



(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 2025 (“**FY2025**”); and
 - (b) the notice of annual general meeting (“**AGM**”) issued on 1 April 2026 (the “**Notice of AGM**”) notifying unitholders of First REIT (the “**Unitholders**”) that the Seventeenth AGM of First REIT will be convened and held at Hilton Singapore Orchard (333 Orchard Road, Singapore 238867), Grand Ballroom, Level 6, Orchard Wing on Thursday, 23 April 2026 at 10.00 a.m..
2. **Responses to substantial and relevant questions received 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 by the 5.00 p.m. on Friday, 10 April 2026 deadline are 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 Notice of AGM, the Manager will respond to questions or follow-up questions submitted after the 5.00 p.m. on Friday, 10 April 2026 deadline either within a reasonable timeframe before the AGM, or at the AGM itself. Where substantially similar questions are received, the Manager will consolidate such questions and consequently not all questions may be individually addressed.

By Order of the Board

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

17 April 2026

ANNEX A

RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FROM UNITHOLDERS

Questions	Responses
<p>1. With the possible sale of our Indonesian properties and the impending lease expiry of our Singapore nursing homes, it appears we will be left with our Japanese properties. JPY has been depreciating against SGD for many years and counting. How does the REIT manage currency risks in relation to the JPY?</p>	<p>Elevated volatility in foreign exchange markets, including Japan, has been observed amid ongoing global uncertainty. On 3 April 2026, Japan's Finance Minister had indicated that its government is prepared to act against speculative movements in the foreign exchange markets as volatility has risen significantly.¹</p> <p>We acknowledge the critical importance of foreign currency risk management and will continue to closely monitor the situation, remaining committed to taking the appropriate actions as required.</p> <p>We maintain a hedging policy to manage foreign currency risk exposure and when appropriate, use derivative financial instruments such as forward exchange contracts to hedge foreign currency exposure relating to monetary items.</p> <p>Moreover, First REIT's borrowings in relation to its Japan properties comprise offshore loans denominated in Japanese Yen, reflecting the financing needs of the portfolio and acts as a natural hedge. To mitigate currency risk and safeguard cash flows in FY2025, First REIT has utilised non-deliverable forward contracts to hedge net cash flows from Japan.</p>
<p>2. If the divestment of our Indonesia properties succeeds, what are the plans for the REIT going forward? Does the manager intend to wind down the REIT? Does the manager intend to acquire more properties to replace the lost income from the divested properties? Please provide your thinking in relation to the way forward for the REIT post divestment of the Indonesian properties?</p>	<p>Following the completion of the Proposed Divestments (as defined in the announcement dated 1 April 2026 in relation to the proposed divestment of First REIT's hospital and non-core assets in Indonesia (the "Proposed Divestments Announcement")), and with the certainty of First REIT's right to enter into the Potential Put Option Divestments (as defined in the Proposed Divestments Announcement), First REIT is now in a position to prioritise growth in developed markets in line with its long-term strategy.</p>

¹ Source: Channel News Asia's press release titled "Japan turns up FX heat as volatility rises, signals readiness to act" dated 3 April 2026 available at the website of Channel News Asia at <https://www.channelnewsasia.com/business/japan-turns-up-fx-heat-volatility-rises-signals-readiness-act-6034851>.

Questions	Responses
	<p>There are various benefits to focusing on developed markets including, amongst others, greater macroeconomic and geopolitical certainty, attractive risk-adjusted returns with reduced equity risk premiums, lower financing costs, and enhanced currency stability and foreign exchange resilience.</p> <p>We will now be fully focused on the final leg of the Strategic Review (as defined in the Proposed Divestments Announcement), which is to identify, evaluate and execute potential acquisition opportunities in the Asia-Pacific region (including Singapore, Japan, and Australia) to fully capture the aforementioned benefits of exposure to developed markets.</p> <p>Additionally, the Manager will continue to actively manage First REIT's existing properties in Singapore and Japan in line with its strategic focus on developed markets. This will ensure that unitholders continue to receive sustainable income distributions, while concurrently evaluating opportunities for capital recycling on these properties.</p> <p>Our priority is to ensure that these properties continue to perform well operationally while supporting the needs of our healthcare partners and tenants.</p> <p>The Proposed Divestments, together with the Potential Put Option Divestments (as defined in the Proposed Divestments Announcement), are expected to strengthen First REIT's balance sheet and optimise its capital structure. The optimised capital structure with ample debt headroom and together with the proceeds from the Put Options (as defined in the Proposed Divestments Announcement), if exercised, provide First REIT with the agility to respond swiftly and pursue investment opportunities in line with its long-term strategy to focus on developed markets.</p> <p>As the Strategic Review remains ongoing, we cannot comment on specific acquisition opportunities at this stage. We remain fully committed to evaluating opportunities and delivering sustainable long-term value for unitholders.</p> <p>First REIT will make the relevant announcements on SGXNET in the event there are any material developments which warrant disclosure, in compliance with its obligations under the Listing Manual of the SGX-ST.</p>

Questions	Responses
<p>3. During the Oil Crisis in the 1970s, inflation was rampant and the Fed had to raise interest rates to double digits to combat inflation. If the current Iran war escalates and interest rates rise to double digits like before, what are the company's contingency plans in the event of substantially higher interest rates? Please explain and elaborate.</p>	<p>As at 31 December 2025, the proportion of debt on fixed or hedged rates stands at 46.1% while the all-in cost of debt per annum has declined by 50 basis points year-on-year to 4.5% (31 December 2024: 5.0%).</p> <p>With the ongoing Strategic Review and dynamic interest rate environment in Singapore and Japan, having a lower hedged position will provide greater flexibility in First REIT's hedging strategies going forward.</p> <p>The Proposed Divestments, along with the Potential Put Option Divestments, are part of First REIT's ongoing strategic repositioning to optimise its capital structure with ample debt headroom. This enables First REIT to reconstitute its portfolio and prioritise growth in developed markets with capital discipline.</p> <p>Taking into account the Proposed Divestment, First REIT's <i>pro forma</i> FY2025 aggregate leverage is expected to significantly reduce to approximately 16.7%², providing annual finance cost savings of approximately S\$18.8 million.</p> <p>The Manager will continue to monitor the ongoing geopolitical landscape and its impact on inflation and interest rates, and will, when appropriate, consider entering into additional hedging instruments in line with its hedging policies.</p>
<p>4. The Iran war has brought about increases in energy costs. How is the REIT managing the rise in energy costs brought about by the Iran War? What steps is or have the REIT taken to manage the rise in energy costs? Please detail and elaborate.</p>	<p>As owners of high-quality social real estate assets, First REIT is able to pursue sustainability objectives in a manner that supports long-term economic value.</p> <p>First REIT is committed to energy efficiency improvements across its properties, supporting tenants in mitigating energy consumption and improving overall operational efficiency.</p> <p>In FY2025, the Manager committed over S\$0.4 million in capital expenditure for energy efficient enhancements. These measures help lower total energy usage and contribute to more predictable utility costs, thereby reducing sensitivity to energy price volatility.</p>

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² Based on the *pro forma* financial effects of the Proposed Divestments on the audited consolidated financial statements of First REIT and its subsidiaries for FY2025 and as if the Proposed Divestments were completed on 31 December 2025.