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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**").

**CLOSE OF PRIVATE PLACEMENT AT AN ISSUE PRICE OF US\$0.81 PER NEW UNIT**

*Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the announcement of Prime US REIT dated 24 June 2021 titled "Launch of Private Placement to Raise Gross Proceeds of no less than Approximately US\$80.0 Million" (the "**Announcement**").*

**1. Introduction**

Further to the Announcement in relation to the launch of the placement of new units ("**New Units**") at an issue price of between US\$0.797 and US\$0.822 per New Unit (both figures inclusive) in Prime US REIT (the "**Private Placement**"), KBS US Prime Property Management Pte. Ltd., in its capacity as manager of Prime US REIT (the "**Manager**"), wishes to announce that the issue price has been fixed at US\$0.81 per New Unit to be issued pursuant to the Private Placement. DBS Bank Ltd. and Credit Suisse (Singapore) Limited as the joint lead managers and underwriters in relation to the Private Placement (the "**Joint Lead Managers and Underwriters**"), have in consultation with the Manager closed the book of orders for the Private Placement and raised US\$80.0 million.

**2. Issue Price**

A total of 98,766,000 New Units will be issued at an issue price of US\$0.81 per New Unit (the "**Issue Price**"), as agreed between the Manager and the Joint Lead Managers and Underwriters following an accelerated book-building process.

The Issue Price represents a discount of:

- (i) 7.2% to the volume weighted average price (“**VWAP**”) of US\$0.8724 per Unit in Prime US REIT (“**Unit**”); and
- (ii) (for illustrative purposes only) 3.4% to the adjusted VWAP<sup>1</sup> of US\$0.8385 per Unit, for trades in the Units done on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the preceding Market Day<sup>2</sup> on 23 June 2021 up to the time the placement agreement was entered into between the Manager and the Joint Lead Managers and Underwriters (the “**Placement Agreement**”).

The Private Placement was over two times subscribed with strong support from new and existing unitholders and private wealth clients.

### 3. Authority to Issue New Units

The New Units will be issued pursuant to a general mandate (the “**General Mandate**”) given by Unitholders to the Manager at the annual general meeting (“**AGM**”) held on 28 April 2021, pursuant to which the Manager may, during the period from 28 April 2021 to (i) the conclusion of the next AGM of Prime US REIT or (ii) the date by which the next AGM of Prime US REIT is required by applicable laws or regulations to be held, whichever is earlier, issue new Units and/or securities, warrants, debentures or other instruments convertible into Units (“**Convertible Securities**”) provided that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue (excluding treasury Units and subsidiary holdings, if any) as at 28 April 2021 (the “**Base Figure**”), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a *pro rata* basis to existing Unitholders shall not be more than 20.0% of the Base Figure.

As at 28 April 2021, the number of Units in issue was 1,060,436,473, being the Base Figure.

The number of Units that can be issued under the General Mandate is 530,218,236 Units, of which no more than 212,087,294 Units may be issued on a non *pro rata* basis.

The Manager has issued 1,713,397 Units since 28 April 2021 on a non *pro rata* basis. The 98,766,000 New Units to be issued pursuant to the Private Placement would constitute 9.3% of the Base Figure which is within the 20.0% limit for issue of new Units other than on a *pro rata* basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

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1 The Adjusted VWAP is computed based on the VWAP of all trades in the Units on the SGX-ST for the preceding Market Day on 23 June 2021 up to the time the Placement Agreement was signed and subtracting the Cumulative Distribution of US 3.395 cents per Unit (being the mid-point of the Cumulative Distribution Range). The estimated distribution for the period from 1 January to 4 July 2021 is based on Prime US REIT’s distributable income for the period from 1 January 2021 to 30 June 2021 and the Manager’s estimate of Prime US REIT’s revenue and expenses for the period from 1 July 2021 to 4 July 2021, and the actual Cumulative Distribution may differ.

2 “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

#### **4. Listing of, Dealing in and Quotation of the New Units**

The trading of the New Units on the SGX-ST is currently expected to commence at 9.00 a.m. on 5 July 2021.

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

The Private Placement shall be subject to certain conditions precedent more particularly set out in the Placement Agreement, including the receipt of the approval in-principle of the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST.

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 REIT)

24 June 2021

#### **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. This announcement has not been reviewed by the Monetary Authority of Singapore.

**Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore:** The New Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).