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(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.**

SUBSCRIPTION DETAILS AND RULE 240 ANNOUNCEMENT

OFFERING IN RESPECT OF 335,203,200 UNITS (THE "UNITS") REPRESENTING UNDIVIDED INTERESTS IN PRIME US REIT (THE "OFFERING") FOR SUBSCRIPTION AT THE OFFERING PRICE OF US\$0.88 PER UNIT COMPRISING:

- I. AN INTERNATIONAL PLACEMENT OF 294,294,200 UNITS (THE "PLACEMENT TRANCHE");**
- II. AN OFFERING OF 40,909,000 UNITS TO THE PUBLIC IN SINGAPORE (THE "SINGAPORE PUBLIC OFFER"); AND**

SUBJECT TO THE OVER-ALLOTMENT OPTION OF 22,727,000 UNITS (THE "OVER-ALLOTMENT OPTION").

<p>DBS Bank Ltd. is the Sole Financial Adviser and Issue Manager for the Offering (the "Sole Financial Adviser and Issue Manager"). DBS Bank Ltd. and Merrill Lynch (Singapore) Pte. Ltd. are the joint global coordinators for the Offering (together, the "Joint Global Coordinators"). 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 are the joint bookrunners and underwriters for the Offering (collectively, the "Joint Bookrunners and Underwriters").</p>
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*Capitalised terms used herein, unless otherwise defined, have the meanings as defined in the prospectus of Prime US REIT dated 8 July 2019 and registered by the Monetary Authority of Singapore on 8 July 2019 (the "**Prospectus**").*

TOTAL NUMBER OF UNITS COMPRISED IN THE OFFERING

The total number of Units in the Offering is 335,203,200, comprising 294,294,200 Units offered under the Placement Tranche and 40,909,000 Units offered under the Public Offer.

In addition, Merrill Lynch (Singapore) Pte. Ltd., as stabilising manager (the “**Stabilising Manager**”), on behalf of the Joint Bookrunners and Underwriters, has over-allotted an additional 22,727,000 Units (the “**Over-Allotment Units**”), all of which were allocated to applicants under the Placement Tranche. Such over-allotment will be covered through Units to be borrowed by the Stabilising Manager from KBS REIT Properties III LLC (“**KBS REIT Properties III**”), prior to the commencement of trading of the Units on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), pursuant to the unit lending agreement entered into between the Stabilising Manager and KBS REIT Properties III. The obligation of the Stabilising Manager to return the Over-Allotment Units will be discharged by either returning an equivalent number of Units to KBS REIT Properties III through the purchase of Units in the open market in the conduct of stabilising activities, or through the exercise of the Over-Allotment Option, or a combination of both.

INDICATIONS OF INTEREST AND APPLICATIONS RECEIVED

The Board of Directors (the “**Board**”) of KBS US Prime Property Management Pte. Ltd., in its capacity as manager of Prime US REIT (the “**Manager**”), is pleased to announce that as at the close of the Offering, indications of interest were received for 351,075,736 Units in the Placement Tranche, out of which (i) indications of interest for 137,212,818 Units were received from persons mentioned in Rule 240 of the Listing Manual (“**Rule 240 Persons**”) (which includes indications of interest for 79,545,455 Units from KBS REIT Properties III, which is a controlling unitholder), and (ii) indications of interest for 213,862,918 Units were received from investors other than Rule 240 Persons. Of the 317,021,200 Units available under the Placement Tranche (including the Over-Allotment Units), 126,979,400 Units were allocated to Rule 240 Persons (which includes 79,545,000 Units allocated to KBS REIT III) and 190,041,800 Units were allocated to investors other than Rule 240 Persons. The allocation of Units was decided by the Joint Bookrunners and Underwriters in consultation with the Manager in order to provide an orderly secondary market in the securities when trading commences and taking into account that KBS REIT Properties III has provided a lock-up over the Units it has been allocated.

As at the close of the Singapore Public Offer, there were 2,708 valid applications for an aggregate of 42,365,900 Units.

Total indications of interest received under the Placement Tranche and valid applications received under the Singapore Public Offer were for an aggregate of 393,441,636 Units. Based on the 335,203,200 Units available for subscription under the Offering (excluding the Over-Allotment Units) valid applications and indications of interest of 1.2 times was received.

Excluding Rule 240 Persons, indications of interest received under the Placement Tranche and valid applications received under the Singapore Public Offer were for an aggregate of 256,228,818 Units. Based on the 335,203,200 Units available for subscription under the Offering (excluding the Over-Allotment Units), and excluding Rule 240 Persons, valid applications and indications of interest of 0.8 times was received. Of the 357,930,200 Units in the Offering (including the Over-Allotment Units), 126,979,400 Units were allocated to Rule 240 Persons and 230,950,800 Units were allocated to investors other than Rule 240 Persons.

PLACEMENT TRANCHE

The spread of places under the Placement Tranche (inclusive of the Over-Allotment Units) is as follows:

Range of Units allocated	Number of Places
1,000 to 9,900	34
10,000 to 49,900	63
50,000 to 99,900	32
100,000 to 499,900	202
500,000 to 999,900	55
1,000,000 and above	56
Total	442

RULES 232 AND 240 OF THE LISTING MANUAL OF THE SGX-ST

Pursuant to Rules 232 and 240 of the Listing Manual of the SGX-ST, and to the best of the knowledge and belief of the Joint Bookrunners and Joint Underwriters, after having taken all reasonable steps and making all reasonable enquiries, the following persons have been allocated the following number of Units:

Name of Unitholder	Relationship	Number of Units allocated	Circumstances giving rise to the interest
KBS REIT Properties III ⁽¹⁾	Substantial Unitholder	79,545,000 ⁽²⁾	Allocated under the Placement Tranche ⁽³⁾
AT Investments Limited ⁽⁴⁾	Substantial Unitholder	11,363,000 ⁽⁵⁾	Allocated under the Placement Tranche
Times Property Private Limited ⁽⁶⁾	Substantial Unitholder	5,681,000 ⁽⁷⁾	Allocated under the Placement Tranche
KBS Asia Partners Pte. Ltd	Sponsor	20,681,000	Allocated under the Placement Tranche
Linda Bren 2017 Trust	Substantial Shareholder of the Manager ⁽⁸⁾	5,681,000 ⁽⁹⁾	Allocated under the Placement Tranche
Macro View Ltd	Related to Piyush Gupta, a Director of DBS Bank Ltd. ⁽¹⁰⁾	280,400	Allocated under the Placement Tranche
Paredes Muirragui J E Sebastian	Director of DBS Bank (Hong Kong) Limited ⁽¹¹⁾	1,000,000	Allocated under the Placement Tranche
Maybank Asset Management Sdn Bhd	Member of same group of companies as Maybank Kim Eng Securities Pte Ltd	250,000	Allocated under the Placement Tranche

Name of Unitholder	Relationship	Number of Units allocated	Circumstances giving rise to the interest
Maybank Asset Management Singapore Pte. Ltd.	Member of same group of companies as Maybank Kim Eng Securities Pte Ltd	2,409,000	Allocated under the Placement Tranche
Pacific Mutual Fund Bhd	Affiliate of Oversea-Chinese Banking Corporation Limited	89,000	Allocated under the Placement Tranche
Total		126,979,400	

Notes:

- (1) KBS REIT Properties III, LLC is a wholly-owned subsidiary of KBS Limited Partnership III. KBS REIT Holdings III, LLC in turn holds a 99.9% interest in KBS Limited Partnership III and acts as its limited partner. KBS REIT Holdings III, LLC is wholly-owned by KBS Real Estate Investment Trust III, Inc. ("**KBS REIT III**"). KBS REIT III is the sole general partner of, and owns a 0.1% partnership interest in KBS Limited Partnership III.
- (2) For the avoidance of doubt, this does not include the 228,408,999 Units issued to KBS REIT Properties III pursuant to a subscription agreement between the Manager and KBS REIT Properties III, as disclosed in the Prospectus.
- (3) In light of the volatile market conditions and to demonstrate support and commitment to the Offering, KBS REIT Properties III has subscribed for additional Units in the Placement Tranche and has been allocated 79,545,000 additional Units, which when aggregated with 228,409,000 Units as disclosed in the Prospectus, will result in KBS REIT Properties III increasing its stake in Prime US REIT from 24.7% to 33.3%, subject to the exercise of the Over-Allotment Option.

The Units taken up by KBS REIT Properties III would be subject to a lock-up for 100% of the Units which KBS REIT Properties III holds for the period commencing from the date of issuance of the Units until the date falling six months after the Listing Date (both dates inclusive) (the "**First Lock-up Period**") and a lock-up for 50% of the Units which KBS REIT Properties III holds for the period following the First Lock-up Period until the date falling 12 months after the Listing Date (see pages 291 to 297 of the Prospectus for further details of the lock-up).

The Trustee (on the recommendation of the Manager) has granted KBS REIT Properties III a waiver from the Automatic Forfeiture for it to hold up to a 33.3% interest in Prime US REIT on the basis that (i) as advised by the Independent U.S. Tax Adviser, such waiver shall not affect the Parent U.S. REIT's qualification as a U.S. REIT for U.S. federal income tax purposes since KBS REIT Properties III is indirectly wholly-owned by KBS REIT III, a Maryland corporation that qualifies as a U.S. REIT for U.S. federal income tax purposes; and (ii) KBS REIT Properties III has provided the Trustee with an acknowledgement letter consenting to the potential loss of the U.S. Portfolio Interest Exemption. The Automatic Forfeiture provision, in part, protects the Parent U.S. REIT from being closely held (a U.S. REIT cannot be held more than 50% by five or fewer individuals). The waiver is appropriate as KBS REIT III (the owner of 100% of the indirect interests in KBS REIT Properties III) is itself a U.S. REIT that is not closely held and thus compliant with the U.S. REIT rules with respect to diversity of ownership, and in this regard, KBS REIT III's charter prohibits any person or group of persons from acquiring, directly or indirectly, beneficial or constructive ownership of more than 9.8% of its aggregate outstanding shares unless exempted by KBS REIT III's board of directors. KBS REIT III's board of directors may waive this ownership limit with respect to a particular person if KBS REIT III's board receives evidence that ownership in excess of the limit will not jeopardise its U.S. REIT status. Any attempted transfer of KBS REIT III's shares that, if effective, would result in a violation of KBS REIT III's ownership limit will be null and void and will cause the number of shares causing the violation to be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries. For the avoidance of doubt, the potential loss of the U.S. Portfolio Interest Exemption for KBS REIT Properties III has no impact on other Unitholders, as this relates to distributions solely to KBS REIT Properties III and not the other Unitholders. In addition, the increase in the unitholding of KBS REIT Properties III would not affect the unitholding level which other Unitholders can hold (i.e. there is no reduction of the Unit Ownership Limit). Accordingly, there are no negative implications to Prime US REIT or Parent U.S. REIT arising from KBS REIT Properties III's 33.3% interest in Prime US REIT, which is above the Unit Ownership Limit, and the potential loss of the U.S. Portfolio Interest Exemption for KBS REIT Properties III for the reasons set out in the foregoing. There is no maximum unitholding by KBS REIT Properties III that would negatively affect the Parent U.S. REIT's qualification as a U.S. REIT.

- (4) AT Investments Limited is a wholly-owned subsidiary of Auctus Investments Limited, which is in turn wholly-owned by the Sai Charan Trust, whose beneficiaries are Mr Arvind Tiku and his immediate family members. Mr Arvind Tiku and his immediate family members are also beneficiaries of Sai Charan Investment Holding Trust, which indirectly owns 10.0% of the Manager.
- (5) For the avoidance of doubt, this does not include the 73,863,000 Units to be issued to AT Investments Limited

pursuant to a cornerstone subscription agreement between the Manager and AT Investments Limited, as disclosed in the Prospectus.

- (6) Times Property Private Limited is a wholly-owned subsidiary of Singapore Press Holdings Limited.
- (7) For the avoidance of doubt, this does not include the 62,500,000 Units to be issued to Times Property Private Limited pursuant to a cornerstone subscription agreement between the Manager and Times Property Private Limited, as disclosed in the Prospectus.
- (8) Linda Bren 2017 Trust indirectly holds a 33 1/3% interest in KBS Asia Partners Pte. Ltd, which in turn holds a 60.0% interest in the Manager.
- (9) For the avoidance of doubt, this does not include the 5,681,500 Units to be issued to Linda Bren 2017 Trust pursuant to a cornerstone subscription agreement between the Manager and Linda Bren 2017 Trust, as disclosed in the Prospectus.
- (10) DBS Bank Ltd. is the Sole Financial Adviser, Issue Manager and Joint Bookrunner and Underwriter to the Offering. Piyush Gupta and his wife, Ruchira Gupta, are deemed interested in the Units held by Macro View Ltd by way of a trust arrangement.
- (11) DBS Bank (Hong Kong) Limited is a distributor of Units under the Offering.

Should it subsequently come to the attention of the Joint Bookrunners and Joint Underwriters that there are such other persons specified under Rules 232 and 240 of the Listing Manual of the SGX-ST who have acquired Units pursuant to the Offering, an appropriate announcement, through SGXNET, will be made before trading commences at 2.00 p.m. on Friday, 19 July 2019.

The Board wishes to thank all investors who have applied for the Units, the relevant authorities and all who have helped in one way or another in the initial public offering of Prime US REIT, for their support and assistance.

Issued by the Joint Bookrunners and Underwriters

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.
Oversea-Chinese Banking Corporation Limited

(as Joint Bookrunners and Underwriters)

For and on behalf of
KBS US Prime Property Management Pte. Ltd.
(Registration Number: 201825461R)
(as manager of Prime US REIT)

18 July 2019

IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for the Units 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 is qualified in its entirety by, and should be viewed in conjunction with, the full text of the Prospectus in relation to the Offering. The Offering is made by the Manager. Anyone wishing to subscribe for or purchase the Units will need to make an application in the manner set out in the Prospectus.

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by Prime US REIT, the Manager, the Issue Manager, the Joint Global Coordinators, the Joint Bookrunners and Underwriters 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. The Unitholders have no right to request the Manager to redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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