(a real estate investment trust constituted

on 13 December 2012 under the laws of the Republic of Singapore)

**PROPOSED DIVESTMENT OF KTL OFFSHORE**

## 1. INTRODUCTION

### 1.1 Proposed Divestment of KTL Offshore

SB REIT Management Pte. Ltd., as manager of Soilbuild Business Space REIT ("**Soilbuild REIT**", and as 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 28 December 2017 entered into a put and call option agreement (the "**Option Agreement**") with SB (Pioneer) Investment Pte. Ltd. (the "**Purchaser**") in relation to the proposed divestment (the "**Proposed Divestment**") of the property located at 61 Tuas Bay Drive Singapore 637428 ("**61 Tuas Bay Drive**") and 71 Tuas Bay Drive Singapore 637430 ("**71 Tuas Bay Drive**"), commonly known as KTL Offshore (collectively, the "**Property**") and the mechanical and electrical equipment therein. Pursuant to the Option Agreement, the Trustee has granted the Purchaser a call option ("**Call Option**") over the Property and the mechanical and electrical equipment therein and the Purchaser has granted the Trustee a put option ("**Put Option**") over the Property and the mechanical and electrical equipment therein.

The Purchaser is a wholly-owned subsidiary of Soilbuild Group Holdings Ltd. ("**SBGH**"). SBGH is the sponsor of Soilbuild REIT.

The Property is currently leased to KTL Offshore Pte. Ltd. under a lease agreement (the "**KTL Lease Agreement**") which expires on 25 August 2021. As at 28 December 2017, Soilbuild REIT's trade receivable due from KTL Offshore Pte. Ltd. comprised approximately 6 months of rent and other charges, including a sum of S$1.5 million (the "**Specified Sum**"). The Trustee and KTL Offshore Pte. Ltd. entered into a supplemental deed to the KTL Lease Agreement on 28 August 2017 (the "**Deed**", together with the KTL Lease Agreement, the "**Lease Agreement**") under which Soilbuild REIT has agreed to forbear from exercising its rights and remedies up till 24 August 2023 ("**Forbearance Period**") with respect to the Specified Sum.

The conditions to forbearance include the provision of increasing KTL Offshore Pte. Ltd.'s existing security deposit by S$1.5 million (comprising approximately 4 months' rent and other charges) from S$3.8 million to S$5.3 million and the delivery of a second insurance guarantee for the sum of S$1.5 million for the period from 26 August 2021 to 24 August 2023 from KTL Offshore Pte. Ltd. to Soilbuild REIT not later than 30 days before 25 August

2021.

KTL Offshore Pte. Ltd. is required to pay interest at the rate of 6% per annum on the Specified Sum. Soilbuild REIT shall be entitled to immediately terminate the Forbearance Period prior to 24 August 2023 in the event of a breach by KTL Offshore Pte. Ltd. of any of its obligations under the Deed or the occurrence of any new breach or default under the Lease Agreement. Soilbuild REIT has received an insurance guarantee from Etiqa Insurance amounting to S$5.3 million pursuant to the Deed.

On completion of the Proposed Divestment ("**Completion**"), the Trustee will enter into a deed of novation ("**Novation Deed**") with the Purchaser and KTL Offshore Pte. Ltd. to novate the Lease Agreement to the Purchaser (the "**Novation**", and the Novation together with the Proposed Divestment, the "**Proposed Transaction**").

**1.2 Information on the Property**

Soilbuild REIT had completed the acquisition of the Property on 31 October 2014.

The Property comprises two adjacent detached purpose-built factories located along Tuas Bay Drive, off Tuas South Avenue 2. No. 61 Tuas Bay Drive is a three-storey industrial building with ancillary office while No. 71 Tuas Bay Drive is a part two-/part three-storey building development with an ancillary office. The Property is situated within the Jurong Industrial Estate, some 30 kilometres from the city centre, with a total combined gross floor area of 208,057 square feet.

The Property is comprised in a leasehold estate granted by the Urban Redevelopment Authority for 60 years commencing from 19 July 2006, with a remaining term of approximately 48.6 years as at the date of this announcement.

**1.3 Relationship with the Purchaser**

As at the date of this announcement, Mr Lim Chap Huat holds an aggregate interest in 89,882,965 units in Soilbuild REIT ("**Units**"), which is equivalent to approximately 8.543% of the total number of Units in issue. In addition, Mr Lim Chap Huat wholly-owns SBGH and through SBGH, holds 100.0% of the issued shares of the Manager. Mr Lim Chap Huat is therefore regarded as a "controlling shareholder" of the Manager under Appendix 6 of the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**") and is (for the purposes of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**SGX-ST**" and the Listing Manual, the "**Listing Manual**") an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of Soilbuild REIT.

As Mr Lim Chap Huat holds an indirect 100.0% interest in the Purchaser, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Purchaser (being an associate of a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of Soilbuild REIT.

Therefore, the Proposed Divestment will 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 respect of which the approval of unitholders of Soilbuild REIT ("**Unitholders**") is required. The entry into of the Novation Deed will also constitute an

"interested person transaction" under Chapter 9 of the Listing Manual.

A circular is expected to be issued to Unitholders in due course (the "**Circular**"), together with a notice of extraordinary general meeting, for the purpose of seeking the approval of Unitholders for the Proposed Transaction.

## 2. DETAILS OF THE DIVESTMENT

### 2.1 Transaction Amount and Valuation

The Manager has commissioned an independent property valuer, Savills Valuation and Professional Services (S) Pte Ltd ("**Savills**"), and the Trustee has commissioned another independent property valuer, CBRE Pte Ltd ("**CBRE**", and together with Savills, the "**Independent Valuers**"), to value the Property. The open market values of the Property as determined by Savills and CBRE and stated in their valuation reports dated 21 December 2017 (in the case of Savills) and 14 December 2017 (in the case of CBRE) are S$53.0 million and S$50.4 million respectively. The methods used by Savills were the income capitalisation method, discounted cash flow analysis and direct comparison method and the methods used by CBRE were the discounted cash flow method and the capitalisation analysis.

The purchase consideration (the "**Purchase Consideration**") payable by the Purchaser in connection with the Proposed Divestment is S$55.0 million. The Purchase Consideration will be paid to the Trustee fully in cash.

The Purchase Consideration was arrived at on a willing-buyer and willing-seller basis taking into account the independent valuations of the Property set out above.

### 2.2 Estimated Total Divestment Cost

The total cost of the Proposed Divestment (the "**Total Divestment Cost**") comprises the estimated professional and other fees and expenses of approximately S$0.3 million incurred or to be incurred by Soilbuild REIT in connection with the Proposed Divestment.

The Manager has waived the divestment fee payable to it pursuant to the trust deed dated 13 October 2012 constituting Soilbuild REIT, as amended, varied or supplemented from time to time (the "**Trust Deed**") and intends to finance the Total Divestment Cost with the Purchase Consideration.

### 2.3 Principal Terms of the Option Agreement

The Option Agreement contains customary provisions relating to the Proposed Divestment, including representations and warranties, indemnities and pre-completion covenants regarding the operation of the business, limitations of the Trustee's liabilities and other commercial terms.

Under the terms of the Option Agreement:

(i) pursuant to the Call Option, the Purchaser has the right, subject to the terms and conditions of the Option Agreement, to accept the Trustee's offer to sell to the Purchaser the Property together with the mechanical and electrical equipment therein at the Purchase Consideration on the terms of the Option Agreement and

the Purchase Conditions (as defined herein); and

(ii) pursuant to the Put Option, the Trustee has the right, subject to the terms and conditions of the Option Agreement, to accept the Purchaser's offer to buy the Property together with the mechanical and electrical equipment therein at the Purchase Consideration on the terms of the Option Agreement and the Purchase Conditions.

The exercise of the Call Option by the Purchaser and the exercise of the Put Option by the Trustee shall, in each case, be conditional upon the approval of the Unitholders being obtained at a general meeting of Soilbuild REIT to the Proposed Divestment by 29 March 2018, or such other date as may be mutually agreed between the Trustee and the Purchaser ("**Unitholders Approval**"). The Purchaser is entitled to exercise the Call Option within seven Business Days[1] commencing on the date of service by the Trustee to the Purchaser of a written notice upon obtaining the Unitholders Approval (or such other period as may be agreed in writing between the Trustee and the Purchaser) (the "**Call Option Exercise Period**"). The Trustee is entitled to exercise the Put Option during the period of seven Business Days commencing from the expiry of the Call Option Exercise Period only if the Purchaser does not exercise the Call Option.

The Proposed Divestment is subject to, among others, the following conditions (the "**Purchase Conditions**"):

(i) title to the Property and the mechanical and electrical equipment therein being free from any mortgage, charge, pledge, lien, security interest or encumbrance or any other agreement or arrangement having substantially the same economic effect, including any retention of title arrangement, option or first right of refusal for purchase, affecting the title to the Property or the title to the mechanical and electrical equipment therein at Completion;

(ii) there being no Material Damage (as defined in the Option Agreement) to the Property and/or the mechanical and electrical equipment therein caused by or due to the negligence or default or omission on the part of the Purchaser, its agents, contracts or employees;

(iii) the Purchaser not receiving from any governmental or other regulatory authority, department or body an unsatisfactory reply to its legal requisitions in respect of the Property. An unsatisfactory legal requisition reply shall include the following:

(a) any reply which discloses that any material part of the Property is affected by any road, backlane or drainage proposal or government gazette notification or any other proposed scheme regardless of whether such proposal or scheme is to be implemented before, on or after the date of Completion;

(b) any reply which discloses that any material part of the Property is affected by any notice which has not been complied with by the Trustee and with which the Trustee is unable to comply with before the date of Completion;

1 "**Business Day**" means a day (other than a Saturday, Sunday or any gazetted public holiday in Singapore) on which commercial banks are open for business in Singapore.

(c) any reply from the Land Transport Authority (Rapid Transit Systems) indicating that any material part of the Property is affected by any of the matters stated in the said Authority's prescribed requisition form or which indicates that any material part of the Property is within the safeguarded route protection corridor of any future MRT line; and

(d) any reply from the Building and Construction Authority which discloses that the building(s) erected on the Property are affected by for structural defects;

(iv) there being no acquisition nor notice of intended acquisition of any material part of the Property by the government or other competent authority; and

(v) on Completion and upon the entering into of the Novation Deed, the Purchaser shall pay over to the Trustee the rent, licence fees, service charge, and all other moneys due to the Vendor by KTL Offshore Pte. Ltd. from time to time pursuant to the Lease Agreement (the "**Arrears**") and the Purchaser shall be entitled to the full rights and benefits of the Arrears from KTL Offshore Pte. Ltd..

**2.4 Principal Terms and Conditions of the Novation Deed**

The Lease Agreement will be novated to the Purchaser pursuant to the Novation Deed on the date of Completion.

The lease under the Lease Agreement is for a term expiring on 25 August 2021. Post-Novation, the rental payable to the Purchaser by KTL Offshore Pte. Ltd. for the first year of the lease under the Lease Agreement will be S$3.8 million. The lease is on a double net[2] basis and subject to a rental escalation of 2.5% once every two years and 4.0% for the final year of the lease term.

Pursuant to the terms of the Novation Deed, from the date of Completion:

(i) the Purchaser shall be substituted in place of the Trustee as a party to the Lease Agreement, which shall be construed and treated in all respects as if the Purchaser were named therein instead of the Trustee;

(ii) the Purchaser shall duly and punctually perform all duties and discharge all liabilities and obligations whatsoever from time to time to be performed or discharged by the Purchaser under or by virtue of the Lease Agreement and be bound by the terms of the Lease Agreement in every way as if the Purchaser were named in the Lease Agreement in lieu of the Trustee;

(iii) the Trustee assigns and agrees to assign absolutely to the Purchaser all the Trustee's rights and benefits in, under or arising out of insurance guarantee issued by Etiqa Insurance Pte. Ltd. and furnished by KTL Offshore Pte. Ltd. to the Trustee pursuant to the terms of the Lease Agreement; and

(iv) the Trustee is discharged of all its rights and obligations under the Lease Agreement.

2 "**Double net rent**" refers to KTL Offshore Pte. Ltd.'s obligation to pay rental to Soilbuild REIT as well as undertaking to pay property related expenses such as (i) property tax and (ii) day-to-day maintenance including cleaning, security, utilities, servicing of lifts and other mechanical and electrical items.

## 3. RATIONALE FOR AND BENEFITS OF THE PROPOSED TRANSACTION

The Manager believes that the Proposed Transaction will bring the following key benefits to Unitholders:

### 3.1 Unlocks and releases capital back to Soilbuild REIT, allowing Soilbuild REIT to pursue its growth strategies

Given the relatively short remaining lease term under the Lease Agreement and the increasing credit risk arising from the Lease Agreement, the Proposed Divestment is timely and in line with Manager's strategy of proactively evaluating and rejuvenating its portfolio.

The Proposed Divestment will also unlock and release capital back to Soilbuild REIT. The sale proceeds from the Proposed Divestment, including the Arrears to be received from the Purchaser to the Trustee on Completion of the Proposed Divestment, will be utilised for the repayment of borrowings to reduce Soilbuild REIT's aggregate leverage and increase its flexibility to undertake future acquisition, asset enhancement initiatives or other growth opportunities to enhance returns to Unitholders.

### 3.2 Allows Soilbuild REIT to improve its portfolio diversification

The Proposed Divestment will reduce Soilbuild REIT's exposure to the marine offshore and oil & gas industry from 12.7% to 8.9%, creating an opportunity for Soilbuild REIT to diversify its tenant base. In light of the current weakness in the marine sector, the Manager believes that greater trade sector diversification will allow Soilbuild REIT to ride through the economic and industry cycles.

### 3.3 Minimises Soilbuild REIT's exposure to credit risk

The Proposed Transaction minimises Soilbuild REIT's exposure to credit risk in the form of non-payment of sums due from KTL Offshore Pte. Ltd..

While Soilbuild REIT's credit risk in relation to KTL Offshore Pte. Ltd. was mitigated by the insurance guarantee from Etiqa Insurance, following the completion of the Proposed Divestment and the Novation, Soilbuild REIT will no longer be exposed to KTL Offshore Pte. Ltd..

## 4. USE OF SALE PROCEEDS

After taking into account the divestment related expenses, the net proceeds from the Proposed Divestment would be approximately S$54.7 million, resulting in an estimated net gain from the Proposed Divestment of approximately S$1.7 million[3]. The net proceeds of the Proposed Divestment may be used to fund new acquisitions, repay debt, finance any capital expenditure and asset enhancement works, capital distribution, and/or to finance general corporate and working capital requirements.

3 Calculated based on the higher of the two independent valuations of the Property by the Independent Valuers, being the valuation by Savills of S$53.0 million. For Unitholders' information, the carrying amount of the Property as reflected in Soilbuild REIT's annual report for the financial year ended 31 December 2016 is S$56.0 million, which is based on the independent valuation undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd..

## 5. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED DIVESTMENT

Relevant information relating to the pro forma financial effects of the Proposed Divestment, including its impact on the net asset value per Unit, the distribution per Unit and Soilbuild REIT's aggregate leverage, will be disclosed in the Circular.

## 6. AUDIT & RISK COMMITTEE STATEMENT

The Audit & Risk Committee of the Manager will obtain an opinion from an independent financial adviser on the Proposed Transaction before forming its view, which will be disclosed in the Circular, as to whether the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of Soilbuild REIT and its minority Unitholders.

## 7. OTHER INTERESTED PERSON TRANSACTIONS

In September 2017, Soilbuild REIT awarded a contract with a contract sum of S$2,406,170.68 for the proposed additions and alterations to Eightrium @ Changi Business Park to Soil-Build (Pte.) Ltd. ("**SBPL**"). SBPL is a wholly-owned subsidiary of Soilbuild Construction Group Ltd. ("**SBCG**"). Mr Lim Chap Huat holds 492,560,215 SBCG shares, which is equivalent to 73.2% interest in SBCG. SBCG and SBPL are associates of Mr Lim Chap Huat. In addition, Soilbuild REIT recorded rental income of S$389,000 from SBPL relating to the lease of two units in Tuas Connection and 72 Loyang Way to SBPL under two licence agreements from 1 January 2017 up to the date of this announcement.

Except for the above transactions, transactions which have been specifically approved by Unitholders upon purchase of Units during the initial public offering and listing of Soilbuild REIT[4] and transactions with a value below S$100,000, both the Trustee and the Manager have not entered into any other interested person transactions with the Purchaser, Mr Lim Chap Huat and their respective subsidiaries and associates during the course of the current financial year up to the date of this announcement.

As at the date of this announcement, the aggregate total of all interested person transactions for the current financial year is S$2,802,000[5].

## 8. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, certain director(s) of the Manager collectively hold an aggregate direct and indirect interest in 91,351,465 Units. Further details of the interests in Units of Directors and Substantial Unitholders[6] are set below.

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4 The fees paid to the Manager and the property manager, as disclosed on page 169 of the Soilbuild REIT IPO prospectus dated 7 August 2013, are exempted from Rules 905 and 906 of the Listing Manual, having been specifically approved by Unitholders upon purchase of the Units during the initial public offering and listing of Soilbuild REIT, to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect Soilbuild REIT (the "**Exempted Transactions**").

5 Excludes the Exempted Transactions and transactions for which specific Unitholder approval has been obtained.

6 A "**Substantial Unitholder**" refers to a person with an interest in Units constituting not less than 5.0% of all Units in issue.

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

Mr Chong Kie Cheong is the Chairman and an Independent Non-Executive Director of the Manager. Mr Ng Fook Ai Victor is an Independent Non-Executive Director and Chairman of the Audit & Risk Committee of the Manager. Mr Michael Ng Seng Tat is an Independent Non-Executive Director of the Manager. Mr Lim Chap Huat is a Non-Executive Director of the Manager. Mr Ho Toon Bah is a Non-Executive Director of the Manager. Ms Lim Cheng Hwa is a Non-Executive Director of the Manager.

Based on the Register of Directors' Unitholdings maintained by the Manager and save as disclosed in the table below, none of the Directors currently holds a direct or deemed interest in the Units as at the date of this announcement:

| Name of Directors | Direct Interest | | Deemed Interest | | Total No. of Units held | |
|---|---|---|---|---|---|---|
| | No. of Units | %(1) | No. of Units | %(1) | | %(1) |
| Mr Chong Kie Cheong | 275,000 | 0.03 | - | - | 275,000 | 0.03 |
| Mr Ng Fook Ai Victor | - | - | - | - | - | - |
| Mr Michael Ng Seng Tat(2) | - | - | 687,500 | 0.07 | 687,500 | 0.07 |
| Mr Lim Chap Huat(3) | 89,882,964 | 8.54 | 1 | - | 89,882,965 | 8.54 |
| Mr Ho Toon Bah(4) | - | - | 275,000 | 0.03 | 275,000 | 0.03 |
| Ms Lim Cheng Hwa | 231,000 | 0.02 | - | - | 231,000 | 0.02 |

**Notes**:

(1) The percentage is based on 1,052,111,365 Units in issue as at the date of this announcement.

(2) Mr Michael Ng Seng Tat is deemed to be interested in 687,500 Units held through a nominee account.

(3) Mr Lim Chap Huat is deemed to be interested in the one Unit held by SBGH as Mr Lim Chap Huat directly owns 100% of SBGH.

(4) Mr Ho Toon Bah is deemed to be interested in 110,000 Units held through a nominee account and 165,000 Units held by Ms Tan Swee Fong, the wife of Mr Ho Toon Bah.

Based on the information available to the Manager, the Substantial Unitholders of Soilbuild REIT and their interests in the Units as at the date of this announcement are as follows:

| Name of Substantial Unitholders | Direct Interest | | Deemed Interest | | Total No. of Units held | |
|---|---|---|---|---|---|---|
| | No. of Units | %(1) | No. of Units | %(1) | | %(1) |
| Mr Lim Chap Huat(2) | 89,882,964 | 8.54 | 1 | - | 89,882,965 | 8.54 |
| Mr Lim Han Ren | 70,000,000 | 6.65 | - | - | 70,000,000 | 6.65 |
| Mr Lim Han Qin(3) | 59,000,000 | 5.60 | 11,000,000 | 1.05 | 70,000,000 | 6.65 |

| Name of Substantial Unitholders | Direct Interest | | Deemed Interest | | Total No. of Units held | |
|---|---|---|---|---|---|---|
| | No. of Units | %(1) | No. of Units | %(1) | | %(1) |
| Mr Lim Han Feng(4) | 59,000,000 | 5.60 | 11,000,000 | 1.05 | 70,000,000 | 6.65 |
| Schroders plc(5) | - | - | 55,085,030 | 5.24 | 55,085,030 | 5.24 |
| Wealthy Fountain Holdings Inc(6) | - | - | 68,142,900 | 6.48 | 68,142,900 | 6.48 |
| Shanghai Summit Pte Ltd(7) | - | - | 68,142,900 | 6.48 | 68,142,900 | 6.48 |
| Tong Jinquan(8) | - | - | 70,659,900 | 6.72 | 70,659,900 | 6.72 |

**Notes**:

(1) The percentage is based on 1,052,111,365 Units in issue as at the date of this announcement.

(2) Mr Lim Chap Huat is deemed to be interested in one Unit held by SBGH as Mr Lim Chap Huat directly owns 100% of SBGH.

(3) Mr Lim Han Qin is deemed to be interested in 11,000,000 Units held through a nominee account.

(4) Mr Lim Han Feng is deemed to be interested in 11,000,000 Units held through a nominee account.

(5) Purchased on behalf of clients as Investment Managers.

(6) Wealthy Fountain Holdings Inc is deemed to be interested in 68,142,900 Units held through a nominee account.

(7) Shanghai Summit Pte Ltd is the sole shareholder of Wealthy Fountain Holdings Inc and accordingly, is deemed to be interested in the 68,142,900 Units held indirectly by Wealthy Fountain Holdings Inc.

(8) Mr Tong Jinquan is deemed to be interested in 2,517,000 Units held through a nominee account and 68,142,900 Units held indirectly by Wealthy Fountain Holdings Inc. Wealthy Fountain Holdings Inc is indirectly wholly owned by Mr Tong Jinquan through Shanghai Summit Pte Ltd.

Save as disclosed above and based on information available to the Manager as at the date of this announcement, none of the Directors or the Substantial Unitholders have an interest, direct or indirect, in the Proposed Transaction.

## 9. OTHER INFORMATION

### 9.1 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Proposed Transaction or any other transactions contemplated in relation to the Proposed Transaction.

### 9.2 Relative Figures computed on the Bases set out in Rule 1006 of the Listing Manual

Chapter 10 of the Listing Manual classifies transactions by Soilbuild REIT into (i) non-discloseable transactions, (ii) discloseable transactions and (iii) major transactions, depending on the size of the relative figures computed on, inter alia, the following applicable bases of comparison set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual:

(i) the net asset value of the assets to be disposed of, compared with Soilbuild REIT's net asset value;

(ii) the net profits attributable to the assets disposed of, compared with Soilbuild REIT's net profits; and

(iii) the aggregate value of the consideration received, compared with Soilbuild REIT's market capitalisation.

The relative figures for the Divestment using the applicable bases of comparison described above are set out in the table below:

| Comparison of | Percentage |
|---|---|
| **Rule 1006(a)**<br>Net asset value of the assets to be disposed of, compared with Soilbuild REIT's net asset value for the financial year ended 31 December 2016 | 7.4% |
| **Rule 1006(b)**<br>Net profits attributable to the assets disposed of compared to Soilbuild REIT's net profits[1] for the financial year ended 31 December 2016 | 6.5% |
| **Rule 1006(c)**<br>Aggregate value of consideration received, compared with Soilbuild REIT's market capitalisation for the financial year ended 31 December 2016 | 8.2% |

**Note:**

(1) Assuming net sales proceeds had been used for repayment of borrowings as at 1 January 2016, net profits attributable to the assets disposed of compared to Soilbuild REIT's net profits would have been 3.2%.

### 9.3 Documents for Inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager[7] at 25 Changi South Street 1, SB Building, Singapore 486059 from the date of this announcement up to and including the date falling three months after the date of this announcement:

(i) the Option Agreement

(ii) the Novation Deed;

(iii) the letter from the independent financial adviser setting out its opinion on the Proposed Transaction;

(iv) the independent valuation report on the Property issued by Savills;

(v) the independent valuation report on the Property issued by CBRE;

(vi) the Soilbuild REIT 2016 Audited Financial Statements;

(vii) the written consents of each of the independent financial adviser and the Independent Valuers; and

(viii) the Trust Deed.

7 Prior appointment with the Manager will be appreciated.

BY ORDER OF THE BOARD

SB REIT Management Pte. Ltd.

(Company Registration No. 201224644N)

As Manager of Soilbuild Business Space REIT

Mr Roy Teo

Chief Executive Officer

28 December 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 94.1% as at 30 September 2017.

**For media queries, please contact:**

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**IMPORTANT NOTICE**

The value of 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 or any of its affiliates.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem 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 Soilbuild REIT is not necessarily indicative of the future performance of Soilbuild REIT.