develop the necessary skillsets required to empower the Manager's next phase of growth.

All employees are required to undergo a minimum hours of training yearly as part of their professional development. This will help the Manager operate effectively as a business, enabling it to deliver long-term value to Unitholders. All employees are required to complete a combination of core and supplementary hours of training covering a broad range of topics including cybersecurity, rules and ethics, anti-corruption and anti-money laundering. The Manager also provides supplementary training sessions based on the employees' relevant fields of work, including topics such as financial and sustainability reporting.

In FY2023, the Manager recorded an average of 33 training hours per employee<sup>7</sup> (FY2022: 29), significantly surpassing its target of 20 training hours per employee. A total of 393 training hours were recorded with the average training hours for male and female employees being 58.6 hours and 24.1 hours respectively.

<sup>7</sup> The total number of employees as of 31 December 2023 was used as the denominator to calculate the average training hours per employee.

### 5.3 Safety and Well-being

The Manager continues to emphasise on employee's well-being with key focus on emotional (mental) and physical wellness. To promote healthy living, our employees in the U.S. are offered complimentary flu vaccinations and an annual Headspace membership which grant user access to an online library, containing hundreds of different types of meditation and mindfulness exercises. In November 2023, we organised a global team workout challenge that lasted for one month through the Under Armour's "MapMyWalk" mobile application. The purpose of the challenge was to encourage physical fitness by having employees track their exercise hours using the application. In addition, it fosters team building and collaboration. The winning team, comprised of employees from both Singapore and the U.S. who accumulated the highest workout hours, received a gift card at the challenge's conclusion. Collectively, the employees of the Manager clocked a total of 200 workout hours.

Safety at both workplace and properties continue to be top priorities for the Manager, as any disregard for safety may pose significant operational and reputation risk to the organisation. To promote a safe working environment for everyone, employees are encouraged to report any unsafe conditions and hazards to their superiors. Furthermore, fire drill briefing slides and circulars were circulated out to the team on a timely basis so that they are aware of the latest evacuation protocol in time of an emergency. Regular cleaning and sanitisation of workstations were also conducted to remove harmful bacteria and viruses from surfaces, thus preventing the spread of germs within the office. The Manager also offers flexi-work arrangements whereby our employees are encouraged to work from home if they feel sick, and only return to office after recovery. The Manager is committed to ensuring a safe working environment for all, actively encouraging employees to participate in the organisation's workplace safety program.

On the property front, we ensure that tenants are properly briefed on building safety and evacuation plans so that they are prepared in the event of an emergency. Furthermore, newsletters were distributed out to inform tenants on important notices, such as maintenance and construction work that will be carried out at the properties. Our properties are also inspected regularly for defects which may warrant rectification works and to ensure that they comply with all applicable laws and regulations. In FY2023, we are pleased to announce that there were no fatalities or reportable injuries.

### 5.4 Community Engagement

The Manager strives to uplift and give back to communities wherever we operate. Operating on the belief that the company thrives when the community thrives. Therefore, we advocate employee volunteerism as an integral part of building a caring and inclusive community.

Since FY2022, our team in Singapore has been volunteering with Food from the Heart ("FFTH"), a local IPC-status food bank dedicated to providing the less privileged in our community through their network of partnerships and food distribution programmes. In FY2023, our team volunteered for two full days at FFTH's warehouse to assist with the sorting and recording of incoming food donations, before repacking them into individual food ration pack for distribution to their beneficiary centre. The Singapore team also had a chance to volunteer with another not-for-profit organisation, TOUCH Home Care ("TOUCH"), to deliver cooked meals to home-bound elderly living in the Jurong neighbourhood under their "Meals-On-Wheels" program. It was a fulfilling and rewarding experience for the team as we upheld TOUCH's mission, to support the elderly within the local community enjoy greater independence and better quality of life.



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Our employees from the U.S. office have also been active on the volunteer front, advocating their time for a good cause. In FY2023, the Manager's U.S. team made trips periodically to Grow It Green Morristown, an urban farm located in New Jersey, to help with growing and harvesting of fresh produce, which were donated to local community partners and directly to families in need. The U.S. team also participated in other community outreach initiatives organised by our U.S. sponsor which included "Making Strides Against Breast Cancer", a fund-raising event in collaboration with America Cancer Society to support breast cancer research and create awareness within our society, "Interfaith Food Pantry Food Drive", a food collection event to help Morris County's families in need for their Thanksgiving Holiday and lastly "Operation Holiday", a collaboration with non-profit church and community organisations, to "give a gift" to the local families in need in celebration of the Christmas festive season.

We are pleased to share that our Singapore and U.S. team have collectively achieved a total of 112 volunteer hours in FY2023, comfortably exceeding the target of 100 hours of employee volunteerism.



*The Manager's U.S. Team Volunteering at  
Grow it Green Farm at Morristown, New Jersey*



*The Manager's Singapore Team  
Volunteering at Food From The Heart*



*The Manager's Singapore Team  
Volunteering at TOUCH Home Care*



## 6.0 GOVERNANCE

### 6.1 Business Ethics and Compliance

Strong corporate governance is critical to every business and forms the key pillar to a successful organisation. It provides accountability and transparency to all stakeholders and enhances Unitholder's confidence in the Company. To build a culture of ethical and responsible practices, The Board and management have put in place various policies and procedures covering different aspects of the business operations. These key policies which are reviewed regularly and approved by the Board include:

*Table 12: UHREIT's Key Policies*

<b>ANTI-MONEY LAUNDERING MANUAL</b>	<p>In striving to build a transparent and honest organisational culture, the Manager is committed to ensuring that all employees and business partners are aware of and in compliance with our policies against anti-corruption practices and human rights violations. UHREIT adopts a zero tolerance policy against all forms of corrupt practices such as bribery, fraud and money laundering.</p> <p>The Anti-Money Laundering Manual states the legal and regulatory obligations under Singapore law as well as the internal policies and procedures instituted by the Manager when conducting business.</p>
<b>INSIDER TRADING POLICY</b>	<p>The Insider Trading Policy provides guidance for the Directors, officers, and employees of the Manager in the context of dealing in the units of UHREIT. It covers:</p> <ul style="list-style-type: none"> <li>• The obligations of the Directors and CEO of the Manager to notify the Manager in relation to changes in his or her interest in Units;</li> <li>• The insider trading restrictions; and</li> <li>• Applicable trading black-out periods.</li> </ul>
<b>CODE OF CONDUCT</b>	<p>The Code of Conduct sets out the principles of conduct to guide employees and Directors of the Manager in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing both internal and external stakeholders.</p> <p>This is to ensure that we maintain a well-organised, respectful, and collaborative work environment. These principles of conduct are shared with all employees of the Manager through the Employee Handbook and Code of Conduct which are provided to all new hires. They are expected to read and acknowledge the contents during their onboarding process. In addition, briefing sessions were also conducted during onboarding process to remind our employees on our anti-corruption policy.</p>
<b>WHISTLEBLOWING POLICY</b>	<p>The Manager's Whistleblowing Policy is designed to ensure employees of the Manager and any other persons can raise concerns without fear of reprisal, and to provide a transparent and confidential process for dealing with concerns. All employees of the Manager and any other persons are encouraged to raise genuine concerns about possible improprieties and malpractices at the earliest opportunity, and in an appropriate way.</p>
<b>HUMAN RIGHTS AND MODERN-DAY SLAVERY STATEMENT</b>	<p>The Manager's Human Rights and Modern-Day Slavery Statement ensures that our business activities and supply chain are free from modern-day slavery and human rights abuses. The Manager is committed to respecting the human rights of all individuals involved in our activities and supply chain, keeping a zero-tolerance outlook towards abuse and exploitation.</p>

The anti-corruption policies are communicated to the Board and employees of the Manager on a regular basis to ensure that everyone adhere to the Group's stringent policies and procedures relating to anti-bribery and anti-corruption. The policies are reviewed and updated periodically by the Compliance Officer to ensure that they remain relevant to our operations.

Employees and directors are also required to provide a Fit and Proper Criteria Declaration at their onboarding and on an annual basis. In FY2023, we are pleased to share that there were zero incidents of non-compliance with anti-corruption laws and regulations.

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## 6.2 Whistle-blowing Policy

The Manager is committed to maintaining a high standard of integrity in its business conduct. We have put in place a whistle-blowing policy to encourage employees or any other persons to raise genuine concerns about possible improprieties at the earliest opportunity in an appropriate way, without fear of reprisals and that their confidentiality will be respected.

Our whistleblowing statement and reporting channel can be found on our website, at <https://www.uhreit.com/whistleblowing.html>. All reports sent in via the whistleblowing channel will be directed directly to the Chairman of the Audit & Risk Committee ("ARC Chair") and the Compliance Officer, to provide an independent reporting channel. This channel can be used by all employees and external parties, including suppliers, contractors, tenants and other stakeholders, to report any concerns regarding irregularities or questionable behaviour of employee, service provider or associate. The whistleblower's identity is strictly confidential and will only be disclosed if the whistleblower grants permission.

## 6.3 Cybersecurity and Data Privacy

As cybersecurity threats continue to proliferate and evolve in complexity, both The Board and management demonstrate a profound commitment to safeguarding data security and our tenants' privacy. Our internal IT Policy outlines our approach towards the handling and protecting of personal data. It further serves as a guideline for our employees to minimise the risk of loss of program functionality, exposure of sensitive information contained within the Company's computing network, risk of introducing malware, and the legal exposure of running unlicensed software.

Without the consent of our tenants and business partners, the Manager refrains from disclosing commercially sensitive information to external parties. In FY2023, there were zero substantiated complaints or incidents concerning data privacy breach and loss of Company data. In addition, our Directors and employees are required to attend a cybersecurity awareness course annually, aimed at keeping them up-to-date on the latest threats and equipping them with the knowledge to take precautionary measures and maintain vigilance against cyber attacks. We are also pleased to share that we met our target of zero breaches of cybersecurity internally in FY2023.

## 7.0 ECONOMIC

### 7.1 Economic Performance

The Board and management are committed to achieving sustainable economic growth and delivering long-term value for UHREIT's stakeholders. In order to achieve this goal, The Board and management seeks to integrate ESG considerations into property management strategies. The sustainability policies, practices and performances as detailed in this report complement UHREIT's overall financial performance by providing a perspective through UHREIT's environmental, socioeconomic and governance impacts. The Board of Directors which maintains oversight on the overall strategic, operational and sustainability matters meet at least once every quarter to review the financial performance of UHREIT and respond with appropriate measures as required. Table 13 details UHREIT's Investment and Divestment Operating Policy and Hedging Policy.

Please refer to financial statements on pages 127 to 185 for more details on UHREIT's FY2023 financial results.

**Table 13: UHREIT's Policies**

<b>INVESTMENT AND DIVESTMENT OPERATING POLICY</b>	<p>Manager has put in place a process which needs to be followed for investments and divestments of UHREIT's portfolio. Adhering to the policy and process ensures that regulatory compliance and conflicts of interests are mitigated while achieving key organisational objectives. It is adhered to by the Manager for all proposed investment and divestment decisions of UHREIT.</p>
<b>HEDGING POLICY</b>	<p>This guides the Manager in managing our interest rate and foreign currency risk position. The practices executed in line with the policy are subject to review and monitoring on an ongoing basis by the Manager's Audit and Risk Committee.</p>

## 8.0 GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	PAGE REFERENCE
GRI 2: General Disclosures 2021	2-1 Organizational details	57
	2-2 Entities included in the organisation's sustainability reporting	57-58
	2-3 Reporting period, frequency and contact point	58-59
	2-4 Restatements of information	71-72
	2-5 External assurance	58
	2-6 Activities, value chain and other business relationships	57-58
	2-7 Employees	58, 72-78
	2-8 Workers who are not employees	Not applicable
	2-9 Governance structure and composition	60
	2-10 Nomination and selection of the highest governance body	60
	2-11 Chair of the highest governance body	60
	2-12 Role of the highest governance body in overseeing the management of impacts	60
	2-13 Delegation of responsibility for managing impacts	60
	2-14 Role of the highest governance body in sustainability reporting	60
	2-15 Conflicts of interest	80
	2-16 Communication of critical concerns	65-66; there were no critical concerns raised during the reporting period
	2-17 Collective knowledge of the highest governance body	59, Corporate Governance Report (Page 93)
	2-18 Evaluation of the performance of the highest governance body	Corporate Performance Report (Board Performance)
	2-19 Remuneration policies	Corporate Governance Report (Remuneration Matters)
	2-20 Process to determine remuneration	Corporate Governance Report (Remuneration Matters)
	2-21 Annual total compensation ratio	Not Applicable on the GRI Content Index
	2-22 Statement on sustainable development strategy	57
	2-23 Policy commitments	79-80
	2-24 Embedding policy commitments	79-80
	2-25 Processes to remediate negative impacts	65-66
	2-26 Mechanisms for seeking advice and raising concerns	80
	2-27 Compliance with laws and regulations	79-80
	2-28 Membership associations	66
	2-29 Approach to stakeholder engagement	65-66
	2-30 Collective bargaining agreements	Not applicable



# SUSTAINABILITY AND TCFD REPORT

GRI STANDARD	DISCLOSURE		PAGE REFERENCE
GRI 3: Material Topics 2021	3-1	Process to determine material topics	61
	3-2	List of material topics	62
<b>ECONOMIC PERFORMANCE</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	80
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Please refer to Financial Statements (Pages 120-185) for details on UHREIT's FY2023 financial results
<b>BUSINESS ETHICS</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	79
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	63
<b>CYBERSECURITY AND DATA PRIVACY</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	80
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	63
<b>GHG EMISSIONS AND ENERGY CONSUMPTION</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	71
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	71-72
	302-4	Reduction of energy consumption	71-72
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	71
<b>SAFETY AND WELL BEING</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	77
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	63
<b>TRAINING AND DEVELOPMENT</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	76
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	76
	404-2	Programs for upgrading employee skills and transition assistance programs	76
<b>DIVERSITY AND EMPLOYMENT</b>			
GRI 3: Material Topics 2021	3-3	Management of material topics	72-75
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	72-73
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	72-73
GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	59, 72-75

## 9.0 TCFD CONTENT INDEX

TCFD PILLAR/RECOMMENDATION	KEY POINTS	PAGE REFERENCE
GOVERNANCE		
a) Describe the board's oversight of climate-related risks and opportunities	The Manager established oversight and accountability for our climate risk strategy in FY2023. The Board reviews the targets set and the progress made against those targets on annually.	60-61
b) Describe management's role in assessing and managing climate-related risks and opportunities		
STRATEGY		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	UHREIT portfolio of properties consists of 20 Grocery & Necessity properties and two Self-Storage properties located across eight states, focusing on the populous and affluent East Coast markets of the U.S. The Board and management considers the long-term impacts of climate-related risks (both physical and transition) and opportunities.	68-71
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning		
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<p>The Board and management have taken steps to understand our tenants' decarbonisation strategy, and kick-started conversations for tenants to provide datapoints for calculating our Scope 3 emissions for coming years. Additionally, we have performed a business impact analysis for physical climate change risks to identify material drivers and indicators affecting our properties.</p> <p>Our roadmap includes reviewing the decarbonisation plans of our tenants and aligning them to UHREIT's business strategy and expanding our physical climate business impact analysis to more regions in the U.S. that are susceptible to effects of climate change. Additionally, we endeavour to perform a scenario analysis to understand the financial impacts of climate change on our business activities, based on selected parameters endorsed by the Board.</p>	

# SUSTAINABILITY AND TCFD REPORT

TCFD PILLAR/RECOMMENDATION	KEY POINTS	PAGE REFERENCE
RISK MANAGEMENT:		
a) Describe the organisation's processes for identifying and assessing climate-related risks	We have identified and incorporated the various climate-related risks into UHREIT's ERM Framework Manual in FY2023.	70
b) Describe the organisation's processes for managing climate-related risks	For FY2024, we endeavour to use a risk management process to map climate-related risks and their severity of their impact posed to our business activities, along with establishing a process to identify appropriate risk mitigation measures to address them.	
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management		
METRICS AND TARGETS:		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	For FY2023, we have reviewed greenhouse gas Scope 2 inventory and disclosed our climate-related metrics, targets, and performance data. In the coming years, we aim to review and develop our Scope 3 inventory to address our upstream and downstream emissions.	71-72
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks		
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets		



# INVESTOR RELATIONS

The Manager is committed to provide timely, fair and transparent information to the investment community. We maintain a high standard of disclosure and actively engage the investment community to instil confidence and provide them with the necessary information to make sound investment decisions.



REITs Symposium 2023



UOB Kay Hian Bangkok Non-Deal Roadshow



SGX x REITAS Webinar

## INTENSIFYING COMMUNICATION WITH STAKEHOLDERS

The Manager regularly engages with Unitholders and the investment community in communicating UHREIT's financial results, operational performance and business plans, latest corporate and industry developments and gathering views and feedback on a range of strategic and topical issues.

In 2023, the Manager organised and took part in more than 20 engagement sessions ranging from post-results and operational update briefings to investor webinars, interviews, public outreach events and one-on-one meetings with a broad spectrum of corporate, institutional, family office, private wealth and retail investors. With travel restrictions lifted, management also resumed travel activities to visit the properties, meet with the Sponsors, Asset and Property managers in the U.S., as well as overseas investor at roadshows. In 2023, we met with Thai investors at the UOB Kay Hian Bangkok Non Deal Roadshow and Malaysian investors at the CGS-CIMB Kuala Lumpur Non Deal Roadshow.

In May 2023, we participated in the REITs Symposium 2023, jointly hosted by ShareInvestor, REIT Association of Singapore ("REITAS") and InvestingNote. This large-scale physical event attracted more than 800 participants from the investment community and keynote speakers including CEOs from various REITs. Our CEO was also invited to speak at one of the panel sessions, sharing his view on the topic "Overseas REITs - Why should you own a piece of it".

UHREIT also participated in webinars organised by CGS-CIMB, Phillip Securities, Securities Investors Association (Singapore), Bank of Singapore, REITAS, SGX and Lim & Tan Securities. These webinars were hosted via video conferencing and have proven to be a success, as they tend to attract a wider group of attendees due to their accessibility from anywhere around the world.

The Manager believes in two-way communication and values feedback from the investment community. These meetings and events provide opportunities for the Manager to understand issues that may be of concern to the investment community and address them appropriately. The investment community can also pose questions via a dedicated "Investor Relations" email at [IR@uhreit.com](mailto:IR@uhreit.com).



*The Edge Interview*



*CGS-CIMB Webinar*



In recognition of outstanding players in the REITs market, UHREIT clinched three prestigious gold awards in the following categories at the recent Asia Pacific Best of the Breeds REITs Awards 2023.

- Best CEO (Asia Pacific)
- Best CFO (Asia Pacific)
- Best Retail REIT – for REITs under US\$1.0 billion market capitalization

## ANNUAL GENERAL MEETING (“AGM”)

AGM provide an important channel for the Management and the Board of Directors of the REIT Manager to communicate directly with Unitholders. Following MAS and Ministry of Health (MOH)’s COVID-19 prevention regulations, UHREIT held its third AGM on 21 April 2023 in a fully virtual format. The AGM Notice to Unitholders was published on 30 March 2023, 22 days in advance of the AGM, to allow Unitholders adequate time to register and send questions. Registered Unitholders were able to observe the AGM proceedings through a live audio-visual webcast or live audio-only stream and ask questions ‘live’. In line with the virtual AGM best practices, Unitholders were invited to submit questions related to the resolutions to be tabled for approval at the meetings in advance. All substantial and relevant questions were addressed in writing and published on SGXNet and on UHREIT’s website ahead of the AGM. All the resolutions set out at the AGM were passed and the results were announced on SGXNet and UHREIT’s website on the same day of the AGM. AGM minutes were also published on SGXNet and UHREIT’s website.

## MEDIA ENGAGEMENT

The Manager remains steadfast in creating awareness of UHREIT through various multimedia platforms such as regular social media posting of the REIT’s developments on our corporate LinkedIn page, currently followed by more than 400 followers. In 2023, we posted 50 LinkedIn posts, achieving an average of 300 organic impressions per post.

As part of our effort to help investors better visualise and appreciate the distinctive characteristics of our properties, we launched the “All About UHREIT” video series in October 2022 and released a total of six property videos to-date, available on both our LinkedIn page and corporate website. This video series received positive feedback from our investors as it provides them with a useful overview of our properties, and how our properties are tailored to adapt to the evolving U.S. retail landscape.

In February 2023, our then CEO, Mr Robert Schmitt, participated in a live radio interview with Money FM 89.3, where he shared about UHREIT’s resilient portfolio and market trends in the U.S.

In September 2023, UHREIT was also featured in a leading financial publication, The Edge Singapore, in an article titled “United Hampshire US REIT sets itself apart as valuations of US office REITs fall”.

## AWARDS AND ACCOLADES

The Manager constantly strives for excellence in what it does, and its efforts have paid off with numerous awards and accolades received in 2023.

UHREIT’s Annual Report 2022 was recognised as the Platinum Winner, the highest honour, under the Print Media/Publications (Annual Report) category at the International Hermes Creative Awards 2023, which honours the creative industry’s best publications and communications programmes.

UHREIT was awarded Certificate for Excellence in Investor Relations and shortlisted as finalists in two award categories namely, “Best Investor Relations Website” and “Best use of multimedia for Investor Relations” by the internationally-renowned IR Magazine Forums & Awards – South East Asia for the second consecutive year.

# INVESTOR RELATIONS

## PROACTIVE TWO-WAY COMMUNICATION WITH UNITHOLDERS

All announcements and news are promptly released to SGX-ST and published on UHREIT's corporate website at [www.uhreit.com](http://www.uhreit.com). An email alert service is also provided to allow registered participants to receive email notifications on UHREIT's latest news and updates.

The Investor Relations policy which touches on the communication principles and channels is published under the Investor Relations section on UHREIT's website.

## INVESTOR RELATIONS CALENDAR

	DATE	EVENT
<b>First Quarter</b>	22 February	FY2022 Post Results – Analysts and Group Investors Briefing
	24 February	CEO Interview with Money FM 89.3
	02 March	Lim & Tan Securities Webinar
	16 March	Won three prestigious gold awards in the following categories at Asia Pacific Best of the Breeds REITs Awards 2023: <ul style="list-style-type: none"> <li>• Best CEO (Asia Pacific)</li> <li>• Best CFO (Asia Pacific)</li> <li>• Best Retail REIT (For REITs under US\$1.0 billion market capitalization)</li> </ul>
	22 March	Maybank Securities Webinar
<b>Second Quarter</b>	06 April	OCBC Securities Webinar
	21 April	Annual General Meeting
	03 May	UHREIT's FY2022 Annual Report was recognized as the Platinum winner at the international Hermes Creative Awards 2023
	12 May	1Q 2023 Post Operational Updates - Analysts and Group Investors Briefing
	16 May	CGS-CIMB Webinar
	20 May	REITs Symposium 2023 jointly organised by ShareInvestor, InvestingNote and REITAS
	28 June	Phillip Securities Webinar
<b>Third Quarter</b>	12 August	1H 2023 Post Results - Analysts and Group Investors Briefing
	16 August	CGS-CIMB Kuala Lumpur Non Deal Roadshow Investor Presentation
	22 August	SIAS-SGX Corporate Connect Webinar
	29 to 30 August	UOB Kay Hian Bangkok Non Deal Roadshow Investor Presentation
	06 September	CEO Interview with The Edge Singapore
	12 September	CGS-CIMB ProsperUs Webinar
<b>Fourth Quarter</b>	09 November	3Q 2023 Post Operational Updates - Analysts and Group Investors Briefing
	14 November	SGX REITAS Webinar
	05 December	Awarded Certificate of Excellence In Investor Relations by IR Magazine Forum & Awards – South East Asia 2023

poems

UNITED HAMPSHIRE

Guest Presentation

United Hampshire US REIT

Wed, 28 June | 7pm - 8pm

Mr Gerard Yuen  
CEO  
United Hampshire US REIT

Phillip Securities Investor Webinar

### ANALYST COVERAGE

UBS Securities Pte. Ltd.  
UOB Kay Hian Private Limited

### UNITHOLDER & MEDIA ENQUIRIES

If you have any enquiries or would like to find out more about UHREIT, please contact:

**Ms Wong Siew Lu, CFA, CA (Singapore)**  
Head of Investor Relations and Sustainability

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Website: [www.uhreit.com](http://www.uhreit.com)

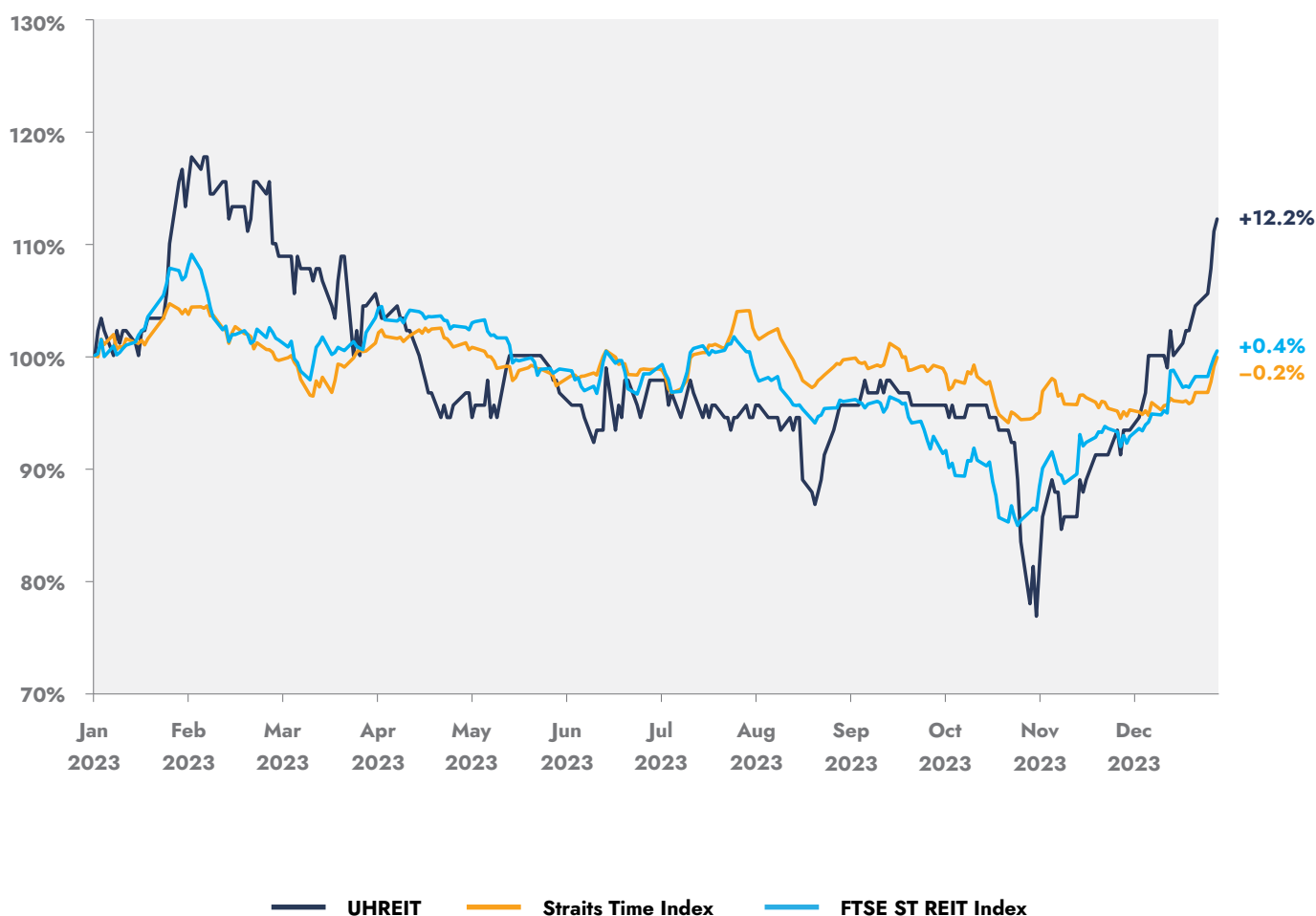
# UNIT PRICE PERFORMANCE

## UHREIT TRADING DATA

	FY2023	FY2022
Opening Unit Price on First Trading Day (US\$)	0.46	0.67
Closing Unit Price on Last Trading Day (US\$)	0.51	0.47
Highest Closing Unit Price (US\$)	0.53	0.68
Lowest Closing Unit Price (US\$)	0.35	0.45
Average Closing Unit Price (US\$)	0.44	0.59
Volume Traded for the Period/Year (million units)	88.2	102.4
Average Daily Volume Traded for the Period/Year	354,117	409,416
Market Capitalisation as at Last Trading Day (US\$ million)	293.7	262.7

## COMPARATIVE TRADING PERFORMANCE FOR THE PERIOD

from 03 January to 29 December 2023





# CORPORATE GOVERNANCE

United Hampshire US Real Estate Investment Trust ("**UHREIT**" or the "**Trust**") was constituted by a trust deed dated 18 September 2019 (as amended and restated) entered into between United Hampshire US REIT Management Pte. Ltd., as the manager (the "**Manager**") and Perpetual (Asia) Limited, as the trustee (the "**Trustee**") (the "**Trust Deed**"). The Manager holds a Capital Markets Services licence (CMS Licence) for REIT management issued by the Monetary Authority of Singapore ("**MAS**") pursuant to the Securities and Futures Act 2001 of Singapore ("**SFA**"). The Manager sets the strategic direction for UHREIT and makes recommendations to the Trustee on any investment or divestment opportunities, as well as asset enhancement initiatives for the Trust, in accordance with the Trust's investment strategy.

The Board of Directors (the "**Board**" or "**Directors**" and individually, the "**Director**") of the Manager is committed to sound corporate governance policies and practices as well as continuous improvement in corporate governance as an avenue of achieving long-term Unitholders' value. It maintains sound and transparent policies and practices to align with market practices as well as to meet the specific business needs of UHREIT. These serve to provide a firm foundation for a trusted and respected business enterprise. The Board and the management team of the Manager ("**Management**") are committed to corporate governance practices that enhance the confidence placed in it by the Unitholders, business partners, employees and the financial markets.

The Manager adopts the Singapore Code of Corporate Governance 2018 issued by the MAS on 6 August 2018 (the "**Code**") as its benchmark for corporate governance policies and practices and is committed to complying with the substance and spirit of the Code. This report describes the main corporate governance policies and practices of the Manager with reference to the Code, and to the extent that there are any deviations from the Code, explanations are provided for such deviation, together with details of the alternative practices which have been adopted by UHREIT which are consistent with the intent of the relevant principle of the Code.

## THE MANAGER OF UHREIT AND CORPORATE GOVERNANCE

The Manager has general powers of management over the assets of UHREIT, and its core responsibility is to manage the assets and liabilities of UHREIT for the benefit of the Unitholders. In connection therewith, the primary role of the Manager is to formulate and establish the strategic direction and business plans of UHREIT in accordance with its mandate. This includes making recommendations to the Trustee on any opportunities on the investment, divestment, development and/or enhancement of the assets of UHREIT in accordance with the investment strategy of UHREIT. The research, evaluation and analysis required for these purposes are carried out by the Manager, with the objective of maximising returns, delivering sustainable distributions and creating long term value for Unitholders.

The Manager endeavours to ensure that UHREIT conducts its business in a proper and efficient manner and conducts all transactions for UHREIT on an arm's length basis and on normal commercial terms.

The Manager discharges its responsibility for the benefit of the Unitholders in accordance with all applicable laws and regulations, including the applicable provisions of the SFA, the listing manual of the SGX-ST (the "**Listing Manual**"), the Code on Collective Investment Schemes issued by the MAS (the "**CIS Code**"), including Appendix 6 of the CIS Code (the "**Property Funds Appendix**") the Trust Deed, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of UHREIT and the Unitholders as well as other applicable guidelines prescribed by the SGX-ST, MAS or other relevant authorities and applicable laws.

# CORPORATE GOVERNANCE

## BOARD MATTERS

### THE BOARD'S CONDUCTS OF ITS 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 Manager is headed by the Board which is responsible for the overall management of the Manager and has general powers of management over the assets and liabilities of UHREIT. The Board endeavours to strike a reasonable balance between striving for the highest standard of corporate governance, setting the strategy and engaging in policymaking.

The principal roles and responsibilities of the Board, amongst others are:

- providing leadership and guiding the corporate strategy, policies and directions of the Manager;
- holding Management accountable for performance and ensuring that Management discharges its responsibility to provide business leadership and demonstrates the highest quality of management skills with integrity and enterprise;
- overseeing the proper conduct of the Manager;
- ensuring measures relating to corporate governance, financial regulations, and other required policies are in place and enforced;
- ensuring that the necessary financial and human resources are in place for the Manager to meet their objectives;
- establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding the interests of the Unitholders and its assets;
- identifying the key stakeholder groups and recognising that their perceptions affect the reputation of UHREIT, and ensuring transparency and accountability to key stakeholder groups;
- setting the Manager's values and standards (including ethical standards), and ensuring that obligations to Unitholders and other stakeholders are understood and met; and
- considering sustainability issues (including environmental and social factors) as part of the Manager's overall strategy.

The Board recognises that Directors are fiduciaries who should act objectively in the best interests of the Manager and UHREIT and hold Management accountable for performance. The Board, in discharging its responsibilities, sets the appropriate tone-from-the-top and desired organisational culture via a Code of Conduct with clear policies and procedures for dealing with conflicts of interest. Where a Director faces a conflict of interest, he or she will recuse him or herself from the discussions and decisions involving the issues of conflict.

The Board is supported by two Board Committees, namely the Audit and Risk Committee (the "ARC") and the Nominating and Remuneration Committee (the "NRC"), which are guided by their respective Terms of References ("ToRs"). Each of these Committees are chaired by independent directors (the "IDs"), who report to the Board and is supported by the Chief Executive Officer (the "CEO"). The CEO, together with the Management team, is accountable to the Board.

# CORPORATE GOVERNANCE

## ROLE OF THE BOARD

The Board has adopted a set of internal guidelines and protocols which sets out the levels of authorisation and financial authority limits. Key matters which are specifically reserved for approval by the Board include matters such as:

- investments,
- divestments,
- bank borrowings,
- issuance of new units,
- hedging,
- income distributions and other returns to Unitholders,
- corporate strategies,
- key policies of UHREIT, and
- annual budget.

Appropriate delegation of authority and approval sub-limits are provided at Management level to facilitate operational efficiency. The Board has approved a set of financial controls which sets out approval limits for operating expenditures, capital expenditures, procurements, general and administrative expenses and leases as well as arrangements in relation to cheque and contract signatories.

## COMPOSITION OF THE BOARD

The Board is comprised of:

- Mr Tan Tong Hai (Chairman and Independent Non-Executive Director ("**NED**"))
- Mr James E. Hanson II (Non-Independent Non-Executive Director)
- Mr David Tuvia Goss (Non-Independent Non-Executive Director)
- Mr Wee Teng Wen (Non-Independent Non-Executive Director)
- Mr Chua Teck Huat Bill (Independent Non-Executive Director)
- Ms Jaelle Ang Ker Tjia (Independent Non-Executive Director)

Profiles of the Board and the diverse skills and experience they bring to UHREIT can be found between pages 20 to 23 of this Annual Report.

# CORPORATE GOVERNANCE

## BOARD COMMITTEES

The Board is supported by two board committees, which are the Audit and Risk Committee (“**ARC**”) and the Nominating and Remuneration Committee (“**NRC**”) (collectively known as “**Board Committees**”). Each of the Board Committees is chaired by an independent director (“**IDs**”) and reports to the Board. The Board Committees are governed by their respective terms of reference (“**TOR**”), which define the specific responsibilities, authorities and duties of the respective Board Committees.

The Board Committees and their delegated authorities from the Board can be found between pages 97 to 100 and pages 112 to 114 of this Annual Report.

An effective and robust Board, whose members engage in open and constructive debate to develop and refine proposals on strategy, is fundamental to good corporate governance. The Board meets regularly, at least once every quarter. Board meeting schedules are usually planned one year in advance so that the Board members are able to plan ahead and provide the required time commitment to ensure that there is sufficient time for the Board to deliberate and discuss the various matters. Additional meetings are convened as and when required in respect of significant matters passed via circular resolutions, to enable the Board to raise questions and seek clarification through discussion forums with Management.

Prior to Board meetings and on an on-going basis, Management provides complete, adequate and timely information to the Board to enable the Board to make informed decisions and discharge their duties and responsibilities effectively. Explanatory background information relating to matters brought before the Board include results announcements, budgets and documents related to the operational and financial performance of UHREIT. As a general rule, Board meeting notices and papers are required to be sent to the Board five business days before the meeting. The Directors may request further explanations, briefings or informal discussions on any aspect of the Manager’s operations or business issues from Management. Management will make the necessary arrangements for these briefings, informal discussions or explanations. Management is also required to furnish any additional information requested by the Board, as and when the need arises.

All Directors have separate and independent access to Management and the Company Secretary, namely Ms Ngiam May Ling, at all times. The appointment and removal of the Company Secretary is subject to the approval of the Board. The Company Secretary (or her representatives) attends to corporate secretarial administration matters as well as all Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed, with periodic updates on the relevant regulatory changes affecting UHREIT.

To keep pace with regulatory changes, where these changes have an important bearing on the disclosure obligations of the Manager, the Board is briefed either during the Board meetings or at specially convened sessions involving the relevant advisers and professionals, or via circulation of Board papers. The constitution of the Manager allows for participation in meetings via telephone conference, video conference or similar communications equipment where the physical presence of the Board member at such meetings is not feasible.

## ORIENTATION AND TRAINING FOR DIRECTORS

All Directors are given formal appointment letters explaining the terms of appointment and setting out their duties and obligations as a Director (including their roles as non-executive and independent directors, as applicable). In addition, an induction, training and development programme is arranged for newly-appointed Directors to familiarise them with the business, operations, and financial performance of UHREIT. Any newly-appointed Director will also be briefed on the Manager’s governance practices, including board processes, policies on disclosure of interests in securities, prohibitions on dealing in the securities, and restrictions on disclosure of price-sensitive information. The Directors are kept informed of new updates on corporate governance processes, changes to accounting standards, Listing Manual and other regulatory developments from time to time.



# CORPORATE GOVERNANCE

The Manager arranges for the Board to be kept abreast of developments in the real estate industry on a regular basis. To keep pace with new rules and regulations, the Directors are briefed by management, our compliance advisor and Internal and External auditors during Board meetings on proposed or new regulations and rules that have been implemented. It is also provided in the Directors' appointment letters that the Directors, either individually or as a group, may at the Manager's expense, seek independent professional advice, where appropriate, to discharge their duties effectively.

The Board believes that continuous training for Directors is vital for the Board members to enhance their skills and knowledge. Through participation in training and professional development programmes, Directors are routinely updated on developments and changes in the operating environment and applicable laws and regulations. This includes directors' duties and responsibilities, corporate governance matters and changes in financial reporting standards, to enable them to discharge their duties effectively as members of the Board and where applicable, as Board Committees members. The Directors may also attend other relevant courses, conferences and seminars, at the Manager's expense. The NRC makes recommendations to the Board on relevant matters relating to the review of training and professional development programmes for the Board.

## 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 reviews the size and composition of the Board with a view to ensure effective decision-making by taking into account the scope and nature of the operations of UHREIT.

## REVIEW OF INDEPENDENCE OF DIRECTORS

The Board recognises the importance of independence and objectivity in its decision-making process, and that the presence of the IDs is essential in providing unbiased and impartial opinion, advice and judgement. This will ensure that the interests of UHREIT, employees, customers and other stakeholders which UHREIT conducts its businesses with are well-represented and taken into account.

The NRC assesses the independence of the IDs annually in accordance with the requirements of the Code and Regulations 13D to 13H of the Securities and Futures (Licensing and Conduct of Business) Regulations (the "**SFLCB Regulations**") to ensure that 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 UHREIT. The Board of the Manager was established on 24 May 2019 and none of the Directors has served on the Board beyond nine years since the date of their first appointment. Additionally, none of the Directors is a substantial shareholder of the Manager, or substantial unitholder of UHREIT. On an annual basis, the IDs will also individually complete an annual confirmation of independence, whereby they are required to assess their own independence, including independence from the major shareholders and Management.

A Director is considered to be independent if he or she is independent in conduct, character and judgement, and has no relationship with the Manager, its related corporations, substantial shareholders who hold 5% or more of the voting shares of the Manager, or substantial Unitholders who hold 5% or more of the units in UHREIT or its officers that could interfere or be reasonably perceived to interfere with the exercise of the Director's independent business judgement with a view to the best interests of UHREIT, and is independent from the Management and any business relationship with the Manager and UHREIT, every substantial shareholder of the Manager and every substantial Unitholder of UHREIT, is not a substantial shareholder of the Manager or a substantial Unitholder of UHREIT and has not served on the Board for a continuous period of nine years or longer.

# CORPORATE GOVERNANCE

The Board, after considering the relevant requirements under the SFLCB Regulations, specifically Regulation 13E(b)(i) of the SFLCB Regulations, the Listing Manual 210(5)(d) and the Code, and taking into consideration the views of the NRC and the declarations of independence by the IDs, is of the view that Mr Tan Tong Hai, Mr Chua Teck Huat Bill and Ms Jaelle Ang Ker Tjia have demonstrated independence in character and judgement in the discharge of their responsibilities as Directors during FY2023 and is satisfied that each of them acted with independent judgement. The table below summaries the assessment conducted:

Name of Director	(i) had been independent from the management of the Manager and UHREIT during FY2023	(ii) had been independent from any business relationship with the Manager and UHREIT during FY2023	(iii) had been independent from every substantial shareholder of the Manager and every substantial Unitholder of UHREIT during FY2023	(iv) had not been a substantial shareholder of the Manager or a substantial Unitholder of UHREIT during FY2023	(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 FY2023
Mr Tan Tong Hai	✓	✓	✓	✓	✓
Mr James E. Hanson II <sup>(1)</sup>	✓				✓
Mr David Tuvia Goss <sup>(2)</sup>	✓	✓		✓	✓
Mr Wee Teng Wen <sup>(3)</sup>	✓	✓		✓	✓
Mr Chua Teck Huat Bill	✓	✓	✓	✓	✓
Ms Jaelle Ang Ker Tjia	✓	✓	✓	✓	✓

- (1) Mr James E. Hanson II is the President and CEO of The Hampshire Companies, LLC (the "**Hampshire Sponsor**"), which is one of the sponsors of and the U.S. asset manager for UHREIT, and the property manager of 14 of the 23 properties in UHREIT. Mr Hanson is also a substantial shareholder of the Manager through his indirect interest of 42.43% in the Hampshire Sponsor, which in turn holds a 50.0% direct interest in the Manager. Pursuant to the SFLCB Regulations, during FY2023, Mr Hanson is deemed not to be (i) independent from a business relationship with the Manager and UHREIT by virtue of the payments made by UHREIT to the Hampshire Sponsor; and (ii) independent from every substantial shareholder of the Manager and substantial Unitholder of UHREIT by virtue of his indirect interest of 42.43% in the Hampshire Sponsor. Nonetheless, the Board is satisfied that, as at 31 December 2023, Mr Hanson was able to act in the best interests of all Unitholders of UHREIT as a whole.
- (2) Mr David Tuvia Goss is the co-founder and Managing Director of UOB Global Capital LLC ("**UOB Sponsor**"), which is one of the sponsors of UHREIT. Pursuant to the SFLCB Regulations, during FY2023, Mr Goss is deemed not to be independent from every substantial shareholder of the Manager by virtue of his positions in the UOB Sponsor. Nonetheless, the Board is satisfied that, as at 31 December 2023, Mr Goss was able to act in the best interests of all Unitholders of UHREIT as a whole.
- (3) Mr Wee Teng Wen is the son of the Deputy Chairman and Chief Executive Officer of United Overseas Bank Limited. United Overseas Bank Limited holds a 70.0% interest in the UOB Sponsor. Pursuant to the SFLCB Regulations, during FY2023, Mr Wee is deemed not to be independent from every substantial shareholder of the Manager by virtue of his relation to the Deputy Chairman and Chief Executive Officer of United Overseas Bank Limited which holds a 70.0% interest in the UOB Sponsor. Nonetheless, the Board is satisfied that, as at 31 December, FY2023 Mr Wee was able to act in the best interests of all Unitholders of UHREIT as a whole.
- (4) For the purposes of Regulation 13E(b)(ii) of the SFLCB Regulations, as at 31 December 2023, each of the abovementioned Directors was able to act in the best interests of all the Unitholders as a whole.

# CORPORATE GOVERNANCE

## BOARD DIVERSITY POLICY AND COMPOSITION

The Board endeavours to achieve the balance and diversity necessary to maximise its effectiveness. The Board's diversity policy endorses the principle that its Board should have the balance of skills, knowledge, experience and other aspects of diversity to support the Manager in the pursuit of its strategic and business objectives and its sustainable development. The policy seeks to promote the inclusion of different perspectives, ideas and insights and ensure that the Manager can benefit from all available sources of talent.

In determining the optimum composition and size of the Board and each Board committee, the Board diversity policy provides for the NRC to consider a combination of factors such as skills, knowledge, professional experience, educational background, gender, age, and length of service. The skills, knowledge and experience to be considered include accounting, finance, business management, industry, strategic planning, marketing, human resource management, legal and regulatory, telecommunications, technology and operations in cybersecurity.

A skills matrix is used to help identify the gaps. The skills matrix classifies the skills, knowledge and professional experience of existing Directors into several broad categories such as industry knowledge; financial markets, regulation, compliance and/or government relations; leadership; cybersecurity and technology; environmental, social and governance (ESG), and also where such skills, knowledge and professional experience were acquired or utilised geographically.

Suitable candidates will then be identified, including through external search firms. External search firms that are engaged, are instructed that diversity is a key criterion in the search and in particular, gender diversity. Female candidates are therefore required to be included for consideration.

Following its assessment of the candidates, the NRC will then interview the short-listed candidates. The NRC will thereafter make its recommendations to the Board including appointments to the appropriate Board committees after matching the candidates' skills-set to the needs of each Board committee. The Board, taking into account the views of the NRC, will consider if its Directors meet the criteria under its Board diversity policy and possess the necessary competencies to govern the Manager effectively. The Board presently comprises six directors, three of whom are IDs and all of whom are NEDs. The composition of the Board therefore complies with Provision 2.3 of the Code where majority of the Board is made up of NEDs and Provision 2.2 of the Code where majority of the board is made up of IDs. The NRC is of the view that, taking into account the nature and scope of UHREIT's operations, the present Board size is appropriate and facilitates effective decision making while providing sufficient diverse views and opinions to UHREIT.

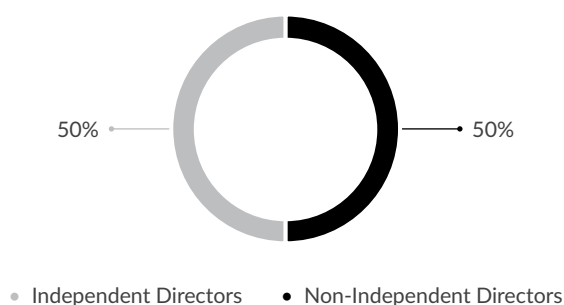
Following the appointment of Ms. Jaelle Ang Ker Tjia as an Independent Director on 21 February 2020, the Board's target to have at least one female represented on the Board has been met. The Board has maintained this target for the financial year ended 31 December 2023. In terms of gender representation, the current Board consists of five men and one woman, or is 83% male and 17% female, and, as among the Independent Directors, the female gender representation is 33%.

The Board also recognises that gender diversity is only one aspect of Board diversity. In terms of qualifications and competencies, members of the Board include seasoned professionals in business and management and strategic planning. The Board believes that its members' different backgrounds, experience, age, gender, tenure of service, and skill sets provide a diversity of perspectives which contribute to the quality of its decision-making. The profiles of the Directors are on pages 21 to 23 of the Annual Report. The Manager remains committed to implementing its Board diversity policy and any further progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate. The Board composition is represented in graphs below.

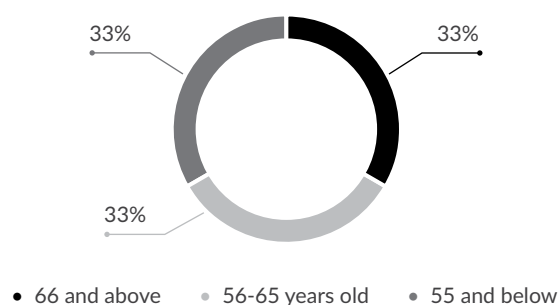
# CORPORATE GOVERNANCE

## BOARD DIVERSITY IN TERMS OF GENDER, INDEPENDENCE, AGE AND GEOGRAPHICAL ORIGIN.

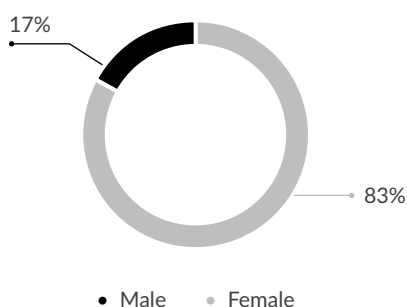
**Board Independence**



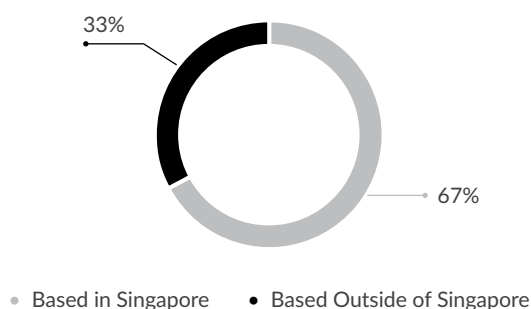
**Age**



**Gender**



**Geographical Location**



## 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 Board is led by the Chairman and Independent Non-Executive Director, Mr Tan Tong Hai and, apart from the Board and Board Committee members, is supported by the CEO of the Manager, Mr Gerard Yuen, who has a wide range of expertise and experience. The separation of the roles of the Chairman and the CEO ensures non-repetition of duties, an appropriate balance of power and responsibilities, an effective system of checks and balances, increased accountability and greater capacity of the Board for independent decision making. The Chairman and CEO collectively play an important role in the stewardship of the strategic direction and operations of UHREIT. The Chairman and the CEO are not related, nor do they have any family ties.

The Chairman has a robust leadership background and vast experience in various senior positions which led to his appointment as the Chairman and Independent Non-Executive Director of the Board. The Board has assigned the day-to-day affairs of UHREIT's business to the Management. The CEO is accountable for the conduct and performance of Management within the agreed business strategies.



# CORPORATE GOVERNANCE

## CLEAR DIVISION OF ROLES BETWEEN CHAIRMAN OF THE BOARD AND THE CEO OF THE MANAGER

The Chairman's role is to:

- carry out a visionary leadership role in facilitating the effective conduct of the Board;
- create a culture of openness characterised by constructive debate and appropriate challenge on strategy, business operations, enterprise risks and other plans amongst Board members;
- promote and ensure the highest standards of integrity in regard to corporate governance processes and issues;
- monitor the flow of information from Management to the Board, and undertake primary responsibility for the Board to receive
- accurate, timely, clear information and is consulted on all relevant matters; and
- ensure effective communication with Unitholders.

The CEO's role is to:

- assume overall responsibility for the management and conduct of the business of the Manager;
- be principally responsible for the business direction and operational decisions in managing UHREIT;
- oversee Management;
- develop, recommend and implement organisational strategy, targets, business plans and policies;
- foster a corporate culture promoting ethical practices and integrity;
- manage day-to-day conduct of business and affairs; and
- be the public face, the official spokesperson of UHREIT.

The clear separation of roles of the Chairman and CEO provides a healthy professional relationship between the Board and Management, with clarity of roles and robust deliberations on the business activities of UHREIT. The Board has not appointed a Lead Independent Director. The current Chairman is an Independent Director and there is a whistle blowing channel that is established whereby Unitholders or investors with concerns may reach out to a party independent of Management and the Chairman.

## 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.*

## ROLES AND RESPONSIBILITIES OF THE NRC

The NRC is governed by the ToR which establishes the functions, powers, duties and responsibilities of the NRC. The majority of the NRC, including the Chairman, are IDs. The members of the NRC are as follows:

Name	Designation	Directorship
Mr Tan Tong Hai	Chairman	Chairman of the Board, ID
Mr Chua Teck Huat Bill	Member	ID
Mr James E. Hanson II <sup>(1)</sup>	Member	Non-Independent NED
Mr David Tuvia Goss <sup>(2)</sup>	Member	Non-Independent NED
Ms Jaelle Ang Ker Tjia	Member	ID

# CORPORATE GOVERNANCE

On behalf of the Board, the NRC acts as a key gatekeeper in ensuring the Board and Board Committees have the right balance of skills, experience, independence and knowledge to effectively discharge their duties and responsibilities. The Board is mindful of the need for boardroom diversity. The NRC in evaluating, assessing and making recommendations to the Board for approval shall take into consideration the compositions of required mix of skills needed for UHREIT, against the qualifications, credentials, core competencies, experience, character, gender, age, ethnicity, time commitment and other qualities which the Director would bring to the Board to effectively discharge their roles and responsibilities as Director.

The ToR sets out the scope and authority in performing the functions of the NRC, and these include assisting the Board in matters relating to:

- reviewing the structure, size and composition of the Board;
- identification, selection and appointment of new Directors and re-appointment of existing Directors of the Board taking into account the contribution, performance and ability to commit sufficient time and attention to the affairs of UHREIT as well as their respective commitments outside of UHREIT;
- implementation and monitoring of the Board Diversity Policy to make recommendations to the Board on the diversity of skills, experience, gender, age, knowledge, size and composition of the Board;
- determining annually the independence of Director having regard the circumstances set forth in Provisions 2.1 and 2.2 of the Code and Listing Rule 210 (5)(d);
- deciding if a Director is able to and has been adequately carrying out his duties as a Director of the Board, taking into consideration the Director's principal commitments;
- review of succession plans in particular to the appointment and/or replacement of the Chairman, the CEO and the key management personnel (the “KMP”);
- review the process and criteria for evaluation of the performance of the Board or Board Committees and individual Directors; and
- review of training and professional development programmes for the Directors and new Directors, such that they are aware of their duties and obligations.

## SELECTION, APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The NRC is responsible for reviewing succession plans for the Board and Board Committees, in particular the appointment and/or replacement of the Chairman, the CEO and the KMP.

The NRC regularly reviews the existing attributes and competencies of the Board and the suitability of any candidates put forward for appointment and re-appointment in order to determine the desired experience or expertise required to strengthen or supplement the Board. The NRC is in charge of making recommendations to the Board regarding the identification and selection of new Directors and in identifying candidates for new appointments to the Board as part of the Board's renewal process. The NRC takes into account the following when discharging its duties:

- (a) the NRC evaluates whether the candidate is fit and proper in accordance with MAS' fit and proper guidelines, taking into account the track record, age, experience and capabilities and such other relevant experience as may be determined by the Board. In addition, as part of regulatory requirements, MAS also requires prior approval for any change of the CEO. Candidates are evaluated and selected based on their relevant expertise and potential contributions where other factors including the current and medium-term needs, and goals of UHREIT are also considered;
- (b) the Board is mindful of the need for boardroom diversity. The NRC in making recommendations to the Board for approval shall also take into consideration qualifications, credentials, core competencies vis-à-vis the compositions of required mix of skills to demonstrate knowledge, expertise and experience, character, gender, age, ethnicity, professionalism, integrity, competencies, time commitment and other qualities which the Director would bring to the Board to effectively discharge their roles and responsibilities as Director; and

# CORPORATE GOVERNANCE

- (c) the Directors must ensure that they are able to give sufficient time and attention to the affairs of the Manager, and as part of its review process, the NRC decides whether or not a Director is able to do so and whether he or she has been adequately carrying out his or her duties as a Director. The NRC believes that setting a maximum limit on the number of directorships a Director can hold is arbitrary, given that time requirements for each board may vary, and thus should not be prescriptive.

Upon establishment of the selection criteria, the search for potential candidates is initiated by considering recommendations from the Board, Management and the external search for candidates that fit the criteria, where the external search is conducted through the Singapore Independent Directors' Board Appointment Service. Candidates shortlisted and interviewed by the NRC, are then evaluated by the Chairman of the Board and the IDs, ensuring that recommendations made on proposed candidates are objective and well-supported. Once a candidate is selected for the Board, the NRC conducts due diligence and reference checks before recommending the candidate to the Board for approval.

The NRC obtains annual confirmations from the Directors of their willingness to continue in office and as to their being fit and able to continue in office. The NRC also considers and proposes to the Board the directors to be re-elected to the Board once every two years. The Manager believes that Board renewal is necessary and a continuous process for good governance. Board renewal ensures that the Board and Board Committees comprise Directors that, as a group, provide an appropriate balance and diversity of skills, experience and industry knowledge and knowledge of UHREIT's business. Renewal or replacement of a Director does not necessarily reflect his or her performance or contributions to date. When assessing Board composition or identifying suitable candidates for appointment or re-endorsement to the Board, the Manager will consider candidates on merit against objective criteria set by the Board after having given due regard to the benefits of diversity and the needs of the Board.

## TIME COMMITMENT

In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NRC conducts an annual review or whenever necessary, of the other appointments and commitments of each Director, which may affect his or her ability to commit time to the Manager. There is no limit on the number of other listed company board appointments which a Director may hold. The Board takes the view that the number of listed company directorships that a Director may hold should be considered on an individual basis, as a person's capacity may be affected by many different factors, such as whether he or she is in full-time employment, the nature of other responsibilities and their plans regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of UHREIT. Directors inform management whenever they take on new appointments, which will allow the Manager to assess potential conflicts of interest or the ability to commit time. This information is also shared to the Board. There is also no alternate director to any of the Directors, in keeping with the principle that a Director must be able to commit time to the affairs of the Managers. Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Manager. For FY 2023, all NEDs had undergone the self-assessment and provided the confirmation.

# CORPORATE GOVERNANCE

For FY2023, the NRC has assessed each Director's ability to commit time to the affairs of the Managers. Taking into consideration each Director's confirmation, his or her commitments, attendance record at meetings of the Boards and Board Committees, as well as conduct and contributions (including preparedness and participation) at Board and Board Committee meetings, the Board is satisfied with the level of time commitment and contribution given by the Directors towards fulfilling their roles and responsibilities as Directors of UHREIT Manager. The attendance of the Board at Board and Board Committees meetings (as well as the frequency of such meetings) and the Annual General Meeting (the "AGM") during FY2023 are as recorded below:

Number of meetings held in FY 2023	Annual General Meeting	Board of Directors	Audit and Risk Committee	Nominating and Remuneration Committee
	1	6	4	3
Name of Director	Number of meetings attended in FY2023			
Mr Tan Tong Hai	1	6 <sup>^</sup>	4	3 <sup>^</sup>
Mr James E. Hanson II	1	6	4 <sup>*</sup>	3
Mr David Tuvia Goss	1	6	4 <sup>*</sup>	3
Mr Wee Teng Wen	1	6	4 <sup>*</sup>	1 <sup>*</sup>
Mr Chua Teck Huat Bill	1	6	4 <sup>^</sup>	3
Ms Jaelle Ang Ker Tjia	1	5	4	3

<sup>^</sup> Chairman.

<sup>\*</sup> Attendance by invitation.

Based on the Directors' attendance record at Board and Board Committee meetings, the AGM, and contributions outside of formal Board and Board Committees meetings, the NRC, with the concurrence of the Board, is satisfied that all Directors were able to and have committed sufficient time and discharged their duties adequately for FY2023. The Manager has no alternate directors on its Board. Key information on the Directors such as academic and professional qualifications, committee membership, date of appointment, a list of the present and past directorships of each Director, and unitholding in UHREIT and its related corporations are reflected on pages 20 to 23 of this Annual Report.



# 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.*

The Board had conducted a formal performance evaluation exercise in FY2023, to assess the effectiveness of the Board as a whole and its Board committees, as well as the contribution by each individual Director and the Chairman to the Board. The evaluation process for FY2023 was facilitated by Boardroom Corporate & Advisory Services Pte. Ltd. ("**BCAS**"). Save for BCAS's appointment as external facilitator to conduct the Board evaluation and as UHREIT's Company Secretary, Unit Registrar, payroll and leave management services provider, BCAS does not have any other connection with the Manager or any of the Directors<sup>1</sup>. The evaluations are carried out by means of a questionnaire being completed by each Director. The performance evaluation exercise provides an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes had allowed the effective discharge of duties.

The objective performance criteria include Board composition and size, Unitholders' access to information, Board structure, Board processes, Board effectiveness, Board meeting participation, Board standards of conduct and financial performance indicators, corporate strategy and planning, risk management and internal controls, conduct of meetings, communication with stakeholders, standards of individual Director's conduct, independence and performance, and the upkeep of their professional development. The Board is of the view that this set of performance criteria allows for appropriate comparison and addresses how Directors have enhanced long-term Unitholders' value.

The questionnaires are on a no-name basis and the submissions are kept confidential by the companies secretaries of the Manager who administer this process. From the responses, a consolidated report is prepared and provided to the NRC. The NRC will review the responses and feedback, as well as the areas where the Board's performance and effectiveness could be enhanced. The board performance evaluation results and recommendations for improvement are then presented to the Board by the external facilitator for discussion and for implementation to help the Board discharge its duties more effectively. Each director is given sufficient opportunity to bring to the Board his or her perspective to enable balanced and well considered decisions to be made. The performance of each Director will be taken into account in re-election or re-appointment.

## REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

**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.*

### LEVEL AND MIX OF 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.*

<sup>1</sup> Our Independent Non-Executive Director, Mr Bill Chua Teck Huat, is a Director of Boardroom Executive Services Pte. Ltd. ("**BESPL**") which is a wholly-owned subsidiary of Boardroom Pte. Ltd. ("**BPL**") and is in the business of providing share plan administration, payroll, services and employee benefits. The Manager's corporate secretary, BCAS, is also a wholly-owned subsidiary and is in the business of providing, amongst others, corporate secretarial and share registry services. BESPL and BCAS are separate and distinct legal entities. Mr Chua does not have any stake in BESPL and is not involved in the management of BESPL. He is remunerated directly by BESPL.

# CORPORATE GOVERNANCE

## DISCLOSURE ON REMUNERATION

**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.*

## ROLES AND RESPONSIBILITIES OF THE NRC

The NRC plays an important role in ensuring a formal and transparent procedure for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and key management personnel. It devises the appropriate attraction, recruitment, motivation and retention of talents which are qualified and valuable to UHREIT through competitive remuneration and progressive policies so as to achieve UHREIT's goals and to deliver sustainable Unitholder value, distribution income as well as growth in total returns. The ToR setting out the scope and authority in performing the functions of the NRC include assisting the Board in matters relating to:

- reviewing and recommending to the Board a general framework of remuneration for the Board and the KMP;
- reviewing, developing policies for fixing of, and recommending to the Board the remuneration packages for each Director as well as for the KMP;
- reviewing the remuneration policy of the Manager to ensure the policy meets its stated objectives having regard to the performance of UHREIT and other considerations;
- reviewing UHREIT's obligations arising in the event of termination of NEDs and KMP's contracts of service and ensuring that such contracts of service contain fair, equitable and reasonable termination clauses which are not overly generous; and
- reviewing the disclosures in the Annual Report of the Manager's remuneration policies, level and mix of remuneration and the procedure for setting remuneration.

The NRC seeks to ensure that the remuneration paid to the Directors and KMP of the Manager are closely linked to the achievement of corporate and individual performance targets aligned with the interests of the Unitholders and other stakeholders, as well as promoting the long-term success of UHREIT. The performance targets approved by the Board at the start of each year are set with the purpose of motivating a high degree of business performance, with an emphasis on both short and longer-term quantifiable goals. At the close of each financial year, the NRC reviews the achievements of the Manager against the targets set to determine the overall performance taking into consideration qualitative factors such as the business environment, regulatory landscape and industry trends. Based on this review, the NRC approves a bonus pool that commensurate with the performance achieved. Where necessary, the Board modifies the framework of remuneration to align the Manager's compensation with the interests of the Unitholders. The remuneration of the Directors, Management and employees of the Manager is not paid out of the deposited property of UHREIT but paid by the Manager from the fees it receives. There were no termination, retirement and post-employment benefits granted to Directors, the CEO or the Chief Financial Officer ("CFO") during FY2023.

## REMUNERATION DETERMINATION AND DISCLOSURES

UHREIT is externally managed by the Manager as it has no personnel of its own. The remuneration of all Directors and employees of the Manager is borne by the Manager and not by UHREIT.

In recommending the Directors and KMP's remuneration to the Board for approval, the NRC took into account the responsibilities of the Directors and KMP, the corporate and individual performance, the current views of stakeholders, the general market conditions, the accomplishment of strategic goals as well as regional and global corporate performance. The NRC also benchmarked the proposed remuneration against the remuneration arrangements with peer companies within similar industries, and of a similar position, size and complexity.

# CORPORATE GOVERNANCE

The remuneration of the Directors is positioned at levels which enables the Manager to attract and retain the Directors with the relevant experience and expertise to manage the business of UHREIT effectively. The remuneration of KMP is determined at levels which enables UHREIT to attract, develop and retain high-performing and talented individuals with the relevant experience and level of expertise to manage the level of responsibilities. The Board recommended that the level of remuneration should reflect the effort, time-spent and the level of responsibilities undertaken by each NED.

The Board believes in a competitive and transparent remuneration framework. The Directors' remuneration paid in FY2023 was based on the Directors' fee structure for NEDs, which comprised of a base fee and additional fees for serving on Board Committees as the case may be, The Director fees paid for FY2023 are set out in the table below. Each Director had abstained from the decision making process with regards to his or her own remuneration

Main Board	Chairman	S\$65,000 per annum
	Director	S\$40,000 per annum
ARC	Chairman	S\$28,500 per annum
	Member	S\$13,500 per annum
NRC	Chairman	S\$13,500 per annum
	Member	S\$6,500 per annum

Name of Director	Salary	Performance Bonus	Director's Fees	Total
Mr Tan Tong Hai	-	-	\$92,000	-
Mr James E. Hanson II	-	-	— <sup>(1)</sup>	-
Mr David Tuvia Goss	-	-	— <sup>(1)</sup>	-
Mr Wee Teng Wen	-	-	\$40,000	-
Mr Chua Teck Huat Bill	-	-	\$75,000	-
Ms Jaelle Ang Ker Tjia	-	-	\$60,000	-

Note:

(1) Non-Executive Directors who are employees of the Sponsors do not receive any director's fees in their capacity as Directors.

The Chairman of each Board Committee is paid a higher fee as compared with the members of such Board Committees in view of the greater responsibilities carried by chairing that office in addition to their existing roles.

With the assistance of an external consultant, Aon Solutions Singapore Pte. Ltd., which the Manager engaged, the NRC has put in place the Manager's remuneration structure which addresses four key objectives, namely:

- Unitholder alignment: to incorporate performance measures that are aligned to Unitholders' interests;
- Long-term orientation: to motivate employees to drive sustainable long-term growth;
- Simplicity: to ensure that the remuneration structure is easy to understand and communicate to stakeholders; and
- Value Creation: amount of value-add contributed by the individual, including but not limited to deal introduction to UHREIT, cost-savings ideas and initiatives which have the potential of increasing the performance of UHREIT and measured based on the monetary benefit or cost-savings which UHREIT receives as a result of the value-add contributed by the individual Director and a KMP.

# CORPORATE GOVERNANCE

The external remuneration consultant does not have any relationship with the Manager which would affect their independence and objectivity.

The Code and the Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (issued pursuant to Section 101 of the SFA) require (i) the disclosure of the remuneration of each individual Director and the CEO on a named basis with a breakdown (in percentage or dollar terms) of each Director's and the CEO's remuneration earned through base/ fixed salary, variable or performance-related income/ bonuses, benefits in-kind, stock options granted, share-based incentives and awards, and other long-term incentives; (ii) the disclosure of the remuneration of at least the top five key management personnel (who are neither Directors nor the CEO) in bands of S\$250,000, with a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance related income/bonuses, benefits-in-kind, stock options granted, share-based incentives and awards, and other long-term incentives; and (iii) the disclosure of the aggregate total remuneration paid to the top five key management personnel (who are neither Directors nor the CEO). In the event of non-disclosure, the Manager is required to give reasons for such non-disclosure.

The Board is cognisant of the requirements under Principle 8 and Provision 8.1 of the Code for listed issuers to make certain remuneration disclosures, inter alia, the amounts and breakdown of the CEO's remuneration, and the names, amounts and breakdown of the remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel. After careful consideration, the Board has decided (a) to disclose the CEO's remuneration in bands of S\$250,000 (instead of on a quantum basis) and (b) not to disclose the remuneration of its top five key management personnel (who are not Directors or the CEO), on a named basis, in bands of S\$250,000; and (c) not to disclose the aggregate remuneration paid to its top five key management personnel (who are not Directors or the CEO) on the following grounds:

- (a) the competition for talent in the REIT management industry is very keen and there is a need to minimize the potential staff movement which would cause undue disruptions to the Management team;
- (b) it is important that the Manager retains its competent and committed staff to ensure the stability and continuity of business and operations of UHREIT;
- (c) due to the confidentiality and sensitivity of staff remuneration matters, the Manager is of the view that such disclosures could be prejudicial to the interests of Unitholders. Conversely, the Manager is of the view that such non-disclosure will not be prejudicial to the interests of Unitholders as the information provided regarding the Manager's remuneration policies is sufficient to enable Unitholders to understand the link between remuneration paid to the CEO and the top five KMP (who are not also Directors or the CEO) and their performance; and
- (d) there is no misalignment between the remuneration of the CEO and KMP with the interests of the Unitholders as their remuneration is paid out from the fees that the Manager receives from UHREIT, rather than borne by UHREIT. The quantum and basis of the fees that the Manager receives have also been disclosed within the Financial Statements.

The Manager is accordingly of the view that their practice is consistent with Principle 8 of the Code as a whole and that non-disclosure of the remuneration of the KMP does not compromise the ability of the Manager to meet with the requirement of having good corporate governance as the NRC, comprising independent and non-independent NEDs, reviews the remuneration package of the CEO and KMP who are remunerated based on their roles and responsibilities to ensure that the KMP are fairly remunerated.



# CORPORATE GOVERNANCE

The remuneration for the CEO in bands of S\$250,000 and a breakdown of the remuneration of the CEO in percentage terms for FY2023, are provided in the remuneration table below.

## KEY MANAGEMENT PERSONNEL ("KMP")

REMUNERATION BANDS	KMP	Base Salary	Variable Bonus <sup>3</sup>	Contingent award of units PUP <sup>4</sup>
Between S\$250,000 to S\$500,000	Mr Robert T. Schmitt <sup>1</sup>	39.9%	60.1%	–
Between S\$750,000 to S\$1 million	Mr Gerard Yuen Wei Yi <sup>2</sup>	51.9%	22.1%	26.0%

- 1 Mr Robert T. Schmitt served as the CEO of the Manager in FY2023 up until 30 April 2023 when he retired from his role as CEO.
- 2 Mr Gerard Yuen was appointed as CEO of the Manager with effect from 1 May 2023. Prior to this appointment, he was the CFO of the Manager. The amount disclosed is in respect of his remuneration for the entire year in 2023 (including remuneration for his role as CFO for the period from 1 January 2023 to 30 April 2023).
- 3 The quantum of performance-related bonuses earned by the CEO of the Manager are for FY2022 but paid in FY2023.
- 4 The proportion of value of the unit awards under the Performance Unit Plan of the Manager ("PUP") is based on the fair value of the units comprised in the contingent awards under PUP at the time of grant in FY2023. The final number of units released under the contingent awards of units for the PUP will depend on the achievement of pre-determined performance targets and subject to the respective vesting period under the PUP. More information on the PUP is contained within the section on "Remuneration Policy in respect of Key Management Personnel".

There are no employees of the Manager who are Substantial Shareholders of the Manager, Substantial Unitholders, or immediate family members of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of UHREIT, whose remuneration exceeds S\$100,000 during the year.

## REMUNERATION POLICY IN RESPECT OF KEY MANAGEMENT PERSONNEL

The Manager's remuneration framework for KMP is directly linked to corporate and individual performance, both in terms of financial and non-financial performances. The financial performance of the Manager which is closely linked to UHREIT's distributable income is also taken into account and is distributed to employees based on their individual performance. In terms of individual performance, this is designed to holistically incorporate components that measure near-term and mid-term performance. The NRC takes into consideration all aspects of the remuneration and aims to be competitive and fair while ensuring that the remuneration package aligns with the interest of UHREIT's unitholders.

The total remuneration mix comprises three components - annual fixed pay, short-term incentive and long-term incentive.

- (a) The annual fixed pay component comprises the annual basic salary. The Manager uses market benchmarking to ensure that its remuneration is competitive.
- (b) The short-term incentive is determined by a Balanced Scorecard ("BSC") which is a variable cash component that looks at UHREIT's financial and non-financial performance and is distributed to employees based on their individual performance.

The BSC component drives focus on short-term dynamic targets whilst ensuring a holistic assessment of performance. It also aligns the interests of UHREIT and the Manager. The Manager has identified four areas as key to measuring its performance –

- i. Financial: This includes targets relating to key financial indicators such as the net property income of UHREIT and the income available for distribution to unitholders;
- ii. Customer / Asset Focus: This includes targets relating to the occupancy at UHREIT's properties, lease renewals, rental collections and accounts receivable;
- iii. Operations / Strategic Focus: This includes targets relating to risk management, legal and regulatory compliance, investors relations and Environmental, Social and Governance ("ESG"); and
- iv. People: This includes targets relating to employee retention, training and engagement.

# CORPORATE GOVERNANCE

These four key areas are cascaded down throughout the organisation, thereby creating alignment of interests between UHREIT and the Manager.

After the close of each financial year, the Board reviews UHREIT's achievements against the targets set in the BSC and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape and industry trends. In determining the pay-out quantum for each employee under the BSC, the Board considers the overall business performance and individual performance as well as the affordability of the pay-out by the Manager.

- (c) The long-term incentive is in the form of the PUP which is applicable to KMP. The PUP has a three-year performance period and the final number of units to be granted depends on the achievement of certain performance targets at the end of the performance period. The performance targets comprise of a combination of the Absolute Total Unitholder Return ("**ATUR**"), Assets Under Management ("**AUM**") Growth and Distribution Per Unit ("**DPU**"). ATUR drives alignment of Manager's interests to that of the Unitholders, whilst the DPU and AUM Growth complement the ATUR in capturing UHREIT's long-term value creation objectives. The Manager believes that the unit-based components of the remuneration for KMP serve to align the interests of such KMP with that of Unitholders and UHREIT's long-term growth and value.

Units were granted under the PUP in FY2023 to KMP which is subject to the aforesaid 3-year vesting period. No new units are or will be issued by UHREIT to satisfy the grant of the units under the PUP as the units that are granted under these plans will be taken from the units which are already owned by the Manager.

No employee share option schemes or share schemes have been implemented by UHREIT.

The Manager applies the principle that remuneration matters are to be sufficiently structured and benchmarked to good market practices in order to attract suitably qualified talent, to grow and manage UHREIT. The remuneration for the Board and KMP is also viewed in totality. The NRC and Board have reviewed and ensured that the level and structure of remuneration for the Manager's Directors and KMP are aligned with the long-term interests and risk management policies of UHREIT.

## ACCOUNTABILITY AND AUDIT

**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 that it is responsible for the risk management and internal control system in UHREIT which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity to safeguard Unitholders' interest and UHREIT's assets.

## ROLES OF THE BOARD AND ARC IN ENSURING EFFECTIVE RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for UHREIT's risk management framework and system of internal controls and for reviewing the adequacy and integrity of the risk management framework and system of internal controls. Accordingly, the Board is required to ensure that the Manager has in place an effective system of internal controls, which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations. The Board has delegated the responsibility of undertaking periodic reviews of the internal controls to the ARC, with an established ToR to assist in discharging this responsibility. A summary of the ARC's key responsibilities under its ToR is disclosed on page 113 of this Annual Report. The ARC also assesses the materiality of specific developments or risks that might have an impact on UHREIT. However, the Board remains ultimately responsible for the effectiveness, adequacy and integrity of the system of risk management and internal controls.

# CORPORATE GOVERNANCE

## ENTERPRISE RISK MANAGEMENT FRAMEWORK

### RISK MANAGEMENT

The Manager strives to employ a strategy which balances the level of risk with UHREIT's business growth and profitability goals, so as to achieve consistent and sustainable performance over the long-term.

The Manager has put in place an Enterprise Risk Management (the "**ERM**") framework which aims to identify and manage the risks from all aspects of the business, and which evolves in tandem with the changes to the business environment and operations.

In adopting ERM standards and good practices, UHREIT follows the following ERM principles:

- ERM is an integral part of all organisational processes, which shall be embedded in all activities, processes and systems;
- ERM is effected by people – not simply policies, questionnaires, forms and checklists – but requires active participation from all staff;
- ERM advocates managing risks holistically rather than in silos or isolation within areas or functions;
- ERM is based on the best risk information available;
- ERM is dynamic, iterative, responsive to change, and tailored;
- ERM is aligned to and supports strategic and business objectives;
- ERM is evolving and subject to continuous improvement; and
- ERM is a continuous process that should be reviewed and updated periodically.

### 4-STEP RISK MANAGEMENT PROCESS

- Step 1. Identify – Identify and prioritise key risks to the organisation based on business context and strategy;
- Step 2. Assess – Assess risk based on impact and likelihood of occurrence;
- Step 3. Manage – Develop mitigating measures and action plans to manage risks; and
- Step 4. Monitor and report – Monitor and report risks on an ongoing basis.

The Manager adopts a four-step risk management process comprising risk identification, assessment, management as well as risk monitoring and reporting.

UHREIT's risk universe covers risks across strategic, financial, operational, technology and compliance categories. In order to focus risk management efforts on risks that are key to the organisation, the Manager will conduct a risk prioritisation and assessment exercise to classify risks based on its potential impact to UHREIT and its likelihood of occurrence. The risks that rank high in order of its impact on UHREIT and likelihood of occurrence (the "**Key Risks**") are then put under regular monitoring. Mitigating measures and processes are also developed for each Key Risk in order to reduce the likelihood of it happening or its potential impact. A report on the Key Risks identified and the mitigating measures put in place is submitted to the ARC for review every quarter. The ARC reports to the Board on the material findings and makes recommendations or seeks guidance from the Board in respect of any material risk issues.

The ERM framework also guides the Manager and the Board in assessing the adequacy and effectiveness of the risk management system within UHREIT. For FY2023, the Board, with the concurrence of the AC, has assessed and deemed UHREIT's risk management system and internal controls to be adequate and effective in addressing the key risks identified below. Other current, evolving or emerging risks are monitored and reported where significant:

# CORPORATE GOVERNANCE

## 1. MACROECONOMIC RISK

Economic downturn, instability and uncertainties in the markets where UHREIT properties are located can have a negative effect on the performance of the properties. The Manager closely monitors the economic data coming out of the countries where the properties are located in order to have good understanding of the economic situation on the ground. At the same time, UHRM actively manages UHREIT's property portfolio with the objective of protecting, and creating value across the property portfolio. The Manager formulates the asset management strategy and works closely with the property managers to optimise and stabilize asset performance. Guidelines relating to tenant mix, lease renewal, rental collections, rationalising operation costs and asset enhancement works are also formulated to benchmark against industry practices and minimise operational risk. In addition, insurance coverage is reviewed annually to ensure that UHREIT's assets are adequately and appropriately insured.

A business continuity plan is in place to minimise exposure to business interruption arising from sudden and major disaster events. The plan is updated and tested regularly to ensure UHREIT is well prepared to respond effectively to disruptions and able to continue its critical business functions, while minimising impact on its people, operations and assets.

UHREIT is subject to economic and real estate market risks and may also be adversely affected by changes to the taxation legislation or regulations. In order to manage such risks, the Manager adopts a disciplined approach towards financial management, monitors the U.S. political environment, economic developments and tax regime, and works closely with tax agents and advisors to anticipate and evaluate the impact of any changes in taxation legislation, administrative guidance and regulations on the business of UHREIT and its Unitholders.

## 2. LIQUIDITY RISK

The Manager actively monitors UHREIT's operational cash flow, debt maturity profile and funding requirements to ensure that UHREIT has sufficient liquid reserves to meet its obligations. In addition, UHREIT has access to various sources of funds from banks and capital markets to minimise over-reliance on a single source for any funding or refinancing requirement.

## 3. INTEREST RATE RISK

UHREIT's exposure to changes in interest rates relates primarily to interest bearing financial liabilities. The Manager actively monitors and manages UHREIT's net exposure to interest rate risk through the use of interest rate hedging instruments and/ or fixed rate borrowings, where applicable. As at 31 December 2023, 78.8% of the borrowing are hedged at fixed rates.

## 4. CREDIT RISK

The Manager manages credit risk from the outset by conducting credit risk assessments of potential tenants prior to signing the lease agreements. Security deposits are also collected from the tenants where applicable. In addition, UHREIT mitigates credit risk through staggered lease maturities, diversification of revenue sources by ensuring no individual tenant contributes a significant percentage of its gross revenue and implements rental collection procedures to ensure rentals are collected and arrears are followed up promptly.



# CORPORATE GOVERNANCE

## 5. INVESTMENT RISK

All investment opportunities are subject to a rigorous and disciplined evaluation process to meet UHREIT's investment strategy of enhancing Unitholder return and pursue opportunities for future income and capital growth. Investment opportunities are evaluated based on a comprehensive set of investment criteria which include but not limited to the asset's specifications, location, expected returns, yield accretion, growth potential and performance sustainability, while taking into account the prevailing economic climate and market conditions. All investment proposals are subject to the Board's review and approval.

## 6. COMPLIANCE RISK

UHREIT is required to comply with applicable and relevant legislations and regulations of the various jurisdictions in which it operates. A compliance monitoring programme is in place to actively monitor regulatory changes affecting UHREIT and implement appropriate mitigating strategies. The Manager has also engaged KPMG Services Pte. Ltd. ("**KPMG**" or "**Internal Auditors**") to assist in carrying out functions such as providing training to employees on regulatory requirements and provide advice with respect to best compliance practices and application of rules and regulations for UHREIT.

In addition, UHREIT adopts a strong anti-corruption and anti-bribery stance and regularly communicates key policy requirements to ensure relevant policies, processes and controls are effectively designed, managed and implemented so that compliance risks and controls are effectively managed.

## 7. CYBER SECURITY RISK

The Manager is aware of the rising risks associated with information technology ("**IT**") as cybersecurity attacks become more widespread and sophisticated. The Manager conducts periodic reviews of its technology risks and disaster recovery program, with the intention to minimise the impact and continue operations caused by disruption to the IT systems. The Manager also engages requires its employees to undergo a cybersecurity awareness course every year to keep them up to date with cybersecurity awareness.

## 8. TALENT ATTRACTION AND RETENTION RISK

Human capital is a key function to enabling the Manager to achieve its strategic business goals. Loss of key management personnel and key employees could cause disruptions to business operations. In addition, the competition for talent in the REIT management industry is keen and there is a need to minimize the potential staff movement which would cause undue disruptions to the management team. To help retain talent, the Manager places a high emphasis on staff engagement and development of employees which aids in staff retention and ensuring relevant and highly skilled workforce for long-term business growth. Regular remuneration and benefits benchmarking are conducted to attract and retain appropriate talent for the business. Annual surveys are also deployed to gather feedback and measure employee engagement.

# CORPORATE GOVERNANCE

## INTERNAL CONTROLS

The Internal Auditors conduct reviews of the adequacy and effectiveness of the material internal controls and risk management systems. These include testing, where practicable, material internal controls. The ARC reports to the Board on material findings and makes recommendations or seeks guidance from the Board in respect of any material risk issues. The ARC directs and reviews the adequacy and work scopes of the Internal Auditors. Any findings on material non-compliance or weaknesses in internal controls and risk management by the IA are reported directly to the ARC. The recommendations to further improve the internal control system and risk management system are reported to the ARC and actions are taken by Management.

The Board has received assurance from the CEO and the CFO of the Manager that:

- a. the financial records of UHREIT have been properly maintained and the financial statements for FY2023 give a true and fair view of the UHREIT's operations and finances; and
- b. the risk management and internal control systems of UHREIT are adequate and effective to address the risks (including strategic, financial, operational, compliance and IT risks) that the Manager considers relevant and material to the current business environment.

Based on the risk management and internal control systems established and maintained by the Manager, the above-mentioned assurances received from the CEO and CFO, work performed by the Internal and External Auditors, reviews conducted by Management and various Board Committees, the Board, with the concurrence of the ARC, is of the opinion that UHREIT's internal controls (including financial, operational, compliance and IT controls) and risk management systems in place are adequate and effective to address the risks faced by UHREIT in its current business environment as at 31 December 2023.

The Board notes that the internal control systems established provide reasonable assurance that UHREIT will not be adversely affected by events that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities. The Board, together with the ARC and Management, will continue to enhance and improve the existing risk management and internal control frameworks to identify and mitigate these risks.

## INTERNAL CONTROL SYSTEM FOR RELATED PARTY AND INTERESTED PERSON TRANSACTIONS

An internal control system to ensure that all Related Party Transactions, Interested Party Transactions (as defined in the Property Fund Appendix) and Interested Person Transactions (as defined in the Listing Manual) (collectively "IPT") will be undertaken on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Unitholders of UHREIT has been established by the Manager.

Related party transactions have been disclosed in the financial statements of this Annual Report. As a general rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria, which may entail obtaining, where practicable, quotations from parties unrelated to the Manager or obtaining valuations from independent professional valuers in accordance with the Property Funds Appendix. The Manager maintains a register to record all IPT which are entered into by UHREIT and the bases on which they are entered into, including any quotations from unrelated parties and independent valuations obtained.

The Manager has incorporated into its internal audit plan a review of IPTs entered into by UHREIT. The ARC will monitor the procedures established to regulate IPT, including reviewing any IPT entered into from time to time, and will direct the preparation of internal audit reviews annually to ascertain that the guidelines and procedures established to monitor IPT have been complied with, including relevant provisions of the Listing Manual and Property Funds Appendix. If a member of the ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction. Further to that, the Trustee has the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with.

# CORPORATE GOVERNANCE

In addition, the following procedures are undertaken:

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same Interested Party during the same financial year) equal to or exceeding S\$100,000 in value but below 3.0% of the value of UHREIT'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 UHREIT'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 not prejudicial to the interests of UHREIT and its Unitholders 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 Interested Party during the same financial year) equal to or exceeding 5.0% of the value of UHREIT'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. Furthermore, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning UHREIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of UHREIT with an interested party which would include relevant associates thereof, the Trustee is required to ensure that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of UHREIT and the Unitholders of UHREIT, and are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the said transaction. The Trustee has the ultimate discretion under the Trust Deed to decide whether to enter into a transaction involving an interested party. If the Trustee is to sign any contract with an interested party, the Trustee will review the contract to ensure that it complies with the requirements relating to IPTs in the Property Funds Appendix and the provisions of the Listing Manual relating to IPT as well as guidance prescribed by the MAS and SGX-ST.

UHREIT will comply with Rule 905 of the Listing Manual by announcing any IPT in accordance with the Listing Manual if such transaction by itself or when aggregated with other IPT entered into with the same interested party as defined in the Listing Manual during the same financial year is 3% or more of the value of UHREIT's net tangible assets.

On a quarterly basis, Management reports to the ARC the IPTs entered by UHREIT. The Trustee also has the right to review such internal audit reports to ascertain that the requirements of the Property Funds Appendix have been complied with. The ARC reviews all IPTs to ensure compliance with the internal control procedures and with the relevant provisions of the Listing Manual and the Property Funds Appendix. The review includes the examination of the nature of the transaction and if necessary, its supporting documents or such other data deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

The IPT undertaken by UHREIT in FY2023 are set out on page 186 of this Annual Report. Saved as disclosed above, there were no additional IPTs (excluding transactions of less than S\$100,000 each) entered into during the financial year under review nor any material contracts entered into by the Manager on behalf of UHREIT involving the interests of the CEO, any of the Directors or the controlling shareholder.

# CORPORATE GOVERNANCE

## AUDIT COMMITTEE

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

## AUDIT AND RISK COMMITTEE

The ARC is governed by the ToR which establishes the functions, powers, duties and responsibilities of the ARC. The ARC comprises three directors and all of whom are IDs. The members of the ARC are as follows:

Name	Designation	Directorship
Mr Chua Teck Huat Bill	Chairman	ID
Mr Tan Tong Hai	Member	ID
Ms Jaelle Ang Ker Tjia	Member	ID

The Board is of the view that all members of the ARC bring with them invaluable and relevant managerial and professional expertise in accounting and related financial management domains to discharge their responsibilities. The Board considers Mr Chua Teck Huat Bill as having sufficient financial management knowledge to discharge his responsibilities as Chairman of the ARC. The Board is of the view that the ARC members collectively have recent and relevant expertise or experience in financial management and are appropriately qualified to discharge their responsibilities. The ARC members, as a whole, possess a wide range of necessary skills to discharge their duties and are financially literate. None of the ARC members are former partners or directors of UHREIT's existing external auditing firm, Deloitte & Touche LLP ("**Deloitte**" or "**External Auditors**"), and neither do they have any financial interest in Deloitte.

The ARC has explicit authority to investigate any matter within its ToR. The ARC has full access to the Internal and External Auditors, and has full discretion to invite Management, external consultants or advisers to attend its meetings, and Management is required to provide the fullest co-operation in providing information and resources and in implementing or carrying out all requests made by the ARC. The Internal and External Auditors have unrestricted access to the ARC. In FY2023, 4 ARC meetings were held and the ARC has also met separately with the Internal and External Auditors, without the presence of Management to discuss issues and to confirm that they had full access to and received co-operation and support from the Management.

## EXTERNAL AUDITORS

Cognisant that the External Auditors should be free from any business or other relationships with UHREIT that could materially interfere with its ability to act with integrity and objectivity, the ARC undertook a review of the independence of the External Auditors and considered UHREIT's relationships with them during FY2023. In determining the independence of the External Auditors, the ARC reviewed all aspects of UHREIT's relationships with it including the processes, policies and safeguards adopted by UHREIT and the External Auditors relating to auditor independence. The ARC has conducted a review of all non-audit services provided by Deloitte in FY2023, and the corresponding fees. The aggregate amount of fees paid and payable to Deloitte for FY2023 was \$795,930, of which the audit fees amounted to \$517,790 and the non-audit fees amounted to \$278,140 mainly for general tax and GST compliance works. The ARC having regard to the nature and performance of the work by Deloitte, is satisfied with the independence of Deloitte as External Auditors.



# CORPORATE GOVERNANCE

The ARC also considered the adequacy and experience of the professional staff and audit engagement partner assigned, Deloitte's experience in the REIT sector and the size and complexity of the audit, the ARC is satisfied with the independence and objectivity of the External Auditors and has recommended to the Board the re-appointment of Deloitte as the External Auditors of UHREIT at the forthcoming annual general meeting. The Manager confirms that UHREIT complies with the requirements of Rules 712 and 715 read with Rule 716 of the Listing Manual in respect of the suitability of the auditing firm for UHREIT.

The ARC is collectively responsible in assisting the Board in corporate governance and compliance matters of UHREIT. A summary of the ARC's key responsibilities under its ToR, which also represents a summary of the work and key matters undertaken by the ARC during FY2023, includes the following:

- Reviewing financial statements and formal announcements relating to financial performance and reviewing the significant financial reporting issues and judgements so as to ensure integrity of the financial statements of UHREIT and any announcements relating to the financial performance;
- Reviewing the audit plans and reports of the Internal and External Auditors and considering the effectiveness of actions or policies taken by Management on the recommendations and observations;
- Assisting the Board to oversee the formulation, updating and maintenance work of adequate and effective risk management framework and reviewing the adequacy and effectiveness of the risk management and internal control systems;
- Making recommendations to the Board on the proposal to the Unitholders on the appointment and removal of External Auditors and the remuneration and terms of engagement of the External Auditors;
- Reviewing the adequacy, effectiveness, independence, scope and results of the Internal and External Auditors;
- Reviewing the nature and extent of non-audit services performed by the External Auditors;
- Meeting with the External Auditors and with the Internal Auditors, in each case without the presence of the Management, at least annually.
- Reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- Examining Related Party Transactions, Interested Party Transactions (as defined in the Property Fund Appendix) and Interested Person Transactions (as defined in the SGX Listing Manual); and

In discharging its responsibilities, the ARC makes reference to the Code and associated practice guidance, the Guidebook for Audit Committees in Singapore, the Risk Governance Guidance for Listed Boards, practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") and the Guidance to Audit Committee on ACRA's Audit Quality Indicators Disclosure Framework.

Periodic updates on changes in accounting standards and their accounting implications on UHREIT are prepared by the External Auditors and circulated to members of the ARC so that they are kept abreast of such changes and the potential corresponding impact on UHREIT's financial statements, if any.

## INTERNAL AUDITORS

The role of the Internal Auditors is to assist the ARC to ensure that the Manager maintains a sound system of internal controls by regularly monitoring key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the ARC, and conducting regular in-depth audits of high risks areas.

The Internal Auditors plan the internal audit schedules in consultation with, but independent of the Manager. The audit plan is submitted to the ARC for approval on an annual basis.

# CORPORATE GOVERNANCE

The ARC approves the appointment, removal, evaluation and compensation of the Internal Audit function. The Internal Audit function is outsourced to KPMG, which is staffed by qualified professionals and their audit methodology is in conformance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors. These standards cover attributes as well as performance and implementation principles. KPMG reports to the Chairman of the ARC and has unfettered access to documents, records, properties and personnel, including unrestricted access to the ARC. On an annual basis, the ARC reviews the adequacy and effectiveness of the Internal Audit function. For FY2023, the ARC concludes that the Internal Audit function is adequately resourced, effective and independent.

## REVIEWS CONDUCTED BY THE ARC

In FY2023, the ARC performed independent reviews of the half-yearly and full year financial results of UHREIT before recommending that the Board approve the release of the financial statements and SGX announcements relating to UHREIT's financial statements. In the process, the ARC reviewed the significant financial reporting issues and judgements, including the appropriateness of accounting policies and the quality and completeness of disclosure to ensure the integrity of the financial statements.

Following the review and discussions, the ARC was satisfied with the approach and appropriateness of methodologies used by Management, as adopted and disclosed in the financial statements, and recommendation was made by the ARC to the Board to approve the financial statements.

The ARC also reviewed and discussed with Management, among other matters, the following key audit matter(s) ("**KAM**") identified by the External Auditors for FY2023:

## VALUATION OF INVESTMENT PROPERTIES

The ARC considered the approach and methodology applied to the valuation model in assessing the valuation of investment properties, noted the objectivity, independence and expertise of the external appraisers engaged by the Manager, assessed the appropriateness of the valuation model and reasonableness of the significant assumptions adopted, evaluated major cost items capitalised in investment properties during the period for reasonableness and having reviewed the valuation reports and the carrying value of its investment properties are satisfied that the use of inputs and assumptions are reasonable and that the investment properties have been appropriately measured at fair value and valuations fall within a reasonable range.

The ARC reviewed and approved the audit plan and scope of the audit of the full year financial statements. The ARC also reviewed and approved the internal audit plan and scope of the Internal Auditors' work and audit programme. It reviewed the findings during the year and Management's responses thereto and it satisfied itself of the adequacy of the internal audit function. In addition, the ARC reviewed the IPT to ensure compliance with the Listing Manual and the Property Funds Appendix. Changes to the accounting standards and issues which have a direct impact on the financial statements were reported and discussed with the ARC at its meetings. In carrying out its function, the ARC may also obtain independent or external legal or other professional advice or appoint external consultants as it considers necessary at the Manager's cost.

The Manager has in place internal policies and procedures in relation to sanctions risk, and conducts an annual assessment relating to such risks. It is noted that the Company does not have exposure to sanctions risks. The Board and ARC are responsible for monitoring the Company's risk of becoming subject to, or violating, any Sanctions Law; and ensuring timely and accurate disclosures to SGX and other relevant authorities

# CORPORATE GOVERNANCE

## WHISTLEBLOWING POLICY

UHREIT acknowledges the importance of lawful and ethical behaviour in all its business activities and is committed to adhering to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs in its workplace.

The Manager has put in place a Whistleblowing Policy which serves to encourage its employees and any other persons to raise concerns about possible improprieties without fear of reprisal. Such concerns may concern matters relating to financial reporting and other malpractices (including fraud, corruption, bribery or blackmail, criminal offences, failure to comply with a legal or regulatory obligation, miscarriage of justice, endangering the health and safety of an individual and concealment of any of the aforementioned) in confidence and in good faith.

Whistleblowers are given the option to remain anonymous and concerns about illegal, unprofessional, fraudulent or other unethical behaviour can be fed back to the ARC Chairman via a dedicated whistleblowing email account which is available on UHREIT's website.

The ARC is responsible for the oversight and monitoring of whistleblowing, and guided by the Whistleblowing Policy to ensure proper conduct and closure of investigations, including handling of possible improprieties, prohibition of obstructive or retaliatory actions, confidentiality, disciplinary and civil or criminal actions. Any concerns which are not resolved by these channels may be raised with the ARC Chairman of the Manager. Following a review of the complaint or concern, the ARC Chairman, where appropriate, will take steps to have the matter investigated and, if warranted, will request that the Board and Management implement corrective measures.

Establishing these policies reflects the Manager's commitment to conduct its business within a framework that fosters the highest ethical standards. The Whistleblowing Policy is made available to all employees when they join the Manager, and they are briefed on this.

## DEALING IN UNITS

Employees of the Manager are required to seek prior approval before dealing in the units of UHREIT. The Directors and employees of the Manager are also prohibited from dealing in the Units (a) in the period commencing two weeks prior to the announcement of UHREIT's operational update in the first and third quarters, and one month before the announcement of UHREIT's half year and full year financial statements; and/or (b) at any time while in possession of price sensitive information.

Each Director and the CEO of the Manager is to give notice to the Manager of (a) particulars of Units held by him or her, or in which he or she has an interest and the nature and extent of that interest within two Business Days after the later of (i) the date on which the director or Chief Executive Officer becomes a director or Chief Executive Officer or (ii) the date on which the director or Chief Executive Officer becomes a holder of, or acquires an interest in the Units or (b) of changes in the number of Units which he or she holds or in which he or she has an interest, within two Business Days after the director or Chief Executive Officer becomes aware of the change. All dealings in Units by the Directors and/or the CEO of the Manager will be announced via SGXNET.

Further, the insider trading rules stipulated in the SFA are to be adhered to, including that the Directors and the employees of the Manager are prohibited from communicating price sensitive information to any person. The dealing in the Units of UHREIT on short-term or speculative considerations is strongly discouraged.

# CORPORATE GOVERNANCE

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

**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.*

### ENGAGEMENT WITH SHAREHOLDERS

**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.*

## MANAGING STAKEHOLDERS RELATIONSHIPS

### ENGAGEMENT WITH STAKEHOLDERS

**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.*

## CONDUCT OF GENERAL MEETINGS

The public can access the electronic copy of the Annual Report via SGXNET as well as UHREIT's website. All Unitholders will receive instructions on accessing the Annual Report online with the option of receiving a printed version of the Annual Report, a notice of AGM and a proxy form with instructions on the appointment of proxies. The Manager will be conducting a physical AGM in respect of FY2023. The notice of AGM is also published in the local English newspapers and via SGXNET and UHREIT's website.

UHREIT supports and encourages active Unitholder participation at general meetings as such meetings serve as an opportune avenue for Unitholders to meet and interact with the Board and Management. Unitholders are informed of general meetings through notices published on UHREIT's website, through reports or circulars sent to all Unitholders and via SGXNET. At general meetings, Unitholders are given the opportunity to participate effectively and vote. Where relevant rules and procedures govern such meetings (e.g. voting procedure), these rules and procedures are clearly communicated prior to the start of the meeting.

Provision 11.4 of the Code requires an issuer's constitutive documents to allow for absentia voting at general meetings of Unitholders. The Manager is not implementing absentia voting methods (such as voting via mail, email or fax) until issues such as the authentication of Unitholders identity and other related security and integrity of such information can be resolved. Notwithstanding the foregoing, Unitholders are able to appoint up to two proxies to vote on their behalf should they be unable to attend the meeting (or in the case of a corporate Unitholder, through its appointed representative). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of UHREIT. Based on the above, the Board is of the view that Unitholders will still be able to participate effectively in and vote at the general meetings even in the absence of absentia voting through the appointment of proxies. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the Code.



# CORPORATE GOVERNANCE

In addition to that, the Manager sets out separate resolutions on each substantially separate issue (which are not interdependent and not linked so as to form one significant proposal) at general meetings and supports the Code's provision as regards "bundling" of resolutions. Should there be resolutions which are interlinked, the Manager will provide reasons and material implications in the notice of the meetings or at general meetings to which Unitholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions sought to be passed.

For greater transparency and to better reflect Unitholders' interests, the Manager will be using poll voting at the general meetings to facilitate greater and more efficient participation of all Unitholders present or represented at the general meetings. The voting results of all votes cast for, against or abstaining from each resolution are then displayed at the general meeting and announced to SGX-ST after the general meeting. An independent external party is appointed as scrutineer for the electronic voting process to count and validate the votes at general meetings.

All Board members, including the Chairman of the ARC and the NRC, the Manager and representatives from the Trustee will be present at the general meetings of Unitholders which includes participation in person or by means of teleconference, video conference or similar communication methods. The External Auditors will also be present to provide professional independent clarification and to address Unitholders' queries about the conduct of audit and the preparation and content of the auditors' report.

The minutes of Unitholders' general meetings which capture the attendance of Board members at the general meetings, matters approved by Unitholders, voting results and substantial and relevant comments or queries from Unitholders relating to the agenda of the general meeting together with responses from the Board and Management, are prepared by the Manager and are available on SGXNET and UHREIT's website at <https://www.uhreit.com/>.

Unitholders are able to submit questions relating to the business of the meeting in advance. Please refer to the notice of the AGM dated 28 March 2024 for further information.

## FURTHER ENGAGEMENT

In the execution of its duties, the Board adopts an inclusive approach and not only considers UHREIT's obligations to its Unitholders but also the interests of its material stakeholders, as part of its overall responsibility to ensure that the best interests of UHREIT are served. The Manager continues to engage and maintain the stakeholders' needs and expectations, considers their viewpoints, provides new perspectives in generating positive impact to UHREIT by treating all Unitholders fairly and equitably. The Manager strives to establish timeliness and consistency in its disclosure while maintaining regular interaction and dialogue with Unitholders to generate awareness and understanding of UHREIT's strategic business model, competitive strengths, growth strategy and investment merits and garner feedback and views for consideration. The Trust Deed is available for inspection at the Manager's office (with prior appointment).

The Manager is committed to providing timely, fair and transparent communication to the investment community. UHREIT's financial results and operating performance as well as other material information, including press releases, presentations, annual and sustainability reports and financial statements are uploaded onto SGXNET and on UHREIT's website in a timely and accurate manner. UHRM has established UHREIT's corporate website as an information resource centre for retail and institutional investors and for regular dialogue with investors, such as to gather their views or inputs. Unitholders and investors can send their feedback or queries to the Investor Relations team via emails or by calling the contact details found on UHREIT's website. During the year, the Manager also established its social media presence with the launch of UHREIT's LinkedIn page to broaden its communication efforts with Unitholders and the broader investment community. This is to enable Unitholders to keep abreast and make informed decisions on UHREIT.

# CORPORATE GOVERNANCE

The Manager has an Investor Relations team which works with legal counsel to ensure compliance with the legal and regulatory requirements applicable to listed REITs, as well as to incorporate best practices in its investor relations programme. To keep the Board abreast of market perception and concerns, the Investor Relations team provides regular updates on analyst and investor feedback. The Manager's investor relations policy prioritises proactive engagement, timely and effective communication with its stakeholders outlining the various modes of communications with Unitholders and the ways in which the Manager solicits and understands the views of Unitholders. The IR Policy is published on UHREIT's website, [https://investor.uhreit.com/ir\\_policy.html](https://investor.uhreit.com/ir_policy.html).

Continuous and informed dialogue between the Manager and Unitholders is a central tenet of good corporate governance. The CEO, senior management and the Investor Relations team of the Manager actively engage with retail investors, analysts and fund managers to solicit and understand the views of the investment community via analyst and investor briefings held after the financial results and operational updates announcements. Engagement is also via one-on-one or group meetings, conference calls, investor luncheons, local or overseas road shows, webinars and conferences and on UHREIT's website at <http://www.uhreit.com/>. An email alert option for subscribers who wish to be notified of newly posted announcements, press releases, presentations and publications. In this way, UHREIT seeks to establish good communication and engagement with all its stakeholders.

More information of the Manager's Investor Relations activities can be found on pages 85 to 87 of this Annual Report.

UHREIT strives towards improving fiscal growth, optimising operational efficiency while creating a Sustainable Culture throughout to create long-term value based on Environment, Social and Governance ("ESG"). In recognition that stakeholders are important to UHREIT's long-term growth and success, the Manager has identified stakeholder groups which have a significant influence and interest in UHREIT's operations and business and engaged these stakeholders to understand their ESG expectations and in allowing us to have a good grasp of their concerns. The key stakeholders identified are the Manager's Board of Directors, employees, sponsors, Unitholders and investment community, government regulators and industry or business associations, and local community at large.

The Manager adopts the principle that to build confidence among stakeholders, there is a need to deliver sustainable value. The Sustainability Report provides UHREIT's approach in identifying its material stakeholders, as well as addressing stakeholders' concerns and methods of engagement. The Sustainability Report will also set out the key areas of focus in relation to the management of stakeholder relationships during the reporting period. UHREIT is committed to conducting its business operations in a manner that upholds high standards of corporate governance and considers the environmental and social impact for sustainable growth. Thus, UHREIT established a reporting team led by the CEO for formulating and implementing UHREIT's sustainability best practice. UHREIT has published the electronic version of its Sustainability Report for FY2023 on SGXNET and UHREIT's website at <http://www.uhreit.com/> on 28 March 2024.

## DISTRIBUTION POLICY

UHREIT's distribution policy is to distribute at least 90% of its annual distributable income. Such distributions are typically paid on a semi-annual basis. UHREIT's distribution policy is to distribute as much of its income as practicable and the determination to distribute and the quantum of distributions to be made by UHREIT will be at the discretion of the Board of Directors of the Manager. The Manager will endeavour to pay distributions no later than 90 days after the end of each distribution period.

# CORPORATE GOVERNANCE

## ADDITIONAL INFORMATION

### ADDITIONAL DISCLOSURES ON FEES PAYABLE TO THE MANAGER

Pursuant to the revised CIS Code which came into effect on 1 January 2016, the methodology and justifications for each type of fees payable to the Manager should be disclosed, where such fees are payable out of the deposited property of UHREIT. The methodology for the computation and payment of fees, with reference to the relevant clauses in the Trust Deed, is disclosed on pages 139 to 140 and page 183 under the “Notes to the Financial Statements” section of this Annual Report. The management fees are earned by the Manager for the management of UHREIT’s portfolio of properties. The various fees earned by the Manager and their rationale are further elaborated below.

### BASE FEE AND PERFORMANCE FEE

The Base Fee, as contained in Clause 15.1 of the Trust Deed, covers the day-to-day operational, compliance, monitoring and reporting costs as well as administrative overheads incurred by the Manager. The Base Fee represents the compensation to the Manager for executing its core responsibilities and is based on a percentage of the value of UHREIT’s deposited properties, which is an appropriate metric to determine the resources required for managing UHREIT. As UHREIT grows in portfolio size, the complexity of management increases and the Manager is expected to expend greater effort in fulfilling its responsibilities. The Performance Fee, as contained in Clause 15.1 of the Trust Deed, is based on the growth in distribution per unit (“DPU”), and incentivises the Manager to proactively manage its portfolio, which may include but are not limited to asset enhancement initiatives, repositioning or re-branding of its properties, re-segmentation of its properties’ customer base and driving cost efficiencies to improve profit margins. Such fee methodology aligns the interests of the Manager and Unitholders and ensures the long-term sustainability of the assets, instead of taking on excessive short-term risks to the detriment of the Unitholders.

### ACQUISITION FEE AND DIVESTMENT FEE

The Acquisition Fee and Divestment Fee, which are contained in Clause 15.2 of the Trust Deed, seek to continue delivering long-term sustainable distribution income to the Unitholders. The Manager regularly reviews its portfolio of properties and sources of growth opportunities and yield-accretive acquisitions, and efficiently recycles capital through the divestment of underperforming or non-core assets. This involves a thorough review of the exposures, risks and returns as well as the overall value-add of the acquisition or divestment to the existing portfolio and future growth expectations.

The Acquisition Fee and Divestment Fee payable to the Manager serve as a form of compensation for the time, effort and resources spent in sourcing, evaluating and executing potential opportunities to acquire new properties or in rebalancing and unlocking the underlying value of the existing properties within its asset portfolio to optimise UHREIT’s returns. The Manager provides these services over and above the provision of ongoing management services with the aim of ensuring income sustainability and achieving the investment objectives of UHREIT. The Acquisition Fee is higher than the Divestment Fee because the time and effort undertaken in terms of sourcing, evaluating and conducting due diligence, and fund-raising for an acquisition, is higher as compared to a divestment.

### DEVELOPMENT MANAGEMENT FEE

A Development Management Fee is provided under Clause 15.3 of the Trust Deed and is payable for new development projects managed by the Manager on behalf of UHREIT. The Development Management Fee compensates the Manager for property development which may require a longer gestation period and involves the supervision of significant construction activity, including extensive liaisons with external parties such as architects, engineers, designers, contractors and the relevant authorities.

# | FINANCIAL STATEMENTS

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# REPORT OF THE TRUSTEE

For the financial year ended 31 December 2023

Perpetual (Asia) Limited (the “Trustee”) is under a duty to take into custody and hold the assets of United Hampshire US Real Estate Investment Trust (the “Trust”) and its subsidiaries (collectively, the “Group”) in trust for the holders of Units (“Unitholders”) in the Trust. In accordance with, among other things, the Securities and Futures Act 2001 (the “SFA”) of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes and the Listing Manual (collectively referred to as the “laws and regulations”), the Trustee shall monitor the activities of United Hampshire US REIT Management Pte. Ltd. (the “Manager”) for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 18 September 2019 (as amended and restated) (the “Trust Deed”) between the Manager and the Trustee 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 and its subsidiaries during the financial year covered by these financial statements, set out on pages 127 to 185, 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,  
**Perpetual (Asia) Limited**

Ms Sin Li Choo  
Director

Singapore  
12 March 2024

# STATEMENT BY THE MANAGER

For the financial year ended 31 December 2023

In the opinion of the directors of the Manager, the accompanying financial statements of United Hampshire US Real Estate Investment Trust (the “Trust”) and its subsidiaries (collectively, the “Group”) as set out on pages 127 to 185, comprising the statements of financial position of the Group and the Trust as at 31 December 2023, the consolidated statement of comprehensive income, distribution statement, consolidated statement of changes in Unitholders’ funds and consolidated statement of cash flows of the Group, and statement of changes in Unitholders’ funds of the Trust for the financial year ended 31 December 2023, portfolio statement of the Group as at 31 December 2023 and notes to the financial statements are drawn up so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2023, the consolidated comprehensive income, distributable income, consolidated changes in Unitholders’ funds and consolidated cash flows of the Group, and changes in Unitholders’ funds of the Trust for the financial year ended 31 December 2023 and portfolio statement of the Group as at 31 December 2023, in accordance with the International Financial Reporting Standards (“IFRS Accounting Standards”) and the provisions of the Trust Deed between Perpetual (Asia) Limited and the Manager dated 18 September 2019 (as amended and restated) and relevant requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore. 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,  
United Hampshire US REIT Management Pte. Ltd.

Tan Tong Hai  
Director

Chua Teck Huat Bill  
Director

Singapore  
12 March 2024

# INDEPENDENT AUDITOR'S REPORT

To the Unitholders of United Hampshire US Real Estate Investment Trust

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

We have audited the financial statements of United Hampshire US Real Estate Investment Trust (the "Trust") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Trust as at 31 December 2023, and the consolidated statement of comprehensive income, distribution statement, consolidated statement of changes in Unitholders' funds, consolidated statement of cash flows of the Group, and the statement of changes in Unitholders' funds of the Trust for the financial year ended 31 December 2023, portfolio statement of the Group as at 31 December 2023 and notes to the financial statements, including material accounting policy information, as set out on pages 127 to 185.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in Unitholders' funds of the Trust are properly drawn up in accordance with the International Financial Reporting Standards ("IFRS Accounting Standards") and comply with the relevant provisions of the Trust Deed dated 18 September 2019 (as amended and restated) (the "Trust Deed") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2023, and of the consolidated statement of comprehensive income, distribution statement, consolidated statement of changes in Unitholders' funds, consolidated statement of cash flows of the Group and the statement of changes in Unitholders' funds of the Trust for the financial year ended 31 December 2023 and portfolio statement of the Group as at 31 December 2023.

### 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 *Auditor's 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 year. 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.

# INDEPENDENT AUDITOR'S REPORT

To the Unitholders of United Hampshire US Real Estate Investment Trust

Key audit matter	How the matter was addressed in the audit
<p><u>Fair Valuation and Disclosure of Fair Value for Investment Properties</u></p> <p>The Group owns a portfolio of investment properties comprising grocery and necessity properties and self-storage properties across the United States. These investment properties represent the single largest category of assets with a carrying amount of US\$785.0 million as at 31 December 2023.</p> <p>The Group has adopted the fair value model under IAS 40 <i>Investment Property</i> which requires all the investment properties to be measured at fair value, and has engaged an external independent valuer ("Valuer") to perform the fair value assessment for all 22 of its investment properties.</p> <p>The fair valuation of investment properties is considered to be a matter of significance to our audit as the valuation process requires the application of judgement in determining the appropriate valuation methodology to be used, and the use of subjective assumptions and various unobservable inputs. The fair valuations are sensitive to certain key inputs applied in deriving the underlying cash flows, discount rates and capitalisation rates where a change in these inputs can result in changes in the fair valuations of the investment properties.</p> <p>The valuation techniques, their key inputs and the inter-relationships between the inputs and the valuation have been disclosed in Note 7 to the consolidated financial statements.</p>	<p>We have assessed the Group's process of appointing and determining the scope of work of the Valuer, as well as the process of reviewing, and accepting the Valuer's investment property valuations.</p> <p>We have reviewed the qualifications, competence, independence, and the terms of the engagement of the Valuer with the Group to determine whether there are any matters which might affect the objectivity of the Valuer or impede their scope of work.</p> <p>We have held discussions with management and the Valuer on the valuation reports, and have engaged our valuation specialists to assist in:</p> <ul style="list-style-type: none"> <li>Assessing the valuation methodology, key assumptions and inputs used by the Valuer against general market practice for similar types of properties;</li> <li>Comparing key valuation assumptions and the underlying cash flows, discount and capitalisation rates to historical rates, and available industry data for comparable markets and properties; and</li> <li>Reviewing the integrity of the valuation calculations and inputs, including review of lease schedules and lease agreements.</li> </ul> <p>Based on the audit procedures performed as set out above, the various key inputs used are within a reasonable range of our expectations.</p> <p>We have also assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements.</p>



# INDEPENDENT AUDITOR'S REPORT

To the Unitholders of United Hampshire US Real Estate Investment Trust

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

United Hampshire US REIT Management Pte. Ltd. (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, 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, 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.

## RESPONSIBILITIES OF THE MANAGER FOR THE FINANCIAL STATEMENTS

The Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and comply with the relevant provisions of the Trust Deed dated 18 September 2019 (as amended and restated) and relevant requirements of the CIS code issued by the Monetary Authority of Singapore. The Manager is also responsible 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 liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

## AUDITOR'S 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 auditor's 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:

- (a) 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 control.

# INDEPENDENT AUDITOR'S REPORT

To the Unitholders of United Hampshire US Real Estate Investment Trust

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

- (b) Obtain an understanding of internal control 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 control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) 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 auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) 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.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 control 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 to 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes 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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been properly prepared in accordance with the relevant requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Shariq Barmaky.

**Deloitte & Touche LLP**  
Public Accountants and  
Chartered Accountants  
Singapore

12 March 2024

# STATEMENTS OF FINANCIAL POSITION

31 December 2023

		Group		Trust	
	Note	2023 US\$'000	2022 US\$'000	2023 US\$'000	2022 US\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	13,906	12,227	3,085	1,357
Restricted cash	5	1,012	1,322	-	-
Trade and other receivables	6	4,702	5,459	10,129	3,628
Prepaid expenses		2,320	1,539	65	4
Tax receivables		71	-	-	-
Derivative financial assets	13	803	686	-	-
<b>Total current assets</b>		<b>22,814</b>	<b>21,233</b>	<b>13,279</b>	<b>4,989</b>
<b>Non-current assets</b>					
Restricted cash	5	489	511	-	-
Investment properties	7	785,001	761,052	-	-
Derivative financial assets	13	454	3,107	-	-
Investment in subsidiaries	8	-	-	372,663	390,721
<b>Total non-current assets</b>		<b>785,944</b>	<b>764,670</b>	<b>372,663</b>	<b>390,721</b>
<b>Total assets</b>		<b>808,758</b>	<b>785,903</b>	<b>385,942</b>	<b>395,710</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	10	12,464	11,251	2,366	827
Loans and borrowings	11	21,140	-	-	-
Provision for taxation		-	206	-	-
Lease liability	14	835	816	-	-
<b>Total current liabilities</b>		<b>34,439</b>	<b>12,273</b>	<b>2,366</b>	<b>827</b>
<b>Non-current liabilities</b>					
Loans and borrowings	11	302,787	314,300	-	-
Preferred shares	12	125	125	-	-
Rental security deposits		901	938	-	-
Lease liability	14	20,726	21,561	-	-
Deferred tax liabilities	9	15,646	9,111	-	-
<b>Total non-current liabilities</b>		<b>340,185</b>	<b>346,035</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>374,624</b>	<b>358,308</b>	<b>2,366</b>	<b>827</b>
<b>NET ASSETS</b>		<b>434,134</b>	<b>427,595</b>	<b>383,576</b>	<b>394,883</b>
<b>Net assets attributable to:</b>					
Unitholders		431,585	425,070	383,576	394,883
Non-controlling interests	15	2,549	2,525	-	-
		<b>434,134</b>	<b>427,595</b>	<b>383,576</b>	<b>394,883</b>
<b>Units in issue and to be issued ('000)</b>	16	<b>581,668</b>	<b>568,278</b>	<b>581,668</b>	<b>568,278</b>
<b>Net asset value per Unit (US\$)</b>	17	<b>0.74</b>	<b>0.75</b>	<b>0.66</b>	<b>0.69</b>

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

	Note	Group	
		2023 US\$'000	2022 US\$'000
Gross revenue	18	72,229	67,452
Property expenses	19	(21,581)	(20,569)
Other income		–	175
<b>Net property income</b>		<b>50,648</b>	<b>47,058</b>
Manager's base fee		(3,195)	(3,313)
Trustee's fee		(150)	(138)
Other trust expenses	20	(2,213)	(1,943)
Finance costs	21	(16,132)	(12,204)
Finance income		21	45
<b>Net income before tax, fair value changes and gain/(loss) on divestment of investment properties</b>		<b>28,979</b>	<b>29,505</b>
Gain/(loss) on divestment of investment properties		89	(481)
Fair value change in investment properties	7	13,286	(2,979)
Fair value change on derivative financial instruments		(2,536)	3,702
<b>Net income before tax</b>		<b>39,818</b>	<b>29,747</b>
Income tax expense	22	(6,827)	(3,149)
<b>Net income after tax</b>		<b>32,991</b>	<b>26,598</b>
<b>Net income after tax attributable to:</b>			
Unitholders		32,817	26,166
Non-controlling interests		174	432
<b>Net income for the year</b>		<b>32,991</b>	<b>26,598</b>
Basic and diluted earnings per Unit (US cents)	23	5.72	4.67

See accompanying notes to financial statements.



# DISTRIBUTION STATEMENT

For the financial year ended 31 December 2023

	<b>Group</b>	
	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
<b>Amount available for distribution to Unitholders at the beginning of the financial year</b>	16,853	7,263
Net income after tax attributable to the Unitholders for the year	32,817	26,166
Distribution adjustments (Note A)	(2,396)	6,965
Amount available for distribution to Unitholders	30,421	33,131
<b>Distribution to Unitholders during the financial year:</b>		
Distribution of US1.30 cents per Unit for the period from 14 October 2021 to 31 December 2021	–	(7,246)
Distribution of US2.91 cents per Unit for the period from 1 January 2022 to 30 June 2022	–	(16,295)
Distribution of US2.97 cents per Unit for the period from 1 July 2022 to 31 December 2022	(16,823)	–
Distribution of US2.65 cents per Unit for the period from 1 January 2023 to 30 June 2023	(15,168)	–
Total distribution to Unitholders	(31,991)	(23,541)
Income available for distribution to Unitholders at the end of the financial year	15,283	16,853
<b>Distribution per Unit (DPU) (US cents)</b>	<b>4.79</b>	<b>5.88</b>

See accompanying notes to financial statements.

# DISTRIBUTION STATEMENT (CONT'D)

For the financial year ended 31 December 2023

**Note A – Distribution adjustments comprise:**

	Group	
	2023 US\$'000	2022 US\$'000
Property related non-cash items <sup>(1)</sup>	(414)	(1,701)
Manager's base fee payable/paid in Units	1,666	3,313
Trustee's fee	150	138
Amortisation of upfront debt-related transaction costs <sup>(2)</sup>	1,370	3,395
(Gain)/loss on divestment of investment properties	(89)	481
Fair value change in investment properties <sup>(3)</sup>	(13,286)	2,979
Fair value change on financial derivatives	2,536	(3,702)
Deferred tax expense	6,535	2,642
Interest on lease liability	504	522
Ground lease rental payment	(1,320)	(1,320)
Other net adjustments <sup>(4)</sup>	(48)	218
<b>Distribution adjustments</b>	<b>(2,396)</b>	<b>6,965</b>

Footnotes:

- (1) Mainly comprise straight-line rent adjustments and lease commission amortisation.
- (2) Upfront debt-related transaction costs are amortised over the life of loans and borrowings.
- (3) Includes Manager's acquisition fees.
- (4) Net of non-controlling interests.

# STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS

For the financial year ended 31 December 2023

	Note	Units in issue and to be issued US\$'000	Retained earnings US\$'000	Unitholders' funds US\$'000	Non-controlling interests US\$'000	Total US\$'000
<b>Group</b>						
<b>As at 1 January 2023</b>		<b>397,341</b>	<b>27,729</b>	<b>425,070</b>	<b>2,525</b>	<b>427,595</b>
<b>Operations</b>						
Net income for the year		–	32,817	32,817	174	32,991
<b>Net increase in net assets resulting from operations</b>		<b>397,341</b>	<b>60,546</b>	<b>457,887</b>	<b>2,699</b>	<b>460,586</b>
<b>Unitholders' transactions</b>						
Distribution to Unitholders	16	(11,385)	(20,606)	(31,991)	–	(31,991)
Manager's base fee fully paid in Units	16	1,666	–	1,666	–	1,666
Issue of new Units for Distribution Reinvestment Plan ("DRP")	16	4,023	–	4,023	–	4,023
<b>Net decrease in net assets resulting from Unitholders' transactions</b>		<b>(5,696)</b>	<b>(20,606)</b>	<b>(26,302)</b>	<b>–</b>	<b>(26,302)</b>
Dividends to non-controlling interests		–	–	–	(150)	(150)
<b>As at 31 December 2023</b>		<b>391,645</b>	<b>39,940</b>	<b>431,585</b>	<b>2,549</b>	<b>434,134</b>

See accompanying notes to financial statements.

# STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)

For the financial year ended 31 December 2023

	Note	Units in issue and to be issued US\$'000	Retained earnings US\$'000	Unitholders' funds US\$'000	Non-controlling interests US\$'000	Total US\$'000
<b>Group</b>						
As at 1 January 2022		401,007	15,992	416,999	2,260	419,259
<b>Operations</b>						
Net income for the year		–	26,166	26,166	432	26,598
<b>Net increase in net assets resulting from operations</b>		<b>401,007</b>	<b>42,158</b>	<b>443,165</b>	<b>2,692</b>	<b>445,857</b>
<b>Unitholders' transactions</b>						
Distribution to Unitholders	16	(9,112)	(14,429)	(23,541)	–	(23,541)
Manager's base fee paid in Units	16	1,630	–	1,630	–	1,630
Manager's base fee payable in Units	16	1,683	–	1,683	–	1,683
Issue of new Units for Distribution Reinvestment Plan	16	2,133	–	2,133	–	2,133
<b>Net decrease in net assets resulting from Unitholders' transactions</b>		<b>(3,666)</b>	<b>(14,429)</b>	<b>(18,095)</b>	<b>–</b>	<b>(18,095)</b>
Dividends to non-controlling interests		–	–	–	(167)	(167)
<b>As at 31 December 2022</b>		<b>397,341</b>	<b>27,729</b>	<b>425,070</b>	<b>2,525</b>	<b>427,595</b>

See accompanying notes to financial statements.



# STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)

For the financial year ended 31 December 2023

	Note	Units in issue and to be issued US\$'000	Accumulated losses US\$'000	Total US\$'000
<b>Trust</b>				
<b>As at 1 January 2023</b>		<b>397,341</b>	<b>(2,458)</b>	<b>394,883</b>
<b>Operations</b>				
Net income for the year		–	14,995	14,995
<b>Net increase in net assets resulting from operations</b>		<b>397,341</b>	<b>12,537</b>	<b>409,878</b>
<b>Unitholders' transactions</b>				
Distribution to Unitholders	16	(11,385)	(20,606)	(31,991)
Manager's base fee fully paid in Units	16	1,666	–	1,666
Issue of new Units for Distribution Reinvestment Plan	16	4,023	–	4,023
<b>Net decrease in net assets resulting from Unitholders' transactions</b>		<b>(5,696)</b>	<b>(20,606)</b>	<b>(26,302)</b>
<b>As at 31 December 2023</b>		<b>391,645</b>	<b>(8,069)</b>	<b>383,576</b>

See accompanying notes to financial statements.

# STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)

For the financial year ended 31 December 2023

	Note	Units in issue and to be issued US\$'000	Accumulated losses US\$'000	Total US\$'000
<b>Trust</b>				
<b>As at 1 January 2022</b>		<b>401,007</b>	<b>(2,729)</b>	<b>398,278</b>
<b>Operations</b>				
Net income for the year		–	14,700	14,700
<b>Net increase in net assets resulting from operations</b>		<b>401,007</b>	<b>11,971</b>	<b>412,978</b>
<b>Unitholders' transactions</b>				
Distribution to Unitholders	16	(9,112)	(14,429)	(23,541)
Manager's base fee paid in Units	16	1,630	–	1,630
Manager's base fee payable in Units	16	1,683	–	1,683
Issue of new Units for Distribution Reinvestment Plan	16	2,133	–	2,133
<b>Net decrease in net assets resulting from Unitholders' transactions</b>		<b>(3,666)</b>	<b>(14,429)</b>	<b>(18,095)</b>
<b>As at 31 December 2022</b>		<b>397,341</b>	<b>(2,458)</b>	<b>394,883</b>

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	Group	
		2023 US\$'000	2022 US\$'000
<b>Operating activities</b>			
Net income before tax		39,818	29,747
Adjustments for:			
Property related non-cash items	7	(414)	(1,701)
Manager's base fee payable/paid in Units		1,666	3,313
(Gain)/loss on divestment of investment properties		(89)	481
Fair value change in investment properties	7	(13,286)	2,979
Fair value change on financial derivatives	13	2,536	(3,702)
Finance costs	21	16,132	12,204
Finance income		(21)	(45)
<b>Operating cash flows before working capital changes</b>		<b>46,342</b>	<b>43,276</b>
Changes in working capital:			
Trade and other receivables		737	(1,196)
Restricted cash		332	(1,265)
Prepaid expenses		(781)	1,118
Trade and other payables		(422)	1,784
Rental security deposits		(1)	114
<b>Cash generated from operations</b>		<b>46,207</b>	<b>43,831</b>
Income tax paid		(569)	(236)
<b>Net cash generated from operating activities</b>		<b>45,638</b>	<b>43,595</b>
<b>Investing activities</b>			
Acquisition of investment properties and related assets and liabilities, including loan assumption		-	(47,562)
Payment for capital expenditure relating to investment properties	a	(18,691)	(6,181)
Divestment of investment properties and related assets and liabilities		9,410	43,943
Interest received		21	45
<b>Net cash used in investing activities</b>		<b>(9,260)</b>	<b>(9,755)</b>
<b>Financing activities</b>			
Distribution paid to Unitholders	b	(27,968)	(21,408)
Dividends paid to non-controlling interests		(150)	(167)
Dividends paid to preferred shareholders		(16)	(16)
Proceeds from loans and borrowings		37,900	238,350
Payment of debt-related transaction costs		(369)	(5,353)
Finance costs paid on loans and borrowings		(13,426)	(7,893)
Repayment of loans and borrowings		(29,350)	(235,000)
Repayment of lease liability		(816)	(798)
Interest paid on lease liability		(504)	(522)
<b>Net cash used in financing activities</b>		<b>(34,699)</b>	<b>(32,807)</b>
Net increase in cash and cash equivalents		1,679	1,033
Cash and cash equivalents at beginning of the year		12,227	11,194
<b>Cash and cash equivalents at end of the year</b>	<b>4</b>	<b>13,906</b>	<b>12,227</b>

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

For the financial year ended 31 December 2023

**a) Payment for capital expenditure relating to investment properties**

Includes cash paid on capital expenditure, tenant improvements and leasing commissions.

**b) Distributions paid to Unitholders**

2,233,101 Units amounting to approximately US\$1.1 million were issued as part payment of distributions in respect of the distribution for the period from 1 July 2022 to 31 December 2022 and 7,441,227 Units amounting to approximately US\$2.9 million (2022: 3,633,668 Units amounting to approximately US\$2.1 million) were issued as part payment of distributions in respect of the distribution for the period from 1 January 2023 to 30 June 2023 (2022: 1 January 2022 to 30 June 2022), pursuant to UHREIT's Distribution Reinvestment Plan.



# PORTFOLIO STATEMENT

As at 31 December 2023

Description of property	Location	Tenure of land	Fair value	Percentage of	Fair value	Percentage of
			as at	total net assets	as at	total net assets
			31 December	31 December	31 December	31 December
			2023	2023	2022	2022
			US\$'000	%	US\$'000	%
<u>Grocery &amp; Necessity Properties</u>						
Hudson Valley Plaza	New York	Freehold	51,200	11.8	48,600	11.4
Albany – Supermarket	New York	Freehold	25,700	5.9	23,700	5.5
Albany – Gas Station	New York	Freehold	4,590	1.1	4,400	1.0
Towne Crossing	New Jersey	Freehold	16,300	3.8	12,600	3.0
Lynncroft Center	North Carolina	Freehold	26,700	6.2	27,125	6.3
Garden City Square – BJ's Wholesale Club	New York	Freehold	57,000	13.1	49,000	11.6
Garden City Square – LA Fitness	New York	Freehold	23,100	5.3	22,300	5.2
Price Chopper Plaza	New York	Freehold	19,400	4.5	21,100	4.9
Big Pine Center <sup>(1)</sup>	Florida	Freehold	–	–	9,500	2.2
Stop & Shop Plaza	New Jersey	Freehold	27,600	6.4	26,000	6.1
Fairhaven Plaza	Massachusetts	Freehold	20,300	4.7	18,900	4.4
Wallington ShopRite	New Jersey	Leasehold <sup>(2)</sup>	15,900	3.7	15,700	3.7
Parkway Crossing	Maryland	Freehold	30,000	6.9	30,300	7.1
Walkill Price Chopper	New York	Freehold	13,900	3.2	12,600	2.9
St. Lucie West	Florida	Freehold	102,500	23.5	86,500	20.3
BJ's Quincy	Massachusetts	Freehold	31,500	7.3	33,400	7.8
Arundel Plaza	Maryland	Freehold	49,000	11.3	44,200	10.3
Lawnside Commons	New Jersey	Freehold	32,700	7.5	33,850	7.9
Colonial Square	Virginia	Freehold	26,900	6.2	25,100	5.9
Penrose Plaza	Pennsylvania	Freehold	54,000	12.4	53,900	12.6
Upland Square	Pennsylvania	Freehold	82,950	19.0	86,000	20.1
<u>Self-Storage Properties</u>						
Carteret Self-Storage	New Jersey	Freehold	21,400	4.9	23,800	5.6
Millburn Self-Storage	New Jersey	Freehold	30,800	7.1	30,100	7.0
<b>Investment properties, at valuation (Note 7)</b>			<b>763,440</b>	<b>175.8</b>	<b>738,675</b>	<b>172.8</b>
Investment property						
– Right-of-use asset (Note 7)			21,561	5.0	22,377	5.2
<b>Investment properties, at carrying value <sup>(3)</sup> (Note 7)</b>			<b>785,001</b>	<b>180.8</b>	<b>761,052</b>	<b>178.0</b>
Other assets and liabilities (net)			(350,867)	(80.8)	(333,457)	(78.0)
<b>Net assets</b>			<b>434,134</b>	<b>100.0</b>	<b>427,595</b>	<b>100.0</b>

Footnotes:

- (1) Divested on 25 August 2023.
- (2) The Wallington ShopRite property consists of a leasehold interest under a ground lease between the Group and the landlord, Wallington Plaza, L.L.C., with an initial term that commenced on 30 May 2013 and will expire on 24 June 2040. The tenant has two ten-year renewal options that would take the term through 24 June 2060.
- (3) The carrying value of the Group's investment properties as at 31 December 2023 was based on the independent valuation as at 31 December 2023 undertaken by CBRE, Inc. (2022: Cushman & Wakefield of New Jersey LLC, Inc.), taking into account capital expenditure, tenant improvements, leasing costs and amortisation of right-of-use asset recognised during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1 GENERAL

United Hampshire US Real Estate Investment Trust (the “Trust” or “United Hampshire US REIT” or “UHREIT”) is a real estate investment trust constituted by a trust deed entered into on 18 September 2019 (as amended and restated) (the “Trust Deed”) between United Hampshire US REIT Management Pte. Ltd. as the manager of the Trust (the “Manager”) and Perpetual (Asia) Limited, as the trustee of United Hampshire US Real Estate Investment Trust (the “Trustee”). The Trustee is under a duty to take into custody and hold the assets of the Trust in trust for the holders (the “Unitholders”) of Units in the Trust (the “Units”).

The Hampshire Companies, LLC (the “Hampshire Sponsor”) and UOB Global Capital LLC (the “UOB Sponsor”) are the sponsors of the Trust.

The Trust was inactive from the date of its constitution to 11 March 2020. The Trust was admitted to the Official List of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 12 March 2020 (the “Listing Date”).

The registered office and principal place of business of the Manager is 80 Raffles Place, #28-21 UOB Plaza 2, Singapore 048624.

The consolidated financial statements of the Trust as at and for the financial year ended 31 December 2023, comprise the Trust and its subsidiaries (the “Group”).

The principal activity of the Trust is investment holding. The principal activities of the Trust’s subsidiaries are to own and invest, directly or indirectly, in stabilised income-producing (i) grocery-anchored and necessity-based retail properties (“Grocery & Necessity Properties”), and (ii) modern, climate-controlled self-storage facilities (“Self-Storage Properties”), located in the United States of America (“U.S.”). Collectively, the Manager’s key financial objectives are to provide Unitholders with regular and stable distributions and the potential for sustainable long-term growth in distribution per Unit and net asset value per Unit, while maintaining an appropriate capital structure for the Trust.

The financial statements were authorised for issue by the Manager on 12 March 2024.

The financial statements are presented in United States dollars.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1 GENERAL (CONT'D)

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

### (a) Manager's fees

The Manager is entitled to receive the following remuneration for the provision of asset management services:

#### *Base fee*

Pursuant to the Trust Deed, the Manager is entitled to a base fee of 10.0% per annum of the Trust's Annual Distributable Income (calculated before accounting for the base fee and the performance fee, if any). The base fee is payable to the Manager either in the form of cash and/or Units as the Manager may elect, in such proportions as may be determined by the Manager. The Manager has elected to receive 100.0% of its base fee in the form of Units for the financial period from 1 January 2023 to 30 June 2023 and 100.0% of its base fee in the form of cash for the financial period from 1 July 2023 to 31 December 2023 (2022: 100.0% of its base fee in the form of Units for the financial year ended 31 December 2022).

The base fee, payable either in the form of cash and/or Units, is payable quarterly in arrears for the relevant period. Where the base fee is payable in Units, the Units will be issued based on the volume weighted average price for a Unit for all trades transacted on SGX-ST in the ordinary course of trading for a period of 10 business days (as defined in the Trust Deed) immediately preceding the last business day of the end of the relevant period.

#### *Performance fee*

Pursuant to the Trust Deed, the Manager is entitled to a performance fee equal to the rate of 25.0% per annum of the difference in Distribution Per Unit ("DPU") in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

The performance fee is payable if the DPU in any financial year exceeds the DPU in the preceding financial year, notwithstanding that the DPU in such financial year where the performance fee is payable may be less than the DPU in any preceding financial year.

The performance fee, payable either in the form of cash and/or Units, is payable quarterly in arrears for the relevant period. Where the performance fee is payable in Units, the Units will be issued based on the volume weighted average price for a Unit for all trades transacted on SGX-ST in the ordinary course of trading for a period of 10 business days (as defined in the Trust Deed) immediately preceding the last business day of the end of the relevant period. The Manager was not entitled to receive any performance fee for the financial years ended 31 December 2022 and 31 December 2023.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1 GENERAL (CONT'D)

### (a) Manager's fees (cont'd)

#### *Acquisition fee*

Pursuant to the Trust Deed, the Manager is entitled to receive an acquisition fee of 0.75% of the purchase price of any real estate purchased, whether directly or indirectly through one or more subsidiaries, by the Trust (pro-rated if applicable to the proportion of the Trust's interest in the real estate acquired) from related parties and 1.0% of the acquisition price for all other cases (or such lower percentage as may be determined by the Manager in its absolute direction). The acquisition fee is payable to the Manager in the form of cash and/or Units as the Manager may elect, in such proportions as may be determined by the Manager. The Manager elected to receive 100.0% of its acquisition fee in the form of cash for the previous financial year ended 31 December 2022. There was no acquisition of investment property during the financial year ended 31 December 2023.

#### *Divestment fee*

Pursuant to the Trust Deed, the Manager is entitled to receive a divestment fee of 0.5% of the sale price of any real estate sold or divested, whether directly or indirectly through one or more subsidiaries, by the Trust (pro-rated if applicable to the proportion of the Trust's interest in the real estate sold or divested) or such lower percentage as may be determined by the Manager in its absolute discretion.

The divestment fee is payable to the Manager in the form of cash and/or Units as the Manager may elect, in such proportions as may be determined by the Manager. The Manager has elected to receive 100.0% of its divestment fee in the form of cash for the financial years ended 31 December 2022 and 31 December 2023. Any payment to third party agents or brokers in connection with the disposal of any assets shall be paid to such persons out of the deposited property, and not out of the divestment fee received or to be received by the Manager.

#### *Development Management Fee*

Pursuant to the Trust Deed, the Manager is entitled to receive a development management fee equivalent to 5.0% of the first US\$15 million of the relevant project costs and 3.0% of the relevant project costs in excess of US\$15.0 million, in each development project undertaken by the Manager on behalf of the Trust.

The development management fee is payable in equal monthly instalments over the construction period of each development project based on the Manager's best estimate of the total project costs and construction period and, if necessary, a final payment of the balance amount to be paid to the Manager or (as the case may be) paid by the Manager when the total project costs is finalised. During the financial year ended 31 December 2023, the Manager was entitled to receive development management fee in connection with the construction of a new building at St Lucie West Property.

The Trust will only undertake development activities within the limits of the Property Funds Appendix (where the total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10.0% of its deposited property). The total contract value of property development activities may exceed 10.0% of the Trust's deposited property (subject to maximum of 25.0% of the Trust's deposited property) only if the additional allowance of up to 15.0% of United Hampshire US REIT's deposited property is utilised solely for the redevelopment of an existing property that has been held by United Hampshire US REIT for at least three years and which United Hampshire US REIT will continue to hold for at least three years after the completion of the redevelopment; subject to approval of Unitholders at a general meeting for the redevelopment of the property.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1 GENERAL (CONT'D)

### (b) Trustee's fees

The Trustee's fees shall not exceed 0.015% per annum of the value of all the assets of the Group ("Deposited Property"), subject to a minimum of S\$15,000 per month, excluding out-of-pocket expenses and GST.

### (c) Property management fees

A monthly property management fee equal to a certain percentage of rent or gross revenues, as more specifically defined in each property management agreement. Property management fees are assessed on a monthly basis and payable in arrears.

Under the property management agreement in respect of the properties, the Property Manager will provide property management services, construction supervision services and lease management services. The Property Manager is entitled to the following fees:

*In relation to Grocery & Necessity Properties where the Property Manager is the Hampshire Sponsor*

The Property Manager is entitled to receive a property management fee on a monthly basis and payable in arrears in cash. The property management fee is charged based on a fee range of 3.25% to 4.75% per annum of Gross Revenue of the relevant Grocery & Necessity Property, depending on the number of tenants occupying the property, as more specifically provided in each property management agreement, or US\$2,500 per month, whichever is greater.

*In relation to Grocery & Necessity Properties where the Property Manager is neither the Hampshire Sponsor nor Extra Space Storage*

The Property Manager is entitled to receive property management fee on a monthly basis and payable in arrears in cash. The property management fee is charged based on a fee range of 3.0% to 4.0% per annum of Gross Revenue of the relevant Grocery & Necessity Property, as more specifically provided in each property management agreement.

*In relation to Self-Storage Properties where Extra Space Storage Inc. is the Property Manager*

The Property Manager is entitled to receive property management fee on a monthly basis and payable in arrears in cash. The property management fee is charged based on 5.0% per annum of Gross Revenue of the relevant Self-Storage Property, subject to a cap of US\$50,000 per annum.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1 GENERAL (CONT'D)

### (d) Construction management fees

*In relation to Grocery & Necessity Properties where the Property Manager is the Hampshire Sponsor, or other third parties*

The Property Manager is entitled to a construction management fee in connection with any construction project for overseeing the physical construction of the property relating to any alterations, tenant improvements and/or roof replacements performed to any premises other than ordinary maintenance and repair. The fee shall be a percentage, between 3.0% to 5.0% (as more specifically provided in each property management agreement) of the cost, excluding design fees and permit costs (the "Construction Costs"), in any 12-month period, other than ordinary maintenance and repair.

*In relation to completed Self-Storage Properties where the Property Manager is Extra Space Storage*

The Property Manager is entitled to receive a construction management fee in connection with any construction project, for overseeing the physical construction of the property (including any series of related construction projects) relating to any alterations, tenant improvements and/or roof replacements performed to any premises other than ordinary maintenance and repair, equal to 7.0% of the Construction Cost, as more specifically provided in each property management agreement.

### (e) Leasing commission

*In relation to Grocery & Necessity Properties where the Hampshire Sponsor is the Leasing Agent*

The Leasing Agent shall be entitled to receive a leasing commission ("Leasing Commission") payable in cash:

- (i) (in relation to new leases secured by the Leasing Agent, where the tenant is not represented by a third party broker), 5.0% of Base Rental Income on the initial term of the lease and 2.5% of the Base Rental Income for the option terms, subject to a maximum of two option terms;
- (ii) (in relation to new leases secured by the Leasing Agent, where the tenant is represented by a third party broker), 2.5% of Base Rental Income on the initial term of the lease and 2.5% of the Base Rental Income for the option terms, subject to a maximum of two option terms;
- (iii) (in relation to renewal of leases or expansion of leased premises secured by the Leasing Agent, where the tenant is not represented by a third party broker) 5.0% of the Base Rental Income of the extended lease term or the initial term of the expanded leased premises (as applicable); and
- (iv) (in relation to renewal of leases or expansion of leased premises secured by the Leasing Agent, where the tenant is represented by a third party broker) 2.5% of the Base Rental Income of the extended lease term or the initial term of the expanded leased premises (as applicable).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1 GENERAL (CONT'D)

(e) Leasing commission (cont'd)

*In relation to Grocery & Necessity Properties where the Leasing Agent is a third party*

The Leasing Agent is entitled to receive, a Leasing Commission of between 4.0% to 6.5% of the Base Rental Income on the initial term of the lease, as more specifically provided in each leasing services agreement. A Leasing Commission may be payable upon a renewal term of a lease, as more specifically provided in each leasing services agreement.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board ("IASB") and are drawn up in accordance with the relevant provisions of the Trust Deed and the relevant requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS").

The financial statements have been prepared on historical cost basis, except as disclosed in the accounting information below.

### 2.2 ADOPTION OF NEW AND REVISED STANDARDS

On 1 January 2023, the Group and the Trust adopted all the new and revised IFRS Accounting Standards that were effective from that date and were relevant to its operations. The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective (Note 31).

The adoption of these revised IFRS Accounting Standards and interpretations did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the financial year ended 31 December 2023 except as below.

#### **Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies**

The amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.3 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Trust and entities controlled by the Trust ("subsidiaries"). Control is achieved when the Trust:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

#### Business combination

When the acquisition of an investment property does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based on their relative fair values. Acquisition-related costs are capitalised to the investment property at the time the acquisition is completed.

#### 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 accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests of a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

#### Loss of control

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary and any non-controlling interests are derecognised. Amounts previously recognised in other comprehensive income or loss in respect of that entity are also reclassified to profit or loss or transferred to retained earnings. Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amounts of the retained interest at the date control is lost and its fair value is recognised in profit or loss.

#### Transaction eliminated on consolidation

Intra-group balances and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.3 BASIS OF CONSOLIDATION (CONT'D)

#### Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Group. Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

### 2.4 FINANCIAL INSTRUMENTS

#### Non-derivative financial assets

##### Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments. The Group determines the classification of its financial assets at initial recognition. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Financial assets comprise trade and other receivables, cash and cash equivalents and restricted cash. Cash and cash equivalents comprise cash at bank and restricted cash comprises cash held in escrow accounts. These are classified in the amortised cost measurement category.

##### Subsequent measurement

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss ("FVTPL"). Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.4 FINANCIAL INSTRUMENTS (CONT'D)

#### Non-derivative financial assets (cont'd)

##### Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

##### Impairment of non-derivative financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for trade and other receivables. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.4 FINANCIAL INSTRUMENTS (CONT'D)

#### Non-derivative financial assets (cont'd)

##### Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed 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.

The recoverable amount of an asset or cash generating units ("CGU") is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that a prior loss should be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

#### Financial liabilities and equity instruments

##### Classification as debt or equity

Debt and equity instruments issued by the Group is classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of direct issue costs.

Repurchase of the Trust's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Trust's own equity instruments.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.4 FINANCIAL INSTRUMENTS (CONT'D)

#### Non-derivative financial liabilities

##### Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and any directly attributable transaction costs.

Financial liabilities at amortised cost comprise trade and other payables (excluding deferred income), lease liability, rental security deposits, loans and borrowings and preferred shares. These are classified in the amortised costs measurement category.

##### Subsequent measurement

After initial recognition, these financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

##### Preferred shares

Preferred shares are classified as financial liabilities if they are redeemable on a specific date or at the option of the holders of such shares, or if dividend payments are not discretionary. Non-discretionary dividends thereon are recognised as finance costs in profit or loss as accrued. Preferred shares are recognised initially at fair value and any directly attributable transaction costs.

##### Foreign exchange gains and losses

The carrying amount of financial assets or liabilities that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically, for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other trust expenses" line item.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.4 FINANCIAL INSTRUMENTS (CONT'D)

#### Derivative financial instruments

The Group holds derivative financial instruments to hedge its interest rate risk exposure.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

The Group enters into interest rate swaps that are used to convert certain variable interest rate borrowings to fixed interest rates. The derivatives are entered into with the objective of hedging the risk of adverse interest rate fluctuations. While the Group has determined that these arrangements are economically effective, they have not satisfied the documentation, designation and effectiveness tests required by IFRS 9 *Financial Instruments*. As a result, they do not qualify for hedge accounting and gains or losses arising from changes in fair value are recognised immediately in profit or loss.

### 2.5 LEASES

#### Operating lease where an entity within the Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset (classified as investment property) and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. For the right-of-use asset associated with an underlying asset which meets the definition of an investment property, the Group applies the fair value model in IAS 40 *Investment Property* to these assets with any change therein being recognised in the consolidated statement of comprehensive income and adjusted for certain remeasurements of the lease liability.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.5 LEASES (CONT'D)

#### Operating lease where an entity within the Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment property.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis as part of 'gross revenue' over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

When a contract includes lease and non-lease components, the Group applies IFRS 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

### 2.6 INVESTMENT PROPERTIES

Investment properties are properties held either to earn rental income or for capital appreciation, or both. They are not for sale in the ordinary course of business, or used in the production or supply of goods or services, or for administrative purposes.

Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. Initial cost includes expenditures that are directly attributable to the acquisition of the investment properties.

The Trust Deed requires the investment properties to be valued by independent registered valuers in such manner and frequency required under the Property Funds Appendix of the CIS Code issued by the MAS.

Investment properties are subject to renovations or improvements at regular intervals. The costs of major renovations and improvements are capitalised and the carrying amounts of the replaced components are written off to profit or loss. Initial direct costs, including lease commissions, incurred by lessors in negotiating and arranging an operating lease shall be added to the carrying amount of the leased asset as part of investment properties and recognised as an expense over the lease term on the same basis as the lease income.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and its carrying amount) is recognised in profit or loss when control is transferred to the buyer.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.7 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 2.8 REVENUE RECOGNITION

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when control of the promised services is transferred to the customer. The Group has generally concluded that it is the principal in its revenue arrangements and records revenue on a gross basis because it typically controls the promised services before transferring them to the customer.

#### Rental income

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in profit or loss due to its operating nature. The difference between revenue recognised and the contractual cash received is included in the carrying value of the investment property and subsequently adjusted to fair value change in investment properties recognised in profit or loss.

#### Recoveries income

Reimbursements from tenants are recognised as recoveries income in the period in which the services are fulfilled.

### 2.9 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.10 INCOME TAX

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Trust and subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 2.11 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Trust are presented in United States Dollars ("US\$" or "USD"), which is the functional currency of the Trust and the presentation currency for the consolidated financial statements. All financial information presented has been rounded to the nearest thousand (US\$'000), unless otherwise stated.

Transactions in foreign currencies are translated to the respective functional currencies of the Trust's entities at 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 the reporting 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 on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical costs are translated using the exchange rate at the date of the transaction. Foreign currency differences arising from translation are recognised in profit or loss.

### 2.12 UNITHOLDERS' FUNDS

Unitholders' funds are classified as equity. Issuance costs relate to expenses incurred in connection with the issue of Units. These expenses are deducted directly against Unitholders' funds.

### 2.13 DISTRIBUTION POLICY

UHREIT's distribution policy is to distribute at least 90.0% of its annual distributable income for each financial year. The actual level of distribution will be determined at the discretion of the Board of Directors of the Manager.

### 2.14 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Management who is responsible for allocating resources and assessing performance of the operating segments.

### 2.15 CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS

Cash and cash equivalents comprise cash at bank that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and 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 in the period in which the estimates are revised and in any future periods affected. There are no critical judgements made in applying accounting policies that have the most significant effect on the amount recognised in the financial information. The key assumptions concerning the future and other key sources of estimation uncertainty at the end of period are disclosed in Note 7 and Note 22.

## 4 CASH AND CASH EQUIVALENTS

	Group		Trust	
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
Cash at bank	13,906	12,227	3,085	1,357

Cash at bank earns interest at floating rates based on daily bank deposit rates.

## 5 RESTRICTED CASH

	Group		Trust	
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
Restricted cash analysed as:				
Current assets	1,012	1,322	–	–
Non-current assets	489	511	–	–
	1,501	1,833	–	–

Restricted cash consists of the tenant's security deposits for certain properties held in a separate bank account as required under Florida law and an escrow account for the payment of real estate tax and refundable remediation fee.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 6 TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
Trade receivables	2,069	2,928	-	-
Allowance for ECL	(219)	(138)	-	-
Net trade receivables	1,850	2,790	-	-
Other receivables	2,852	2,669	78	12
Other receivables from subsidiaries	-	-	10,051	3,616
	4,702	5,459	10,129	3,628

Other receivables of the Group mainly relate to accrued recoveries income for the relevant period, which will be invoiced subsequent to the end of the reporting period. Other receivables of the Trust mainly relate to GST receivables.

Other receivables due from subsidiaries are non-trade related, unsecured, interest-free, repayable on demand and to be settled in cash.

### Impairment losses

The movement in impairment losses recognised in respect of trade receivables during the financial year is as follows:

	Group	
	2023	2022
	US\$'000	US\$'000
At the beginning of the financial year	138	113
Allowance for ECL	351	139
Write-off	(270)	(114)
At the end of the financial year	219	138

The Manager believes that no allowance for ECL is necessary in respect of the remaining trade and other receivables as majority of the balances are not past due and/or relate to creditworthy debtors and counterparties with good payment record.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 7 INVESTMENT PROPERTIES

	Group	
	2023	2022
	US\$'000	US\$'000
<u>Statements of financial position</u>		
At the beginning of the financial year	761,052	711,650
Acquisition (including acquisition costs)	–	88,031
Additions in capital expenditure, tenant improvements and leasing commissions	19,712	7,073
Divestment of investment properties	(9,463)	(44,424)
Fair value change in investment properties <sup>(1)</sup>	13,700	(1,278)
Carrying value of investment properties	785,001	761,052
Net fair value:		
Right-of-use asset	21,561	22,377
Fair value of investment properties as at 31 December	763,440	738,675
	785,001	761,052
<u>Consolidated statement of comprehensive income</u>		
Fair value change in investment properties <sup>(1)</sup>	13,700	(1,278)
Property related non-cash items <sup>(2)</sup>	(414)	(1,701)
Net fair value change in investment properties	13,286	(2,979)

### Fair value hierarchy

The fair value measurement for investment properties has been categorised as Level 3 of the fair value hierarchy based on inputs to the valuation techniques used.

	Group	
	2023	2022
	US\$'000	US\$'000
Fair value of investment properties (based on valuation reports)	763,440	738,675
Add: carrying amount of right-of-use asset (Note 14)	21,561	22,377
Investment properties as at 31 December	785,001	761,052

### Footnotes:

- (1) Fair value changes in investment properties includes fair value loss attributable to the right-of-use asset amounting to US\$816,000 (2022: US\$798,000) during the financial year.
- (2) Mainly comprise straight-line rent adjustments and amortisation of lease commission.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 7 INVESTMENT PROPERTIES (CONT'D)

The investment properties were stated at fair value based on independent valuation undertaken by CBRE, Inc. (2022: Cushman & Wakefield of New Jersey LLC, Inc). The independent valuer has the appropriate professional qualifications and recent experience in the location and category of the properties being valued. The fair values are based on 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 after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The fair values were calculated using the Income Approach. The two primary income approaches that may be used are the Discounted Cash Flow ("DCF") and the Direct Capitalisation Method ("DCM"). DCF calculates the present values of future cash flows over a specified time period, including the potential proceeds of a deemed disposal, to determine the fair value. DCM determines value by applying a capitalisation rate to the property's stabilised net operating income, normally at the first year. Both the DCF and DCM approaches convert the earnings of a property into an estimate of value. The Market of Direct Comparison approach may also be used, which is based on sound considerations for similarity and comparability between properties that have recently been sold. Considerations may include geographic location, physical, legal, and revenue generating characteristics, market conditions and financing terms and conditions. The final step in the valuation process involves the reconciliation of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property.

The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal capitalisation rate and capitalisation rate, which are unobservable. In relying on the valuation reports, the Manager has exercised its judgment and is satisfied that the valuation methods and estimates used are reflective of the current market conditions. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

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: for unadjusted price quoted in active markets for identical assets or liabilities,
- Level 2: for inputs, other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
- Level 3: for inputs that are based on unobservable market data. These unobservable inputs reflect the Group's own assumptions about the assumptions that market participants would use in pricing the asset or liability, and are developed based on the best information available in the circumstances (which might include the Group's own data).

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 7 INVESTMENT PROPERTIES (CONT'D)

### Valuation techniques and significant unobservable inputs

The following table shows the significant unobservable inputs used in the measurement of fair value of investment properties:

Valuation techniques	Significant unobservable inputs	Sensitivity
Discounted cash flow approach	<b>Grocery &amp; Necessity Properties</b>	Increase in discount rate or terminal capitalisation rate would result in a decrease in fair value and vice versa
	Discount rate of 6.5% – 9.5% (2022: 7.0% – 9.0%)	
	Terminal capitalisation rate of 6.0% – 8.25% (2022: 6.5% – 8.25%)	
	<b>Self-Storage Properties</b>	
	Discount rate of 8.0% – 8.25% (2022: 7.75% – 8.0%)	
	Terminal capitalisation rate of 5.75% – 6.0% (2022: 5.25%)	
Direct capitalisation method	<b>Grocery &amp; Necessity Properties</b>	Increase in capitalisation rate would result in a decrease in fair value and vice versa
	Capitalisation rate of 5.75% – 8.25% (2022: 6.0% – 7.75%)	
	<b>Self-Storage Properties</b>	
	Capitalisation rate of 5.5% – 5.75% (2022: 5.0%)	

Investment properties with a fair value of approximately US\$234,450,000 (2022: US\$216,700,000) have been pledged as security for mortgage loan facilities granted by financial institutions to the Group (Note 11). All the investment properties are located in the U.S.

## 8 INVESTMENT IN SUBSIDIARIES

	Trust	
	2023	2022
	US\$'000	US\$'000
Unquoted equity shares, at cost	372,663	390,721

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8 INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the Trust's significant subsidiaries at 31 December are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Interest held	
			2023	2022
			%	%
Directly held:				
United Hampshire US REIT Sub 1 Pte. Ltd. <sup>(1)</sup>	Singapore	Investment Holding	100	100
United Hampshire US REIT Sub 2 Pte. Ltd. <sup>(1)</sup>	Singapore	Investment Holding	100	100
United Hampshire US REIT Sub 3 Pte. Ltd. <sup>(1)</sup>	Singapore	Investment Holding	100	100
Indirectly held:				
United Hampshire US Parent REIT, Inc. <sup>(2)</sup>	United States	Investment Holding	100	100
United Hampshire US Holdings LLC <sup>(2)</sup>	United States	Investment Holding	100	100
UH US Warwick 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Wallington 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Albany 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Albany2 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Big Pine 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Millburn 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Lynncroft 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Hudson Valley 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Port St. Lucie Extension 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Colonial Square 2021 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Penrose 2021 LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Upland 2022 LLC <sup>(2)(3)</sup>	United States	Property Owner	100	100
HUH Hempstead BJ 2012 LLC <sup>(2)</sup>	United States	Property Owner	100	100
HUH Hempstead LAF 2012 LLC <sup>(2)</sup>	United States	Property Owner	100	100
Fairhaven HUH, 2014, LLC <sup>(2)</sup>	United States	Property Owner	100	100
Piscataway HUH 2014, LLC <sup>(2)</sup>	United States	Property Owner	100	100
48 Leffert Street Urban Renewal, LLC <sup>(2)</sup>	United States	Property Owner	100	100
Elizabeth SS 2018, LLC <sup>(2)</sup>	United States	Property Owner	100	100
Towne Crossing Burlington, LLC <sup>(2)</sup>	United States	Property Owner	100	100
St. Lucie West 2016 LLC <sup>(2)</sup>	United States	Property Owner	100	100
BJ's Quincy 2016 LLC <sup>(2)</sup>	United States	Property Owner	100	100
Perth Amboy Self-Storage, LLC <sup>(2)</sup>	United States	Property Owner	100	100
UH US Arundel 2019 LLC <sup>(2)</sup>	United States	Property Owner	100	100
MCBH Parkway Crossing JV LLC <sup>(2)</sup>	United States	Investment Holding	90	90
MCBH Parkway Crossing LLC <sup>(2)</sup>	United States	Property Owner	90	90
HUH Walkkill Town Center 2016, LLC <sup>(2)</sup>	United States	Property Owner	97	97
MCBUH Lawnside JV LLC <sup>(2)</sup>	United States	Investment Holding	99	99
MCBUH Lawnside LLC <sup>(2)</sup>	United States	Property Owner	99	99

Footnotes:

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Audited by Deloitte & Touche LLP, United States for group reporting purpose.

(3) The entity was incorporated on 19 May 2022 for the purpose of the acquisition of Upland Square.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 9 DEFERRED INCOME TAX

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from 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.

Deferred tax liabilities are attributed to the following:

	Group	
	2023 US\$'000	2022 US\$'000
<b>Deferred tax liabilities</b>		
Investment properties	(15,646)	(9,111)

The following are the major components of deferred tax liabilities recognised and movements therein during the current and prior financial years:

Group	Tax depreciation US\$'000	Changes in fair value of investment properties US\$'000	Total US\$'000
<b>Deferred tax liabilities</b>			
Balance as at 1 January 2022	(5,020)	(1,449)	(6,469)
Recognised in profit or loss	(3,040)	398	(2,642)
Balance as at 31 December 2022/1 January 2023	(8,060)	(1,051)	(9,111)
Recognised in profit or loss	(3,080)	(3,455)	(6,535)
Balance as at 31 December 2023	(11,140)	(4,506)	(15,646)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 10 TRADE AND OTHER PAYABLES

	Group		Trust	
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables	73	626	21	75
Other payables	256	385	–	90
Deferred income	3,193	2,955	–	–
Accrued real estate taxes	107	1,447	–	–
Accrued capital expenditure	3,202	2,056	–	–
Accrued expenses	5,633	3,782	2,345	662
	12,464	11,251	2,366	827

Deferred income pertains to rental or recoveries income received in advance.

Accrued expenses relate to the deferred maintenance credit from the prior owners and the accrual of interest expense, Manager's base fee and development management fee, various professional fees for audit, tax, valuation, and other professional services incurred for the financial year.

## 11 LOANS AND BORROWINGS

	Nominal interest rate per annum	Maturity	Group	
			2023	2022
			US\$'000	US\$'000
<b>Secured loans and borrowings</b>				
Amount repayable within one year:				
Arundel Plaza Mortgage Loan	3.88% and 4.23%	March 2024	21,143	–
Less: Unamortised upfront debt-related transaction costs			(3)	–
			21,140	–
Amount repayable after one year:				
SOFR Term Loan 1 ("TL1")	USD SOFR + Margin	December 2025	50,000	50,000
SOFR Term Loan 2 ("TL2")	USD SOFR + Margin	December 2026	60,000	60,000
SOFR Term Loan 3 ("TL3")	USD SOFR + Margin	March 2027	90,000	90,000
SOFR Revolving Credit Facility ("RCF")	USD SOFR + Margin	December 2025	25,900	17,350
Arundel Plaza Mortgage Loan	3.88% and 4.23%	March 2024	–	21,143
St. Lucie West Mortgage Loan	3.42%	February 2028	40,000	40,000
Upland Square Mortgage Loan	3.62%	November 2026	41,000	41,000
			306,900	319,493
Less: Unamortised upfront debt-related transaction costs			(4,113)	(5,193)
			302,787	314,300
Total secured loans and borrowings			323,927	314,300



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 11 LOANS AND BORROWINGS (CONT'D)

Upfront debt-related transaction costs are amortised over the life of loans and borrowings.

Certain subsidiaries of the Group entered into certain loan agreements for an aggregate floating rate term loan principal amount of US\$200.0 million and US\$50.0 million credit revolver facility (collectively TL1, TL2, TL3 and RCF, the "SOFR Term Loan Facilities").

The SOFR Term Loan Credit Facilities are secured by, amongst other collateral:

- A perfected first priority lien over the shares of the borrowers and their subsidiaries (existing and future but excluding the subsidiaries that own properties securing the St. Lucie West Mortgage Loan, Arundel Plaza Mortgage Loan and Upland Square Mortgage Loan).
- Assignments of certain bank accounts.
- Subordination of an inter-company loan within the Group.

As at 31 December 2023, the Group is in a net current liabilities position of US\$11.6 million mainly due to the Arundel Plaza Mortgage Loan which is maturing in March 2024. The Group has sufficient undrawn revolving credit facility of US\$24.1 million as at 31 December 2023 to cover the net current liabilities of the Group. Subsequent to the financial year end, the Manager has successfully refinanced the Arundel Plaza Mortgage Loan (Note 30).

### Arundel Plaza Mortgage Loan

Mortgage loans of US\$15.0 million and US\$6.1 million ("Arundel Plaza Mortgage Loan") with a fixed interest rate of 3.88% and 4.23% per annum respectively, is secured by, among others, a mortgage over Arundel Plaza. The Arundel Plaza Mortgage Loan includes representations, warranties and covenants by the borrower which are customary for U.S. mortgage loans. The Arundel Plaza Mortgage Loan is subject to certain prohibitions and restrictions (including payment of prepayment fees and premiums) against prepayment prior to specified time frames.

### St. Lucie West Mortgage Loan

Mortgage loan of US\$40.0 million ("St. Lucie West Mortgage Loan"), which is secured by, among others, a mortgage over St. Lucie West and has a fixed interest rate of 3.42% per annum, for which interest-only repayments will be made for the first 60 months followed by repayment of interest and principal for the next 36 months thereafter based on a fixed amortisation schedule. The St. Lucie West Mortgage Loan includes representations, warranties and covenants by the borrower which are customary for U.S. mortgage loans. The St. Lucie West Mortgage Loan is subject to certain prohibitions and restrictions (including payment of prepayment fees and premiums) against prepayment prior to specified time frames.

### Upland Square Mortgage Loan

In 2022, a subsidiary of the Group assumed an existing mortgage loan of US\$41.0 million ("Upland Square Mortgage Loan"), which is secured by, among others, a mortgage over Upland Square and has a fixed interest rate of 3.62% per annum, for which interest-only repayments will be made throughout the loan tenure followed by repayment of principal upon maturity period. The Upland Square Mortgage Loan includes representations, warranties and covenants by the borrower which are customary for U.S. mortgage loans. The Upland Square Mortgage Loan is subject to certain prohibitions and restrictions (including payment of prepayment fees and premiums) against prepayment prior to specified time frames.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 11 LOANS AND BORROWINGS (CONT'D)

As at 31 December 2023, the Group has total gross loans and borrowings of US\$328.0 million (31 December 2022: US\$319.5 million) and US\$24.1 million (31 December 2022: US\$32.6 million) undrawn revolving credit facility to meet its future obligations. The Group entered into interest rate swaps to hedge the floating rate SOFR Term Loan Credit Facilities partially. 78.8% (31 December 2022: 81.4%) of the total gross borrowings are fixed rate loans or floating rate loans that have been hedged using floating-for-fixed interest rate swaps.

The weighted average interest rate on loans and borrowings for the financial year was 4.74% (31 December 2022: 3.83%). Excluding upfront debt-related transaction costs, the year-to-date average interest rate is 4.32% (31 December 2022: 2.77%).

Aggregate leverage, as defined in the Property Funds Appendix set out in CIS Code, as at 31 December 2023 was 41.7% (31 December 2022: 41.8%). Interest coverage ratio as at 31 December 2023 was 2.77 times (31 December 2022: 3.27 times) in accordance with the Property Funds Appendix of the CIS Code.

## 12 PREFERRED SHARES

The preferred units are issued by indirect subsidiaries of the Trust, and they rank senior to all units of the indirect subsidiaries. Each holder of the preferred units is entitled to receive cumulative preferential cash dividends (recorded as finance costs) at a rate of 12.5% per annum per preferred unit plus all accrued and unpaid dividends which is payable annually in arrears. The preferred units are not convertible into, or exchangeable for, any other property or securities of the subsidiaries. The Board of Directors of the subsidiaries may, in its sole and absolute discretion, cause the subsidiaries to redeem units of the preferred units at US\$1,000 per unit plus all accrued and unpaid dividends.

## 13 DERIVATIVE FINANCIAL INSTRUMENTS

	Group			
	2023		2022	
	Maturity	Assets US\$'000	Maturity	Assets US\$'000
Floored interest rate swaps				
- Current	March 2024	803	March 2023	686
- Non-current	December 2026	454	March 2024	3,107
		<u>1,257</u>		<u>3,793</u>
Derivative financial instruments as a percentage of Group's net assets		<u>0.29%</u>		<u>0.89%</u>
Derivative financial instruments as a percentage of Trust's net assets		<u>0.33%</u>		<u>0.96%</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 13 DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

### Interest rate swap contracts

The Group entered into floored-interest rate swaps to manage its exposure to interest rate movements on its floating rate interest-bearing borrowings by swapping the interest expense on these borrowings from floating rates to fixed rates. As at the reporting date, the notional principal amount of the financial instruments was US\$156,500,000 (2022: US\$158,000,000).

The changes in fair value of the interest rate swaps and floors are recognised in profit or loss for the financial year.

## 14 LEASE LIABILITY

	Group	
	2023	2022
	US\$'000	US\$'000
Maturity analysis:		
Due within 1 year	1,320	1,320
Due within 1 - 2 years	1,441	1,320
Due within 2 - 3 years	1,452	1,441
Due within 3 - 4 years	1,452	1,452
Due within 4 - 5 years	1,452	1,452
Due after 5 years	19,149	20,601
	26,266	27,586
Analysed as:		
Current	835	816
Non-current	20,726	21,561
	21,561	22,377
Right-of-use asset (included within Investment Properties) (Note 7)	21,561	22,377

The carrying amount of lease liability and the movement during the financial year is provided in Note 28. The interest expense on lease liability recognised in profit or loss for the financial year is provided in Note 21.

The Wallington ShopRite property consists of the leasehold interest under a ground lease between the Group and the landlord, Wallington Plaza, L.L.C., with an initial term that commenced on 30 May 2013 and will expire on 24 June 2040. The tenant has two ten-year renewal options that would take the term through 24 June 2060. The Group does not face significant liquidity risk with regard to its lease liability. Lease liability is monitored within the Group's finance function.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 15 NON-CONTROLLING INTERESTS

Set out below are the summarised financial information of significant entities with non-controlling interests. These are presented before inter-company eliminations.

	MCBUH Lawnside JV LLC	MCBH Parkway Crossing JV LLC	HUH Wallkill Town Center 2016, LLC
	2023 US\$'000	2023 US\$'000	2023 US\$'000
<u>Summarised statements of financial position</u>			
Non-current			
Assets	32,534	29,945	13,803
Liabilities	(17)	(12,907)	(3,516)
Net non-current assets	32,517	17,038	10,287
Current			
Assets	4,003	1,848	2,056
Liabilities	(84)	(776)	(482)
Net current assets	3,919	1,072	1,574
Net assets	36,436	18,110	11,861
<u>Summarised statements of comprehensive income</u>			
Revenue	3,590	3,289	1,302
Total comprehensive income	829	1,068	1,972
<u>Summarised statements of cash flows</u>			
Net cash flows generated from operating activities	2,430	1,054	4
Net cash flows used in investing activities	(430)	(423)	(4)
Net cash flows used in financing activities	(2,000)	(1,299)	–

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 15 NON-CONTROLLING INTERESTS (CONT'D)

	MCBUH Lawnside JV LLC	MCBH Parkway Crossing JV LLC	HUH Wallkill Town Center 2016, LLC
	2022 US\$'000	2022 US\$'000	2022 US\$'000
<u>Summarised statements of financial position</u>			
Non-current			
Assets	33,812	30,283	12,558
Liabilities	(17)	(12,907)	(3,529)
Net non-current assets	33,795	17,376	9,029
Current			
Assets	3,848	1,412	1,209
Liabilities	(35)	(446)	(349)
Net current assets	3,813	966	860
Net assets	37,608	18,342	9,889
<u>Summarised statements of comprehensive income</u>			
Revenue	3,581	3,217	1,401
Total comprehensive income	2,934	3,868	512
<u>Summarised statements of cash flows</u>			
Net cash flows generated from operating activities	1,659	1,754	966
Net cash flows used in investing activities	(9)	(816)	(1)
Net cash flows used in financing activities	(1,650)	(1,216)	(965)



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 16 UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust			
	31 December 2023		31 December 2022	
	No. of Units '000	US\$'000	No. of Units '000	US\$'000
Units in issue:				
At the beginning of the financial year	564,933	395,658	557,374	400,158
Capital distribution <sup>(1)</sup>	–	(11,385)	–	(9,112)
New Units issued for Manager's base fee	7,061	3,349	3,899	2,462
New Units issued for Manager's performance fees	–	–	26	17
New Units issued for Distribution Reinvestment Plan	9,674	4,023	3,634	2,133
Total issued Units as at the end of the financial year	581,668	391,645	564,933	395,658
Units to be issued:				
Manager's base fee payable/paid in Units <sup>(2)</sup>	–	–	3,345	1,683
Total Units issued and to be issued as at the end of the financial year	581,668	391,645	568,278	397,341

Footnotes:

(1) Capital distribution represents a return of capital to Unitholders for Singapore income tax purpose during the financial year.

(2) The Units to be issued to the Manager as payment of Manager's base fee for Q3 2022 and Q4 2022 were issued on 19 January 2023 and 10 March 2023 respectively.

### Rights and restrictions of Unitholders

Each Unit in the Trust represents an undivided interest in the Trust. 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;
- 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 less any liabilities, in accordance with their proportionate interests in the Trust; and
- have the right to receive notice of, attend and one vote per Unit at any meeting of the Unitholders. The Unitholders are entitled to receive all distributions declared and paid by the Trust.

Upon winding up, the Unitholders are entitled to a return of capital based on the asset value per Unit of the Trust. The restrictions on Unitholders 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 redeem his Units while the Units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Units. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 16 UNITS IN ISSUE AND TO BE ISSUED (CONT'D)

### Issue of new Units during 2023

During the financial year ended 31 December 2023, the Trust issued the following new Units to the Manager:

- (i) 1,499,395 new Units as payment of 100% of Manager's base fee for the period from 1 July 2022 to 30 September 2022;
- (ii) 1,845,885 new Units as payment of 100% of Manager's base fee for the period from 1 October 2022 to 31 December 2022;
- (iii) 1,892,205 new Units as payment of 100% of Manager's base fee for the period from 1 January 2023 to 31 March 2023; and
- (iv) 1,823,313 new Units as payment of 100% of Manager's base fee for the period from 1 April 2023 to 30 June 2023.

On 23 February 2022, the Manager announced the establishment of a DRP, pursuant to which Unitholders may elect to receive new Units in UHREIT in respect of all or part only of the cash amount of any distribution to which the DRP applies. The DRP may be applied from time to time to any distribution declared by UHREIT as the Manager may determine in its absolute discretion. During the financial year ended 31 December 2023, the Trust issued the following new Units pursuant to UHREIT's DRP:

- (i) for the distribution of US 2.97 cents per Unit for the period from 1 July 2022 to 31 December 2022, 2,233,101 new Units were issued at an issue price of US\$0.485 per Unit on 31 March 2023; and
- (ii) for the distribution of US 2.65 cents per Unit for the period from 1 January 2023 to 30 June 2023, 7,441,227 new Units were issued at an issue price of US\$0.395 per Unit on 28 September 2023.

### Issue of new Units during 2022

During the financial year ended 31 December 2022, the Trust issued the following new Units to the Manager:

- (i) 3,899,129 new Units as payment of 100% of Manager's base fee for the period from 1 October 2021 to 30 June 2022; and
- (ii) 26,057 new Units as payment of 100% of Manager's performance fee for the financial year ended 2021.

3,345,280 new Units to be issued to the Manager as payment of Manager's base fee for the period from 1 July 2022 to 31 December 2022.

During the financial year ended 31 December 2022, pursuant to UHREIT's DRP, the Trust issued 3,633,668 new Units at an issue price of US\$0.587 per Unit on 28 September 2022 for the distribution of US 2.91 cents per Unit for the period from 1 January 2022 to 30 June 2022.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 17 NET ASSET VALUE ("NAV") AND NET TANGIBLE ASSET ("NTA") PER UNIT

	Group		Trust	
	2023	2022	2023	2022
Net assets <sup>(1)</sup> (US\$'000)	431,585	425,070	383,576	394,883
Number of Units in issue and to be issued <sup>(2)</sup> ('000) (Note 16)	581,668	568,278	581,668	568,278
NAV and NTA per Unit <sup>(3)</sup> (US\$)	0.74	0.75	0.66	0.69

Footnotes:

- (1) This excludes non-controlling interests' share of net assets.  
 (2) Based on the number of Units in issue for the financial year and the Units to be issued as payment of the Manager's base fee.  
 (3) NAV and NTA are the same as there are no intangible assets as at the end of the financial year.

## 18 GROSS REVENUE

	Group	
	2023 US\$'000	2022 US\$'000
Rental income	57,185	53,444
Recoveries income	14,816	13,444
Other operating income	228	564
	72,229	67,452

Recoveries income includes, among others, charges to tenants for reimbursements of certain property expenses primarily for common area maintenance such as repair and maintenance expenses, utilities, property management fees and reimbursements, real estate taxes and other recoverable costs and is estimated in accordance with the individual tenant leases.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19 PROPERTY EXPENSES

	Group	
	2023	2022
	US\$'000	US\$'000
Real estate taxes	9,197	8,956
Repair, maintenance and utilities expenses	5,697	6,086
Property management fees	2,718	2,516
Insurance expenses	1,802	1,491
Other property expenses	2,167	1,520
	21,581	20,569

## 20 OTHER TRUST EXPENSES

	Group	
	2023	2022
	US\$'000	US\$'000
Auditor's fees	518	573
Tax compliance fees	278	252
Unit registry expense	49	38
Property valuation fees	149	112
Others	1,219	968
	2,213	1,943

### Auditor's remuneration

Deloitte & Touche LLP, Singapore ("Deloitte") are the independent auditors of the Trust. Deloitte and its overseas affiliate have provided a number of audit and non-assurance related services to the Group during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 20 OTHER TRUST EXPENSES (CONT'D)

### Auditor's remuneration (cont'd)

Below is a summary of fee payable/paid to Deloitte and its overseas affiliate for various services provided during the financial year:

	Group	
	2023 US\$'000	2022 US\$'000
<i>Audit services</i>		
Auditing of financial reports	518	573
Fee payable/paid for audit services to Deloitte	518	573
<i>Non-audit services</i>		
Tax compliance fees	278	252
Total remuneration payable/paid to Deloitte	796	825

## 21 FINANCE COSTS

	Group	
	2023 US\$'000	2022 US\$'000
Interest expense on loans and borrowings	14,166	8,002
Dividends paid to preferred shareholders	16	16
Commitment fees and amortisation of upfront debt-related transaction costs	1,446	3,664
Interest on lease liability	504	522
	16,132	12,204



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 22 INCOME TAX EXPENSE

	Group	
	2023	2022
	US\$'000	US\$'000
<b>Current income tax:</b>		
Current income tax charge	352	540
Overprovision in prior financial years	(60)	(33)
	292	507
<b>Deferred tax:</b>		
Deferred tax charge	6,793	2,802
Overprovision in prior financial years	(258)	(160)
	6,535	2,642
Income tax expense reported in the consolidated statement of comprehensive income	6,827	3,149

The income tax for the period can be reconciled to the accounting result based on U.S. tax rate of 21.0% as all properties are based in the U.S., as follows:

	Group	
	2023	2022
	US\$'000	US\$'000
Net income before tax	39,818	29,747
Tax calculated using U.S. tax rate of 21.0%	8,362	6,247
Tax effect of expenses not deductible for tax purposes	9,197	8,298
Tax effect of income not subjected to tax	(11,307)	(12,068)
Overprovision of prior year income tax	(318)	(193)
Effect of different tax rate in state jurisdictions	893	875
Others	-	(10)
	6,827	3,149

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 22 INCOME TAX EXPENSE (CONT'D)

### Provision for taxation

Uncertainties exist with respect to the interpretation of complex tax regulations in the jurisdictions in which the Group operates and the amount and timing of future taxable income. Given the span of tax regulations which may apply to the various taxable entities or persons within the Group, the cross-border and long-term nature and complexity of the contractual arrangements and the conditions to the tax rulings which have been obtained, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions recorded or require new or additional tax provisions to be recorded.

The Group establishes provisions, based on reasonable estimates, for anticipated tax liabilities or possible consequences of audits by the tax authorities of the respective jurisdictions in which it operates. The amount of such provisions is based on various factors, such as differing interpretations of tax regulations between the taxable entity or person involved and the relevant tax authority and anticipated future changes in the tax laws that may have a direct impact on any tax ruling or favourable tax treatment relied upon. Such instances may arise on a wide variety of issues depending on the conditions prevailing in the domicile of the respective entity or person involved.

## 23 BASIC AND DILUTED EARNINGS PER UNIT

The calculation of basic and diluted earnings per unit ("EPU") is based on the following data:

	Group	
	2023	2022
Net income for the year attributable to Unitholders (US\$'000)	32,817	26,166
Weighted average number of Units in issue ('000)	573,276	560,658
Basic and diluted EPU (US cents)	5.72	4.67

Basic and diluted EPU are calculated based on the weighted average number of Units in issue for the financial year.

Diluted EPU is equivalent to basic EPU as there were no dilutive instruments in issue during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24 SEGMENTAL REPORTING

For the purpose of making resource allocation decisions and the assessment of segment performance, the Manager reviews internal/management reports of its investment properties. This forms the basis of identifying the operating segments of the Group under IFRS 8 *Operating Segments*.

Operating segments are aggregated into a single operating segment if they have similar economic characteristics. The Group's reportable operating segments under IFRS 8 are as follows:

- (a) Grocery & Necessity Properties; and
- (b) Self-Storage Properties

Segment profit represents the profit earned by each segment without allocation of Manager's base fees, Trustee's fees, other trust expenses, finance costs, finance income, fair value change on derivatives and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment 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 certain cash and cash equivalents, certain restricted cash, certain other receivables, derivative assets, tax receivables, certain trade and other payables, loans and borrowings (excluding Arundel Plaza Mortgage Loan, St. Lucie West Mortgage Loan and Upland Square Mortgage Loan), provision for tax, preferred shares and deferred tax liabilities.

Revenue of US\$6,751,000 is derived from one major external tenant of the Group (2022: Revenues of US\$6,518,000 and US\$6,029,000 are derived from two major external tenants of the Group). This revenue is attributable to the gross revenue from Grocery & Necessity Properties.

The Group's main operation is in the U.S., hence no analysis by geographical area of operation is provided.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24 SEGMENTAL REPORTING (CONT'D)

Information regarding the Group's reportable segments are presented in the tables below.

	2023			2022		
	Grocery & Necessity Properties	Self-Storage Properties	Total	Grocery & Necessity Properties	Self-Storage Properties	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Gross revenue	68,442	3,787	72,229	63,032	4,420	67,452
Property expenses	(20,574)	(1,007)	(21,581)	(19,105)	(1,464)	(20,569)
Other income	–	–	–	–	175	175
Net property income	47,868	2,780	50,648	43,927	3,131	47,058
Fair value change in investment properties	14,986	(1,700)	13,286	(10,179)	7,200	(2,979)
Gain/(loss) on divestment of investment properties	89	–	89	–	(481)	(481)
Unallocated expenses			(31,032)			(17,000)
Net income after tax			32,991			26,598

	As at 31 December 2023			As at 31 December 2022		
	Grocery & Necessity Properties	Self-Storage Properties	Total	Grocery & Necessity Properties	Self-Storage Properties	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Segment assets	740,702	52,890	793,592	715,765	54,414	770,179
Unallocated assets			15,166			15,724
Consolidated assets			808,758			785,903
Segment liabilities	132,213	548	132,761	133,306	523	133,829
Unallocated liabilities			241,863			224,479
Consolidated liabilities			374,624			358,308
Other segment items						
Capital expenditures	19,712	–	19,712	7,049	24	7,073

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 25 COMMITMENTS

### Capital commitments

The capital expenditure commitments which are contracted but not provided for are as follows:

	Group	
	2023 US\$'000	2022 US\$'000
Capital commitments in respect of investment properties	123	204

### Operating lease commitments – as lessor

The Group leases out its investment properties. Investment properties are held for use by tenants under operating leases. Generally, the leases contain an initial non-cancellable period and indexation clauses and/or adjusted terms in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period. The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

	Group	
	2023 US\$'000	2022 US\$'000
Due within 1 year	52,128	51,675
Due within 1 - 2 years	51,577	50,475
Due within 2 - 3 years	49,931	48,651
Due within 3 - 4 years	46,073	46,869
Due within 4 - 5 years	39,481	43,182
Due after 5 years	155,823	184,313
	395,013	425,165

## 26 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

### Overview

The Group's activities expose it to a variety of financial risks, which include credit risk, liquidity risk and market risk. This note provides information about the risk management strategy for the Group in relation to each of the above financial risks to which the Group is exposed to. The Group's overall risk management program focuses on managing these risks and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate derivatives to hedge certain risk exposures. The Group seeks to deal only with creditworthy counterparties. Liquidity risk is monitored through the use of future rolling cash flow forecasts. The Group's management of treasury activities is centralised and governed by policies approved by the Manager who monitors the operating compliance and performance as required. The Group has policies for overall risk management as well as policies covering specific areas such as identifying risk exposure, analysing and deciding upon strategies, performance measurement, the segregation of duties and other controls around the treasury and cash management functions.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

### Overview (cont'd)

The Group holds the following financial instruments:

	Group		Trust	
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Financial assets</b>				
Financial assets at amortised cost	20,109	19,519	13,214	4,985
Financial assets measured at fair value	1,257	3,793	–	–
<b>Financial liabilities</b>				
Lease liability	21,561	22,377	–	–
Financial liabilities at amortised cost	334,224	323,659	2,366	827

### (a) Market risk management

Market risk is the risk that the fair value or future cash flows of the Group's financial instruments fluctuates due to market price changes. The Group is exposed to the following market risks:

#### (i) Foreign exchange risk

Currency risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group's business is not exposed to significant currency risk as the portfolio of properties are located in the U.S. and the cash flows from the operations of the properties are denominated in US\$.

The Group also borrows in the same currency as the assets in order to manage the foreign currency risk. The Group will receive US\$ distributions from the investment properties which will be passed to the Unitholders, either in US\$ or converted to Singapore dollars ("SGD") at the spot foreign exchange rate.

#### (ii) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. The Manager is actively monitoring the net exposure to interest rate risk through the use of interest rate hedging instruments and/or fixed rate borrowings, where applicable.

As at 31 December 2023, the Group had gross borrowings of US\$156.5 million (2022: US\$158.0 million) with floating rate interest which have been hedged using interest rate swaps, and US\$69.4 million (2022: US\$59.4 million) of unhedged variable rate interest loans and borrowings.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

### (a) Market risk management (cont'd)

#### (ii) Interest rate risk (cont'd)

##### *Sensitivity analysis for interest rate risk*

As at reporting date, if the interest rates of borrowings had been 1.0% per annum higher/lower with all other variables constant, the Group's net profit before tax would have been US\$704,000 (2022: US\$509,000) lower/higher, arising mainly as a result of a higher/lower interest expense on floating rate borrowings that are unhedged.

### (b) Credit risk management

Credit risk is the risk that a counterparty will default on its contractual obligations under a financial instrument and result in a financial loss to the Group. Credit risk arises from cash and cash equivalents, restricted cash, favourable derivative financial instruments with banks and financial institutions and receivables.

The Group manages this risk by:

- establishing credit limits for customers and managing exposure to individual entities;
- monitoring the credit quality of all financial assets in order to identify any potential adverse changes in credit quality;
- derivative counterparties and cash transactions, when utilised, are transacted with high credit quality financial institutions;
- regularly monitoring receivables on an ongoing basis; and
- requiring tenants to pay deposits upon commencement of leases which may be retained if the tenant defaults on rent payments.

##### *Impairment of financial assets*

The Group's financial assets that are subject to the expected credit loss model are trade receivables. While cash and cash equivalents and restricted cash are also subject to the impairment requirements of IFRS 9, there was no identified impairment loss. Credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Rental and recoveries income from tenants are due and payable on invoice date with no credit terms provided mitigating largely any credit risk. At the end of the reporting financial year, approximately 32.0% (2022: 44.0%) of the Group's trade receivables were due from 3 tenants.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

### (b) Credit risk management (cont'd)

#### *Impairment of financial assets (cont'd)*

The Group assesses on a forward-looking basis the ECLs associated with financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group considers that the credit risk of these counterparties has not increased, and determines that the 12-month ECL on outstanding balances is negligible as at 31 December 2023.

#### *Exposure to credit risk*

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statements of financial position. The ageing of the trade receivables at the reporting date was as follows:

	31 December 2023		31 December 2022	
	Gross trade receivables	Allowance for ECL	Gross trade receivables	Allowance for ECL
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Group</b>				
Current	679	(27)	1,495	(13)
Past due up to 3 months	410	(51)	928	(36)
Past due more than 3 to 6 months	519	(27)	257	(11)
Past due more than 6 months	461	(114)	248	(78)

Trade and other receivables that are neither past due nor impaired relate to creditworthy debtors and counterparties with good payment record.

### (c) Liquidity risk management

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 Manager monitors the liquidity risk of the Group and maintains a level of cash and credit facilities deemed adequate to finance its operations and to mitigate the effects of fluctuations in cash flows. The Group's credit facilities are set out in Note 11.

As disclosed in Note 11, the Group is in a net current liabilities position as at 31 December 2023 due to the Arundel Plaza Mortgage Loan, which is maturing in March 2024. The financial statements have been prepared on a going concern basis as the Group has successfully refinanced the Arundel Loan Mortgage Loan subsequent to year end and there is no immediate refinancing due until 2025. The Group also has sufficient undrawn revolving credit facility to meet its obligations as and when they fall due.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

### (c) Liquidity risk management (cont'd)

The following are the contractual maturities of financial liabilities, including estimated interest payments:

		Cash flows			
	Carrying amount	Contractual cash flows	On demand or within 1 year	Within 2 to 5 years	After 5 years
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Group</b>					
<b>31 December 2023</b>					
<u>Non-derivative financial liabilities</u>					
Trade and other payables	9,271	9,271	9,271	–	–
Loans and borrowings	323,927	380,656	39,645	341,011	–
Preferred shares	125	171	16	155	–
Rental security deposits	901	901	–	333	568
Lease liability	21,561	26,266	1,320	5,797	19,149
	355,785	417,265	50,252	347,296	19,717
<b>31 December 2022</b>					
<u>Non-derivative financial liabilities</u>					
Trade and other payables	8,296	8,296	8,296	–	–
Loans and borrowings	314,300	381,243	16,418	324,711	40,114
Preferred shares	125	187	16	171	–
Rental security deposits	938	938	–	418	520
Lease liability	22,377	27,586	1,320	5,665	20,601
	346,036	418,250	26,050	330,965	61,235

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

### (c) Liquidity risk management (cont'd)

	Carrying amount US\$'000	Contractual cash flows US\$'000	Cash flows		
			On demand or within 1 year US\$'000	Within 2 to 5 years US\$'000	After 5 years US\$'000
<b>Trust</b>					
<b>31 December 2023</b>					
<u>Non-derivative financial liabilities</u>					
Trade and other payables	2,366	2,366	2,366	–	–
<b>31 December 2022</b>					
<u>Non-derivative financial liabilities</u>					
Trade and other payables	827	827	827	–	–

### (d) Capital management policies and objectives

The Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits as set out in the CIS Code issued by the MAS to fund future acquisitions and asset enhancement projects at the Group's properties. To maintain and achieve an optimal capital structure, the Manager may issue new units or source additional borrowings from both financial institutions and capital markets.

The Group has a policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Manager monitors the level of distributions made to Unitholders.

The Group seeks to maintain a balance between the higher returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position.

The Group is subjected to the aggregate leverage limits as defined in the Property Funds Appendix set out in the CIS Code. The Property Funds Appendix previously stipulated that the total borrowings and deferred payments (collectively the "Aggregate Leverage") of a property fund shall not exceed 45.0% of the fund's deposited property. On 16 April 2020, the MAS announced that the Aggregate Leverage limit for Singapore REITs ("S-REITs") will be raised from 45.0% to 50.0% with immediate effect and deferred the implementation of a new minimum interest coverage ratio ("ICR") requirement to 1 January 2022. With a new minimum ICR of 2.5 times, S-REITs are allowed to increase their leverage to beyond the prevailing 45.0% limit (up to 50.0%).

The Manager actively monitors the term of each loan facility, the weighted average cost of debt, and variable debt as a proportion of overall debt outstanding. The Manager also monitors the debt covenants on an ongoing basis and ensures there is sufficient cash available to make the payments under the loan agreement.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

### (d) Capital management policies and objectives (cont'd)

The Aggregate Leverage ratio is calculated as the total borrowings and deferred payments divided by the total assets (excluding right-of-use asset acquired prior to 1 January 2019). The Aggregate Leverage ratio is 41.7% as at 31 December 2023 (2022: 41.8%). The Group has complied with the Aggregate Leverage limit during the financial year.

### (e) Fair value of financial assets and financial liabilities

The carrying amounts of financial assets and liabilities at amortised cost approximate their fair values.

The following is a description of the valuation technique(s) and key inputs used in the determination of the fair value of the financial assets and financial liabilities.

#### *Financial instruments measured at fair value*

##### Financial derivative

The fair value measurement for financial derivative (Note 13) has been categorised as Level 2 of the fair value hierarchy. The fair value of interest rate swaps are based on discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of the counterparties.

#### *Financial instruments not measured at fair value on a recurring basis (but fair value disclosures are required)*

##### Loans and borrowings

Except as detailed in the following table, the carrying amounts of financial assets and financial liabilities at amortised cost approximate their respective fair values:

	31 December 2023			31 December 2022		
	Carrying amount	Fair value	Fair value hierarchy	Carrying amount	Fair value	Fair value hierarchy
	US\$'000	US\$'000		US\$'000	US\$'000	
<b>Group</b>						
Loans and borrowings	323,927	320,501	2	314,300	308,774	2

The fair values of the financial instruments classified as Level 2 were calculated using the discounted cash flow method. There were no financial instruments that are measured at amortised cost but for which fair values were disclosed classified as Level 1 or 3 either in current or in prior year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 27 RELATED PARTIES

Related parties are persons or entities that are related to the Trust as defined by IAS 24 *Related Party Disclosures*. These include directors and their close family members and any entities they control as well as subsidiaries, the Manager, the Manager's shareholders, Hampshire U.S. Holdco, LLC (a wholly owned subsidiary of Hampshire Sponsor), the UOB Sponsor and all subsidiaries and associates of the Hampshire Sponsor or UOB Sponsor. They also include entities which are considered to have significant influence over the Hampshire Sponsor or UOB Sponsor.

Related parties include all entities that are defined as Interested Persons under the SGX-ST Listing Manual or Interested Parties under the CIS Code. In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties during the financial year. All of the Trust's transactions with related parties are on normal commercial terms and conditions and at market rates.

Description of transactions	Group	
	2023 US\$'000	2022 US\$'000
Base fee payable/paid to the Manager		
- in units	1,666	3,313
- in cash	1,529	-
Development management fee payable to the Manager	615	-
Acquisition fee paid to the Manager	-	857
Divestment fee paid to the Manager	49	228
Trustee's fee payable/paid to the Trustee	150	138
Property management fees payable/paid to the Hampshire Sponsor	1,614	1,530
Leasing commission fee paid to the Hampshire Sponsor	-	251
Rental income from an affiliated fund of the Hampshire Sponsor	395	395

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Non-cash changes					At 31 December 2023 US\$'000
	At 1 January 2023 US\$'000	Financing cash flows US\$'000	Interest expense US\$'000	Reclassification of non-current loan US\$'000	Amortisation of upfront debt transaction costs US\$'000	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Lease liability	22,377	(1,320)	504	-	-	21,561
Loans and borrowings – Current	-	-	-	21,119	21	21,140
Loans and borrowings – Non-current	314,300	8,181	-	(21,119)	1,425	302,787
Preferred shares	125	(16)	16	-	-	125
Accrued interest payable	364	(13,426)	14,166	-	-	1,104
	337,166	(6,581)	14,686	-	1,446	346,717

	Non-cash changes					At 31 December 2022 US\$'000
	At 1 January 2022 US\$'000	Financing cash flows US\$'000	Interest expense US\$'000	Loan assumption US\$'000	Amortisation of upfront debt transaction costs US\$'000	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Lease liability	23,175	(1,320)	522	-	-	22,377
Loans and borrowings – Current	6,000	(6,000)	-	-	-	-
Loans and borrowings – Non-current	265,639	3,997	-	41,000	3,664	314,300
Preferred shares	125	(16)	16	-	-	125
Accrued interest payable	248	(7,886)	8,002	-	-	364
	295,187	(11,225)	8,540	41,000	3,664	337,166

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29 FINANCIAL RATIOS

	Group	
	2023	2022
	%	%
Ratio of expenses to weighted average net assets <sup>(1)</sup>		
– Including Manager's performance fee	1.31	1.26
– Excluding Manager's performance fee	1.31	1.26
Portfolio turnover rate <sup>(2)</sup>	–	10.43

Footnotes:

- (1) The annualised ratio is computed in accordance with guidelines of the Investment Management Association of Singapore ("IMAS"). The expenses used in the computation relate to expenses at the Group level, excluding property related expenses, finance costs, net foreign exchange differences and income tax expense. The Group did not incur any performance fee for the financial years ended 31 December 2022 and 31 December 2023.
- (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 weighted average net asset value in accordance with the formula stated in the CIS Code.

## 30 EVENTS AFTER THE REPORTING PERIOD

### (a) Refinancing of Mortgage Loan

On 20 February 2024, the Manager has successfully refinanced the Arundel Plaza Mortgage Loan.

### (b) Distribution

On 22 February 2024, the Manager announced a distribution of US 2.14 cents per Unit for the financial period from 1 July 2023 to 31 December 2023.

## 31 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following IAS and IFRS Accounting Standards relevant to the Group and the Trust were issued but not yet effective:

Effective for annual periods beginning on or after 1 January 2024

- Amendments to IAS 1: *Classification of Liabilities as Current or Non-current*
- Amendments to IAS 1: *Non-current Liabilities with Covenants*

The Manager anticipates that the adoption of the above IFRS Accounting Standards in future periods will not have a material impact on the financial statements of the Group and of the Trust in the year of their initial adoption.

# INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons during the financial year ended 31 December 2023, which fall under the Listing Manual of the SGX-ST and Property Funds Appendix of the Code of Collective Investment Scheme, are as follows:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review			
		excluding transactions less than S\$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920		transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		FY2023 US\$'000	FY2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
<b>United Hampshire US REIT Management Pte. Ltd.</b>	<b>The Manager of UHREIT</b>				
Base fee					
- in units		1,666	3,313	-	-
- in cash		1,529	-	-	-
Development management fee		615	-	-	-
Acquisition fee		-	857	-	-
Divestment fee		49 <sup>(1)</sup>	228	-	-
<b>Perpetual (Asia) Limited</b>	<b>Trustee of UHREIT</b>				
Trustee fee		150	138	-	-
<b>The Hampshire Companies, LLC</b>	<b>Shareholder of the Manager/ Hampshire sponsor</b>				
Property management fee		1,614	1,530	-	-
Leasing commission fee		-	251	-	-
<b>Burlington 2000 L.L.C</b>	<b>Subsidiary of an affiliated fund of the Hampshire Sponsor</b>				
Rental income		395	395	-	-

Save as disclosed above, there were no additional interested person transactions (excluding transactions less than S\$100,000) entered into during the financial year under review and UHREIT has not obtained a general mandate from Unitholders for interested person transactions.

Please also see Related Party Transactions in Note 27 to the Financial Statements.

## Subscription of UHREIT Units

For the financial year ended 31 December 2023, an aggregate of 7,060,798 (2022: 3,925,186) Units were issued and subscribed for in relation to the Manager's base fee (2022: base fee and performance fee). 2,233,101 Units were issued as part payment of distributions in respect of the distribution for the period from 1 July 2022 to 31 December 2022 and 7,441,227 Units (2022: 3,633,668 Units) were issued in respect of the distribution for the period from 1 January 2023 to 30 June 2023 (2022: 1 January 2022 to 30 June 2022), pursuant to UHREIT's Distribution Reinvestment Plan.

(1) These Interested Person Transactions include transactions of less than S\$100,000 each.



# UNITHOLDING STATISTICS

## ISSUED AND FULLY PAID UNITS

There were 581,668,324 Units issued in United Hampshire US Real Estate Investment Trust as at 8 March 2024 (voting rights: one vote per Unit). There is only one class of Units in United Hampshire US Real Estate Investment Trust. There are no treasury Units and subsidiary holdings held.

## DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	Number of Unitholders	% of Unitholders	Number of Units	% of Units
1 - 99	4	0.21	154	0.00
100 - 1,000	176	9.25	150,766	0.03
1,001 - 10,000	931	48.95	5,264,782	0.90
10,001 - 1,000,000	756	39.75	47,820,653	8.22
1,000,001 and above	35	1.84	528,431,969	90.85
	<b>1,902</b>	<b>100.00</b>	<b>581,668,324</b>	<b>100.00</b>

## TWENTY LARGEST UNITHOLDERS

No.	Name of Unitholders	Number of Units	%
1.	CITIBANK NOMINEES SINGAPORE PTE LTD	96,004,598	16.51
2.	DBSN SERVICES PTE. LTD.	77,845,860	13.38
3.	UOB KAY HIAN PRIVATE LIMITED	70,991,975	12.20
4.	DBS NOMINEES (PRIVATE) LIMITED	48,717,117	8.38
5.	RAFFLES NOMINEES (PTE.) LIMITED	36,964,843	6.35
6.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	33,680,426	5.79
7.	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	30,784,179	5.29
8.	HSBC (SINGAPORE) NOMINEES PTE LTD	24,995,562	4.30
9.	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	20,549,600	3.53
10.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	13,824,782	2.38
11.	DB NOMINEES (SINGAPORE) PTE LTD	9,476,108	1.63
12.	METRO ARC INVESTMENTS PTE LTD	8,557,724	1.47
13.	PHILLIP SECURITIES PTE LTD	7,926,035	1.36
14.	BOUSTEAD SINGAPORE LIMITED	7,000,000	1.20
15.	MAYBANK SECURITIES PTE. LTD.	5,608,995	0.96
16.	SUPERBOWL HOLDINGS LIMITED	4,017,850	0.69
17.	YIM CHEE CHONG	2,971,223	0.51
18.	OCBC SECURITIES PRIVATE LIMITED	2,732,823	0.47
19.	WEE EE CHEONG	2,530,000	0.43
20.	TANG WEE LOKE	2,518,977	0.43
	<b>TOTAL</b>	<b>507,698,677</b>	<b>87.26</b>

# UNITHOLDING STATISTICS

## SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS

(As recorded in the Register of Substantial Unitholders' Unitholdings as at 8 March 2024)

Name of Substantial Unitholders	Direct Interest		Deemed Interest	
	No. of Units	% <sup>(1)</sup>	No. of Units	% <sup>(1)</sup>
U.S. RE Fund II Offshore Feeder 1 Ltd	44,395,000	7.63	–	–
United Overseas Bank Limited <sup>(2)</sup>	–	–	45,661,203	7.85
The Hampshire Generational Fund LLC <sup>(3)</sup>	–	–	44,395,000	7.63
Golden Sun (China) Limited	32,654,800	5.61	–	–
Tan Kim Choo	–	–	29,114,979	5.01
Ng Chee Tat Phillip	–	–	29,114,979	5.01
Kuang Ming Investments Pte. Limited	29,114,979	5.01	–	–

Notes:

- (1) The percentage is based on 581,668,324 Units in issue as at 8 March 2024.
- (2) United Overseas Bank Limited is deemed interested in 44,395,000 Units held by U.S. RE Fund II Offshore Feeder 1 Ltd as U.S. RE Fund II Offshore Feeder 1 Ltd is a direct wholly owned subsidiary of United Overseas Bank Limited. United Overseas Bank Limited is also deemed interested in 1,266,203 Units held by the Manager.
- (3) The Hampshire Generational Fund LLC holds a 95.0% interest in each of HGF Investors Fund I LLC and HGF Investors Fund II, LLC. Accordingly, The Hampshire Generational Fund LLC is deemed to be interested in HGF Investors Fund I LLC's and HGF Investors Fund II, LLC's respective direct interests in the Units.

## UNITS OF THE DIRECTORS OF THE MANAGER

(As recorded in the Register of Directors' Unitholdings as at 21 January 2024)

Name of Directors	Direct Interest		Deemed Interest	
	No. of Units	% <sup>(1)</sup>	No. of Units	% <sup>(1)</sup>
James Ernest Edwin Hanson II <sup>(2)</sup>	–	–	3,416,406	0.59
David Tuvia Goss	1,344,400	0.23	–	–
Tan Tong Hai	–	–	–	–
Chua Teck Huat Bill	–	–	–	–
Jaelle Ang Ker Tjia	–	–	–	–
Wee Teng Wen	1,585,000	0.27	–	–

Notes:

- (1) The percentage is based on 581,668,324 Units in issue as at 21 January 2024.
- (2) Mr. James Ernest Edwin Hanson II is deemed interested in 3,416,406 Units held by United Hampshire US REIT Management Pte. Ltd. (the "Manager"), Hampshire Reinvestment LLC and Ledgewood LLC as he has more than 20% interest in each of these entities.

## FREE FLOAT

Based on the information made available to the Manager as at 8 March 2024, approximately 72.50% of the Units in United Hampshire US Real Estate Investment Trust are held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.



# CORPORATE INFORMATION

## THE MANAGER

### **United Hampshire US REIT Management Pte. Ltd.**

80 Raffles Place  
#28-21 UOB Plaza 2  
Singapore 048624  
Phone : +65 6797 9010  
Email : IR@uhreit.com  
Website : www.uhreit.com

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## BOARD OF DIRECTORS

### **Mr. Tan Tong Hai**

Chairman and Independent  
Non-Executive Director

### **Mr. James E. Hanson II**

Non-Independent  
Non-Executive Director

### **Mr. David Tuvia Goss**

Non-Independent  
Non-Executive Director

### **Mr. Wee Teng Wen**

Non-Independent  
Non-Executive Director

### **Mr. Chua Teck Huat Bill**

Independent  
Non-Executive Director

### **Ms. Jaelle Ang Ker Tjia**

Independent  
Non-Executive Director

## AUDIT AND RISK COMMITTEE

**Mr. Chua Teck Huat Bill**  
Chairman

**Mr. Tan Tong Hai**

**Ms. Jaelle Ang Ker Tjia**

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## NOMINATING AND REMUNERATION COMMITTEE

**Mr. Tan Tong Hai**  
Chairman

**Mr. Chua Teck Huat Bill**

**Mr. James E. Hanson II**

**Mr. David Tuvia Goss**

**Ms. Jaelle Ang Ker Tjia**

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## TRUSTEE

### **Perpetual (Asia) Limited**

8 Marina Boulevard  
#05-02, Marina Bay Financial Centre  
Singapore 018981  
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Fax : +65 6438 0255

## UNIT REGISTRAR

### **Boardroom Corporate & Advisory Services Pte. Ltd.**

1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
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Phone : +65 6536 5355  
Fax : +65 6536 1360

For updates or change of mailing  
address, please contact:

### **The Central Depository (Pte) Limited**

9 North Buona Vista Drive  
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Fax : +65 6535 0775  
Email : asksgx@sgx.com  
Website : www.sgx.com/cdp

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## COMPANY SECRETARY

**Ms. Ngiam May Ling**

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## AUDITOR

### **Deloitte & Touche LLP**

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Phone : +65 6224 8288  
Fax : +65 6538 6166

Partner-In-Charge:

**Mr. Shariq Barmaky**

*Appointed:*

*With effect from financial period  
ended 31 December 2020*



**UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST**

[www.uhreit.com](http://www.uhreit.com)

