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

SOILBUILD REIT COMPLETES AUSTRALIA ACQUISITIONS

Unless otherwise stated, the S$ equivalent of the A$ figures have been arrived at based on assumed exchange rates of A$1.00:S$1.00.

1. COMPLETION OF THE PROPOSED ACQUISITIONS

Pursuant to the announcement dated 7 September 2018 relating to the Proposed Acquisition of two Australia Properties (the "**Proposed Acquisitions**"), SB REIT Management Pte. Ltd, in its capacity as manager of Soilbuild Business Space REIT (the "**Soilbuild REIT**"), and the manager of Soilbuild REIT (the "**Manager**") is pleased to announce that the Proposed Acquisitions have been completed.

The total cost of the Proposed Acquisitions is A$120.96 million (S$120.96 million) which comprises (i) the purchase consideration of A$55.00 million[1] (S$55.00 million) and A$61.25 million (S$61.25 million) for 14 Mort Street and Inghams Burton respectively; (ii) transaction costs of approximately A$3.55 million (S$3.55 million), which includes stamp duty, professional and other fees and the acquisition fee payable in cash to the Manager (being 1% of the purchase consideration of A$116.25 million, which amounts to approximately A$1.16 million (S$1.16 million) (the "**Acquisition Fee**").

The total acquisition cost was funded by a combination of debt financing (in Australia dollar loans) and issuance of perpetual securities. Following the Proposed Acquisitions, Soilbuild REIT will own 11 properties in Singapore and 2 properties in Australia.

2. INVESTMENT AND ASSET MANAGEMENT SERVICES

In connection with the establishment of the managed investment trust (the "**MIT**") structure for the Proposed Acquisitions, SB REIT Management (Australia) Pty Ltd ("**Investment Manager**") has entered into an investment management agreement (the "**IMA**") with Perpetual Corporate Trust Ltd (the "**MIT Trustee**"). The Investment Manager and MIT Trustee have also entered into an investment management agreement with The Trust Company (RE Services) Limited ("**Sub Investment Manager**") ("**Sub IMA**"). The MIT Trustee and the Sub Investment Manager are both subsidiaries of Perpetual Limited. In addition, Soilbuild REIT has appointed Realmont Property Partners Pty Limited to provide lease and asset management services in respect of the Proposed Acquisitions.

The payment of investment management fees under the IMA and Sub IMA will reduce the base management fees payable to the Manager under the trust deed constituting Soilbuild REIT dated 13 December 2012 (as amended and restated by a first amending and restating deed dated 29 July 2013) correspondingly, such that there is no double-counting of the payment of the investment management fees and the payment of base management fees to the Manager.

[1] Before deduction of outstanding incentives amounting to A$4 million reimbursed by the Vendor.

Payment of lease and asset management fees to Realmont Property Partners Pty Limited will be separately borne by the sub-trusts and Soilbuild Australia Trust.

3. USE OF PROCEEDS

Further to the announcements dated 20 September 2018 and 27 September 2018 in relation to the issuance of S$65,000,000 6.00% subordinated perpetual securities pursuant to the S$500,000,000 multicurrency debt issuance programme ("**Perpetuals Issuance**"), the Manager wishes to announce that the proceeds of the Perpetuals Issuance have been fully utilised to partially fund the Proposed Acquisitions.

By Order of the Board
SB REIT Management Pte. Ltd.
(Registration Number: 201224644N)
as Manager of Soilbuild Business Space REIT

Roy Teo
Chief Executive Officer
5 October 2018

About Soilbuild Business Space REIT

Soilbuild Business Space REIT is a Singapore real estate investment trust ("REIT") 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. Soilbuild REIT was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 16 August 2013 ("Listing Date") and has 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, West BizCentral and Bukit Batok Connection. Soilbuild REIT's portfolio has a net lettable area of 3.69 million square feet and an occupancy rate of 87.6% as at 30 June 2018.

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The value of the 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, DBS Trustee Limited (as trustee of Soilbuild REIT) or any of their respective affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase 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 the Manager is not indicative of the future performance of the Manager.

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