

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES. THIS ANNOUNCEMENT IS NOT AN OFFER FOR SALE OF SECURITIES IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), CANADA, JAPAN, OR ANY OTHER JURISDICTION. ANY SECURITIES WHICH ARE THE SUBJECT OF SUCH OFFER HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, UNLESS REGISTERED UNDER THE SECURITIES ACT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE U.S. STATE OR LOCAL SECURITIES LAWS. NO PUBLIC OFFERING OF SECURITIES IS BEING MADE IN THE UNITED STATES.



(a real estate investment trust constituted on 7 September 2018 under the laws of the Republic of Singapore)  
(Managed by KBS US Prime Property Management Pte. Ltd.)

DBS Bank Ltd. was the sole financial adviser and issue manager for the initial public offering of Prime US REIT (the "**Offering**"). DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd., China International Capital Corporation (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited, Maybank Kim Eng Securities Pte. Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters for the Offering.

#### NOTICE OF CUMULATIVE DISTRIBUTION BOOKS CLOSURE AND DISTRIBUTION PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Unitholders of Prime US REIT (the "**Unitholders**") will be closed at 5.00 p.m. on 20 February 2020 (the "**Books Closure Date**") to determine the entitlements of Unitholders to Prime US REIT's distributable income (the "**Cumulative Distribution**") for the period from 19 July 2019 to 20 February 2020, being the day immediately prior to the date on which the new units in Prime US REIT ("**New Units**") are issued in connection with the placement of New Units to institutional and other investors (the "**Private Placement**"). The New Units issued pursuant to the Private Placement are expected to be listed on 21 February 2020.

The next distribution following the Cumulative Distribution will comprise Prime US REIT's distributable income for the period from the day the New Units are issued under the Private Placement to 30 June 2020. Semi-annual distributions will resume thereafter.

The quantum of distribution per unit in Prime US REIT ("**Unit**") under the Cumulative Distribution is

4.11 US cents<sup>1</sup> comprising (i) 3.15 US cents for the distribution from 19 July 2019 to 31 December 2019 and (ii) 0.96 US cents for the distribution from 1 January 2020 to 20 February 2020. The Cumulative Distribution will only be distributed in respect of the existing Units (the “**Existing Units**”) held as at 5.00 p.m. on the Books Closure Date. The Cumulative Distribution is intended to ensure that the distributable income accrued by Prime US REIT up to the day immediately preceding the date of issue of the New Units (which at such point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The actual quantum of the distribution per Unit under the Cumulative Distribution (which may differ from the estimate above) will be announced on a later date after the management accounts of Prime US REIT for the relevant period have been finalised.

Unitholders whose securities accounts with The Central Depository (Pte) Limited (“**CDP**”) are credited with Units as at 5.00 p.m. on the Books Closure Date will be entitled to the Distribution and Cumulative Distribution that will be paid on or around 30 March 2020.

The Cumulative Distribution will comprise two components:

- (a) distribution out of tax-exempt income (the “**tax-exempt income component**”) of US 2.00 cents for the distribution from 19 July 2019 to 31 December 2019; and
- (b) distribution out of capital (the “**capital component**”) of US 2.11 cents comprising (i) US 1.15 cents for the distribution from 19 July 2019 to 31 December 2019 and (ii) US 0.96 cents for the distribution from 1 January 2020 to 20 February 2020.

**Unitholders who do not submit required U.S. tax forms completely and accurately by Friday, 6 March 2020, will be subject to 30% withholding taxes on the Cumulative Distribution. The U.S. tax forms are required to be reviewed and validated by the appointed processing agent by 12 March 2020. To ensure the forms can be validated by 12 March 2020, Unitholders are reminded to submit the completed tax forms to Prime US REIT’s Unit Registrar – Boardroom Corporate & Advisory Services Pte. Ltd. by 6 March 2020.**

The tax-exempt income component is exempt from tax in the hands of all Unitholders. No tax will be deducted at source from this component.

The capital component of the Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sale of Units, the amount of capital distribution will be applied to reduce the cost base of their Units for Singapore income tax purposes.

#### **IMPORTANT – DISTRIBUTION CURRENCY ELECTION**

Registered Unitholders (other than CDP) and Unitholders whose Units are held directly through CDP will receive their Cumulative Distribution in Singapore dollars, unless Unitholders elect to receive their Cumulative Distribution in U.S. dollars by submitting a completed “Distribution Election Notice”

---

<sup>1</sup> The estimated distribution for the period from 19 July 2019 to 20 February 2020 is based on distributable income for 19 July 2019 to 31 December 2019 and the Manager’s estimate of Prime US REIT’s revenue and expenses for the period from 1 January 2020 to 20 February 2020, and the actual Cumulative Distribution may differ. The actual quantum of the distribution will be announced on a later date after the closure of the Transfer Books and Register of Unitholders.

to Prime US REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. (as indicated on the Distribution Election Notice) by Friday, 6 March 2020. No action is needed for Unitholders who wish to receive the Cumulative Distribution in Singapore dollars.

For the Cumulative Distribution to be paid in Singapore dollars, the Manager will make the necessary arrangements to convert the Cumulative Distribution from U.S. dollars into Singapore dollars (taking into account the cost of exchange) at the prevailing market exchange rate. Neither CDP nor the Manager will be liable for any damages or losses suffered by Unitholders howsoever arising from the conversion of the Cumulative Distribution payable to each Unitholder from U.S. dollars into Singapore dollars. Save for approved depository agents (acting as nominees of their individual customers), each Unitholder may elect to receive the entire Cumulative Distribution in either Singapore dollars or U.S. dollars and will not be able to elect to receive the Cumulative Distribution in a combination of Singapore dollars and U.S. Dollars.

#### **IMPORTANT DATES AND TIMES**

<b>Event</b>	<b>Date / Deadline</b>
Units will be traded ex-dividend	Wednesday, 19 February 2020 at 9.00 a.m.
Closure of Prime US REIT's Transfer Books and Register of Unitholders	Thursday, 20 February 2020 at 5.00 p.m.
Unitholders are reminded to submit the completed tax forms to Prime US REIT's Unit Registrar – Boardroom Corporate & Advisory Services Pte. Ltd.. Unitholders who do not submit required U.S. tax forms completely and accurately will be subject to 30% withholding taxes on the Cumulative Distribution.	Friday, 6 March 2020 at 5.00 p.m.
Unitholders must complete and return the Distribution Election Notice to Prime US REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. (as indicated on the Distribution Election Notice) in order to receive the Cumulative Distribution in U.S. dollars	Friday, 6 March 2020 at 5.00 p.m.
Payment of Cumulative Distribution	Monday, 30 March 2020

Should Unitholders have any queries in relation to these procedures, please do not hesitate to contact:

Ms Sherena Seow  
Investor Relations  
Tel: +65 6951 8095  
Email: [sseow@primeusreit.com](mailto:sseow@primeusreit.com)  
Or visit our website at: <http://investor.primeusreit.com/publication.html>

BY ORDER OF THE BOARD

Barbara Cambon

Chief Executive Officer

**KBS US Prime Property Management Pte. Ltd.**

(Company registration no.201825461R)

(as manager of Prime US REIT)

12 February 2020

**IMPORTANT NOTICE**

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Prime US REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, Canada or Japan, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States unless registered under the Securities Act, or except pursuant to an applicable exemption from registration. There will be no public offer of securities in the United States.

The value of units in Prime US REIT ("**Units**") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of Prime US REIT) or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units ("**Unitholders**") have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Prime US REIT is not necessarily indicative of the future performance of Prime US REIT. This announcement has not been reviewed by the Monetary Authority of Singapore.