(Constituted in the Republic of Singapore pursuant to
a trust deed dated 19 October 2006 (as amended))

RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FROM UNITHOLDERS

1. **Background**. The Board of Directors (the "**Board**") of First REIT Management Limited, in its capacity as manager of First Real Estate Investment Trust ("**First REIT**", and the manager of First REIT, the "**Manager**"), refers to:

   (a) the annual report of First REIT for the financial year ended 31 December 2022;

   (b) the notice of annual general meeting ("**AGM**") issued on 29 March 2023 informing the unitholders of First REIT (the "**Unitholders**") that the Fourteenth AGM of First REIT will be convened and held by way of electronic means on Friday, 21 April 2023 at 2:30 p.m. (Singapore time); and

   (c) the accompanying announcement issued by the Manager on 29 March 2023 setting out, *inter alia*, the alternative arrangements for the AGM (the "**AGM Announcement**").

2. **Response to questions from Unitholders**. The Manager would like to thank Unitholders for submitting their questions in advance of First REIT's AGM. The Manager would like to inform that the responses to all substantial and relevant questions which have been submitted by Unitholders shall be published in this announcement. Please refer to **Annex A** hereto for the list of substantial and relevant questions received from Unitholders, and the Manager and the Board's responses to these questions.

3. **Subsequent clarifications or substantial and relevant follow-up questions**. As stated in the AGM Announcement, the Manager will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after 2:30 p.m. on Friday, 7 April 2023 which have not already been addressed prior to the AGM, as well as those substantial and relevant text-based questions received "live" at the AGM itself, during the AGM through the live audio-visual webcast and live audio-only stream of the AGM proceedings.

By Order of the Board

Tan Kok Mian Victor
Executive Director and Chief Executive Officer
First REIT Management Limited
(As Manager of First REIT)

14 April 2023

Important Notice

The value of units of 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 may only deal in their Units through trading on the Singapore Exchange Securities Trading ("**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.

ANNEX A

RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FROM UNITHOLDERS

Questions	Responses
1. Is the 2.0 Growth Strategy looking at growing its Assets-under-Management ("**AUM**"), Net Asset Value ("**NAV**"), or Distribution per Unit ("**DPU**")? 2. The NAV of the company dropped from 36.65 cents to 30.70 cents. What are the reasons for the decline in book value?	The Manager's principal objectives are to deliver regular and stable distributions to Unitholders and to achieve sustainable long-term growth in distributions and in the NAV per unit in First REIT ("**Unit**"), while maintaining an appropriate capital structure. Since unveiling our 2.0 Growth Strategy in December 2021, First REIT's AUM grew by 19.0% year-on-year to S$1,145.3 million as at 31 December 2022. We delivered stable distributions each quarter in the financial year ended 31 December 2022 ("**FY2022**") and FY2022 DPU was up 1.1% year-on-year to 2.64 Singapore cents. A key contribution to AUM and DPU growth was our diversification into Japan; First REIT acquired 12 nursing homes from our sponsor, OUE Lippo Healthcare Limited ("**OUELH**"), in March 2022, and another 2 nursing homes from third parties in September 2022. The entry into Japan is in line with our 2.0 Growth Strategy to diversify into developed markets. This diversification also strengthened the alignment of our sponsor's interests with Unitholders' interests, because approximately 78.3% of the total cost of the acquisition of the first 12 nursing homes was funded by the issuance of new Units to a wholly-owned subsidiary of OUELH, thereby conserving cash amid a rising interest rate environment. The increase in Units from this issuance of new Units in connection with the acquisition of the first 12 nursing homes in Japan resulted in a NAV per Unit of 30.70 Singapore cents in FY2022 (FY2021: 36.65 Singapore cents). First REIT has a positive track record prior to 2020 of steadily growing its AUM, DPU and NAV per Unit since its IPO listing in December 2006. With First REIT's 2.0 Growth Strategy in place from end 2021, the Manager continues to work towards this principal objective.
3. What is the Board's assessment of its progress to date? How successful does the Board think it is?	We believe the Board's performance is ultimately reflected in the long-term performance of First REIT. First REIT has a positive track record prior to 2020 of steadily growing its AUM, DPU and NAV per Unit since its IPO listing in December 2006. In 2020, First REIT had to re-evaluate its strategies to adapt to unprecedented challenges amid the Covid-19 pandemic.

Questions	Responses
	The Board provided counsel, and with the hard work of the Manager, together with the strong support from sponsors and Unitholders, the Trust was able to complete a restructuring, refinancing and recapitalisation exercise, which sets the stage to further reposition the Trust towards positive performance in the long term. In 2021, First REIT unveiled its 2.0 Growth Strategy of four well-defined strategic pillars[1]. Since the launch of the 2.0 Growth Strategy, First REIT has achieved multiple milestones, which include First REIT's diversification into Japan; the divestment of a mature hospital in Surabaya, Indonesia; and the early refinancing of an outstanding debt that represented more than half of total debt as at 31 December 2022 such that First REIT has no refinancing requirements until May 2025. We also issued Singapore's first healthcare social bond. At S$100 million in aggregate principal amount with 3.25% annual coupon rate, 100% of the proceeds from the social bond contributed towards supporting better healthcare provision in Indonesia. Going forward, the Board will continue to work closely with the Manager to actualise First REIT 2.0 Growth Strategy and deliver positive performance in the long term.
4. Siloam & LPKR account for about 75% of all rental income received. I understand that the target is to reduce this dependency down to about 50%. What is the timeframe to achieve the target? Furthermore, is the management willing to reduce the dependency to even well below 50%?	To achieve diversification in our portfolio, First REIT targets to increase its presence in developed markets to more than 50% of AUM by the financial year ending 31 December 2027 ("**FY2027**"), from 27.9% as at 31 December 2022. There are global market uncertainties such as the current inflationary and high interest rate environment to be navigated but the Manager has been actively evaluating healthcare assets in developed markets and is focused on increasing our developed markets portfolio. Our target pertains to AUM, not specifically rental income. Following an increase of AUM in developed markets, contribution to First REIT's rental and other income from developed markets will also progressively increase from 15.2% as at FY2022.
5. PT Lippo Karawaci Tbk ("**LPKR**") excluding PT Siloam International Hospitals Tbk ("**Siloam**") constitutes 39.8% of rental income by tenant. What is this tenant's financial position and financial performance? Is there a risk that this tenant is not able to pay rent to First REIT in time and in full?	First REIT is committed to reducing geographical and tenant concentration risk by diversifying into developed markets, such that more than 50% of its AUM are from developed markets by FY2027. Since restructuring the master lease agreements for all of the hospitals which First REIT had leased to either LPKR or LPKR and certain subsidiaries of Siloam (the "**Affected Properties**"), there were no material delays in the receipt

[1] Please see https://www.first-reit.com/about-growth-strategy.html for more information about First REIT's 2.0 Growth Strategy.

Questions	Responses
	of the rental payments by the master lessees of the Affected Properties as at 31 December 2022.
6. May we ask what are the non-core, non-healthcare assets and mature assets in the current portfolio of First REIT? What is the % of the portfolio that falls into this category?	As at FY2022, 10.5% of our rental income are from properties used for hospitality or retail purposes. This includes Imperial Aryaduta Hotel & Country Club (“**IAHCC**”), which First REIT has identified to be marketed for divestment. While the search for a potential buyer for IAHCC is under way, we will continue to enjoy stable rental income from IAHCC.
7. First REIT’s earnings per unit was 1.56 cents last year but the distribution per unit was 2.64 cents. It looks like First REIT distributed to Unitholders more than what it earned. Is it sustainable? Going forward, should Unitholders need to brace themselves for substantially lower distribution per unit?	First REIT’s distribution comprises three distribution types: taxable income, tax-exempt income, and capital distribution. Capital distribution is in excess of First REIT’s profits. The excess is attributed to capital receipts comprising amounts received by First REIT from the redemption of redeemable preference shares in the Singapore special purpose companies (“**SPCs**”) and the shareholder loan repayment by the Singapore SPC. The Trust’s current distribution policy is to distribute at least 90% of its taxable income. The tax-exempt income and capitalised receipts with the actual level distribution are to be determined at the Manager’s discretion. Rest assured that First REIT targets to provide sustainable distribution payout.
8. Will First REIT conduct share buybacks to enhance the Trust’s financial metrics?	The Manager seeks to maintain an appropriate capital structure to deliver regular and stable distributions to Unitholders and to achieve sustainable long-term growth in distributions and in the NAV per Unit. To that end, First REIT will weigh the prospect of share buybacks against the merits of conserving cash in a rising interest rate environment, and in consideration of our 2.0 Growth Strategy. We will make the necessary announcements if or when there are material developments in this regard.
9. Will the board consider Distribution Reinvestment Plan (“**DRP**”) for future distributions?	We have DRP set in place since the financial year ended 31 December 2014 and we had exercised this DRP from time to time until the financial year ended 31 December 2017. We will consider exercising the DRP again for future distributions at our discretion. We will make the necessary announcements if or when there are material developments in this regard.

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