



SABANA INDUSTRIAL REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 29 October 2010 under the laws of the Republic of Singapore)

ANNOUNCEMENT PURSUANT TO RULE 704(5) OF THE LISTING MANUAL

Sabana Real Estate Investment Management Pte. Ltd. ("**SREIM**"), as manager of Sabana Industrial Real Estate Investment Trust ("**Sabana Industrial REIT**"), and the manager of Sabana Industrial REIT, the "**Manager**", refers to its announcement today containing (i) the interim financial statements of Sabana Industrial REIT for the period from 1 January 2023 to 30 June 2023 ("**1H 2023 Financial Statements**"); and (ii) the independent auditor's review report (the "**Independent Auditor's Review Report**") issued by Sabana Industrial REIT's independent external auditors, Ernst & Young LLP, in relation to the 1H 2023 Financial Statements, which is appended to the same.

In accordance with Rule 704(5) of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Manager wishes to inform that Independent Auditor's Review Report has included an emphasis of matter in respect of a material uncertainty that may cast significant doubt on the Group's¹ and Sabana Industrial REIT's ability to continue as a going concern depending on the outcome of an extraordinary general meeting of Sabana Industrial REIT (the "**Extraordinary General Meeting**") which Quarz Capital ASIA (Singapore) Pte. Ltd. has requisitioned the Manager to convene (the "**Requisition**"). The Requisition is proposing, among others, a resolution that SREIM be removed as the manager of Sabana Industrial REIT as soon as practicable should this resolution be passed.

The above-mentioned material uncertainty arises because of the potential adverse consequences to the financial position of Sabana Industrial REIT that could arise from the Requisition which could affect Sabana Industrial REIT's ability to remain as a going concern.

Under Sabana Industrial REIT's existing financing arrangements with various lenders, the removal of SREIM as manager of Sabana Industrial REIT would trigger the removal of manager clause that constitutes a review event. Such review event, if triggered, may result in mandatory prepayment by Sabana Industrial REIT of its outstanding loans and interest if no satisfactory agreement is reached with the lenders, within a period of not more than 30 days (or such longer period as the lenders may agree), following the review event. Unitholders of Sabana Industrial REIT ("**Unitholders**") should note that this could result in serious consequences for Sabana Industrial REIT and its Unitholders.

In this regard, the Manager had written to the relevant lenders to seek a waiver from the above-mentioned review event under Sabana Industrial REIT's existing financing arrangements, in the event that SREIM is removed as the manager of Sabana Industrial REIT. However, the lenders have replied that they are unable to grant the relevant waivers at the current juncture.

The Manager would like to highlight that the conclusion in the Independent Auditor's Review

¹ "**Group**" means Sabana Industrial REIT and its subsidiary, collectively.



Report remains not qualified in respect of the above emphasis of matter.

Unitholders of Sabana Industrial REIT are advised to read this announcement in conjunction with the 1H 2023 Financial Statements and the Independent Auditor's Review Report appended thereto, in their entirety.

Cautionary Statement

The Manager will make further announcements on the SGXNet in the event there are any material developments which warrant disclosure, in compliance with its obligations under the Listing Manual. Unitholders and investors are advised to refrain from taking any action in respect of their units in Sabana Industrial REIT ("**Units**") which may be prejudicial to their interests, and to exercise caution when dealing in the Units. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By Order of the Board
Sabana Real Estate Investment Management Pte. Ltd.
(Company Registration No: 201005493K, Capital Markets Services Licence No:
CMS100169)
As Manager of Sabana Industrial Real Estate Investment Trust

Han Yong Lee (Donald)
Chief Executive Officer
19 July 2023

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Sabana Industrial REIT

Sabana Industrial REIT was listed on the SGX-ST on 26 November 2010. As at 31 December 2022, Sabana Industrial REIT has a diversified portfolio of 18 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. The total assets of the Group amount to more than S\$0.9 billion as at 31 December 2022. Sabana Industrial REIT is a constituent of the SGX S-REIT Index, MSCI Singapore Micro Cap Index, and FTSE ST Singapore Shariah Index.

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

For further information on Sabana Industrial REIT, please visit www.sabana-reit.com.

Important Notice

The value of units in Sabana Industrial 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 Industrial 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.