

Citi-REITAS-SGX C-Suite Singapore REITS and Sponsors Forum 2020



25th - 27th
August 2020

Disclaimer

This presentation should be read in conjunction with the financial statements of Soilbuild Business Space REIT for the second quarter from 1 April 2020 to 30 June 2020 (hereinafter referred to 2Q FY2020) and half year ended 30 June 2020 (hereinafter referred to 1H FY2020).

This presentation is for information only and does not constitute an offer or solicitation of an offer to subscribe for, acquire, purchase, dispose of or sell any units in Soilbuild Business Space REIT (“Soilbuild REIT”, and units in Soilbuild REIT, “Units”) or any other securities or investment.

Nothing in this presentation should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisors.

This presentation may contain forward-looking statements that involve risks, uncertainties and assumptions. 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management of future events.

The value of Units and the income derived from them, if any, may fall or 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 should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”). It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The 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 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.

Contents

4 Overview of Soilbuild Business Space REIT

8 Portfolio Highlights

19 Portfolio Growth

25 2Q & 1H FY2020 Financial Performance

29 Market and COVID-19 Updates

Overview of Soilbuild Business Space REIT

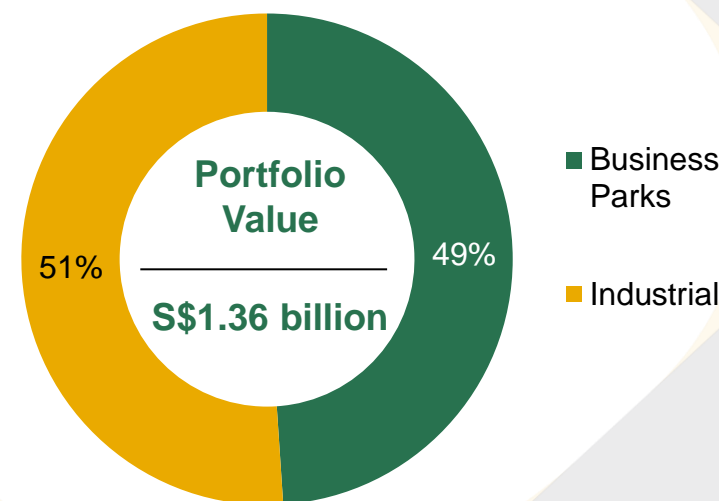
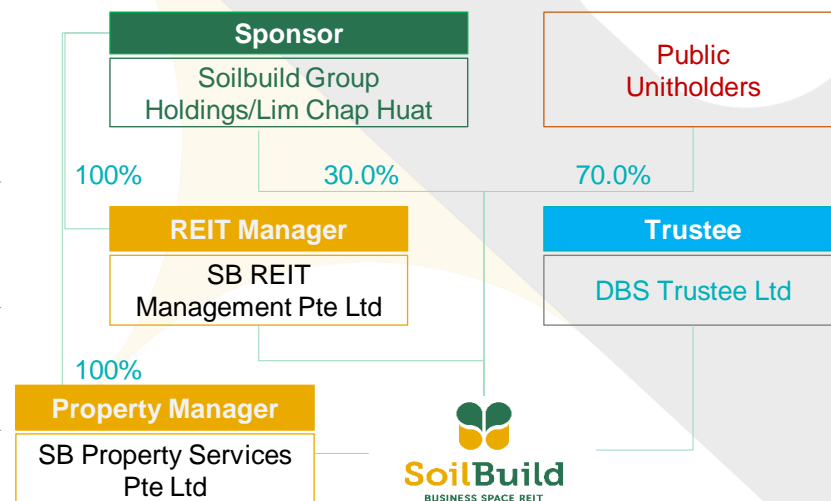


**Solaris @
one-north**

Overview of Soilbuild Business Space REIT



Sponsor	<ul style="list-style-type: none"> Soilbuild Group Holdings Ltd. (“SGHL”) <ul style="list-style-type: none"> Leading integrated property group in Singapore with 40 years of experience
REIT Manager	<ul style="list-style-type: none"> SB REIT Management Pte. Ltd. (wholly-owned subsidiary of SGHL)
Property Manager	<ul style="list-style-type: none"> SB Property Services Pte. Ltd. (wholly-owned subsidiary of SGHL)
Trustee	<ul style="list-style-type: none"> DBS Trustee Limited (Singapore), Perpetual Corporate Trust Ltd (Australia)
Investment Mandate	<ul style="list-style-type: none"> Investing on a long-term basis, directly or indirectly, in a portfolio of income-producing real estate used primarily for business space purposes in Singapore and Australia as well as real estate-related assets.
Portfolio	<ul style="list-style-type: none"> 10 properties in Singapore (2 business parks, 8 industrial properties) 3 properties in Australia (2 office assets, 1 industrial asset)



Portfolio Asset Value by Geography

Singapore ⁽²⁾	81.8%	5
Australia ⁽³⁾	18.2%	

Notes:

- Information as at 30 June 2020.
- Based on Savills & Colliers' valuations dated 31 December 2019 for business park properties and industrial properties respectively. Includes right-of-use assets arising from the adoption of FRS 116 Leases and capital expenditure incurred in YTD 2020.
- Based on Colliers' valuations for 14 Mort Street and Inghams Burton dated 31 December 2019 and 25 Grenfell Street dated 1 November 2019 and on the exchange rate of A\$1:00:S\$0.9589.

Strong Support from Sponsor

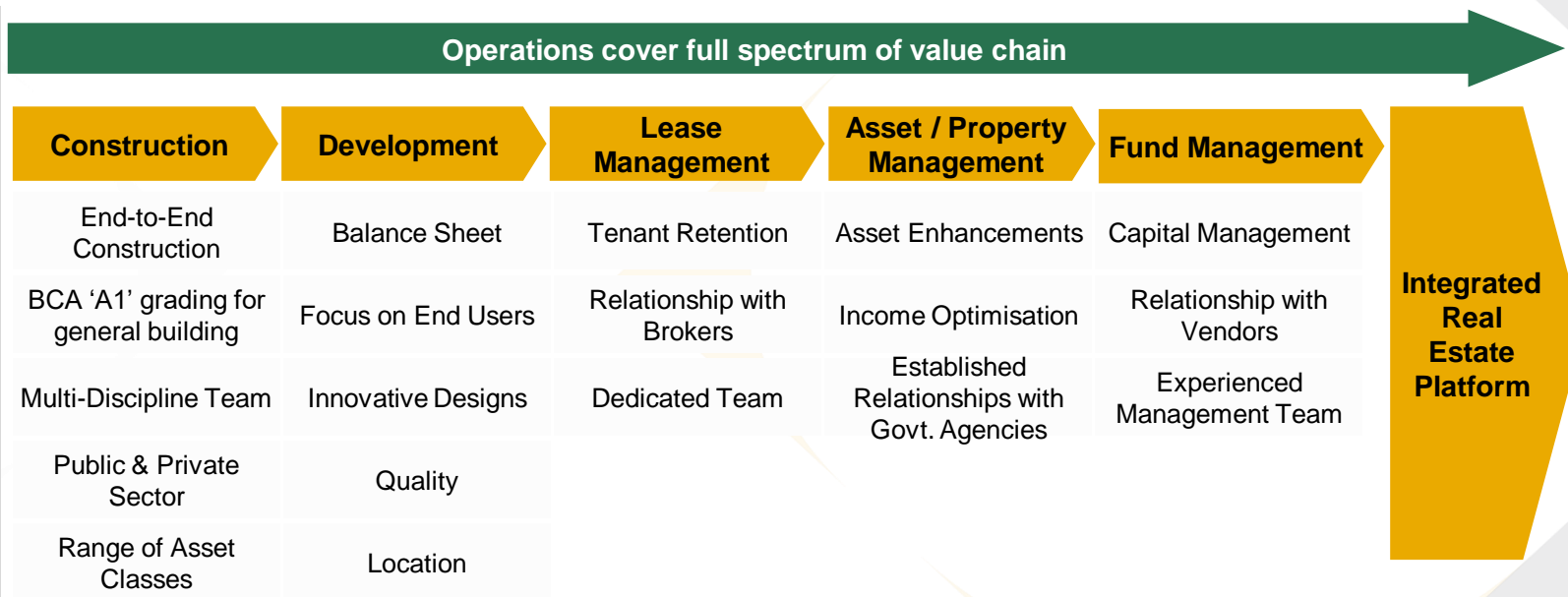
A

Strong Sponsor Provides Benefits to Soilbuild REIT

- Integrated property group with more than 40 years track record in end-to-end construction and development
- Single focus – Soilbuild REIT is the Sponsor’s first and only REIT vehicle
- Committed to support Soilbuild REIT over the long term with Sponsor stake of 30.0%
- Sponsor pipeline of three ROFR assets with maximum potential GFA of 2.1 million sq ft

B

Only Industrial REIT Sponsor with End-to-End Integrated Capabilities

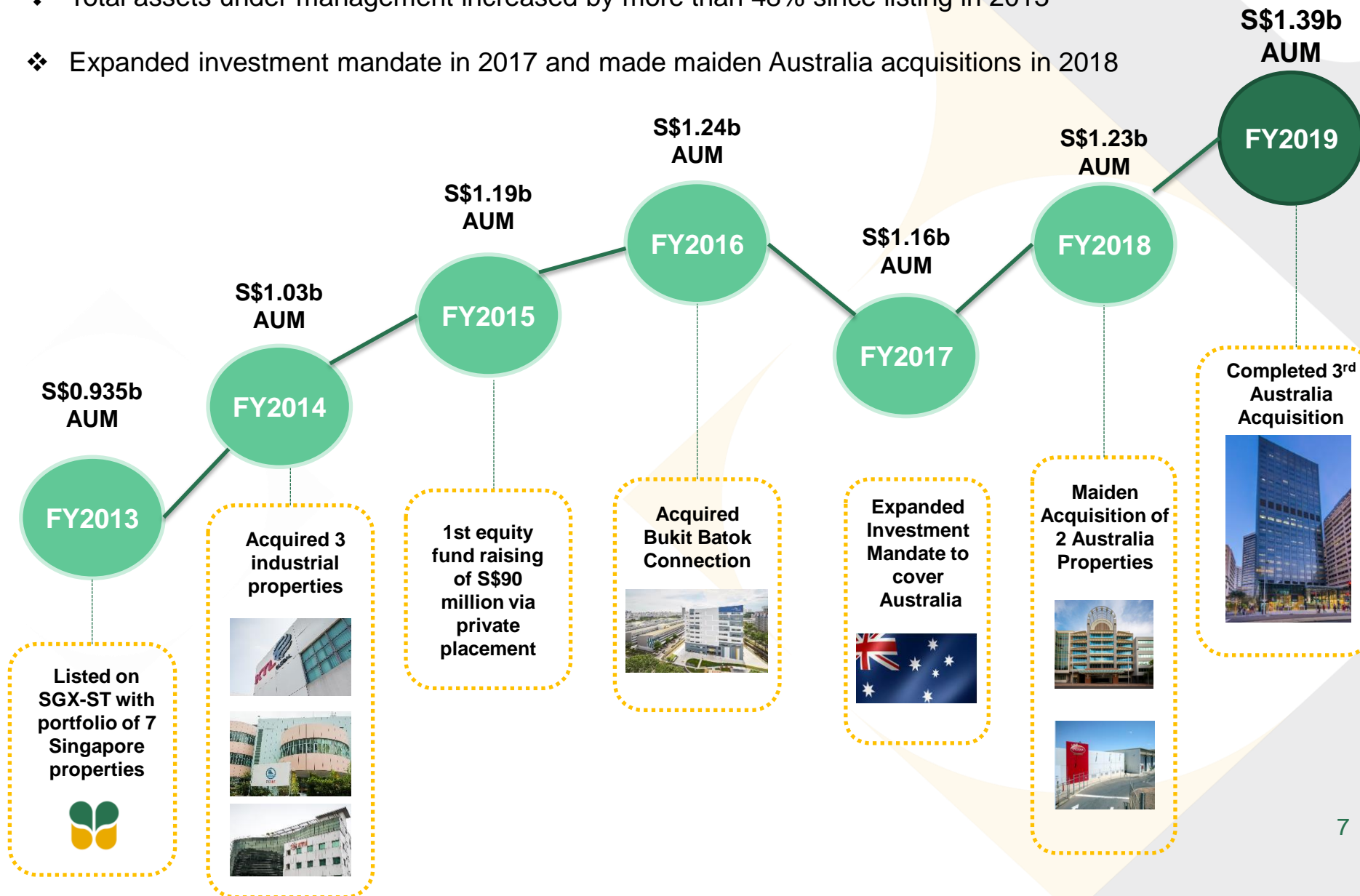


Notes:

(1) Information as at 30 June 2020.

Portfolio Growth Since Listing

- ❖ Total assets under management increased by more than 48% since listing in 2013
- ❖ Expanded investment mandate in 2017 and made maiden Australia acquisitions in 2018



Portfolio Highlights



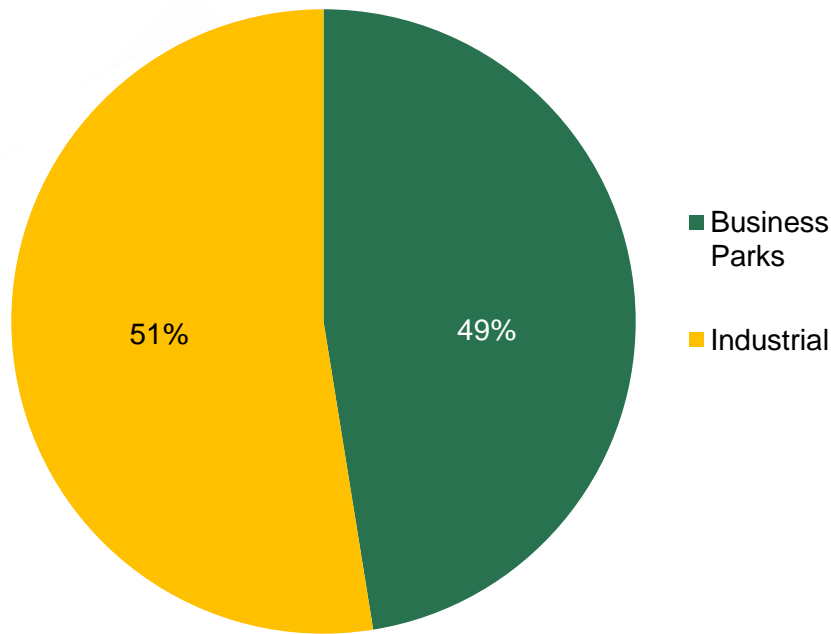
14 Mort Street,
Canberra

Soilbuild Portfolio Overview

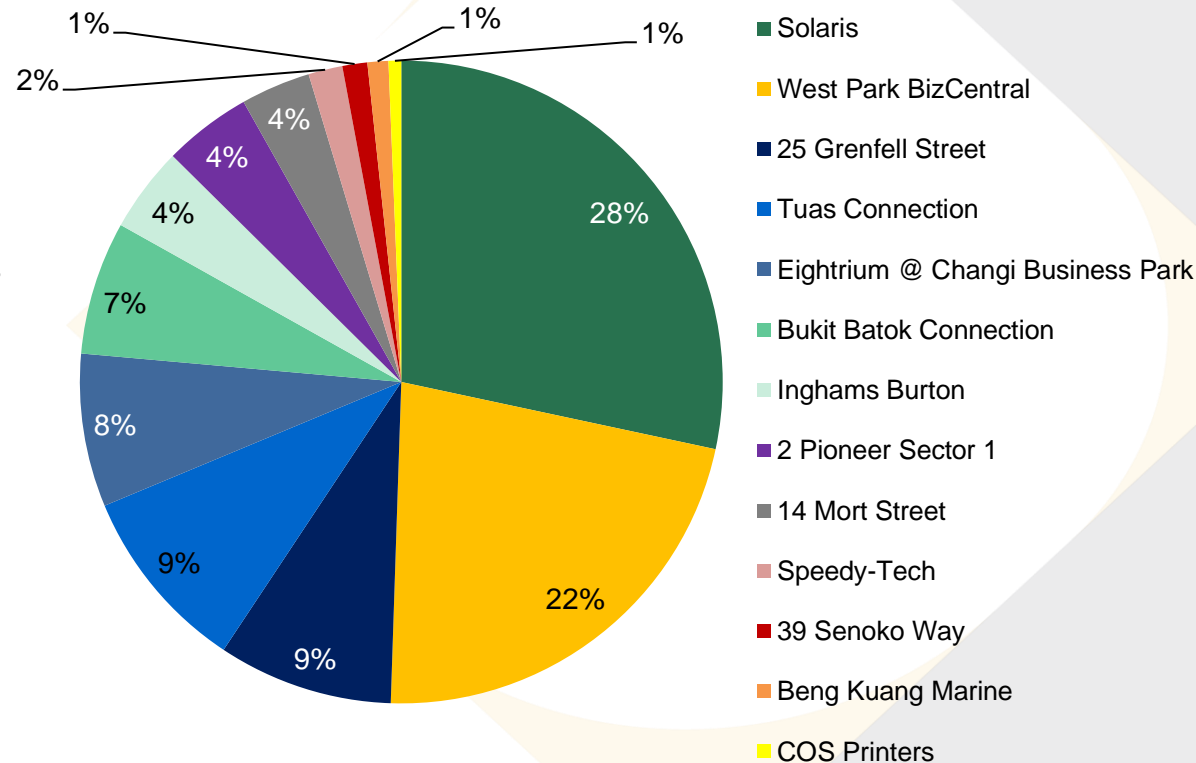
Portfolio Asset Value		
Singapore ⁽²⁾	S\$1,113.0 million	81.8%
Australia ⁽³⁾	S\$247.4 million	18.2%
Total	S\$1,360.4 million	100.0%

Portfolio Summary	
Total NLA	4.12 million sq ft
WALE (by GRI)	3.4 years
Occupancy	89.5%

Portfolio Asset Value by Asset Class



Portfolio Property by Asset Value



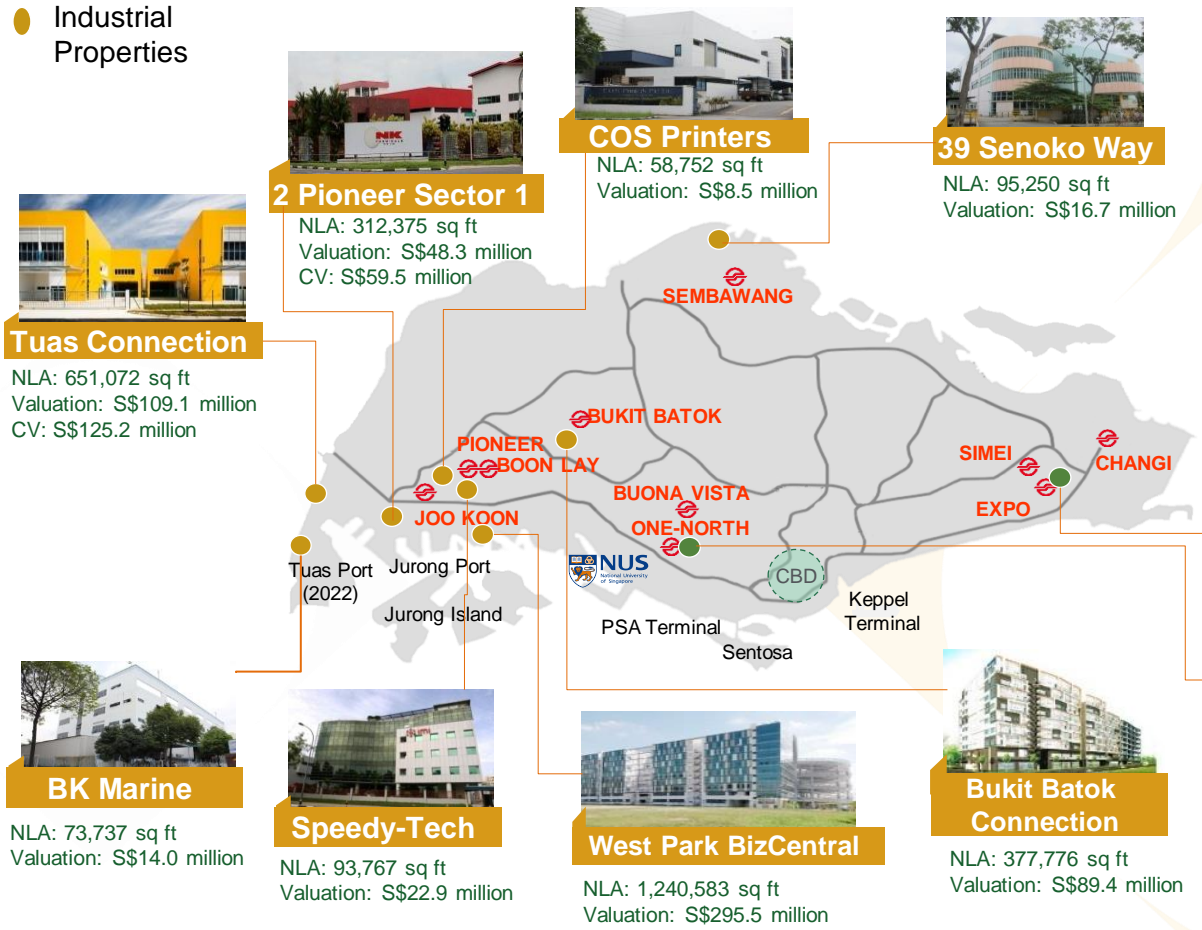
Notes:

- (1) Information as at 2Q 2020.
- (2) Based on Savills & Colliers' valuations dated 31 December 2019 for business park properties and industrial properties respectively. Includes right-of-use assets arising from the adoption of FRS 116 Leases and capital expenditure incurred in YTD 2020.
- (3) Based on Colliers' valuations for 14 Mort Street and Inghams Burton dated 31 December 2019 and 25 Grenfell Street dated 1 November 2019 and on the exchange rate of A\$1:00:S\$0.9589.

Singapore Portfolio: 10 Properties

- Business Park Properties
- Industrial Properties

Singapore Portfolio Summary	
Total NLA	3.52 million sq ft
Occupancy	88.5%
WALE (by GRI)	2.4 years



Notes:

- (1) Information as at 2Q 2020.
- (2) Valuation is based on Savills & Colliers' valuations dated 31 December 2019 for business park properties and industrial properties respectively.
- (3) CV denotes carrying value. Carrying value includes right-of-use assets arising from the adoption of FRS 116 Leases and capital expenditure incurred in YTD 2020.

Sponsor Properties with Competitive Edge

Solaris



✓ Strategic location and good connectivity

West Park BizCentral



Eightrium @ Changi Business Park



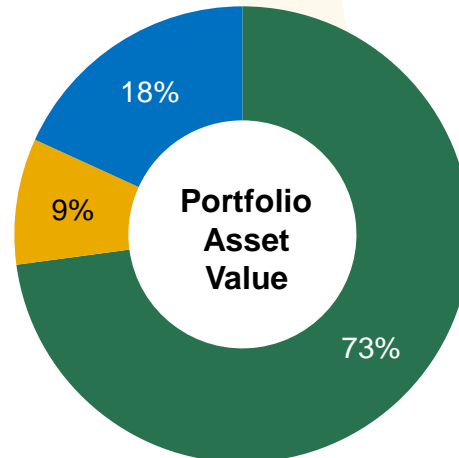
✓ Not subject to JTC Anchor Tenant Ruling⁽¹⁾

Bukit Batok Connection



✓ Sponsor properties form 73% of portfolio asset value

Tuas Connection



■ Sponsor Properties

■ Singapore Non-Sponsor Properties

■ Australia Properties

Notes:

(1) JTC Subletting Policy: Third Party Facility Providers are allowed to sublet 100% of the gross floor area, whereby 70% of the gross floor area must be sublet to anchor subtenant(s).

(2) Information as at 30 June 2020.

Australia Portfolio: 3 Properties



**25 Grenfell Street,
Adelaide**

NLA: 269,520 sq ft
Valuation: S\$128.7 million
CV: S\$133.3 million



**Inghams Burton,
Adelaide**

NLA: 230,608 sq ft
Valuation: S\$62.8 million



Australia Portfolio Summary

Total NLA	601,132 sq ft
Occupancy	94.8%
WALE (by GRI)	6.9 years



**14 Mort Street,
Canberra**

NLA: 101,004 sq ft
Valuation: S\$51.3 million

- Office
- Industrial

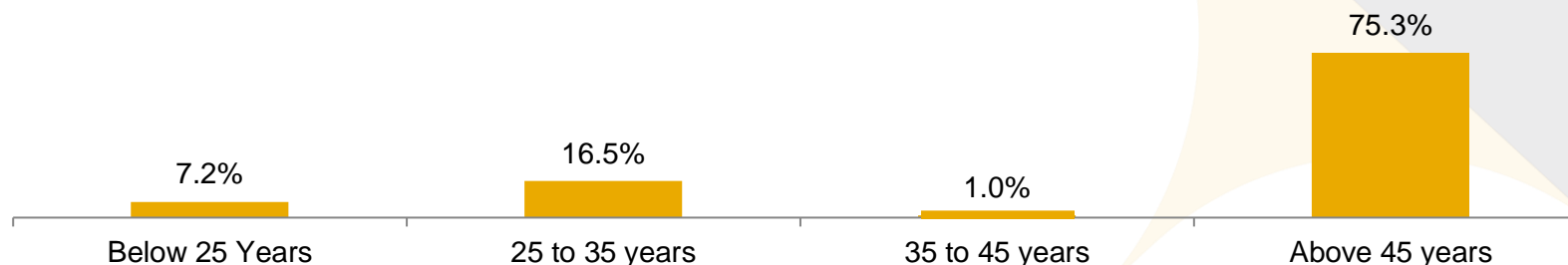
Notes:

- (1) Valuation is based on Colliers' valuations for 14 Mort St and Inghams Burton dated 31 December 2019 and for 25 Grenfell St dated 1 November 2019 and on the exchange rate of A\$1:00:S\$0.9589.
- (2) CV denotes carrying value. Carrying value includes capital expenditure incurred in YTD 2020 and on the exchange rate of A\$1:00: S\$0.9589.

Long Land Lease Expiry

Percentage of Unexpired Land Lease Term

By Carrying Value



Long Average Land Lease Tenure of 52.0 Years⁽³⁾ (by carrying value)

Property	Acquisition Date	Land Lease Expiry Date	Carrying Value (S\$m) ⁽¹⁾
Solaris	16-Aug-13	31-May-68	378.7
Eightrium	16-Aug-13	15-Feb-66	102.6
West Park BizCentral	16-Aug-13	31-Jul-68	295.5
Tuas Connection	16-Aug-13	30-Sep-50	125.2
2 Pioneer Sector 1	15-Feb-13	30-Sep-46	59.5
COS Printers	19-Mar-13	31-Jul-42	8.5
Beng Kuang Marine	10-May-13	29-Oct-56	14.0
39 Senoko Way (Phase 1)	26-May-14	15-Feb-54	16.7
39 Senoko Way (Phase 2)	25-Nov-16		
Speedy-Tech	23-Dec-14	30-Apr-50	22.9
Bukit Batok Connection	27-Sep-16	25-Nov-42	89.4
14 Mort Street, Canberra ⁽²⁾	5-Oct-18	6-Feb-2118	51.3
Inghams Burton, Adelaide	5-Oct-18	Freehold	62.8
25 Grenfell Street, Adelaide	1-Nov-19	Freehold	133.3

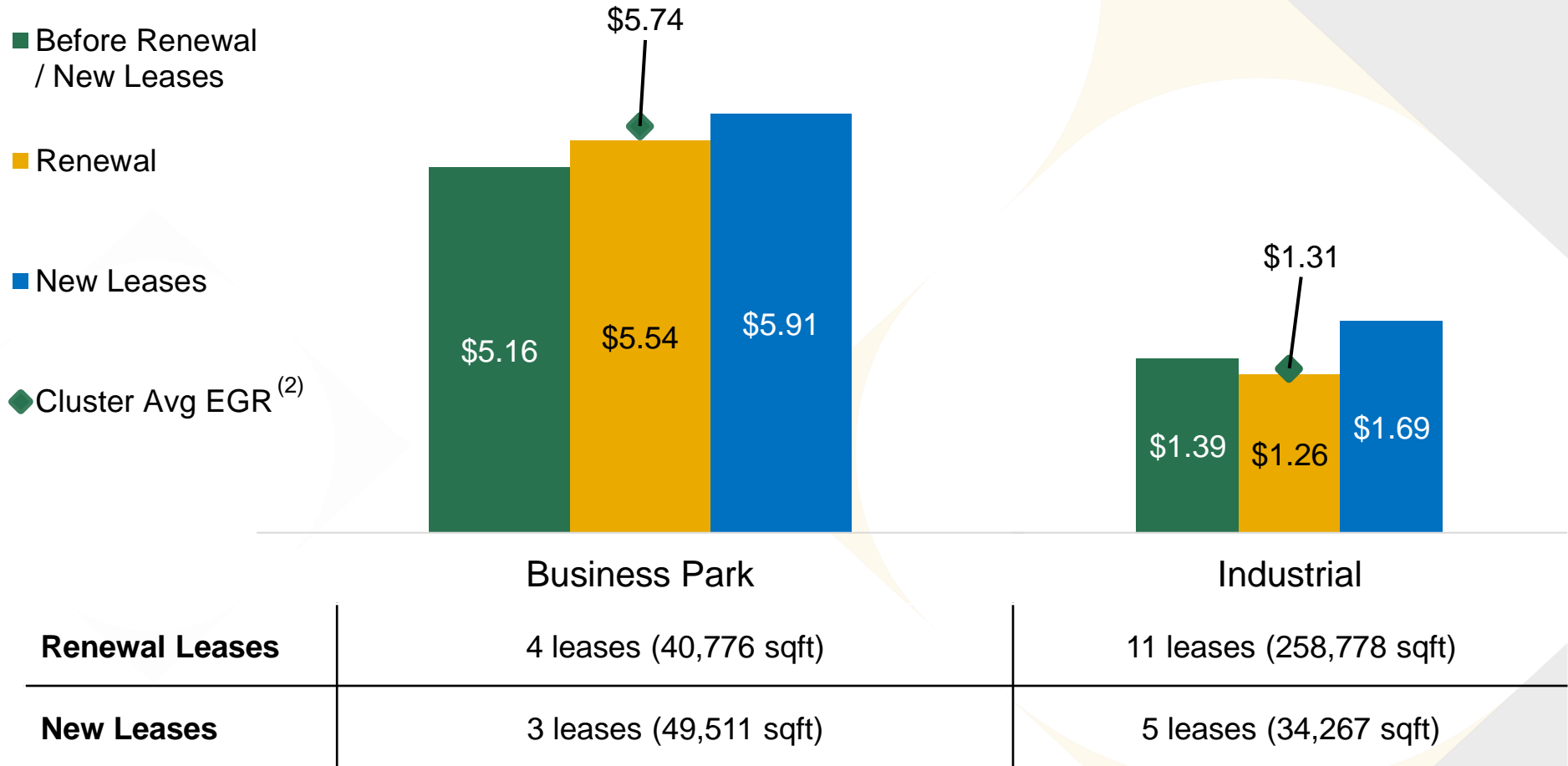
Notes:

- (1) Based on Savills & Colliers' valuations of Singapore assets dated 31 December 2019 and Colliers' valuation of 14 Mort St and Inghams Burton as at 31 December 2019 and 25 Grenfell St as at 1 November 2019, based on the exchange rate of A\$1:00:S\$0.9589. Includes right-of-use assets arising from the adoption of FRS 116 Leases and capital expenditure incurred in YTD 2020.
- (2) Crown leasehold title - If neither the state nor the federal government needs the land for a public purpose, it can request for an additional term not exceeding 99 years.
- (3) For the calculation of average land lease tenure by valuation, Inghams Burton and 25 Grenfell Street have been assumed as a 99-year leasehold interest.

Rental Reversions

Effective Gross Rent (psf/mth)

Leases signed in 1H FY2020 by Cluster⁽¹⁾

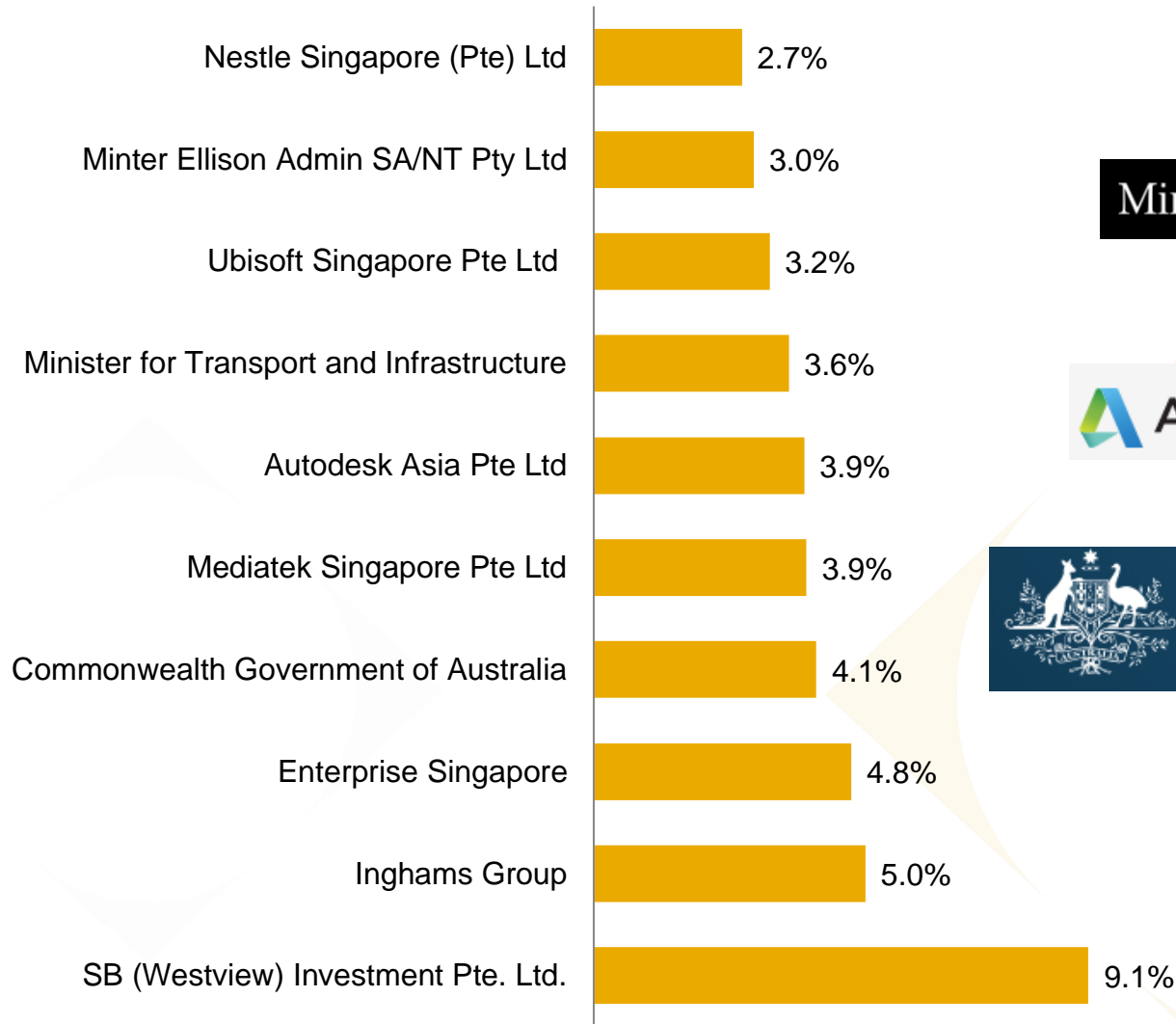


Note:

(1) Business Park cluster comprises Solaris and 25 Grenfell Street, Industrial Cluster comprises Tuas Connection, West Park BizCentral, 39 Senoko Way and Beng Kuang Marine.

(2) Cluster Average EGR indicates the average EGR of leased area for the respective Cluster as at 30 June 2020.

Quality and Diversified Tenants



MinterEllison



MEDIATEK



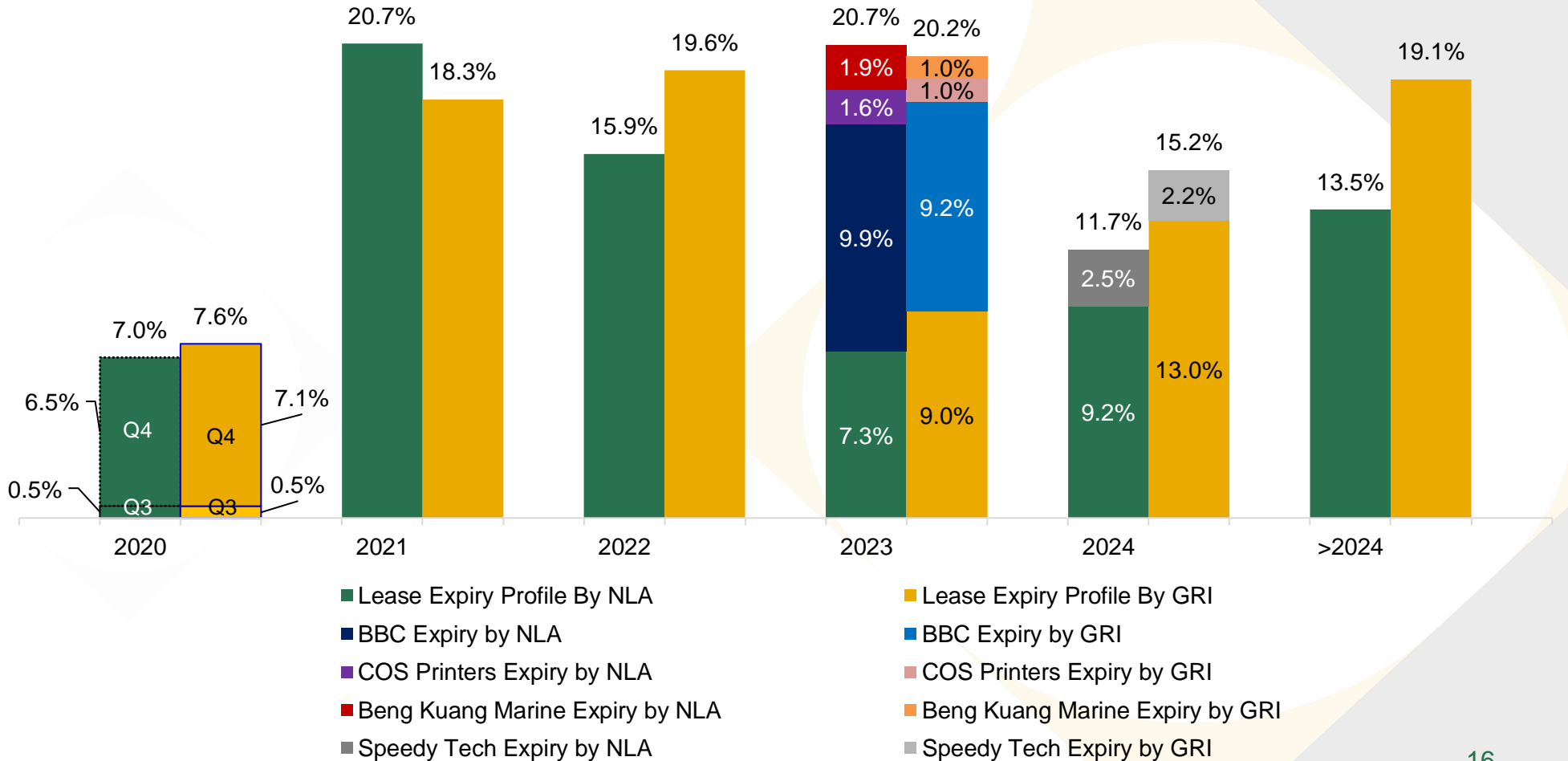
Enterprise Singapore

Top 10 tenants contribute 43.3% of monthly gross rental income.

Well Staggered Lease Expiry Profile

WALE (by NLA)	3.0 years	WALE (by Gross Rental Income)	3.4 years
----------------------	-----------	--------------------------------------	-----------

Well-spread lease expiry profile, extending beyond FY2024

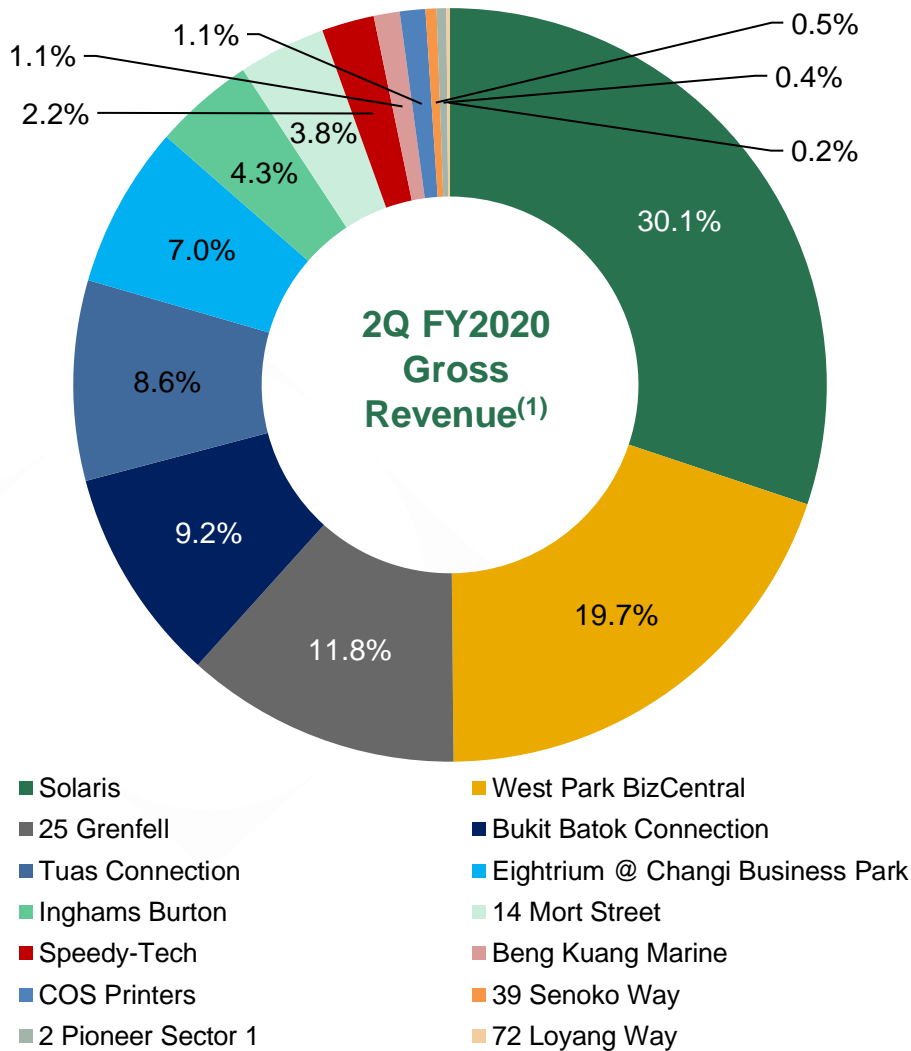


Note:
 (1) Information as at 30 June 2020.
 (2) Discrepancies between the figures in the chart are due to rounding.

Well diversified Portfolio

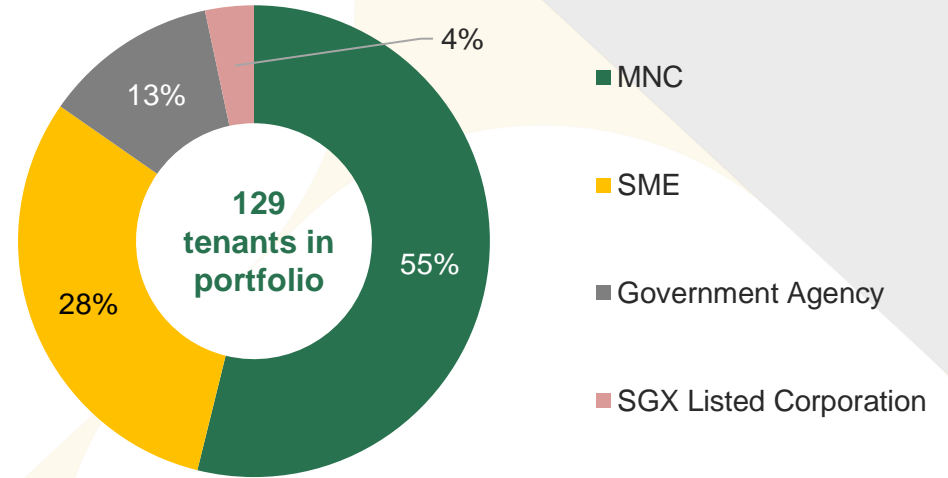
Portfolio Income Spread⁽¹⁾

By Property



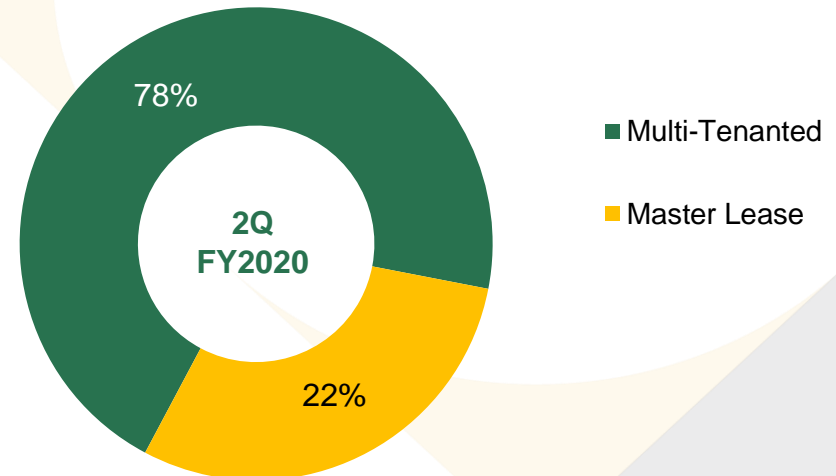
Diversified Tenant Base

By Gross Revenue



Portfolio of Multi-tenanted and Master Leases

By Gross Revenue⁽¹⁾



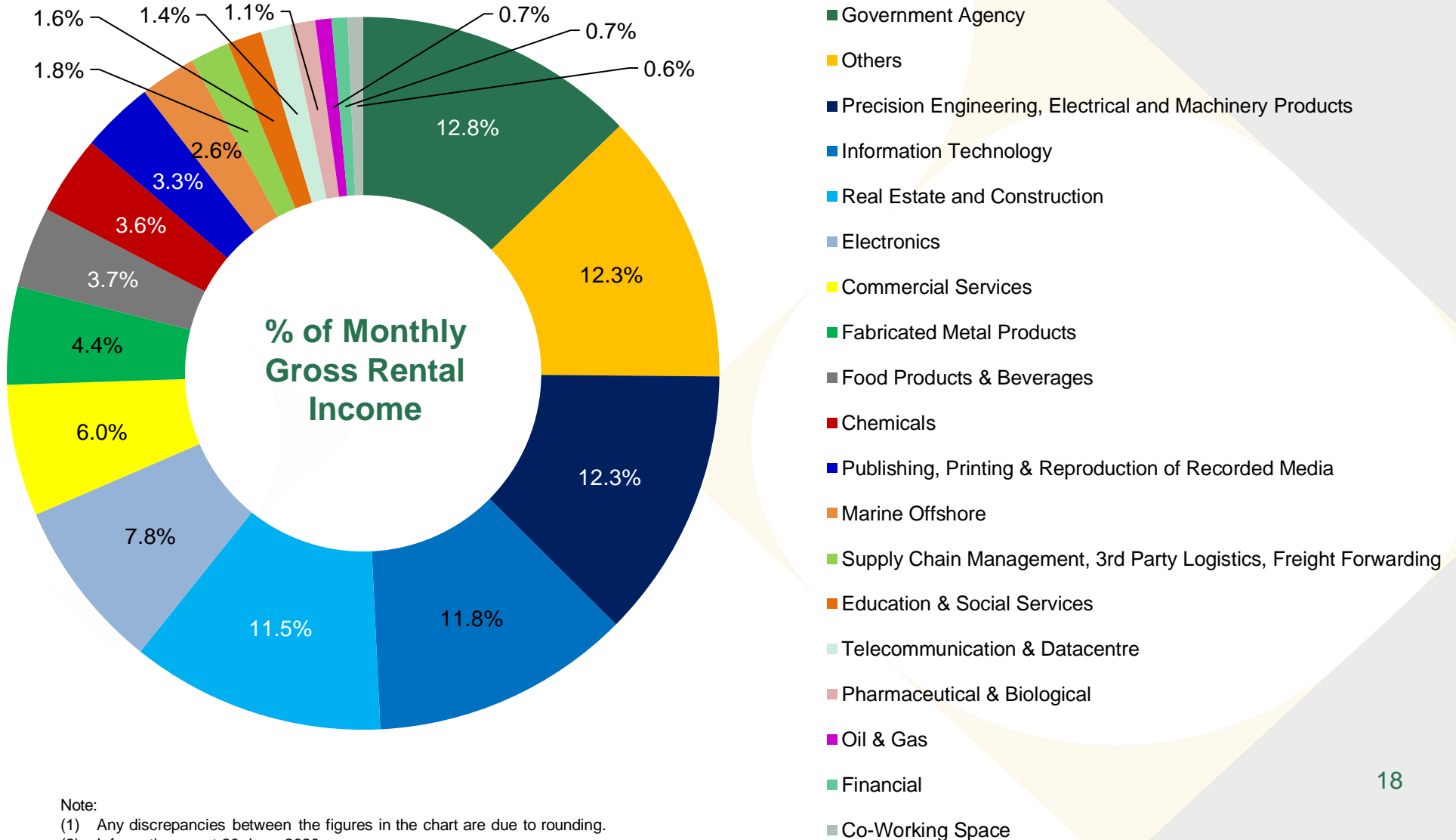
Note:

(1) Any discrepancies between the figures in the chart are due to rounding.

(2) Information as at 30 June 2020.

Well diversified Portfolio

Well-spread Trade Sectors Across 19 Industries
By Gross Rental Income



Note:

- (1) Any discrepancies between the figures in the chart are due to rounding.
- (2) Information as at 30 June 2020.

Portfolio Growth

**Eightrium @ Changi
Business Park**

Asset Enhancement Initiatives (AEIs)

Refreshing Solaris for Sustainable Returns



Feature Wall/
Reception

AEI



End-of Trip
Facilities

AEI



Refreshing and reinforcing Solaris' position in one-north business park

Asset Enhancement Initiatives (AEIs)

Re-positioning West Park BizCentral for future growth



Floor finishes at common corridors



Carpark re-painting and cleaning



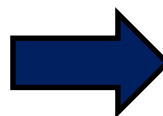
Façade re-painting and cleaning works

2 Pioneer Sector 1 – Redevelopment

Before



After



	Pre-Redevelopment	Post-Redevelopment	
Property Description	Seven blocks of office, laboratory, warehouse and production facilities and associated structures	Modern ramp-up warehouse facility with open yard space	
Valuation	S\$48.3 million ⁽¹⁾	S\$113.0 million ⁽²⁾	S\$142.0 million ⁽²⁾
Plot Ratio	0.55	1.00	1.32 ⁽³⁾
GFA (sqm)	29,020	53,190	70,210
Open yard space (sqm)	-	11,250	11,250

⁽¹⁾ Based on Colliers' valuation dated 31 December 2019. The carrying value including right-of-use assets is S\$59.0 million.

⁽²⁾ Based on Savills' valuation of the asset (post-redevelopment) as at 6 March 2020.

⁽³⁾ Subject to JTC and the relevant authorities' approval to increase the plot ratio to 1.32.

Benefits of the Redevelopment

Unlocks Value



- Appraised value of the asset is expected to increase to S\$113.0 million ⁽¹⁾ (based on plot ratio 1.00) and S\$142.0 million ⁽¹⁾ (based on plot ratio 1.32).

Enhances and Maximises Existing Asset



- Transforms the asset into a high-quality ramp-up warehouse with open yard space designed for future requirements
- Maximizes the asset's plot ratio and doubles the existing GFA

Strengthens Portfolio



- Repositions Soilbuild REIT's portfolio for sustainable long-term growth
- In line with the Manager's investment strategy of improving portfolio value through selective enhancement of its existing assets

⁽¹⁾ Based on Savills' valuation of the asset (post-redevelopment) as at 6 March 2020.

Right of First Refusal Assets (ROFR)

Solaris @ Tai Seng



Solaris @ Kallang 164



Qualcomm Building



Address	1020, 1022, 1024 & 1026 Tai Seng Avenue	164 Kallang Way	9 Kallang Sector
Usage	Industrial B2, Multi-Tenanted	Industrial B2, Multi-Tenanted	Industrial B2, Master Lease
GFA (sqft)	1,142,071	586,439	390,106
NLA (sqft)	928,576	438,231	390,106
Balance Land Lease	60 years from August 2011	40 years from 26 August 2011	40 years from 26 August 2011
Completion Date	2H 2022	April 2019	June 2019

ROFR pipeline of 3 industrial properties with maximum GFA in excess of 2.1 million sq ft

2Q & 1H FY2020

Financial Performance



**Bukit Batok
Connection**

Summary of Financial Performance

	2Q FY2020	2Q FY2019	Variance (%)	1H FY2020	1H FY2019	Variance (%)
Gross Revenue (S\$'000)	23,009	22,364	2.9	46,507	45,048	3.2
Property Expenses (S\$'000)	(6,839)	(4,036)	(69.4)	(12,976)	(8,427)	(54.0)
Net Property Income (S\$'000)	16,170	18,328	(11.8)	33,531	36,621	(8.4)
Total Amount Available for Distribution (S\$'000)	9,459	12,560	(24.7)	20,624	25,300	(18.5)
Distribution per Unit (“DPU”) (cents)	0.745	1.179	(36.8)	1.628	2.377	(31.5)
Annualised Distribution Yield	-	-	-	8.3% ⁽¹⁾	7.7% ⁽²⁾	0.6 ⁽³⁾

- Higher revenue from newly acquired 25 Grenfell Street in Adelaide.
- Lower net property income on the back of provision for rent waivers for eligible SME tenants of S\$1.5 million in 2Q FY2020 (1H FY2020: S\$2.1 million).
- Withheld capital distributions relating to unremitted Australia-sourced income to conserve capital.

Note:

(1) Based on the closing price of S\$0.390 as at 30 June 2020.

(2) Based on the closing price of S\$0.615 as at 28 June 2019.

(3) In percentage points.

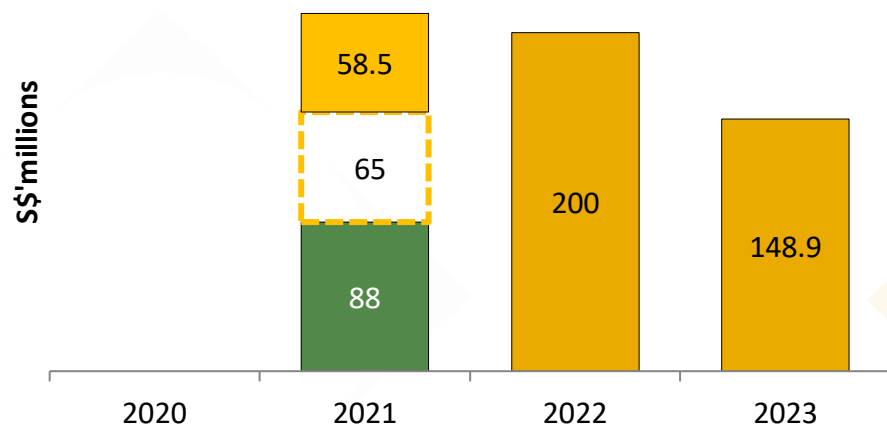
2Q FY2020 Balance Sheet

<u>Group</u> (S\$'000)	30 June 2020	31 December 2019
Investment properties	1,300,858	1,350,360
Investment property under development	59,547	-
Property held for sale	-	34,531
Other Assets	18,996	22,486
Total Assets	1,379,401	1,407,377
Borrowings	494,908	521,364
Lease liabilities	34,370	36,001
Other liabilities	41,009	37,515
Net Assets	809,114	812,497
Units in issue	1,268,111	1,261,711
Represented by:		
Unitholders' funds	743,453	746,836
Perpetual securities holders	65,661	65,661
Net Asset Value per Unit (S\$)	0.59	0.59

Prudent Capital Management

1) Fixed interest rate for 80.4% of borrowings

■ MTN ■ Bank Facility drawn down ■ Perpetual Securities



% of Debt and Perpetual Securities Maturing	2020	2021	2022	2023
	-	37.7%	35.7%	26.6%

2) Aggregate leverage of 36.9%⁽¹⁾ allows debt headroom of S\$69.3 million⁽²⁾

	30 June 2020
Total Bank Debt Drawn Down	S\$407.4 million
Multicurrency Debt Issuance Programme drawn down	S\$88.0 million
Unencumbered Investment Properties	S\$981.7 million
Average All-in Interest Cost	3.14% p.a.
Interest Coverage Ratio ⁽³⁾	3.6x
Weighted Average Debt Maturity	1.9 years

Notes:



- (1) Includes deferred payment of S\$0.2 million due to SB (Solaris) Investment Pte. Ltd and insurance guarantees of S\$0.6 million issued to utility supply providers. Lease liabilities and right-of-use assets (included in investment properties and a property held for sale) are excluded from the computation of aggregate leverage.
- (2) Based on target aggregate leverage of 40%.
- (3) Computed based on 2Q FY2020 earnings before net interest expense, tax and unrealised foreign exchange losses/Net interest expense (Finance expense – Interest income). Net finance expenses exclude finance expenses on leases (FRS 116).

Market and COVID-19 Updates



Inghams Burton,
Adelaide

COVID-19 Updates

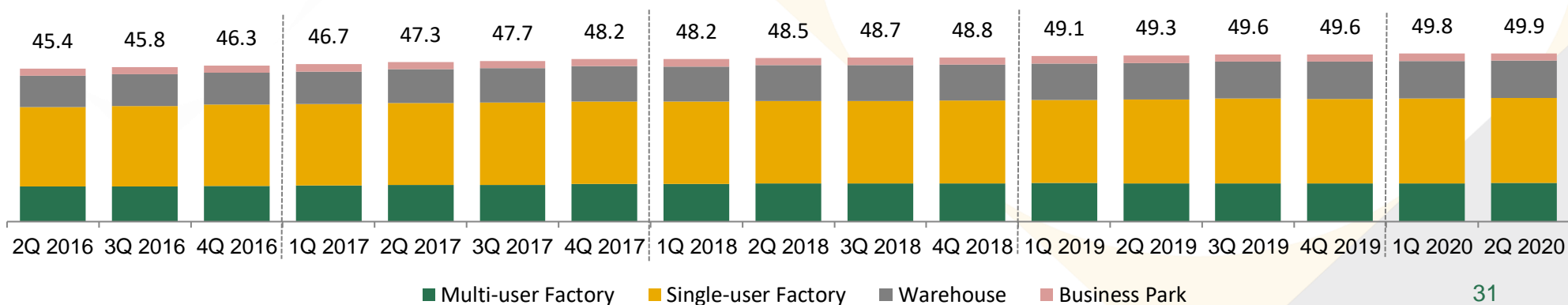
	 SINGAPORE	 AUSTRALIA
Government Measures	<ul style="list-style-type: none"> ❖ Property Tax Rebates: 30% for industrial properties equating to 0.36 month's of rent ❖ For Qualifying SMEs: additional cash grant of ~0.64 month's of rent for industrial properties 	<ul style="list-style-type: none"> ❖ Mandatory Code of Conduct for commercial SME tenancies: non-termination of leases by landlords due to nonpayment of rent during COVID-19, landlords to offer tenants proportionate reductions in rent payable in the form of waivers and deferrals.
Manager's Response	<ul style="list-style-type: none"> ❖ S\$1.5 million :Property tax rebate passed through to tenants (Excludes amount that will be directly credited into certain master lessees' accounts) ❖ ~S\$0.7 million: additional cash grant from the government to be passed through to tenants ❖ ~S\$1.5 – \$2.3 million: Estimated rental waivers from the landlord to eligible SME tenants ❖ S\$2.1 million: Provision for rental relief made as at 30 June 2020 ❖ Facility Management: Stepped up checks on contractors, cleaning frequency, implemented temperature screening and placed sanitisers at entrances of buildings for business park assets. Respective tenants in the industrial assets are self-contained within their respective units with each implementing their respective precautionary measures 	<ul style="list-style-type: none"> ❖ 25 Grenfell Street: Ancillary retail tenants have been negatively impacted due to the drastic decline in footfall as corporate office tenants have started working from home ❖ Rental Waivers: Management has approved rental waivers of A\$60K and rental deferral of A\$60K ❖ In the midst of rolling out a rental relief programme for the retail tenants and reviewing cases received from office tenants ❖ Master-tenanted buildings: 14 Mort Street and Inghams Burton are not expected to experience any material negative impact
Outlook	<ul style="list-style-type: none"> ❖ The Ministry of Trade and Industry (“MTI”) expects Singapore's GDP to shrink between 5% and 7% in 2020 	<ul style="list-style-type: none"> ❖ The Reserve Bank of Australia (“RBA”) expects annual GDP to contract 6% in 2020 and then slowly recover over the next few years.

Industrial Properties Profile

Change y-o-y	2Q 2016 vs 2Q 2017		2Q 2017 vs 2Q 2018		2Q 2018 vs 2Q 2019		2Q 2019 vs 2Q 2020	
	Vacancy Rate ⁽¹⁾	Rental Index	Vacancy Rate ⁽¹⁾	Rental Index	Vacancy Rate ⁽¹⁾	Rental Index	Vacancy Rate ⁽¹⁾	Rental Index
Multi-user	↑ 0.5%	↓ 3.7%	↑ 0.4%	↓ 0.7%	↓ 1.2%	↓ 0.3%	↓ 0.3%	↓ 1.0%
Single-user	↑ 1.2%	↓ 3.8%	↓ 0.1%	↓ 4.2%	↓ 0.6%	↑ 0.4%	↓ 0.2%	↓ 0.6%
Warehouse	↑ 0.9%	↓ 7.2%	↓ 0.4%	↓ 3.8%	↓ 0.2%	↓ 0.2%	↑ 0.4%	↓ 0.6%
Business Park	↓ 4.7%	↑ 2.0%	↑ 0.7%	↑ 5.3%	↓ 1.0%	↑ 0.9%	↑ 0.8%	0.0%

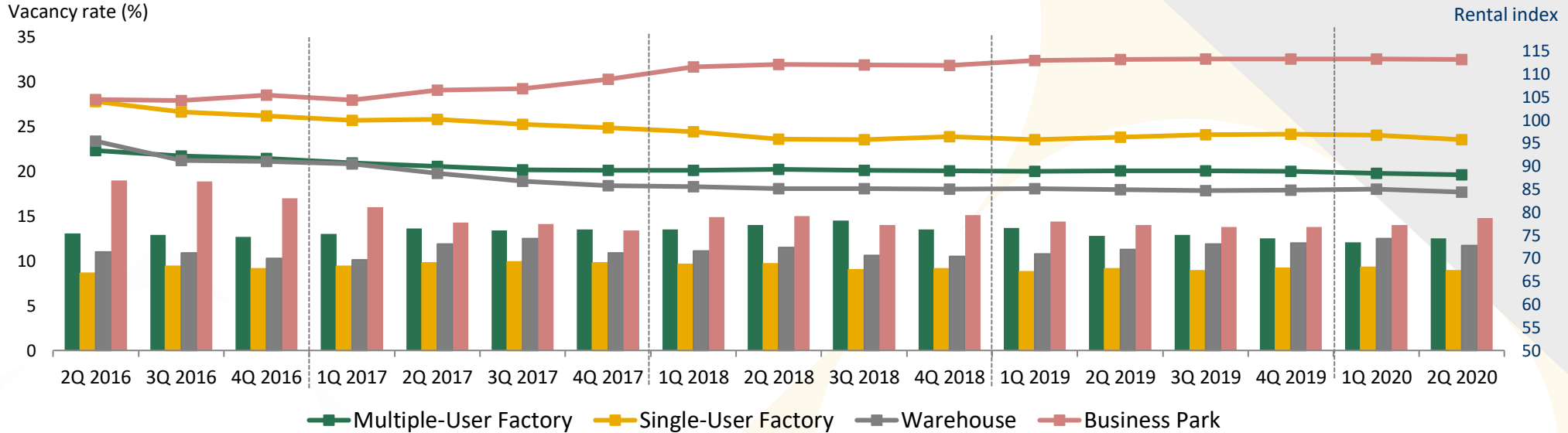
Total Industrial Stock ('million sq m)

Increase y-o-y	2Q 2016 vs 2Q 2017	2Q 2017 vs 2Q 2018	2Q 2018 vs 2Q 2019	2Q 2019 vs 2Q 2020
Multi-user	4.0%	4.6%	0.5%	0.2%
Single-user	3.4%	0.6%	1.7%	1.7%
Warehouse	8.0%	5.5%	2.2%	1.9%
Business Park	0.1%	0.3%	2.4%	(0.2%)



Industrial Properties Profile

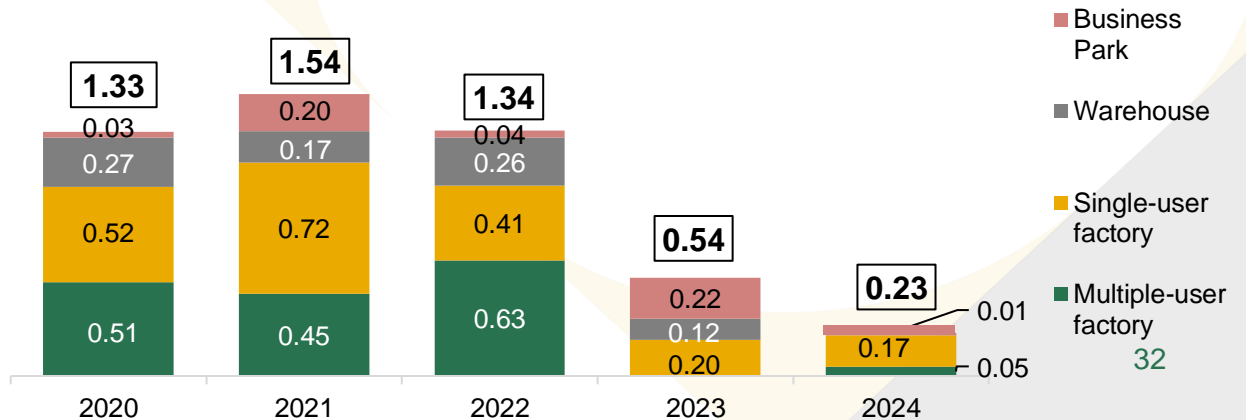
Vacancy Rate and Rental Index (Base 4Q 2012 = 100)



Upcoming Supply in the Pipeline ('million sq m)

Property Type	Stock as at 2Q 2020 ('mil sq m)	Potential Supply in 2020
Multi-user	11.4	↑ 38%
Single-user	25.3	↑ 39%
Warehouse	11.1	↑ 20%
Business Park	2.2	↑ 3%

Total Potential Supply





Quality Portfolio With Unique Competitive Strengths

- ✓ Portfolio Value of S\$1.36 billion consisting of business parks and industrial assets
- ✓ Diversified portfolio with quality tenant base
- ✓ Portfolio occupancy at 89.5% and WALE (by GRI) of 3.4 years as at 30 June 2020



Strengthening Portfolio For Long Term Growth

- ✓ Commenced AEI works for Solaris and West Park BizCentral for sustainable returns
- ✓ Redevelopment of 2 Pioneer Sector 1 to unlock asset value
- ✓ Sponsor pipeline of 3 ROFR assets with maximum GFA of 2.1 million sqft



Prudent Capital Management

- ✓ Weighted average all-in cost of debt of 3.14% p.a. as at 30 June 2020
- ✓ Weighted average debt maturity of 1.9 years
- ✓ Fixed interest rate for 80.4% of borrowings
- ✓ Aggregate leverage of 36.9% as at 30 June 2020

THANK YOU

Key Contacts:

Lim Hui Hua
Chief Financial Officer
Tel: (65) 6415 5985
Email: lim.huihua@soilbuild.com

Lawrence Ang
Senior Executive, Investor Relations
Tel: (65) 6415 7351
Email: lawrence.ang@soilbuild.com