



NEWS RELEASE

PRIME US REIT PRIVATE PLACEMENT RECEIVES STRONG DEMAND; RAISES US\$80.0 MILLION

- Issue Price of US\$0.81; more than two times subscribed, reflecting market's confidence in PRIME's long-term growth strategy
- Proceeds to partially fund the proposed acquisitions of Sorrento Towers in San Diego, California and One Town Center in Boca Raton, Florida
- Strong participation from existing Unitholders and new institutional investors testifies to the quality and resiliency of PRIME's business and proposed acquisitions
- Expects further diversification of Unitholder base and improvement to trading liquidity

Singapore, 25 June 2021 – KBS US Prime Property Management Pte. Ltd., the manager (the "**Manager**") of Prime US REIT ("**PRIME**"), a real estate investment trust with a high-quality office portfolio in the United States (the "**U.S.**"), earlier today announced the launch of a placement of new Units ("**New Units**") at an issue price between US\$0.797 and US\$0.822 per New Unit in PRIME (the "**Private Placement**"). The Manager wishes to announce that the issue price for the Private Placement has been fixed at US\$0.81 per New Unit (the "**Issue Price**"). DBS Bank Ltd. and Credit Suisse (Singapore) Limited were the joint lead managers and underwriters in relation to the Private Placement (the "**Joint Lead Managers and Underwriters**").

The Private Placement

The Private Placement of US\$80.0 million comprising the issuance of 98,766,000 New Units was well-subscribed with strong demand from both existing Unitholders and new investors with a good mix of long-only institutional investors, multi-strategy funds, family offices, and private wealth clients. Institutional investors accounted for over half the demand and final allocations, accompanied by strong private wealth and family office interest.

DBS Bank Ltd. was the sole financial adviser and issue manager for the initial public offering of Prime US REIT.
--



The Issue Price represents a 3.4% discount to the adjusted volume weighted average price (“**VWAP**”)¹ of US\$0.8385 per Unit. The listing of the New Units on the SGX-ST is expected to commence at 9.00 a.m. on Monday, 5 July 2021.

Ms. Barbara Cambon, Chief Executive Officer and Chief Investment Officer of the Manager of PRIME, said, “We are pleased to deliver on our growth objectives through these accretive acquisitions of high-quality assets that enhance Unitholders’ value. We were uncompromising in our selection of assets to enhance our portfolio exposure to secular trends in growth cities, key sectors and quality assets. This benefits Unitholders in the form of added income resiliency and portfolio diversity.

The strong demand and support shown to the Private Placement is a testament to the market’s confidence in PRIME’s investment case and value proposition. We welcome our new Unitholders and thank existing Unitholders for their support as we diversify our Unitholder base and further increase PRIME’s trading liquidity.

The deal structure was strategic and deliberate, with a view to balancing DPU accretion to our existing unitholders whilst maintaining a strong capital structure to position PRIME favourably for future acquisition opportunities. Overall, the acquisitions add visibility to our organic growth prospects and will enhance the returns that we continue to deliver to all stakeholders for the long-term, in a disciplined and prudent manner.”

Increases portfolio diversification and income resiliency

Sorrento Towers is strategically located in the Sorrento Mesa office market in San Diego, a technology and life sciences hub. Sorrento Towers is presently leased to a diverse mix of high quality and credit worthy tenants, has a long-weighted average lease expiry (“**WALE**”) by NLA of 6.6 years and an occupancy rate of 95.6% with minimal near-term lease expiries as of March 2021.

One Town Center is well-amenitised and located in the heart of Boca Raton, one of the country’s wealthiest and most desirable submarkets featuring a diverse range of blue-chip and

¹ The Adjusted VWAP is computed based on the VWAP of all trades in the Units on the SGX-ST for the preceding Market Day on 23 June 2021 up to the time the Placement Agreement was signed and subtracting the Cumulative Distribution of US 3.395 cents per Unit (being the mid-point of the Cumulative Distribution Range). The estimated distribution for the period from 1 January to 4 July 2021 is based on Prime US REIT’s distributable income for the period from 1 January 2021 to 30 June 2021 and the Manager’s estimate of Prime US REIT’s revenue and expenses for the period from 1 July 2021 to 4 July 2021, and the actual Cumulative Distribution may differ.

*Cumulative Distribution refers to the distributable income comprising a distribution from 1 January 2021 to 30 June 2021 and for the period from 1 July to 4 July 2021

*Cumulative Distribution Range: the Cumulative Distribution is estimated to be between US 3.37 and 3.42 cents

investment grade tenants. Corporate relocations and expansions are driving demand for office space as the population growth rate for South Florida is expected to nearly double that of the U.S. The property has a leased occupancy of 94.7% as at March 2021, long WALE of 6.2 years and has no expiries in the first two years offering a highly visible revenue stream.

The leases at these two properties offer visible organic growth, having built-in rental escalation averaging approximately 3% per annum.

The accretive acquisitions are expected to scale PRIME's total portfolio of Class A assets to 14 premium office properties in 13 primary markets with a total appraised value of approximately US\$1.65 billion. The new assets will also add exposure to two key sectors that have underpinned the resilience of PRIME's portfolio, namely the STEM/TAMI sector and financial services, whilst also extending portfolio WALE by NLA from 4.3 to 4.5 years.

– End –



Figure 1. Aerial View of Sorrento Towers



Figure 2. Front view of One Town Center



For further information, please contact:

Prime US REIT

Sherena Seow

T: (65) 6951 8095

E: sseow@primeusreit.com

Tulchan Communications LLP

Jonathan Yeoh / Melissa Tan

T: (65) 6222 3765

E: prime@tulchangroup.com

About Prime US REIT

Listed on 19 July 2019 on the Main Board of the Singapore Exchange, Prime US REIT (“**PRIME**”) is a well-diversified real estate investment trust (“**REIT**”) focused on stabilised income-producing office assets in the United States (“**U.S.**”). With the objectives to achieve long-term growth in distributions per unit and net asset value per unit while maintaining a robust capital structure, PRIME offers investors unique exposure to a high-quality portfolio of 12 Class A freehold office properties which are strategically located in 11 key U.S. office markets. PRIME's portfolio has a total carrying value of US\$1.41 billion as at 31 March 2021.

About the Sponsor

KBS Asia Partners Pte. Ltd. (“**KAP**”) is the Sponsor of PRIME. The shareholders of KAP include founding members of KBS, one of the largest owners of premier commercial real estate in the U.S. As a private equity real estate company and an SEC-registered investment adviser, KBS and its affiliated companies have completed more than US\$42 billion of transactional volume on behalf of private and institutional investors globally since inception in 1992.

About the Manager

PRIME is managed by KBS US Prime Property Management Pte. Ltd. which is jointly owned by KBS Asia Partners Pte. Ltd., Keppel Capital Two Pte. Ltd., a wholly-owned subsidiary of Keppel Capital Management Pte Ltd, Times Properties Private Limited, a wholly-owned subsidiary of SPH and Experion Holdings Pte. Ltd., a wholly-owned subsidiary of AT Holdings Pte. Ltd.

The Manager has general powers of management over the assets of PRIME. The Manager's main responsibility is to manage PRIME's assets and liabilities for the benefit of Unitholders.



The Manager will set the strategic direction and provide, investment, asset management, capital management, internal audit, human resource, information technology, accounting, compliance and investor relations services to PRIME.

For more information, please visit www.primeusreit.com.



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.

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.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities in the United States. The Units have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States. The Units may not be offered, sold, or delivered within the United States unless pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act. Accordingly, the Units are being offered and sold only outside of the United States in offshore transactions in reliance on and in compliance with Regulation S under the U.S. Securities Act. No public offering of securities is being made in the United States.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United State securities laws or the laws of any other jurisdiction.