



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

ANNOUNCEMENT UPDATES TO FY2018 ANNUAL REPORT (CORPORATE GOVERNANCE SECTION)

SB REIT Management Pte. Ltd., as manager of Soilbuild Business Space REIT (“**Soilbuild REIT**”, and the manager of Soilbuild REIT, the “**Manager**”), wishes to announce that it has included additional disclosures to the Corporate Governance section of Soilbuild REIT’s FY2018 annual report (“**Addendum to FY2018 Corporate Governance Report**”).

Additional disclosures have been made to ensure compliance with Regulations 13D to 13H of the Securities and Futures (Licensing and Conduct of Business) Regulations (“**SFLCB Regulations**”). The SFLCB Regulations were amended by the Securities and Futures (Licensing and Conduct of Business) (Amendment No. 2) Regulations 2018 which came into operation on 8 October 2018. One of the amendments to the SFLCB Regulations was the insertion of Regulations 13D to 13H which relate to board composition and director’s independence.

Addendum to FY2018 Corporate Governance Report

Principle 2: Board Composition and Guidance

Directors exercise their judgment independently and objectively in the interest of Soilbuild REIT and the Manager. The Board reviews and assesses annually the independence of its directors based on the definitions and guidelines of independence set out in the Code of Corporate Governance and SFLCB Regulations. Under the SFLCB Regulations, a director is considered to be independent if the director:

- (i) is independent from the management of the Manager and Soilbuild REIT;
- (ii) is independent from any business relationship with the Manager and Soilbuild REIT;
- (iii) is independent from every substantial shareholder of the Manager and every substantial unitholder of Soilbuild REIT;
- (iv) is not a substantial shareholder of the Manager or a substantial unitholder of Soilbuild REIT;
and
- (v) has not served as a director of the Manager for a continuous period of 9 years or longer.

In its review for FY2018, the NRC has endorsed in its recommendation to the Board that the following directors are independent for FY 2018:

Mr Chong Kie Cheong	Independent
Mr Ng Fook Ai Victor	Independent ¹
Mr Michael Ng Seng Tat	Independent

As part of its review, the NRC has taken into consideration, *inter alia*, each Independent Director’s declaration of independence, which includes questions relating to his relationship with Soilbuild REIT, the Manager, the Trustee, and Soilbuild REIT’s sponsor, Soilbuild Group Holdings Ltd., whereby, all have declared that there were no relationships or instances that would otherwise deem him not to be independent.

¹ See Note A below.

For the purposes of Regulation 13E(b)(i) of the SFLCB Regulations, the Board of the Manager, after considering the relevant requirements under the SFLCB Regulations, wishes to set out its views in respect of each of the Directors as follows:

	Mr Chong Kie Cheong	Mr Ng Fook Ai Victor	Mr Michael Ng Seng Tat	Mr Lim Chap Huat ⁽¹⁾	Mr Ho Toon Bah ⁽¹⁾	Ms Lim Cheng Hwa ⁽¹⁾
(i) had been independent from the management of the Manager and Soilbuild REIT during FY2018	✓	✓	✓			
(ii) had been independent from any business relationship with the Manager and Soilbuild REIT during FY2018	✓	✓	✓			
(iii) had been independent from every substantial shareholder of the Manager and every substantial unitholder of Soilbuild REIT during FY2018	✓	See Note A	✓			
(iv) had not been a substantial shareholder of the Manager or a substantial unitholder of Soilbuild REIT during FY2018	✓	✓	✓		✓	✓
(v) has not served as a director of the Manager for a continuous period of 9 years or longer as at the last day of FY2018	✓	✓	✓	✓	✓	✓

- (1) Each of Mr Lim Chap Huat, Mr Ho Toon Bah and Ms Lim Cheng Hwa is currently or in the immediately preceding financial year employed by a related corporation of the Manager and each of them is or in the immediately preceding financial year, a director of Soilbuild Group Holdings Ltd. and/or its related companies. Soilbuild Group Holdings Ltd. wholly-owns the Manager. Mr Lim Chap Huat wholly owns Soilbuild Group Holdings Ltd. and is a substantial unitholder of Soilbuild REIT. In FY2017 or FY2018, Soilbuild Group Holdings Ltd. and Soilbuild Construction Group Ltd. had made payments to and/or received payments from the REIT Manager, its related corporation, trustee of the REIT and/or an officer of the aforementioned entities. As such, during FY2018, each of them is deemed (a) to have a management relationship with the Manager and Soilbuild REIT; (b) to have a business relationship with the Manager and Soilbuild REIT; and (c) connected to a substantial shareholder of the Manager and substantial unitholder of Soilbuild REIT. The Board of the Manager is satisfied that, as at the last day of FY2018, each of Mr Lim Chap Huat, Mr Ho Toon Bah and Ms Lim Cheng Hwa was able to act in the best interests of all the unitholders of Soilbuild REIT as a whole.

Note A

Mr Ng Fook Ai Victor had, from 12 November 2018 to 20 November 2018, served as a director of DConstruct Systems Pte Ltd (“**DConstruct**”), which is a related corporation of Soilbuild REIT². Notwithstanding Mr Ng Fook Ai Victor’s directorship of DConstruct for the limited period, the Board is satisfied that Mr Ng Fook Ai Victor is able to act in the best interests of all the Unitholders as a whole and remains an independent director for FY2018 for the following reasons:

² DConstruct Systems Pte Ltd is a wholly owned indirect subsidiary of Soilbuild Group Holdings Ltd. (“**SBGH**”), which is the sponsor of Soilbuild REIT, and the sole shareholder of the Manager.

- (i) Mr Ng Fook Ai Victor has more than 30 years of experience serving as a director of other companies, and would not be accustomed to act in accordance with the directions, instructions or wishes of SBGH, which is the sole shareholder of DConstruct and the Manager and the sponsor of Soilbuild REIT; and
- (ii) Mr Ng Fook Ai Victor's conduct during his directorship of the Manager.

The Board of the Manager is satisfied that, as at the last day of FY2018, Mr Ng Fook Ai Victor was able to act in the best interests of all the unitholders of Soilbuild REIT as a whole.

By Order of the Board

SB REIT Management Pte. Ltd.

(UEN/Company Registration No. 201224644N)

As Manager of Soilbuild Business Space REIT

Roy Teo

Chief Executive Officer

17 March 2019

About Soilbuild Business Space REIT

Soilbuild Business Space REIT ("**Soilbuild REIT**") is a Singapore and Australia-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. Major tenants of the REIT include Dyson Operations, Ubisoft Singapore, Nestle Singapore and John Wiley & Sons. Its Singapore portfolio of properties include Solaris, a landmark development in one-north, Eightrium @ Changi Business Park, Tuas Connection, West Park BizCentral and Bukit Batok Connection. Its Australia portfolio includes an office building at 14 Mort Street in Canberra and a poultry production and processing facility known as Inghams Burton in Adelaide. Soilbuild REIT's portfolio comprises 11 properties in Singapore and 2 properties in Australia with a total net lettable area of 4.03 million square feet and an occupancy rate of 89.5% as at 31 December 2018. Soilbuild REIT was listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 16 August 2013 ("**Listing Date**").

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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.