

PRIME to Divest One Town Center for US\$82 million¹

- ✓ **A Measured Strategic Move to Unlock Value**
- ✓ **Aggregate Leverage to Decrease from 48.4% to 45.8%²**
- ✓ **Reinvest in Asset Rejuvenation and Optimise Leasing Efforts**

Singapore, 15 May 2024 – Prime US REIT Management Pte. Ltd., as manager of Prime US REIT (the “**Manager**”), is pleased to announce that Prime US REIT (“**PRIME**”), has today entered into a sale and purchase agreement with Miles Capital, LLC, an unrelated third party, to divest (the “**Divestment**”) One Town Center located in Boca Raton, Florida for a sale price of US\$82.0 million¹. One Town Center is a 10-storey Class A office tower and a five-storey attached parking garage, with a net lettable area of 191,294 square feet. As of 31 December 2023, One Town Center contributes 6.0% to PRIME’s portfolio carrying value.

One Town Center’s sale price of US\$82.0 million¹ was negotiated on a willing-buyer and willing-seller basis after taking into account the independent valuation of US\$84.8 million³ as at 31 December 2023 and the expected capital requirements of the Property.

The Divestment is a strategic sale, in line with Prime US REIT’s deleveraging strategy. The Manager is seeking to bring down the aggregate leverage and maximise liquidity to fund capital expenditures which are necessary in driving new leasing activities. Even though the Property is being divested slightly below its valuation, it is nonetheless expected to benefit the unitholders of Prime US REIT (“Unitholders”). The completion of the Divestment will not only bring down the aggregate leverage of Prime US REIT, but also provide immediate additional liquidity that can allow the Manager to operate the portfolio with greater financial flexibility as it seeks to pare down existing debt, manage interest cost and provide for capital expenditures which are essential to enhance Prime US REIT’s income resilience and deliver sustainable total return to Unitholders.

1. Sale price of US\$82.0 million is before seller’s credit for outstanding capital and rollover reserves of US\$4.0 million.
2. On a Pro forma basis assuming completion of the Divestment on 31 December 2023.
3. DBS Trustee Limited (in its capacity as trustee of Prime US REIT) had commissioned an independent valuer, Kroll, LLC to value the Property as part of the annual valuation of Prime US REIT’s portfolio.

Assuming the entire net proceeds from the Divestment is used to repay existing debt, Prime US REIT's aggregate leverage is expected to reduce from 48.4% as of 31 December 2023 to 45.8% on a pro forma basis post completion of the Divestment which is expected in July 2024.

– End –

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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 14 Class A freehold office properties which are strategically located in 13 key U.S. office markets. PRIME's portfolio has a total carrying value of US\$1.41 billion as at 31 December 2023.

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\$40 billion of transactional volume on behalf of private and institutional investors globally since inception in 1992.

About the Manager

PRIME is managed by Prime US REIT Management Pte. Ltd. (formerly known as 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.

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