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

ANNOUNCEMENT

**LAUNCH OF FULLY UNDERWRITTEN PREFERENTIAL OFFERING TO RAISE GROSS
PROCEEDS OF APPROXIMATELY S\$101.8 MILLION**

1. INTRODUCTION

SB REIT Management Pte. Ltd., in its capacity as manager of Soilbuild Business Space REIT (“**Soilbuild REIT**”, and the manager of Soilbuild REIT, the “**Manager**”), wishes to announce the proposed fully underwritten, pro-rata and non-renounceable preferential offering of 192,135,040 new units in Soilbuild REIT (the “**New Units**”) on the basis of 18 New Units for every 100 existing units in Soilbuild REIT (the “**Units**”) held as at 5.00 p.m. on Thursday, 29 August 2019 (the “**Preferential Offering Books Closure Date**”) to Eligible Unitholders (as defined herein) (fractions of a New Unit to be disregarded) at an issue price of S\$0.530 per New Unit (the “**Issue Price**”) to raise gross proceeds of approximately

S\$101.8 million (the “**Preferential Offering**”).

The Issue Price of S\$0.530 per New Unit represents a discount of approximately 8.4% to the volume weighted average price of S\$0.5788 per Unit for trades in the Units done on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the full Market Day¹ on 21 August 2019.

Each of Lim Chap Huat (“**LCH**”), Lim Han Feng (“**LHF**”), Lim Han Qin (“**LHQ**”) and Lim Han Ren (“**LHR**”) has provided an irrevocable undertaking (collectively, the “**Undertakings**”) that he will accept, subscribe and pay in full for his respective total provisional allotment of New Units under the Preferential Offering, the details of which are set out in paragraph 3 below.

2. **Details of the Preferential Offering**

The Manager and CGS-CIMB Securities (Singapore) Pte. Ltd., DBS Bank Ltd., RHB Securities Singapore Pte. Ltd. and Soochow CSSD Capital Markets (Asia) Pte. Ltd. (collectively, the “**Joint Underwriters**”) have today entered into an underwriting agreement (the “**Underwriting Agreement**”) in relation to the Preferential Offering. Pursuant to the Underwriting Agreement, each of the Joint Underwriters has severally agreed to subscribe and pay for (either by itself or through one or more affiliates), the New Units (excluding such number of New Units undertaken to be accepted, subscribed and paid for pursuant to the Undertakings) at the Issue Price per New Unit. Subject to the Undertakings, the Preferential Offering is fully underwritten by the Joint Underwriters, subject to the terms and conditions contained in the Underwriting Agreement.

As the Preferential Offering is made on a non-renounceable basis, the provisional allotment of New Units cannot be renounced in favour of a third party or traded on the SGX-ST. Each Eligible Unitholder will be provisionally allotted the New Units under the Preferential Offering on the basis of their unitholdings in Soilbuild REIT as at the Preferential Offering Books Closure Date (fractions of a New Unit to be disregarded).

Eligible Unitholders are at liberty to accept or decline, in part or in full, their provisional allotments of New Units and are eligible to apply for additional New Units in excess of their provisional allotments under the Preferential Offering (“**Excess New Units**”). Eligible Unitholders are prohibited from trading, transferring, assigning or otherwise dealing with (in full or in part) their (i) provisional allotments of New Units or (ii) eligibility to apply for Excess New Units.

The New Units under the Preferential Offering represented by the provisional allotments of (i) Eligible Unitholders who decline or do not accept, in full or in part, their provisional allotments of New Units under the Preferential Offering and/or (ii) ineligible Unitholders, may be issued to satisfy applications for Excess New Units as the Manager may, in its absolute discretion, deem fit.

In the allotment of Excess New Units, preference will be given to the rounding of odd lots.

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

Applications by directors of the Manager and substantial unitholders of Soilbuild REIT who have control or influence over Soilbuild REIT or the Manager in connection with the day-to-day affairs of Soilbuild REIT or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the board of directors of the Manager, will rank last in priority for the rounding of odd lots and allotment of Excess New Units.

3. COMMITMENT BY LCH, LHF, LHQ and LHR

To demonstrate their support for Soilbuild REIT's long-term growth and the Preferential Offering, LCH (who owns approximately 9.9% of the existing Units) and LHF, LHQ and LHR (who each owns approximately 6.6% of the existing Units) have provided the Undertakings to subscribe for the pro-rata entitlement of LCH, LHF, LHQ and LHR under the Preferential Offering respectively. The commitment by LCH, LHF, LHQ and LHR under the Undertakings represents in aggregate approximately 29.5% of the New Units to be issued pursuant to the Preferential Offering.

4. USE OF PROCEEDS

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S\$101.8 million from the Preferential Offering in the following manner:

- (i) approximately S\$99.6 million (which is equivalent to 97.8% of the gross proceeds of the Preferential Offering) to partially fund the proposed acquisition by Soilbuild REIT of the property located at 25 Grenfell Street, Adelaide, Australia (the "**Proposed Acquisition**", and such property, the "**Property**") and the associated costs; and
- (ii) approximately S\$2.2 million (which is equivalent to 2.2% of the gross proceeds of the Preferential Offering) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by Soilbuild REIT in connection with the Preferential Offering,

with the balance of the gross proceeds of the Preferential Offering, if any, to be used for general corporate and/or working capital purposes.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Preferential Offering in its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

Pending the deployment of the net proceeds from the Preferential Offering, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Preferential Offering via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. A status report on the use of proceeds from the Preferential Offering

will also be provided in the annual reports of Soilbuild REIT. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

5. RATIONALE FOR THE PREFERENTIAL OFFERING

The Manager intends to use the net proceeds from the Preferential Offering towards the Proposed Acquisition as stated in the announcement dated 21 August 2019 in relation to the Proposed Acquisition (the “**Acquisition Announcement**”). After consulting the Joint Underwriters and taking into account the prevailing market conditions and interest rate environment, the impact on Soilbuild REIT’s capital structure and distributions per Unit (“**DPU**”), the Manager believes that the Preferential Offering is an overall beneficial method of raising funds to finance the Proposed Acquisition and provides an opportunity for existing Unitholders to participate in the growth of Soilbuild REIT. Please see the Acquisition Announcement for further details on the Proposed Acquisition including on the Property and the pro forma financial effects of the Proposed Acquisition.

6. AUTHORITY TO ISSUE NEW UNITS

The New Units will be issued pursuant to a general mandate (the “**General Mandate**”) given to the Manager at the annual general meeting (“**AGM**”) held on 29 March 2019, pursuant to which the Manager may, during the period from 29 March 2019 to (i) the conclusion of the next AGM of Soilbuild REIT or (ii) the date by which the next AGM of Soilbuild REIT is required by applicable laws or regulations to be held, whichever is earlier, issue new Units and/or warrants, options, debentures or other instruments convertible into Units (“**Convertible Securities**”) such 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 as at 29 March 2019 (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.

The Base Figure, being the total number of Units in issue as at 29 March 2019, was 1,063,335,495.

The number of Units that can be issued under the General Mandate is 531,667,747 Units, of which no more than 212,667,099 Units may be issued on a non pro-rata basis. The Manager has issued 4,081,397 Units since 29 March 2019. The remaining number of Units that can be issued under the General Mandate is 527,586,350 Units.

192,135,040 New Units to be issued pursuant to the Preferential Offering would constitute 18.1% of the Base Figure, which is within the 50.0% limit for issue of new Units. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Preferential Offering.

7. ELIGIBILITY TO PARTICIPATE IN THE PREFERENTIAL OFFERING

Eligible Unitholders. Only Eligible Depositors (as defined below) and Eligible QIBs (as defined below) are eligible to participate in the Preferential Offering.

Eligible Depositors. Eligible Depositors are Unitholders with Units standing to the credit of their securities accounts with The Central Depository (Pte) Limited (“**CDP**”) (but do not include securities sub-accounts) and whose registered addresses with CDP are in Singapore as at the Preferential Offering Books Closure Date or who have, at least three Market Days prior to the Preferential Offering Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore.

Eligible QIBs. Eligible QIBs are qualified institutional buyers (as defined in Rule 144A) under the Securities Act that meet certain requirements which will be specified in the Instructions Booklet.

Foreign Unitholders. The making of the Preferential Offering may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than Singapore) where Unitholders may have as their addresses registered with CDP, the Preferential Offering will not be extended to Unitholders, (a) whose registered addresses with CDP are outside Singapore, and (b) who have not, at least three Market Days prior to the Preferential Offering Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but will, subject to certain exceptions, be extended to certain Unitholders located, resident or with a registered address out of Singapore. Unitholders whose registered addresses with CDP are outside Singapore and who wish to participate in the Preferential Offering will have to provide CDP with addresses in Singapore for the service of notices and documents at least three Market Days prior to the Preferential Offering Books Closure Date. Details of the Preferential Offering and procedures for acceptance of and payment and excess application for New Units under the Preferential Offering by Eligible Unitholders will be set out in an instructions booklet to be despatched to Eligible Unitholders in due course (the “**Instructions Booklet**”). A further announcement on the despatch will be made by the Manager at the appropriate time.

For the avoidance of doubt, even if a Unitholder has provided a Singapore address as aforesaid, the offer of New Units under the Preferential Offering to him will be subject to compliance with applicable securities and other laws of the relevant jurisdiction. The Manager, along with the Joint Underwriters, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

The New Units to be offered under the Preferential Offering have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable state laws.

The Manager further reserves the right to reject any acceptances of the Preferential Offering and any application for Excess New Units under the Preferential Offering where it believes, or has reason to believe, that such acceptances or applications may violate the applicable laws of any jurisdiction.

8. STATUS OF NEW UNITS

The New Units issued pursuant to the Preferential Offering will, upon issue, rank *pari passu* in all respects with the existing Units in issue on the day immediately prior to the date on which the New Units are issued pursuant to the Preferential Offering, including the right to Soilbuild REIT's distributable income from 1 July 2019 up to 30 September 2019, as well as all distributions thereafter.

9. APPROVAL IN-PRINCIPLE

Approval in-principle for the New Units has been obtained from the SGX-ST.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Preferential Offering, the New Units, Soilbuild REIT and/or its subsidiaries.

The SGX-ST's approval in-principle is subject to:

- (i) compliance with the SGX-ST's listing requirements;
- (ii) submission of:
 - (a) a written undertaking from the Manager that it will comply with Rule 704(30), Rule 815 and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Preferential Offering and where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in Soilbuild REIT's announcements on use of proceeds and in its annual report;
 - (b) a written undertaking from the Manager that it will comply with Rule 877(10) of the Listing Manual with regard to the allotment of any excess New Units; and
 - (c) a written confirmation from financial institutions as required under Listing Rule 877(9) that the undertaking Unitholders who have given the irrevocable undertakings to subscribe for the New Units have sufficient financial resources to fulfil their obligation under its irrevocable undertakings.

10. INDICATIVE TIMETABLE FOR THE PREFERENTIAL OFFERING

Event	Date and Time
Preferential Offering Books Closure Date	29 August 2019 at 5.00 p.m.
Despatch of Instructions Booklet (together with the ARE ²) to Eligible Unitholders	3 September 2019
Opening date and time for the Preferential Offering	3 September 2019 at 9.00 a.m. via ARE and Electronic Applications
Last date and time for acceptance, application (if applicable) and payment for provisional allotments of New Units and Excess New Units (" Closing Date ")	11 September 2019 at 5.00 p.m. via ARE 11 September 2019 at 9.30 p.m. via Electronic Applications
Listing of the New Units pursuant to the Preferential Offering	19 September 2019 at 9.00 a.m.

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

Mr Roy Teo
Chief Executive Officer
21 August 2019

About Soilbuild Business Space REIT

Soilbuild Business Space REIT ("**Soilbuild REIT**") is a Singapore and Australia-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. Major tenants of the REIT include Dyson Operations, Ubisoft Singapore, Nestle Singapore and John Wiley & Sons. Its Singapore portfolio of properties include Solaris, a landmark development in one-north, Eightrium @ Changi Business Park, Tuas Connection, West Park BizCentral and Bukit Batok Connection. Its Australia portfolio includes an office building at 14 Mort Street in Canberra and a poultry production and processing facility known as Inghams Burton in Adelaide. Soilbuild REIT's portfolio comprises 11 properties in Singapore and 2 properties in Australia with a total net lettable area of 4.03 million

2 "**ARE**" refers to the acceptance form for New Units provisionally allotted to Eligible Unitholders under the Preferential Offering and the application form for Excess New Units.

square feet and an occupancy rate of 88.6% as at 30 June 2019. Soilbuild REIT was listed on the SGX-ST on 16 August 2013.

IMPORTANT NOTICE

The value of the 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, DBS Trustee Limited (as trustee of Soilbuild 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. Investors 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 SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of the Manager is not indicative of the future performance of the Manager.

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).