



SABANA INDUSTRIAL REAL ESTATE INVESTMENT TRUST

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

PROPOSED ISSUE OF S\$100,000,000 4.15 PER CENT. SUSTAINABILITY-LINKED GUARANTEED BONDS DUE 2029 UNCONDITIONALLY AND IRREVOCABLY GUARANTEED BY CREDIT GUARANTEE AND INVESTMENT FACILITY, A TRUST FUND OF THE ASIAN DEVELOPMENT BANK

1. THE BONDS

Sabana Real Estate Investment Management Pte. Ltd., in its capacity as manager of Sabana Industrial Real Estate Investment Trust (“**Sabana Industrial REIT**” and, as manager of Sabana Industrial REIT, the “**Manager**”) wishes to announce the pricing of the S\$100,000,000 in aggregate principal amount of 4.15 per cent. Sustainability-Linked Guaranteed Bonds due 2029 (the “**Bonds**”) to be issued by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Industrial REIT) (the “**Issuer**”).

CIMB Bank Berhad, Singapore Branch has been appointed as the sole global coordinator for the issue of the Bonds, whilst CIMB Bank Berhad, Singapore Branch and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch have been appointed as joint lead managers (the “**Joint Lead Managers**”), joint bookrunners and joint sustainability-linked framework structuring advisors for the issue of the Bonds.

The Bonds, which will be issued at an issue price of 100 per cent. of their principal amount, will be issued in the denomination of S\$250,000, and will bear interest at the rate of 4.15 per cent. per annum, payable semi-annually in arrear.

Under the terms and conditions of the Bonds (the “**Conditions**”), the Issuer has set a sustainability performance target (“**SPT**”) to achieve at least a 24 per cent. reduction in Absolute Scope 2 GHG Emission from the Baseline (calculated on the same basis as the Issuer’s scope of calculation of the Baseline) by the financial year ending on the SPT Observation Date as calculated in good faith by the Issuer and notified in writing to the Guarantor, the Trustee, the Agents and the Bondholders in accordance with Condition 15 (*Notices*). Such percentage reduction is subject to verification by the External Verifier as set out in the Verification Report. Subject to the Conditions, if the Issuer fails to fulfil the SPT as at the date of issue of the Verification Report, the Rate of Interest shall be increased to the Step-Up Rate of Interest (being 4.45 per cent. per annum) commencing from the eighth Interest Payment Date.

Unless previously redeemed or purchased and cancelled as provided in the Conditions, the Issuer will redeem the Bonds at their principal amount on 25 June 2029.

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any

preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness of the Issuer, present and future.

2. CGIF GUARANTEE

The payment obligations of the Issuer under the Bonds and the Trust Deed (as defined in the Conditions) will be unconditionally and irrevocably guaranteed by Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (“CGIF” or the “Guarantor”, and such guarantee, the “CGIF Guarantee”), to the extent of, and in accordance with and subject to the terms of, the CGIF Guarantee. Such obligations of the Guarantor under the CGIF Guarantee are direct, unconditional and general obligations of the Guarantor and rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law (if any).

The CGIF Guarantee does not cover any amounts that become payable under the Bonds on an accelerated basis (a) at the instigation of the Issuer, including, without limitation, as a result of the Issuer’s voluntary redemption of the Bonds (whether in full or in part) prior to the Maturity Date or (b) as a result of any mandatory redemption of the Bonds pursuant to Condition 6(d) (*Mandatory Redemption on Termination of Sabana Industrial REIT*), other than any Guaranteed Amount (as defined in the CGIF Guarantee) payable pursuant to Clause 3.3 (*Payment of Guaranteed Amount (Mandatory Redemption Missed Payment Event)*) of the CGIF Guarantee.

The recourse of the Bondholders (as defined in the Conditions) against CGIF in respect of the CGIF Guarantee is limited solely to the CGIF Assets (as defined in the Conditions) and neither the Trustee nor any Bondholder has recourse to any assets of the Asian Development Bank or any other contributors to CGIF. Any obligation under the CGIF Guarantee of CGIF does not constitute an obligation of the Asian Development Bank or any other contributors to CGIF.

In connection with the giving of the CGIF Guarantee, the Issuer and the Guarantor will enter into a reimbursement and indemnity agreement (the “Reimbursement and Indemnity Agreement”) which, among other things, specifies the payment of guarantee fees and other amounts in respect of the CGIF Guarantee and the basis on which amounts paid by the Guarantor under the CGIF Guarantee are to be reimbursed and indemnified by the Issuer.

3. STANDBY LETTER OF CREDIT ARRANGEMENTS

The Issuer will be entering into a facility agreement (the “SBLC Facility Agreement”) with, *inter alios*, CIMB Bank Berhad, Singapore Branch and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (in such capacity, the “SBLC Banks” and each, an “SBLC Bank”), pursuant to which each SBLC Bank agrees to issue an irrevocable standby letter of credit (each, an “SBLC” and together, the “SBLCs”) in favour of the Guarantor on the date of issue of the Bonds.

In the event the principal amount under the Bonds in respect of a Missed Payment Event or a Mandatory Redemption Missed Payment Event (each as defined in the Conditions) has been paid by CGIF, pursuant to the terms of the SBLCs, the Guarantor will have a right to demand payment from the SBLC Banks for an aggregate amount of no more than 10 per cent. of the aggregate principal amount of the Bonds on account of payments made by the Guarantor under the CGIF Guarantee in respect of the principal amount outstanding under the Bonds (but not in respect of any liability under the CGIF Guarantee for any coupon payment under the Bonds).

4. **DISCLOSURE PURSUANT TO RULE 704(31) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE “SGX-ST”)**

Pursuant to Rule 704(31) of the Listing Manual of the SGX-ST, the Manager wishes to announce that: -

- (a) It is an event of default under the Bonds if the Manager resigns or is removed pursuant to the terms of the REIT Trust Deed (as defined in the Trust Deed) and no replacement or substitute manager of Sabana Industrial REIT is appointed in accordance with the terms of the REIT Trust Deed or any relevant order(s) passed by a court of law in Singapore concerning the manager of Sabana Industrial REIT.

Upon the occurrence of an event of default under the Bonds, CGIF may at its discretion require the Issuer to redeem the Bonds in whole (but not in part) at their principal amount, together with interest accrued but unpaid to the date fixed for redemption.

However, under the terms of the Trust Deed, the Trustee has agreed with CGIF that it shall not take steps to declare any Bond to be or become immediately due and payable except in limited circumstances. Unless the prior written consent of CGIF is obtained, these circumstances are strictly limited to the failure by CGIF to make payment of a Guaranteed Amount in accordance with the CGIF Guarantee such that a Non-Payment Event has occurred and is continuing (a “**Guaranteed Party Acceleration**”). Accordingly, apart from a Guaranteed Party Acceleration, the Trustee is not permitted under the Conditions to take steps to declare any Bond to be or become immediately due and payable without the prior written consent of CGIF even if an event of default under the Bonds has occurred and is continuing.

- (b) It is an event of default under the Reimbursement and Indemnity Agreement if there is a Change of Control in a manner or to an extent which would result in a Material Adverse Effect and CGIF has not provided its consent to such Change of Control within the Review Period.

For the purpose of this para 4(b),

“**Change of Control**” means (i) ESR Group Limited ceases to hold, whether directly or indirectly, at least 50.1 per cent. of the issued share capital of the Manager; or (ii) the Manager ceases to be manager of Sabana Industrial REIT;

“**Material Adverse Effect**” means a material adverse effect on (i) the business, operations, property, condition (financial or otherwise) or prospects of the Issuer or the Group (as defined in the Reimbursement and Indemnity Agreement) taken as a whole; (ii) the ability of the Issuer to perform its obligations under the Finance Documents (as defined in the Reimbursement and Indemnity Agreement); or (iii) the validity or enforceability of the Reimbursement and Indemnity Agreement or the fee letter dated on or about the date of the Reimbursement and Indemnity Agreement and entered into between the Issuer and CGIF setting out the amount of certain fees referred to in the Reimbursement and Indemnity Agreement or the rights or remedies of CGIF under the Finance Documents; and

“**Review Period**” means a period no more than 30 days beginning on the earlier of (i) the occurrence of the Change of Control event; and (ii) the date which CGIF

receives the notification of the Change of Control event to permit CGIF to conclude whether the Change of Control event would result in a Material Adverse Effect and accordingly whether to provide its consent to the Change of Control event; and

If event of default occurs under the Reimbursement and Indemnity Agreement, the Guarantor may, among others, specify additional undertakings with which it requires the Issuer to comply, enforce any of the security interests granted by the Issuer in favour of the Guarantor, require the Issuer to pay an increased guarantee fee, or require the Issuer to provide or procure the provision in favour of the Guarantor of additional credit support in the form of guarantees, standby letters of credit, security, additional cash or other forms of collateral acceptable to Guarantor, subject to the terms of the Reimbursement and Indemnity Agreement.

- (c) It is a review event under the SBLC Facility Agreement if (i) ESR Cayman Limited ceases to hold, whether directly or indirectly, at least 50.1 per cent. of the issued share capital of the Manager, (ii) the Manager ceases to be the manager of Sabana Industrial REIT and/or (iii) Sabana Property Management Pte. Ltd. ceases to be the property manager of Sabana Industrial REIT, in each case, without the prior consent in writing of the Lenders (as defined in the SBLC Facility Agreement) (such consent not to be unreasonably withheld or delayed) ("Review Event").

If a Review Event occurs, the Issuer may be unable to utilise the SBLC Facility Agreement and if Sabana Industrial REIT and the Lenders fail to agree on any amendments to the terms arising from the Review Event within a period of not more than 30 days (or such longer period as the Lenders may agree) beginning from the earlier of (a) the occurrence of the Review Event and (b) the date on which the Lenders receives the notification from the Issuer regarding the occurrence of the Review Event (the "**Review Period**"), the total commitments under the SBLC Facility Agreement may be cancelled and become due and payable within seven Business Days (as defined in the SBLC Facility Agreement) of the end of the Review Period.

As at the date of this announcement, none of the events described above has occurred. Assuming that (i) any of the above events occur, and (ii) that such occurrence would cause a cross default under other borrowings of Sabana Industrial REIT and its subsidiaries, the aggregate level of facilities that may be affected is, as at the date of this announcement, approximately S\$413.0 million (excluding interest and fees).

Following the results of the extraordinary general meeting held on 7 August 2023 where resolutions were passed by Unitholders to, among other things, remove the Manager as soon as practicable and to effect the internalisation of the REIT management function, the Manager is currently serving as the interim manager until the time the REIT Trustee gives written notice to the REIT Manager to remove it as manager of Sabana Industrial REIT. The Manager has advised potential investors to refer to the REIT Trustee's statements published on SGXNet in respect of the internalisation process.

5. USE OF PROCEEDS

The Issuer will apply the net proceeds of the issue of the Bonds for capital expenditures, encompassing the acquisition of new property(ies) and/or asset enhancement initiatives for

existing properties owned by Sabana Industrial REIT and its subsidiaries, and for the refinancing of existing term loans (including loans made by the Joint Lead Managers).

6. ISSUANCE OF THE BONDS

The Bonds are expected to be issued on or around 25 June 2024.

The Bonds are offered to (i) institutional investors (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA and (ii) accredited investors (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

7. LISTING AND QUOTATION OF THE BONDS

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Bonds on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, Sabana Industrial REIT, the Manager, the Guarantor, their respective subsidiaries (if any) or associated companies, or the Bonds. The Bonds will be traded on the SGX-ST in a minimum board lot size of S\$250,000 (or its equivalent in foreign currencies) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.

BY ORDER OF THE BOARD

Sabana Industrial 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

18 June 2024

Sabana Industrial REIT

Sabana Industrial REIT was listed on the SGX-ST on 26 November 2010. As at 31 December 2023, 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\$1.0 billion as at 31 December 2023. Sabana Industrial REIT is a constituent of the SGX S-REIT Index and MSCI Singapore Micro Cap 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.sg

Important Notice

This announcement is for information only and does not constitute or form part of an offer of, or an invitation to subscribe for or purchase, any of the Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer, invitation to subscribe or purchase, or solicitation is not authorised or would be unlawful. Neither this announcement nor any copy hereof may be taken into or distributed in the United States or to U.S. persons (as defined in Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended (the “**Securities Act**”). The Bonds and the CGIF Guarantee have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction. The Bonds and the CGIF Guarantee may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account of benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds and the CGIF Guarantee are being offered and sold only outside the United States to non-U.S. persons in reliance on Regulation S.

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