



**SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST**  
(a real estate investment trust constituted on 29 October 2010 under the laws of the Republic of Singapore)

**RESPONSE TO SGX QUERY**

The Board of Directors (the “**Board**”) of Sabana Real Estate Investment Management Pte Ltd (the “**Manager**”) refers to the queries from Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 12 January 2018 and sets out its responses as follows:

**Question 1:**

**What is the status of application to the MAS in relation to extension of time for compliance with the relevant requirement that the audit committee of a REIT manager to comprise at least 3 members?**

**Manager’s response:**

The Manager had previously applied for a waiver from the Monetary Authority of Singapore (the “MAS”) from the requirements of paragraph 5.1(a) of the Notice to all Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management issued by the MAS on 1 January 2016 and paragraph 3.4 of the Guidelines to all Holders of a Capital Markets Services Licence issued by the MAS on 1 January 2016 until such time an additional independent director and Audit Committee member is appointed, in any event by 27 January 2018.

The Manager has identified a new third independent director and has submitted an application to the MAS. The application is pending approval.

**Question 2:**

- (i) What is the status of the appointment of CEO? Has the Manager identified any candidates?**
- (ii) What are the reasons that a new CEO has not been identified / appointed? When is the target date for the appointment of new CEO?**

**Manager’s response:**

- (i) The Manager has identified a candidate to be appointed as CEO and has submitted an application to the MAS. The application is pending approval.
- (ii) The Manager had previously found it challenging to recruit a suitable candidate who was willing to be the CEO of the Manager while discussions with ESR Funds Management (S) Limited (formerly known as Cambridge Industrial Trust Management Limited) (in its capacity as manager of ESR-REIT (formerly known as Cambridge Industrial Trust) (the “**ESR-REIT**”

**Manager”)** to explore options in connection with the strategic review exercise were still ongoing. Prospective candidates were also concerned that their potential tenure as CEO might be very short and lack a strategic mandate in the event any potential proposal from the ESR-REIT Manager materialises. As announced on 25 November 2017, discussions with the ESR-REIT Manager have since ceased. As explained in 2(i) above, a candidate has now been identified and the application for the appointment of that candidate as the CEO of the Manager is pending approval from the MAS.

**Question 3:**

**Please provide a detailed indicative timeline for completion of the strategic review.**

**Manager’s response:**

As announced on 25 November 2017, discussions between the Manager and the ESR-REIT Manager have ceased. To date, the Manager has not received binding offers. Once the new CEO and the new third independent non-executive director are appointed, the Strategic Review will cease.

Notwithstanding the cessation of the Strategic Review, the Manager will remain open to considering proposals from prospective strategic partners.

**In the meantime, Unitholders are advised to exercise caution when dealing in the units of Sabana REIT. Unitholders are further advised to read this announcement and any subsequent announcements by the Manager carefully.**

By Order of the Board

Sabana Real Estate Investment Management Pte. Ltd.

(Company registration number 201005493K)

As Manager of Sabana Shari’ah Compliant Industrial Real Estate Investment Trust

Kevin Cho

Company Secretary

15 January 2018

## **ABOUT SABANA REIT**

Sabana REIT was listed on Singapore Exchange Securities Trading Limited on 26 November 2010. It was established principally to invest in income-producing real estate used for industrial purposes, as well as real estate-related assets, in line with Shari'ah investment principles. Sabana REIT currently has a diversified portfolio of 20 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. Its total assets amount to approximately S\$1.0 billion.

Sabana REIT is listed in several indices within the SGX S-REIT Index, Morgan Stanley Capital International, Inc (MSCI) Index, FTSE index.

Sabana REIT is managed by Sabana Real Estate Investment Management Pte. Ltd., (in its capacity as the Manager of Sabana REIT) in accordance with the terms of the trust deed dated 29 October 2010 (as amended). Sabana REIT is a real estate investment trust constituted on 29 October 2010 under the laws of Singapore.

For further information on Sabana REIT, please visit <http://www.sabana-reit.com>.

### **Important Notice**

The value of units in Sabana REIT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, HSBC Institutional Trust Services (Singapore) Limited, as trustee of Sabana REIT, or any of their respective affiliates.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.