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

**ANNOUNCEMENT**

**RESPONSE TO SGX-ST'S QUERIES REGARDING THE ANNUAL REPORT 2015**

SB REIT Management Pte. Ltd., as manager of Soilbuild Business Space REIT ("**Soilbuild REIT**", and the manager of Soilbuild REIT, the "**Manager**") received certain queries from Singapore Exchange Securities Trading Limited (SGX-ST) on 21 April 2016 requiring clarification of some aspects of Soilbuild REIT's annual report 2015 (the "**Annual Report 2015**"). The Manager wishes to provide the clarification given to the SGX-ST below.

All references to page numbers in this announcement are to the Annual Report 2015. Capitalised terms used herein shall, unless the context otherwise requires, have the meanings ascribed to them in the Annual Report 2015.

**SGX-ST's Query 1**

**Paragraph 9.3 of the Code of Corporate Governance 2012 (the "Code")**

Paragraph 9.3 of the Code states that:

> "*The company should name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S$250,000. Companies need only show the applicable bands. There should be a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives.*
>
> *In addition, the company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO).*
>
> *As best practice, companies are also encouraged to fully disclose the remuneration of the said top five key management personnel.*"

Under Listing Rule 1207(12) of the SGX-ST Listing Manual, the Issuer has to make disclosure as recommended in the Code or otherwise disclose and explain any deviation from the recommendation. Accordingly, the SGX-ST has requested for the Issuer to disclose (i) the breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives, and (ii) the aggregate total remuneration paid to the top five key management personnel (who are not directors or the CEO) or otherwise explain the reason(s) for the deviation from the recommendation.

**Manager's Response**

The Manager has assessed and decided against the disclosure of (i) the breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives, and (ii) the aggregate remuneration paid to the top five key management personnel (who are not directors or the CEO) for the reason which was disclosed at page 77 of the Annual Report 2015. The disclosure of (i) and (ii) may hamper the Manager's efforts to retain and nurture its talent pool in a highly competitive human resource environment.

Further, the Manager is of the view that such non-disclosure will not be prejudicial to the interests of Unitholders as the information provided regarding the Manager's remuneration policies at page 76 of the Annual Report 2015 is sufficient to enable Unitholders to understand the link between remuneration paid to the top five key management personnel, and performance.

**SGX-ST's Query 2**

**Rule 1207(5)(c) of the Listing Manual of the SGX-ST**

Paragraph 9.3 of the Code states that:

> "*The annual report must contain enough information for a proper understanding of the performance and financial conditions of the issuer and its principal subsidiaries, including at least the following: --*
>
> *…*
>
> *(6)(c) A statement that the issuer complied with Rules 712, and Rule 715 or 716 in relation to its auditing firms.*"

Accordingly, the SGX-ST has requested for the Issuer to disclose a statement that the Issuer has complied with Rules 712 and Rule 715 or 716 in relation to its auditing firms.

**Manager's Response**

Page 81 of the Annual Report 2015 discloses the following:

> "In appointing the audit firm for Soilbuild REIT, the ARC is satisfied that Soilbuild REIT has complied with Rules 712 and 715 of the Listing Manual of the SGX-ST."

The Manager would like to clarify that the board of directors of Soilbuild REIT (the "**Board**") has also assessed the performance of the external auditor based on factors such as the performance and quality of their audit and the independence of the director and taking into account the ARC's recommendation, the Board is also satisfied that Soilbuild REIT has complied with Rules 712 and 715 of the Listing Manual of the SGX-ST.

By Order Of The Board
SB REIT Management Pte. Ltd.
(Company Registration No. 201224644N)
As Manager of Soilbuild Business Space REIT

Roy Teo
Chief Executive Officer
22 April 2016

**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 and West Park BizCentral. Soilbuild REIT's portfolio has a net lettable area of 3.53 million square feet and an occupancy rate of 94.8% as at 31 March 2016.

**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.