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

SOILBUILD REIT CALLED UPON INSURANCE GUARANTEE FROM NK INGREDIENTS PTE. LTD.

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 DBS Trustee Limited (in its capacity as trustee of Soilbuild REIT) (the "**Trustee**") has on 12 September 2017 issued a letter of demand to NK Ingredients Pte. Ltd. (formerly known as NK Chemicals Pte Ltd) ("**Tenant**") for arrears amounting to S$3,421,120.33. The Trustee holds an insurance guarantee issued in its favour amounting to S$5,110,677. The Trustee called upon the insurance guarantee today in connection with non-observance of the Lease Agreement by the Tenant.

Pursuant to clause 6.1.1 of the lease agreement dated 15 February 2013 between the Trustee and the Tenant ("**Lease Agreement**"), the Tenant is in default under the Lease Agreement for failure to pay rent and any other sum payable under the Lease Agreement.

In accordance with clause 3.6.3 of the Lease Agreement, the Trustee is entitled to apply the whole or part of the security deposit amount in or towards making good any loss or damage sustained by the Trustee as a result of that default and any expense incurred by the Trustee in making good the loss and damage, in any manner as may be prescribed by the Trustee. Clause 3.6.4 of the Lease Agreement further states that the Tenant must pay to the Trustee an amount equal to the amount applied by the Trustee under clause 3.6.3 as replacement of the part or whole of the relevant security deposit amount applied, within seven days of demand.

The balance of the insurance guarantee of S$1,689,556.67 is equivalent to approximately four months of rent. The Manager does not expect there to be a material immediate financial impact on Soilbuild REIT's distribution per unit ("**DPU**") for the current financial year.

Based on the unaudited half year ended 30 June 2017 financial results of Soilbuild REIT, the DPU of Soilbuild REIT was 2.955 cents. Purely for illustrative purposes, assuming Soilbuild REIT had terminated the lease with the Tenant as at 1 January 2017, the DPU for the half year ended 30 June 2017 would be approximately 2.640 cents.

In the event there are any material developments, the Manager will release further announcements as necessary on this matter.

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
18 September 2017

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, West Park BizCentral and Bukit Batok Connection. Soilbuild REIT's portfolio has a net lettable area of 3.90 million square feet and an occupancy rate of 92.6% as at 30 June 2017.

For media queries, please contact:

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IMPORTANT NOTICE

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 Singapore Exchange Securities Trading Limited (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.