

FOR IMMEDIATE RELEASE

First REIT completes acquisition of 12 nursing homes in Japan

- Maiden entry into a high growth market underpinned by rapidly ageing demographics and positive reception of eldercare facilities
- Acquisition of well-established freehold assets strategically located across Japan to boost income streams
- Successfully taken first step of First REIT 2.0 Growth Strategy to expand into developed markets and diversify geographical risk

SINGAPORE – 1 March 2022 – First REIT Management Limited, as manager (the “**Manager**”) of First Real Estate Investment Trust (“**First REIT**” or the “**Trust**”), today announced that it has completed the acquisition of the 12 well-established nursing homes in Japan (“**Japan Nursing Homes**”) from its sponsor OUE Lippo Healthcare Limited (“**OUELH**” or the “**Sponsor**”).

“We are deeply grateful for the support that we have received from our valued Unitholders who had stood by us through our transformative years of strategic initiatives, master leases restructuring and now the diversification of our portfolio into a new high growth market. Together with the strong commitment from our Sponsor, we have successfully completed this accretive acquisition that will not only enlarge the value of our portfolio by 30.9%¹ to S\$1.3 million, but also maximise returns for our Unitholders in the long run with its stable stream of rental income.

“We have taken definitive steps in executing and completing our strategic plans, which have resulted in the stabilisation of the Trust’s performance, as reflected in our FY2021² results where we have achieved stable year-on-year growth. With the completion of this acquisition, we have taken our first step as highlighted in the First REIT 2.0 Growth Strategy, to expand into developed markets and to diversify our geographical risk. Going forward, we will continue to harness our strategic pillars to strengthen capital structure, reshape portfolio for capital efficient growth and pivot to ride on megatrends such as ageing population demographics and sustainability initiatives,” said Mr Victor Tan, Chief Executive Officer of the Manager.

¹ Based on First REIT’s portfolio valuation of S\$962.4 million as at 31 December 2021 and including the asset values of the Japan Nursing Homes on a proforma basis as at 31 December 2021

² For financial year ended 31 December 2021

With its maiden entry into the Japan market, First REIT is well-poised to benefit from the growing Japan healthcare market underpinned by the country's rapidly ageing demographics with 35.3% of its population expected to be over the age of 65 by 2040; inadequate supply of facilities to support the demand for eldercare facilities; and positive reception for eldercare facilities driven by long-term care insurance introduced by the Japanese government and shrinking household sizes in Japan.

About the Japan Nursing Homes

12 well-established and high-quality assets strategically located across Japan to cater to the respective eldercare needs in the area. At a combined gross floor area of approximately 90,989 square metres with 1,451 rooms, all the properties are freehold and 100% master-leased to third-party tenants who are well-established and experienced independent local nursing home operators.

The settlement agreements (the "**Settlement Agreements**") entered into on 7 December 2021 with PT Saputra Karya ("**PT SK**"), an indirect wholly-owned subsidiary of PT Lippo Karawaci Tbk, to provide for the full and final settlement of any and all claims which PT Tata Prima Indah, an indirect wholly-owned subsidiary of First REIT, may have against PT SK in respect of the progress payments, interest and project expenses incurred for the now terminated development works adjacent to Siloam Hospitals Surabaya are also in effect. The aggregate settlement amount of approximately S\$30.6 million is expected to be fully repaid by 30 June 2022 in accordance to the terms of the Settlement Agreements, which will further boost the financial position of the Trust.

Key Portfolio Overview

Key Data	Before Acquisition (As at 31 December 2021)	After Acquisition (As at 31 December 2021)
No. of Assets	19	31
Assets-Under-Management	S\$962.4 million	S\$1,260.3 million ¹
Total Gross Floor Area	353,569 square metres	444,558 square metres
Maximum number of beds/saleable rooms	5,046	6,497
Occupancy	100%	100%
Weighted Average Lease Expiry	11.5 years	13.5 years
Weighted Average Age of Properties	14.5 years	16.2 years
Note		
¹ Based on First REIT's portfolio valuation of S\$962.4 million as at 31 December 2021 and including the asset values of the Japan Nursing Homes on a proforma basis as at 31 December 2021		

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CONTACT INFORMATION

August Consulting

Tel: (65) 6733 8873

Janice ONG, janiceong@august.com.sg

Jeremy SING, jeremysing@august.com.sg

About First REIT

First Real Estate Investment Trust ("First REIT") is a real estate investment trust constituted by the Trust Deed entered into on 19 October 2006 between First REIT Management Limited (formerly Bowsprit Capital Corporation Limited) as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. First REIT was listed on the Singapore Exchange Securities Trading Limited on 11 December 2006. On 1 March 2018, HSBC Institutional Trust Services (Singapore) Limited retired as the Trustee of First REIT in favour of Perpetual (Asia) Limited.

First REIT is Singapore's first healthcare real estate investment trust that aims to invest in a diversified portfolio of income-producing real estate and / or real estate-related assets within and outside of Asia that are primarily used for healthcare and/or healthcare-related purposes.

Managed by First REIT Management Limited, First REIT has a portfolio of 31 properties with 12 hospitals, 2 integrated hospital & malls, 1 integrated hospital & hotel and 1 hotel & country club, located in Indonesia, 3 nursing homes in Singapore and 12 nursing homes in Japan.

Its hospital assets in Indonesia are operated by PT Siloam International Hospitals Tbk, a subsidiary of PT Lippo Karawaci Tbk, a strong brand name in the Indonesian healthcare industry supported by a team of international healthcare professionals whereas The Imperial Aryaduta Hotel & Country Club and Hotel Aryaduta Manado are operated by The Aryaduta Hotel and Resort Group. The Lippo Plaza Kupang and Lippo Plaza Buton are managed by PT Lippo Malls Indonesia. In Singapore, the nursing homes at Bukit Merah and Bukit Panjang are operated by Pacific Healthcare Nursing Home Pte. Ltd. and Pacific Eldercare and Nursing Pte. Ltd., respectively. The Lentor Residence is operated by The Lentor Residence Pte. Ltd. In Japan, 7 nursing homes are operated by Hikari Heights Varus Co., Ltd, 2 nursing homes are operated by Safety Life Co., Ltd and 4 nursing homes are operated by Orchard Care Co., Ltd.

Through First REIT, investors can participate in an asset class that has a focus towards Asia's growing healthcare sector, which is boosted by an increase in life expectancy in Indonesia and the region.

IMPORTANT NOTICE

The value of units in First REIT ("Units") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of

First REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of First REIT is not necessarily indicative of the future performance of First REIT. This document may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.