

1Q FY2020 Results Presentation

16 April 2020



Disclaimer

This presentation should be read in conjunction with the financial statements of Soilbuild Business Space REIT for the first quarter from 1 January 2020 to 31 March 2020 (hereinafter referred to 1Q FY2020).

This presentation is for information only and does not constitute an offer or solicitation of an offer to subscribe for, acquire, purchase, dispose of or sell any units in Soilbuild Business Space REIT (“Soilbuild REIT”, and units in Soilbuild REIT, “Units”) or any other securities or investment.

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The past performance of Soilbuild REIT is not indicative of the future performance of Soilbuild REIT. Similarly, the past performance of SB REIT Management Pte. Ltd. (“Manager”) is not indicative of the future performance of the Manager.

Agenda

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Key Highlights



Key Highlights of 1Q FY2020

1Q FY2020 Results

- Year-on-year (“y-o-y”) gross revenue rose 3.6% due to higher revenue from 25 Grenfell Street and improved occupancy at West Park BizCentral.
- Quarter-on-quarter (“q-o-q”) gross revenue rose 2.9% with a full quarter of revenue contribution from 25 Grenfell Street.
- DPU fell 4.5% q-o-q largely due to lower interest income, higher other trust expenses, lower capital distribution and NPI.
- Capital distributions relating to rental incentives and a rental guarantee provided by the vendors have been deferred.

Corporate and Capital Management

- Weighted average all-in cost of debt is 3.50% p.a. as at 31 March 2020.
- Weighted average debt maturity stands at 2.2 years.
- Fixed interest rate for 89.1% of borrowings.
- Aggregate leverage stood at 38.5% as at 31 March 2020.

Portfolio Update

- Portfolio occupancy rate of 84.7% as at 31 March 2020.
- Weighted average lease expiry (by gross rental income) stands at 3.4 years.
- More than 238,000 sq ft of renewals, forward renewals and new leases signed in 1Q FY2020.
- The Manager intends to redevelop 2 Pioneer Sector 1 to transform the existing facility into a high specs ramp-up warehouse with open yard space.

Covid-19 Updates - Singapore

- Covid-19 pandemic is impacting all social and economic activities worldwide.
- With effect from 7 April 2020, most workplace and retail premises, save for those providing essential services, have been ordered to close until 4 May 2020.
- On 7 April 2020, the Covid-19 (Temporary Measures) Act 2020 (“**Act**”) was enacted to provide relief to tenants who are unable to perform contractual obligations where the inability is to a material extent caused by Covid-19.
 - The period of relief is 6 months from the commencement of the Act or as shortened or extended by the Minister for Law.
 - If the relevant criteria under the Act are satisfied, landlords will not be able to take the following legal actions against the tenants:
 - Court and insolvency proceedings in respect of the tenant’s non-performance of obligations; and
 - Termination of the lease for non-payment of rent.
 - The Act does not cancel the tenant’s obligations such as rent payments, it only prevents landlords from taking any of the legal actions mentioned above.
 - The Ministry of Law will be appointing assessors to resolve disputes should landlords and tenants be unable to reach an amicable interim resolution.
- As part of the Resilience Budget, a property tax rebate of 30% has been granted for office and industrial properties.
 - We will be passing through property tax rebates to the tenants for their respective units.

Covid-19 Updates - Singapore

Impact on Singapore Portfolio

- F&B operators within our business park and industrial portfolio are the first to be negatively impacted by Covid-19. With more companies having implemented telecommuting, coupled with the government's measures on social distancing and the "Circuit Breaker" till 4 May 2020, footfall to our F&B operators have drastically declined. Our F&B tenants contribute approximately S\$165k per quarter or 0.7% to total revenue.
- Ancillary income such as carpark and after office hours air-conditioning charges are expected to decline substantially. Ancillary income constitutes approximately S\$407k per quarter or 1.73% of total revenue.
- Operationally, facilities management has stepped up checks on contractors, cleaning frequency, implemented temperature screening and placed sanitisers at entrances of buildings for all our business park assets. For the industrial assets, our respective tenants are self-contained within their respective units and each organisation will implement their respective precautionary measures.
- Asset management is having on-going dialogues with tenants affected by Covid-19 with a view to strike a "win-win" resolution.

Covid-19 Updates - Australia

- 7 April 2020 – The National Cabinet in Australia has agreed that the various States and Territories of Australia will implement a Code of Conduct to commence on a date to be determined by the Government (“**Code**”).
- Principles of the Code include (but are not limited to):
 - **Termination by landlord:** Landlords must not terminate leases due to non-payment of rent during the COVID-19 pandemic period (or reasonable subsequent recovery period).
 - **Proportionate rent reductions:** Landlords must offer tenants proportionate rent reductions in the form of waivers and deferrals of up to 100% of the amount ordinarily payable, based on the reduction in the tenant’s trade during the COVID-19 pandemic period (and any subsequent reasonable recovery period).
 - **Rental waivers:** Rental waivers must constitute no less than 50% of the total reduction in rent (subject to a tenant’s right to waive this minimum requirement). This amount should be greater where failure to do so would compromise the tenant’s capacity to fulfil their ongoing obligations under the lease.
 - **Rental deferrals:** Payment of rental deferrals by the tenant must be amortised over the balance of the lease term and for a period of no less than 24 months, whichever is the greater (unless otherwise agreed by the parties).
 - **Utilities and services:** Landlords should seek to waive the recovery of expenses or outgoings payable by a tenant during the period a tenant is unable to trade. A landlord may reduce services as required in the circumstances.
 - **No rent increases:** Landlords must freeze rent increases (except for retail leases based on turnover rent) for the duration of the COVID-19 pandemic and a reasonable subsequent recovery period, notwithstanding any other arrangements between the landlord and the tenant.
- The Code applies to those tenancies where the tenant is eligible for the Commonwealth Government’s JobKeeper programme – that is, where the tenant suffers financial stress or hardship as a result of the COVID-19 pandemic and that has an annual turnover of up to A\$50 million (“**SME tenants**”).

Covid-19 Updates - Australia

- Example of Code applied to a reduction in tenant's rent
 - A tenant that suffers a 60% loss in turnover is guaranteed a 60% reduction in their total rent payable during the pandemic period and a subsequent reasonable recovery period.
 - At a minimum, half of this reduction must be provided as a waiver of rent, with the remainder to be provided as a deferral of rent, to be recouped over at least 24 months in a manner negotiated by the parties.
 - Accordingly, if this tenant's rent was \$3,000 per week, they would be entitled to a total rental reduction of \$1,800 during the pandemic period. At least half of this total reduction (\$900) must be waived entirely by the landlord, while the remaining amount must be amortised over a period of at least 24 months, unless the parties agree otherwise.
- Similarly to Singapore, ancillary retail tenants in 25 Grenfell have been negatively impacted due to the drastic decline in footfall as corporate office tenants have started working from home.
- Retail tenants in the Australia Portfolio contribute \$115K per quarter or 0.5% of total revenue.
- Management is in the midst of rolling out a rental relief programme for the retail tenants. For the other office tenants affected by Covid-19, management is reviewing on a case by case basis.
- For the single tenanted buildings – 14 Mort St and Inghams Burton which are leased to the Commonwealth Government of Australia and Inghams Group respectively, we do not foresee any material negative impact arising from the Covid-19 pandemic.

1Q FY2020 Financial Performance



1Q FY2020 Financial Results Q-o-Q

For the period from 1 January to 31 March (S\$'000)	1Q FY2020	4Q FY2019	Variance (‘000)	Variance (%)
Gross Revenue	23,498	22,827	671	2.9
Less Property Expenses	(6,137)	(5,379)	(758)	(14.1)
Net Property Income	17,361	17,448	(87)	(0.5)
Interest Income	25	178	(153)	(86.0)
Foreign exchange (loss)/gain	(7,347)	688	(8,035)	(1,167.9)
Gain on derivative financial instruments	38	180	(142)	(78.9)
Finance Expenses	(4,562)	(4,537)	(25)	(0.6)
Finance expenses on leases (FRS 116)	(481)	(482)	1	0.2
Manager’s management fees	(1,116)	(1,168)	52	4.5
Trustee’s Fees	(68)	(70)	2	2.9
Other Trust Expenses	(359)	(257)	(102)	(39.7)
Net Income before Tax	3,491	11,980	(8,489)	(70.9)
Net change in fair value of investment properties and a property held for sale	-	(10,920)	10,920	100.0
Less: Tax expense	(190)	(1,357)	1,167	86.0
Total Return before distribution	3,301	(297)	3,598	1,211.4
Amount reserved for distribution to perpetual securities holders	(972)	(983)	11	1.1
Net effect of non-tax deductible items ⁽¹⁾	7,436	11,467	(4,031)	(35.2)
Distribution from capital ⁽²⁾	1,400	1,493	(93)	(6.2)
Total amount available for distribution	11,165	11,680	(515)	(4.4)

Note:

- (1) Includes manager’s fees in units, unrealised/capital foreign exchange gains/losses, unrealised gains/losses on derivative financial instruments, amortised debt arrangement, prepayment and structuring fees, non-tax deductible financing expenses, trustee fees, non-tax deductible funding cost for the Australia acquisitions, foreign subsidiaries’ income not yet remitted to Singapore, etc.
- (2) This relates to the distribution of income repatriated from Australia by way of tax deferred distributions. Such distributions are deemed to be capital distribution from a tax perspective and are not taxable in the hands of Unitholders, except for Unitholders who are holding the Units as trading assets.

1Q FY2020 Financial Results Y-o-Y



SoilBuild
BUSINESS SPACE REIT

For the period from 1 January to 31 March (S\$'000)	1Q FY2020	1Q FY2019	Variance (‘000)	Variance (%)
Gross Revenue	23,498	22,684	814	3.6
Less Property Expenses	(6,137)	(4,391)	(1,746)	(39.8)
Net Property Income	17,361	18,293	(932)	(5.1)
Interest Income	25	41	(16)	(39.0)
Foreign exchange (loss)/gain	(7,347)	20	(7,367)	n.m.
Gain/(loss) on derivative financial instruments	38	(5)	43	860.0
Finance Expenses	(4,562)	(4,171)	(391)	(9.4)
Finance expenses on leases (FRS 116)	(481)	(489)	8	1.6
Manager’s management fees	(1,116)	(1,274)	158	12.4
Trustee’s Fees	(68)	(62)	(6)	(9.7)
Other Trust Expenses	(359)	(240)	(119)	(49.6)
Net Income before Tax	3,491	12,113	(8,622)	(71.2)
Less: Tax expense	(190)	(75)	(115)	(153.3)
Total Return before distribution	3,301	12,038	(8,737)	(72.6)
Amount reserved for distribution to perpetual securities holders	(972)	(962)	(10)	(1.0)
Net effect of non-tax deductible items ⁽¹⁾	7,436	1,286	6,150	478.2
Distribution from capital ⁽²⁾	1,400	378	1,022	270.4
Total amount available for distribution	11,165	12,740	(1,575)	(12.4)

Note:

- (1) Includes manager’s fees in units, unrealised/capital foreign exchange gains/losses, unrealised gains/losses on derivative financial instruments, amortised debt arrangement, prepayment and structuring fees, non-tax deductible financing expenses, trustee fees, non-tax deductible funding cost for the Australia acquisitions, foreign subsidiaries’ income not yet remitted to Singapore, etc.
- (2) This relates to the distribution of income repatriated from Australia by way of tax deferred distributions. Such distributions are deemed to be capital distribution from a tax perspective and are not taxable in the hands of Unitholders, except for Unitholders who are holding the Units as trading assets.
- (3) N.m. denotes not meaningful.

Distribution per Unit

1Q FY2020 vs 4Q FY2019	1Q FY2020	4Q FY2019	Variance (%)
Total amount available for distribution (S\$'000)	11,165	11,680	(4.4)
Distribution per Unit ("DPU") (cents)	0.883 ⁽¹⁾	0.925	(4.5)

1Q FY2020 vs 1Q FY2019	1Q FY2020	1Q FY2019	Variance (%)
Total amount available for distribution (S\$'000)	11,165	12,740	(12.4)
Distribution per Unit ("DPU") (cents)	0.883 ⁽¹⁾	1.198	(26.3)
Annualised Distribution Yield	11.0% ⁽²⁾	7.8% ⁽³⁾	3.2 ⁽⁴⁾
Units in Issue ⁽⁵⁾	1,263,903,222	1,063,335,495	18.9

Note:

- (1) In view of the COVID-19 situation, the Manager excluded the following capital distributions to conserve Soilbuild REIT's capital: (i) S\$0.5 million relating to reimbursement received from vendors in relation to outstanding incentives that were subsisting at the point of completion of acquisition of properties; and (ii) S\$0.3 million relating to rental guarantee provided by the vendor of 25 Grenfell Street. Had the above capital distributions been included, 1Q FY2020 DPU would have been 0.950 cents.
- (2) Based on the closing price of S\$0.320 as at 31 March 2020.
- (3) Based on the closing price of S\$0.615 as at 29 March 2019.
- (4) In percentage points.
- (5) Based on Units in issue as at 31 March 2020 and 29 March 2019.

1Q FY2020 Distribution

Breakdown of DPU

1Q FY2020

Distribution Type	Operations	Capital	Total
Distribution per Unit (“DPU”) (cents)	0.773 ⁽¹⁾	0.110	0.883 ⁽¹⁾

Distribution Details

1Q FY2020

Distribution Period	1 January 2020 – 31 March 2020
Distribution Amount	SGD 0.883 cents per unit

Distribution Timetable

1Q FY2020

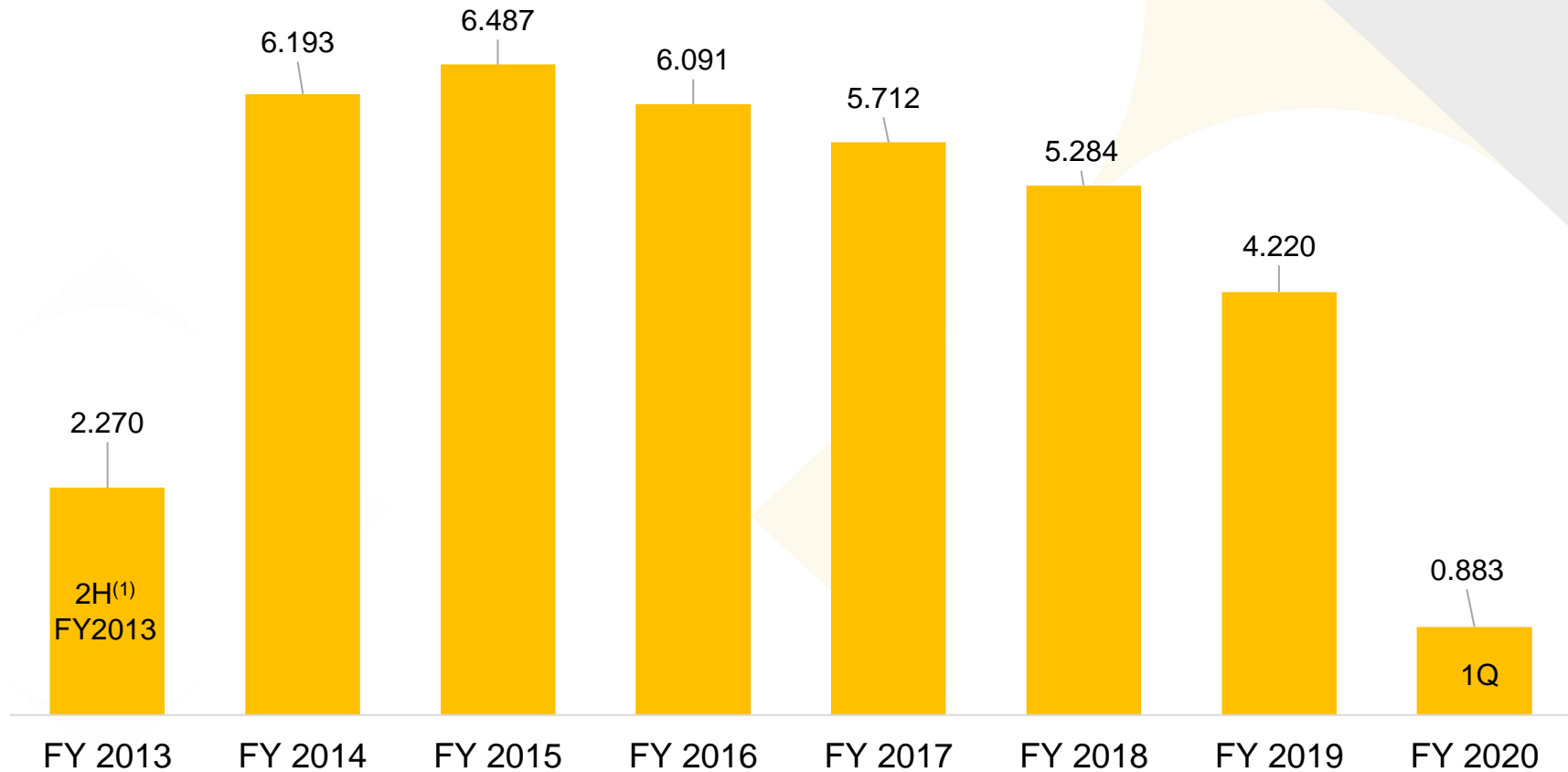
Last Day of Trading on “cum” Basis	Wednesday, 22 April 2020
Ex-Date	Thursday, 23 April 2020
Books Closure Date	Friday, 24 April 2020
Distribution Payment Date	Friday, 22 May 2020

Note:

- (1) In view of the COVID-19 situation, the Manager excluded the following capital distributions to conserve Soilbuild REIT’s capital: (i) S\$0.5 million relating to reimbursement received from vendors in relation to outstanding incentives that were subsisting at the point of completion of acquisition of properties; and (ii) S\$0.3 million relating to rental guarantee provided by the vendor of 25 Grenfell Street. Had the above capital distributions been included, 1Q FY2020 DPU would have been 0.950 cents and DPU from capital would have been 0.177 cents.

Distributions Since IPO

Distribution per Unit (cents)



Cumulative DPU of 37.14 cents

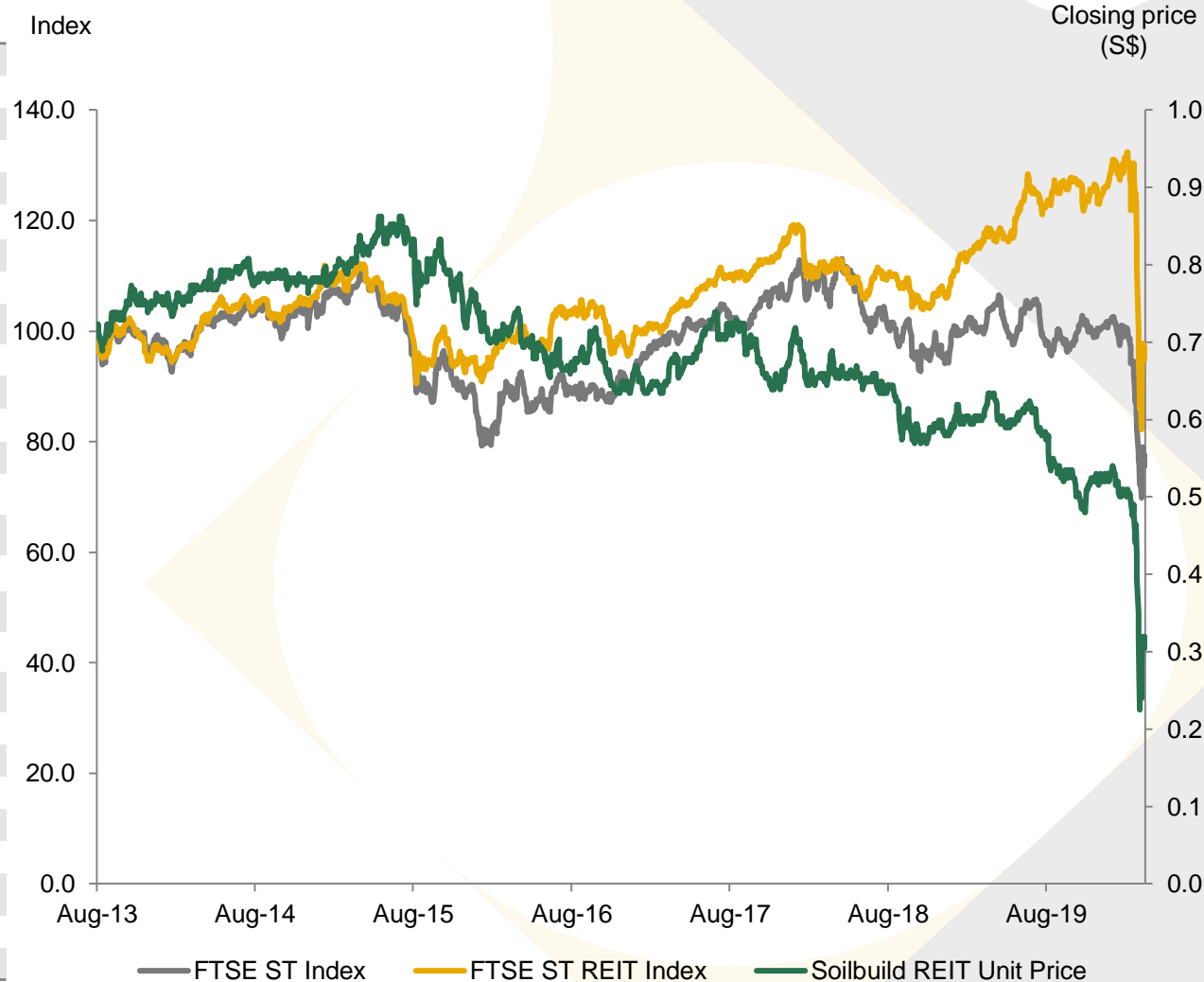
Note:
(1) From 16 August 2013 to 31 December 2013.

Income Distributions since IPO

Cumulative DPU of 37.1 cents

Distribution Yield = 11.0%⁽³⁾

	Price ⁽¹⁾ (S\$)	Cumulative DPU (cents)	Cumulative Distribution Returns ⁽²⁾ (%)
3Q 2013	0.745	0.760	0.97
4Q 2013	0.770	2.270	2.91
1Q 2014	0.780	3.832	4.91
2Q 2014	0.800	5.332	6.84
3Q 2014	0.795	6.878	8.82
4Q 2014	0.790	8.463	10.85
1Q 2015	0.810	10.096	12.94
2Q 2015	0.850	11.711	15.01
3Q 2015	0.805	13.336	17.10
4Q 2015	0.770	14.950	19.17
1Q 2016	0.730	16.507	21.16
2Q 2016	0.685	18.072	23.17
3Q 2016	0.700	19.471	24.96
4Q 2016	0.640	21.041	26.98
1Q 2017	0.675	22.530	28.88
2Q 2017	0.720	23.996	30.76
3Q 2017	0.700	25.370	32.53
4Q 2017	0.670	26.753	34.30
1Q 2018	0.650	28.077	36.00
2Q 2018	0.650	29.341	37.62
3Q 2018	0.600	30.586	39.21
4Q 2018	0.580	32.037	41.07
1Q 2019	0.615	33.235	42.61
2Q 2019	0.615	34.414	44.12
3Q 2019	0.535	35.332	45.30
4Q 2019	0.520	36.257	46.48
1Q 2020	0.320	37.140	47.62



Note:

(1) Based on closing price on last trading day of each quarter.

(2) Based on cumulative distribution per unit against IPO price of S\$0.78.

(3) Based on annualized FY2020 DPU of 3.532 cents and Unit price of \$0.320 as at 31 March 2020.

Source: Bloomberg

Financial Position / Capital Management



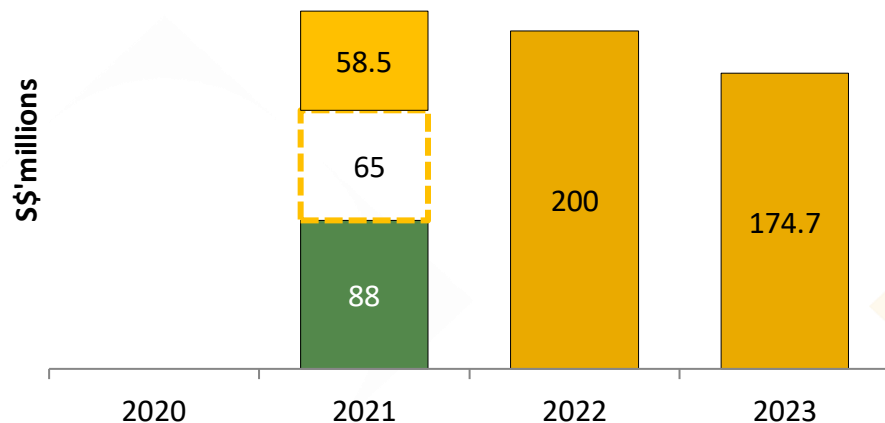
1Q FY2020 Financial Results – Statement of Financial Position

Group (S\$'000)	31 March 2020	31 December 2019
Investment Properties	1,335,191	1,350,360
Property held for sale	34,836	34,531
Other Assets	20,618	22,486
Total Assets	1,390,645	1,407,377
Borrowings	521,029	521,364
Lease Liabilities	36,064	36,001
Other Liabilities	40,150	37,515
Net Assets	793,402	812,497
Units in Issue	1,263,903	1,261,711
Represented by:		
Unitholders' funds	728,714	746,836
Perpetual securities holders	64,688	65,661
Net Asset Value per Unit (S\$)	0.58	0.59

Prudent Capital Management

1) Fixed interest rate for 89.1% of borrowings

■ MTN ■ Bank Facility drawn down ■ Perpetual Securities



% of Debt and Perpetual Securities Maturing	2020	2021	2022	2023
	-	36.1%	34.1%	29.8%

2) Aggregate leverage of 38.5%⁽¹⁾ allows debt headroom of S\$32.9 million⁽²⁾

	31 March 2020
Total Bank Debt Drawn Down	S\$498.2 million
Multicurrency Debt Issuance Programme drawn down	S\$88.0 million
Unencumbered Investment Properties & a property held for sale	S\$991.9 million
Average All-in Interest Cost	3.50% p.a.
Interest Coverage Ratio ⁽³⁾	3.4x
Weighted Average Debt Maturity	2.2 years

Notes:

- (1) Includes deferred payment of S\$0.2 million due to SB (Solaris) Investment Pte. Ltd and insurance guarantees of S\$0.6 million issued to utility supply providers. Lease liabilities and right-of-use assets (included in investment properties and a property held for sale) are excluded from the computation of aggregate leverage.
- (2) Based on target aggregate leverage of 40%.
- (3) Computed based on 1Q FY2020 earnings before net interest expense, tax and unrealised foreign exchange losses/Net interest expense (Finance expense – Interest income). Net finance expenses exclude finance expenses on leases (FRS 116).

Portfolio Update

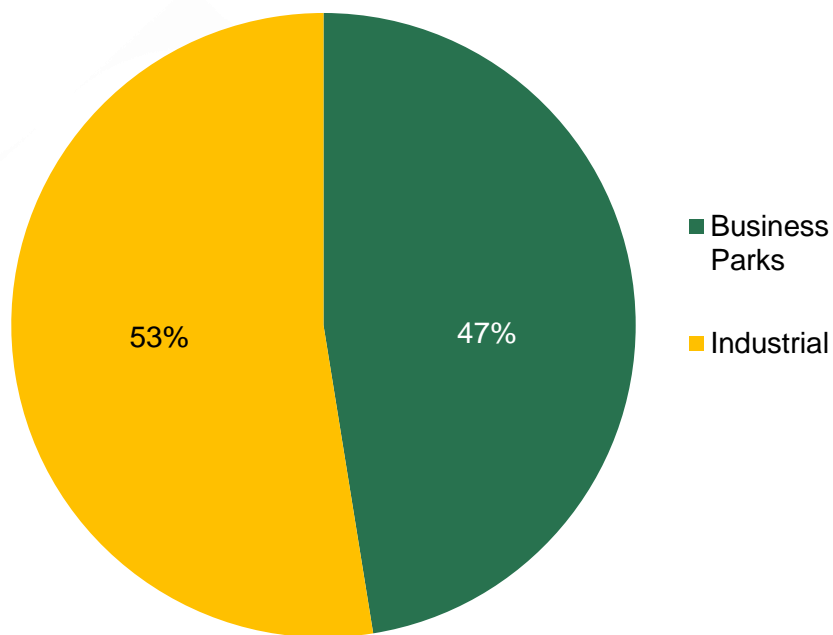


Soilbuild Portfolio Overview

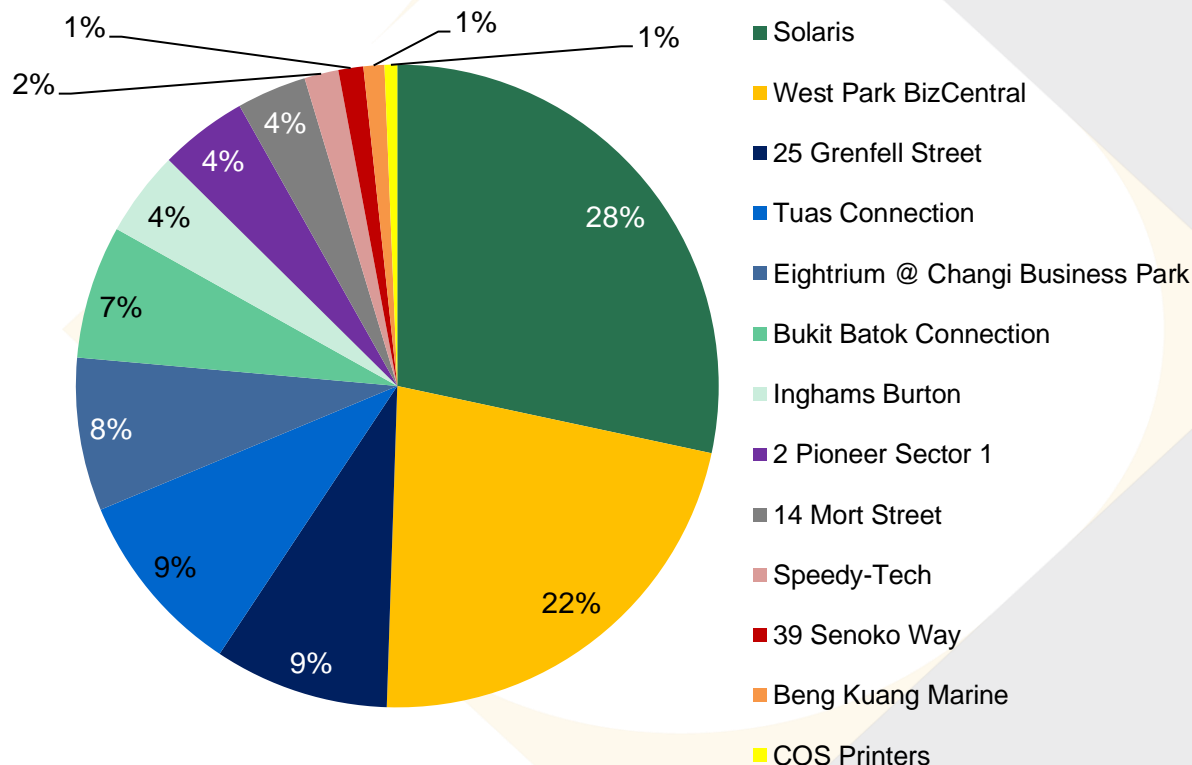
Portfolio Asset Value		
Singapore ⁽²⁾	S\$1,112.1 million	83.4%
Australia ⁽³⁾	S\$221.4 million	16.6%
Total	S\$1,333.5 million	100.0%

Portfolio Summary	
Total NLA	4.12 million sq ft
WALE (by GRI)	3.4 years
Occupancy	84.7%

Portfolio Asset Value by Asset Class



Portfolio Property by Asset Value



Notes:

- (1) Information as at 1Q 2020.
- (2) Based on Savills & Colliers' valuations dated 31 December 2019 for business park properties and industrial properties respectively. Includes right-of-use assets arising from the adoption of FRS 116 Leases and capital expenditure incurred in YTD 2020.
- (3) Based on Colliers' valuations for 14 Mort Street and Inghams Burton dated 31 December 2019 and 25 Grenfell Street dated 1 November 2019 and on the exchange rate of A\$1:00:S\$0.87.

Singapore Portfolio

- Business Park Properties
- Industrial Properties



Tuas Connection

NLA: 651,072 sq ft
Valuation: S\$125.2 million



2 Pioneer Sector 1

NLA: 312,375 sq ft
Valuation: S\$59.0 million



COS Printers

NLA: 58,752 sq ft
Valuation: S\$8.5 million



39 Senoko Way

NLA: 95,250 sq ft
Valuation: S\$16.7 million



BK Marine

NLA: 73,737 sq ft
Valuation: S\$14.0 million



Speedy-Tech

NLA: 93,767 sq ft
Valuation: S\$22.9 million



West Park BizCentral

NLA: 1,240,583 sq ft
Valuation: S\$295.6 million



Bukit Batok Connection

NLA: 377,776 sq ft
Valuation: S\$89.4 million



Solaris

NLA: 442,755 sq ft
Valuation: S\$378.1 million



Eightrium

NLA: 177,745 sq ft
Valuation: S\$102.7 million



Singapore Portfolio Summary	
Total NLA	3.52 million sq ft
Occupancy	82.9%
WALE (by GRI)	2.3 years

Notes:
 (1) Information as at 1Q 2020.
 (2) Based on Savills & Colliers' valuations dated 31 December 2019 for business park properties and industrial properties respectively. Includes right-of-use assets arising from the adoption of FRS 116 Leases and capital expenditure incurred in YTD 2020.

Australia Portfolio



**25 Grenfell Street,
Adelaide**

NLA: 269,520 sq ft
Valuation: S\$119.0 million



**Inghams Burton,
Adelaide**

NLA: 230,608 sq ft
Valuation: S\$57.3 million



Australia Portfolio Summary

Total NLA	601,132 sq ft
Occupancy	95.2%
WALE (by GRI)	7.1 years



**14 Mort Street,
Canberra**

NLA: 101,004 sq ft
Valuation: S\$46.8 million

- Office
- Industrial

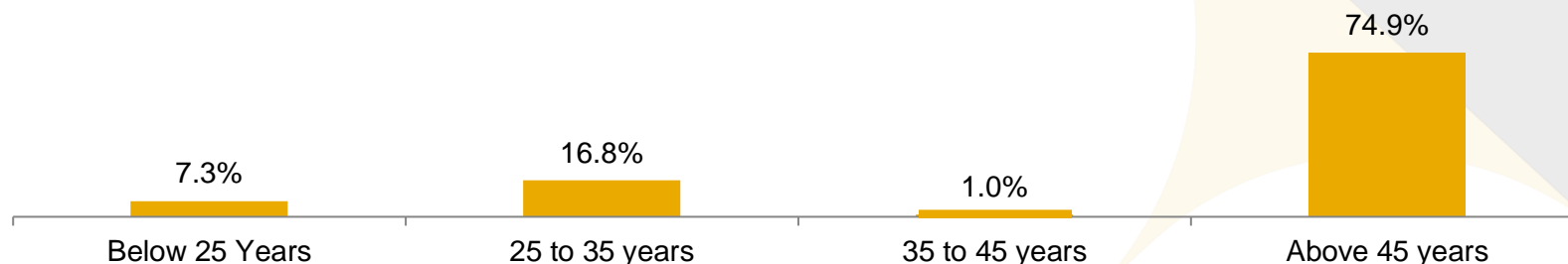
Notes:

(1) Based on Colliers' valuations for 14 Mort St and Inghams Burton dated 31 December 2019 and for 25 Grenfell St dated 1 November 2019 and on the exchange rate of A\$1:00:S\$0.87. Includes capital expenditure incurred in YTD 2020.

Long Land Lease Expiry

Percentage of Unexpired Land Lease Term (72 Loyang Way excluded)

By Valuation



Long Average Land Lease Tenure of 51.3 Years ⁽³⁾ (by valuation)

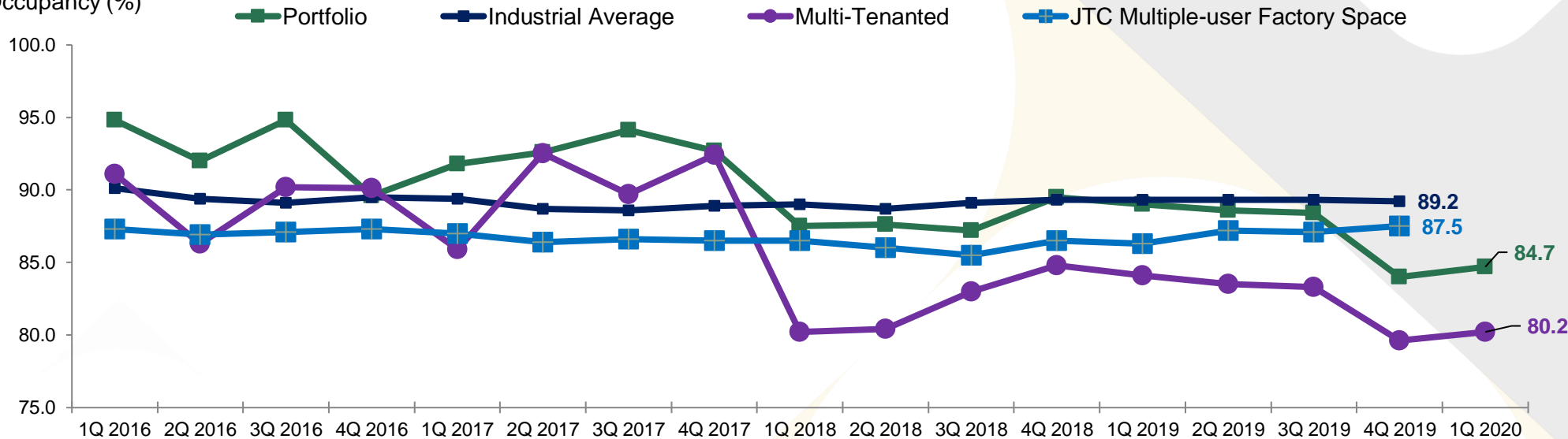
Property	Acquisition Date	Land Lease Expiry Date	Valuation (S\$m) ⁽¹⁾
Solaris	16-Aug-13	31-May-68	378.1
Eightrium	16-Aug-13	15-Feb-66	102.7
West Park BizCentral	16-Aug-13	31-Jul-68	295.6
Tuas Connection	16-Aug-13	30-Sep-50	125.2
2 Pioneer Sector 1	15-Feb-13	30-Sep-46	59.0
COS Printers	19-Mar-13	31-Jul-42	8.5
Beng Kuang Marine	10-May-13	29-Oct-56	14.0
39 Senoko Way (Phase 1)	26-May-14	15-Feb-54	16.7
39 Senoko Way (Phase 2)	25-Nov-16		
Speedy-Tech	23-Dec-14	30-Apr-50	22.9
Bukit Batok Connection	27-Sep-16	25-Nov-42	89.4
14 Mort Street, Canberra ⁽²⁾	5-Oct-18	6-Feb-2118	46.8
Inghams Burton, Adelaide	5-Oct-18	Freehold	57.3
25 Grenfell Street, Adelaide	1-Nov-19	Freehold	119.0

Notes:

- (1) Based on Savills & Colliers' valuations of Singapore assets dated 31 December 2019 and Colliers' valuation of 14 Mort St and Inghams Burton as at 31 December 2019 and 25 Grenfell St as at 1 November 2019, based on the exchange rate of A\$1:00:S\$0.87. Includes right-of-use assets arising from the adoption of FRS 116 Leases and capital expenditure incurred in YTD 2020.
- (2) Crown leasehold title - If neither the state nor the federal government needs the land for a public purpose, it can request for an additional term not exceeding 99 years.
- (3) For the calculation of average land lease tenure by valuation, Inghams Burton and 25 Grenfell Street have been assumed as a 99-year leasehold interest.

Portfolio Occupancy

Occupancy (%)



	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Multi-Tenanted Properties	91.1%	86.3%	90.2%	90.1%	85.9%	92.5%	89.7%	92.4%	80.2%	80.4%	83.0%	84.8%	84.1%	83.5%	83.3%	79.6%	80.2%
JTC Multiple-User Factory space ⁽¹⁾	87.3%	86.9%	87.1%	87.3%	87.0%	86.4%	86.6%	86.5%	86.5%	86.0%	85.5%	86.5%	86.3%	87.2%	87.1%	87.5%	-
Portfolio	94.8%	92.0%	94.8%	89.6%	91.8%	92.6%	94.1%	92.7%	87.5%	87.6%	87.2%	89.5%	89.0%	88.6%	88.4%	84.0%	84.7%
JTC Industrial Average ⁽¹⁾	90.1%	89.4%	89.1%	89.5%	89.4%	88.7%	88.6%	88.9%	89.0%	88.7%	89.1%	89.3%	89.3%	89.3%	89.3%	89.2%	-

Notes:

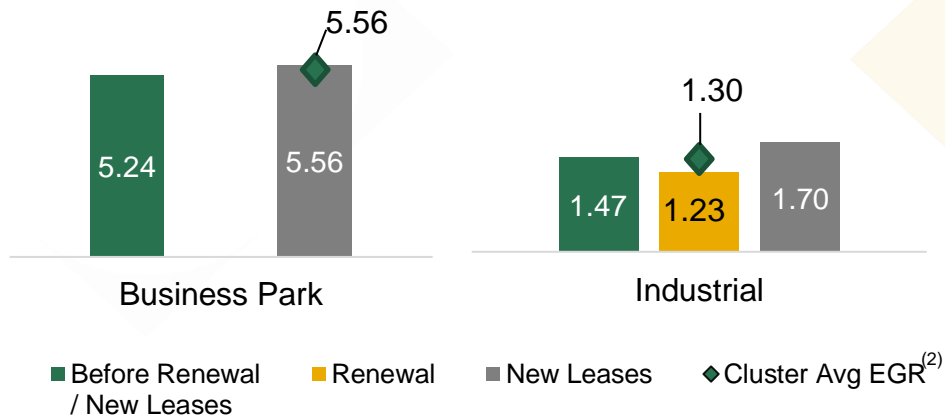
(1) Source: JTC statistics as at 4Q 2019.

Leasing Update

	No. of Leases	Area (sq ft)	Avg. EGR before Renewal / New Leases (\$ psf)	Avg. EGR after Renewal / New Leases (\$ psf)	Rental Reversion
1Q FY2020					
Renewal / Forward Renewal	7	197,015	1.44	1.23	(14.6%)
New Leases	6	40,637	2.56	2.66	3.9%
Total	13	237,652	1.63	1.48	(9.2%)

Effective Gross Rent (psf/mth)

for leases signed in 1Q FY2020 by Cluster⁽¹⁾



Business Park	Industrial
Renewal/ Forward Renewal Leases	
-	197,015 sqft (7 leases)
New Leases	
9,890 sqft (2 leases)	30,747 sqft (4 leases)

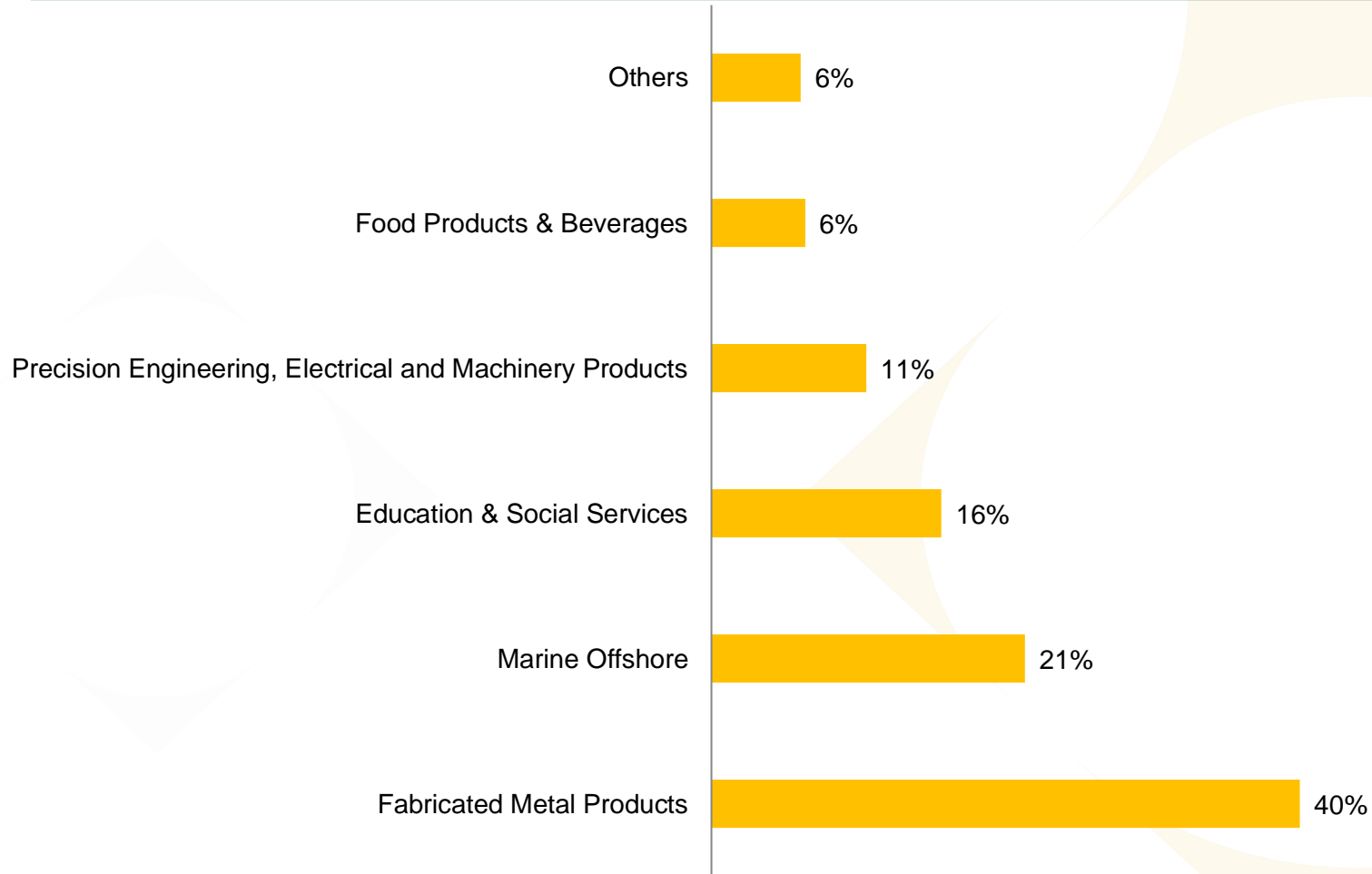
Note:

- (1) Business Park cluster comprises Solaris and 25 Grenfell Street, Industrial Cluster comprises Tuas Connection, West Park BizCentral, 39 Senoko Way and Beng Kuang Marine.
- (2) Cluster Average EGR indicates the average EGR of leased area for the respective Cluster as at 31 March 2020.

Trade Sector of Leases Signed

For leases signed in 1Q FY2020

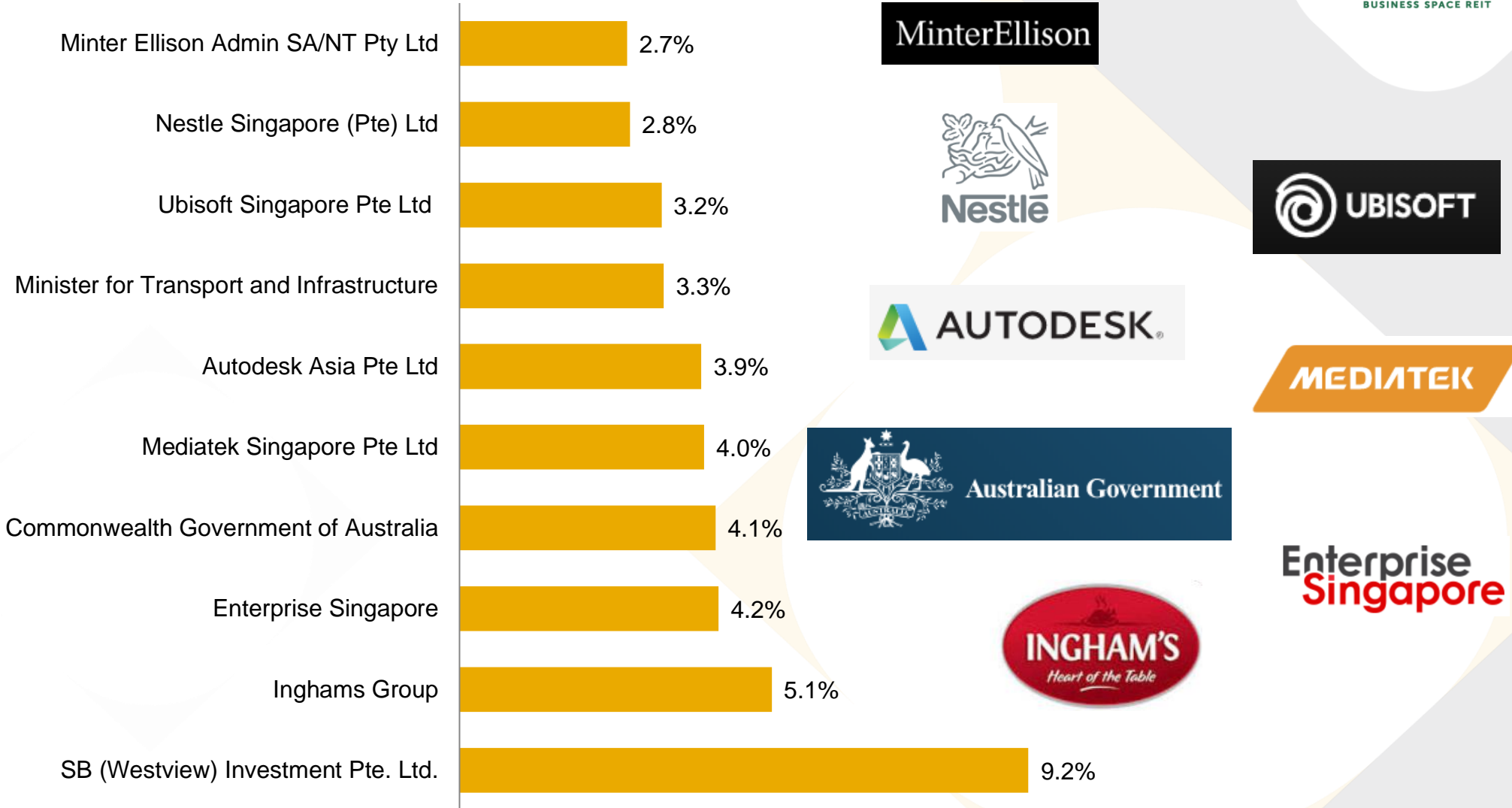
By Gross Rental Income



Note:

- (1) Any discrepancies between the figures in the chart are due to rounding;
- (2) Information as at 31 March 2020.

Diverse Tenant Base

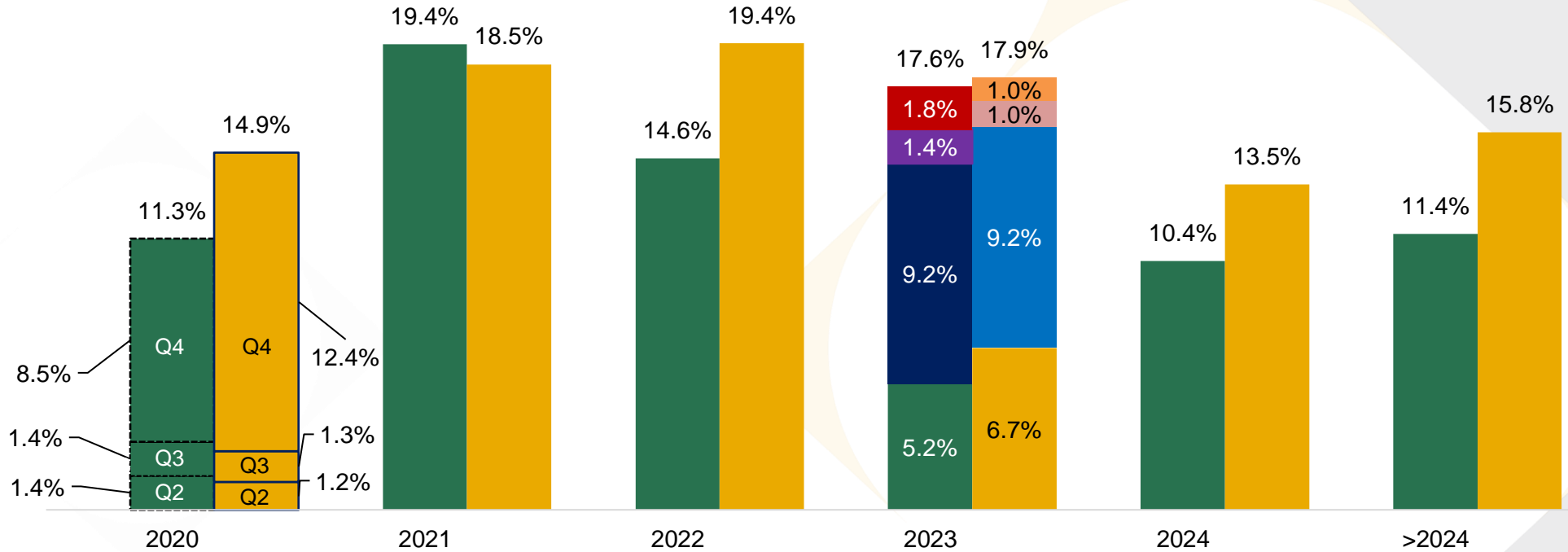


Top 10 tenants contribute 42.5% of monthly gross rental income.

Well Staggered Lease Expiry Profile

WALE (by NLA)	2.8 years	WALE (by Gross Rental Income)	3.4 years
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WALE of leases signed in 1Q FY2020 was 3.6 years (by GRI)



- Lease Expiry Profile By NLA
- BBC Expiry by NLA
- COS Printers Expiry by NLA
- Beng Kuang Marine Expiry by NLA

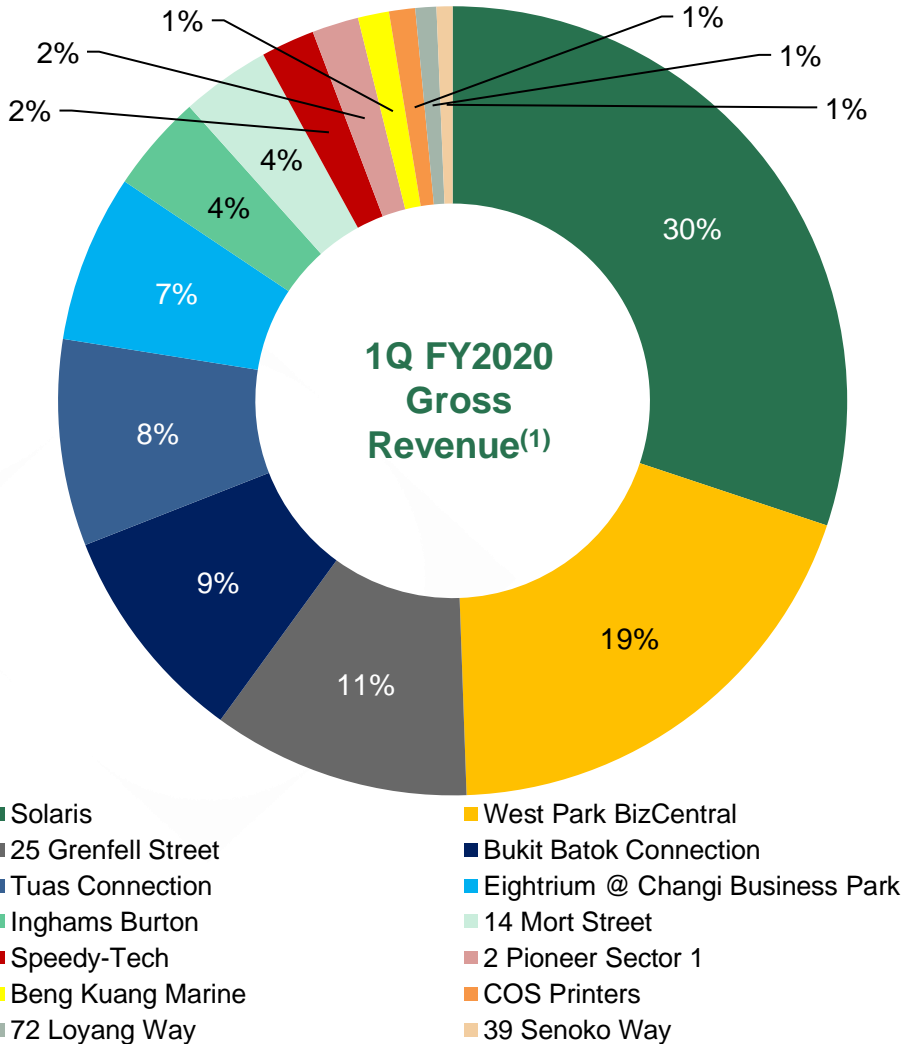
- Lease Expiry Profile By Gross Rental Income
- BBC Expiry by Gross Rental Income
- COS Printers Expiry by Gross Rental Income
- Beng Kuang Marine Expiry by Gross Rental Income

Note:
 (1) Information as at 31 March 2020.
 (2) Discrepancies between the figures in the chart are due to rounding.

Well diversified Portfolio

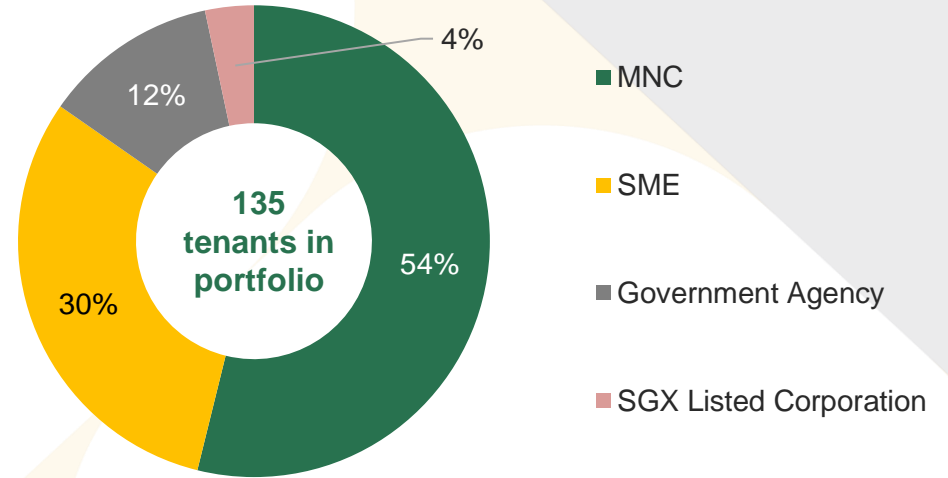
Portfolio Income Spread⁽¹⁾

By Property



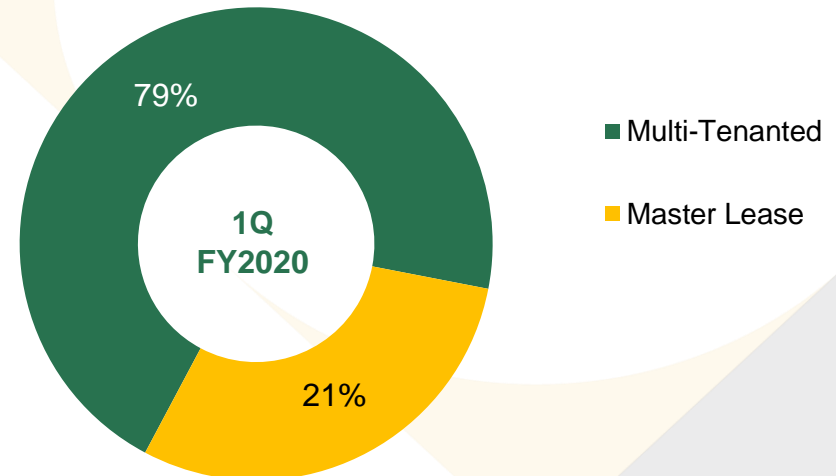
Diversified Tenant Base

By Gross Revenue



Portfolio of Multi-tenanted and Master Leases

By Gross Revenue⁽¹⁾



Note:

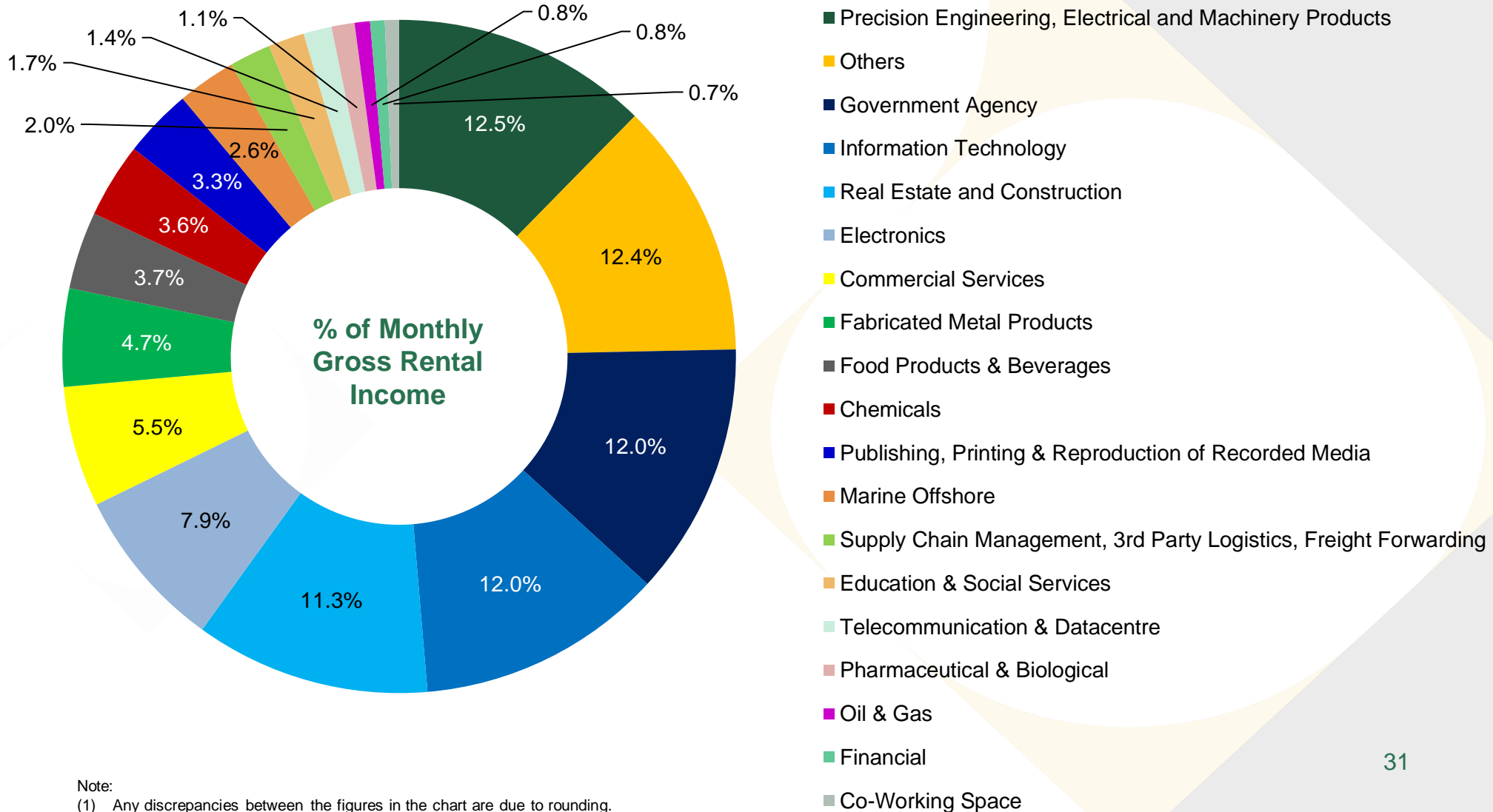
(1) Any discrepancies between the figures in the chart are due to rounding.

(2) Information as at 31 March 2020.

Well diversified Portfolio

Well-spread Trade Sectors

By Gross Rental Income



Note:

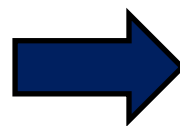
- (1) Any discrepancies between the figures in the chart are due to rounding.
- (2) Information as at 31 March 2020.

Redevelopment Plan of 2 Pioneer Sector 1



2 Pioneer Sector 1 – Redevelopment

Before



After



	Pre-Redevelopment	Post-Redevelopment	
Property Description	Seven blocks of office, laboratory, warehouse and production facilities and associated structures	Ramp-up warehouse facility with open yard space	
Valuation	S\$48.3 million ⁽¹⁾	S\$113.0 million ⁽²⁾	S\$142.0 million ⁽²⁾
Plot Ratio	0.55	1.00	1.32 ⁽³⁾
GFA (sqm)	29,020	53,190	70,210
Open yard space (sqm)	-	11,250	11,250

⁽¹⁾ Based on Colliers' valuation dated 31 December 2019. The carrying value including right-of-use assets is S\$59.0 million.

⁽²⁾ Based on Savills' valuation of the asset (post-redevelopment) as at 6 March 2020.

⁽³⁾ Subject to JTC and the relevant authorities' approval to increase the plot ratio to 1.32.

2 Pioneer Sector 1 – Redevelopment



Artist's impression of 2 Pioneer Sector 1 (post-redevelopment)

Summary of Redevelopment – Financials

2 Pioneer Sector 1 Redevelopment Plan

Site Area (sqm)	53,189.70	53,189.70
Plot Ratio	1.00	1.32 ⁽¹⁾
Proposed GFA (sqm)	53,190	70,210
Proposed NLA (sqm)	50,783	67,715
Open yard space (sqm)	11,250	11,250
Construction Cost	S\$75.8 million	S\$78.2 million
Total Development Costs ⁽²⁾	S\$81.6 million	S\$91.2 million
Proposed Design & Build Contractor	Soil-Build Pte. Ltd. (“ SBPL ”) ⁽³⁾	
Expected Commencement	2Q 2020	
Construction Period	14 months	16 months
Target Completion	3Q 2021	4Q 2021

Method of Financing

Plot Ratio	1.00	1.32
Aggregate Leverage (based on 100% debt)	42.2%	42.0% ⁽⁴⁾

⁽¹⁾ Subject to JTC and the relevant authorities' approval to increase the plot ratio to 1.32.

⁽²⁾ Total development costs means the total of all costs incurred for the redevelopment which include items such as construction cost, consultant fees, development management fees, land rent and property tax and interest expenses.

⁽³⁾ Subject to Unitholders' approval at an Extraordinary General Meeting.

⁽⁴⁾ Lower projected aggregate leverage for plot ratio 1.32 as compared to plot ratio 1.00 as the effect of valuation uplift outweighs the increase in borrowings.

Benefits of the Redevelopment

Unlocks Value



- Appraised value of the asset is expected to increase to S\$113.0 million ⁽¹⁾ (based on plot ratio 1.00) and S\$142.0 million ⁽¹⁾ (based on plot ratio 1.32).

Enhances Existing Asset



- Transforms the asset into a high-quality ramp-up warehouse with open yard space designed for the future
- Maximizes the asset's plot ratio and doubles the existing GFA

Strengthens Portfolio



- Repositions Soilbuild REIT's portfolio for long-term growth
- In line with the Manager's investment strategy of improving portfolio value through selective enhancement of its existing assets

⁽¹⁾ Based on Savills' valuation of the asset (post-redevelopment) as at 6 March 2020.

Market Update & Outlook

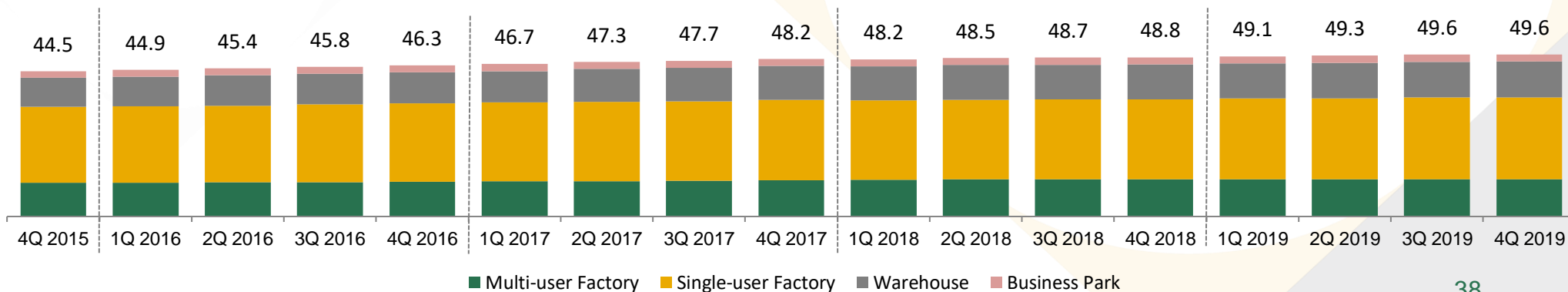


Industrial Properties Profile

	4Q 2015 vs 4Q 2016		4Q 2016 vs 4Q 2017		4Q 2017 vs 4Q 2018		4Q 2018 vs 4Q 2019	
Change y-o-y	Vacancy Rate ⁽¹⁾	Rental Index	Vacancy Rate ⁽¹⁾	Rental Index	Vacancy Rate ⁽¹⁾	Rental Index	Vacancy Rate ⁽¹⁾	Rental Index
Multi-user	0.1% ↓	7.7% ↓	0.8% ↑	2.8% ↓	0.0%	0.1% ↓	1.0% ↓	0.1% ↓
Single-user	1.4% ↑	6.6% ↓	0.7% ↑	2.6% ↓	0.7% ↓	1.9% ↓	0.1% ↑	0.5% ↑
Warehouse	1.7% ↑	6.4% ↓	0.6% ↑	5.7% ↓	0.4% ↓	0.9% ↓	1.5% ↑	0.2% ↓
Business Park	1.1% ↑	0.5% ↑	3.6% ↓	3.3% ↑	1.7% ↑	2.8% ↑	1.3% ↓	1.3% ↑

Total Industrial Stock ('million sq m)

Increase y-o-y	4Q 2015 vs 4Q 2016	4Q 2016 vs 4Q 2017	4Q 2017 vs 4Q 2018	4Q 2018 vs 4Q 2019
Multi-user	2.2%	4.8%	2.2%	-0.1%
Single-user	3.3%	1.9%	0.0%	2.3%
Warehouse	6.6%	10.2%	2.4%	2.8%
Business Park	11.6%	0.1%	2.0%	0.6%

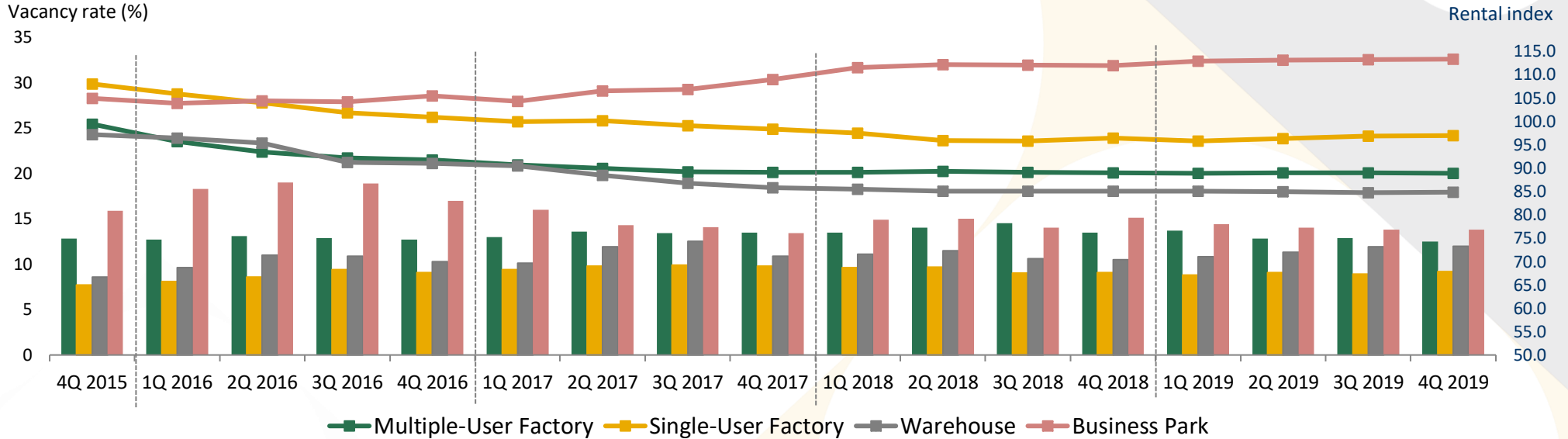


Source: JTC Statistics as at 4Q 2019.

(1) In percentage point

Industrial Properties Profile

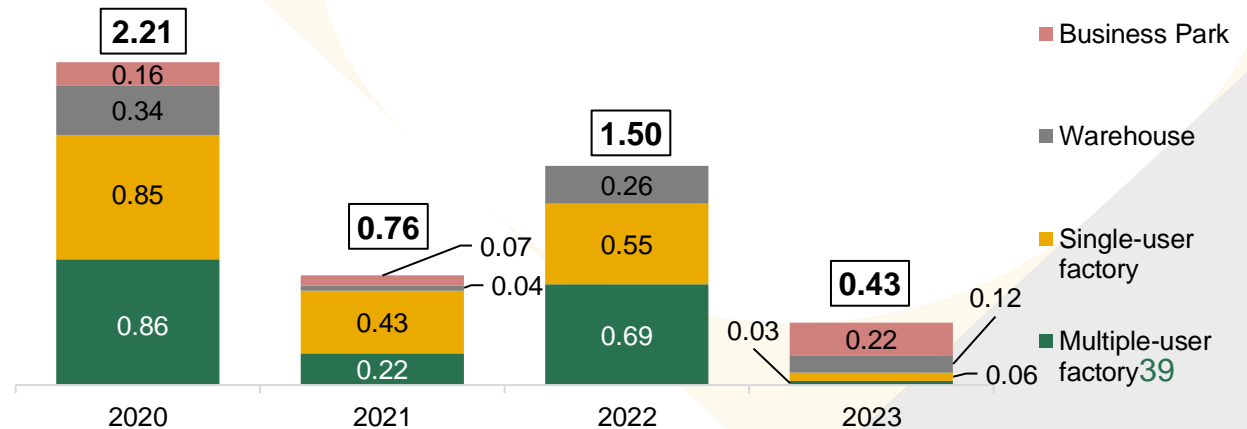
Vacancy Rate and Rental Index (Base 4Q 2012 = 100)



Upcoming Supply in the Pipeline ('million sq m)

Property Type	Stock as at 4Q 2019 ('mil sq m)	Potential Supply in 2020
Multi-user	11.3	↑ 7.6%
Single-user	25.1	↑ 3.4%
Warehouse	11.0	↑ 3.1%
Business Park	2.2	↑ 7.3%

Total Potential Supply



The Year Ahead

Australia Economy

- The Reserve Bank of Australia rolled out a package to support the economy which included a reduction in the cash rate target to 0.25%.
- On 7 April 2020, the National Cabinet approved a Mandatory Code of Conduct for commercial tenancies (“**Code**”). Tenants who are covered by the Code will be protected from, *inter alia*, termination of their lease for non-payment of rent, rent increases, penalties, interest and landlords making a claim to a bank guarantee or security deposit for non-payment of rent.

Singapore Economy

- Taking into account the weaker-than-expected performance of the Singapore economy in the first quarter, and the sharp deterioration in the external and domestic economic environment since February 2020, the GDP growth forecast for 2020 has been further downgraded to “- 4.0% to -1.0%”.
- On 26 March 2020, the Singapore Government announced a Resilience Budget which included a 30% rebate on property tax payable for offices and industrial properties and 100% rebate for food and beverage operators. Soilbuild REIT will pass on the rebates to the tenants for their respective units.

Industrial Property Sector

- Industrial-wide occupancy stood at 89.2% as at 4Q 2019 (JTC, 2019).
- Rentals of all industrial space rose 0.1% y-o-y in 4Q 2019 and was flat q-o-q (JTC, 2019).
- In 4Q 2019, the all-industrial occupancy rate dipped by 0.1% y-o-y while the multiple-user factory and business park recorded 1.0% and 1.3% growth y-o-y respectively (JTC, 2019).

Soilbuild REIT

- 11.3% of portfolio NLA or approximately 465,600 sqft of space is due for renewal for the rest of 2020.
- Completed the divestment of 72 Loyang Way.
- The Manager remains committed to working towards improving our portfolio strength through asset enhancements initiatives.

THANK YOU

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