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

SOILBUILD BUSINESS SPACE REIT UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE THIRD QUARTER ("3Q FY2020") AND FINANCIAL PERIOD FROM 1 JANUARY 2020 TO 30 SEPTEMBER 2020 ("YTD FY2020")

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SOILBUILD BUSINESS SPACE REIT UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE THIRD QUARTER ("3Q FY2020") AND FINANCIAL PERIOD FROM 1 JANUARY 2020 TO 30 SEPTEMBER 2020 ("YTD FY2020")

Summary of Soilbuild Business Space REIT Group Results

	YTD FY2020[1]	YTD FY2019[2]	Variance (%)	3Q FY2020[3]	3Q FY2019[4]	Variance (%)
Gross revenue (S$'000)	69,387	66,242	4.7	22,880	21,194	8.0
Net property income (S$'000)	53,275	53,573	(0.6)	19,744	16,952	16.5
Income attributable to perpetual securities holders (S$'000)	2,928	2,917	0.4	983	983	-
Total amount available for distribution to Unitholders (S$'000)	34,603	36,873	(6.2)	13,979	11,573	20.8
- From operations	32,054	35,809	(10.5)	12,830	11,181	14.7
- From capital	2,549	1,064	139.6	1,149	392	193.1
DPU (cents)	**2.728**	**3.295**	**(17.2)**	**1.100**	**0.918**	**19.8**
- From operations	2.527	3.201	(21.1)	1.009	0.887	13.8
- From capital	0.201	0.094	113.8	0.091	0.031	193.5

Footnotes:

1 Financial period from 1 January 2020 to 30 September 2020, hereinafter referred to as YTD FY2020.

2 Financial period from 1 January 2019 to 30 September 2019, hereinafter referred to as YTD FY2019.

3 Financial period from 1 July 2020 to 30 September 2020, hereinafter referred to as 3Q FY2020.

4 Financial period from 1 July 2019 to 30 September 2019, hereinafter referred to as 3Q FY2019.

5 n.m denotes not meaningful.

SOILBUILD BUSINESS SPACE REIT UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE THIRD QUARTER ("3Q FY2020") AND FINANCIAL PERIOD FROM 1 JANUARY 2020 TO 30 SEPTEMBER 2020 ("YTD FY2020")

Introduction

Soilbuild Business Space REIT ("**Soilbuild REIT**") was constituted as a private trust on 13 December 2012 under a trust deed, which was entered into between SB REIT Management Pte. Ltd. ("**SBRM**" or the "**Manager**"), as manager of the private trust, and DBS Trustee Limited ("**Trustee**") as trustee of the trust.

Soilbuild REIT and its subsidiaries (the "**Group**") were established with the principal investment strategy of investing on a long-term basis, directly or indirectly, in a portfolio of income-producing real estate used primarily for business space purposes in Singapore and Australia as well as real estate-related assets.

In October 2018, the Group completed the acquisitions of two properties in Australia and in November 2019, the Group completed its third acquisition in Australia. As at 30 September 2020, the portfolio of the Group comprised 10 properties located in Singapore and 3 properties located in Australia as follows:

Singapore

(1) Eightrium;
(2) Solaris;
(3) Tuas Connection;
(4) West Park BizCentral;
(5) 2 Pioneer Sector 1;
(6) COS Printers;
(7) Beng Kuang Marine;
(8) 39 Senoko Way;
(9) Speedy-Tech; and
(10) Bukit Batok Connection

Australia

(1) 14 Mort Street, Canberra ("**14 Mort Street**");
(2) Inghams Burton, Adelaide ("**Inghams Burton**"); and
(3) 25 Grenfell Street, Adelaide ("**25 Grenfell Street**")

Pursuant to a fully underwritten, pro-rata and non-renounceable preferential offering of new units in Soilbuild REIT (the "**New Units**") on the basis of 18 New Units for every 100 existing units in Soilbuild REIT (the "**Preferential Offering**"), 192,135,040 New Units have been issued at the issue price of S$0.53 per New Unit on 19 September 2019 to partially fund the acquisition of 25 Grenfell Street ("**Acquisition**").

The Group's distribution policy is to distribute at least 90.0% of its annual distributable income. Annual distributable income comprises income from the leasing of its properties and related property services income after deduction of allowable expenses.

The Group's results include the consolidation of subsidiaries. The commentaries provided are based on the consolidated Group results unless otherwise stated.

SOILBUILD BUSINESS SPACE REIT UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE THIRD QUARTER ("3Q FY2020") AND FINANCIAL PERIOD FROM 1 JANUARY 2020 TO 30 SEPTEMBER 2020 ("YTD FY2020")

1(a) Statement of Total Return and Distribution Statement for 3Q FY2020 & 3Q FY2019 and YTD FY2020 & YTD FY2019

	YTD FY2020	YTD FY2019	Variance	3Q FY2020	3Q FY2019	Variance
	S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue	69,387	66,242	4.7	22,880	21,194	8.0
Property operating expenses	(16,112)	(12,669)	(27.2)	(3,136)	(4,242)	26.1
Net property income	**53,275**	**53,573**	**(0.6)**	**19,744**	**16,952**	**16.5**
Interest income	45	185	(75.7)	1	103	(99.0)
Foreign exchange gain/(loss)	1,897	(343)	Nm	136	(176)	Nm
Loss on derivative financial instruments	(172)	(217)	20.7	(169)	(216)	21.8
Loss on divestment of a property held for sale	(240)	-	Nm	-	-	-
Expenses:						
Finance expenses	(12,509)	(12,848)	2.6	(4,010)	(4,385)	8.6
Finance expenses on leases (FRS 116)	(1,145)	(1,459)	21.5	(316)	(457)	30.9
Manager's management fees	(3,460)	(3,687)	6.2	(1,398)	(1,157)	(20.8)
Trustee's fees	(205)	(190)	(7.9)	(69)	(65)	(6.2)
Other trust expenses	(881)	(667)	(32.1)	(230)	(202)	(13.9)
Net income before tax	**36,605**	**34,347**	**6.6**	**13,689**	**10,397**	**31.7**
Less: Tax expense	(528)	(226)	(133.6)	(172)	(76)	(126.3)
Total return before distribution	**36,077**	**34,121**	**5.7**	**13,517**	**10,321**	**31.0**
Distribution Statement						
Total return before distribution	**36,077**	**34,121**	**5.7**	**13,517**	**10,321**	**31.0**
Less: Amount reserved for distribution to perpetual securities holders	(2,928)	(2,917)	(0.4)	(983)	(983)	-
Net effect of non-tax deductible items[1]	(1,095)	4,605	(123.8)	296	1,843	(83.9)
Income available for distribution	**32,054**	**35,809**	**(10.5)**	**12,830**	**11,181**	**14.7**
Total amount available for distribution comprising:						
- Taxable income	32,054	35,809	(10.5)	12,830	11,181	14.7
- Distribution from capital[2]	2,549	1,064	139.6	1,149	392	193.1
Total amount available for distribution	**34,603**	**36,873**	**(6.2)**	**13,979**	**11,573**	**20.8**

Footnotes:

1 Includes manager's fees in units, unrealised/capital foreign exchange gains/losses, unrealised gains/losses on derivative financial instruments, amortised debt arrangement, prepayment and structuring fees, non-tax deductible financing expenses, trustee fees, non-tax deductible funding cost for the Australia acquisitions, foreign subsidiaries' income not yet remitted to Singapore, etc.

2 This relates to the distribution of income repatriated from Australia by way of tax deferred distributions. Such distribution is deemed to be capital distribution from a tax perspective and is not taxable in the hands of Unitholders, except for Unitholders who are holding the Units as trading assets.

1(b)(i) Statement of Financial Position

	Notes	Group		Trust	
		30/9/20 (S$'000)	31/12/19 (S$'000)	30/9/20 (S$'000)	31/12/19 (S$'000)
Current assets					
Cash and bank balances	a	17,275	16,244	13,611	8,986
Trade and other receivables	b	2,806	4,191	2,685	4,638
Other current assets	c	914	1,143	145	186
Property held for sale	d	-	34,531	-	34,531
Derivative financial instruments	e	-	3	-	3
Total current assets		20,995	56,112	16,441	48,344
Non-current assets					
Investment properties	f	1,306,753	1,350,360	1,054,719	1,111,370
Investment property under development	f	59,970	-	59,970	-
Derivative financial instruments	e	1,255	668	1,255	668
Investment in subsidiaries	g	-	-	99,862	99,862
Loans to a subsidiary	h	-	-	151,308	146,272
Deferred tax assets	i	237	237	-	-
Total non-current assets		1,368,215	1,351,265	1,367,114	1,358,172
Total Assets		1,389,210	1,407,377	1,383,555	1,406,516
Current liabilities					
Derivative financial instruments	e	1,370	312	1,370	312
Trade and other payables	j	19,041	16,172	16,361	14,419
Rental deposits	k	6,322	6,429	6,322	6,429
Borrowings	l	146,261	-	146,261	-
Lease liabilities (FRS 116)	m	739	751	739	751
Total current liabilities		173,733	23,664	171,053	21,911
Non-current liabilities					
Derivative financial instruments	e	6,921	3,690	6,921	3,690
Rental deposits	k	7,840	9,452	7,840	9,452
Borrowings	l	351,026	521,364	351,026	521,364
Lease liabilities (FRS 116)	m	33,452	35,250	33,452	35,250
Deferred tax liabilities	n	1,460	1,460	-	-
Total non-current liabilities		400,699	571,216	399,239	569,756
Total Liabilities		574,432	594,880	570,292	591,667
Net assets		814,778	812,497	813,263	814,849
Represented by:					
Unitholders' funds		750,100	746,836	748,585	749,188
Perpetual securities holders		64,678	65,661	64,678	65,661
		814,778	812,497	813,263	814,849

	Notes	Group		Trust	
		30/9/20 (S$'000)	31/12/19 (S$'000)	30/9/20 (S$'000)	31/12/19 (S$'000)
NAV per Unit (S$)		0.59	0.59	0.59	0.59

Notes:

(a) Cash and bank balances as at 30 September 2020 were S$1.0 million higher than the balance as at 31 December 2019 mainly due to higher cash generated from operating activities.

(b) The decrease in trade and other receivables of S$1.4 million was mainly attributed to a reversal of allowance for doubtful receivables for third party trade receivables amounting to S$1.5 million.

(c) Other current assets as at 30 September 2020 comprised largely deposits paid to utilities service providers and prepayments. The decrease in other current assets of S$0.2 million was mainly due to the amortisation of prepaid property expenses for 25 Grenfell Street.

(d) The property held for sale as at 31 December 2019 relates to the 72 Loyang Way which was divested in April 2020.

(e) Derivative financial instruments represent mainly the fair value of interest rate and cross-currency swaps entered into to hedge interest rate risks on floating rate loans and a United States Dollar denominated loan. The increase in net derivative financial liabilities is due to the decline in Singapore swap offer rate and Australia bank bill swap rate.

(f) Investment properties and an investment property under development as at 30 September 2020 were accounted for at fair value based on the valuations undertaken by independent valuers, Savills Valuation and Professional Services (S) Pte Ltd ("**Savills**") and Colliers International Consultancy & Valuation (S) Pte Ltd ("**Colliers**") for the Singapore portfolio as at 31 December 2019 and valuations undertaken by independent valuers, CIVAS (ACT) Pty Limited and CIVAS (SA) Pty Limited, both in the Colliers International Group for 14 Mort Street and Inghams Burton on 31 December 2019 and 25 Grenfell Street as at 1 November 2019[1].

The decrease in investment properties of S$43.6 million was mainly due to the transfer of 2 Pioneer Sector 1 to investment property under development.

Investment property under development relates to 2 Pioneer Sector 1.

(g) Investment in subsidiaries comprise investment in Soilbuild Australia Trust and Soilbuild Business Space Holdings Pte. Ltd.

(h) Loans to a subsidiary relates to interest-bearing loans to Soilbuild Australia Trust.

(i) Deferred tax assets relate to 25 Grenfell Street.

(j) Trade and other payables as at 30 September 2020 comprised GST payable, trade creditors, interest payable, advance rental received, fees payable to Manager/Trustee, deferred income and accrual of professional fees. The increase in trade and other payables of S$2.9 million was mainly attributed to higher other creditors and advance rental received.

(k) Rental deposits as at 30 September 2020 decreased by S$1.7 million mainly due to tenants replacing cash security deposits with bankers' guarantees and insurance guarantees, coupled with the release of excess security deposits held.

(l) Borrowings comprise a S$201.8 million secured bank loan, S$209.6 million unsecured bank loans and S$88 million medium term notes ("MTN") issued under Soilbuild REIT's S$500 million multicurrency debt issuance programme. Borrowings are net of unamortised debt arrangement fees.

(m) Lease liabilities arose from the adoption of FRS 116 Leases with effect from 1 January 2019. The lease liabilities relate to the present value of future lease payments due to JTC. The decrease in lease liabilities is mainly due to the divestment of 72 Loyang Way.

(n) Deferred tax liabilities relate to deferred tax provision for 14 Mort Street and Inghams Burton.

(o) Current liabilities have exceeded current assets due to the expiry of S$58.5 million unsecured bank loans in 1Q FY2021 and S$88 million MTN in 2Q FY2021. The Manager is confident that the expiring bank loans and MTN can be refinanced by its due date which will result in the reclassification of the current liability to non-current liability.

Footnotes:

[1] Singapore portfolio: The business park properties were valued by Savills whereas the industrial properties were valued by Colliers. Australia portfolio: 14 Mort Street was valued by CIVAS (ACT) Pty Limited. Inghams Burton and 25 Grenfell Street were valued by CIVAS (SA) Pty Limited.

1(b)(ii) Aggregate Amount of Borrowings

	Group and Trust	
	30/9/20 (S$'000)	**31/12/19 (S$'000)**
Interest-bearing borrowings		
Amount repayable within one year	146,500	-
Less: Debt arrangement fees[1]	(201)	-
Less: Prepayment fees[1]	(38)	
Total borrowings repayable within one year	146,261	-
Interest-bearing borrowings		
Amount repayable after one year[2]	352,890	524,497
Less: Debt arrangement fees[1]	(1,843)	(3,009)
Less: Prepayment fees[1]	(21)	(124)
Total borrowings repayable after one year	351,026	521,364
Total borrowings	**497,287**	**521,364**

Footnotes:

1. Debt arrangement and prepayment fees are amortised over the life of the loan facilities.
2. Includes the effect of unrealised exchange gain upon revaluation of Australian denominated borrowing and partially offset by unrealised exchange loss upon revaluation of a United States Dollar denominated borrowing. Soilbuild REIT has entered into a cross currency swap to hedge the United States Dollar currency exposure and is not exposed to fluctuation in the United States Dollar.

Details of borrowings

- **Senior Term Loan Facility of S$120.0 Million and A$83.8 Million**

On 19 October 2017, Soilbuild REIT entered into a senior term loan facility amounting to S$200.0 million ("**TLF 1**") obtained from Oversea-Chinese Banking Corporation Limited and RHB Bank Berhad, Singapore Branch. The facility is secured against Solaris and is repayable in April 2022.

On 25 October 2017, S$185.0 million was drawn down for the repayment of a secured loan. On 18 May 2018, S$8.5 million was drawn down for the redemption of medium term notes due in May 2018. On 15 August 2018,

S$6.5 million was drawn down for the repayment of interest-free loan from the Sponsor. On 1 July 2020, S$80 million loan was converted to a A$83.8 million loan.

- **Term Loan Facility of S$40.0 million**

On 21 September 2016, Soilbuild REIT entered into an unsecured term loan facility amounting to S$40.0 million ("**TLF 2**") obtained from The Bank of East Asia, Limited, Singapore Branch ("**BEA**"). On 27 September 2016 and 18 November 2016, S$29 million and S$11 million respectively were drawn down from TLF 2 mainly for the payment of the acquisition of Bukit Batok Connection. On 6 March 2019, Soilbuild REIT entered into an amendment and restatement agreement with BEA. TLF 2 is repayable on 5 March 2021.

- **MTN of S$100.0 Million issued in 2016 (S$88.0 million as at 30 September 2020)**

On 8 April 2016, Soilbuild REIT issued S$100.0 million of unsecured MTN which bears interest at 3.60% p.a. and matures on 8 April 2021 ("the **Notes**") for the purpose of refinancing a S$100 million bank loan. On 12 September 2017, Soilbuild REIT redeemed the Notes amounting to S$12.0 million pursuant to the exercise of a put option by noteholders upon the occurrence of a change of control event.

The change of control event occurred when the sponsor of Soilbuild REIT, Mr Lim Chap Huat transferred part of his interests in Soilbuild REIT to Mr Lim Han Feng, Mr Lim Han Qin and Mr Lim Han Ren for estate planning purposes. The conditions of the Notes provide that a "change of control event" will occur when Mr Lim Chap Huat and Soilbuild Group Holdings Ltd. cease to own, directly or indirectly, in aggregate at least 20% of the units in Soilbuild REIT.

As at 30 September 2020, the principal amount of the Notes in issuance amounted to S$88.0 million.

- **Term Loan Facility of S$30.0 million**

On 15 May 2018, Soilbuild REIT entered into a S$30 million equivalent, 5-year unsecured term loan facility agreement with The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**") ("**TLF 3**") for the redemption of notes due in May 2018. TLF 3 is denominated in United States Dollar and was fully drawn down on 18 May 2018. Soilbuild REIT has entered into a cross currency swap to hedge the currency exposure and is not exposed to fluctuation in the United States Dollar arising from the United States Dollar denominated loan. TLF 3 is repayable on 18 May 2023.

- **Term Loan Facility of S$70.0 million**

On 18 July 2018, Soilbuild REIT entered into a S$70 million, 5-year unsecured term loan facility agreement with United Overseas Bank Limited ("**TLF 4**") mainly for the repayment of interest-free loan from Sponsor and the refund of the Sponsor Security Deposit. On 15 August 2018, S$48.5 million was drawn down for the repayment of interest-free loan from the Sponsor. On 12 February 2019 and 17 May 2019, S$10 million and S$1.5 million respectively were drawn down for the partial refund of security deposit to the Sponsor. On 15 July 2019, S$10 million was drawn down for the payment of deposit for the proposed acquisition of 25 Grenfell Street, Adelaide and for the partial refund of security deposit to the Sponsor. TLF 4 is repayable on 15 August 2023.

- **Term Loan Facility of A$50.0 million**

On 1 October 2018, Soilbuild REIT entered into a A$50 million, 5-year unsecured term loan facility agreement with HSBC ("**TLF 5**") for the acquisition of two properties in Australia. On 3 October 2018, A$45 million was drawn down for the completion of the acquisitions. On 29 March 2019, A$5 million was drawn down. TLF 5 is repayable on 2 October 2023.

- **Term Loan Facility of S$18.5 million**

On 24 January 2019, Soilbuild REIT entered into a S$18.5 million unsecured 2-year term loan facility agreement with CTBC Bank Co., Ltd., acting through its Singapore Branch ("**CTBC**") ("**TLF 6**"). On 28 January

2019, the facility was fully drawn down for the repayment of existing borrowings. TLF 6 is repayable on 23 January 2021.

- **Revolving Credit Loan Facility of S$45.0 million**

On 16 October 2019, Soilbuild REIT entered into a S$45.0 million unsecured 4-year term revolving credit facility agreement with CIMB Bank Berhad, Singapore Branch ("**CIMB**") ("**TLF 7**"). On 29 October 2019, S$30.0 million was drawn down to partly fund the acquisition of 25 Grenfell Street. On 19 March 2020, S$1.0 million was drawn down for working capital purpose. S$30.0 million was repaid on 30 April 2020 with the proceeds from the divestment of 72 Loyang Way. TLF 7 is repayable on 31 December 2023.

1(c) Statement of Cash Flows

	YTD FY2020 (S$'000)	YTD FY2019 (S$'000)	3Q FY2020 (S$'000)	3Q FY2019 (S$'000)
Operating activities:				
Net income before tax	36,605	34,347	13,689	10,397
Adjustments for				
- Amortised debt arrangement, structuring and prepayment fees	1,090	1,064	369	354
- Finance expenses	12,564	13,243	3,957	4,488
- Unrealised foreign exchange (gain)/loss	(2,013)	347	(175)	190
- Loss on divestment of a property held for sale	240	-	-	-
- Net change in fair value of derivative financial instruments	172	217	169	216
- Management fees paid/payable in Units	3,406	3,636	1,380	1,143
Changes in working capital				
- Trade and other receivables	1,777	(2,982)	(824)	(834)
- Other current assets	229	179	(586)	5
- Trade and other payables	1,476	(653)	484	(1,634)
- Rental deposits	(1,719)	(17,752)	428	(7,394)
Cash flows from operations	53,827	31,646	18,891	6,931
Finance expense paid	(12,116)	(12,299)	(3,166)	(2,753)
Tax expense paid	(528)	(226)	(172)	(76)
Net cash generated from operating activities	41,183	19,121	15,553	4,102
Investing activities:				
Capital expenditure on investment properties and an investment property under development	(7,742)	(983)	(1,033)	(616)
Decrease in restricted cash (Note 1)	4,786	1,442	547	1,442
Payment of deposit for acquisition of investment properties	-	(6,690)	-	(6,690)
Deposit from the proposed divestment of an investment property	-	1,704	-	-
Proceeds from divestment of a property held for sale	33,080	-	-	-
Net cash generated from/(used in) investing activities	30,124	(4,527)	(486)	(5,864)
Financing activities:				
Proceeds from borrowings	1,000	44,816	-	10,000
Repayment of borrowings	(30,000)	(18,500)	-	-
Payment of debt arrangement and structuring fees	(60)	(57)	(60)	-
Reversal of Issuance cost	9	-	-	-
Distributions to Unitholders	(32,278)	(40,692)	(9,447)	(12,561)
Distributions to perpetual securities holders	(3,911)	(3,900)	(1,966)	(1,966)
Payment of perpetual securities issuance cost	-	(3)	-	-

	YTD FY2020 (S$'000)	YTD FY2019 (S$'000)	3Q FY2020 (S$'000)	3Q FY2019 (S$'000)
Issuance of new Units under a Preferential Offering	-	101,832	-	101,832
Issuance cost	-	(1,866)	-	(1,866)
Repayment of lease liabilities	(471)	(532)	(179)	(205)
Net cash (used in)/generated from financing activities	(65,711)	81,098	(11,652)	95,234
Net increase in cash and cash equivalents	5,596	95,692	3,415	93,472
Cash and cash equivalents at beginning of the financial period (excluding restricted cash) (Note 1)	11,458	13,690	13,729	15,901
Effect of exchange rate changes on cash balances	221	(68)	131	(59)
Cash and cash equivalents at end of the financial period	**17,275**	**109,314**	**17,275**	**109,314**

Note 1: As at 31 December 2019, the restricted cash of S$4,786k relates to incentives for a tenant placed in a trust account.

1(d)(i) Statement of Changes in Unitholders' Funds

	Group		Trust	
	3Q FY2020 S$'000	3Q FY2019 S$'000	3Q FY2020 S$'000	3Q FY2019 S$'000
Unitholders' Funds				
Balance at beginning of the financial period	**743,453**	**660,637**	**743,894**	**666,353**
Operations				
Total return for the financial period attributable to Unitholders	13,517	10,321	13,378	10,156
Less: Amount reserved for distribution to perpetual securities holders	(983)	(983)	(983)	(983)
Net increase in net assets from operations	12,534	9,338	12,395	9,173
Movement in foreign currency translation reserve	1,817	(770)	-	-
Movement in hedging reserve	818	(536)	818	(536)
Unitholders' transactions				
Manager's management fees paid/payable in Units	925	1,245	925	1,245
Distributions to Unitholders	(9,447)	(12,561)	(9,447)	(12,561)
Issue of Units under Preferential Offering	-	101,832	-	101,832
Issuance cost	-	(1,866)	-	(1,866)
Net (decrease)/increase in net assets from Unitholders' transactions	(8,522)	88,650	(8,522)	88,650
Balance at end of the financial period	**750,100**	**757,319**	**748,585**	**763,640**

	Group		Trust	
	3Q FY2020 S$'000	3Q FY2019 S$'000	3Q FY2020 S$'000	3Q FY2019 S$'000
Perpetual Securities Holders' Funds				
Balance at beginning of the financial period	**65,661**	**65,662**	**65,661**	**65,662**
Distributions to perpetual securities holders	(1,966)	(1,966)	(1,966)	(1,966)
Amount reserved for distribution to perpetual securities holders	983	983	983	983
Balance as at end of the financial period	**64,678**	**64,679**	**64,678**	**64,679**
Total	**814,778**	**821,998**	**813,263**	**828,319**

	Group		Trust	
	YTD FY2020 S$'000	YTD FY2019 S$'000	YTD FY2020 S$'000	YTD FY2019 S$'000
Unitholders' Funds				
Balance at beginning of the financial period	**746,836**	**666,575**	**749,188**	**671,838**
Operations				
Total return for the financial period attributable to Unitholders	36,077	34,121	35,446	33,775
Less: Amount reserved for distribution to perpetual securities holders	(2,928)	(2,917)	(2,928)	(2,917)
Net increase in net assets from operations	33,149	31,204	32,518	30,858
Movement in foreign currency translation reserve	3,236	(1,404)	-	-
Movement in hedging reserve	(4,027)	(2,335)	(4,027)	(2,335)
Unitholders' transactions				
Manager's management fees paid/payable in Units	3,175	4,005	3,175	4,005
Distributions to Unitholders	(32,278)	(40,692)	(32,278)	(40,692)
Issue of Units under Preferential Offering	-	101,832	-	101,832
Reversal of issuance cost/(issuance cost)	9	(1,866)	9	(1,866)
Net (decrease)/increase in net assets from Unitholders' transactions	(29,094)	63,279	(29,094)	63,279
Balance at end of the financial period	**750,100**	**757,319**	**748,585**	**763,640**

	Group		Trust	
	YTD FY2020 S$'000	YTD FY2019 S$'000	YTD FY2020 S$'000	YTD FY2019 S$'000
Perpetual Securities Holders' Funds				
Balance at beginning of the financial period	**65,661**	**65,665**	**65,661**	**65,665**
Distributions to perpetual securities holders	(3,911)	(3,900)	(3,911)	(3,900)
Perpetual securities issuance cost	-	(3)	-	(3)
Amount reserved for distribution to perpetual securities holders	2,928	2,917	2,928	2,917
Balance as at end of the financial period	**64,678**	**64,679**	**64,678**	**64,679**
Total	**814,778**	**821,998**	**813,263**	**828,319**

1(d)(ii) Details of Any Change in Units

Group and Trust	YTD FY2020 ('000)	3Q FY2020 ('000)
Balance as at beginning of financial period	1,261,711	1,268,111
Movements during the financial period		
- Units issued in lieu of Manager's management fees	8,719	2,319
Total issued Units as at end of financial period	**1,270,430**	**1,270,430**

Group and Trust	YTD FY2019 ('000)	3Q FY2019 ('000)
Balance as at beginning of financial period	1,060,763	1,065,392
Movements during the financial period		
- Units issued in lieu of Manager's management fees	6,654	2,025
- Units issued pursuant to the Preferential Offering[1]	192,135	192,135
Total issued Units as at end of financial period	**1,259,552**	**1,259,552**

Footnote:
[1] 192,135,040 new Units were issued on 19 September 2019 at an issue price of S$0.53 per new Unit pursuant to the Preferential Offering.

1(d)(iii) To show the total number of issued units excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

As at 30 September 2020, Soilbuild REIT had 1,270,429,794 Units (31 December 2019: 1,261,711,055 units).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

The consolidated financial information of the Group for the nine months ended 30 September 2020 as set out in Sections 1(a), 1(b)(i) and 1(c) to 1(d)(i) of this announcement has been extracted from the interim condensed financial statements for the nine months ended 30 September 2020 that has been prepared in accordance with Singapore Financial Reporting Standard International 1-34 Interim Financial Reporting.

In view of the possible transaction involving the units of Soilbuild REIT as announced on 4 September 2020, the unaudited financial statements and distribution announcement will need to be reported on in accordance with the requirements under the Singapore Code on Take-overs and Mergers ("**Code**"). The external auditor, Ernst & Young LLP has been appointed to report on the interim condensed financial statements in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. The auditors' report by Ernst & Young LLP is expected to be released on or prior to 29 October 2020. As the review by the auditors is still ongoing, the current set of interim condensed financial statements and distribution announcement is neither audited nor reviewed at this point in time.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those stated in the audited financial statements for the financial year ended 31 December 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

There is no change in the accounting policies and methods of computation adopted.

6. Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")

	YTD FY2020	YTD FY2019	3Q FY2020	3Q FY2019
Weighted average number of Units[1]	1,265,172,655	1,074,575,968	1,268,615,132	1,093,340,616
EPU – Basic and Diluted[2] Based on the weighted average number of Units in issue (cents)	2.852	3.175	1.065	0.944

	YTD FY2020	YTD FY2019	3Q FY2020	3Q FY2019
- Basic and diluted Number of Units in issue at end of the financial period	1,270,429,794	1,259,551,932	1,270,429,794	1,259,551,932
DPU Based on the number of Units in issue at end of each distribution period (cents)	2.728	3.295	1.100	0.918

Footnotes:

[1]The 3Q FY2019 and YTD FY2019 weighted average number of Units have been retrospectively adjusted for the proportionate change in the number of Units outstanding arising from the Preferential Offering. ("**Adjusted Weighted Average Number of Units**").

[2]The EPU has been calculated using total return before distribution for the financial period and the weighted average number of Units at the end of the financial period. The calculation excludes net change in fair value of investment properties for the relevant financial period. 3Q FY2019 and YTD FY2019 EPU have been restated based on the Adjusted Weighted Average Number of Units.

7. Net Asset Value ("NAV") Per Unit

	Group		Trust	
	30/9/20	31/12/19	30/9/20	31/12/19
NAV per Unit[1] (S$)	0.59	0.59	0.59	0.59

Footnote:

[1]The NAV per unit was computed based on the number of Units in issue at the end of the financial period.

8. Review of the Performance

Review of the Performance on YTD FY2020 compared to YTD FY2019

Gross revenue was S$69.4 million in YTD FY2020 which was S$3.1 million or 4.7% higher year-on-year ("**y-o-y**"). 25 Grenfell Street and West Park BizCentral contributed S$8.3 million and S$0.3 million higher revenue respectively. The increase in revenue was partially offset by lower contribution from 2 Pioneer Sector 1, Tuas Connection, Solaris and 72 Loyang Way amounting to S$3.0 million, S$1.4 million, S$0.6 million and S$0.4 million respectively.

Property operating expenses of S$16.1 million in YTD FY2020 were S$3.4 million or 27.2% higher mainly due to S$3.3 million higher expenses for 25 Grenfell Street and S$0.6 million allowance for doubtful receivables. This was partially offset by S$0.4 million lower expenses for 72 Loyang Way which was divested in April 2020.

Net property income was 0.6% lower at S$53.3 million in YTD FY2020 from S$53.6 million in YTD FY2019 due to higher property operating expenses and partially offset by higher revenue. Net property income margin was 76.8%. The reduction in net property income margin by 4.1 percentage points was mainly due to the allowance for doubtful receivables, lower net property income margin for 2 Pioneer Sector 1 and the acquisition of the multi-tenanted 25 Grenfell Street.

The decrease in interest income of S$0.1 million was due to lower interest rate.

Foreign exchange gain of S$1.9 million comprises largely unrealised foreign exchange gains relating to the revaluation of Australian dollar denominated monetary assets and liabilities. The Australian dollar strengthened against the Singapore dollar at 30 September 2020 versus 31 December 2019.

Loss on derivative financial instruments relates to unrealised loss on an interest rate swap that does not qualify for hedge accounting.

Loss on divestment of a property held for sale relates to the divestment of 72 Loyang Way.

The reduction in finance expenses (excluding finance expenses on leases) of S$339k was mainly attributed to lower weighted average borrowing costs. The reduction of finance expenses on leases (FRS 116) was due to the capitalisation of land rent for 2 Pioneer Sector 1 and divestment of 72 Loyang Way.

The decrease in Manager's management fees of S$0.2 million was due to lower distributable income which resulted in lower base fee.

Other trust expenses comprised largely professional fees and on-going listing expenses. The increase in other trust expenses of S$0.2 million was largely attributed to higher professional fees.

Tax expense relates to withholding tax on unitholder loan interest income. The increase in tax expense of S$0.3 million was due to a A$85 million unitholder loan extended to Soilbuild Australia Trust by Soilbuild REIT in October 2019.

Non-tax deductible items fell S$5.7 million mainly due to a higher deduction of Australia-sourced net income, higher non-taxable unrealised foreign exchange gains and lower base fee in units.

Capital distribution rose S$1.5 million y-o-y due to the acquisition of 25 Grenfell Street on 1 November 2019.

Total amount available for distribution to Unitholders was S$34.6 million in YTD FY2020, 6.2% lower y-o-y as explained above.

Review of the Performance on 3Q FY2020 compared to 3Q FY2019

Gross revenue was S$22.9 million in 3Q FY2020 which was S$1.7 million or 8.0% higher y-o-y. 25 Grenfell Street contributed S$3.1 million higher revenue. The increase in revenue was partially offset by lower contribution from Tuas Connection, 2 Pioneer Sector 1 (under redevelopment), 72 Loyang Way (divested) and Solaris amounting to S$0.5 million, S$0.5 million, S$0.2 million and S$0.2 million respectively.

Property operating expenses of S$3.1 million were S$1.1 million or 26.1% lower due to reversal of S$1.5 million of allowance for doubtful receivables, S$0.4 million lower expenses for Solaris and S$0.2 million lower expenses for Tuas Connection and 72 Loyang Way each. This was partially offset by S$1.2 million higher expenses for 25 Grenfell Street.

Net property income was 16.5% higher at S$19.7 million in 3Q FY2020 from S$17.0 million in 3Q FY2019 due to higher revenue and lower property operating expenses. Net property income margin was 86.3%. The increase in net property income margin by 6.3 percentage points was mainly due to the reversal of over-accrued prior years' property tax and reversal of excess allowance for doubtful receivables.

The decrease in interest income of S$0.1 million was due to lower interest rate.

Foreign exchange gain of S$0.1 million comprises largely unrealised foreign exchange gains relating to the revaluation of Australian dollar denominated monetary assets and liabilities. The Australian dollar strengthened against the Singapore dollar at 30 September 2020 versus 31 December 2019.

Loss on derivative financial instruments relates mainly to unrealised loss on an interest rate swap that does not qualify for hedge accounting.

The decrease in finance expenses (excluding finance expenses on leases) of S$0.4 million was mainly attributed to lower weighted average borrowing cost in 3Q FY2020. The reduction of finance expenses on leases (FRS 116) was due to the capitalisation of land rent for 2 Pioneer Sector 1 and divestment of 72 Loyang Way.

The increase in Manager's management fees of S$0.2 million was due to higher distributable income which resulted in higher base fee.

Other trust expenses comprised largely professional fees and on-going listing expenses. The increase in other trust expenses of S$28k was largely attributed to higher professional fees.

Tax expense relates to withholding tax on unitholder loan interest income. The increase in tax expense of S$0.1 million was due to a A$85 million unitholder loan extended to Soilbuild Australia Trust by Soilbuild REIT in October 2019.

Non-tax deductible items fell S$1.5 million mainly due to a higher deduction of Australia-sourced net income and higher non-taxable unrealised foreign exchange gains.

Capital distribution rose S$0.8 million due to the acquisition of 25 Grenfell Street.

Total amount available for distribution to Unitholders was S$14.0 million in 3Q FY2020, 20.8% higher y-o-y as explained above.

9. Variance from Prospect Statement

No financial forecast has been disclosed to the market.

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

Holding Announcement on 4 September 2020 and Update Announcement on 3 October 2020

On 4 September 2020, the Manager announced that it had been informed that Mr Lim Chap Huat, a non-executive director of the Manager, had entered into a non-binding term sheet ("**Non-Binding Term Sheet**") in relation to a possible transaction involving Mr Lim Chap Huat, Mr Lim Han Feng, Mr Lim Han Qin and Mr Lim Han Ren's direct and indirect interests in Soilbuild REIT, which may or may not lead to a transaction for the units of Soilbuild REIT ("**Possible Transaction**").

On 3 October 2020, the Manager announced that it had been informed that as at 3 October 2020, the discussions in relation to the Non-Binding Term Sheet were still ongoing and no definitive agreements have been entered into.

Singapore

Based on advance estimates released by the Ministry of Trade and Industry on 14 October 2020, for the third quarter of 2020, the Singapore economy expanded by 7.9% on a quarter-on-quarter ("**q-o-q**") seasonally adjusted basis, rebounding from the 13.2% contraction in the preceding quarter. On a y-o-y basis, the economy contracted by 7.0%, an improvement from the 13.3% contraction in the second quarter. The improved performance of the Singapore economy in the third quarter came on the back of the phased re-opening of the economy following the circuit breaker that was implemented between 7 April and 1 June 2020.

The manufacturing sector grew by 2.0% y-o-y in 3Q 2020, a reversal from the 0.8% contraction in the previous quarter. Growth of the sector was supported by output expansions in the electronics and precision engineering clusters, which were in turn driven by robust global demand for semiconductors and semiconductor manufacturing equipment. On a q-o-q seasonally-adjusted basis, the manufacturing sector expanded by 3.9%, a turnaround from the 9.1% contraction in the second quarter.

The Singapore Purchasing Managers' Index rose to 50.3 in September 2020 from 50.1 in August 2020.

According to the JTC 2Q 2020 market report, the rental index of all industrial space receded 0.7% and 0.8% q-o-q and y-o-y respectively mainly due to weaker rentals for multiple-user factories, single-user factories and warehouses. Business park rentals were more resilient, with rental index remaining flat y-o-y and a 0.2% decline q-o-q.

In 2Q 2020, the all-industrial occupancy rate rose 0.2% and 0.1% q-o-q and y-o-y respectively. The q-o-q occupancy uplift was mainly attributed to warehouses whereas the y-o-y growth was mainly due to multiple-user factories.

In respect of the COVID-19 relief measures, the Government has provided one month of rent relief to owners of industrial/office properties through property tax rebate and cash grants. Landlords are required to grant eligible SMEs in industrial/office properties one month of waiver of their base rental. Eligible SMEs can therefore receive a total of two months' waiver of base rental for industrial and office properties provided by the Government and landlords.

Australia

In the key economic indicators snapshot released by the Reserve Bank of Australia ("**RBA**") dated 12 October 2020, the country's economy and key indicators reported negative economic growth at 6.3%, inflation at -0.3%, unemployment rate of 6.8%, employment growth rate of negative 2.6% and wage growth of 1.8%. Based on the uneven recovery of the global economy due to the coronavirus, the RBA decided to keep the nation's official cash rate unchanged at 0.25%.

Based on the Australia Office Marketview Snapshot 3Q 2020 report by CBRE, Adelaide CBD office market outperformed other markets as prime net face rents increased 0.6% over the quarter whilst incentives remained relatively stable at 32%. Canberra's prime net face rent and incentives have continued to hold steady since 1Q. High exposure to government tenants will continue to support the Canberra office market.

The Australian Government has gazetted the COVID-19 Emergency Response *(Commercial Leases No 2*) (Prescribed Period) Variation Regulations 2020 which covers the period from 1 October 2020 to 3 January 2021 ("**Period 2**"). The extension to the rent relief provisions will only apply to those who can prove they remain an affected lessee or have become one during Period 2. An affected lessee is a lessee who is suffering financial hardship as a result of the COVID-19 pandemic and has an annual turnover of less than A$50 million. A lessee will be automatically determined to be suffering from financial hardship if the lessee is eligible for a Jobkeeper payment in respect of the business of the lessee.

11. Distributions

(a) Current financial period
Any distributions declared for the current financial period? Yes
Name of distribution: 30th distribution for the financial period from 1 July 2020 to 30 September 2020

Distribution Type	Taxable	Capital	Total
Distribution rate (cents per unit)	1.009	0.091	1.100

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their Units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual Unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Capital distribution

Distributions out of capital are not taxable in the hands of all Unitholders provided that the Units are not held as trading assets. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Books closure date: The Transfer Books and Register of Unitholders of Soilbuild REIT will be closed at 5.00 p.m. Friday, 23 October 2020 for the purposes of determining each Unitholder's entitlement to Soilbuild REIT's distribution. The ex-dividend date will be on Thursday, 22 October 2020.

Date Payable: Friday, 20 November 2020

(b) Corresponding period of the preceding financial period

Name of distribution: 26th distribution for the financial period from 1 July 2019 to 30 September 2019

Distribution Type	Taxable	Capital	Total
Distribution rate (cents per unit)	0.887	0.031	0.918

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their Units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual Unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Capital distribution

Distributions out of capital are not taxable in the hands of all Unitholders provided that the Units are not held as trading assets. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Books closure date: Thursday, 24 October 2019

Date Payable: Thursday, 21 November 2019

12. If no distribution has been declared/(recommended), a statement to that effect.

Not applicable.

13. If Soilbuild REIT has obtained a general mandate from shareholders for IPTs, the aggregate value of each transaction as required under Rule 920(i)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Soilbuild REIT has not obtained a general mandate from Unitholders for IPTs.

14. Certificate pursuant to Paragraph 7.3 of the Property Funds Guidelines

The Manager hereby certifies that, in relation to the distribution to the Unitholders of Soilbuild Reit for the period from 1 July 2020 to 30 September 2020, the Manager is satisfied on reasonable grounds that, immediately after making the distribution, Soilbuild Reit will be able to fulfil, from its deposited property, its liabilities as and when they fall due.

Soilbuild Reit currently distributes approximately 95.5% and 100% of its distributable income to Unitholders for YTDFY2020 and 3QFY2020 respectively, other than gains on the sale of properties and unrealised surplus on revaluation of investment properties on a quarterly basis at the discretion of the Manager. In the case of its overseas subsidiaries, income from these subsidiaries will be distributed, after relevant adjustments (if any) such as withholding tax, quarterly at the discretion of the Manager.

15. Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material respect.

That said, in this regard, we would like to highlight that the carrying values of Soilbuild REIT's investment properties and an investment property under development are based on independent valuations as at 31 December 2019 and have not taken into account the impact of the COVID-19 pandemic, which may be significant.

Given that the potential impact of COVID-19 is constantly evolving, the valuations of investment properties are subject to uncertainty. Values may change more rapidly and significantly than during standard market conditions.

In-line with the Manager's practice of releasing quarterly results announcements, the Board and Management have voluntarily released the results announcement for the third quarter and financial period from 1 January 2020 to 30 September 2020 to accompany the quarterly distribution declaration. This set of results announcement is not meant to guide investors and the various stakeholders on the latest asset value of Soilbuild REIT, which will be refreshed in due course.

16. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Board of Directors of the Manager hereby confirms that it has procured undertakings from all its Directors and Executive Officers in accordance with Rule 720(1) of the Listing Manual.

For and on behalf of the Board of Directors of SB REIT Management Pte. Ltd.

Mr Ng Fook Ai Victor Director	Mr Chong Kie Cheong Director

This release may contain forward-looking statements that involve risks and uncertainties. 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 other companies and venues for the sale/ distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management of future events.

By order of the Board of Directors of
SB REIT Management Pte. Ltd.
(Company Registration No. 201224644N)
As Manager for Soilbuild Business Space REIT

Mr. Roy Teo
Chief Executive Officer

15 October 2020