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**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)

managed by
Sabana Real Estate Investment Management Pte. Ltd.

**NOTICE TO HOLDERS OF
S\$80,000,000 4.50 PER CENT. CONVERTIBLE SUKUK DUE 2017
PROPOSED RIGHTS ISSUE OF NEW UNITS IN
SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST**

Sabana Real Estate Investment Management Pte. Ltd., as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust (“**Sabana REIT**”, and as manager of Sabana REIT, the “**Manager**”), refers to the S\$80,000,000 4.50% Convertible Sukuk due 2017 (the “**Sukuk**”) issued by Sabana Treasury Pte. Ltd., a wholly-owned subsidiary of Sabana REIT and the announcement dated 20 December 2016 (the “Rights Issue Announcement”) made by the Manager in connection with the proposed Rights Issue (as defined herein). A copy of the Rights Issue Announcement is available on the website of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”): <http://www.sgx.com>.

NOTICE IS HEREBY GIVEN THAT the Manager is undertaking an underwritten renounceable rights issue (the “**Rights Issue**”) of 310,712,244 new units in Sabana REIT (“**Units**”, and new Units to be issued pursuant to the Rights Issue, the “**Rights Units**”) to raise gross proceeds of approximately S\$80.2 million, and the Rights Units will be offered at an issue price of S\$0.258 per Rights Unit (“**Issue Price**”) on the basis of 42 Rights Units for every 100 existing Units in Sabana REIT held as at 29 December 2016 at 5.00 p.m. when the transfer books and register of

unitholders of Sabana REIT (“**Unitholders**”) will be closed (the “**Rights Issue Books Closure Date**”).

The Rights Units will be issued pursuant to the general mandate that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 12 April 2016.

Condition 7(c)(iv) of the terms and conditions of the Sukuk (the “**Conditions**”) provides for an adjustment to be made to the Conversion Price (as defined in the Conditions) of the Sukuk, which is currently S\$1.0131 per Unit, in the event of a rights issue of Units. Based on the issuance of 310,712,244 Rights Units at S\$0.2580 per Rights Unit, the Conversion Price will be adjusted to S\$0.8628 per Unit.

The adjustment to the Conversion Price will only become effective on the date of issue of the Rights Units, currently scheduled to be on 25 January 2017.

Sukukholders should note that the current Conversion Price of S\$1.0131 per Unit is significantly higher than the closing price of S\$0.4500 per Unit on the SGX-ST on 23 December 2016.

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
for and on behalf of Sabana Treasury Pte. Ltd.

Kevin Xayaraj
Chief Executive Officer and Executive Director

24 December 2016

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

Any offering of Rights Units will be made in and accompanied by the Offer Information Statement. A potential investor should read the Offer Information Statement before deciding whether to subscribe for Rights Units under the Rights Issue. The Offer Information Statement may be accessed online at the website of the Monetary Authority of Singapore (“**MAS**”) at <http://masnet.mas.gov.sg/operasdrprosp.nsf> when it is lodged with the MAS. The MAS assumes no responsibility for the contents of the Offer Information Statement. The availability of the Offer Information Statement on the MAS website does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The MAS has not, in any way, considered the investment merits of Sabana REIT. This announcement is qualified in its entirety by, and should be read in conjunction with the full text of the Offer Information Statement when it is lodged with the MAS.

The value of the Units and the income derived from them may fall or rise. The Units are not obligations, or deposits in, or guaranteed by the Manager or HSBC Institutional Trust Services (Singapore) Limited (as trustee of Sabana REIT) or any of their affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Unitholders 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.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia) and is not to be distributed or circulated outside Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of other jurisdictions. The “nil-paid” Rights and Rights Units referred to herein have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. No public offering of the “nil-paid” Rights and Rights Units referred to herein is being made in the United States.