(A real estate investment trust constituted on 7 September 2018
under the laws of the Republic of Singapore)
(Managed by Prime US REIT Management Pte. Ltd.)

PRIME'S ANNUAL GENERAL MEETING (29 APRIL 2025) RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS

The Board of Directors of Prime US REIT Management Pte. Ltd. (the "**Manager**"), as manager of Prime US REIT ("**PRIME**"), would like to thank unitholders of PRIME ("**Unitholders**") for submitting their questions in advance of PRIME's annual general meeting to be held on Tuesday, 29 April 2025, at 9.00 am (Singapore time).

Please refer to **Appendix A** hereto for the responses to the list of substantial and relevant questions received from Unitholders.

BY ORDER OF THE BOARD

Rahul Rana
Chief Executive Officer

Prime US REIT Management Pte. Ltd.
(Company Registration No. 201825461R)
As Manager of PRIME
24 April 2025

APPENDIX A

PRIME'S ANNUAL GENERAL MEETING
29 APRIL 2025, 9:00 AM (TUESDAY)
RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS

GROUPED BY TOPIC

SN	Unitholder Questions	Responses
1.	What plans does Prime US REIT have in FY25 to improve the take-up rate for the 3 lowest occupancy rate buildings (excluding Waterfront At Washingtonian) in the portfolio? Reston Square (65.7%); Park Tower (65.5%); Village Center Station I (50.2%) Can the management share how the market sentiment is for the above 3 sites and what is the difficulty faced in getting the units to be leased out? [Reston Square (65.7%); Park Tower (65.5%); Village Center Station I (50.2%)]	Overall leasing dynamics continue to improve, especially with return-to-office theme gaining momentum. Park Tower, Village Center Station I, and Waterfront At Washingtonian are three assets we see nearer-term opportunities to drive organic growth (in terms of occupancy and revenue). Park Tower: Expect to complete a long-term lease of more than 100k sf with a tenant in an established sector in the coming quarter. This will bring Park Tower's occupancy from 65.5% to mid-80s%. Village Center Station I: Submarket started showing signs of recovery as return-to-office gained momentum, and leasing interest improved in 2H2024 for quality and well-amenitised office space. Currently in simultaneous leasing discussions. Some of these are in lease negotiation stage. Management is comfortable that this asset is on its way to stabilised occupancy. Waterfront At Washingtonian Asset enhancement initiative was completed in October 2024 and occupancy improved from 33.3% to 48.7% in 2024. WALE correspondingly improved from 1.9 years to 7.0 years. Currently in simultaneous leasing discussions. Some of these are in lease negotiation stage. Management is comfortable that this asset is on its way to stabilised occupancy. Reston Square: This is PRIME's smallest asset which contributed 2.2% to the portfolio's carrying value at the end of 2024. After the minor asset enhancement exercise in 2023 to maintain the Class A quality of the asset post vacate of the asset's main tenant, occupancy increased from 47.0% in December 2023 to 65.7% in December 2024. Leasing interest is relatively slow in the submarket.
2.	What is the average annual rent escalation of PRIME's contract with tenants and how many % of tenants are contracted with no rental escalations?	Almost all leases have an annual rent escalation in-place which typically ranges between 2% to 4% per annum.

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3.	Under the prospectus, the manager is entitled to 25% of the increase in DPU year over year as Performance fee. Given DPU for FY2024 is fairly low and there was an enforced reduction in distribution to recapitalise the REIT. Can I ask if DPU rises, will the REIT manager waive the fee for "Performance fee" for that year or until DPU goes to 90-100% payout ratio?	Under the trust deed, the REIT Manager is entitled to the performance fee. Our goal is to pursue what is sustainable and aligned with the long-term interests of PRIME's stakeholders. This will be evaluated and determined in due course.
4.	Given PRIME had recently divested a property, it seems counter intuitive that the REIT has listed out as one of its future plans to acquire properties over the next 2 years, which will likely increase leverage. Furthermore, an equity raising to finance an acquisition at current share price is dilutive due to low P/B. Given the economic situation and less than ideal balance sheet strength, can the REIT put off acquiring properties and focus on strengthening the balance sheet and do unitholder friendly actions such as buyback/resume distributions to improve investor sentiment?	The Manager's immediate focus remains on strengthening PRIME's fundamental performance, driving leasing activities, occupancy, and rental income. These shall in turn drive the recovery of appraisal values, and further strengthen the balance sheet. We want to emphasise that any acquisition plan will be a deliberate decision, with a focus on yield accretion to create long-term value for unitholders, and factoring in the prevailing interest rate environment and capital market conditions. Given the current uncertainties in the macro environment, we are not considering any acquisition in 2025 for now. Through our leasing efforts and operational successes, we would expect investor sentiment to improve.
5.	Are the tariffs (based on your conversations with your tenants) expected to result in reshoring of manufacturing (and office support functions) back to US and if so, is it expected to impact office occupancy positively (and in particular the areas that Prime operate in)?	It is too early to determine if the tariffs will result in reshoring of manufacturing back to the US. If it happens, it is likely to have a positive impact on office occupancy.
6.	On the cost front, particularly on TI, can you elaborate whether the tariffs are expected to increase capex materially in 2025? Also, what is the average margin of PRIME's rental per lease after accounting for TI and free rents in 2024?	At this juncture, we anticipate a marginal increase in capex due to tariffs in 2025. While tariffs may elevate broader material costs, the TI projects typically involve smaller-scale expenditures with lower reliance on tariff-sensitive imports. Each lease is different and various factors come into play such as the leased area, the condition of the vacated space, the submarket in which the asset is located, prevailing rental rates, etc. For new leases signed in 2024, the typical TI allowance is in the range of US$5 to US$10 psf per year of lease term, along with 1 month of rent-free period per year of lease term.

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7.	What is management's view of the long-term utilisation rate of office space against the context of AI displacing some job functions? Are there plans to repurpose or include strategic partners or JVs to re-develop parts of the portfolio into serviced apartments/retail/residential such as the integrated developments in downtown Singapore to better manage risks and opportunities? In the same vein, what is the plan for VCSII should the sole tenant vacate the building?	AI can create jobs but can also displace job functions that are routine in nature. The rise of AI is transforming both remote and office-based work. Despite AI's ability to support effective remote work, many companies are mandating a return to the office citing concerns over communication, coordination as well as security. Hence, maintaining Class A quality of assets, providing a desirable collaborative space and amenities for our existing and prospective tenants is the key to help employers attract their employees return to office, and we are seeing results in the form of the new leases signed. There are no plans to repurpose or to redevelop our assets into other asset classes for now. With the growing "flight to quality" trend and increasing return-to-office mandates, we are seeing a lot more leasing demand. Our portfolio occupancy is moving in the right direction towards stabilisation. The Manager has not been informed by the sole tenant of any plans to vacate VCS II.
8.	What are the key drivers that's driving the current "leasing momentum" in your properties (e.g re-shoring or up/right-sizing or hiring boom or re-location etc.)?	Two prominent attributes are driving recent leasing momentum. (i) "Flight to quality" trend – most prominent today where businesses prioritise Class A office buildings in accessible locales, offering premium amenities. In PRIME's portfolio, leasing momentum comes primarily from high growth assets. The trend is also more noticeable with branded tenants who are seeking superior office spaces essential for attracting and retaining top talent, fostering a positive collaborative work environment, and enhancing their overall image. (ii) Maintaining a strong balance sheet, demonstrating that PRIME is a well-capitalised landlord. PRIME's completion of the US$550 million new financing in 2024 reinforces PRIME's attractiveness in the tenant-landlord partnership.
9.	What are management's views on the probability and plans to manage each of the following near-to-medium term scenarios given the tariff uncertainties: i) A stagflationary higher-for-longer environment with possible re-shoring but higher renovation costs ii) A recessionary environment where interest rates start to fall but credit and vacancy risks might rise iii) A quick removal of the aggressive tariff regime?	(i) CEOs of large American corporations have warned that stagflation and recession cannot be dismissed as a possibility. Management remains vigilant of a potential stagflationary backdrop — characterised by persistent inflation, elevated interest rates, and continued geopolitical frictions, including tariffs. PRIME will continue to take a disciplined, approach to capex, prioritising tenant retention and asset enhancement only where it strengthens long-term cash flows. Our focus remains on maintaining leases with built-in rental escalations and large tenants with long-term leases to mitigate margin pressure. (ii) Should macro conditions weaken into a recession, falling interest rates may help to reduce financing costs over time. However, tenant downsizing and credit quality will become a concern. PRIME will continue to proactively manage lease expiries and retain key tenants through early engagement, while preserving leasing flexibility to adapt to shifting space requirements. With our minimal near-term debt maturities, and diversified tenant base, we

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		believe we are well-positioned to manage volatility while maintaining portfolio stability. (iii) In the event of a rapid easing of tariffs, business sentiment could improve, especially among multinational tenants and tech companies with global exposure - further boosting the demand for quality office space in key cities. PRIME will be ready to re-engage in longer-term leasing discussions where office usage trends become more constructive. A more favourable trade and macro backdrop may also lead to improved capital market conditions, allowing for more flexibility for PRIME.
10.	In the US, internally managed REITs are the rule rather than the exception. This also allows for more income stream for the REIT and better alignment of interests, potentially driving unit price and interest to the same extent as its US-listed peers. Can the Board share your views on this.	External REIT management structure is the predominant model for Singapore REIT market, in contrast to markets in the US and Australia, where the REITs are larger and predominantly internally managed. Each model offers distinct benefits and trade-offs, especially within the regulatory and market context of Singapore. Key benefits of externally managed REITs include access to sponsor's expertise and resources. Externally managed REITs can benefit from sponsors who are well connected in the operating market with a steady pipeline of real estate assets, access to capital markets, management talent, and group-level support. Sharing of these resources within the sponsor group can offer economies of scale, research capabilities, and facilitate the implementation of group-level best practices and policies that would be costly for a standalone REIT. On the other hand, internally managed REITs can do away with certain external fees, but they lack strategic support, the access to acquisition pipeline and capital markets. This can be a significant disadvantage in a relatively smaller and growing REIT market like Singapore, where scale and access to deals are critical. Internally managed REITs must also bear the full cost of hiring and retaining a skilled management team, which can be less flexible and more expensive, especially for smaller REITs. To mitigate potential conflicts of interests and protect unitholder interests, Singapore's regulatory framework imposes strict requirements on REIT managers, including board independence, disclosure of remuneration policies, and justification of fee structures. In the context of PRIME, the shareholders of the REIT Manager, collectively, hold a controlling stake in the REIT which demonstrates that the REIT Manager's interest is aligned with that of the REIT. In addition, the management fee structure is based on distributable income and DPU growth, thereby ensuring strong alignment of the external manager's interest with that of the Unitholders.

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11.	Can the Board explain the reasons for the change of the Independent Chairperson to a Non-Independent Chairperson? This is a pertinent concern for minority unitholders and I hope you can address this transparently.	The previous Chairman stepped down to focus on other commitments. Arising from that, the Board determined that it would be beneficial for PRIME to appoint Mr Richard Peter Bren, who has been a director on the board since July 2022, as the Chairman. Mr Bren is a shareholder of KBS Asia Partners Pte. Ltd. ("KAP"), PRIME's sponsor, which holds 40% of the shares of the Manager. The appointment of Mr Bren as Chairman comes from PRIME's increased focus on strategic alignment of stakeholders' interests and sponsor-led strategic growth initiatives. Further, it should be noted that the appointment is in line with the Code of Corporate Governance which states that "Independent directors make up a majority of the Board where the Chairman is not independent." In the instance of the Board, 3 out of 5 directors are independent directors. In addition, in accordance with the Code of Corporate Governance, where it is provided that "The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent", there is also a Lead Independent Director on the Board. As the Chairman of the Audit and Risk Committee since January 2023, Mr John Robert French is the appointed Lead Independent Director and has been an independent member of the Board since November 2019. Mr French was a Senior Assurance Partner from Ernst & Young LLP before his retirement and his specialties include real estate investment funds/advisors/sponsors, REITs, land developers, homebuilders and hospitality companies.
12.	With the latest change, the current slate of board personnel has zero gender diversity. There are studies that suggest boards with gender diversity have performed better. Can the Board comment on the rationale for the current slate and what is the way forward?	We appreciate the question on gender diversity and agree that gender diversity has its merits. We have had four female directors on the board, and while there is no female director on the Board currently, half of the current Management team comprises women, including the CFO, who works closely with the Board and attends the Board meetings. The NRC will continue to identify suitable candidates with relevant skills and experience while being mindful of gender diversity.
13.	PRIME is trading at a deep discount, what option is there to unlock value for unitholders?	Management is very focused on leasing to bring the portfolio occupancy back to stabilisation. This will in turn drive rental and distributable income, the recovery of appraisal values and improve investor sentiment. The Manager's aim is to bring back normalised distributions.
14.	May I know if the Manager of PRIME has been in compliance with the Trust Deed's requirement on distribution of a minimum 90% of ADI with the recent 10% payout?	Yes. PRIME's distribution policy is to distribute at least 90% of its Annual Distributable Income (as defined in the Trust Deed) for each financial year as practicable. The actual distribution will be determined at the discretion of the Board of Directors of the Manager. When declared, the Manager will endeavour to pay distributions no later than 90 days after the end of each distribution period, typically on a semi-annual basis.

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	Given the existing terms in the Trust Deed, KORE will be amending their Trust Deeds after seeking Unitholders' approval to allow for the change in distribution to be lower than 90% of Annual Distributable Income when they re-commence distributions. However, you don't seem to have obtained Unitholders' approval to reduce the payout for FY2024.	In light of the persistent high interest rate environment and the need to spend on capital expenditure and tenant incentives, there is a need to conserve capital. As announced on 19 February 2025, the Manager decided to distribute less than 90% of the annual distributable income for FY2024. The amount retained has been/will be used to fund capital expenditure on the properties and pare down borrowings. We are cognizant of how important distributions are to unitholders and have declared a 10% payout for FY2024, which is consistent with the payout for 2H2023.
15.	Unitholders received small percentage of distributable earnings but yet the CEO is being awarded units as a long term incentive/reward in FY2024. What is the justification for this share award?	The aim of issuance of Units as a long-term incentive to key management is to incentivise a stronger individual alignment of interest. These Units are not awarded to the CEO in addition to his remuneration, but they form part of his remuneration and these units were transferred from the Manager's own units and not through new issuance of units.