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## FIRST CAPITAL REIT ENTERS INTO AGREEMENT TO BE ACQUIRED BY KINGSETT CAPITAL AND CHOICE PROPERTIES REIT IN \$9.4 BILLION TRANSACTION

- Transaction maximizes value and provides immediate liquidity for First Capital unitholders
- Total consideration of \$24.40 per unit represents a premium of 17% to First Capital's 20-day volume-weighted average price and a premium of 8% to First Capital's Net Asset Value of \$22.57 per unit
- Transaction received unanimous support from the First Capital Board of Trustees, which recommends First Capital unitholders vote IN FAVOUR of the Transaction
- The First Capital Board of Trustees and the First Capital Special Committee have obtained fairness opinions from RBC Capital Markets and National Bank Capital Markets
- KingSett to acquire First Capital's issued and outstanding units, including approximately \$4.4 billion of First Capital assets, comprising a needs-based retail portfolio, high-street retail properties, development and other financial assets
- Choice Properties to acquire approximately \$5.0 billion of First Capital's necessity-based neighbourhood shopping centres, which will materially strengthen its leading retail portfolio and drive incremental long-term growth and value creation
- Choice Properties to host call with investment community today at 8 a.m. ET, details included below

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Toronto, Ontario, April 16, 2026 – First Capital REIT ("First Capital" or the "REIT") (TSX: FCR.UN), KingSett Capital, on behalf of KingSett Real Estate Growth LP No. 8 and other investors, (collectively "KingSett"), and Choice Properties REIT ("Choice Properties") (TSX: CHP.UN) today announced that they have entered into an agreement (the "Arrangement Agreement") pursuant to which KingSett and Choice Properties will acquire First Capital in a unit and cash transaction valued at approximately \$9.4 billion, including the assumption of certain debt (the "Transaction").

Under the terms of the Arrangement Agreement, First Capital unitholders will receive consideration of \$19.24 in cash and 0.3186 units of Choice Properties per First Capital unit, which represents total consideration of \$24.40 per First Capital unit (the "Transaction Price") based on the closing unit price of Choice Properties on April 15, 2026. The Transaction Price represents a premium of 17% to First Capital's 20-day volume-weighted average price through April 15, 2026, and a premium of 8% to First Capital's Net Asset Value of \$22.57 per unit. Additionally, the Transaction Price represents a premium of 12% and 21% to First Capital's closing unit price and 90-day volume-weighted average price through April 15, 2026, respectively.

Upon close of the Transaction, Choice Properties will acquire approximately \$5.0 billion of high-quality retail assets from First Capital (the "Choice Properties Acquisition Portfolio"). KingSett will acquire approximately \$4.4 billion of First Capital assets and all of First Capital's issued and outstanding units.

Paul Douglas, Chair of First Capital's Board of Trustees, said, "We are pleased to deliver immediate value to our investors through this Transaction. Supported by the recommendation of a Special Committee comprised of independent trustees, the First Capital Board believes this Transaction is in the best interests of First Capital unitholders. Accordingly, the Board recommends that unitholders vote in favour of the Transaction."

“This is an excellent transaction for our investors, which recognizes their longstanding support and commitment to First Capital,” added Adam Paul, First Capital’s President and Chief Executive Officer. “I am deeply grateful to our employees – many of whom will continue to support the assets acquired by KingSett and Choice – as well as to my partners on the executive leadership team, who have remained singularly focused on what was in the best interests of First Capital unitholders, and whose diligence and work ethic were critical in bringing us to this point.”

Rob Kumer, Chief Executive Officer at KingSett Capital, said, “This Transaction comes at a time when we are seeing renewed optimism and positive momentum in Canadian real estate. We have partnered with Choice Properties to align the right assets with our respective strategies to deliver maximum value to First Capital’s unitholders. We look forward to working with First Capital’s tenants, partners and other stakeholders in the years ahead.”

Rael Diamond, President and Chief Executive Officer of Choice Properties, said, “This is an exciting and transformative transaction that will solidify Choice Properties as Canada’s leading REIT. Choice Properties is acquiring best-in-class, necessity-based neighbourhood shopping centres that will significantly strengthen our portfolio. We believe this is a unique and compelling opportunity that will increase our presence in urban markets and further diversify our tenant base. Importantly, we expect the combination of these assets with our existing portfolio will deliver enhanced long-term growth and value for our unitholders.”

#### **Benefits to First Capital Unitholders**

- **Attractive Premium** – The Transaction Price represents an all-time high unit price, a premium of 17% to First Capital’s 20-day volume-weighted average price through April 15, 2026 and a premium of 8% to First Capital’s Net Asset Value of \$22.57 per unit.
- **Immediate Liquidity** – The Transaction provides immediate liquidity to First Capital unitholders, offering a total consideration mix of 79% cash and 21% units of Choice Properties.
- **Continued Growth Opportunity** – The Transaction provides First Capital unitholders with the opportunity to participate in the continued growth of many of First Capital’s assets, as well as the broader Choice Properties portfolio, through ownership of Choice Properties units. The combined portfolio delivers enhanced national scale, enabling greater support for tenant growth and attracting best-in-class talent, while also benefiting from Choice Properties’ proven ability to create value at the property level.

#### **Benefits to Choice Properties Unitholders**

- **Acquisition of Best-in-Class Assets** – The Choice Properties Acquisition Portfolio is comprised of core necessity-based shopping centres, located in urban neighbourhoods with the strongest demographics in Canada. The Choice Properties Acquisition Portfolio materially strengthens Choice Properties’ national retail portfolio with exposure of approximately 83% and 92% to MTV<sup>i</sup> and VECTOM<sup>ii</sup> markets, respectively, in addition to increasing third-party retail tenant exposure by nearly 50% on a GLA basis.
- **Complementary and Strategic Fit** – The Choice Properties Acquisition Portfolio is strategically aligned and highly complementary to Choice Properties’ integrated commercial real estate platform, providing enhanced cash flow growth and enabling greater service and opportunities for Choice Properties’ tenants and partners.

- **Positioned for Long-term Growth** – The quality of the Choice Properties Acquisition Portfolio and diversification of tenants is expected to enhance Choice Properties' ability to outperform across market cycles and deliver higher cash flow and net asset value growth over the long-term.
- **Enhanced Capital Markets Profile** – With greater scale and liquidity, Choice Properties will strengthen its capital markets profile. Choice Properties is committed to maintaining a disciplined capital structure and investment-grade credit rating and has a clear path to near-term deleveraging.

### Choice Properties Transaction Details

The approximate \$5.0 billion Choice Properties Acquisition Portfolio comprises approximately \$4.8 billion, or 8.0 million square feet, of income producing assets, along with approximately \$0.2 billion of properties under development. The Choice Properties Acquisition Portfolio is expected to generate full-year NOI of approximately \$235 million in 2027, with an annual growth rate of approximately 3.5% in the near-term.

Choice Properties intends to finance its acquisition of the Choice Properties Acquisition Portfolio through a combination of debt and equity. This includes the issuance of 68.6 million units of Choice Properties to First Capital unitholders valued at \$1.1 billion based on Choice Properties' closing unit price on April 15, 2026, a \$0.6 billion equity investment from George Weston Limited ("GWL") (TSX: GWL) for 38.0 million units, the assumption of First Capital's \$2.3 billion of outstanding unsecured debentures, and the assumption of approximately \$0.4 billion of existing in-place mortgages. The remaining consideration is expected to be financed via the issuance of new unsecured debentures by Choice Properties.

Choice Properties expects pro forma annualized net debt to adjusted EBITDA to be approximately 8.5x following closing of the Transaction. Choice Properties will maintain a disciplined capital structure and has a clear path to deleveraging through i) strong EBITDA growth from Choice Properties' combined portfolio; and ii) disciplined investment capital management through balanced capital recycling and development consistent with recent levels. Choice Properties expects net debt to adjusted EBITDA to decline to low-8x in the near-term, with a long-term target of 7.5x. Choice Properties has a proven track record of successfully reducing leverage following transformational acquisitions as demonstrated by its acquisition of Canadian REIT for \$6.0 billion in 2018.

Concurrent with Transaction completion, Choice Properties will assume First Capital's \$2.3 billion of outstanding unsecured debentures as successor entity to First Capital, in accordance with the trust indenture.

### KingSett Transaction Details

KingSett has secured, on a firm, committed basis, all financing required to complete the Transaction. Funding for the Transaction will be provided by KingSett Real Estate Growth LP No. 8 and fully underwritten debt financing from TD Securities Inc. and Desjardins Group. The Transaction is not subject to any financing condition.

### Additional Transaction Details

The Transaction will be implemented by way of a statutory plan of arrangement under the *Canada Business Corporations Act*. Implementation of the Transaction will be subject to, among other things, the following unitholder approvals to be obtained at a special meeting of First Capital unitholders to approve the proposed Transaction (the "Meeting"): i) the approval of at least two-thirds of votes cast by First Capital unitholders, and ii) the approval of not less than a simple majority of the votes cast by First Capital unitholders, excluding the votes of any First Capital unitholder whose votes are required to be excluded for the purposes of "minority approval" under *Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions*, in each case present in person or represented by proxy at the Meeting. In addition to unitholder approval, the Transaction is subject to court approval, compliance with the Competition Act and

certain other closing conditions customary in transactions of this nature. The Arrangement Agreement contains customary terms and conditions, including non-solicitation covenants from First Capital and a "fiduciary out" that allows the Board of Trustees to accept a superior proposal in certain circumstances, subject to a "right to match" in favour of KingSett and Choice Properties and payment of a \$187.5 million termination fee.

First Capital expects to hold the Meeting to vote on the Transaction in June 2026. The Transaction is expected to close in the second half of 2026. First Capital will continue to pay its normal monthly distributions in the ordinary course, consistent with past practice through closing of the Transaction. In connection with the Transaction, Choice Properties will acquire the Choice Properties Acquisition Portfolio and assume certain First Capital liabilities, and KingSett will acquire the First Capital units. A portion of the aggregate consideration payable to First Capital unitholders will take the form of a special distribution that will be payable at closing alongside the remaining consideration. Following completion of the Transaction, First Capital units are expected to be delisted from the TSX and the REIT will cease to be a reporting issuer in all applicable Canadian jurisdictions.

Further details regarding the terms of the Arrangement Agreement will be publicly filed by First Capital and Choice Properties under their respective profiles on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Additional information regarding the terms of the Arrangement Agreement, the background to the transaction, the rationale for the recommendations made by the First Capital Special Committee and Board of Trustees and how First Capital unitholders can participate in and vote at the special meeting to be called to consider the transaction will be provided in the management information circular for the special meeting of First Capital unitholders, which will also be filed on [www.sedarplus.ca](http://www.sedarplus.ca). First Capital unitholders are urged to read these and other materials when they become available.

### **First Capital Board of Trustees' Recommendation**

After consultation with its financial and legal advisors and receiving the unanimous recommendation of the Special Committee of independent trustees of First Capital, the Board of Trustees of First Capital unanimously determined that the Transaction is in the best interests of First Capital unitholders and has approved entering into the Arrangement Agreement. The Board of Trustees of First Capital unanimously recommends that First Capital unitholders vote in favour of the Transaction.

RBC Capital Markets and National Bank Capital Markets have each provided a fairness opinion to the Board of Trustees, that, subject to assumptions, limitations and qualifications set out in such opinions, the consideration to be received by the First Capital unitholders pursuant to the Transaction is fair, from a financial point of view, to unitholders.

Members of First Capital's board and management, representing approximately 0.5% of First Capital's units, have agreed to vote their units in favour of the Transaction. KingSett Real Estate Growth LP No. 8, which owns approximately 3.8% of First Capital units, has also agreed to vote those units in favour of the Transaction.

### **Choice Properties Conference Call, Webcast, and Investor Presentation**

Choice Properties will host a conference call this morning, April 16, 2026, at 8:00 AM ET with a simultaneous audio webcast. To access via teleconference please dial 1 (888) 596-4144 or 1 (646) 968-2525 and enter the event passcode: 8617729#. The link to the audio webcast and an Investor Presentation prepared by Choice Properties for the Transaction will be available on [www.choicereit.ca/investors](http://www.choicereit.ca/investors).

### **Advisors**

RBC Capital Markets is acting as financial advisor to First Capital. Stikeman Elliott LLP is acting as legal counsel to First Capital. National Bank Capital Markets is acting as financial advisor to the Special Committee.

Desjardins Capital Markets is acting as exclusive financial advisor and Bennett Jones LLP is acting as legal counsel to KingSett.

TD Securities Inc. is acting as exclusive financial advisor and Osler, Hoskin & Harcourt LLP is acting as legal counsel to Choice Properties and McCarthy Tétrault LLP is acting as competition counsel to Choice Properties.

### **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.

### **About KingSett Capital**

KingSett Capital (“KingSett”) is Canada’s leading private equity real estate investment firm with over \$19 billion of assets under management. Founded in 2002, KingSett creates value through a broad portfolio of custom real estate investments, financing solutions and asset classes backed by strong core values, an entrepreneurial approach and a Canada-first platform. Today, the firm has over 170 employees in Toronto, Montreal and Vancouver.

KingSett offers a variety of equity and credit investment strategies in Canadian real estate. KingSett Real Estate Growth LP No. 8 is the current vintage of the firm’s flagship fund series, with flexibility to invest in all real estate asset types across the entire capital stack. The Growth Funds have collectively completed more than \$38 billion of transactions since 2002.

### **About Choice Properties**

Choice Properties is Canada’s leading Real Estate Investment Trust, guided by a clear purpose: to create places where people thrive. This is how Choice Properties builds enduring value. As a national owner, operator, and developer of high-quality commercial and residential real estate, Choice Properties goes beyond managing assets. It creates spaces that strengthen how tenants and communities live, work, and connect. Choice Properties’ strategy is grounded in industry leadership across sustainability, community engagement, and social impact, embedded throughout the business. Choice Properties’ core values of Care, Ownership, Respect and Excellence guide its actions and decisions, shaping how it operates, builds, and grows.

For more information, visit Choice Properties’ website at [www.choicereit.ca/investors](http://www.choicereit.ca/investors) and Choice Properties’ issuer profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Forward-Looking Information**

Certain statements contained in this document constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to the future outlook of First Capital, KingSett Capital or Choice Properties and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving First Capital, KingSett Capital or Choice Properties. Particularly, statements regarding the Transaction, including the proposed timing and various steps contemplated in respect of the Transaction, the ability to complete the Transaction and the other transactions contemplated by the Arrangement Agreement, including the parties’ ability to satisfy the conditions to the consummation of the Transaction, the receipt of the required unitholder approval,

regulatory approval, court approval and other closing conditions customary in transactions of this nature, 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 Transaction, and statements regarding the plans, objectives and intentions of First Capital, KingSett Capital and Choice Properties, including concerning the Transaction, are forward-looking statements. In some cases, forward-looking information can be identified by such terms such as “may”, “might”, “will”, “could”, “should”, “would”, “occur”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “potential”, “continue”, “likely”, “schedule”, “anticipate”, “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 Transaction. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the control of First Capital, Choice Properties or KingSett Capital. These risks and uncertainties include, among other things, the factors and risks disclosed by each of First Capital and Choice Properties in their publicly filed disclosure documents. The forward-looking statements made in this document relate only to events or information as of the date on which the statements are made in this document. 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 April 15, 2026 and neither First Capital nor Choice Properties nor KingSett Capital assumes any obligation to update or revise them to reflect new events or circumstances, except as required by law.

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<sup>i</sup> “MTV” refers to Montreal, Toronto, Vancouver

<sup>ii</sup> “VECTOM” refers to Vancouver, Edmonton, Calgary, Toronto, Ottawa, Montreal