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

SOILBUILD BUSINESS SPACE REIT UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FOURTH QUARTER ("4Q FY2020") AND FINANCIAL YEAR FROM 1 JANUARY 2020 TO 31 DECEMBER 2020 ("YTD FY2020")

TABLE OF CONTENTS

SOILBUILD BUSINESS SPACE REIT UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FOURTH QUARTER ("4Q FY2020") AND FINANCIAL YEAR FROM 1 JANUARY 2020 TO 31 DECEMBER 2020 ("YTD FY2020")

Summary Results of Soilbuild Business Space REIT Group

	YTD FY2020[1]	YTD FY2019[2]	Variance (%)	4Q FY2020[3]	4Q FY2019[4]	Variance (%)
Gross revenue (S$'000)	93,440	89,069	4.9	24,053	22,827	5.4
Net property income (S$'000)	72,493	71,021	2.1	19,218	17,448	10.1
Income attributable to perpetual securities holders (S$'000)	3,911	3,900	0.3	983	983	-
Total amount available for distribution to Unitholders (S$'000)	49,815	48,553	2.6	15,212	11,680	30.2
- From operations	43,778	45,996	(4.8)	11,724	10,187	15.1
- From capital	6,037	2,557	136.1	3,488	1,493	133.6
DPU (cents)	**3.922**	**4.220**	**(7.1)**	**1.194**	**0.925**	**29.1**
- From operations	3.448	4.008	(14.0)	0.921	0.807	14.1
- From capital	0.474	0.212	123.6	0.273	0.118	131.4

Footnotes:

1 Financial year from 1 January 2020 to 31 December 2020, hereinafter referred to as YTD FY2020.

2 Financial year from 1 January 2019 to 31 December 2019, hereinafter referred to as YTD FY2019.

3 Financial period from 1 October 2020 to 31 December 2020, hereinafter referred to as 4Q FY2020.

4 Financial period from 1 October 2019 to 31 December 2019, hereinafter referred to as 4Q FY2019.

5 n.m denotes not meaningful.

Introduction

Soilbuild Business Space REIT ("**Soilbuild REIT**") was constituted as a private trust on 13 December 2012 under a trust deed, which was entered into between SB REIT Management Pte. Ltd. ("**SBRM**" or the "**Manager**"), as manager of the private trust, and DBS Trustee Limited ("**Trustee**") as trustee of the trust.

Soilbuild REIT and its subsidiaries (the "**Group**") were established with the principal investment strategy of 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.

In October 2018, the Group completed the acquisitions of two properties in Australia and in November 2019, the Group completed its third acquisition in Australia. As at 31 December 2020, the portfolio of the Group comprised 10 properties located in Singapore and 3 properties located in Australia as follows:

<u>Singapore</u>

(1) Eightrium;
(2) Solaris;
(3) Tuas Connection;
(4) West Park BizCentral;
(5) 2 Pioneer Sector 1;
(6) COS Printers;
(7) Beng Kuang Marine;
(8) 39 Senoko Way;
(9) Speedy-Tech; and
(10) Bukit Batok Connection

<u>Australia</u>

(1) 14 Mort Street, Canberra ("**14 Mort Street**");
(2) Inghams Burton, Adelaide ("**Inghams Burton**"); and
(3) 25 Grenfell Street, Adelaide ("**25 Grenfell Street**")

Pursuant to a fully underwritten, pro-rata and non-renounceable preferential offering of new units in Soilbuild REIT (the "**New Units**") on the basis of 18 New Units for every 100 existing units in Soilbuild REIT (the "**Preferential Offering**"), 192,135,040 New Units have been issued at the issue price of S$0.53 per New Unit on 19 September 2019 to partially fund the acquisition of 25 Grenfell Street ("**Acquisition**").

The Group's distribution policy is to distribute at least 90.0% of its annual distributable income. Annual distributable income comprises income from the leasing of its properties and related property services income after deduction of allowable expenses.

The Group's results include the consolidation of subsidiaries. The commentaries provided are based on the consolidated Group results unless otherwise stated.

1(a) Statement of Total Return and Distribution Statement for 4Q FY2020 & 4Q FY2019 and YTD FY2020 & YTD FY2019

	YTD FY2020	YTD FY2019	Variance	4Q FY2020	4Q FY2019	Variance
	S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue	93,440	89,069	4.9	24,053	22,827	5.4
Property operating expenses	(20,947)	(18,048)	(16.1)	(4,835)	(5,379)	10.1
Net property income	**72,493**	**71,021**	**2.1**	**19,218**	**17,448**	**10.1**
Interest income	46	363	(87.3)	1	178	(99.4)
Foreign exchange gain	2,658	345	Nm	761	688	10.6
(Loss)/gain on derivative financial instruments	(1,246)	(37)	Nm	(1,074)	180	Nm
(Loss)/gain on divestment of a property held for sale	(205)	-	Nm	35	-	Nm
Expenses:						
Finance expenses	(16,483)	(17,385)	5.2	(3,974)	(4,537)	12.4
Finance expenses on leases	(1,454)	(1,941)	25.1	(309)	(482)	35.9
Manager's management fees	(4,982)	(4,855)	(2.6)	(1,522)	(1,168)	(30.3)
Trustee's fees	(274)	(260)	(5.4)	(69)	(70)	1.4
Other trust expenses	(1,444)	(924)	(56.3)	(563)	(257)	(119.1)
Net income before tax	**49,109**	**46,327**	**6.0**	**12,504**	**11,980**	**4.4**
Net change in fair value of investment properties	(58,108)	(10,920)	(432.1)	(58,108)	(10,920)	(432.1)
Total return before tax	**(8,999)**	**35,407**	**Nm**	**(45,604)**	**1,060**	**Nm**
Less: Tax expense	(2,721)	(1,583)	(71.9)	(2,193)	(1,357)	(61.6)
Total return before distribution	**(11,720)**	**33,824**	**Nm**	**(47,797)**	**(297)**	**Nm**
Distribution Statement						
Total return before distribution	**(11,720)**	**33,824**	**Nm**	**(47,797)**	**(297)**	**Nm**
Less: Amount reserved for distribution to perpetual securities holders	(3,911)	(3,900)	(0.3)	(983)	(983)	-
Net effect of non-tax deductible items[1]	59,409	16,072	269.6	60,504	11,467	427.6
Income available for distribution	**43,778**	**45,996**	**(4.8)**	**11,724**	**10,187**	**15.1**
Total amount available for distribution comprising:						
- Taxable income	43,778	45,996	(4.8)	11,724	10,187	15.1
- Distribution from capital[2]	6,037	2,557	136.1	3,488	1,493	133.6
Total amount available for distribution	**49,815**	**48,553**	**2.6**	**15,212**	**11,680**	**30.2**

Footnotes:

1 Includes manager's fees in units, unrealised/capital foreign exchange gains/losses, unrealised gains/losses on derivative financial instruments, amortised debt arrangement, prepayment and structuring fees, non-tax deductible financing expenses, trustee fees, non-tax deductible funding cost for the Australia acquisitions, foreign subsidiaries' income not yet remitted to Singapore, net change in fair value of investment properties, etc.

2 This relates to the distribution of income repatriated from Australia by way of tax deferred distributions. Such distribution is deemed to be capital distribution from a tax perspective and is not taxable in the hands of Unitholders, except for Unitholders who are holding the Units as trading assets.

1(b)(i) Statement of Financial Position

	Notes	Group		Trust	
		31/12/20 (S$'000)	31/12/19 (S$'000)	31/12/20 (S$'000)	31/12/19 (S$'000)
Current assets					
Cash and bank balances	a	16,370	16,244	12,167	8,986
Trade and other receivables	b	1,654	4,191	1,517	4,638
Other current assets	c	653	1,143	102	186
Property held for sale	d	-	34,531	-	34,531
Derivative financial instruments	e	-	3	-	3
Total current assets		18,677	56,112	13,786	48,344
Non-current assets					
Investment properties	f	1,285,616	1,350,360	1,017,192	1,111,370
Investment property under development	g	40,866	-	40,866	-
Derivative financial instruments	e	214	668	214	668
Investment in subsidiaries	h	-	-	99,862	99,862
Loans to a subsidiary	i	-	-	157,896	146,272
Deferred tax assets		-	237	-	-
Total non-current assets		1,326,696	1,351,265	1,316,030	1,358,172
Total Assets		1,345,373	1,407,377	1,329,816	1,406,516
Current liabilities					
Derivative financial instruments	e	1,391	312	1,391	312
Trade and other payables	j	18,177	16,172	15,209	14,419
Rental deposits	k	4,385	6,429	4,385	6,429
Borrowings	l	127,895	-	127,895	-
Lease liabilities (FRS 116)	m	743	751	743	751
Total current liabilities		152,591	23,664	149,623	21,911
Non-current liabilities					
Derivative financial instruments	e	5,898	3,690	5,898	3,690
Rental deposits	k	9,118	9,452	9,118	9,452
Borrowings	l	380,194	521,364	380,194	521,364
Lease liabilities (FRS 116)	m	32,866	35,250	32,866	35,250
Deferred tax liabilities	n	3,245	1,460	-	-
Total non-current liabilities		431,321	571,216	428,076	569,756
Total Liabilities		583,912	594,880	577,699	591,667
Net assets		761,461	812,497	752,117	814,849
Represented by:					
Unitholders' funds		695,799	746,836	686,455	749,188
Perpetual securities holders		65,662	65,661	65,662	65,661
		761,461	812,497	752,117	814,849

	Notes	Group		Trust	
		31/12/20 (S$'000)	31/12/19 (S$'000)	31/12/20 (S$'000)	31/12/19 (S$'000)
NAV per Unit (S$)		0.55	0.59	0.54	0.59

Notes:

(a) Cash and bank balances as at 31 December 2020 were S$0.1 million higher than the balance as at 31 December 2019 mainly due to higher cash generated from operating activities, proceeds from divestment of 72 Loyang Way and partially offset by net cash used in financing activities.

(b) The decrease in trade and other receivables of S$2.5 million was mainly attributed to a reversal of accounts receivable due from NK Ingredients Pte. Ltd.

(c) Other current assets as at 31 December 2020 comprised largely deposits paid to utilities service providers and prepayments. The decrease in other current assets of S$0.5 million was mainly due to the amortisation of prepaid property expenses for 25 Grenfell Street.

(d) The property held for sale as at 31 December 2019 relates to the 72 Loyang Way which was divested in April 2020.

(e) Derivative financial instruments represent mainly the fair value of interest rate and cross-currency swaps entered into to hedge interest rate risks on floating rate loans and a United States Dollar denominated loan. The increase in net derivative financial liabilities is due to the decline in Singapore swap offer rate and Australia bank bill swap rate.

(f) Investment properties as at 31 December 2020 were accounted for at fair value based on the valuations undertaken by independent valuer, CBRE Pte. Ltd. for the Singapore portfolio and valuations undertaken by independent valuers, Knight Frank Valuation & Advisory Canberra, Knight Frank Valuation & Advisory South Australia and Savills Valuations Pty Ltd for 14 Mort Street, Inghams Burton and 25 Grenfell Street respectively as at 31 December 2020. The decrease in investment properties is mainly due to the transfer of 2 Pioneer Sector 1 to investment property under development and portfolio revaluation losses.

(g) Investment property under development was accounted for at fair value based on the valuation undertaken by independent valuer, Savills Valuation and Professional Services (S) Pte Ltd for 2 Pioneer Sector 1 as at 31 December 2020. The valuation of S$30.3 million adopted was based on a plot ratio of 1.00. The valuation based on a plot ratio of 1.32 is S$46.8 million. The Manager is in the process of seeking regulatory approvals to increase the plot ratio to 1.32.

(h) Investment in subsidiaries comprise investment in Soilbuild Australia Trust and Soilbuild Business Space Holdings Pte. Ltd.

(i) Loans to a subsidiary relates to interest-bearing loans to Soilbuild Australia Trust.

(j) Trade and other payables as at 31 December 2020 comprised GST payable, trade creditors, interest payable, advance rental received, fees payable to Manager/Trustee, deferred income and accrual of professional fees. The increase in trade and other payables of S$2.0 million was mainly attributed to a progress claim due to Soil-Build (Pte.) Ltd. for the redevelopment of 2 Pioneer Sector 1 and accrual for asset enhancement costs incurred.

(k) Rental deposits as at 31 December 2020 decreased by S$2.4 million mainly due to tenants replacing cash security deposits with bankers' guarantees and insurance guarantees, coupled with the release of excess security deposits held.

(l) Borrowings comprise a S$205.3 million secured bank loan, S$216.5 million unsecured bank loans and S$88.0 million medium term notes ("**MTN**") issued under Soilbuild REIT's S$500 million multicurrency debt issuance programme. Borrowings are net of unamortised debt arrangement fees.

(m) Lease liabilities arose from the adoption of FRS 116 Leases with effect from 1 January 2019. The lease liabilities relate to the present value of future lease payments due to JTC. The decrease in lease liabilities is mainly due to the divestment of 72 Loyang Way.

(n) Deferred tax liabilities relate to deferred tax provision for the Australia portfolio.

(o) Current liabilities have exceeded current assets due to the expiry of S$40.0 million unsecured bank loans in 1Q FY2021 and S$88 million MTN in 2Q FY2021. The Manager is confident that the expiring bank loans and MTN can be refinanced by its due date which will result in the reclassification of the current liability to non-current liability.

1(b)(ii) Aggregate Amount of Borrowings

	Group and Trust	
	31/12/20 (S$'000)	**31/12/19 (S$'000)**
Interest-bearing borrowings		
Amount repayable within one year	128,000	-
Less: Debt arrangement fees[1]	(86)	-
Less: Prepayment fees[1]	(19)	-
Total borrowings repayable within one year	127,895	-
Interest-bearing borrowings		
Amount repayable after one year[2]	381,854	524,497
Less: Debt arrangement fees[1]	(1,642)	(3,009)
Less: Prepayment fees[1]	(18)	(124)
Total borrowings repayable after one year	380,194	521,364
Total borrowings	**508,089**	**521,364**

Footnotes:

1. Debt arrangement and prepayment fees are amortised over the life of the loan facilities.
2. Includes the effect of unrealised exchange losses upon revaluation of Australian Dollar and United States Dollar denominated borrowings. Soilbuild REIT has entered into a cross currency swap to hedge the United States Dollar currency exposure and is not exposed to fluctuation in the United States Dollar.

Details of borrowings

- **Senior Term Loan Facility of S$120.0 Million and A$83.8 Million**

On 19 October 2017, Soilbuild REIT entered into a senior term loan facility amounting to S$200.0 million ("**TLF 1**") obtained from Oversea-Chinese Banking Corporation Limited and RHB Bank Berhad, Singapore Branch. The facility is secured against Solaris and is repayable in April 2022.

On 25 October 2017, S$185.0 million was drawn down for the repayment of a secured loan. On 18 May 2018, S$8.5 million was drawn down for the redemption of medium term notes due in May 2018. On 15 August 2018, S$6.5 million was drawn down for the repayment of interest-free loan from the Sponsor. On 1 July 2020, S$80 million loan was converted to a A$83.8 million loan.

- **Term Loan Facility of S$40.0 million**

On 21 September 2016, Soilbuild REIT entered into an unsecured term loan facility amounting to S$40.0 million ("**TLF 2**") obtained from The Bank of East Asia, Limited, Singapore Branch ("**BEA**"). On 27 September 2016 and 18 November 2016, S$29 million and S$11 million respectively were drawn down from TLF 2 mainly for the payment of the acquisition of Bukit Batok Connection. On 6 March 2019, Soilbuild REIT entered into an amendment and restatement agreement with BEA. TLF 2 is repayable on 5 March 2021.

- **MTN of S$100.0 Million issued in 2016 (S$88.0 million as at 31 December 2020)**

On 8 April 2016, Soilbuild REIT issued S$100.0 million of unsecured MTN which bears interest at 3.60% p.a. and matures on 8 April 2021 ("the **Notes**") for the purpose of refinancing a S$100 million bank loan. On 12 September 2017, Soilbuild REIT redeemed the Notes amounting to S$12.0 million pursuant to the exercise of a put option by noteholders upon the occurrence of a change of control event.

The change of control event occurred when the sponsor of Soilbuild REIT, Mr Lim Chap Huat transferred part of his interests in Soilbuild REIT to Mr Lim Han Feng, Mr Lim Han Qin and Mr Lim Han Ren for estate planning purposes. The conditions of the Notes provide that a "change of control event" will occur when Mr Lim Chap Huat and Soilbuild Group Holdings Ltd. cease to own, directly or indirectly, in aggregate at least 20% of the units in Soilbuild REIT.

As at 31 December 2020, the principal amount of the Notes in issuance amounted to S$88.0 million.

- **Term Loan Facility of S$30.0 million**

On 15 May 2018, Soilbuild REIT entered into a S$30 million equivalent, 5-year unsecured term loan facility agreement with The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**") ("**TLF 3**") for the redemption of notes due in May 2018. TLF 3 is denominated in United States Dollar and was fully drawn down on 18 May 2018. Soilbuild REIT has entered into a cross currency swap to hedge the currency exposure and is not exposed to fluctuation in the United States Dollar arising from the United States Dollar denominated loan. TLF 3 is repayable on 18 May 2023.

- **Term Loan Facility of S$70.0 million**

On 18 July 2018, Soilbuild REIT entered into a S$70 million, 5-year unsecured term loan facility agreement with United Overseas Bank Limited ("**TLF 4**") mainly for the repayment of interest-free loan from Sponsor and the refund of the Sponsor Security Deposit. On 15 August 2018, S$48.5 million was drawn down for the repayment of interest-free loan from the Sponsor. On 12 February 2019 and 17 May 2019, S$10 million and S$1.5 million respectively were drawn down for the partial refund of security deposit to the Sponsor. On 15 July 2019, S$10 million was drawn down for the payment of deposit for the proposed acquisition of 25 Grenfell Street, Adelaide and for the partial refund of security deposit to the Sponsor. TLF 4 is repayable on 15 August 2023.

- **Term Loan Facility of A$50.0 million**

On 1 October 2018, Soilbuild REIT entered into a A$50 million, 5-year unsecured term loan facility agreement with HSBC ("**TLF 5**") for the acquisition of two properties in Australia. On 3 October 2018, A$45 million was drawn down for the completion of the acquisitions. On 29 March 2019, A$5 million was drawn down. TLF 5 is repayable on 2 October 2023.

- **Term Loan Facility of A$9.1 million**

On 5 November 2020, a A$9,151,000 3-year term loan was drawn down mainly to finance the costs for the redevelopment of 2 Pioneer Sector 1 ("**TLF 6**"). TLF 6 is repayable on 4 November 2023.

- **Revolving Credit Loan Facility of S$45.0 million**

On 16 October 2019, Soilbuild REIT entered into a S$45.0 million unsecured 4-year term revolving credit facility agreement with CIMB Bank Berhad, Singapore Branch ("**CIMB**") ("**RCF**"). On 29 October 2019, S$30.0 million was drawn down to partly fund the acquisition of 25 Grenfell Street. On 19 March 2020, S$1.0 million was drawn down for working capital purpose. S$30.0 million was repaid on 30 April 2020 with the proceeds from the divestment of 72 Loyang Way. S$15.0 million was drawn down on 30 December 2020 to repay the loan from CTBC Bank Co., Ltd., Singapore Branch. RCF is repayable on 31 December 2023.

1(c) Statement of Cash Flows

	YTD FY2020 (S$'000)	YTD FY2019 (S$'000)	4Q FY2020 (S$'000)	4Q FY2019 (S$'000)
Operating activities:				
Net income before tax	49,109	46,327	12,504	11,980
Adjustments for				
- Amortised debt arrangement, structuring and prepayment fees	1,447	1,427	357	363
- Finance expenses	16,455	17,879	3,891	4,636
- Unrealised foreign exchange gain	(2,746)	(362)	(733)	(709)
- Loss/(gain) on divestment of a property held for sale	205	-	(35)	-
- Net change in fair value of derivative financial instruments	1,246	37	1,074	(180)
- Management fees paid/payable in Units	4,909	4,785	1,503	1,149
- Security trustee and agency fees	35	20	35	20
Changes in working capital				
- Trade and other receivables	1,920	(1,479)	143	1,503
- Other current assets	534	(727)	305	(906)
- Trade and other payables	1,176	382	(300)	1,035
- Rental deposits	(2,378)	(20,163)	(659)	(2,411)
Cash flows from operations	71,912	48,126	18,085	16,480
Finance expense paid	(16,818)	(17,713)	(4,702)	(5,414)
Tax expense paid	(699)	(360)	(171)	(134)
Net cash generated from operating activities	54,395	30,053	13,212	10,932
Investing activities:				
Capital expenditure on investment properties and an investment property under development	(13,361)	(1,829)	(5,619)	(846)
Purchase of investment properties	-	(127,816)	-	(127,816)
Decrease/(increase) in restricted cash (Note 1)	4,786	(3,344)	-	(4,786)
Refund of deposit for acquisition of investment properties	-	-	-	6,690
Deposit from the proposed divestment of an investment property	-	1,704	-	-
Proceeds from divestment of a property held for sale	33,080	-	-	-
Net cash generated from/(used in) investing activities	24,505	(131,285)	(5,619)	(126,758)
Financing activities:				
Proceeds from borrowings	24,948	74,816	23,948	30,000
Repayment of borrowings	(48,500)	(18,500)	(18,500)	-
Payment of debt arrangement and structuring fees	(80)	(237)	(20)	(180)
Distributions to Unitholders	(46,253)	(52,255)	(13,975)	(11,563)
Distributions to perpetual securities holders	(3,911)	(3,900)	-	-
Reversal/(payment) of perpetual securities issuance cost	1	(4)	1	(1)
Issuance of new Units under a Preferential Offering	-	101,832	-	-
Reversal/(payment) of issuance cost	9	(1,897)	-	(31)
Repayment of lease liabilities	(721)	(708)	(250)	(176)
Net cash (used in)/generated from financing activities	(74,507)	99,147	(8,796)	18,049

	YTD FY2020 (S$'000)	YTD FY2019 (S$'000)	4Q FY2020 (S$'000)	4Q FY2019 (S$'000)
Net increase/(decrease) in cash and cash equivalents	4,393	(2,085)	(1,203)	(97,777)
Cash and cash equivalents at beginning of the financial year/period (excluding restricted cash) (Note 1)	11,458	13,690	17,275	109,314
Effect of exchange rate changes on cash balances	519	(147)	298	(79)
Cash and cash equivalents at end of the financial year/period	**16,370**	**11,458**	**16,370**	**11,458**

Note 1: As at 31 December 2019, the restricted cash of S$4,786k relates to incentives for a tenant placed in a trust account.

1(d)(i) Statement of Changes in Unitholders' Funds

	Group		Trust	
	4Q FY2020 S$'000	4Q FY2019 S$'000	4Q FY2020 S$'000	4Q FY2019 S$'000
Unitholders' Funds				
Balance at beginning of the financial period	**750,100**	**757,319**	**748,585**	**763,640**
Operations				
Total return for the financial period attributable to Unitholders	(47,797)	(297)	(50,630)	(2,852)
Less: Amount reserved for distribution to perpetual securities holders	(983)	(983)	(983)	(983)
Net decrease in net assets from operations	(48,780)	(1,280)	(51,613)	(3,835)
Movement in foreign currency translation reserve	4,996	1,414	-	-
Movement in hedging reserve	2,078	(166)	2,078	(166)
Unitholders' transactions				
Manager's management fees paid/payable in Units	1,380	1,143	1,380	1,143
Distributions to Unitholders	(13,975)	(11,563)	(13,975)	(11,563)
Issuance cost	-	(31)	-	(31)
Net decrease in net assets from Unitholders' transactions	(12,595)	(10,451)	(12,595)	(10,451)
Balance at end of the financial period	**695,799**	**746,836**	**686,455**	**749,188**

	Group		Trust	
	4Q FY2020 S$'000	**4Q FY2019 S$'000**	**4Q FY2020 S$'000**	**4Q FY2019 S$'000**
Perpetual Securities Holders' Funds				
Balance at beginning of the financial period	**64,678**	**64,679**	**64,678**	**64,679**
Perpetual securities issuance cost	1	(1)	1	(1)
Amount reserved for distribution to perpetual securities holders	983	983	983	983
Balance as at end of the financial period	**65,662**	**65,661**	**65,662**	**65,661**
Total	**761,461**	**812,497**	**752,117**	**814,849**

	Group		Trust	
	YTD FY2020 S$'000	**YTD FY2019 S$'000**	**YTD FY2020 S$'000**	**YTD FY2019 S$'000**
Unitholders' Funds				
Balance at beginning of the financial year	**746,836**	**666,575**	**749,188**	**671,838**
Operations				
Total return for the financial year attributable to Unitholders	(11,720)	33,824	(15,184)	30,923
Less: Amount reserved for distribution to perpetual securities holders	(3,911)	(3,900)	(3,911)	(3,900)
Net (decrease)/increase in net assets from operations	(15,631)	29,924	(19,095)	27,023
Movement in foreign currency translation reserve	8,232	10	-	-
Movement in hedging reserve	(1,949)	(2,501)	(1,949)	(2,501)
Unitholders' transactions				
Manager's management fees paid/payable in Units	4,555	5,148	4,555	5,148
Distributions to Unitholders	(46,253)	(52,255)	(46,253)	(52,255)
Issue of Units under Preferential Offering	-	101,832	-	101,832
Reversal of issuance cost/(issuance cost)	9	(1,897)	9	(1,897)
Net (decrease)/increase in net assets from Unitholders' transactions	(41,689)	52,828	(41,689)	52,828
Balance at end of the financial year	**695,799**	**746,836**	**686,455**	**749,188**

	Group		Trust	
	YTD FY2020 S$'000	YTD FY2019 S$'000	YTD FY2020 S$'000	YTD FY2019 S$'000
Perpetual Securities Holders' Funds				
Balance at beginning of the financial year	**65,661**	**65,665**	**65,661**	**65,665**
Distributions to perpetual securities holders	(3,911)	(3,900)	(3,911)	(3,900)
Perpetual securities issuance cost	1	(4)	1	(4)
Amount reserved for distribution to perpetual securities holders	3,911	3,900	3,911	3,900
Balance as at end of the financial year	**65,662**	**65,661**	**65,662**	**65,661**
Total	**761,461**	**812,497**	**752,117**	**814,849**

1(d)(ii) Details of Any Change in Units

Group and Trust	YTD FY2020 ('000)	4Q FY2020 ('000)
Balance as at beginning of financial year/period	1,261,711	1,270,430
Movements during the financial year/period		
- Units issued in lieu of Manager's management fees	11,485	2,766
Total issued Units as at end of financial year	**1,273,196**	**1,273,196**

Group and Trust	YTD FY2019 ('000)	4Q FY2019 ('000)
Balance as at beginning of financial year/period	**1,060,763**	**1,259,552**
Movements during the financial year/period		
- Units issued in lieu of Manager's management fees	8,813	2,159
- Units issued pursuant to the Preferential Offering[1]	192,135	-
Total issued Units as at end of financial year	**1,261,711**	**1,261,711**

Footnote:
[1] 192,135,040 new Units were issued on 19 September 2019 at an issue price of S$0.53 per new Unit pursuant to the Preferential Offering.

1(d)(iii) To show the total number of issued units excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

As at 31 December 2020, Soilbuild REIT had 1,273,196,273 Units (31 December 2019: 1,261,711,055 units).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those stated in the audited financial statements for the financial year ended 31 December 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

There is no change in the accounting policies and methods of computation adopted.

6. Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")

	YTD FY2020	YTD FY2019	4Q FY2020	4Q FY2019
Weighted average number of Units	1,266,975,652	1,121,749,788	1,272,324,231	1,261,732,970
EPU – Basic and Diluted[1] Based on the weighted average number of Units in issue (cents)	3.661	3.989	0.810	0.842
- Basic and diluted Number of Units in issue at end of the financial period	1,273,196,273	1,261,711,055	1,273,196,273	1,261,711,055
DPU Based on the number of Units in issue at end of each distribution period (cents)	3.922	4.220	1.194	0.925

Footnotes:

[1]The EPU has been calculated using total return before distribution for the financial period and the weighted average number of Units at the end of the financial period. The calculation excludes net change in fair value of investment properties for the relevant financial period.

7. Net Asset Value ("NAV") Per Unit

	Group		Trust	
	31/12/20	**31/12/19**	**31/12/20**	**31/12/19**
NAV per Unit[1] (S$)	0.55	0.59	0.54	0.59

Footnote:

[1]The NAV per unit was computed based on the number of Units in issue at the end of the financial period.

8. Review of the Performance

Review of the Performance on YTD FY2020 compared to YTD FY2019

Gross revenue was S$93.4 million in YTD FY2020 which was S$4.4 million or 4.9% higher year-on-year ("**y-o-y**"). 25 Grenfell Street contributed S$9.7 million higher revenue. The increase in revenue was partially offset by lower contribution from 2 Pioneer Sector 1, Tuas Connection and Solaris amounting to S$3.3 million, S$1.4 million, S$0.8 million respectively.

Property operating expenses of S$20.9 million in YTD FY2020 were S$2.9 million or 16.1% higher mainly due to S$3.7 million higher expenses for 25 Grenfell Street and S$0.4 million provision for rent waivers. This was partially offset by S$0.6 million lower expenses for 72 Loyang Way which was divested in April 2020, S$0.4 million lower expenses for Solaris and Tuas Connection each.

Net property income was 2.1% higher at S$72.5 million in YTD FY2020 from S$71.0 million in YTD FY2019 mainly due to the acquisition of 25 Grenfell Street in November 2019. Net property income margin was 77.6%. The reduction in net property income margin by 2.1 percentage points was mainly due to the provision for rent waivers, lower net property income margin for 2 Pioneer Sector 1 and the acquisition of the multi-tenanted 25 Grenfell Street.

The decrease in interest income of S$0.3 million was due to the placement of preferential offering proceeds in fixed deposit accounts in FY2019, coupled with lower interest rate in FY2020.

Foreign exchange gain of S$2.7 million comprises largely unrealised foreign exchange gains relating to the revaluation of Australian dollar denominated monetary assets and liabilities. The Australian dollar strengthened against the Singapore dollar at 31 December 2020 versus 31 December 2019.

Loss on derivative financial instruments relates to unrealised loss on interest rate swaps that do not qualify for hedge accounting.

Loss on divestment of a property held for sale relates to the divestment of 72 Loyang Way.

The reduction in finance expenses (excluding finance expenses on leases) of S$0.9 million was mainly attributed to lower weighted average borrowing costs. The reduction of finance expenses on leases (FRS 116) of S$0.5 million was due to the capitalisation of finance expenses relating to the redevelopment of 2 Pioneer Sector 1 and divestment of 72 Loyang Way.

The increase in Manager's management fees of S$0.1 million was due to higher distributable income which resulted in higher base fee.

Other trust expenses comprised largely professional fees and on-going listing expenses. The increase in other trust expenses of S$0.5 million was largely attributed to higher professional fees in relation to the Trust Scheme announced on 14 December 2020.

Net change in fair value of investment properties comprised mainly revaluation losses for 2 Pioneer Sector 1 (based on plot ratio of 1.0), Solaris, West Park BizCentral, Bukit Batok Connection, Eightrium, 39 Senoko Way and 25 Grenfell Street amounting to S$23.5 million, S$15.9 million, S$8.8 million, S$5.5 million, S$5.1 million, S$2.0 million, S$1.5 million and was partially offset by revaluation gains for Inghams Burton of S$6.2 million.

Tax expense relates to deferred tax and withholding tax on unitholder loan interest income. The increase in tax expense of S$1.1 million was mainly due to the provision of deferred tax liability for the Australia portfolio.

Non-tax deductible items increased by S$43.3 million mainly due to higher add-back of non-tax deductible revaluation losses on investment properties.

Capital distribution rose S$3.5 million y-o-y due to the distribution arising from the acquisition of 25 Grenfell Street on 1 November 2019.

Total amount available for distribution to Unitholders was S$49.8 million in YTD FY2020, 2.6% higher y-o-y as explained above.

Review of the Performance on 4Q FY2020 compared to 4Q FY2019

Gross revenue was S$24.1 million in 4Q FY2020 which was S$1.2 million or 5.4% higher y-o-y. 25 Grenfell Street and West Park BizCentral contributed S$1.5 million and S$0.4 million higher revenue respectively. The increase in revenue was partially offset by lower contribution from 2 Pioneer Sector 1 which is under redevelopment and 72 Loyang Way which has been divested in April 2020 amounting to S$0.4 million and S$0.2 million respectively.

Property operating expenses of S$4.8 million were S$0.5 million or 10.1% lower due to (i) reversal of S$0.2 million of provision for rent waivers in 4Q FY2020; (ii) S$0.2 million lower expenses for 2 Pioneer Sector 1 as costs are capitalised during the redevelopment phase (iii) S$0.2 million lower expenses for 72 Loyang Way due to the divestment and (iv) S$0.1 million lower expenses for Tuas Connection, Solaris and Eightrium each. The reduction in property operating expenses was partially offset by S$0.4 million higher expenses for 25 Grenfell Street.

Net property income was 10.1% higher at S$19.2 million in 4Q FY2020 from S$17.4 million in 4Q FY2019 mainly due to a full quarter of revenue contribution from 25 Grenfell Street in 4Q FY2020. Net property income margin was 79.9%. The increase in net property income margin by 3.5 percentage points was mainly attributed to the improvement in NPI margins for several multi-tenanted properties such as 25 Grenfell Street, Eightrium, Tuas Connection and West Park BizCentral.

The decrease in interest income of S$0.2 million was due to the placement of preferential offering proceeds in fixed deposit accounts in FY2019, coupled with lower interest rate in FY2020.

Foreign exchange gain of S$0.8 million comprises largely unrealised foreign exchange gains relating to the revaluation of Australian dollar denominated monetary assets and liabilities. The Australian dollar strengthened against the Singapore dollar at 31 December 2020 versus 31 December 2019.

Loss on derivative financial instruments relates mainly to unrealised loss on interest rate swaps that do not qualify for hedge accounting.

The decrease in finance expenses (excluding finance expenses on leases) of S$0.6 million was mainly attributed to lower weighted average borrowing cost in 4Q FY2020. The reduction of finance expenses on leases (FRS 116) of S$0.2 million was due to the capitalisation of land rent for 2 Pioneer

Sector 1 and divestment of 72 Loyang Way.

The increase in Manager’s management fees of S$0.4 million was due to higher distributable income which resulted in higher base fee.

Other trust expenses comprised largely professional fees and on-going listing expenses. The increase in other trust expenses of S$0.3 million was largely attributed to higher professional fees in relation to the Trust Scheme announced on 14 December 2020.

Tax expense relates to deferred tax and withholding tax on unitholder loan interest income. The increase in tax expense of S$0.8 million was mainly due to the provision of deferred tax liability for the Australia portfolio.

Non-tax deductible items were S$49.0 million higher mainly due to higher add-back of non-tax deductible revaluation losses on investment properties.

Capital distribution rose S$2.0 million largely due to the inclusion of 2QFY2020 capital distribution previously withheld in the 4QFY2020 capital distribution.

Total amount available for distribution to Unitholders was S$15.2 million in 4Q FY2020, 30.2% higher y-o-y as explained above.

9. Variance from Prospect Statement

No financial forecast has been disclosed to the market.

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

On 14 December 2020, the Manager and Clay Holdings III Limited (the “**Offeror**”) jointly announced the proposed acquisition (the “**Scheme Acquisition**”) of all the issued units of Soilbuild REIT by the Offeror to be effected by way of a trust scheme of arrangement (the “**Trust Scheme**”) in accordance with the Singapore Code on Take-overs and Mergers (the “**Joint Announcement**”).

In conjunction with the Trust Scheme, the Manager also announced on 14 December 2020 that DBS Trustee Limited (in its capacity as trustee of Soilbuild REIT) and a wholly-owned subsidiary of Soilbuild REIT, Soilbuild Business Space Holdings Pte. Ltd., entered into a unit sale agreement (the “**Australian Asset Disposal Agreement**”) with Clay SG Holdings II Pte. Ltd. and Clay SG Holdings III Pte. Ltd. (collectively, the “**Blackstone Purchasers**”) for the disposal of 104,100,000 units in Soilbuild Australia Trust, representing 100 per cent. of the entire issued and paid-up units of Soilbuild Australia Trust, to the Blackstone Purchasers, upon the terms and subject to the conditions of the Australian Asset Disposal Agreement (the “**Australian Asset Disposal**”) (the “**Australian Asset Disposal Announcement**”).

Subject to, among others, approvals by the unitholders of Soilbuild REIT, sanction of the Trust Scheme by the Singapore Court and the satisfaction of other regulatory approvals and conditions, the Scheme Acquisition and the Australian Asset Disposal are currently expected to be completed by end-March 2021 / early April 2021. Further information on the Scheme Acquisition and the Australian Asset Disposal can be found in the Joint Announcement and the Australian Asset Disposal Announcement respectively.

Singapore

Based on advance estimates released by the Ministry of Trade and Industry on 4 January 2021, the Singapore economy contracted by 3.8% year-on-year ("**y-o-y**") and grew by 2.1% on a quarter-on-quarter ("**q-o-q**") seasonally-adjusted basis. For the whole of 2020, the Singapore economy contracted by 5.8%.

The manufacturing sector expanded by 9.5% y-o-y in the fourth quarter. Growth of the sector was supported primarily by output expansions in the electronics, biomedical manufacturing and precision engineering clusters, which outweighed output declines in the transport engineering and general manufacturing clusters. On a q-o-q seasonally-adjusted basis, the manufacturing sector contracted by 2.6%.

The Singapore Purchasing Managers' Index rose to 50.5 in December 2020 from 50.4 in November 2020. This marks the sixth month of expansion for the overall manufacturing sector.

According to the JTC 3Q 2020 market report, the rental index of all industrial space receded 0.9% and 1.6% q-o-q and y-o-y respectively. In particular, the rental index of multiple-user factory fell 1.1% and 2.1% q-o-q and y-o-y respectively.

In 3Q 2020, the all-industrial occupancy rate rose 0.2% and 0.3% q-o-q and y-o-y respectively. The q-o-q occupancy uplift was mainly attributed to warehouses which recorded 0.8% and 1.0% growth q-o-q and y-o-y respectively.

The Government has introduced the Re-Align Framework with effect from 15 January 2021 for businesses with annual revenue not exceeding S$30 million at a global group level and have experienced at least 70% y-o-y fall in monthly average gross income in the second half of 2020. The framework will allow selected contracts to be renegotiated by way of mutual agreement with the counterparties, failing which the contract may be terminated within the provided parameters. Businesses will remain liable for outstanding obligations but will not need to pay early termination penalties.

Australia

In the key economic indicators snapshot released by the Reserve Bank of Australia dated 7 January 2021, the country's economy and key indicators reported negative economic growth at 3.8%, inflation at 0.7%, unemployment rate of 6.8%, employment growth rate of negative 0.6% and wage growth of 1.4%. The nation's official cash rate remains at 0.10%.

Office vacant leasing and tenant demand are expected to be soft over the next 12 months, leading to protracted decision making by prospective tenants. Industrial properties, particularly fully leased assets with long weighted average lease to expiry and strong lease covenants have been the preferred asset class for many investors as such properties have shown resilience during the COVID-19 pandemic.

11. Distributions

(a) Current financial period
Any distributions declared for the current financial period? Yes
Name of distribution: 31st distribution for the financial period from 1 October 2020 to 31 December 2020

Distribution Type	Taxable	Capital	Total
Distribution rate (cents per unit)	0.921	0.273	1.194

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their Units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual Unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.
All other investors will receive their distributions after deduction of tax at the rate of 17%.

Capital distribution

Distributions out of capital are not taxable in the hands of all Unitholders provided that the Units are not held as trading assets. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Books closure date: The Transfer Books and Register of Unitholders of Soilbuild REIT will be closed at 5.00 p.m. Friday, 29 January 2021 for the purposes of determining each Unitholder's entitlement to Soilbuild REIT's distribution. The ex-dividend date will be on Thursday, 28 January 2021.

Date Payable: Friday, 26 February 2021

(b) Corresponding period of the preceding financial period

Name of distribution: 27th distribution for the financial period from 1 October 2019 to 31 December 2019

Distribution Type	Taxable	Capital	Total
Distribution rate (cents per unit)	0.807	0.118	0.925

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their Units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual Unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Capital distribution

Distributions out of capital are not taxable in the hands of all Unitholders provided that the Units are not held as trading assets. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Books closure date: Friday, 31 January 2020

Date Payable: Friday, 28 February 2020

12. If no distribution has been declared/(recommended), a statement to that effect.

Not applicable.

13. Segment Revenue and Results

By Business Segment

	YTD FY2020		YTD FY2019		4Q FY2020		4Q FY2019	
	S$'000	**%**	**S$'000**	**%**	**S$'000**	**%**	**S$'000**	**%**
Gross Revenue								
Business Park	49,668	53%	40,281	45%	12,900	54%	11,280	49%
Industrial	43,772	47%	48,788	55%	11,153	46%	11,547	51%
	93,440	**100%**	**89,069**	**100%**	**24,053**	**100%**	**22,827**	**100%**

	YTD FY2020		YTD FY2019		4Q FY2020		4Q FY2019	
	S$'000	**%**	**S$'000**	**%**	**S$'000**	**%**	**S$'000**	**%**
Net Property Income								
Business Park	35,529	49%	29,371	41%	9,267	48%	7,836	45%
Industrial	36,964	51%	41,650	59%	9,951	52%	9,612	55%
	72,493	**100%**	**71,021**	**100%**	**19,218**	**100%**	**17,448**	**100%**

By Geographical Segment

	YTD FY2020		YTD FY2019		4Q FY2020		4Q FY2019	
	S$'000	**%**	**S$'000**	**%**	**S$'000**	**%**	**S$'000**	**%**
Gross Revenue								
Singapore	74,290	80%	79,968	90%	18,844	78%	19,353	85%
Australia	19,150	20%	9,101	10%	5,209	22%	3,474	15%
	93,440	**100%**	**89,069**	**100%**	**24,053**	**100%**	**22,827**	**100%**

	YTD FY2020		YTD FY2019		4Q FY2020		4Q FY2019	
	S$'000	**%**	**S$'000**	**%**	**S$'000**	**%**	**S$'000**	**%**
Net Property Income								
Singapore	58,710	81%	63,514	89%	15,347	80%	14,963	86%
Australia	13,783	19%	7,507	11%	3,871	20%	2,485	14%
	72,493	**100%**	**71,021**	**100%**	**19,218**	**100%**	**17,448**	**100%**

In the review of performance, the factors leading to any material changes in contributions to revenue and net income by the business segments

The increase in revenue and net property income contribution from the Business Park and Australia segments is mainly due to the acquisition of 25 Grenfell Street in November 2019.

14. Breakdown of Gross Revenue and Net Income

	YTD FY2020 (S$'000)	**YTD FY2019 (S$'000)**	**Variance %**
Revenue reported for the first half year	46,507	45,048	3.2
Net income for the first half year	22,560	23,800	(5.2)
Revenue reported for second half year	46,933	44,021	6.6
Net income for second half year[1]	23,828	20,944	13.8

Footnote 1: Comprises total return before distribution excluding net change in fair value of investment properties.

15. Breakdown of Total Distribution

	YTD FY2020 (S$'000)	**YTD FY2019 (S$'000)**
From 1 January to 31 March	11,160	12,739
From 1 April to 30 June	9,447	12,561
From 1 July to 30 September	13,975	11,563
From 1 October to 31 December	15,212	11,680
Total	**49,794**	**48,543**

16. If Soilbuild REIT has obtained a general mandate from shareholders for IPTs, the aggregate value of each transaction as required under Rule 920(i)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Soilbuild REIT has not obtained a general mandate from Unitholders for IPTs.

17. Certificate pursuant to Paragraph 7.3 of the Property Funds Guidelines

The Manager hereby certifies that, in relation to the distribution to the Unitholders of Soilbuild Reit for the period from 1 October 2020 to 31 December 2020, the Manager is satisfied on reasonable grounds that, immediately after making the distribution, Soilbuild Reit will be able to fulfil, from its deposited property, its liabilities as and when they fall due.

18. Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in the Manager who is a relative of a director, chief executive officer, substantial shareholder of the Manager or substantial Unitholder of Soilbuild REIT.

19. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Board of Directors of the Manager hereby confirms that it has procured undertakings from all its Directors and Executive Officers in accordance with Rule 720(1) of the Listing Manual.

For and on behalf of the Board of Directors of SB REIT Management Pte. Ltd.

Mr Ng Fook Ai Victor Director	Mr Chong Kie Cheong Director

This release may contain forward-looking statements that involve risks and uncertainties. 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/ distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management of future events.

By order of the Board of Directors of
SB REIT Management Pte. Ltd.
(Company Registration No. 201224644N)
As Manager for Soilbuild Business Space REIT

Mr. Roy Teo
Chief Executive Officer

21 January 2021