Extraordinary General Meeting

21 February 2018



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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 of Proposed Divestment



Key Highlights of Proposed Divestment

KTL Offshore	
Address	61 & 71 Tuas Bay Drive
Description	Two adjacent detached purpose-built factories located along Tuas Bay Drive, off Tuas South Avenue 2
Remaining Land Tenure (as at 31 Dec 2017)	48.6 years
Land Area	279,855 sq ft
Gross Floor Area	208,057 sq ft
MP 2014 Plot Ratio / Zoning	1.0 / Business 2
Acquisition Year/Price	2014 / $55.0 million
Carrying Value (31 Dec 2017)	$53.0 million
Sale Consideration	$55.0 million
FY2017 NPI	$3.9 million
Purchaser	SB (Pioneer) Investment Pte. Ltd.
Capital Gain	$1.7 million



Key Highlights of Proposed Divestment

Total Divestment Proceeds	
Sale Consideration	S$55.0 million
Less: Divestment Fee	Waived
Less: Professional fees and other expenses	S$0.3 million
Total Divestment Proceeds	**S$54.7 million**

Market Valuation by Independent Valuer		
Valuer	**Valuation (S$ m)**	**Capital value GFA (S$ psf)**
CBRE Pte Ltd	50.4	242
Savills Valuation and Professional Services (S) Pte Ltd	53.0	255
Average	**51.7**	**248**

Effects of the Proposed Divestment

Based on the financial statements of Soilbuild REIT for the financial year ended 31 December 2017

Effects of the Proposed Divestment	Before Divestment	After Divestment[1]
Net Income (S$'000)	52,221	52,076[2]
Distributable Income (S$'000)	59,927	57,832
NAV (S$'000)	668,638	669,759
Issued Units ('000)	1,052,111	1,051,908
DPU based on Lease Agreement (cents)	**5.712**	**5.513**
NAV per Unit attributable to Unitholders (S$)	**0.64**	**0.64**

Note:
(1) Assuming that the net proceeds from the Proposed Divestment of S$54.7 million will be utilised for the repayment of borrowings as at 1 January 2017 with finance expense savings of 3.31% per annum.
(2) Includes gain from the Proposed Divestment of S$1.7 million

Rationale and Benefits of the Proposed Divestment



Rationale and Benefits of the Proposed Acquisition

1. Unlocks and releases capital, allowing Soilbuild REIT to pursue its growth strategies
2. Allows Soilbuild REIT to improve its portfolio diversification
3. Minimises Soilbuild REIT's exposure to credit risk

Unlock Capital

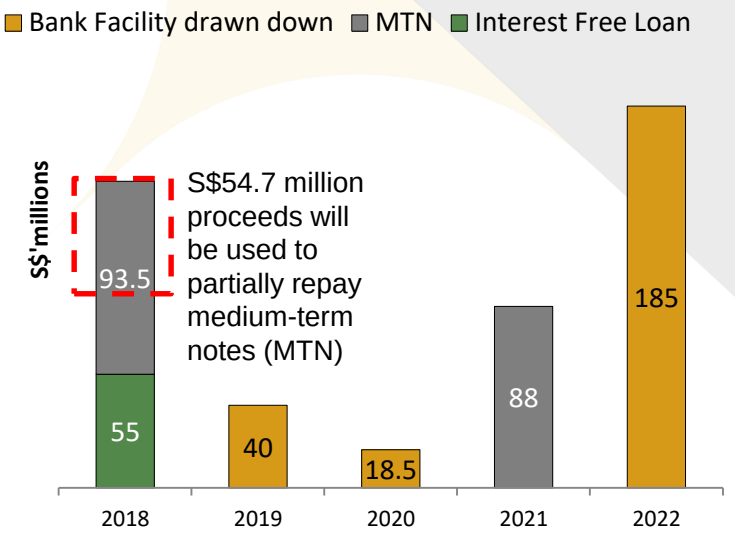
Aggregate Leverage Post-Divestment in the event that the net proceeds are used for repayment of borrowings

Based on the financial statements of Soilbuild REIT for the financial year ended 31 December 2017

Effects of the Proposed Divestment	Before Divestment	After Divestment(1)
Total loans and borrowings (S$'000)	474,359	419,619
Total Capitalisation	1,142,997	1,089,378
Aggregate Leverage(1)	**40.6%**	**37.7%**

Note:

(1) Assuming that the net proceeds from the Proposed Divestment of S$54.7 million will be utilised for the repayment of borrowings as at 1 January 2017.



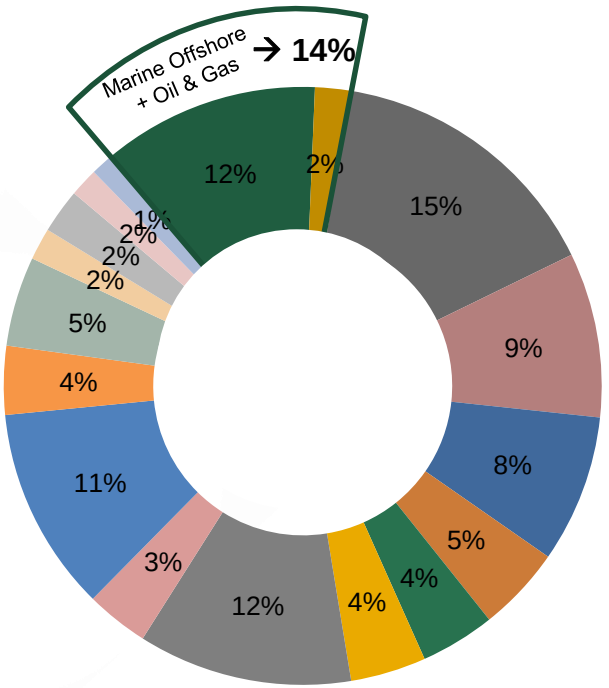
	2018	2019	2020	2021	2022
% of Debt Maturing (Pre-Divestment)	30.9%	8.3%	3.9%	18.3%	38.6%
% of Debt Maturing (Post-Divestment)	22.0%	9.4%	4.4%	20.7%	43.5%

Portfolio Diversification

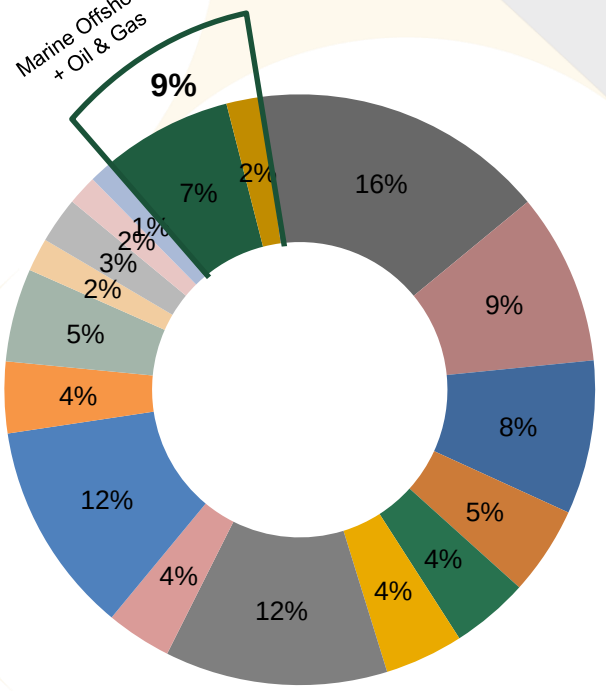
Trade Sector Diversification

By % of Monthly Gross Revenue as at 31 December 2017

Pre-Divestment



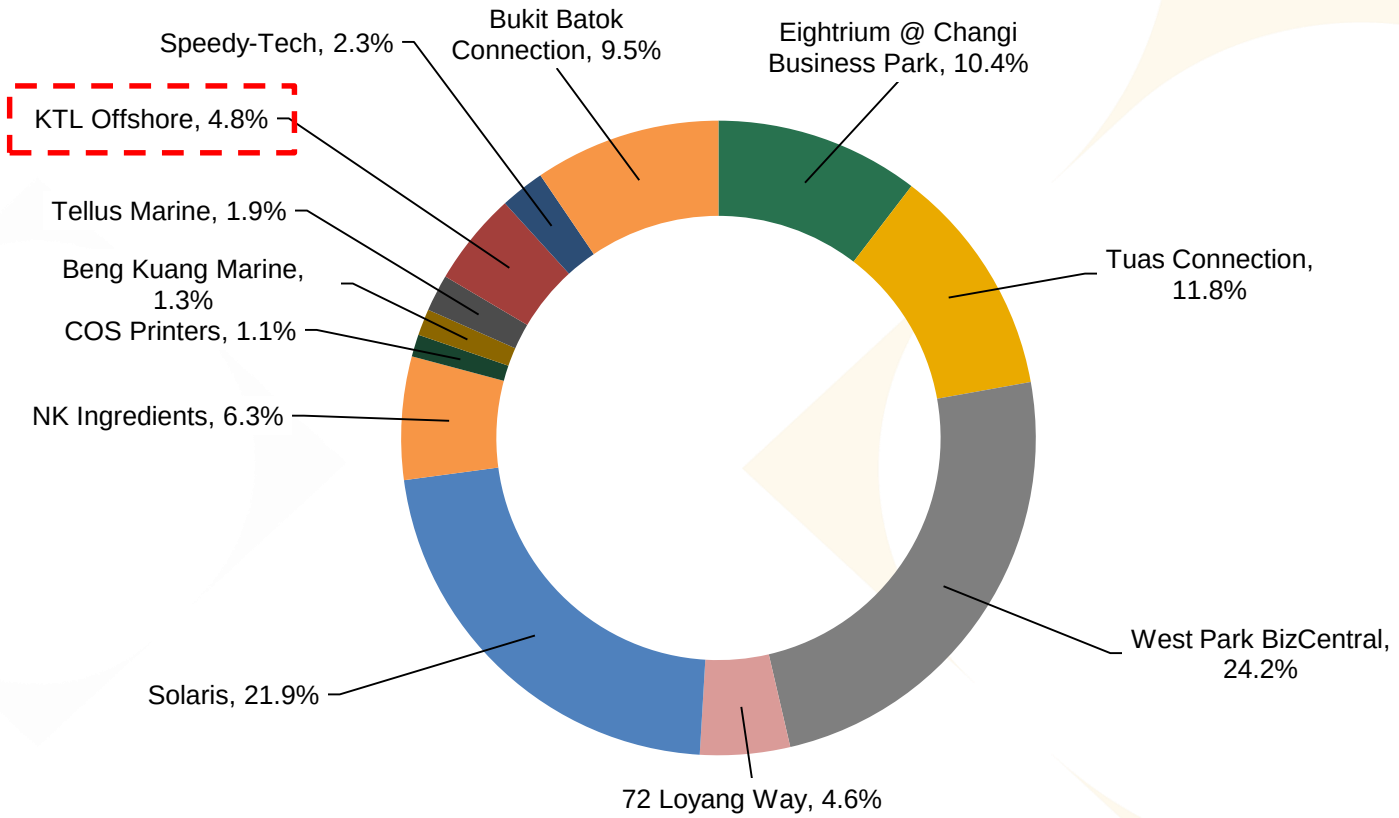
Post-Divestment



- Marine Offshore
- Precision Engineering, Electrical and Machinery Products
- Electronics
- Fabricated Metal Products
- Information Technology
- Real Estate and Construction
- Government Agency
- Education & Social Services
- Pharmaceutical & Biological
- Oil & Gas
- Chemicals
- Others
- Publishing, Printing & Reproduction of Recorded Media
- Supply Chain Management, 3rd Party Logistics, Freight Forwarding
- Food Products & Beverages
- Telecommunication & Datacentre
- Financial

KTL Offshore Gross Revenue Contribution

FY2017 Portfolio Gross Revenue



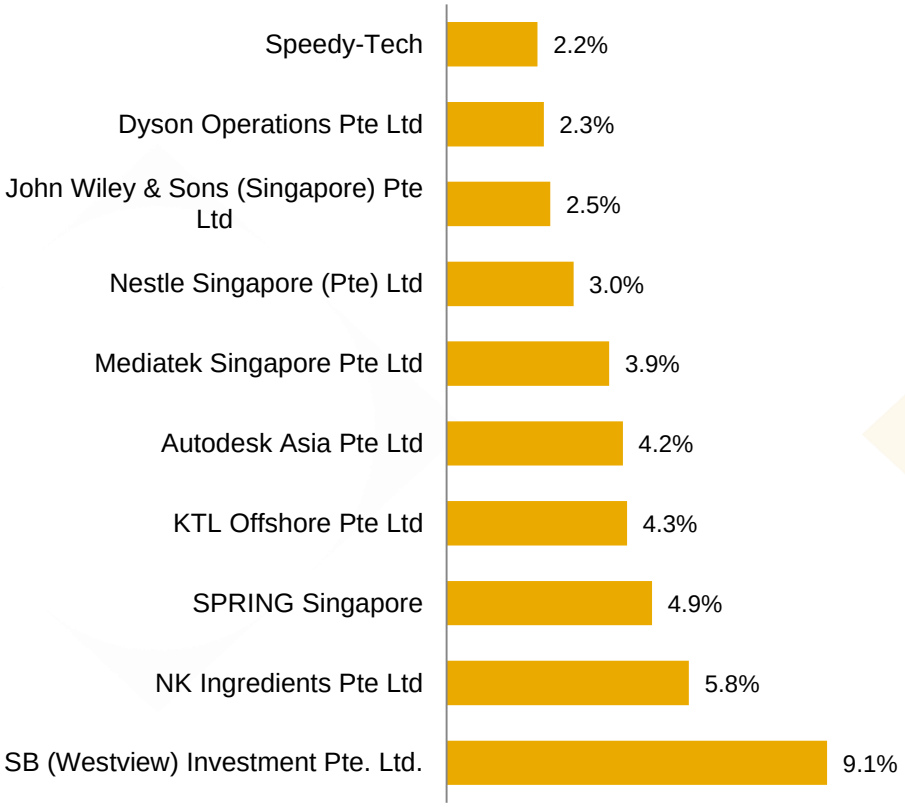
KTL Offshore contributed 4.8% to Soilbuild REIT Gross Revenue in FY2017

Top 10 Tenants

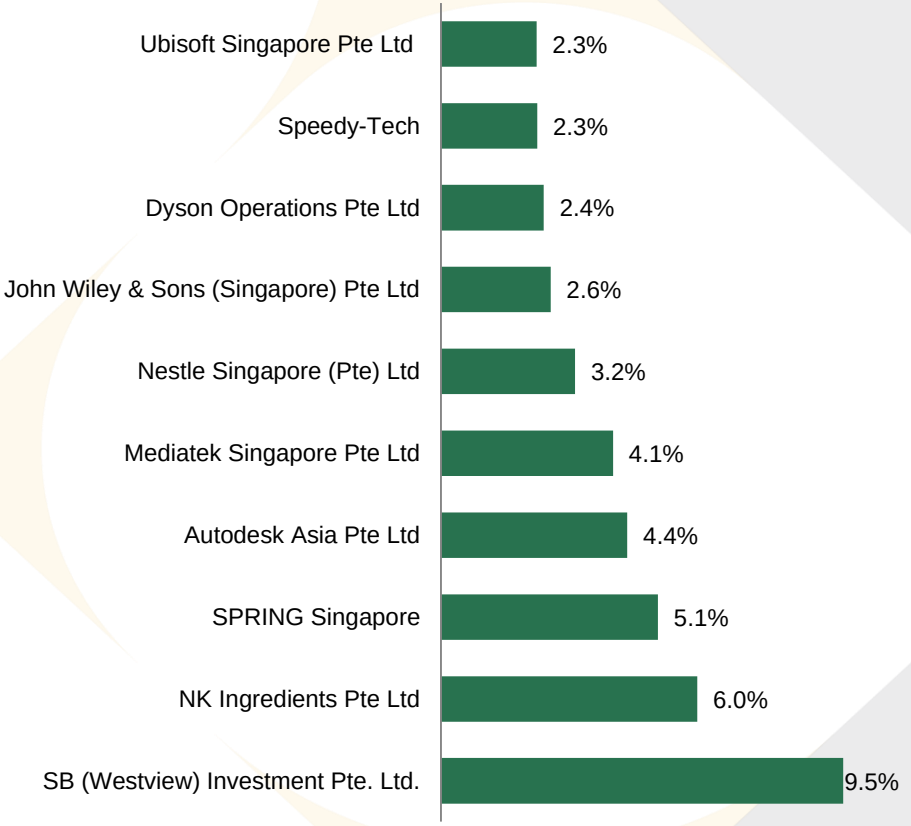
Top 10 Tenants

By Gross Rental Income as at 31 December 2017

Pre-Divestment (1)



Post-Divestment (1)

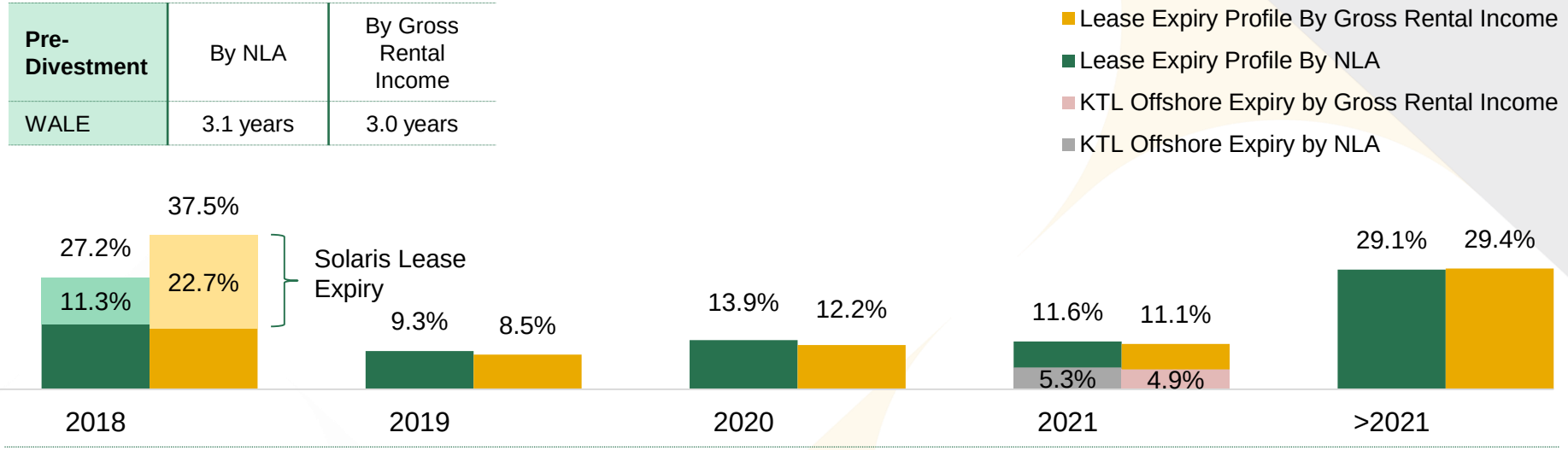


Note:
(1) Inclusive of underlying tenants at Solaris .

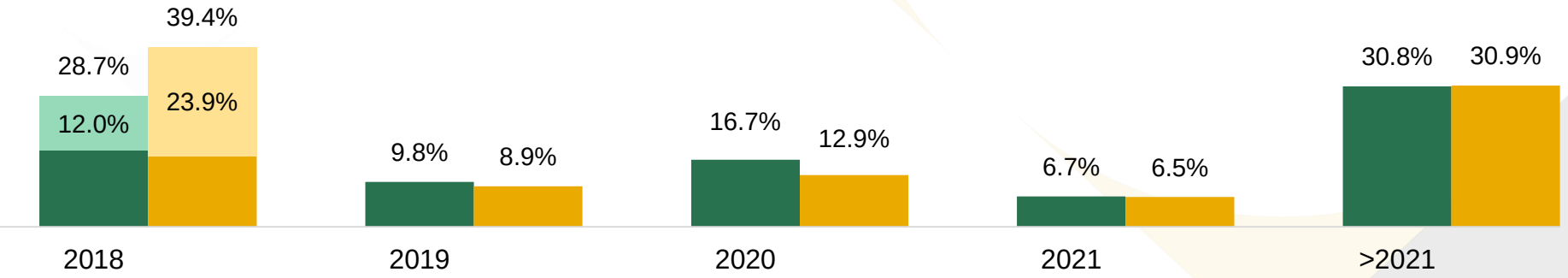
Portfolio Lease Expiry Profile

By % of Rental Income as at 31 December 2017

Pre-Divestment	By NLA	By Gross Rental Income
WALE	3.1 years	3.0 years

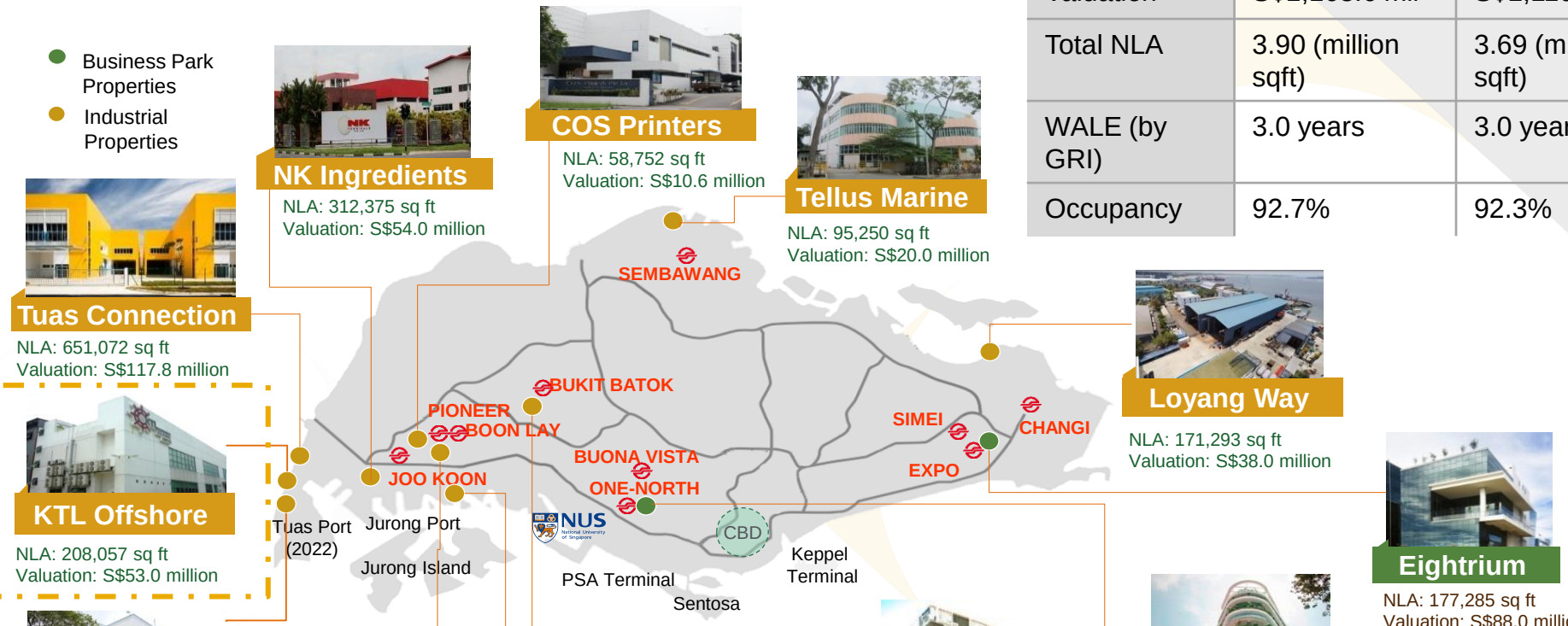


Post-Divestment	By NLA	By Gross Rental Income
WALE	3.1 years	3.0 years



Revised Portfolio size

	Existing Portfolio	Revised Portfolio
Valuation(2)	S$1,163.6 mil	S$1,110.6 mil
Total NLA	3.90 (million sqft)	3.69 (million sqft)
WALE (by GRI)	3.0 years	3.0 years
Occupancy	92.7%	92.3%



Notes:
(1) Information as at 31 December 2017;
(2) Based on Knight Frank's & Savills' valuations dated 31 December 2017

Alternative Options Considered should KTL Offshore Lease be Pre-Terminated

1. Re-let the Property on existing basis	2. (a) Full demolition and rebuild or (b) Asset enhancement to maximise plot ratio	3. Redevelopment for Strata Sale
Given the current market conditions, the Manager is not optimistic that a single tenant is able to occupy the entire site at similar rent as KTL Offshore. Under a multi-tenanted approach, lettable area will be reduced which decreases the net property income. The resultant net property income using multi-tenanted approach will affect the property yield and valuation.	Evaluated both options above and based on analysis of the construction cost and market rental rate, both options do not provide Unitholders with higher returns as compared to re-letting on a existing basis. In addition, both options require capital expenditure in an estimated range of S$8 million – S$32 million.	Based on the statistics extracted, the number of strata sale transactions over the past 3 years is minimal with declining sale prices. The Manager is of the view that redeveloping the Property for strata sale will expose the REIT to market uncertainties and the projected development value does not provide an adequate risk-adjusted return.

Estimated Timeline



Estimated Timeline

Timeline	Milestone
28 December 2017	Announced Proposed Divestment of KTL Offshore
21 February 2018	Extraordinary General Meeting to seek Unitholders' approval
28 February 2018 (or such other date as may be agreed between the Trustee and the Purchaser)	Completion of Sale

THANK YOU



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