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VIVA INDUSTRIAL TRUST

Comprising:

VIVA INDUSTRIAL REAL ESTATE INVESTMENT TRUST	**VIVA INDUSTRIAL BUSINESS TRUST**
(a real estate investment trust constituted on 23 August 2013 under the laws of the Republic of Singapore) managed by	(a business trust constituted on 14 October 2013 under the laws of the Republic of Singapore) managed by
Viva Industrial Trust Management Pte. Ltd.	**Viva Asset Management Pte. Ltd.**

ANNOUNCEMENT

USE OF PROCEEDS

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*Unless otherwise defined, all terms and references used herein shall bear the same meanings as ascribed to them in the announcement dated 18 November 2015 titled "Launch of Equity Fund Raising to raise gross proceeds of approximately S$110.0 million to partially fund the Acquisitions and receipt of Approval in-Principle" (the "**Launch Announcement**").*

Further to the announcement dated 17 December 2015 titled "Listing of 101,071,000 New Stapled Securities pursuant to the Preferential Offering", the Managers wish to update Stapled Securityholders on the use of the net proceeds raised from the Equity Fund Raising. It had been stated in the Launch Announcement that subject to relevant laws and regulations, the Managers intend to use the gross proceeds of approximately S$110.0 million from the Equity Fund Raising in the following manner:

(i) approximately S$109.0 million (which is equivalent to 99.1% of the gross proceeds of the Equity Fund Raising) to partially finance the acquisitions of the Tai Seng Property, the Ubi Property and the Pioneer Property, with the balance, if any, to be used to partially fund the asset enhancement initiatives ("**AEI**") at Technopark@Chai Chee; and

(ii) approximately S$1.0 million (which is equivalent to 0.9% of the gross proceeds of the Equity Fund Raising) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by VIT in connection with the Acquisitions and Equity Fund Raising.

The Managers note that the gross proceeds of approximately S$37.7 million raised from the Private Placement have been fully utilised for purposes of partially funding the acquisitions of the Tai Seng Property and Ubi Property and that an announcement had been made on 7 December 2015 to inform Stapled Securityholders accordingly.

As the acquisition of the Pioneer Property (the "**Pioneer Acquisition**") is only expected to be completed in the first quarter of 2016, the Managers have utilised approximately S$33.6 million of the gross proceeds of approximately S$72.3 million raised from the Preferential Offering in the following manner:

(i) approximately S$15.0 million (which is equivalent to 20.8% of the gross proceeds of the Preferential Offering) to pay the Deferred Sum[1] owed to the vendor of the Ubi Property;

(ii) approximately S$10.0 million (which is equivalent to 13.8% of the gross proceeds of the Preferential Offering) to partially repay VIT's outstanding revolving credit facility (the "**Revolving Credit Facility**"). The Revolving Credit Facility had been drawn down for the purposes of funding the total upfront land premium and stamp duty of approximately S$13.5

1 The "**Deferred Sum**" refers to the sum of S$15.0 million (being approximately 18.6% of the purchase consideration of S$80.7 million for the Ubi Property) which the vendor of the Ubi Property had agreed would be payable on a deferred basis.

million which was payable in connection with the acquisitions of the Tai Seng Property and the Ubi Property[2];

(iii) approximately S$1.2 million (which is equivalent to 1.7% of the gross proceeds of the Preferential Offering) to pay the acquisition fee to the REIT Manager (being 1.0% of the total purchase consideration for the Tai Seng Property and the Ubi Property) in accordance with the trust deed dated 23 August 2013 (as amended) constituting VI-REIT;

(iv) approximately S$7.0 million (which is equivalent to 9.7% of the gross proceeds of the Preferential Offering) to partially fund the AEI at Technopark@Chai Chee; and

(v) approximately S$0.4 million (which is equivalent to 0.6% of the gross proceeds of the Preferential Offering) to pay for certain professional fees incurred in connection with the Equity Fund Raising.

The remaining proceeds of approximately S$38.7 million from the Preferential Offering will be utilised to partially fund the Pioneer Acquisition and the AEI at Technopark@Chai Chee. As the Pioneer Acquisition is expected to be completed in the first quarter of 2016, pending the deployment of the remaining proceeds, the Managers intend to utilise the remaining proceeds to further repay the outstanding borrowings under the Revolving Credit Facility in stages[3]. The Managers intend to draw down on the Revolving Credit Facility again at the appropriate time to partially fund the Pioneer Acquisition.

The Managers are of the view that the above is a more efficient use of the proceeds from the Preferential Offering. The Managers will make an announcement when the remaining proceeds have been materially utilised.

By Order of the Board
Wilson Ang Poh Seong
Chief Executive Officer and Executive Director

Viva Industrial Trust Management Pte. Ltd.
(Company Registration No. 201204203W)
As manager of Viva Industrial Real Estate Investment Trust

Viva Asset Management Pte. Ltd.
(Company Registration No. 201316690M)
As trustee-manager of Viva Industrial Business Trust

23 December 2015

2 For the avoidance of doubt, the above use of proceeds is in addition to the utilisation of approximately S$1.9 million of the proceeds raised from the Private Placement to partially repay the Revolving Credit Facility which the Managers had announced on 7 December 2015.

3 The Managers have decided not to fully repay the Revolving Credit Facility in a single stage to avoid having VIT incur prepayment charges.

IMPORTANT NOTICE

This announcement 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 Stapled Securities of Viva Industrial Trust 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 the Stapled Securities and the income derived from them may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, The Trust Company (Asia) Limited, as trustee of VI-REIT, or any of their respective affiliates.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of VIT. The forecast financial performance of VIT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view of future events.