



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

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**SERIES 002 S\$60,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF RESETTABLE FIXED RATE  
SUBORDINATED PERPETUAL SECURITIES ISSUED IN 2016  
(ISIN Code: SG73F5000007)**

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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 the Series 002 S\$60,000,000 in aggregate principal amount of resettable fixed rate subordinated perpetual securities (the “**Perpetual Securities**”) issued by Perpetual (Asia) Limited, in its capacity as trustee of First REIT (the “**Issuer**”).

The Manager wishes to announce that in accordance with the terms and conditions of the Perpetual Securities, the distribution rate applicable to the Perpetual Securities shall be reset on 8 July 2021 as the Perpetual Securities would not be redeemed on 8 July 2021. The distribution rate applicable to the Perpetual Securities in respect of the period from the First Reset Date (being 8 July 2021) to the immediately following reset date (being 8 July 2026) shall be 4.9817 per cent. per annum, being the prevailing five-year swap offer rate of 1.0567 per cent. per annum with respect to the relevant reset date plus the initial spread of 3.925 per cent. in accordance with the terms and conditions of the Perpetual Securities. The Manager and the Issuer remain committed to paying distributions on the Perpetual Securities.

As part of active capital management, the Manager seeks to diversify the sources of funding to optimise First REIT’s capital structure. In arriving at the decision to allow the distribution rate for the Perpetual Securities to be reset and not redeem the Perpetual Securities on 8 July 2021, the Manager has considered the long term interests of First REIT and the current macroeconomic environment, including but not limited to the following factors:

- (i) given the uncertain economic environment, the Manager is adopting a prudent stance to preserve cashflow and liquidity;
- (ii) drawing down on debt to redeem the Perpetual Securities will increase First REIT’s leverage and reduce the debt headroom available for acquisition opportunities and asset enhancement initiatives during a market recovery; and
- (iii) current market conditions are not favourable for First REIT for the issuance of perpetual securities at a lower yield than the reset distribution rate. The Issuer continues to maintain flexibility with the option to exercise its right to redeem the Perpetual Securities on any distribution payment date when market conditions normalise.

By Order of the Board

Tan Kok Mian Victor  
Executive Director and Chief Executive Officer  
First REIT Management Limited  
(Company registration no. 200607070D)  
As Manager of First Real Estate Investment Trust

7 July 2021

## **Important Notice**

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in First REIT ("**Units**").

The value of Units and the income derived from them may fall as well as rise. 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. The past performance of First REIT is not necessarily indicative of the future performance of First REIT.

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 SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement 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.