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

ANNOUNCEMENT

UPDATE REGARDING 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**") refers to its announcement titled "FURTHER UPDATE REGARDING TRADE RECEIVABLES DUE FROM NK INGREDIENTS PTE. LTD." in relation to the property located at No 2 Pioneer Sector 1 (the "**Property**"), which was released on 3 July 2019.

As at the date of this announcement, the amount owing by NK Ingredients Pte. Ltd. ("**NK Ingredients**") to Soilbuild REIT including July 2019 rental charges, property tax and land rent is S$2,838,547.79. The amount owing by NK Ingredients has exceeded the security deposit by S$283,209.29. There is a pending application by another creditor for the appointment of a Judicial Manager over NK Ingredients, tentatively fixed to be heard in August 2019 ("**JM Application**"). The Manager will continue to monitor the status of the JM Application in order to achieve the best recovery of the rental arrears by NK Ingredients.

The Property sits on a 572,529 sqft of land parcel within the Jurong Industrial precinct accessible to the key expressways – Ayer Rajah Expressway and Pan Island Expressway. The current plot ratio stands at 0.55 which is below the maximum permissible plot ratio of 1. Whilst continuing to monitor the JM Application, the Manager is concurrently exploring future options which potentially include the outright leasing of the current premises to third parties, as well as potential asset enhancement opportunities to maximise its gross floor area, amongst other possibilities.

As disclosed in our financial results presentation for the second quarter ended 30 June 2019 ("**2Q FY2019**"), NK Ingredients is one of Soilbuild REIT's top ten tenants who accounted for approximately 6.3% of the revenue in 2Q FY2019.

ILLUSTRATIVE PRO FORMA IMPACT ANALYSIS

Assuming a scenario where (i) NK Ingredients was unable to fulfil its lease obligations under the Lease Agreement in 2Q FY2019; and (ii) The Manager was unable to lease out the space occupied by NK Ingredients, the illustrative pro forma financial effect on the distributable income and distribution per unit ("**DPU**") of Soilbuild REIT based on its 2Q FY2019 financial results is as follows:

	2Q FY2019	Pro Forma 2Q FY2019	Change
Distributable income (S$'000)	12,560	11,106	(11.6%)
DPU (cents)	1.179	1.042	(11.6%)

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

26 July 2019

About Soilbuild Business Space REIT

Soilbuild Business Space REIT ("Soilbuild REIT") is a Singapore and Australia-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. Major tenants of the REIT include Dyson Operations, Ubisoft Singapore, Nestle Singapore and John Wiley & Sons. Its Singapore portfolio of properties include Solaris, a landmark development in one-north, Eightrium @ Changi Business Park, Tuas Connection, West Park BizCentral and Bukit Batok Connection. Its Australia portfolio includes an office building at 14 Mort Street in Canberra and a poultry production and processing facility known as Inghams Burton in Adelaide. Soilbuild REIT's portfolio comprises 11 properties in Singapore and 2 properties in Australia with a total net lettable area of 4.03 million square feet and an occupancy rate of 88.6% as at 30 June 2019. Soilbuild REIT was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 16 August 2013 ("Listing Date").

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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.