



FIRST CAPITAL ANNOUNCES THE FILING AND MAILING OF MEETING MATERIALS IN CONNECTION WITH THE SPECIAL MEETING OF UNITHOLDERS TO APPROVE THE ARRANGEMENT

- *The Arrangement Consideration per Unit payable to Unitholders provides an immediate, upfront premium with a mix of cash, which provides certainty of value, and Choice Units for continued participation*
- *The Board unanimously recommends that Unitholders vote IN FAVOUR of the Arrangement Resolution: your vote is important – **Vote Today***
- *Questions or need voting assistance? Please contact Laurel Hill Advisory Group, First Capital's proxy solicitation agent, by calling 1-877-452-7184 (North American toll-free) or 1-416-304-0211 (outside North America) by texting "INFO" to either number, or by email at assistance@laurelhill.com*

Toronto, Ontario (May 25, 2026) – First Capital REIT ("First Capital" or the "REIT") (TSX: FCR.UN) announced today that it has filed its notice of special meeting, management information circular (the "Circular") and related materials (collectively, the "Meeting Materials") with the applicable securities regulators in connection with the special meeting (the "Meeting") of the unitholders of First Capital (the "Unitholders") to approve the previously announced plan of arrangement (the "Arrangement") pursuant to the arrangement agreement dated April 16, 2026 (the "Arrangement Agreement") between, among others, the REIT, KingSett Real Estate Growth LP No. 8 ("KingSett") and Choice Properties Real Estate Investment Trust ("Choice Properties") (TSX: CHP.UN).

The Arrangement was announced on April 16, 2026, and is expected to close in the fourth quarter of 2026, assuming that required approvals are obtained and all other conditions are satisfied.

Pursuant to the terms of the Arrangement Agreement, Unitholders will be entitled to receive, for each unit of First Capital (each whole unit, a "REIT Unit") held, a combination of \$19.24 in cash and 0.3186 of a unit (each whole unit, a "Choice Unit") in the capital of Choice Properties (collectively, the "Arrangement Consideration per Unit"). Based on the closing price of the Choice Units on the Toronto Stock Exchange (the "TSX") on April 15, 2026 (the last trading day prior to the announcement of the Arrangement), the Arrangement Consideration per Unit represents a total implied value of \$24.40 per REIT Unit, and represents approximately a 17% premium to the 20-day volume-weighted average price of the REIT Units on the TSX for the period ended April 15, 2026, approximately an 11.7% premium to the closing price of the REIT Units on the TSX on April 15, 2026, approximately a 21% premium to the 90-day volume-weighted average price of the REIT Units on the TSX for the period ended April 15, 2026, and approximately a 7% premium to the REIT's net asset value of \$22.81 per REIT Unit as of March 31, 2026. The actual value of the Arrangement Consideration per Unit received by Unitholders will depend on the market price of the Choice Units on the TSX at the time of closing and such actual value of the Arrangement Consideration per Unit may be more or less than \$24.40 per REIT Unit.

On May 20, 2026, the REIT obtained an interim order from the Ontario Superior Court of Justice (Commercial List) (the "Court") authorizing various procedural matters, including the holding of the Meeting and the mailing of the Meeting Materials, a copy of which is included as Appendix "B" to the Circular. The hearing date of the application for the final order of the Court approving the Arrangement is scheduled for June 25, 2026, at 9:30 a.m. (Toronto time). A copy of the notice of application for the final order is included as Appendix "C" to the Circular.



Board Recommendation

The Board of Trustees of First Capital (the “Board”), following receipt and review of the fairness opinions of its financial advisors and taking into consideration, among other things, the unanimous recommendation of the special committee of independent trustees of the Board, and after consulting with outside legal counsel and financial advisors, unanimously determined that the Arrangement is fair, from a financial point of view, to the Unitholders (other than KingSett and its affiliates) and the Arrangement is in the best interests of the Unitholders (other than KingSett and its affiliates), and unanimously recommends that Unitholders vote their REIT Units in favour of the resolution of Unitholders approving the Arrangement (the “Arrangement Resolution”) to be considered at the Meeting.

Tax Considerations

The Circular provides important information on the Arrangement and related matters, including voting procedures and instructions for Unitholders unable to attend the Meeting in person, as well as certain income tax considerations relevant to a Unitholder that participates in the Arrangement. As part of the Arrangement, the REIT and the REIT’s subsidiaries are expected to realize significant income and capital gains on the portfolio of properties held by the REIT’s subsidiaries, which income and capital gains will be allocated to Unitholders. The Arrangement will also result in a taxable disposition of a Unitholder’s REIT Units. Unitholders are urged to consult their own tax advisors to determine the particular tax effects to them of the Arrangement and any other consequences to them in connection with the Arrangement under Canadian and foreign tax laws, having regard to their own particular circumstances, including whether to consider selling their REIT Units on the TSX with a settlement date prior to the date upon which the Arrangement becomes effective as an alternative to participating in the Arrangement.

Meeting Details

The Meeting will be held on Tuesday, June 23, 2026, at 10:00 a.m. (Toronto time) in a hybrid format, in person at the offices of Stikeman Elliott LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, Canada, M5L 1B9 and online virtually, via audio webcast at <https://meetings.lumiconnect.com/400-262-504-961> (case sensitive password: firstcapitalspecial2026). Further details on how to attend the Meeting can be found in the Circular section entitled “*GENERAL PROXY MATTERS – VOTING AT THE MEETING*”. In order to be eligible to vote, Unitholders must have held REIT Units at the close of business on May 4, 2026.

Unitholders are urged to read the Circular and its appendices carefully and in their entirety. The Meeting Materials have also been mailed to Unitholders and can be accessed online on the REIT’s website at <https://fcr.ca/investors/unitholders/> and under the REIT’s issuer profile on SEDAR+ at www.sedarplus.ca.

Vote Today

The proxy voting deadline is June 19, 2026, at 10:00 a.m. (Toronto time) and Unitholders are encouraged to vote well in advance of the proxy voting deadline to ensure their vote is received in a timely manner. Voting is easy; Unitholders may vote quickly and easily online, or by any of the other methods provided in the form of proxy or voting instruction form which have been included as part of the Meeting Materials.



Unitholder Questions & Voting Assistance

Unitholders with questions or who require voting assistance may contact First Capital's proxy solicitation agent:

Laurel Hill Advisory Group

North America Toll Free: 1-877-452-7184

Outside North America: 1-416-304-0211

Text Message: Text "INFO" to 416-304-0211 or 1-877-452-7184

Email: assistance@laurelhill.com

About First Capital

First Capital owns and operates, acquires, and develops open-air grocery-anchored shopping centres in neighbourhoods with the strongest demographics in Canada.

Forward-Looking Information

Certain statements contained in this press release constitute forward-looking statements and information within the meaning of applicable securities laws. Forward-looking information may relate to the future outlook of First Capital and anticipated events or results and may include statements regarding the Arrangement Agreement, the Arrangement, the Meeting, the Arrangement Resolution and matters relating thereto or involving First Capital. Particularly, statements regarding the Arrangement and the terms thereof, including the proposed timing of the Meeting and closing of the Arrangement; the hearing date of the application for the final order of the Court; the expected tax consequences arising from the Arrangement, including realization of taxable ordinary income and capital gains; the ability to complete the Arrangement and the other transactions contemplated thereby, including the parties' ability to satisfy the conditions to the consummation of the Arrangement, the receipt of the required unitholder approval, regulatory approval, court approval and other closing conditions, the possibility of any termination of the Arrangement Agreement in accordance with its terms; the expected benefits to the parties and their respective unitholders and other stakeholders of the Arrangement; the opportunity for Unitholders to participate in the potential upside associated with the Choice Units forming part of the Arrangement Consideration per Unit; and statements regarding the plans, objectives and intentions of First Capital, including concerning the Arrangement, are forward-looking statements. In some cases, forward-looking information can be identified by terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue", "likely", "schedule", "foresee", "goal", "seek", "strive", "aspire", "pledge", "aim", or the negative thereof or other similar expressions concerning matters that are not historical facts. These forward-looking statements have been based on factors and assumptions about future events and financial trends, including about the timing and steps for advancing and completing the Arrangement, the anticipated benefits of the Arrangement to Unitholders, and the receipt in a timely manner of regulatory, court, unitholder, and other approvals for the Arrangement. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the control of First Capital. These risks and uncertainties include, among other things, the satisfaction of closing conditions applicable to the Arrangement outside the REIT's control, including receipt of approval under the *Competition Act* (Canada), court approval, unitholder approval and third party consents; adverse effects on existing business relationships with tenants, joint venture partners, lenders and other third parties; the ability



to attract, retain and motivate key personnel; diversion of management attention from day-to-day operations; limitations on the REIT's ability to solicit additional interest from third parties and the potential obligation to pay a termination fee; restrictions on the REIT's conduct of business pending completion; fluctuations in the value of the Choice Units forming part of the Arrangement Consideration per Unit, which is subject to the risks and uncertainties associated with holding units of a publicly traded real estate investment trust such as Choice Properties; tax consequences arising from the Arrangement, including realization of taxable ordinary income and capital gains; significant transaction costs and expenses regardless of whether the Arrangement is completed; and the factors and risks disclosed by First Capital in its publicly filed disclosure documents. The forward-looking statements made in this press release relate only to events or information as of the date on which the statements are made in this press release. Except as required by law, no party undertakes any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. These forward-looking statements are made as of May 25, 2026 and First Capital does not assume any obligation to update or revise them to reflect new events or circumstances, except as required by law.

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