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PRIME US REIT

(a real estate investment trust constituted on 7 September 2018 under the laws of the Republic of Singapore)

(Managed by KBS US Prime Property Management Pte. Ltd.)

DBS Bank Ltd. was the sole financial adviser and issue manager for the initial public offering of Prime US REIT (the “**Offering**”). DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd., China International Capital Corporation (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Maybank Kim Eng Securities Pte. Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters for the Offering.

**COMPLETION OF ACQUISITION OF PROPERTY IN DOWNTOWN SACRAMENTO,
CALIFORNIA AND PRIVATE PLACEMENT USE OF PROCEEDS**

1. COMPLETION OF ACQUISITION OF PROPERTY

Further to the announcement dated 12 February 2020 in relation to the proposed acquisition of the property known as Park Tower located at 980 9th St and 1010 8th St, Sacramento, California (the “**Property**”), KBS US Prime Property Management Pte. Ltd., as manager of Prime REIT (the “**Manager**”), is pleased to announce that the acquisition of the Property has been completed (the “**Acquisition**”).

2. USE OF PROCEEDS

Further to the announcements dated 12 February 2020 (the “**Placement Announcement**”) in relation to the placement of 125,392,000 new units (the “**New Units**”) in Prime US REIT which raised gross proceeds of approximately US\$120.0 million (the “**Private Placement**”),

the Manager wishes to announce that:

- (i) US\$115.0 million (which is equivalent to 95.8% of the gross proceeds of the Private Placement (which is in accordance with the percentage of the gross proceeds of the Private Placement allocated to such use)) has been used to partially fund the Acquisition; and
- (ii) US\$5.0 million (which is equivalent to 4.2% of the gross proceeds of the Private Placement (which is in accordance with the percentage of the gross proceeds of the Private Placement allocated to such use)) has been used to pay the estimated fees and expenses, including land transfer taxes, professional fees and expenses, incurred or to be incurred by Prime US REIT in connection with the Acquisition and the Private Placement.

As at the date of this announcement, the Manager has fully disbursed all of the net proceeds from the Private Placement.

BY ORDER OF THE BOARD

Barbara Cambon

Chief Executive Officer

KBS US Prime Property Management Pte. Ltd.

(Company registration no.201825461R)

(as manager of Prime US Real Estate Investment Trust)

24 February 2020

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 securities of Prime US REIT 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.

This announcement may contain forward-looking statements that involve 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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, Canada or Japan, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States unless registered under the Securities Act, or except pursuant to an applicable exemption from registration. There will be no public offer of securities in the United States.

The value of units in Prime US REIT (“**Units**”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of Prime US 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. Holders of Units (“**Unitholders**”) 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 Prime US REIT is not necessarily indicative of the future performance of Prime US REIT.