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.**

Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch are the Joint Global Coordinators and Issue Managers for the initial public offering and listing of Viva Industrial Trust (the "**Offering**"). Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, CIMB Securities (Singapore) Pte. Ltd., Maybank Kim Eng Securities Pte. Ltd. and Credit Suisse (Singapore) Limited are the Joint Bookrunners and Underwriters for the Offering.

ANNOUNCEMENT

INTERESTED PERSON TRANSACTION IN RELATION TO APPOINTMENT OF MAIN CONTRACTOR FOR THE PROPOSED ASSET ENHANCEMENT INITIATIVE AT TECHNOPARK@CHAI CHEE

1. INTRODUCTION

1.1 The Transaction

Viva Industrial Trust Management Pte. Ltd., as manager of Viva Industrial Real Estate Investment Trust ("**VI-REIT**", and the manager of VI-REIT, the "**REIT Manager**"), and Viva Asset Management Pte. Ltd., as trustee-manager of Viva Industrial Business Trust ("**VI-BT**" and collectively with VI-REIT, the stapled group, Viva Industrial Trust or "**VIT**", and the trustee-manager of VI-BT, the "**Trustee-Manager**", and collectively with the REIT Manager, the "**Managers**"), wish to announce that The Trust Company (Asia) Limited, in its capacity as trustee of VI-REIT (the "**REIT Trustee**") has awarded the construction contract (the "**Construction Contract**") for the addition & alteration ("**A&A**") works in relation to the proposed asset enhancement initiative ("**AEI**") at Technopark@Chai Chee ("**TPCC**") to Wee Poh Construction Co. (Pte.) Ltd. ("**Wee Poh**"), a subsidiary of Ho Lee Group Pte. Ltd. ("**HLG**") (the "**Transaction**").

1.2 Disclosure Requirements under the Listing Manual and the Property Funds Appendix

HLG holds a 27.78% interest in Viva Investment Management Pte. Ltd., which in turn holds a 90.0% interest in each of the Managers. Wee Poh, being a subsidiary of HLG, is considered, for the purpose of the Transaction, to be an "interested party" under Appendix 6 of the Code on Collective Investments Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**") and an "interested person" under the Listing Manual (the "**Listing Manual**") of Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The Managers are making this announcement because the Transaction would constitute an interested person transaction under Chapter 9 of the Listing Manual, as well as an interested party transaction under the Property Funds Appendix. In particular, this announcement is made pursuant to Rule 905 of the Listing Manual, which requires an immediate announcement to be made in respect of any interested person transaction of a value equal to, or more than, 3% of VIT's latest audited net tangible assets ("**NTA**") as at 31 December 2014.

2. NATURE OF TRANSACTION

The Construction Contract is in relation to the A&A works in connection with the AEI to reposition TPCC as a business park with retail and lifestyle amenities. The AEI would involve converting the ground-floor carpark and unutilised areas into retail and commercial space at three of the six blocks at TPCC, as well as enhancing the development's facade and other amenities.

TPCC is currently the only business park development in the vicinity, which is located in close proximity to Bedok Town Centre with easy access to the Bedok and Kembangan Mass Rapid Transit ("**MRT**") stations, as well as the Bedok Bus Interchange.

3. SCOPE OF A&A WORKS AND CERTAIN PRINCIPAL TERMS OF THE CONSTRUCTION CONTRACT

The A&A works to be completed under the Construction Contract comprise the following:

- A&A works in relation to the change of use of the first storey of Blocks 750 and 750A to commercial area ("**Phase One**");
- A&A works in relation to the change of use of the first and second storey of Block 750B to commercial area ("**Phase Two**");
- lift lobby upgrading and various restroom upgrading works for Block 750, Block 750A and Block 750B;
- aluminum facade work for Block 750A;
- new canopies for entrance drop off and covered linkways;
- A&A works for the existing mechanical and electrical services for the affected areas;
- landscaping works including vertical green, water feature and others; and
- signage works.

The principal terms of the Construction Contract include, among others, the following:

- the value of the Construction Contract is a fixed contract sum of S$21,886,200 (the "**Contract Sum**");
- the contractual completion dates for the A&A works for Phase One and Phase Two is 10 December 2015 and 19 May 2016 respectively; and
- Wee Poh shall provide VI-REIT with a performance bond for an amount equivalent to 10% of the Contract Sum.

4. RATIONALE AND BENEFIT OF THE TRANSACTION

4.1 Competitive quote from an experienced contractor

The quote provided by Wee Poh is the most competitive compared to the other quotes received by the REIT Manager from unrelated third party contractors. In addition, the Managers believe that Wee Poh has sufficient experience and expertise to undertake the AEI at TPCC.

4.2 Benefits of the AEI

The Managers believe that the AEI will allow TPCC to benefit from the Housing & Development Board's ("**HDB**") Remaking our Heartland ("**ROH**") plans for the East Coast area[1], which includes a recent revamp of the Bedok Town Centre and the completion of the Bedok Integrated Transport Hub last year. Upcoming ROH plans over the next few years include a new Heritage Corner to be integrated with the Town Plaza, as well as a new Bedok Integrated Complex that will house Kembangan-Chai Chee Community Club, Bedok Sports Centre, Bedok Polyclinic, an Eldercare Centre and Bedok Public Library.

5. STATEMENT FROM THE AUDIT AND RISK COMMITTEE

Having considered the terms and conditions of the Construction Contract, as well as the rationale for entry into the Transaction, the audit and risk committee of the REIT Manager (which comprises the independent directors of the REIT Manager) is of the view that the Transaction is on normal commercial terms and would not be prejudicial to the interests of VIT and its minority stapled securityholders.

6. TOTAL OF ALL INTERESTED PERSON TRANSACTIONS

As at the date of this announcement, the value of all interested person transactions entered into between VIT and HLG and its subsidiaries and associates during the course of the current financial year is approximately S$196,600 (excluding this Transaction). Including the Contract Sum of S$21,886,200 for this Transaction, the value of all interested person transactions entered into between VIT and HLG and its subsidiaries and associates during the course of the current financial year is approximately S$22,082,800 which is equivalent to 4.82% of VIT's latest audited NTA as at 31 December 2014.

As at the date of this announcement, except as disclosed above, there are no other interested person transactions entered into during the current financial year.

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1 HDB's press release, "HDB's Remaking Our Heartland: Rejuvenation of East Coast Area Taking Shape", dated 10 January 2015. The HDB has not provided its consent to the inclusion of the information extracted from the relevant report published by it and is therefore not liable for such information. While the Managers have taken reasonable actions to ensure that the information from the relevant report published by the HDB is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, neither the Managers nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

7. INTERESTS OF DIRECTORS AND CONTROLLING STAPLED SECURITYHOLDERS

As at the date of this announcement and based on information available to the Managers as at the date of this announcement, certain directors of the Managers collectively hold an aggregate direct and indirect interest in 100,581,801 stapled securities in VIT.

Mr Tan Hai Peng, Micheal is a Non-Executive Director of the Managers and an Executive Director of HLG, and a beneficiary of Ho Lee Group Trust which holds a 9.25% interest in VIT. Mr Tan Hai Peng, Micheal also holds a 20.0% interest in Teck Lee Holdings Pte Ltd, which in turn holds a 81.25% interest in HLG.

Save as disclosed above and based on information available to the Managers as at the date of this announcement, none of the directors of the Managers or the controlling stapled securityholders has an interest, direct or indirect, in the Transaction.

8. FINANCIAL IMPACT

The entry into of the Construction Contract is not expected to have any material impact on the net asset value or distribution per stapled security of VIT for the financial year ending 31 December 2015.

9. DOCUMENTS FOR INSPECTION

A copy of the letter of award of the Construction Contract is available for inspection during normal business hours (prior appointment will be appreciated) at the registered office of the Managers at 750 Chai Chee Road, #04-03 Technopark@Chai Chee, Singapore 469000, for a period of three months commencing from the date of this announcement.

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

29 May 2015

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 VIT 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 Security holders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that the Stapled Security holders 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.

The information in this Announcement must not be published outside the Republic of Singapore and in particular, but without limitation, must not be published in any United States edition of any publication.