

18 April 2024

To:

ESR Group Limited

HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as the trustee of Sabana Industrial Real Estate Investment Trust)

Sabana Growth Internalisation Committee
(comprising certain unitholders of Sabana Industrial Real Estate Investment Trust)

Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as the manager of Sabana Industrial Real Estate Investment Trust)

Dear Sir or Madam,

1. At the extraordinary general meeting of Sabana Industrial Real Estate Investment Trust ("**Sabana REIT**") held on 7 August 2023 ("**7 Aug 2023 EGM**"), among others, Resolution 1 in relation to the removal of the Sabana Real Estate Investment Management Pte. Ltd. (as manager of Sabana REIT ("**Manager**")) and Resolution 2(a) in relation to the direction for HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana REIT ("**Trustee**")) to effect the internalisation of Sabana REIT's management function ("**Internalisation**") were approved by a majority of votes cast. ESR Group Limited ("**Sponsor**") and its related parties voted on both resolutions.
2. Pursuant to and as a consequence of the aforementioned approvals, the Trustee is now proposing amendments ("**Trust Deed Amendments**") to its trust deed ("**Trust Deed**") for the purpose of effecting the Internalisation. We note that the Trustee has filed an originating application with the High Court of Singapore to seek, among other things, a declaration that the Trustee is at liberty to convene an extraordinary general meeting to consider the Trust Deed Amendments.
3. The Sponsor, the Trustee, the Sabana Growth Internalisation Committee ("**SGIC**") and the Manager have separately consulted Singapore Exchange Regulation ("**SGX RegCo**") and the Monetary Authority of Singapore on whether the Sponsor and its related parties should abstain from voting on the resolution pertaining to the Trust Deed Amendments. The parties have put forth various views on this matter.
4. While we are cognisant that the Manager continues to receive fee income as the interim manager of Sabana REIT, our understanding is that the Trust Deed Amendments seek to allow the Internalisation to be implemented in accordance with the resolutions passed at the 7 Aug 2023 EGM. As the Trust Deed is a constituent document governing Sabana REIT, any amendments thereto would affect all unitholders, including the Sponsor and its related parties. Accordingly, to the extent that the Trust Deed Amendments are not proposed to benefit the interest of any specific unitholder, and is to effect the Internalisation (which was voted on by all

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unitholders at the 7 Aug 2023 EGM), it would similarly follow that the Trust Deed Amendments would be, as was the case at the 7 Aug 2023 EGM, voted on by all unitholders.

5. Therefore, should an extraordinary general meeting be necessary to consider the Trust Deed Amendments, SGX RegCo is of the view that there is no requirement under the SGX-ST Listing Rules for the Sponsor and its related parties to be disenfranchised from voting on the Trust Deed Amendments.
6. By all accounts, the parties have expended significant time and resources to effect the Internalisation. We note that unitholders at Sabana REIT's extraordinary general meeting held on 8 March 2024 raised concerns on the Internalisation expenses of over S\$3 million incurred between August 2023 to 31 December 2023, the complications to the Internalisation and the longer than envisaged time taken to effect the Internalisation. We believe that it is also the desire of all relevant parties for the Internalisation to be effected expeditiously. SGX RegCo is cognisant that any further delay in the implementation of the Internalisation would not be in the interest of unitholders. We urge all parties to work cohesively on the way forward so that the needs of all parties are satisfactorily met.

Yours faithfully,

Lorraine Chay
Senior Vice President
Listing Compliance
Singapore Exchange Regulation

c.c. Monetary Authority of Singapore