

Soilbuild Business Space REIT and its Subsidiaries

Independent Auditor's Review Report to the Unitholders of Soilbuild Business Space REIT

**(Constituted under a Trust Deed dated 13 December 2012
(as amended and restated) in the Republic of Singapore)
For the nine months period ended 30 September 2020**

Report on the review of interim financial information

Introduction

We have reviewed the accompanying Interim Condensed Consolidated Statement of Financial Position and Interim Condensed Consolidated Statement of Portfolio of Soilbuild Business Space REIT (the "Soilbuild REIT" or the "Trust") and its subsidiaries (the "Group") as at 30 September 2020, and the related Interim Condensed Consolidated Statement of Total Return, Interim Condensed Consolidated Statement of Distribution, Interim Condensed Consolidated Statement of Movements in Unitholders' Funds and Interim Condensed Consolidated Statement of Cash Flows of the Group for the nine months period then ended, and the Notes to the Interim Condensed Consolidated Financial Statements ("Interim Financial Information"). The Interim Financial Information was prepared for the purposes of compliance with the requirements of the Listing Rules of the Singapore Exchange Securities Trading Limited.

The Manager is responsible for the preparation and fair presentation of this Interim Financial Information in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Unit Trusts*" issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on these Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagement 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

The carrying values of Soilbuild REIT's investment properties and an investment property under development as at 30 September 2020 amounted to \$1,307 million and \$60 million respectively as stated in Notes 5 and 6 respectively. The Group's accounting policies for investment properties and an investment property under development are to record them at fair value. However, the Group has not carried out an assessment of fair value as of 30 September 2020 and has recorded the carrying amounts based on independent valuations as at 31 December 2019 which has not taken into account the developments in the market since then, including any impact of COVID-19 pandemic. As a result, we are unable to satisfy ourselves that the carrying values of the investment properties and an investment property under development are fairly stated as at 30 September 2020.

Qualified Conclusion

Based on our review, except for the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Unit Trusts*" issued by the Institute of Singapore Chartered Accountants.

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Other matters

The comparative information for the Interim Condensed Consolidated Statement of Financial Position and Interim Condensed Consolidated Statement of Portfolio of the Group are based on the audited financial statements as at 31 December 2019. The Interim Financial Information for the nine-month period ended 30 September 2019 included as comparative figures in this Interim Financial Information has not been audited or reviewed. The Interim Financial Information for the nine-month period ended 30 September 2019 is the responsibility of the Manager.

Restriction of use

Our report is provided on the basis that it is solely for the information of the Trust to enable the Trust to fulfil their responsibilities under Rule 25 of the Singapore Code on Take-overs and Mergers and the requirements of the Listing Rules of the Singapore Exchange Securities Trading Limited. Our report should not be quoted or referred to, in whole or in part, without our prior written permission, for any other purpose. Our report is released on SGXNET pursuant to the Trust's Results announcement dated 15 October 2020, for the information of its Unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

29 October 2020