



(a real estate investment trust constituted on 13 December 2012  
under the laws of the Republic of Singapore)

## PRESS RELEASE

### LAUNCH OF PREFERENTIAL OFFERING TO RAISE GROSS PROCEEDS OF UP TO APPROXIMATELY S\$59.4 MILLION TO PART-FINANCE ACQUISITION OF BUKIT BATOK CONNECTION (THE "ACQUISITION")

**19 August 2016** -- SB REIT Management Pte. Ltd., as manager (the "**Manager**") of Soilbuild Business Space REIT ("**Soilbuild REIT**"), announced today the launch of an equity fund raising, by issuing up to 94,353,672 new units in Soilbuild REIT (the "**New Units**") at S\$0.63 per New Unit through a pro-rata non-renounceable preferential offering to its existing unitholders to raise gross proceeds of up to approximately S\$59.4 million and net proceeds of up to approximately S\$59.2 million (the "**Preferential Offering**").

The Issue Price of S\$0.63 per New Unit represents a discount of 8.2% to the volume weighted average price of S\$0.6865 per Unit for trades in the Units done on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 18 August 2016. The Preferential Offering is made on the basis of 1 New Unit for every 10 existing units in Soilbuild REIT ("**Unit**") held by entitled unitholders of Soilbuild. Religare Capital Markets (Singapore) Pte. Limited is the Sole Lead Manager in relation to the Preferential Offering.

In support of Soilbuild REIT, Mr Lim Chap Huat has committed to take up his pro-rata entitlement<sup>1</sup>, and to undertake to apply for such number of excess New Units to the extent that they remain unsubscribed after satisfaction of all applications (if any) for excess New Units under the Preferential Offering, so that, when aggregated with (i) his current unitholding and entitlements, (ii) the current unitholding and entitlements of SBGH under the Preferential Offering, and (iii) the unitholdings and any New Units subscribed for by Mr Lim Chap Huat's immediate family members pursuant to the Preferential Offering<sup>2</sup>, will not exceed such number of Units representing more than 29.3% of the total issued Units following the Preferential Offering.

The net proceeds raised from the Preferential Offering will be used to partially finance the proposed acquisition of Bukit Batok Connection (the "**Acquisition**"). The total acquisition cost for the Acquisition comprising the purchase consideration amounting to S\$96.3 million and acquisition-related expenses, is expected to be about S\$100.5 million.

The Manager believes that using the net proceeds of the Preferential Offering to partially fund the Acquisition will bring the following key benefits to Unitholders as a result of the Acquisition:

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- 1 Mr Lim Chap Huat directly (and through Soilbuild Group Holdings Ltd ("**SBGH**")) owns approximately 25.16% in Soilbuild REIT as of today.
  - 2 Mr Lim Chap Huat's immediate family members currently hold 22,690,000 Units.

- Enables Soilbuild REIT to capitalise on the competitive strengths of the Property
- Provides Revenue Diversification for Soilbuild REIT
- Expected increase in distributable income to Unitholders
- Increased portfolio size creates stronger platform for further acquisition growth
- The seven-year Master Lease Agreement assures Soilbuild REIT a medium term secured rental income

(See Soilbuild REIT's circular dated 3 August 2016 for further details.)

Mr Roy Teo, CEO of the Manager, said "The Preferential Offering on the back of Soilbuild REIT's acquisition of Bukit Batok Connection will strengthen Soilbuild REIT's balance sheet and enhance its financial flexibility. The enhanced financial flexibility will also create a stronger platform for further acquisition growth for Soilbuild REIT. This Preferential Offering allows our existing unitholders to participate in Soilbuild REIT's growth and fund raising at an attractive price of S\$0.63 per New Unit. We therefore look forward to unitholders' strong support for this Preferential Offering."

The books closure date to determine the entitlements of unitholders under the Preferential Offering will be separately announced.

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**About Soilbuild Business Space REIT**

Soilbuild REIT is a Singapore-focused real estate investment trust ("REIT") with a portfolio of business parks and industrial properties used by industries engaging in manufacturing, engineering, logistic, warehousing, electronics, marine, oil & gas, research and development and value-added knowledge-based activities. Its portfolio of properties includes Solaris, a landmark development in one-north, Eightrium @ Changi Business Park, Tuas Connection and West Park BizCentral. Soilbuild REIT's portfolio has a net lettable area of 3.53 million square feet and an occupancy rate of 92.0% as at 30 June 2016.

**IMPORTANT NOTICE**

This press release is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any Units in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

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. 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. The past performance of Soilbuild REIT is not necessarily indicative of the future performance of Soilbuild REIT.

All figures in this press release unless expressed differently or otherwise stated are rounded off to one decimal place.