SABANA
SHARI'AH COMPLIANT REIT

(a real estate investment trust constituted on 29 October 2010 (as amended) under the laws of the Republic of Singapore) managed by
Sabana Real Estate Investment Management Pte. Ltd.

THIS SCHEME DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

EXTRAORDINARY GENERAL MEETING	SCHEME MEETING
THE PROPOSED AMENDMENTS TO THE SABANA TRUST DEED	THE PROPOSED MERGER OF ESR-REIT AND SABANA REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT

IMPORTANT DATES AND TIMES

EXTRAORDINARY GENERAL MEETING		
Last date and time for lodgement of Proxy Form A (EGM)	:	**1 December 2020** at **2.00 p.m.** (Singapore time)
Date and time of Extraordinary General Meeting	:	**4 December 2020** at **2.00 p.m.** (Singapore time)
Place of Extraordinary General Meeting	:	**To be convened and held by way of electronic means**
SCHEME MEETING[1]		
Last date and time for lodgement of Proxy Form B (Scheme Meeting)	:	**1 December 2020** at **2.30 p.m.** (Singapore time)
Date and time of Scheme Meeting	:	**4 December 2020** at **2.30 p.m.** (Singapore time), or as soon thereafter following the conclusion of the Extraordinary General Meeting, whichever is later
Place of Scheme Meeting	:	**To be convened and held by way of electronic means**

The action to be taken by Sabana Unitholders is set out on pages 74 to 76 of this Scheme Document.

The important dates, times and place relating to the Scheme Meeting and the expected timetable are set out on pages 19 to 20 of this Scheme Document. Your attention is also drawn to the notes under the expected timetable.

[1] The Scheme Meeting will only be convened if the Sabana Trust Deed Amendments Resolution is passed by Extraordinary Resolution at the Extraordinary General Meeting.

Financial Advisers to the Sabana Manager

CREDIT SUISSE HSBC

Independent Financial Adviser to the Sabana Independent Directors and the Sabana Trustee

Deloitte & Touche Corporate Finance Pte Ltd
(Incorporated in the Republic of Singapore)
(Co. Registration Number: 200200144N)

Your vote counts.
Please vote via proxy forms.

IMPORTANT NOTICE

THIS SCHEME DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT ABOUT THIS SCHEME DOCUMENT OR TO THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all or any of your units in Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**" and the units in Sabana REIT, the "**Sabana Units**"), you should immediately forward this Scheme Document, together with the Notice of Extraordinary General Meeting and the Notice of Scheme Meeting and their accompanying Proxy Forms in this Scheme Document, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Scheme Document.

All capitalised terms shall, if not otherwise defined, have the same meanings as ascribed to them in this Scheme Document.

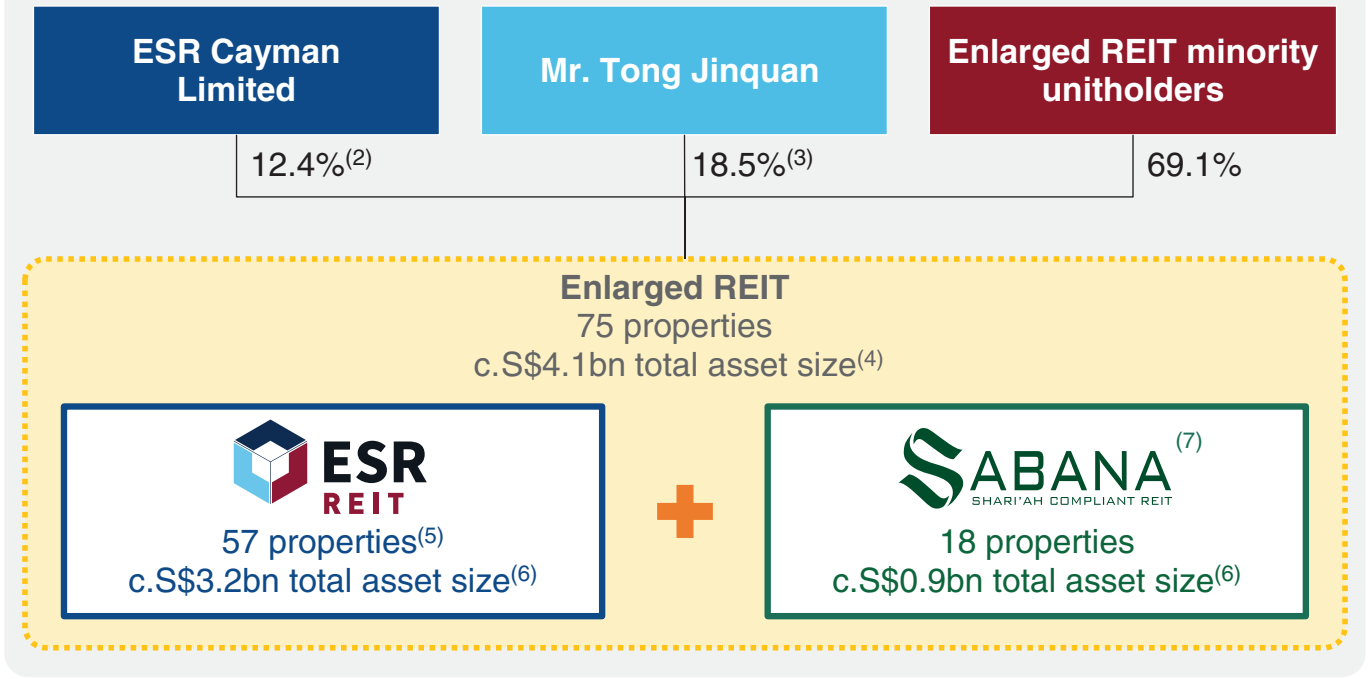


The following extract is qualified in its entirety by, and should be read in conjunction with, the full text of this Scheme Document. All capitalised terms shall, if not otherwise defined, have the meanings as ascribed to them in this Scheme Document.

What should I know about the Merger?

- On 16 July 2020, the managers of Sabana REIT and ESR-REIT jointly announced the proposed merger of Sabana REIT and ESR-REIT by way of a trust scheme of arrangement in accordance with the Code and the Sabana Trust Deed
- Post-Merger, Sabana REIT will become a wholly-owned sub-trust of ESR-REIT and the Enlarged REIT will continue to be managed by the ESR-REIT Manager

Enlarged REIT structure post-Merger(1)



Enlarged REIT will continue to benefit from a strong developer-sponsor with an extensive portfolio of assets in Asia Pacific

- Please refer to Appendix A to the Scheme Document – Key Questions, Responses and Clarifications for a list of key questions from investors and the Sabana Manager's responses in relation to the Merger

Who is ESR-REIT?

ESR-REIT is a Singapore-based REIT listed on SGX-ST with a portfolio of quality income-producing industrial properties in Singapore

57	3.2	15.1	343
No. of properties(8)	Total assets(8) (S$ billion)	Total GFA(8) (million sq ft)	Number of tenants(8)

What do I get for each of my Sabana Units?

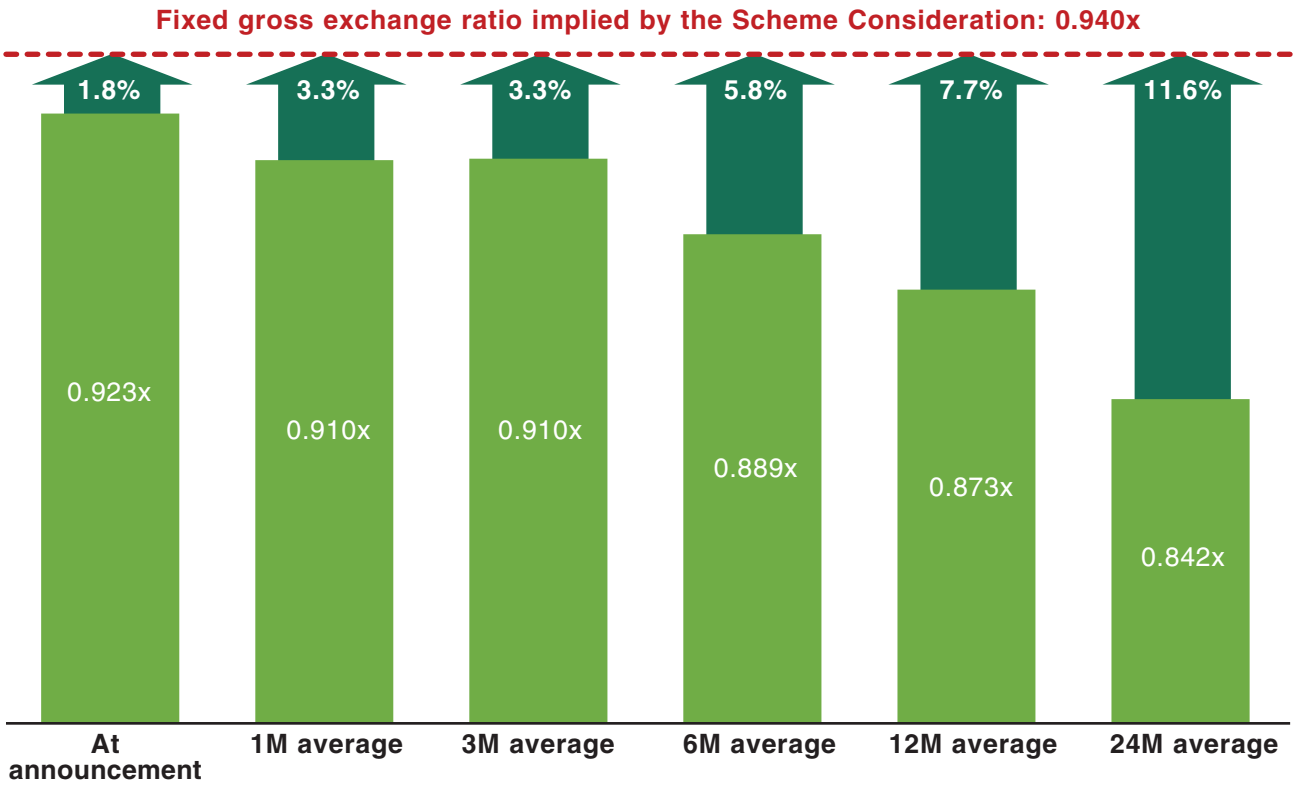
- The Scheme Consideration payable to the Sabana Unitholders, which will be satisfied in full by way of issuance of new ESR-REIT Units, is based on a fixed gross exchange ratio of 0.940x:

1.000 Sabana Unit = **0.940** New ESR-REIT Units per Sabana Unit[9]

- Sabana REIT and ESR-REIT unitholders shall have the right to receive and retain the permitted distributions in respect of the period up to the day immediately before the Effective Date declared and made, **in addition to** the Scheme Consideration[10][11][12]

The Merger is a unit-for-unit merger between Sabana REIT and ESR-REIT which will allow Sabana Unitholders to receive Consideration Units and stay invested in the Enlarged REIT, and is not a sale of assets by Sabana REIT.

The implied gross exchange ratio of the scheme consideration is at a premium to historical gross exchange ratios.*

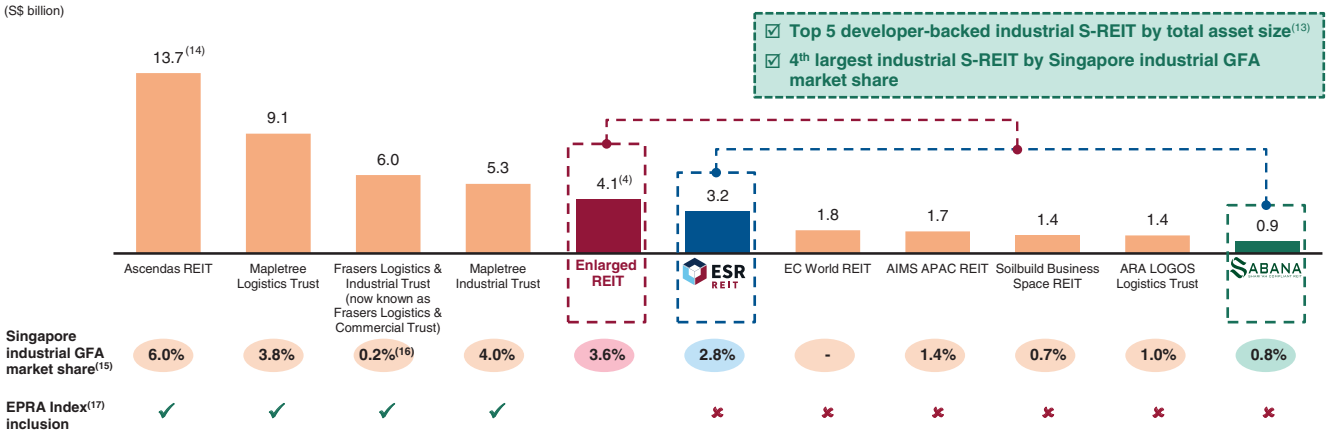


Source: FactSet.
Note: Gross exchange ratio is calculated by dividing the relevant Sabana REIT unit price by the corresponding ESR-REIT unit price. For example, 1-month average would be the average unit price for Sabana REIT/ESR-REIT for the 1-month period up to 15 July 2020, being the last trading day before the Joint Announcement.
* Calculations made using precise (i.e. not rounded) figures.

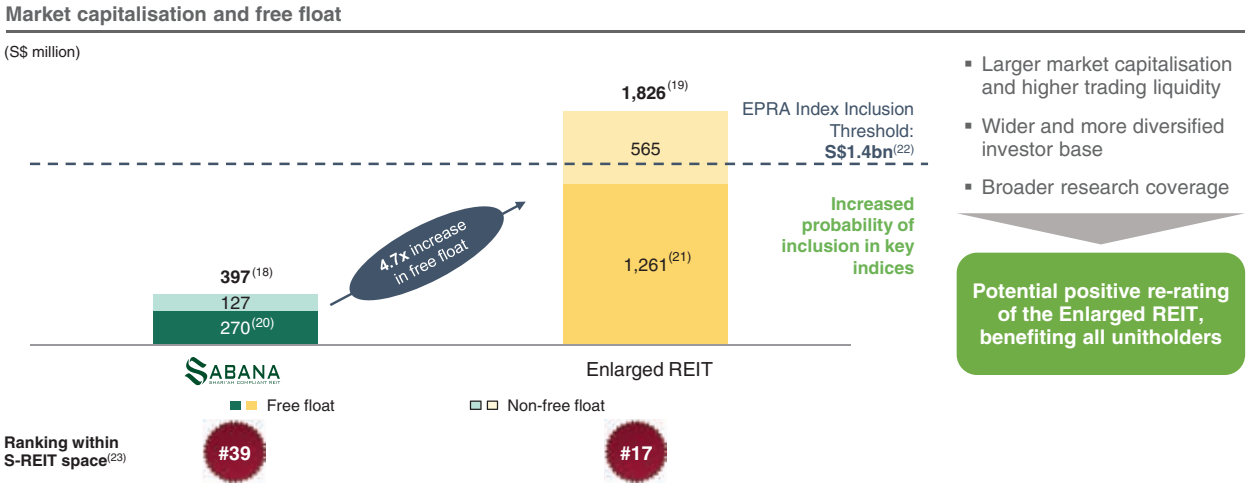
What does the Merger give Sabana Unitholders?

1 Creation of a sizeable and liquid industrial S-REIT

Enlarged REIT would be the 5th largest developer-backed industrial S-REIT by total asset[13] size and 4th largest industrial S-REIT by Singapore industrial GFA market share



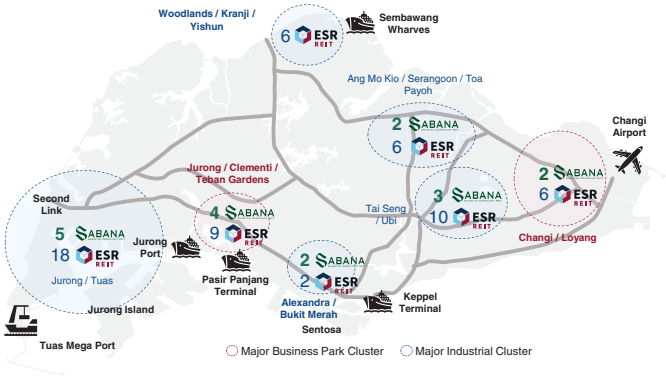
The Merger will lead to a larger market capitalisation and free float



- Larger market capitalisation and higher trading liquidity
- Wider and more diversified investor base
- Broader research coverage

Potential positive re-rating of the Enlarged REIT, benefiting all unitholders

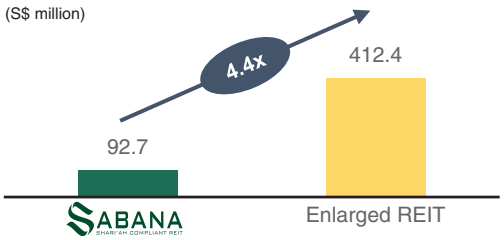
Expanded network of 75 properties improves positioning and bargaining power



- Increased nationwide presence in key strategic industrial locations which are close to major transportation hubs
- A more extensive product suite captures a larger tenant base
- Enhanced scale leads to improved cost synergies and positioning from tenant leasing and marketing initiatives
- Greater bargaining power with tenants and service providers

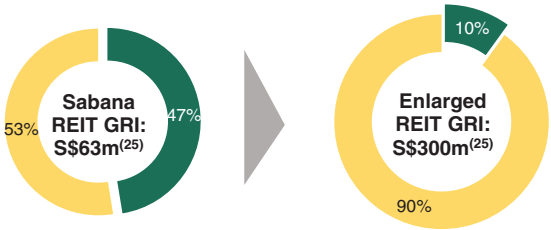
Enlarged asset base improves flexibility to undertake AEIs and portfolio reconstitution

AEI and development headroom increases significantly[24]



Illustrative GRI contribution of top 3 Sabana REIT assets by FY2019 GRI contribution

Improved flexibility as the potential downtime or loss in GRI contribution associated with each redevelopment and/or AEI will have a smaller proportionate impact

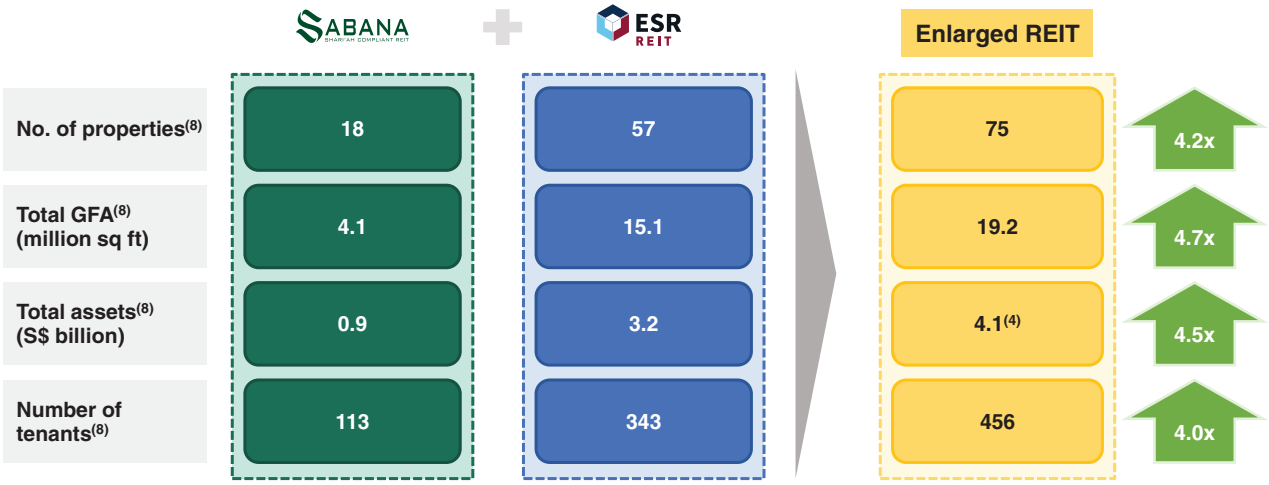


Refers to illustrative GRI impact from redevelopment and/or AEI

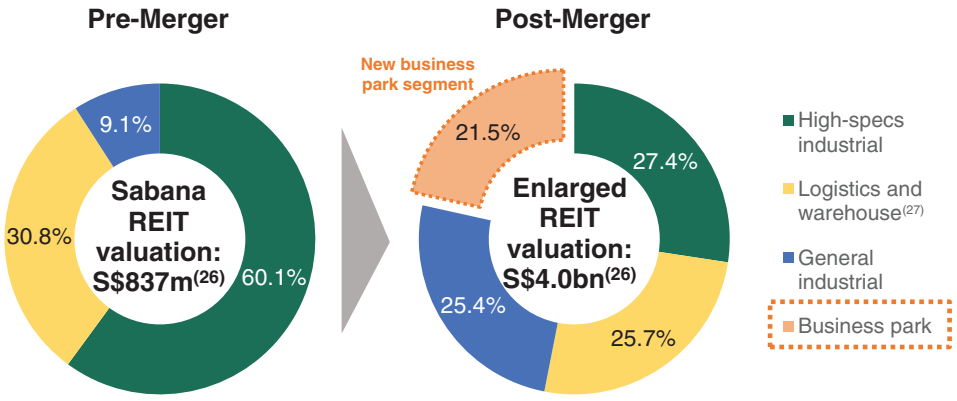
What does the Merger give Sabana Unitholders?

2 Enhanced portfolio diversification, strength, and resilience

Enlarged portfolio enhances strength and resilience



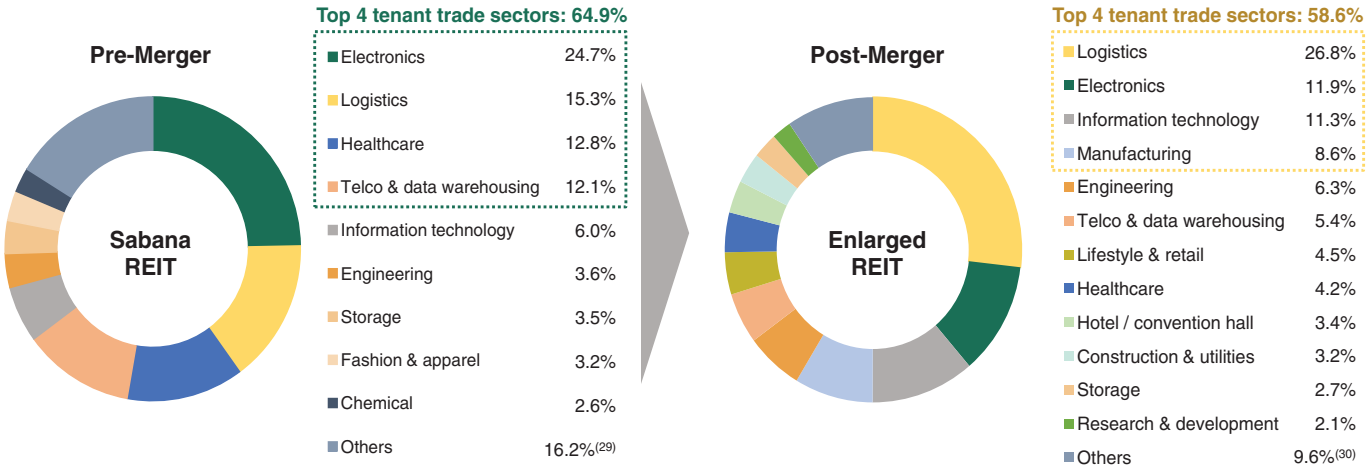
Offers exposure to new business park asset class to increase portfolio resilience



- Increased resilience due to reduced segment concentration risk and diversification into new business park segment
- Outlook for business parks situated in prime locations is expected to be sustained by cost-conscious companies looking to decentralise and lease a sizeable amount of space at lower rent

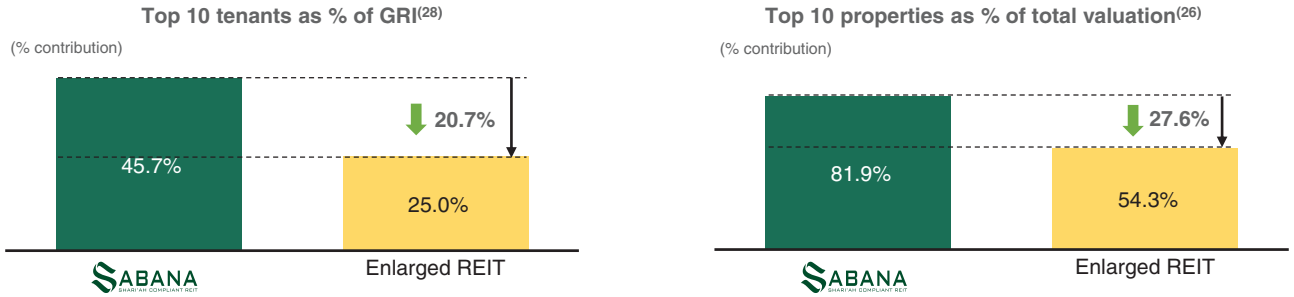
Diversified portfolio reduces tenant trade sector concentration risk

Concentration of top 4 tenant trade sectors decreases from 64.9% to 58.6%(28)



Diversified portfolio reduces tenant and asset concentration risks

Reduced concentration from top 10 tenants by GRI contribution and top 10 properties by contribution to total valuation

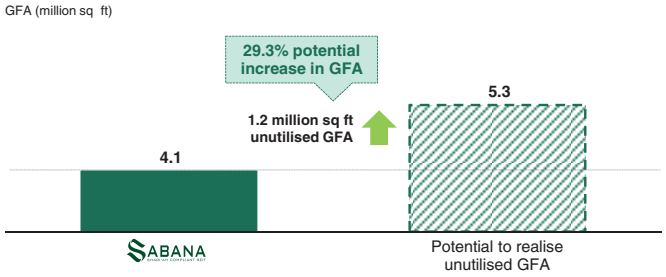


What does the Merger give Sabana Unitholders?

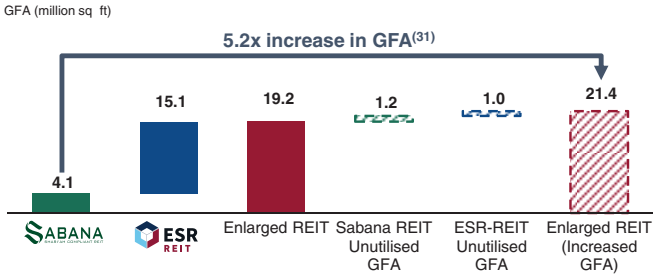
3 Improved growth outlook

Unlock growth opportunities by developing unutilised plot ratios for new GFA and/or potential asset redevelopment

Realisation of Sabana REIT's unutilised GFA[8]



Build-up of Enlarged REIT's GFA potential[8]



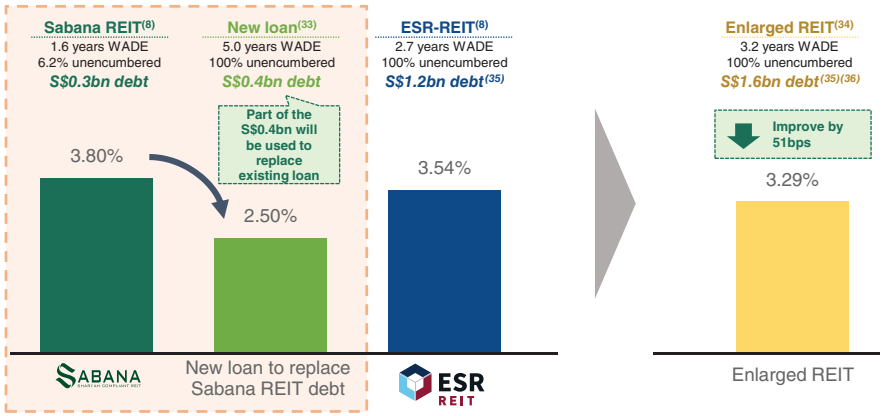
Key strategies

- **Upgrading and improvement of building specifications**
- **Change of building use to align with current and expected market trends**
- **Realisation of Sabana REIT's unutilised GFA**

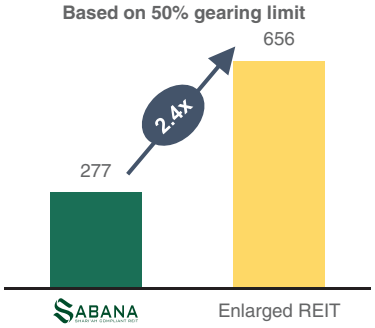
4 Enhanced balance sheet flexibility and cost of capital

Enlarged REIT would be better positioned to drive acquisitions and organic growth for unitholders

Pro forma cost of debt[32]



Debt headroom[37]

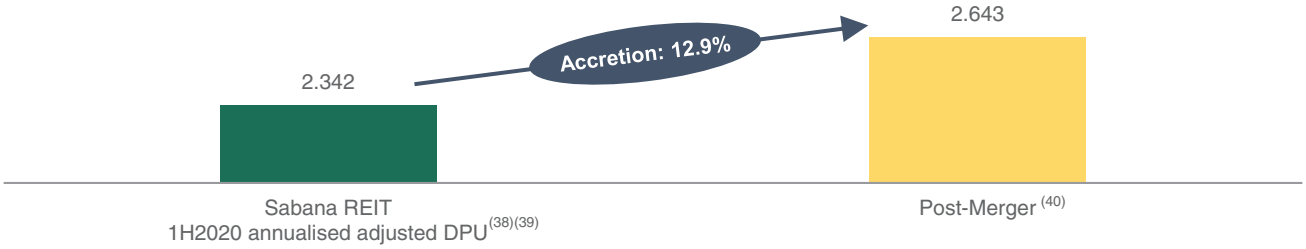


- **Wider pools of capital, lower cost of debt, and fully unencumbered portfolio**
- **More evenly-distributed and resilient debt maturity profile with a longer weighted average debt expiry ("WADE")**
- **Higher debt headroom to support value-accretive acquisitions**

5 DPU accretion for Sabana Unitholders on a historical pro forma basis

Pro forma* Distribution per Unit (Singapore cents)

For illustrative purposes only – not a forward-looking projection



* Please refer to Appendix E of this Scheme Document for details on the pro forma financial effects of the Merger on Sabana REIT (including the pro forma financial effects of the Merger on its DPU, NAV and aggregate leverage for 1H2020).

What is the opinion of the Sabana IFA and what are the recommendations of the Sabana Independent Directors?

1 Sabana IFA Opinion on the Scheme

> Based on our analysis and after having considered carefully the information available to us as at the LPD, we are of the opinion that the financial terms of the Merger are fair and reasonable. Accordingly, we advise the Sabana Independent Directors to recommend that the Sabana Unitholders vote in favour of the Scheme Resolution.

Deloitte & Touche Corporate Finance Pte Ltd
Sabana IFA

2 Recommendation of the Sabana Independent Directors on the Trust Deed Amendments Resolution

> Having regard to the above and the rationale for the Sabana Trust Deed Amendments as set out in Paragraph 3, the Sabana Independent Directors are of the opinion that the Sabana Trust Deed Amendments would be beneficial to, and be in the interests of Sabana REIT.
>
> Accordingly, the Sabana Independent Directors recommend that Sabana Unitholders **VOTE IN FAVOUR** of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting.

Sabana Independent Directors

3 Recommendation of the Sabana Independent Directors on the Scheme Resolution

> Further, in accordance with their fiduciary duties, the Sabana Independent Directors are proposing the Merger by way of the Scheme for the consideration of the independent Sabana Unitholders. The Sabana Independent Directors, having considered carefully the terms of the Scheme and the advice given by the Sabana IFA in the Sabana IFA Letter and having taken into account the various factors set out in the Sabana IFA Letter (an extract of which is set out in Paragraph 12.2 above), recommend that Sabana Unitholders **VOTE IN FAVOUR** of the Scheme Resolution at the Scheme Meeting.

Sabana Independent Directors

IT IS IMPORTANT THAT YOU READ THE ABOVE EXTRACTS TOGETHER WITH AND IN THE CONTEXT OF THE LETTER TO SABANA UNITHOLDERS AND THE SABANA IFA LETTER, WHICH CAN BE FOUND ON PAGES 23 TO 81 AND APPENDIX C OF THIS SCHEME DOCUMENT RESPECTIVELY. YOU ARE ADVISED AGAINST RELYING SOLELY ON THESE EXTRACTS, WHICH ARE ONLY MEANT TO DRAW ATTENTION TO THE OPINION OF THE SABANA IFA AND RECOMMENDATIONS OF THE SABANA INDEPENDENT DIRECTORS.

What is required for the Merger to be approved?

A EGM

The Sabana Manager will first seek the approval of Sabana Unitholders for the Sabana Trust Deed Amendments at the EGM to be convened as follows:

EGM RESOLUTION

THE PROPOSED AMENDMENTS TO THE SABANA TRUST DEED

›

≥75%

"Value" Condition

At least 75% in value of the total number of Sabana Units held by Sabana Unitholders present and voting in person or by proxy at the EGM

B SCHEME MEETING[41]

Subject to the passing of the Sabana Trust Deed Amendments Resolution at the EGM, the Sabana Manager will seek the approval of Sabana Unitholders for the merger of Sabana REIT and ESR-REIT by way of a trust scheme of arrangement at the Scheme Meeting to be convened after the EGM as follows:

SCHEME RESOLUTION

THE PROPOSED MERGER OF ESR-REIT AND SABANA REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT

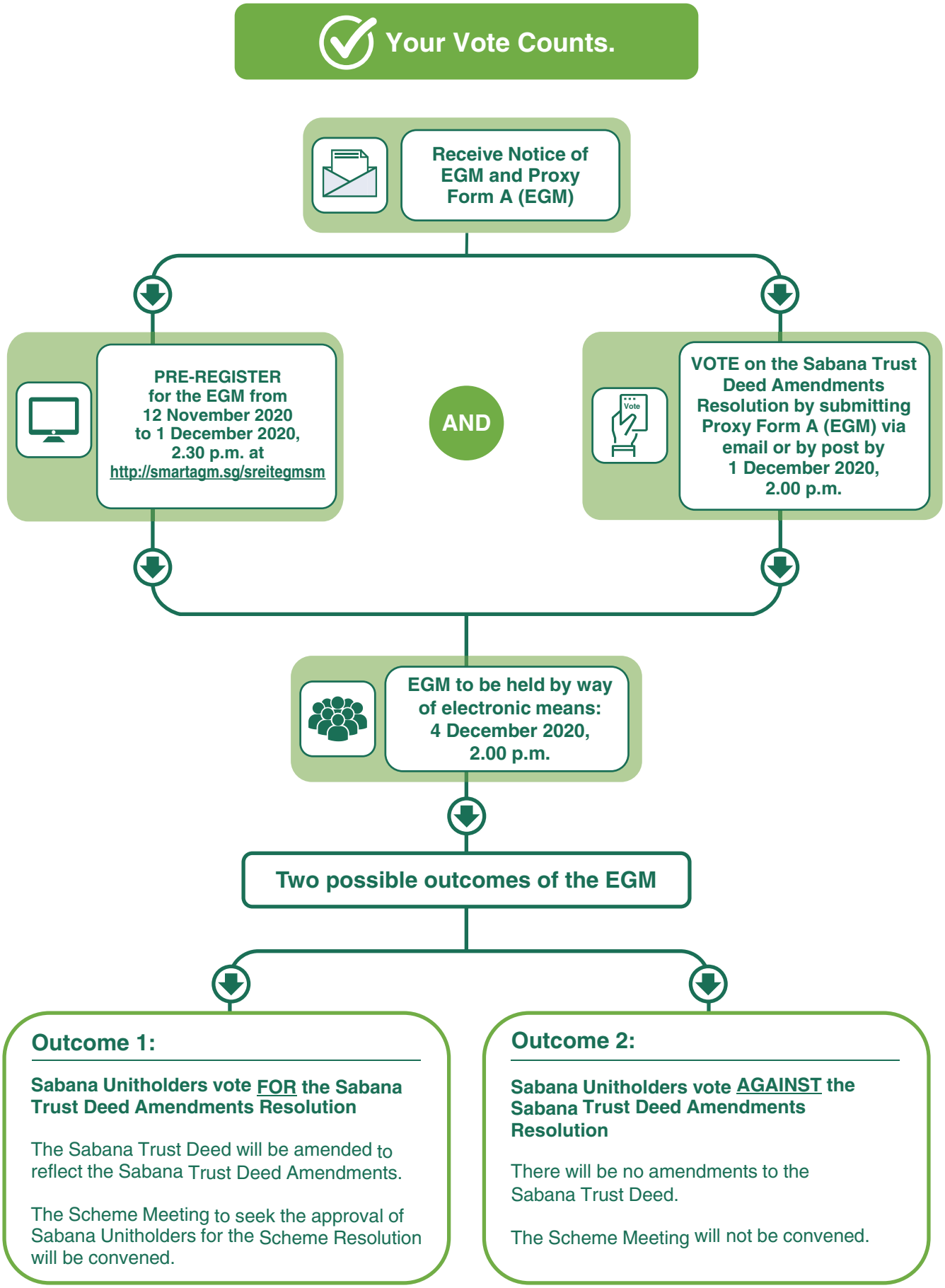
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Condition 1		Condition 2
>50%	+	**≥75%**
"Headcount" condition		**"Value" Condition**
Of the total number of Sabana Unitholders present and voting in person or by proxy at the Scheme Meeting, more than 50% by headcount vote to approve the Scheme		Of the Sabana Units voted by Sabana Unitholders present and voting in person or by proxy at the Scheme Meeting, at least 75% of the value of such Sabana Units are voted to approve the Scheme

EACH MEETING HAS A SEPARATE PROXY FORM, WITH DIFFERENT INSTRUCTIONS AND DIFFERENT APPROVAL THRESHOLDS.

IT IS IMPORTANT THAT YOU READ THE INSTRUCTIONS FOR THE TWO MEETINGS CAREFULLY.

What is required for the Merger to be approved?



How do I vote on the Sabana Trust Deed Amendments Resolution?

To exercise your votes, you must submit the proxy form by appointing the Chairman of the EGM to vote on your behalf.

1 LOCATE PROXY FORM A (EGM)

Proxy Form A (EGM) is enclosed with the Notice of EGM and can also be obtained from the Unit Registrar:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Operating hours: Monday to Friday, 8.30 a.m. to 5.30 p.m.

An electronic copy of the Proxy Form A (EGM) is also available on the website of the SGX-ST at https://www.sgx.com/securities/company-announcements and on the website of Sabana REIT at http://sabana.listedcompany.com/agm-egm.html.

2 COMPLETE PROXY FORM A (EGM)

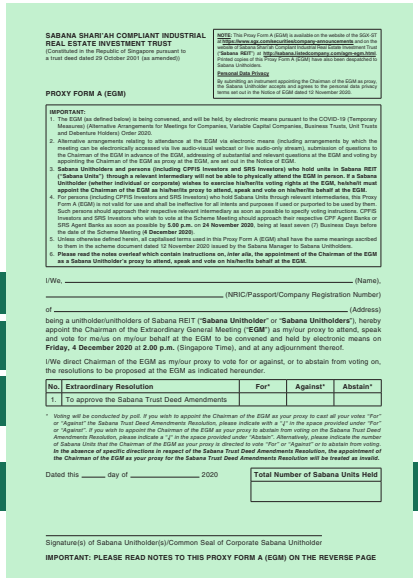
I Fill in your name and particulars.

II You **MUST** appoint the Chairman of the EGM as your proxy to attend, speak and vote on your behalf at the EGM if you wish to exercise your voting rights at the EGM.

III If you wish to exercise all your votes **FOR**, **AGAINST** or to **ABSTAIN**, please indicate with a tick (√) within the relevant box provided. Alternatively, please indicate the number of votes as appropriate.

IV If you are an individual, you or your attorney **MUST SIGN** and indicate the date. If you are a corporation, the proxy form must be executed under your common seal or signed by a duly authorised officer or attorney.

V Indicate the number of Sabana Units you hold.



SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST
(Constituted in the Republic of Singapore pursuant to a trust deed dated 29 October 2001 (as amended))

PROXY FORM A (EGM)

I/We, _____ (Name),
_____ (NRIC/Passport/Company Registration Number)
of _____ (Address)
being a unitholder/unitholders of Sabana REIT ("**Sabana Unitholder**" or "**Sabana Unitholders**"), hereby appoint the Chairman of the Extraordinary General Meeting ("**EGM**") as my/our proxy to attend, speak and vote for me/us on my/our behalf at the EGM to be convened and held by electronic means on **Friday, 4 December 2020** at **2.00 p.m.** (Singapore Time), and at any adjournment thereof.

I/We direct Chairman of the EGM as my/our proxy to vote for or against, or to abstain from voting on, the resolutions to be proposed at the EGM as indicated hereunder.

No.	Extraordinary Resolution	For*	Against*	Abstain*
1.	To approve the Sabana Trust Deed Amendments			

Dated this ____ day of _____ 2020

Total Number of Sabana Units Held

Signature(s) of Sabana Unitholder(s)/Common Seal of Corporate Sabana Unitholder

IMPORTANT: PLEASE READ NOTES TO THIS PROXY FORM A (EGM) ON THE REVERSE PAGE

I II III IV V

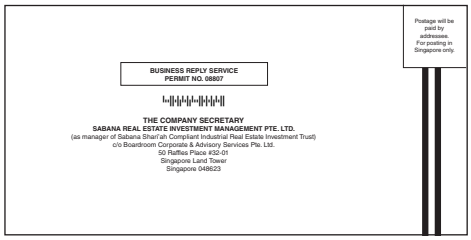
3 RETURN THE COMPLETED PROXY FORM A (EGM)

Submission via e-mail:
Scan and send the completed and signed Proxy Form A (EGM) via email to the Unit Registrar at **sabana-meetings@boardroomlimited.com**

Submission via post:
Lodge the completed and signed Proxy Form A (EGM) at the office of the Unit Registrar at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623

The Proxy Form A (EGM) must reach the Unit Registrar **NO LATER THAN 1 December 2020, 2.00 p.m.**, being 72 hours before the time fixed for the EGM.

CPFIS Investors and SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks and SRS Agent Banks to submit their votes by 24 November 2020, 5.00 p.m., being at least 7 Business Days before the date of the EGM.

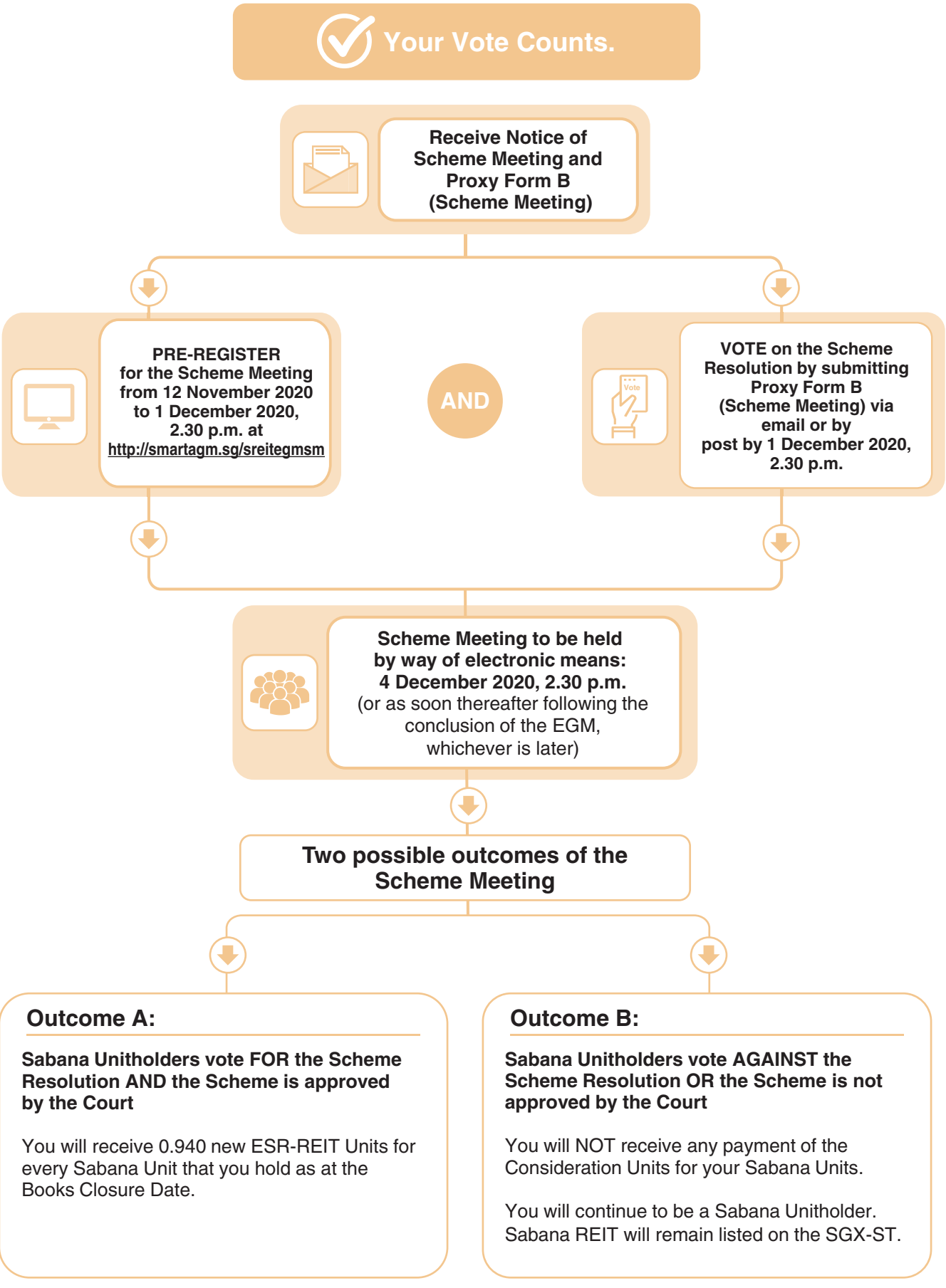


BUSINESS REPLY SERVICE
PERMIT NO. 06807

THE COMPANY SECRETARY
SABANA REAL ESTATE INVESTMENT MANAGEMENT PTE. LTD.
(as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

Postage will be paid by addressee. For posting in Singapore only.

How do I vote on the Scheme Resolution?



How do I vote on the Scheme Resolution?

To exercise your votes, you must submit the proxy form by appointing the Chairman of the Scheme Meeting to vote on your behalf.

1 LOCATE PROXY FORM B (Scheme Meeting)

Proxy Form B (Scheme Meeting) is enclosed with the Notice of Scheme Meeting and can also be obtained from the Unit Registrar:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Operating hours: Monday to Friday, 8.30 a.m. to 5.30 p.m.

An electronic copy of the Proxy Form B (Scheme Meeting) is also available on the website of the SGX-ST at https://www.sgx.com/securities/company-announcements and on the website of Sabana REIT at http://sabana.listedcompany.com/agm-egm.html.

2 COMPLETE PROXY FORM B (Scheme Meeting)

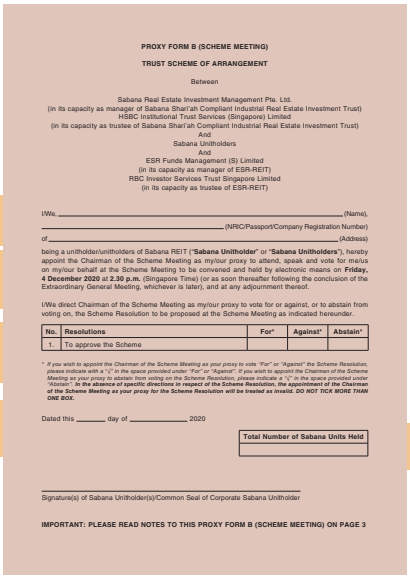
I Fill in your name and particulars.

II You **MUST** appoint the Chairman of the Scheme Meeting as your proxy to attend, speak and vote on your behalf at the Scheme Meeting if you wish to exercise your voting rights at the Scheme Meeting.

III Indicate your vote by ticking within the box labelled **FOR**, **AGAINST** or **ABSTAIN**. **DO NOT TICK MORE THAN ONE (1) BOX.**

IV If you are an individual, you or your attorney **MUST SIGN** and indicate the date. If you are a corporation, the proxy form must be executed under your common seal or signed by a duly authorised officer or attorney.

V Indicate the number of Sabana Units you hold.



PROXY FORM B (SCHEME MEETING)

TRUST SCHEME OF ARRANGEMENT

Between

Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)
HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)
And
Sabana Unitholders
And
ESR Funds Management (S) Limited
(in its capacity as manager of ESR-REIT)
RBC Investor Services Trust Singapore Limited
(in its capacity as trustee of ESR-REIT)

I/We, _____ (Name),
_____ (NRIC/Passport/Company Registration Number)
of _____ (Address)

being a unitholder/unitholders of Sabana REIT ("**Sabana Unitholder**" or "**Sabana Unitholders**"), hereby appoint the Chairman of the Scheme Meeting as my/our proxy to attend, speak and vote for me/us on my/our behalf at the Scheme Meeting to be convened and held by electronic means on **Friday, 4 December 2020 at 2.30 p.m.** (Singapore Time) (or as soon thereafter following the conclusion of the Extraordinary General Meeting, whichever is later), and at any adjournment thereof.

I/We direct Chairman of the Scheme Meeting as my/our proxy to vote for or against, or to abstain from voting on, the Scheme Resolution to be proposed at the Scheme Meeting as indicated hereunder.

No.	Resolutions	For*	Against*	Abstain*
1.	To approve the Scheme			

*If you wish to appoint the Chairman of the Scheme Meeting as your proxy to vote "For" or "Against" the Scheme Resolution, please indicate with a "√" in the space provided under "For" or "Against". If you wish to appoint the Chairman of the Scheme Meeting as your proxy to abstain from voting on the Scheme Resolution, please indicate a "√" in the space provided under "Abstain". **In the absence of specific directions in respect of the Scheme Resolution, the appointment of the Chairman of the Scheme Meeting as your proxy for the Scheme Resolution will be treated as invalid. DO NOT TICK MORE THAN ONE BOX.**

Dated this _____ day of _____ 2020

Total Number of Sabana Units Held

_____
Signature(s) of Sabana Unitholder(s)/Common Seal of Corporate Sabana Unitholder

IMPORTANT: PLEASE READ NOTES TO THIS PROXY FORM B (SCHEME MEETING) ON PAGE 3

I II III IV V

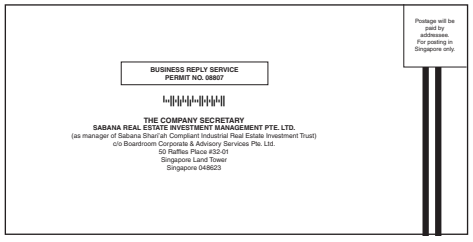
3 RETURN THE COMPLETED PROXY FORM B (Scheme Meeting)

Submission via e-mail:
Scan and send the completed and signed Proxy Form B (Scheme Meeting) via email to the Unit Registrar at **sabana-meetings@boardroomlimited.com**

Submission via post:
Lodge the completed and signed Proxy Form B (Scheme Meeting) at the office of the Unit Registrar at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623

The Proxy Form B (Scheme Meeting) must reach the Unit Registrar **NO LATER THAN 1 December 2020, 2.30 p.m.**, being 72 hours before the time fixed for the Scheme Meeting.

CPFIS Investors and SRS Investors who wish to appoint the Chairman of the Scheme Meeting as proxy should approach their respective CPF Agent Banks and SRS Agent Banks to submit their votes by 24 November 2020, 5.00 p.m., being at least 7 Business Days before the date of the Scheme Meeting.



Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 08807

THE COMPANY SECRETARY
SABANA REAL ESTATE INVESTMENT MANAGEMENT PTE. LTD.
(as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

Important information

How do I find out the number of Sabana Units I own?

1 **You can check your Sabana unitholding balance with CDP through your online CDP account or by contacting them at:**

The Central Depository
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588
Tel: +65 6535 7511 Fax: +65 6535 0775

Opening hours
Monday to Friday: 8.30 a.m. to 5.00 p.m.
Saturday: 8.30 a.m. to 12.00 p.m.
Closed on Sundays & Public Holidays

2 **If you own Sabana Units through a bank, broker or any other intermediaries, you can also check by contacting them directly.**

3 **If you are a CPFIS or SRS Investor, please consult your CPF Agent Bank or SRS Agent Bank for further information.**

Expected timetable[42]

(A) EGM	
THE PROPOSED AMENDMENTS TO THE SABANA TRUST DEED	
IMPORTANT DATES AND TIMES	
Last date and time for lodgement of Proxy Form A (EGM)	1 December 2020 at 2.00 p.m.
Date and time of EGM	4 December 2020 at 2.00 p.m.

(B) SCHEME MEETING	
THE PROPOSED MERGER OF ESR-REIT AND SABANA REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT	
IMPORTANT DATES AND TIMES	
Last date and time for lodgement of Proxy Form B (Scheme Meeting)	1 December 2020 at 2.30 p.m.
Date and time of Scheme Meeting	4 December 2020 at 2.30 p.m.[43]

Venue of EGM and Scheme Meeting
To be convened and held by way of electronic means

OTHER KEY DATES AND TIMES	
Expected Effective Date	31 December 2020
Expected date for commencement of trading of the Consideration Units on the SGX-ST and Scheme Settlement Date	6 January 2021
Expected date for the delisting of Sabana REIT	8 January 2021

Who can I call if I need help?

CREDIT SUISSE

Credit Suisse (Singapore) Limited
Investment Banking & Capital Markets
Telephone: +65 6212 2000

THE INFORMATION IN THIS SECTION SHOULD BE READ WITH THE FULL INFORMATION CONTAINED IN THE REST OF THIS SCHEME DOCUMENT. IF THERE SHOULD BE ANY INCONSISTENCY OR CONFLICT BETWEEN THIS SECTION AND THIS SCHEME DOCUMENT, THIS SCHEME DOCUMENT SHALL PREVAIL. NOTHING IN THIS SECTION IS INTENDED TO BE, OR SHALL BE TAKEN AS, ADVICE, A RECOMMENDATION OR A SOLICITATION TO SABANA UNITHOLDERS OR ANY OTHER PARTY.

SABANA UNITHOLDERS ARE ADVISED TO BE CAUTIOUS WHEN DEALING IN THEIR SABANA UNITS AND NOT TO TAKE ANY ACTION IN RELATION TO THEIR SABANA UNITS WHICH MAY NOT PROVE TO BE IN THEIR BEST INTERESTS.

Endnotes

(1) Illustrative pro forma unitholding structure based on latest available information as at the Latest Practicable Date based on the gross exchange ratio of 0.940x.
(2) Refers to ESR Cayman Limited's direct interests and/or deemed interests through holding entities.
(3) Excludes approximately 44.7 million ESR-REIT Units held through the ESR-REIT Manager (including approximately 20.7 million new ESR-REIT Units as the Acquisition Fee for the Merger at the Reference Price of S$0.401 per ESR-REIT Unit), representing approximately 0.98% of all ESR-REIT Units of the Enlarged REIT as at the Latest Practicable Date.
(4) Represents the Enlarged REIT's pro forma total assets as at 30 June 2020.
(5) Includes (a) 80% ownership of 7000 AMK LLP (Ho Lee Properties Pte Ltd owns the remaining 20%); and (b) 49% ownership of PTC Logistics Hub LLP (Poh Tiong Choon Logistics Limited owns the remaining 51%).
(6) Total assets as at 30 June 2020.
(7) Post-Merger, it is intended that Sabana REIT's Shari'ah compliant status will be terminated.
(8) As at 30 June 2020.
(9) Such Consideration Units to be credited as fully paid. No fractions of a Consideration Unit shall be issued to any Sabana Unitholder and fractional entitlements shall be disregarded in the calculation of the Consideration Units to be issued to any Sabana Unitholder pursuant to the Scheme.
(10) Sabana Manager is permitted to announce, declare, pay or make distributions to the Sabana Unitholders in the ordinary course of business, in respect of the period from 1 January 2020 up to the day immediately before the (including any clean-up distribution to the Sabana Unitholders in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date).
(11) ESR-REIT Manager is permitted to announce, declare, pay or make distributions to the unitholders of ESR-REIT (i) in respect of the unpaid distribution income that has been announced and retained by the ESR-REIT Manager in respect of the period from 1 January 2020 to 31 March 2020; and (ii) in the ordinary course of business, in respect of the period from 1 April 2020 up to the day immediately before the Effective Date (including any clean-up distribution in respect of the period from the day following the latest completed financial quarter of ESR-REIT preceding the Effective Date for which a distribution to the ESR-REIT Unitholders has been made, up to the day immediately before the Effective Date).
(12) The Sabana Permitted Distributions and the ESR-REIT Permitted Distributions shall not include distributions declared, paid or made by the Sabana Manager or the ESR-REIT Manager to the Sabana Unitholders or the ESR-REIT Unitholders respectively in respect of (i) proceeds received in connection with the sale of any real properties; and/or (ii) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which has not been distributed to Sabana Unitholders or ESR-REIT Unitholders (as the case may be) prior to the date of the Implementation Agreement.
(13) Total asset size as at 30 June 2020, save for Frasers Logistics & Industrial Trust (now known as Frasers Logistics & Commercial Trust) which is based on the pro forma total asset size from the scheme document of Frasers Commercial Trust dated 14 February 2020.
(14) Includes interests in joint ventures and excludes the effects of Financial Reporting Standard (FRS) 116 Leases.
(15) Industrial GFA market share calculated based on the respective REIT's GFA as at 30 June 2020 or latest available GFA from respective company information divided by total industrial space in Singapore as at 30 June 2020 from JTC quarterly market report on industrial properties.
(16) Based on Alexandra Technopark's NLA as at 30 September 2019.
(17) EPRA Index refers to the FTSE EPRA Nareit Developed Asia index, which is a subset of the FTSE EPRA Nareit Developed Index and is designed to track the performance of listed real estate companies and REITs. Refers to EPRA Index as at 30 September 2020.
(18) Based on the implied Scheme Consideration of S$0.377 per Sabana Unit and 1,053,083,530 Sabana Units in issue as at the Latest Practicable Date.
(19) Based on the issuance of approximately 989.9 million new ESR-REIT Units as the aggregate Scheme Consideration and approximately 20.7 million new ESR-REIT Units as the Acquisition Fee for the Merger at the Reference Price of S$0.401 per ESR-REIT Unit. For the avoidance of doubt, the actual number of ESR-REIT Units to be issued as payment for the Acquisition Fee will be determined based on the 10-day volume weighted average price of the ESR-REIT Units up to and including the last trading day immediately preceding the Effective Date.
(20) Excludes units held by ESR Cayman Limited, the Sabana Manager, the directors of the Sabana Manager, other substantial unitholders, and their respective associates.
(21) Excludes units held by ESR Cayman Limited, the ESR-REIT Manager and the Sabana Manager, Mr. Tong Jinquan, the directors of the ESR-REIT Manager and the Sabana Manager, other substantial unitholders, and their respective associates.
(22) As at September 2020, the regular entry threshold for EPRA Index is approximately US$1.0 billion, equivalent to approximately S$1.4 billion.
(23) Based on market capitalisations as at the Latest Practicable Date.
(24) Based on 10% of the Deposited Property value of each of Sabana REIT and ESR-REIT, as at 30 June 2020.
(25) Computed based on the GRI of Sabana REIT, or as the case may be, the pro forma GRI of the Enlarged REIT which is based on the sum of ESR-REIT's and Sabana REIT's respective GRI, in each case for FY2019.
(26) Valuation as at 30 June 2020. ESR-REIT valuation in the Enlarged REIT includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR- REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standards (FRS) 116 Leases which became effective on 1 January 2019.
(27) Includes Sabana REIT's chemical warehouse and logistics segment.
(28) Based on GRI of Sabana REIT, or as the case may be, the pro forma GRI of the Enlarged REIT which is based on the sum of ESR-REIT's and Sabana REIT's respective GRI, in each case as at 30 June 2020.
(29) Includes construction and utilities, printing, food and beverage, manufacturing, research and development, and others.
(30) Includes food and beverage, childcare and education, fashion and apparel, chemical, printing, and others.
(31) Assumes 100% realisation of Sabana REIT and ESR-REIT's unutilised GFA as at 30 June 2020.
(32) Represents all-in interest cost.
(33) Estimated S$372.2 million debt to be drawn from the New Facilities, at an expected all-in interest cost of 2.5% provided by Malayan Banking Berhad (Singapore Branch), RHB Singapore, Sumitomo Mitsui Banking Corporation Singapore Branch and United Overseas Bank Limited.
(34) Illustrative Enlarged REIT pro forma debt metrics as at 30 June 2020.
(35) Excludes share of borrowings from joint ventures.
(36) Includes the estimated S$372.2 million debt to be drawn from the New Facilities for the refinancing of Sabana REIT's existing debt, upfront land premium and estimated professional and other fees and expenses relating to the Merger.
(37) Debt headroom calculated based on a regulatory aggregate leverage limit of 50.0% as at 30 June 2020. Includes potential additional debt that can be used for asset acquisitions.
(38) Assumes 60.0% of Sabana REIT's asset management fees are paid in units as per the proportion that ESR-REIT paid out for 1H2020 at an illustrative issue price of S$0.341 per unit determined based on the six-month volume weighted average price of the Sabana Units ending on and including 30 June 2020. Sabana Unitholders should note that the illustrative issue price is used in the context of calculating the management fee payable to the Sabana Manager for the purposes of the relevant illustrations.
(39) Assumes Sabana REIT does not retain distributable income of S$6.1 million and distributes 100% of its total distributable income of S$11.1 million for 1H2020.
(40) Based on the Enlarged REIT's pro forma DPU for 1H2020 on an annualised basis of 2.812 cents multiplied by the gross exchange ratio of 0.940x. Please refer to Appendix E to this Scheme Document for further details of the pro forma financial effects of the Merger on Sabana REIT.
(41) The Scheme Meeting will only be convened if the Sabana Trust Deed Amendments Resolution is passed by way of an Extraordinary Resolution at the EGM.
(42) The important dates, times and place relating to the EGM and Scheme Meeting and the expected timetable are set out on pages 19 to 20 of this Scheme Document.
(43) Or as soon thereafter following the conclusion of the Extraordinary General Meeting, whichever is later.

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DEFINITIONS

In this Scheme Document, the following definitions shall apply throughout unless the context otherwise requires:

"**10CSS2**"	:	10 Changi South Street 2
"**1H2020**"	:	The half year ended 30 June 2020
"**3AJKC**"	:	3A Joo Koon Circle
"**3Q2020**"	:	The financial period from 1 July 2020 to 30 September 2020
"**Acquisition Fee**"	:	The acquisition fee payable to the ESR-REIT Manager for the Merger
"**AEI**"	:	Asset enhancement initiative
"**Applicable Period**"	:	The period of one month commencing from the date of allotment and issuance of the Consideration Units
"**Blackwood**"	:	Blackwood Investment Pte. Ltd.
"**Board**"	:	The board of directors of the Sabana Manager
"**Books Closure Date**"	:	The date to be announced (before the Effective Date) by the Sabana Manager on which the Register of Sabana Unitholders will be closed in order to determine the entitlements of Sabana Unitholders in respect of the Scheme
"**Break Fee**"	:	Costs and expenses reasonably incurred by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager in connection with the Merger and/or the Scheme (including without limitation, the fees and disbursements of counsel, auditors and advisers engaged by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager in connection with the Merger and/or the Scheme), subject to a maximum amount of 1% of the value of the aggregate Scheme Consideration (which, for purposes of determining the Break Fee, shall be calculated based on the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date of the relevant Break Fee Event multiplied by the number of ESR-REIT Units that would have otherwise been issued pursuant to the Scheme (assuming the Scheme became effective and the Books Closure Date falls on the date of the relevant Break Fee Event))

"**Break Fee Events**"	:	Any of the following: (1) in the event the ESR-REIT Trustee or the ESR-REIT Manager terminates the Implementation Agreement if (A) any of the Sabana Trustee or the Sabana Manager is in breach of the representations and warranties of the Sabana Trustee or the Sabana Manager set out in the Implementation Agreement which is material in the context of the Scheme; or (B) a Prescribed Occurrence relating to the Sabana Group has occurred which is material in the context of the Scheme, and such defaulting party fails to remedy such breach (if capable of remedy) within 14 days after being given notice by either of the ESR-REIT Trustee and the ESR-REIT Manager to do so; and/or (2) in the event a Sabana Competing Proposal becomes or is declared unconditional in all respects or is completed or becomes effective (or the equivalent in respect of any of the foregoing)
"**Brokers**"	:	Phillip Securities and UOB Kay Hian
"**Business Day**"	:	A day (excluding Saturdays, Sundays and gazetted public holidays) on which commercial banks are open for business in Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**CEO**"	:	Chief Executive Officer
"**CMS Licence**"	:	A capital markets services licence pursuant to the SFA
"**Code**"	:	The Singapore Code on Take-overs and Mergers
"**Common Substantial Unitholder**"	:	e-Shang Infinity Cayman Limited, being the common substantial ESR-REIT Unitholder and Sabana Unitholder which holds 5% or more of the interests in both ESR-REIT and Sabana REIT
"**Companies Act**"	:	Companies Act (Chapter 50 of Singapore)
"**Conditions**"	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Long-Stop Date for the Scheme to be implemented and which are reproduced in Paragraph 2.8(a) of the Letter to Sabana Unitholders, and "**Condition**" means any one of them
"**Consideration Unit Issue Price**"	:	The VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the Effective Date

"**Consideration Units**"	:	0.940 new ESR-REIT Units with respect to each Sabana Unit, to be allotted and issued as consideration under the Scheme
"**Court**"	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
"**CPF**"	:	The Central Provident Fund of Singapore
"**CPF Act**"	:	Central Provident Fund Act (Chapter 36 of Singapore)
"**CPF Agent Banks**"	:	Agent banks included under the CPFIS
"**CPFIS**"	:	CPF Investment Scheme
"**CPFIS Investors**"	:	Investors who have purchased Sabana Units using their CPF savings under the CPFIS
"**DPU**"	:	Distribution per unit
"**Effective Date**"	:	The date on which the Scheme becomes effective in accordance with its terms, and which date shall, in any event, be no later than the Long-Stop Date
"**Encumbrances**"	:	Any liens, equities, mortgages, charges, encumbrances, security interests, hypothecations, powers of sale, rights to acquire, options, restrictions, rights of first refusal, easements, pledges, title retention, trust arrangement, hire purchase, judgment, preferential right, rights of pre-emption and other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing
"**Enlarged REIT**"	:	The enlarged REIT, comprising ESR-REIT and Sabana REIT (as a sub-trust of ESR-REIT) upon completion of the Merger
"**Entitled Sabana Unitholders**"	:	Sabana Unitholders as at 5.00 p.m. on the Books Closure Date
"**ESR Group**"	:	The ESR group of companies which ESR Cayman Limited is the holding company of
"**ESR-REIT 1H2020 Financial Statements**"	:	The unaudited consolidated financial statements of ESR-REIT for the half year ended 30 June 2020 as announced on 16 July 2020

"**ESR-REIT 3Q2020 Financial Update**"	:	The unaudited financial update of ESR-REIT for the period 1 July 2020 to 30 September 2020 as announced on 30 October 2020
"**ESR-REIT Auditors**"	:	Ernst & Young LLP
"**ESR-REIT Circular**"	:	The document dated 12 November 2020 issued by the ESR-REIT Manager on behalf of ESR-REIT, convening the ESR-REIT EGM and setting out details of, amongst other things, the Merger, on the terms and conditions agreed by the Parties, and the accompanying notice of meeting and proxy form, in such form and substance as may be agreed by the Parties
"**ESR-REIT Competing Proposal**"	:	Any offer by any person other than the Sabana Trustee (a) a sale, conveyance, transfer, assumption or other disposal of any direct or indirect interest in all or substantially all of the assets, business and/or undertakings of the ESR-REIT Group; (b) a general offer for the ESR-REIT Units; (c) a scheme of arrangement involving any of the entities in the ESR-REIT Group or the merger of any entities in the ESR-REIT Group with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure or otherwise); (d) any other arrangement having an effect similar to any of (a) to (c); or (e) a transaction or series of related transactions which would or is reasonably likely to preclude or restrict the Merger and/or the Scheme
"**ESR-REIT Concert Party Group**"	:	The ESR-REIT Trustee or its directors, the ESR-REIT Manager or its directors, and any of the persons acting in concert with the ESR-REIT Manager in connection with the Merger
"**ESR-REIT Convertible Securities**"	:	Convertible securities, warrants, options and derivatives in respect of the ESR-REIT Units or other securities (if any) which carry voting rights in ESR-REIT
"**ESR-REIT Directors**"	:	The directors for the time being of the ESR-REIT Manager
"**ESR-REIT EGM**"	:	The meeting of ESR-REIT Unitholders to be convened (and any adjournment thereof) to seek the approval of ESR-REIT Unitholders for: (a) the Merger; and (b) the issuance of new ESR-REIT Units to Sabana Unitholders as consideration for the Merger

"**ESR-REIT Financial Advisers**"	:	Citigroup Global Markets Singapore Pte. Ltd., Maybank Kim Eng Securities Pte. Ltd., RHB Singapore[2] and United Overseas Bank Limited
"**ESR-REIT Group**"	:	ESR-REIT and the subsidiaries listed on page 184 of ESR-REIT's annual report for FY2019 excluding Cambridge SPV LLP and Viva iTrust MTN Pte. Ltd. which have been wound up, and "**ESR-REIT Group Entity**" means any one of them
"**ESR-REIT IFA**"	:	Rothschild & Co Singapore Limited as the independent financial adviser to the ESR-REIT Manager's Audit, Risk Management and Compliance Committee, the ESR-REIT Independent Directors and the ESR-REIT Trustee
"**ESR-REIT Independent Directors**"	:	The ESR-REIT Directors who are considered independent for the purposes of the Merger as an interested person transaction and interested party transaction
"**ESR-REIT Manager**"	:	ESR Funds Management (S) Limited, in its capacity as manager of ESR-REIT
"**ESR-REIT Material Adverse Effect**"	:	The effect of causing a diminution, in relation to the ESR-REIT Group: (A) in the consolidated net asset value of the ESR-REIT Group by more than S$144,872,100, being 10 per cent. of the consolidated net asset value of the ESR-REIT Group of S$1,448,721,000 as at 30 June 2020 as stated in the ESR-REIT 1H2020 Financial Statements, as determined by reference to the later of (1) the latest publicly released unaudited consolidated financial statement of ESR-REIT prior to the Record Date, and (2) the unaudited consolidated management balance sheet (prepared using the same accounting policies and methods of computation with those applied in the ESR-REIT Financial Statements) as at the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier; or

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[2] On 29 June 2020, RHB Bank Berhad ("**RHB Bank**") announced on Bursa Malaysia that it entered into a conditional share purchase agreement with Phillip Securities Pte. Ltd. to dispose of its entire equity interest in RHB Securities Singapore Pte. Ltd. ("**RHBSEC**"), an indirect wholly-owned subsidiary of RHB Bank (the "**Proposed Disposal**"). The Corporate Finance Department of RHBSEC which undertakes the engagement as joint financial adviser to the ESR-REIT Manager will be transferred to RHB Bank Berhad, through its Singapore branch ("**RHB Singapore**"), prior to the completion of the Proposed Disposal (the "**Proposed Transfer**"). RHBSEC's engagement will be novated to RHB Singapore, and RHB Singapore will replace RHBSEC as a joint financial adviser to ESR-REIT Manager ("**Replacement**") if the Proposed Transfer occurs during the offer period of the Merger. As announced on 1 September 2020, the Replacement has become effective on 31 August 2020.

(B) in the consolidated gross revenue (excluding straight line rent adjustments) of the ESR-REIT Group by more than S$11,356,400, being 10 per cent. of the consolidated gross revenue (excluding straight line rent adjustments) of the ESR-REIT Group of S$113,564,000[3] for the six-month period ended 30 June 2020 as stated in the ESR-REIT 1H2020 Financial Statements, as determined by reference to the unaudited consolidated management income statement (prepared using the same accounting policies and methods of computation with those applied in the ESR-REIT Financial Statements) for the six-month period ending on the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier

"**ESR-REIT Permitted Distributions**"	:	(a) the unpaid distribution income that has been announced and retained by the ESR-REIT Manager in respect of the period from 1 January 2020 to 31 March 2020; and (b) the distributions declared, paid or made by the ESR-REIT Manager to the ESR-REIT Unitholders in the ordinary course of business, in respect of the period from 1 April 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the ESR-REIT Unitholders in respect of the period from the day following the latest completed financial quarter of ESR-REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date). For the avoidance of doubt, "**ESR-REIT Permitted Distributions**" shall not include distributions declared, paid or made by the ESR-REIT Manager to the ESR-REIT Unitholders in respect of (i) proceeds received in connection with the sale of any of the ESR-REIT Properties; and/or (ii) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which has not been distributed to ESR-REIT Unitholders prior to the date of the Implementation Agreement
"**ESR-REIT Properties**"	:	Means collectively the properties listed on page 43 of ESR-REIT's annual report for FY2019, and "**ESR-REIT Property**" means any one of them
"**ESR-REIT Trust Deed**"	:	The Deed of Trust constituting ESR-REIT entered into between the ESR-REIT Trustee and the ESR-REIT Manager dated 31 March 2006, as may be amended, supplemented or varied from time to time
"**ESR-REIT Trustee**"	:	RBC Investor Services Trust Singapore Limited, in its capacity as trustee of ESR-REIT

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[3] This number is derived from the "**Gross Revenue**" of S$113,754,000 set out in the ESR-REIT 1H2020 Financial Statements and adjusted for straight line rent adjustments of S$190,000.

"**ESR-REIT Unit**"	:	An issued and outstanding unit in ESR-REIT
"**ESR-REIT Unitholders**"	:	The holders of ESR-REIT Units from time to time, and each an "**ESR-REIT Unitholder**"
"**ESR-REIT Warranties**"	:	The warranties given by the ESR-REIT Trustee and the ESR-REIT Manager in connection with the Scheme set out in Appendix L of the Scheme Document
"**Extraordinary General Meeting**" or "**EGM**"	:	The extraordinary general meeting of Sabana Unitholders to be convened to approve the Sabana Trust Deed Amendments, notice of which is set out in the "**Notice of Extraordinary General Meeting**" section to this Scheme Document
"**Extraordinary Resolution**"	:	A resolution proposed and passed as such by Sabana Unitholders holding in aggregate 75.0% or more of the total number of votes cast for and against the resolution at the Extraordinary General Meeting
"**FY**"	:	The financial year ended or ending 31 December, as the case may be
"**GFA**"	:	Gross floor area
"**Governmental Authority**"	:	(a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof, including without limitation any entity directly or indirectly owned (in whole or in part) or controlled thereby; (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities; and (c) any quasi-government or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, taxation, importing or other governmental or quasi-governmental authority
"**GRI**"	:	Gross rental income
"**Head Leases**"	:	The leases, agreements for lease, building agreements, letters of offer and acceptances and other agreements entered into by the ESR-REIT Trustee or the Sabana Trustee with the Head Lessor in respect of the ESR-REIT Properties or the Sabana Properties (as the case may be)

"**Head Lessor**"	:	JTC or the President of the Republic of Singapore or any other party (as the case may be) as lessor under the relevant Head Lease
"**Implementation Agreement**"	:	The implementation agreement dated 16 July 2020 entered into between the Sabana Trustee, the Sabana Manager, the ESR-REIT Trustee and the ESR-REIT Manager, whereby the Parties agreed to effect the Merger by way of the Scheme upon the terms and subject to the conditions therein, including the Conditions, the Scheme Consideration and other terms as set out in this Scheme Document
"**InfinitySub**"	:	InfinitySub Pte. Ltd.
"**IRAS**"	:	Inland Revenue Authority of Singapore
"**Joint Announcement**"	:	The joint announcement by the ESR-REIT Manager and the Sabana Manager of the Merger and the Scheme, released on 16 July 2020
"**Joint Announcement Date**"	:	16 July 2020, being the date of the Joint Announcement
"**JTC**"	:	JTC Corporation
"**Key Questions, Responses and Clarifications**"	:	A list of key questions from investors and the Sabana Manager's responses in relation to the Merger as set out in Appendix A to this Scheme Document
"**Latest Practicable Date**"	:	3 November 2020, being the latest practicable date prior to the printing of this Scheme Document
"**Letter to Sabana Unitholders**"	:	The letter from the Sabana Manager to Sabana Unitholders as set out on pages 23 to 81 of this Scheme Document
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
"**Long-Stop Date**"	:	31 December 2020 (or such other date as the Parties may agree in writing)
"**LTA**"	:	Land Transport Authority
"**LTV**"	:	Loan-to-value
"**Market Day**"	:	A day on which the SGX-ST is open for the trading of securities
"**MAS**"	:	Monetary Authority of Singapore

"**Merger**"	:	The proposed merger of Sabana REIT and ESR-REIT through the acquisition by the ESR-REIT Trustee of all the Sabana Units pursuant to the Scheme in consideration for the Scheme Consideration
"**NAV**"	:	Net asset value
"**NEA**"	:	National Environment Agency
"**New Facilities**"	:	The unsecured banking facilities of up to S$460 million obtained by the ESR-REIT Trustee from Malayan Banking Berhad (Singapore Branch), RHB Singapore, Sumitomo Mitsui Banking Corporation Singapore Branch and United Overseas Bank Limited, in connection with the Merger and the Scheme
"**NLA**"	:	Net lettable area
"**NPI**"	:	Net property income
"**Odd Lots Trade**"	:	(i) an aggregate of 99 or less ESR-REIT Units bought in a single day; or (ii) an aggregate of 99 or less ESR-REIT Units sold in a single day
"**Odd Lots Trading Arrangement**"	:	A buy-side facility for the trading of odd lots of ESR-REIT Units to be provided by Phillip Securities
"**Odd Lots Trading Brokerage Fee Arrangement**"	:	The arrangement pursuant to which brokerage fees (including any goods and services tax relating to such fees) in respect of Odd Lots Trades carried out via the Brokers during the Applicable Period will be borne by the Sabana Manager
"**Offer**"	:	A voluntary conditional offer for the Sabana Units
"**Offeror's Letter**"	:	The letter from the ESR-REIT Manager to Sabana Unitholders as set out in Appendix D to this Scheme Document
"**Official List**"	:	The list of issuers maintained by SGX-ST in relation to the Main Board of the SGX-ST
"**Overseas Sabana Unitholders**"	:	Sabana Unitholders whose registered addresses (as recorded in the Register of Sabana Unitholders or in the records maintained by CDP for the service of notice and documents) are outside Singapore
"**P/NAV**"	:	Price-to-NAV

"**Parties**"	:	The parties to the Implementation Agreement, being the ESR-REIT Trustee, the ESR-REIT Manager, the Sabana Trustee and the Sabana Manager, and "**Party**" means any one of them
"**Phillip Securities**"	:	Phillip Securities Pte Ltd
"**Prescribed Occurrence**"	:	Any of the events or matters in relation to the Sabana Group and/or the ESR-REIT Group (as the case may be) set out in Appendix N to this Scheme Document, occurrence of which amounts to a breach of the Condition set out in Paragraph 2.8(a)(vii) of the Letter to Sabana Unitholders
"**Property Funds Appendix**"	:	Appendix 6 (Property Funds Appendix) of the Code on Collective Investment Schemes
"**Proxy Form A (EGM)**"	:	The accompanying proxy form for the Extraordinary General Meeting as set out in this Scheme Document
"**Proxy Form B (Scheme Meeting)**"	:	The accompanying proxy form for the Scheme Meeting as set out in this Scheme Document
"**Record Date**"	:	The date falling on the Business Day immediately preceding the Effective Date
"**Reference Price**"	:	The illustrative issue price of $0.401 per Consideration Unit, based on the one-month VWAP of the ESR-REIT Units ended on and including the last trading day one week prior to the Joint Announcement Date, being the 30 calendar day period from 10 June 2020 up to and including 9 July 2020
"**Refreshed Strategy**"	:	The refreshed strategy announced and implemented by the new management of Sabana REIT in 2018 following a strategic review
"**Register of Sabana Unitholders**"	:	The register showing all Sabana Unitholders at any one time
"**Regulatory Approvals**"	:	Such authorisations, consents, clearances, permissions and/or approvals and/or other acts from any Governmental Authority, and/or the expiration of applicable waiting periods under applicable law, as required by any and all Parties under applicable law, or which the Parties may agree are necessary or desirable, to implement the Scheme, the Merger and/or the transactions contemplated under the Implementation Agreement
"**REIT**"	:	Real estate investment trust

"**relevant intermediary**"	:	(a) A banking corporation licensed under the Banking Act (Chapter 19 of Singapore) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Sabana Units in that capacity; (b) a person holding a capital markets services licence to provide custodial services for securities under the SFA, and who holds Sabana Units in that capacity; or (c) the Central Provident Fund Board established by the CPF Act, in respect of Sabana Units purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those Sabana Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation
"**Reverse Break Fee**"	:	Costs and expenses reasonably incurred by or on behalf of the Sabana Trustee and/or the Sabana Manager in connection with the Merger and/or the Scheme (including without limitation, the fees and disbursements of counsel, auditors and advisers engaged by or on behalf of the Sabana Trustee and/or the Sabana Manager in connection with the Merger and/or the Scheme), subject to a maximum amount of 1% of the value of the aggregate Scheme Consideration (which, for purposes of determining the Reverse Break Fee, shall be calculated based on the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date of the relevant Reverse Break Fee Event multiplied by the number of ESR-REIT Units that would have otherwise been issued pursuant to the Scheme (assuming the Scheme became effective and the Books Closure Date falls on the date of the relevant Reverse Break Fee Event))
"**Reverse Break Fee Events**"	:	Any of the following: (1) in the event the Sabana Trustee or the Sabana Manager terminates the Implementation Agreement if (A) any of the ESR-REIT Trustee or the ESR-REIT Manager is in breach of the representations and warranties of the ESR-REIT Trustee or the ESR-REIT Manager set out in the Implementation Agreement which is material in the context of the Scheme; or (B) a Prescribed Occurrence relating to the ESR-REIT Group has occurred which is material in the context of the Scheme, and such defaulting party fails to remedy such breach (if capable of remedy) within 14 days after being given notice by either of the Sabana Trustee and the Sabana Manager to do so; and/or

(2) in the event an ESR-REIT Competing Proposal becomes or is declared unconditional in all respects or is completed or becomes effective (or the equivalent in respect of any of the foregoing)

"**RHB Singapore**"	:	RHB Bank Berhad, through its Singapore branch
"**Rules of Court**"	:	The Rules of Court, Chapter 322, R 5 of Singapore
"**S$**" or "**SGD**" and "**cents**"	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
"**S-REIT**"	:	Real estate investment trust in Singapore
"**Sabana 1H2020 Financial Statements**"	:	Unaudited consolidated financial statements of Sabana REIT for the half year ended 30 June 2020 as announced on 16 July 2020 as set out in Appendix I to this Scheme Document
"**Sabana Auditors**"	:	KPMG LLP
"**Sabana Competing Proposal**"	:	Any offer by any person other than the ESR-REIT Trustee involving (a) a sale, conveyance, transfer, assumption or other disposal of any direct or indirect interest in all or substantially all of the assets, business and/or undertakings of the Sabana Group; (b) a general offer for the Sabana Units; (c) a scheme of arrangement involving any of the entities in the Sabana Group or the merger of any entities in the Sabana Group with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure or otherwise); (d) any other arrangement having an effect similar to any of (a) to (c); or (e) a transaction or series of related transactions which would or is reasonably likely to preclude or restrict the Merger and/or the Scheme. For the purpose of this definition, a Sabana Competing Proposal will be deemed to be for all or substantially all of the assets, business and/or undertakings of the Sabana Group if the relevant assets, business and/or undertakings in question constitute a "**material amount**" as defined in Note 2 on Rule 5 of the Code
"**Sabana Convertible Securities**"	:	Convertible securities, warrants, options and derivatives in respect of the Sabana Units or other securities (if any) which carry voting rights in Sabana REIT
"**Sabana Financial Advisers**"	:	Credit Suisse (Singapore) Limited and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
"**Sabana Group**"	:	Sabana REIT and the Sabana Subsidiary, and "**Sabana Group Entity**" means any one of them

"**Sabana IFA**"	:	Deloitte & Touche Corporate Finance Pte Ltd, the independent financial adviser appointed in relation to the Scheme to advise the Sabana Trustee, the Audit and Risk Committee of the Sabana Manager and the Sabana Independent Directors on the Scheme
"**Sabana IFA Letter**"	:	The letter from the Sabana IFA containing the advice from the Sabana IFA in relation to the Scheme as set out in Appendix C to this Scheme Document
"**Sabana Independent Directors**"	:	The directors of the Sabana Manager who are considered independent for the purposes of the Scheme being Mr Tan Cheong Hin, Mr Wong Heng Tew and Ms Ng Shin Ein. The Sabana Independent Directors are all the directors for the time being of the Sabana Manager
"**Sabana Independent Valuation Certificates (ESR-REIT Portfolio)**"	:	The valuation certificates on the valuation of ESR-REIT's properties as at 30 June 2020 conducted by the Sabana Independent Valuers (ESR-REIT Portfolio)
"**Sabana Independent Valuation Certificates (Sabana Portfolio)**"	:	The valuation certificates on the valuation of Sabana REIT's properties as at 30 June 2020 conducted by the Sabana Independent Valuers (Sabana Portfolio)
"**Sabana Independent Valuers (ESR-REIT Portfolio)**"	:	Colliers International Consultancy & Valuation (S) Pte Ltd and Cushman & Wakefield VHS Pte. Ltd.
"**Sabana Independent Valuers (Sabana Portfolio)**"	:	Cushman & Wakefield VHS Pte. Ltd., Savills Valuation and Professional Services (S) Pte Ltd and SRE Global Pte Ltd
"**Sabana Manager**"	:	Sabana Real Estate Investment Management Pte. Ltd., in its capacity as manager of Sabana REIT
"**Sabana Material Adverse Effect**"	:	The effect of causing a diminution, in relation to the Sabana Group: (A) in the consolidated net asset value of the Sabana Group by more than S$53,912,600, being 10 per cent. of the consolidated net asset value of the Sabana Group of S$539,126,000 as at 30 June 2020 as stated in the Sabana 1H2020 Financial Statements, as determined by reference to the later of (1) the latest publicly released unaudited consolidated financial statement of Sabana REIT prior to the Record Date, and (2) the unaudited consolidated management balance sheet (prepared using the same accounting policies and methods of computation with those applied in the Sabana Financial Statements) as at the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier; or

(B) in the consolidated gross revenue (excluding straight line rent adjustments) of the Sabana Group by more than S$3,401,400, being 10 per cent. of the consolidated gross revenue (excluding straight line rent adjustments) of the Sabana Group of S$34,014,000[4] for the six-month period ended 30 June 2020 as stated in the Sabana 1H2020 Financial Statements, as determined by reference to the unaudited consolidated management income statement (prepared using the same accounting policies and methods of computation with those applied in the Sabana Financial Statements) for the six-month period ending on the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier

"**Sabana Permitted Distributions**"	:	The distributions declared, paid or made by the Sabana Manager to the Sabana Unitholders in the ordinary course of business, in respect of the period from 1 January 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the Sabana Unitholders in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date). For the avoidance of doubt, "**Sabana Permitted Distributions**" shall not include distributions declared, paid or made by the Sabana Manager to the Sabana Unitholders in respect of (i) proceeds received in connection with the sale of any of the Sabana Properties; and/or (ii) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which has not been distributed to Sabana Unitholders prior to the date of the Implementation Agreement
"**Sabana Properties**"	:	Means collectively the properties listed on page 35 of Sabana REIT's annual report for FY2019, and "**Sabana Property**" means any one of them
"**Sabana REIT**"	:	Sabana Shari'ah Compliant Industrial Real Estate Investment Trust
"**Sabana Subsidiary**"	:	The subsidiary listed on page 138 of Sabana REIT's annual report for FY2019
"**Sabana Trust Deed**"	:	The Deed of Trust dated 29 October 2010 constituting Sabana REIT, as may be amended, supplemented or varied from time to time

[4] This number is derived from the "Gross Revenue" of S$34,263,000 set out in the Sabana 1H2020 Financial Statements and adjusted for straight line rent adjustments of S$249,000.

"**Sabana Trust Deed Amendments**"	:	The proposed amendments to the Sabana Trust Deed to include provisions that will facilitate the implementation of the Scheme as set out in Appendix G to this Scheme Document
"**Sabana Trust Deed Amendments Resolution**"	:	The Extraordinary Resolution of Sabana Unitholders to approve the Sabana Trust Deed Amendments
"**Sabana Trustee**"	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Sabana REIT
"**Sabana Unit**"	:	An issued and outstanding unit in Sabana REIT
"**Sabana Unitholders**"	:	The holders of Sabana Units from time to time, and each a "**Sabana Unitholder**"
"**Sabana Warranties**"	:	The warranties given by the Sabana Trustee and the Sabana Manager in connection with the Scheme set out in Appendix M to this Scheme Document
"**Scheme**"	:	The trust scheme of arrangement by which all of the Sabana Units are to be transferred to the ESR-REIT Trustee substantially on the terms and conditions set out in the Implementation Agreement
"**Scheme Consideration**"	:	With respect to each issued and outstanding Sabana Unit as at the Books Closure Date, the Consideration Units, being the consideration under the Scheme
"**Scheme Court Order**"	:	The order of the Court sanctioning the Scheme under Order 80 of the Rules of Court
"**Scheme Document**"	:	This document dated 12 November 2020 and any other document(s) which may be issued by or on behalf of the Sabana Manager to amend, revise, supplement or update the document(s) from time to time
"**Scheme Meeting**"	:	The meeting of Sabana Unitholders to be convened by order of the Court to approve the Scheme, notice of which is set out in the "**Notice of Scheme Meeting**" section to this Scheme Document, and any adjournment thereof
"**Scheme Meeting Court Order**"	:	The order of the Court dated 21 September 2020 convening the Scheme Meeting
"**Scheme Resolution**"	:	The resolution of Sabana Unitholders to approve the Scheme
"**Scheme Settlement Date**"	:	The date falling not later than seven Business Days after the Effective Date

"**Securities Account**"	:	The relevant securities account maintained by a depositor with CDP but does not include a securities sub-account
"**Securities and Futures Act**" or "**SFA**"	:	Securities and Futures Act (Chapter 289 of Singapore)
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**SIC**"	:	Securities Industry Council of Singapore
"**Sponsor**"	:	ESR Cayman Limited
"**sq ft**"	:	Square feet
"**SRS**"	:	Supplementary Retirement Scheme
"**SRS Agent Banks**"	:	Agent banks included under the SRS
"**SRS Investors**"	:	Investors who have purchased Sabana Units using their SRS contributions pursuant to the SRS
"**Switch Option**"	:	The right of the ESR-REIT Trustee and the ESR-REIT Manager at their discretion to elect to proceed by way of an Offer (in lieu of proceeding with the Merger by way of the Scheme) in the event of a Sabana Competing Proposal or an intention to make a Sabana Competing Proposal is announced (whether or not such Sabana Competing Proposal is pre-conditional), pursuant to the terms of the Implementation Agreement and subject to prior consultation with the SIC
"**Unit Registrar**"	:	Boardroom Corporate & Advisory Services Pte. Ltd., with its registered office at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, the unit registrar of Sabana REIT
"**UOB Kay Hian**"	:	UOB Kay Hian Private Limited
"**URA**"	:	Urban Redevelopment Authority
"**VWAP**"	:	Volume weighted average price
"**WADE**"	:	Weighted average debt expiry
"**%**" or "**per cent.**"	:	Per centum or percentage

The terms "**acting in concert**" and "**concert parties**" shall have the meanings ascribed to them in the Code.

The terms "**depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms "**subsidiary**" and "**related corporation**" shall have the meanings ascribed to them in Sections 5 and 6 of the Companies Act.

The headings in this Scheme Document are inserted for convenience only and shall not affect the interpretation of this Scheme Document.

Words importing the singular only shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof and used in this Scheme Document shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof, as the case may be, unless otherwise provided.

Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.

Any reference to a time of day and date in this Scheme Document shall be a reference to Singapore time of day and date respectively, unless otherwise specified.

Any discrepancies in figures included in this Scheme Document between the listed amounts shown and the totals thereof and/or the respective percentages are due to rounding. Accordingly, figures shown as totals in this Scheme Document may not be an arithmetic aggregation of the figures that precede them.

In this Scheme Document, the total number of Sabana Units as at the Latest Practicable Date is 1,053,083,530. Unless stated otherwise, all references to percentage unitholding in the capital of Sabana REIT in this Scheme Document are based on 1,053,083,530 Sabana Units as at the Latest Practicable Date.

CAUTIONARY NOTES

Forward Looking Statements. All statements other than statements of historical facts included in this Scheme Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Sabana Manager's or the ESR-REIT Manager's (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Given the risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements, Sabana Unitholders and investors of Sabana REIT and ESR-REIT should not place undue reliance on such forward-looking statements, and none of the Sabana Manager, the Sabana Trustee, the ESR-REIT Manager, the ESR-REIT Trustee, the Sabana Financial Advisers and the ESR-REIT Financial Advisers undertakes any obligation to update publicly or revise any forward-looking statements.

No representation, warranty or covenant, express or implied, is made by the Sabana Manager, the Sabana Trustee or the Sabana Financial Advisers or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information relating to the pro forma distribution per Sabana Unit and pro forma NAV per Sabana Unit contained in this Scheme Document and nothing contained in this Scheme Document is or should be relied upon as a promise, representation or covenant by any of the aforementioned persons.

EXPECTED TIMETABLE

EXTRAORDINARY GENERAL MEETING

Pre-registration period	:	From 12 November 2020 to 1 December 2020, 2.30 p.m.[(1)]
Last date and time for submission of questions	:	1 December 2020, 2.30 p.m.[(2)]
Last date and time for lodgement of Proxy Form A (EGM)	:	1 December 2020, 2.00 p.m.[(3)]
Date and time of Extraordinary General Meeting	:	4 December 2020, 2.00 p.m.
Place of Extraordinary General Meeting	:	To be convened and held by way of electronic means

SCHEME MEETING[(4)]

Pre-registration period	:	From 12 November 2020 to 1 December 2020, 2.30 p.m.[(1)]
Last date and time for submission of questions	:	1 December 2020, 2.30 p.m.[(2)]
Last date and time for lodgment of Proxy Form B (Scheme Meeting)	:	1 December 2020, 2.30 p.m.[(2)]
Date and time of Scheme Meeting	:	4 December 2020, 2.30 p.m., or as soon thereafter following the conclusion of the Extraordinary General Meeting, whichever is later
Place of Scheme Meeting	:	To be convened and held by way of electronic means
Expected date of Court hearing of the application to sanction the Scheme	:	21 December 2020[(5)]
Expected last day of trading of the Sabana Units	:	28 December 2020[(6)]
Expected Books Closure Date	:	30 December 2020
Expected Record Date	:	30 December 2020[(6)]
Expected Effective Date	:	31 December 2020[(6)]
Expected date for the allotment and issuance of the Consideration Units	:	5 January 2021

Expected date for commencement of trading of the Consideration Units on the SGX-ST and Scheme Settlement Date	:	6 January 2021[(7)]
Expected date for the delisting of Sabana REIT	:	8 January 2021

You should note that save for the last date and time for the lodgement of the Proxy Form A (EGM) and the Proxy Form B (Scheme Meeting) and the date, time and place of each of the Extraordinary General Meeting and the Scheme Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as "expected", please refer to future announcement(s) by Sabana REIT for the exact dates of these events.

Notes:

(1) In view of the COVID-19 situation, the Extraordinary General Meeting and Scheme Meeting will be convened via electronic means and the Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries must pre-register via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** from 12 November 2020 to 1 December 2020, 2.30 p.m. to enable the Sabana Manager to verify their status as Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries and to observe and/or listen to the Extraordinary General Meeting and Scheme Meeting proceedings. Please refer to Paragraph 11.1 of the Letter to Sabana Unitholders for more details.

(2) Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries shall be required to submit questions which they wish to raise at the Extraordinary General Meeting or the Scheme Meeting in advance, and by no later than 72 hours before the Scheme Meeting, by post at the office of the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 or via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm**. Please refer to the Notice of Extraordinary General Meeting and Notice of Scheme Meeting for more details.

(3) Sabana Unitholders are requested to submit Proxy Form A (EGM) and/or the Proxy Form B (Scheme Meeting) in accordance with the respective instructions contained therein not later than 2.00 p.m. and 2.30 p.m. on 1 December 2020 respectively, being not less than 72 hours before the time fixed for holding the Extraordinary General Meeting and/or the Scheme Meeting (as the case may be).

(4) The Scheme Meeting will only be convened if the Sabana Trust Deed Amendments Resolution is passed by way of an Extraordinary Resolution at the Extraordinary General Meeting.

(5) The date of the Court hearing of the application to sanction the Scheme will depend on the date that is allocated by the Court.

(6) If each of the Conditions is satisfied or, as the case may be, has been waived in accordance with the Implementation Agreement, the Scheme will come into effect on a date to be mutually agreed in writing between the ESR-REIT Manager and the Sabana Manager, being a date within 25 Business Days from the date that the last of the Conditions set out in Paragraphs 2.8(a) of the Letter to Sabana Unitholders have been satisfied or waived on the Record Date.

(7) Sabana Unitholders should note that if the Scheme becomes effective in accordance with its terms, all the Sabana Units held by the Sabana Unitholders, as at the Books Closure Date, will be transferred to the ESR-REIT Trustee such that on the Scheme Settlement Date, the ESR-REIT Trustee shall hold 100% of the Sabana Units, and the Sabana Unitholders will not be able to trade their Sabana Units from the last day of trading of the Sabana Units, currently expected to be on 28 December 2020. The Sabana Unitholders will, as unitholders of the Enlarged REIT, be able to commence trading of the Consideration Units on the SGX-ST on the Scheme Settlement Date, currently expected to be 6 January 2021.

CORPORATE INFORMATION

SABANA MANAGER	:	Sabana Real Estate Investment Management Pte. Ltd. (as manager of Sabana REIT)
SABANA INDEPENDENT DIRECTORS	:	Mr Tan Cheong Hin (Chairman and Independent Non-Executive Director) Mr Wong Heng Tew (Independent Non-Executive Director) Ms Ng Shin Ein (Independent Non-Executive Director)
COMPANY SECRETARY	:	Mr Cho Form Po Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
REGISTERED OFFICE OF THE SABANA MANAGER	:	151 Lorong Chuan #02-03 New Tech Park Singapore 556741
SABANA TRUSTEE	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana REIT) 10 Marina Boulevard Marina Bay Financial Centre Tower 2 #48-01 Singapore 018983
UNIT REGISTRAR AND UNIT TRANSFER OFFICE	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
LEGAL ADVISER TO THE SABANA MANAGER	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
LEGAL ADVISER TO THE SABANA TRUSTEE	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542
FINANCIAL ADVISERS TO THE SABANA MANAGER	:	Credit Suisse (Singapore) Limited 1 Raffles Link #03-01/#04-01 South Lobby Singapore 039393 The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch 10 Marina Boulevard #45-01 Marina Bay Financial Centre Tower 2 Singapore 018983

INDEPENDENT FINANCIAL ADVISER TO THE SABANA INDEPENDENT DIRECTORS AND TO THE SABANA TRUSTEE	:	Deloitte & Touche Corporate Finance Pte Ltd 6 Shenton Way #33-00 OUE Downtown Singapore 068809
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LETTER TO SABANA UNITHOLDERS

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.

Directors of the Sabana Manager:
Mr Tan Cheong Hin (Chairman and Independent Non-Executive Director)
Mr Wong Heng Tew (Independent Non-Executive Director)
Ms Ng Shin Ein (Independent Non-Executive Director)

Registered Office:
151 Lorong Chuan
#02-03 New Tech Park
Singapore 556741

12 November 2020

To: Sabana Unitholders

Dear Sir/Madam

(1) THE PROPOSED SABANA TRUST DEED AMENDMENTS; AND

(2) THE PROPOSED MERGER OF ESR-REIT AND SABANA REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT

1. INTRODUCTION

1.1 Joint Announcement of the Merger and the Scheme

On 16 July 2020, the respective boards of directors of the Sabana Manager and the ESR-REIT Manager jointly announced the Merger, which shall be effected through the acquisition by ESR-REIT Trustee of all the Sabana Units, in exchange for Consideration Units, by way of the Scheme in accordance with the Code and the Sabana Trust Deed.

A copy of the Joint Announcement is available on the SGX-ST website at www.sgx.com.

1.2 Proposed Sabana Trust Deed Amendments

In connection with the implementation of the Scheme, it was also announced that the Sabana Manager proposes to amend the Sabana Trust Deed to include the Sabana Trust Deed Amendments to facilitate the implementation of the Scheme.

1.3 Summary of Approvals Sought

(a) **Sabana Trust Deed Amendments Resolution**

The Sabana Manager is convening the Extraordinary General Meeting to seek the approval of Sabana Unitholders by way of an Extraordinary Resolution (75.0% or more of the total number of votes cast for and against the resolution) for the Sabana Trust Deed Amendments Resolution to effect the Sabana Trust Deed Amendments to facilitate the implementation of the Scheme.

Please refer to Paragraph 3 below and Appendix G to this Scheme Document for further details on the Sabana Trust Deed Amendments.

(b) **Scheme Resolution**

In addition, the Sabana Manager is convening the Scheme Meeting to seek the approval of a majority in number of Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting for the Scheme Resolution.

The Scheme Resolution is contingent upon the approval of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting. In the event that the Sabana Trust Deed Amendments Resolution is not passed at the Extraordinary General Meeting, the Sabana Manager will not proceed with the convening of the Scheme Meeting. This means that the Scheme cannot be implemented by the Sabana Manager and the ESR-REIT Manager unless both the Sabana Trust Deed Amendments Resolution and the Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

For avoidance of doubt, the Sabana Trust Deed Amendments Resolution is not conditional on the Scheme Resolution being passed. In the event the Sabana Trust Deed Amendments are approved at the Extraordinary General Meeting, the Sabana Trust Deed will be amended to include the Sabana Trust Deed Amendments, whether or not the Scheme Resolution is passed.

In addition, the Scheme will only come into effect if all the Conditions set out in Paragraph 2.8(a) below have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

1.4 Purpose

The purpose of this Scheme Document is to set out information pertaining to the Sabana Trust Deed Amendments and the Scheme, to seek approval from Sabana Unitholders for the Sabana Trust Deed Amendments and the Scheme, and to give Sabana Unitholders notice of both the Extraordinary General Meeting and the Scheme Meeting.

2. THE MERGER AND THE SCHEME

2.1 The Merger and the Scheme

(a) **Overview**

The Merger was first explored between the ESR-REIT Manager and the Sabana Manager in late April 2020. This was followed by a confidential non-binding expression of interest from the ESR-REIT Manager in May 2020.

Following the receipt of the expression of interest and prior to the Joint Announcement, the board of directors of the Sabana Manager (the "**Board**") (comprising entirely of the Sabana Independent Directors appointed in accordance with the SFA and the Listing Manual) had gone through a thorough process to evaluate the terms of the Merger, which involved lengthy and careful deliberations with the management team of the Sabana Manager as well as Sabana Financial Advisers that were engaged to evaluate the commercial terms of the Merger. The terms of the Merger were arrived at after extensive negotiations between the Sabana Manager and the ESR-REIT Manager. In particular, the Sabana Independent Directors (together with the management team of the Sabana Manager as well as Sabana Financial Advisers) negotiated with the ESR-REIT Manager for the fixed exchange ratio to be at a premium to historical gross exchange ratios and sought to narrow the significant NAV dilution for Sabana Unitholders. Please also see Section C of Appendix A to the Scheme Document, on the

other options considered by the Sabana Independent Directors, such as asset acquisitions or unit buybacks, carrying out of asset enhancement initiatives ("**AEI**") and sale of assets.

There are strict controls in place to mitigate against any potential conflict of interest resulting from ESR Cayman Limited's interests in Sabana REIT and ESR-REIT and their respective managers. These controls include:

(i) the Board being comprised entirely of the Sabana Independent Directors, who are considered independent for the purposes of the Scheme in accordance with the Code. There is no representation of directors from either ESR Cayman Limited or the ESR-REIT Manager.

For the information of the Sabana Unitholders, Ms Ng Shin Ein, being one of the Sabana Independent Directors, had sold to the ESR Group her entire interests in the issued and paid-up share capital in Blackwood Investment Pte. Ltd. ("**Blackwood**", and the divestment of her interests in Blackwood, the "**Divestment**"). Ms Ng Shin Ein's interest in Blackwood amounted to 40% of the issued and paid-up share capital in Blackwood (of which a 35% stake was divested in FY2018 and the remaining 5% stake was divested on 30 August 2019). This in turn represented an 18% effective interest in the Sabana Manager as Blackwood held a 45% indirect interest in the Sabana Manager. The Divestment was fully completed by 30 August 2019. Following the Divestment, Ms Ng Shin Ein ceased to be a director of Blackwood on 25 October 2019.

For the avoidance of doubt, the Board has assessed Ms Ng Shin Ein to be independent for the purposes of the Scheme in accordance with the Code. As highlighted above, the Merger was first explored between the ESR-REIT Manager and the Sabana Manager in late April 2020 (being at least six months after the Divestment and after Ms Ng Shin Ein has ceased to be a director of Blackwood). Ms Ng Shin Ein has also disclosed to the Board the terms of the Divestment, which were determined on a willing buyer willing seller basis. After the Divestment, Ms Ng Shin Ein does not have any agreement or understanding with the ESR Group in relation to Sabana REIT and/or the Sabana Units. The Board also notes that the consideration received by Ms Ng Shin Ein for the Divestment was at a valuation in line with the consideration received by another indirect shareholder for the divestment of its effective stake in the Sabana Manager based on the public announcement made by that shareholder in 2019.

Accordingly, the Board considers Ms Ng Shin Ein not to have an irreconcilable conflict of interest for the purposes of the Code. All the Sabana Independent Directors, including Ms Ng Shin Ein, are required under the Code to assume responsibility for the recommendation on the Scheme Resolution set out in Paragraph 13 below;

(ii) there is no overlap of management teams between the Sabana Manager and the ESR-REIT Manager;

(iii) all decision-making for the business strategy and operations of Sabana REIT is made by the management team of the Sabana Manager and, if required, reviewed and approved by the Sabana Independent Directors, and the Sabana Manager has its own decision-making process which is independent of ESR Cayman Limited or ESR-REIT;

(iv) the offices of ESR Cayman Limited, the Sabana Manager, and the ESR-REIT Manager are separately located in three different physical locations; and

(v) since ESR Cayman Limited's acquisition of the Sabana Manager, information barriers (i.e. the controls as described in paragraphs (i) to (iv) above) have been in place between the Sabana Manager and the ESR-REIT Manager and between Sabana Manager and ESR Cayman Limited, to ensure that any information relating to Sabana REIT's business strategy or operations is not made privy to ESR-REIT (and vice versa) or shared with ESR Cayman Limited.

The Sabana Independent Directors wish to highlight that the Merger is the only offer that the Sabana Manager has received since 2017, when an independent strategic review was conducted by the previous management team of the Sabana Manager, where the Sabana Manager had sought proposals from prospective strategic partners which would further strengthen Sabana REIT. In accordance with their fiduciary duties, the Sabana Independent Directors are proposing the Merger by way of the Scheme for the consideration of the independent Sabana Unitholders as the Sabana Independent Directors believe that independent Sabana Unitholders should have the opportunity to decide and vote on the Merger, taking into account the compelling transaction rationale set out in Paragraph 2.4 below (namely, (a) the creation of a sizeable and liquid S-REIT, (b) enhanced portfolio diversification, strength and resilience, (c) improved growth outlook, (d) enhanced balance sheet flexibility and cost of capital and (e) DPU accretion for Sabana Unitholders on a historical pro forma basis), and various other factors such as the premium of the gross exchange ratio over historical exchange ratios based on the respective unit trading prices (as outlined in Section C of Appendix A to the Scheme Document), NAV discount, the property portfolio of both REITs as well as the challenges of continuing as a smaller standalone REIT in comparison to a potential value uplift from being part of a larger combined REIT (fourth largest industrial S-REIT by Singapore industrial gross floor area ("**GFA**") market share).[5] Sabana Unitholders should refer to the last paragraph in Paragraph 2.4 below and Paragraph 13 of Appendix A to the Scheme Document for details on the challenges of Sabana REIT as a standalone smaller REIT (including (a) greater challenge and longer time required for Sabana REIT to maximise its untapped GFA, (b) limited financing resources to fund growth, (c) higher cost of funds due to higher credit and portfolio risk, (d) lower development limit and (e) higher vacancy rate and financial impact from loss of revenue due to smaller asset base).

The management team and the Sabana Independent Directors evaluate Sabana REIT's portfolio and strategy on an ongoing basis and constantly seek measures to strengthen and improve its resilience and performance so as to create long-term value for Sabana Unitholders. As explained in Paragraphs 8 and 11 of Appendix A to the Scheme Document, they have evaluated the strategic options available to Sabana REIT, and have been implementing the Refreshed Strategy announced by Sabana REIT in 2018 following a strategic review. The management team and the Sabana Independent Directors are committed to, and will continue to be committed to, act in the best interests of Sabana REIT and Sabana Unitholders.

The recommendation of the Sabana Independent Directors, along with the opinion of the Sabana IFA, are included in this Scheme Document. Please refer to Paragraphs 12 and 13.1 below for further details. **The Sabana Unitholders are advised to carefully consider the details provided in this Scheme Document, before deciding on their important vote on the Merger.**

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[5] Please refer to paragraph 2.4(a)(i) below.

The Sabana Manager believes that the Scheme is a fair and equitable way of effecting the Merger, as it provides a binary outcome (i.e. "all or nothing") of effecting the Merger. As stated in Paragraph 1.3(b) above, the Scheme will be decided upon by the independent Sabana Unitholders at the Scheme Meeting as the Scheme requires the approval by a majority in number of independent Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by independent Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting. As an additional protection for the independent Sabana Unitholders and as stated in Paragraph 2.9 below, the Scheme will require the Sabana Manager to apply for and obtain the Scheme Court Order before the Scheme can become effective in accordance with its terms. The Court may take into account factors such as the following: (a) that the requisite voting threshold is met at the Scheme Meeting; and (b) that the Scheme is a fair and reasonable one, namely, one which a man of business or an intelligent and honest man, being a member of the class concerned and acting in respect of his interest would reasonably approve. Ultimately, the Court will consider whether the proposed Scheme reasonably addresses the interests of the Sabana Unitholders.

As stated in Paragraph 14.2 below, members of the ESR-REIT Concert Party Group (including Mr. Tong Jinquan, Wealthy Fountain Holdings Inc., Mr. Tong Yu Lou, ESR Cayman Limited and the Common Substantial Unitholder, being e-Shang Infinity Cayman Limited) will abstain from voting on the Scheme. In addition, the Sabana Manager will abstain from voting on the Scheme pursuant to Rule 748(5) of the Listing Manual of the SGX-ST.

As at the Latest Practicable Date, the Common Substantial Unitholder, e-Shang Infinity Cayman Limited, holds 19.73% of the Sabana Units. Please refer to Paragraph 14.2 below for further details on the percentage interest in Sabana REIT held by the Common Substantial Unitholder as at the Latest Practicable Date.

If the Sabana Unitholders do not approve of the Merger, Sabana REIT will continue to operate as a standalone REIT. Sabana Unitholders should refer to the last paragraph in Paragraph 2.4 below and Paragraph 13 of Appendix A to the Scheme Document for details on the challenges that Sabana REIT would face as a standalone REIT.

(b) **Terms of the Scheme**

(i) **The Scheme**: The Scheme is proposed to be effected in accordance with the Code and the Sabana Trust Deed, subject to the terms and conditions of the Implementation Agreement.

Under the Scheme, upon the Scheme becoming effective and binding in accordance with its terms:

(A) all the Sabana Units held by the Sabana Unitholders, as at the Books Closure Date, will be transferred to the ESR-REIT Trustee fully paid, free from all Encumbrances and together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared by the Sabana Manager on or after the Joint Announcement Date (except for the Sabana Permitted Distributions), such that on the Scheme Settlement Date, the ESR-REIT Trustee will hold 100% of the Sabana Units; and

(B) in consideration of such transfer of the Sabana Units, each of the ESR-REIT Trustee and the ESR-REIT Manager (as the case may be) agrees to allot and issue (or procure the allotment and issuance of) the Consideration Units to each Sabana Unitholder, in accordance with the terms and conditions of the Implementation Agreement.

The Merger is a unit-for-unit merger between Sabana REIT and ESR-REIT which will allow Sabana Unitholders to receive Consideration Units and stay invested in the Enlarged REIT, and is **not** a sale of assets by Sabana REIT. Please refer to Paragraph 5 of Appendix A to the Scheme Document, which sets out the various factors the Board and the management team of the Sabana Manager took into consideration in evaluating and negotiating the terms of the Merger, and Paragraph 8 of Appendix A to the Scheme Document for, amongst others, the challenges to selling part of, or the entire property portfolio of, Sabana REIT. The Sabana Independent Directors and the management of the Sabana Manager believe that the Merger represents a credible offer and is an opportunity for Sabana Unitholders to participate in a Merger that would see unitholders effectively rolling over into a stronger, larger and more resilient Enlarged REIT, and are of the view that the Merger should be presented to Sabana Unitholders for their consideration.

(ii) **Scheme Consideration**: In consideration of the transfer of the Sabana Units referred to in Paragraph 2.1(b)(i) above, each of the ESR-REIT Trustee and the ESR-REIT Manager agrees, subject to the Scheme becoming effective in accordance with its terms, to pay or procure the payment of the scheme consideration (the "**Scheme Consideration**") for each Sabana Unit held by each Sabana Unitholder as at the Books Closure Date in accordance with the terms and conditions of the Implementation Agreement, which shall be satisfied by the allotment and issue of 0.940 new ESR-REIT Units (the "**Consideration Units**"), such Consideration Units to be credited as fully paid. No fractions of a Consideration Unit shall be issued to any Sabana Unitholder and fractional entitlements shall be disregarded in the calculation of the Consideration Units to be issued to any Sabana Unitholder pursuant to the Scheme.[6] Please also refer to Paragraph 3 of Appendix B to this Scheme Document for the Odd Lots Trading Arrangement.

The Scheme Consideration, including the exchange ratio of 0.940x, was determined based on commercial negotiations between the ESR-REIT Manager and the Sabana Manager. Factors taken into account in arriving at the Scheme Consideration by determining the exchange ratio include (without limitation): (a) the transaction rationale in respect of the Merger for each REIT; (b) the prevailing and historical relative market prices of the ESR-REIT Units and the Sabana Units over the last two (2) years prior to the Joint Announcement Date; (c) the NAVs of each of ESR-REIT and Sabana REIT; (d) the market value of the

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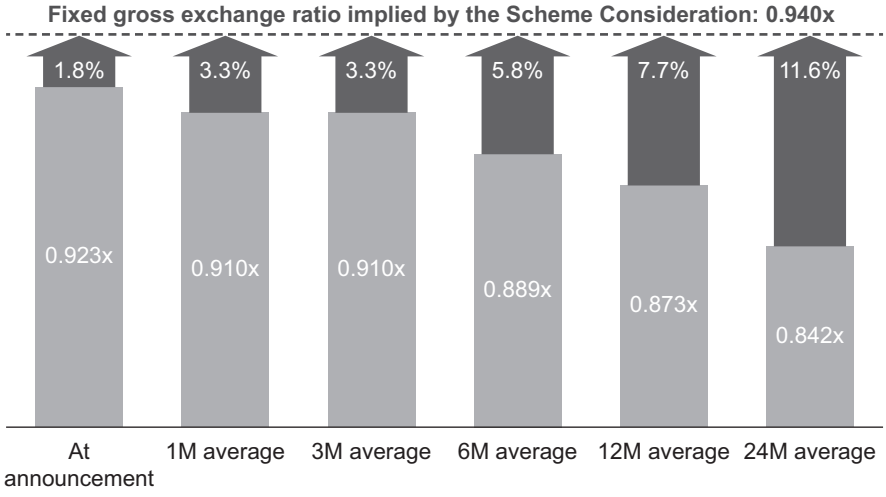
[6] Based on the total number of Sabana Units in issue and the composition of Sabana Unitholders as at the Latest Practicable Date, the aggregate fractional entitlements to be disregarded amount to approximately 764 Sabana Units (with a value of approximately S$306.44 based on the Reference Price). There will be 1,441 Sabana Unitholders (representing 13% of the total Sabana Unitholders as at the Latest Practicable Date) who will have fractional entitlements being disregarded as a result of the Merger. There will be six Sabana Unitholders who will no longer be unitholders of the Enlarged REIT as a result of the ratio proposed, due to the fact that they only hold one Sabana Unit. Sabana Unitholders should note that the ESR-REIT Trustee, as the offeror, is required under the Code to treat all Sabana Unitholders equally and accordingly, the terms of the Merger (including the terms in respect of the settlement of the Scheme Consideration) will have to be applied in the same manner for all Sabana Unitholders. The affected Sabana Unitholders who will have fractional entitlements disregarded as a result of the Merger will not be compensated for the disregarded fractional entitlements.

respective property portfolios (see Paragraphs 10.1 and 10.2 below); (e) relevant precedent trust scheme transactions in Singapore; (f) the prevailing and historical price to NAV per unit of each REIT over the last two (2) years prior to the Joint Announcement Date; (g) the prevailing and historical distribution yield of each REIT over the last two (2) years prior to the Joint Announcement Date; (h) the market capitalisation and trading liquidity of each REIT; (i) the capital structure, debt costs and tenor of each REIT; and (j) the resulting pro forma financial impact of the Merger on ESR-REIT and Sabana REIT.

By way of illustration, if the Scheme becomes effective in accordance with its terms, a Sabana Unitholder will receive 94 Consideration Units for every 100 Sabana Units held by it as at the Books Closure Date.

As announced by the ESR-REIT Manager on 6 August 2020, the ESR-REIT Manager does not intend to increase the Scheme Consideration and accordingly, the exchange ratio of 0.940x is final, except that the ESR-REIT Manager reserves the right to do so in a competitive situation. **Therefore, in accordance with Rule 20.2 of the Code, the ESR-REIT Manager will not be allowed to subsequently increase the Scheme Consideration, in any way, save that the ESR-REIT Manager reserves its right to do so in a competitive situation.**

The Scheme Consideration is based on a fixed gross exchange ratio of 0.940x, and not a fixed issue price. The fixed gross exchange ratio is at a premium to historical gross exchange ratios (as implied by the 1-month, 3-month, 6-month, 12-month and 24-month average unit prices of Sabana REIT and ESR-REIT up to the last trading day prior to the Joint Announcement Date):



Source: FactSet.

Note: Gross exchange ratio is calculated by dividing the relevant Sabana REIT unit price by the corresponding ESR-REIT unit price. For example, 1-month average would be the average unit price for Sabana REIT/ESR-REIT for the 1-month period up to 15 July 2020, being the last trading day before the Joint Announcement. Calculations made using precise (i.e. not rounded) figures.

As stated in Paragraph 4 of Appendix A to the Scheme Document, factors taken into account in arriving at the gross exchange ratio include (a) the prevailing and historical relative market prices of the Sabana Units and the ESR-REIT Units, (b) the NAVs of Sabana REIT and ESR-REIT, prevailing and historical prices to NAV per unit, distribution yield, market capitalisation, trading liquidity, capital structure, debt costs and debt tenor of each of Sabana REIT and ESR-REIT, (c) the market conditions and market value of the respective property portfolios,

(d) relevant precedent trust scheme transactions in Singapore and (e) the resulting pro forma financial impact of the Merger on Sabana REIT and ESR-REIT. In addition, a determination of the gross exchange ratio with reference to the unadjusted unit prices is a generally accepted convention by finance practitioners. It also provides a basis to compare the fixed gross exchange with the historical gross exchange ratio of both the unit prices of Sabana REIT and ESR-REIT on a relative basis. This is consistent with various precedent S-REIT mergers, where the unit prices considered were on an unadjusted basis, and reflects the "market-to-market" nature of the transaction.

As stated in Paragraph 2.1(d)(ii) below, the Consideration Units will be issued at the Consideration Unit Issue Price, being the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the Effective Date. **This means that the implied dollar value of each Consideration Unit will be determined based on ESR-REIT's unit performance during the one-month period leading up to and including the last trading day prior to the Effective Date**.

Based on the illustrative issue price of $0.401 per Consideration Unit ("**Reference Price**"), the implied aggregate Scheme Consideration is approximately S$396.9 million (derived by multiplying the aggregate of 1,053,083,530 Sabana Units in issue as at the Joint Announcement Date by the gross exchange ratio of 0.940x and by the Reference Price). For the avoidance of doubt, the Reference Price is for illustrative purposes only and is determined based on the one-month VWAP of the ESR-REIT Units ending on and including the last trading day one (1) week prior to the Joint Announcement Date, being the 30 calendar day period from 10 June 2020 up to and including 9 July 2020. The implied Scheme Consideration of S$0.377 per Sabana Unit is derived from the gross exchange ratio of 0.940x and the Reference Price of S$0.401. The Consideration Unit Issue Price, being the actual issue price of the Consideration Units, is to be determined based on the VWAP of the ESR-REIT Units for the one-month period ending on and including the last trading day prior to the Effective Date. **The Consideration Unit Price may be above or below the Reference Price but there will not be any adjustment to the number of the Consideration Units to be issued for each Sabana Unit to reflect any such price differential.**

(c) **Permitted Distributions**

Subject to the terms and conditions of the Implementation Agreement:

(i) the Sabana Manager is permitted to announce, declare, pay or make distributions to the Sabana Unitholders in the ordinary course of business, in respect of the period from 1 January 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the Sabana Unitholders in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date); and

(ii) the ESR-REIT Manager is permitted to announce, declare, pay or make distributions to the ESR-REIT Unitholders (i) in respect of the unpaid distribution income that has been announced and retained by the ESR-REIT Manager in respect of the period from 1 January 2020 to 31 March 2020; and (ii) in the ordinary course of business, in respect of the period from 1 April 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the ESR-REIT Unitholders in respect of the period from the day following the latest

completed financial quarter of ESR-REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date).

The Sabana Permitted Distributions and the ESR-REIT Permitted Distributions shall not include distributions declared, paid or made by the Sabana Manager or the ESR-REIT Manager to the Sabana Unitholders or the ESR-REIT Unitholders respectively in respect of (1) proceeds received in connection with the sale of any real properties; and/or (2) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which have not been distributed to Sabana Unitholders or ESR-REIT Unitholders (as the case may be) prior to the date of the Implementation Agreement.

Assuming the completion of the Scheme, the Sabana Manager intends to make the clean-up distribution in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date (including the retained S$6.1 million, to the extent unutilised, withheld in 1H2020) to existing Sabana Unitholders as at the Books Closure Date as part of the Sabana Permitted Distributions.

The Parties shall be entitled to announce, declare, pay or make the Sabana Permitted Distributions and ESR-REIT Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration.

The Sabana Unitholders shall have the right to receive and retain the Sabana Permitted Distributions declared and made in addition to the Scheme Consideration. The Sabana Manager has declared and paid the Sabana Permitted Distributions for the period from 1 January 2020 to 30 June 2020. Assuming the completion of the Scheme, as mentioned above, the Sabana Manager intends to declare and pay the Sabana Permitted Distributions from 1 July 2020 up to the day immediately before the Effective Date, details of which will be announced by the Sabana Manager in due course.

The ESR-REIT Manager reserves the right to reduce the Scheme Consideration, if and to the extent that any distribution in excess of the Sabana Permitted Distributions is announced, declared, paid or made by the Sabana Manager on or after the date of the Implementation Agreement.

(d) **Consideration Units**

The Consideration Units shall:

(i) when issued, be duly authorised, validly issued and fully paid-up and shall rank *pari passu* in all respects with the existing ESR-REIT Units as at the date of their issue (and not as at the Joint Announcement Date);

(ii) be issued at the Consideration Unit Issue Price (and for the avoidance of doubt, not at the Reference Price);

(iii) be issued no later than seven Business Days from the Effective Date; and

(iv) be issued free from all Encumbrances and restrictions on transfers and no person shall have any rights of pre-emption over any Consideration Unit.

For the avoidance of doubt, the Consideration Units shall be issued with all rights, benefits and entitlements attaching on and from the date of their issue (and not as at the

Joint Announcement Date), including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the ESR-REIT Manager on or after the date of their issue. The Consideration Units will not be entitled to the ESR-REIT Permitted Distributions; and the Parties shall be entitled to declare, make or pay the Sabana Permitted Distributions and ESR-REIT Permitted Distributions (as the case may be) without any adjustments to the Scheme Consideration.

2.2 Information on Sabana REIT and the Sabana Manager

(a) Sabana REIT

Sabana REIT is a real estate investment trust listed on the Main Board of the SGX-ST since 26 November 2010, which principally invests in income-producing real estate used for industrial purposes in Asia, as well as real-estate related assets, in line with Shari'ah investment principles. As at the Latest Practicable Date, Sabana REIT has a diversified portfolio of 18 industrial properties in Singapore with a total portfolio GFA of approximately 4.1 million sq ft (as at 30 June 2020), in the High-tech Industrial, Warehouse and Logistics, Chemical Warehouse and Logistics, as well as General Industrial sectors, with an estimated total assets value of approximately S$0.9 billion as at 30 June 2020.

As at the Latest Practicable Date, Sabana REIT has in issue an aggregate of 1,053,083,530 Sabana Units.

Based on the unaudited consolidated financial statements of the Sabana Group for 1H2020, certain key financial information with respect to the Sabana Group is set out as follows:

Sabana Group (as at 30 June 2020)	**S$**
Total assets	927.4 million
NAV	539.1 million[(1)]
NAV per Sabana Unit	51.2 cents
Distributable income for 1H2020	11.1 million[(2)]
DPU for 1H2020	1.052 cents[(2)]
Aggregate valuation of portfolio[(3)]	836.9 million

Notes:

(1) The NAV of Sabana Group as at 30 June 2020 was determined based on the independent valuations of its investment properties as at 30 June 2020. The book value of Sabana Group's investment properties declined by S$54.7 million as a result of the revaluation of its investment properties based on their independent valuations as at 30 June 2020 and the adjustments in right-of-use assets in relation to the land leases with JTC included in investment properties as at 30 June 2019, in accordance with Financial Reporting Standards (FRS) 116 Leases. Please refer to the Sabana Manager's announcement on 30 July 2020 for more details on the property valuation. The Merger is based on fixed gross exchange ratio of 0.940x and not a fixed offer price. The value per Sabana Unit as at 30 June 2020 based on the gross exchange ratio of 0.940x and with reference to ESR-REIT's last traded price of S$0.395 per ESR-REIT Unit on the SGX-ST as at 30 June 2020 (see Paragraph 2.3(a) below) is S$0.3713. The implied Scheme Consideration for each Sabana Unit is directly correlated with ESR-REIT's unit price and will rise or decline in tandem with ESR-REIT's unit price performance for the one (1) month period ending on and including the last trading day prior to the Effective Date.

(2) The DPU of 1.052 cents is computed based on Sabana REIT's total distributable income of S$11.1 million for 1H2020. Of this amount, approximately S$5.0 million has been announced as distribution to Sabana Unitholders, translating to 0.470 cents per Sabana Unit, based on 1,053,083,530 Sabana Units in issue for the period from 1 January 2020 to 30 June 2020. The remaining S$6.1 million has been retained by Sabana REIT for prudent cash flow management in view of the COVID-19 uncertainties. It is intended that the retained S$6.1 million, to the extent unutilised, will be paid to existing Sabana Unitholders as at the Books Closure Date as part of the Sabana Permitted Distributions, assuming the completion of the Scheme.

(3) Please refer to Paragraph 10.1 below for updated valuations of Sabana REIT's properties as at 30 June 2020.

(b) **The Sabana Manager**

Sabana REIT is managed by the Sabana Manager, which was incorporated in Singapore on 15 March 2010 and currently holds a CMS Licence for REIT management pursuant to the SFA.

As at the Latest Practicable Date:

(i) the Sabana Manager is wholly-owned by Sabana Investment Partners Pte. Ltd., which in turn is wholly-owned by Perpetual Asia (Limited), acting in its capacity as trustee of Blackwood Trust. The sole beneficiary of Blackwood Trust is InfinitySub Pte. Ltd. (the parent company of ESR Investment Management Pte. Ltd., which holds 67.3% of the shares in the ESR-REIT Manager); and

(ii) the directors of the Sabana Manager are:

(a) Mr. Tan Cheong Hin (Chairman and Independent Non-Executive Director);

(b) Mr. Wong Heng Tew (Independent Non-Executive Director); and

(c) Ms. Ng Shin Ein (Independent Non-Executive Director).

2.3 Information on ESR-REIT and the ESR-REIT Manager

(a) **ESR-REIT**

ESR-REIT is a Singapore-based real estate investment trust listed on the Main Board of the SGX-ST on 25 July 2006. The principal activity of ESR-REIT is to invest in quality income-producing industrial properties in Singapore. ESR-REIT has a diversified portfolio which currently comprises 57 properties located across Singapore, close to major transportation hubs and key industrial zones island-wide, with a total GFA of approximately 15.1 million square feet and an aggregate property value of S$3.1 billion[7] as at 30 June 2020. The properties are in the following business sectors: Business Park[8], High-Specs Industrial, Logistics/Warehouse and General Industrial. ESR-REIT has a diversified tenant base of 343 tenants (as at 30 June 2020).

As at the Latest Practicable Date, ESR-REIT has in issue an aggregate of 3,543,157,293 ESR-REIT Units.

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7 Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

8 "**Business Parks**" refers to properties that cater to industries or businesses relating to high-technology, research and development value-added and knowledge-intensive sectors.

Based on the unaudited consolidated financial statements of the ESR-REIT Group for 1H2020, certain key financial information with respect to the ESR-REIT Group is set out as follows:

ESR-REIT Group (as at 30 June 2020)	S$
Total assets	3,196.8 million
NAV	1,448.7 million[(1)]
NAV per ESR-REIT Unit	41.0 cents
Distributable income for 1H2020	47.8 million[(2)]
DPU for 1H2020	1.359 cents[(2)]
Aggregate valuation of portfolio[(3)]	3,117.1 million

Notes:

(1) The NAV of ESR-REIT Group as at 30 June 2020 was determined based on the independent valuations of its investment properties as at 30 June 2020. The book value of ESR-REIT Group's investment properties was adjusted down by S$46.7 million as a result of the revaluation of its investment properties based on their independent valuations as at 30 June 2020.

(2) The DPU of 1.359 cents is computed based on ESR-REIT's total distributable income of S$47.8 million for 1H2020. Of this amount, approximately S$40.8 million has been announced as distribution to ESR-REIT Unitholders, translating to 1.162 cents per ESR-REIT Unit. The remaining S$7.0 million has been retained by ESR-REIT for prudent cash flow management in view of the COVID-19 uncertainties. It is intended that the retained S$7.0 million, to the extent unutilised, will be paid to existing ESR-REIT Unitholders as part of the ESR-REIT Permitted Distributions, assuming the completion of the Scheme.

(3) Please refer to Paragraph 12.1 of Schedule 1 of the Offeror's Letter at Appendix D to this Scheme Document for more information on the updated valuations of ESR-REIT's properties as at 30 June 2020.

(b) **The ESR-REIT Manager**

The ESR-REIT Manager was incorporated in Singapore on 14 September 2005 and currently holds a CMS Licence for REIT management pursuant to the SFA. ESR-REIT is managed by the ESR-REIT Manager, whose objective is to provide ESR-REIT Unitholders with a stable and secure income stream through the successful implementation of the following strategies: (a) acquisition of value-enhancing properties, (b) proactive asset management, (c) divestment of non-core properties and (d) prudent capital and risk management.

As at the Latest Practicable Date:

(i) the shareholders of the ESR-REIT Manager are:

(A) ESR Investment Management Pte. Ltd. (67.3%);

(B) Mitsui & Co., Ltd (7.7%); and

(C) Shanghai Summit Pte. Ltd. (25.0%);

(ii) the directors of the ESR-REIT Manager are:

(A) Mr. Ooi Eng Peng (Independent Chairman);

(B) Mr. Khor Un-Hun (Independent Non-Executive Director);

(C) Dr. Leong Horn Kee (Independent Non-Executive Director);

(D) Mr. Ronald Lim Cheng Aun (Independent Non-Executive Director);

(E) Ms. Stefanie Yuen Thio (Independent Non-Executive Director);

(F) Mr. Philip John Pearce (Non-Executive Director);

(G) Mr. Jeffrey David Perlman (Non-Executive Director);

(H) Mr. Tong Jinquan (Non-Executive Director);

(I) Mr. Wilson Ang Poh Seong (Non-Executive Director); and

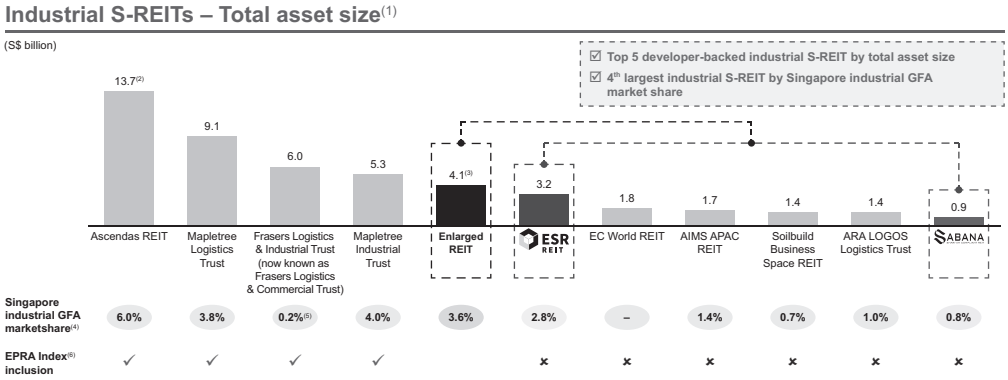
(J) Mr. Adrian Chui Wai Yin (Chief Executive Officer and Executive Director).

2.4 Sabana Manager's Rationale for the Merger

(a) Creation of a sizeable and liquid industrial real estate investment trust in Singapore

The Merger will result in the creation of a sizeable and liquid industrial S-REIT, offering the following benefits to the Sabana Unitholders:

(i) The Merger will reinforce the Enlarged REIT's position amongst the top five developer-backed industrial S-REITs, with total asset size increasing to approximately S$4.1 billion. The Enlarged REIT will also become the fourth largest industrial S-REIT by Singapore industrial GFA market share;



Source: Company information, JTC, FTSE EPRA Nareit Developed Asia index ("**EPRA Index**").

Notes:

(1) Total asset size as at 30 June 2020, save for Frasers Logistics & Industrial Trust (now known as Frasers Logistics & Commercial Trust) which is based on the pro forma total asset size as stated in the scheme document of Frasers Commercial Trust dated 14 February 2020.

(2) Includes interests in joint ventures and excludes the effects of Financial Reporting Standards (FRS) 116 Leases.

(3) Represents the Enlarged REIT's pro forma total assets as at 30 June 2020.

(4) Industrial GFA market share calculated based on the respective REITs' GFA as at 30 June 2020 or latest available GFA from respective company information divided by total industrial space in Singapore as at 30 June 2020 from JTC quarterly market report on industrial properties.

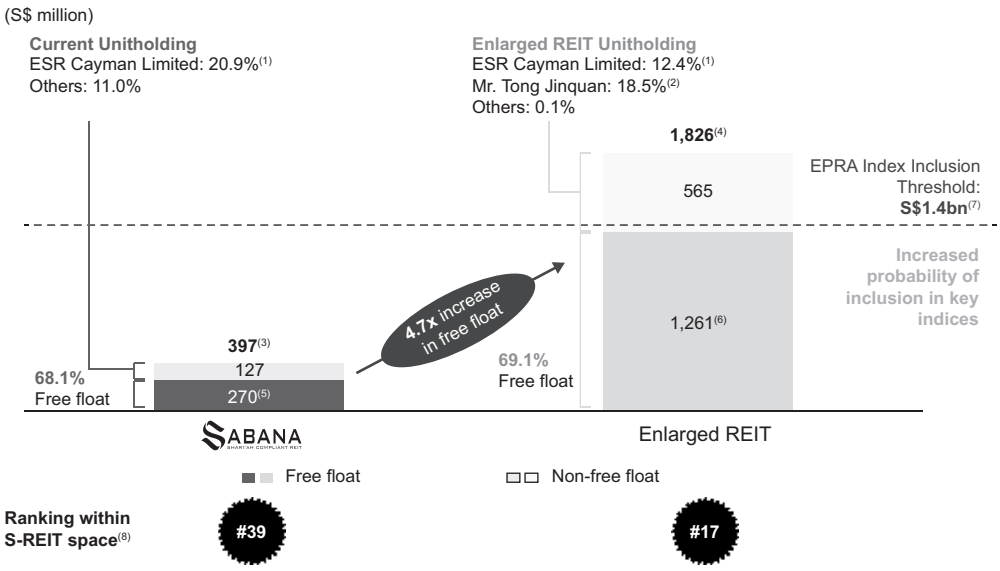
(5) Based on Alexandra Technopark's NLA as at 30 September 2019.

(6) EPRA Index refers to the FTSE EPRA Nareit Developed Asia index, which is a subset of the FTSE EPRA Nareit Developed Index and is designed to track the performance of listed real estate companies and REITs. Refers to EPRA Index as at 30 September 2020.

(ii) The enhanced scale of the combined portfolio will improve the Enlarged REIT's visibility and competitiveness within the industrial S-REIT universe and will allow the Enlarged REIT to access a larger and more diversified investor base.

In particular, the Merger will lead to a larger market capitalisation and free float. The Enlarged REIT's market capitalisation will materially increase to approximately S$1.8 billion, approximately 4.6 times of Sabana REIT's market capitalisation[9] as at the Latest Practicable Date. Correspondingly, the Enlarged REIT's free float market capitalisation will increase to approximately S$1.3 billion, approximately 4.7 times of Sabana REIT's free float as at the Latest Practicable Date. Larger free float increases the probability of inclusion in key indices which offers the benefits of higher trading liquidity, a wider investor base, and broader research coverage, eventually leading to a potential re-rating of the Enlarged REIT, which would be beneficial for all unitholders;

Market capitalisation and free float



Source: Company information, Bloomberg, EPRA Index.

Notes:

(1) Refers to ESR Cayman Limited's direct interests and/or deemed interests through holding entities.

(2) Excludes approximately 44.7 million ESR-REIT Units held through the ESR-REIT Manager (including approximately 20.7 million new ESR-REIT Units as the Acquisition Fee for the Merger at the Reference Price of S$0.401 per ESR-REIT Unit), representing approximately 0.98% of all ESR-REIT Units of the Enlarged REIT as at the Latest Practicable Date.

(3) Based on the implied Scheme Consideration of S$0.377 per Sabana Unit and 1,053,083,530 Sabana Units in issue as at the Latest Practicable Date.

(4) Based on the issuance of approximately 989.9 million new ESR-REIT Units as the aggregate Scheme Consideration and the Acquisition Fee to be paid in approximately 20.7 million ESR-REIT Units for the Merger at the illustrative issue price of S$0.401 per ESR-REIT Unit. For the avoidance of doubt, the actual number of ESR-REIT Units to be issued as payment for the Acquisition Fee will be determined based on the 10-day VWAP of the ESR-REIT Units up to and including the last trading day immediately preceding the Effective Date.

(5) Excludes units held by ESR Cayman Limited, the Sabana Manager, the directors of the Sabana Manager, other substantial unitholders, and their respective associates.

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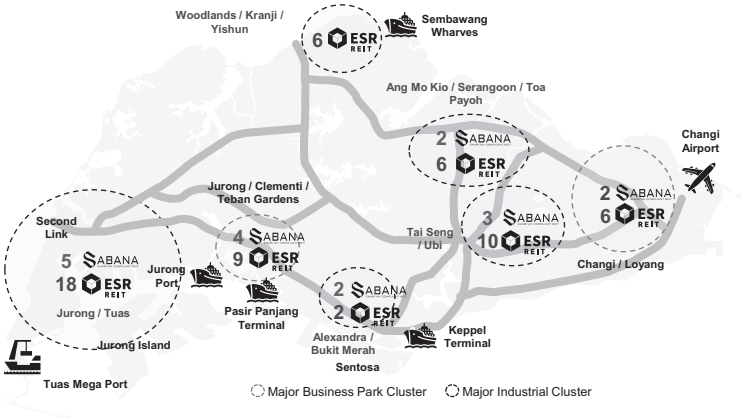
9 Based on the implied Scheme Consideration of S$0.377 per Sabana Unit and 1,053,083,530 Sabana Units in issue as at the Latest Practicable Date.

(6) Excludes units held by ESR Cayman Limited, the ESR-REIT Manager and the Sabana Manager, Mr. Tong Jinquan, the directors of the ESR-REIT Manager and the Sabana Manager, other substantial unitholders, and their respective associates.

(7) As at September 2020, the regular entry threshold for EPRA Index is approximately US$1.0 billion, equivalent to approximately S$1.4 billion.

(8) Based on market capitalisations as at the Latest Practicable Date.

(iii) The Enlarged REIT will be able to utilise operational advantages from the increased scale of the portfolio of 75 assets, located close to major transportation hubs and within key strategic industrial zones across Singapore. These advantages include a more extensive product suite and the ability to leverage on the ESR-REIT Group's tenant base and network to capture a larger tenant base, improved cost synergies, positioning from tenant leasing and marketing initiatives, as well as greater bargaining power with tenants and service providers;

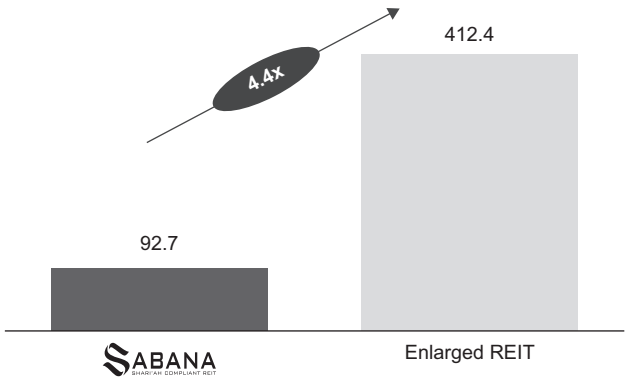


Source: Company information.

(iv) With an enlarged asset base, the Enlarged REIT's AEI and development headroom is expected to be approximately S$412.4 million and will thereby increase Sabana REIT's AEI and development headroom by approximately 4.4 times from approximately S$92.7 million as at 30 June 2020. This will enhance the Enlarged REIT's ability to undertake more AEIs and deliver more organic growth for unitholders; and

AEI and development headroom increases significantly(1)

(S$ million)



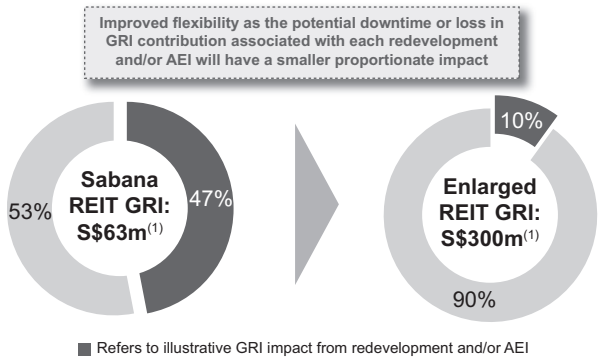
Source: Company information.

Note:

(1) Based on 10% of the Deposited Property value of each of Sabana REIT and ESR-REIT, as at 30 June 2020.

(v) Post-Merger, the enlarged asset base also improves the Enlarged REIT's flexibility to undertake AEIs as any potential drop in income from the property undergoing AEI would be less significant to the Enlarged REIT due to the reduced income contribution from each property towards the enlarged portfolio. In addition, following the Merger, Sabana REIT will be able to tap into the tenant base and network of the larger ESR-REIT Group to seek optimal use and identify potential anchor tenants for pre-commitments in order to reduce leasing risk and at lower cost of capital. This will better position the Enlarged REIT to create value, enhance returns and reduce risk for unitholders in the longer term while maintaining a stable distribution to unitholders in the near term.

Illustrative GRI contribution of top 3 Sabana REIT assets by FY2019 GRI contribution



Source: Company information.

Note:

(1) Computed based on the gross rental income ("**GRI**") of Sabana REIT, or as the case may be, the pro forma GRI of the Enlarged REIT which is based on the sum of ESR-REIT's and Sabana REIT's respective GRI, in each case for FY2019.

(b) **Enhanced portfolio diversification, strength, and resilience**

(i) The Merger will result in an enhanced portfolio for the Enlarged REIT, comprising 75 properties, a total GFA of approximately 19.2 million square feet and a total asset size of approximately S$4.1 billion[10]. The number of tenants also increases from 113 (for Sabana REIT) and 343 (for ESR-REIT) to 456, resulting in better diversification of portfolio across industrial sub-sectors and number of tenants;



Source: Company information.

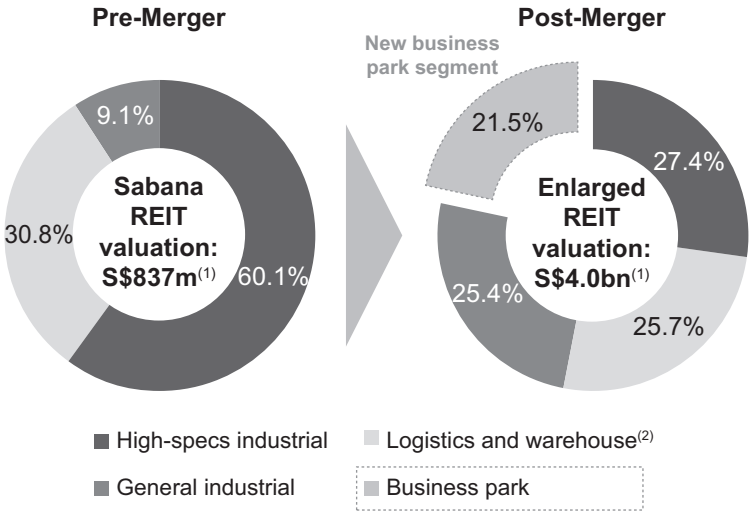
Notes:

(1) As at 30 June 2020.

(2) Represents the Enlarged REIT's pro forma total assets as at 30 June 2020.

[10] Represents the Enlarged REIT's pro forma total assets as at 30 June 2020.

(ii) The Merger will also expand Sabana REIT's existing industrial portfolio to include the Business Park asset class, as this segment is currently a part of ESR-REIT's portfolio. Post-Merger, Sabana REIT will gain immediate access to three business parks nationwide, located in prime industrial clusters across Singapore, and is expected to benefit from the reduced segment concentration risk.



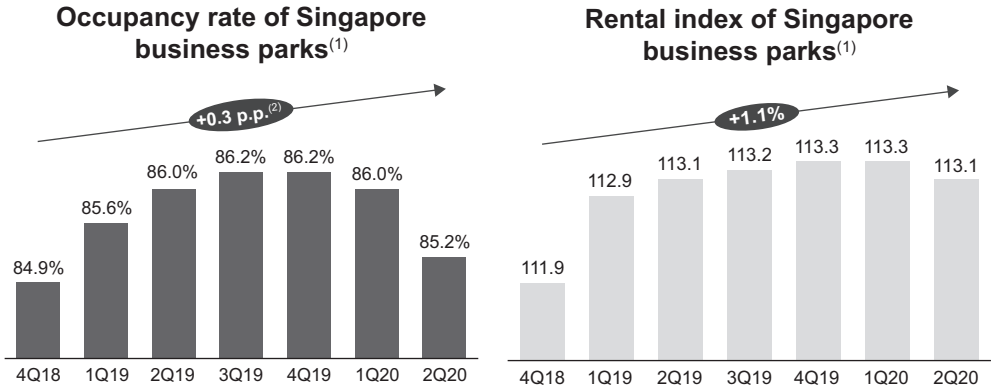
Source: Company information.

Notes:

(1) Valuation as at 30 June 2020. ESR-REIT valuation in the Enlarged REIT includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standards (FRS) 116 Leases which became effective on 1 January 2019.

(2) Includes Sabana REIT's chemical warehouse and logistics segments.

Outlook for business parks situated in prime locations is expected to be sustained by cost-conscious companies looking to decentralise their operations and lease a sizeable amount of space at lower rent. Business parks in Singapore have shown improving occupancy rates and rental index over the past few quarters, based on data from JTC. The Enlarged REIT is well positioned to capture the growth and demand from the evolving Singapore business parks sector, which caters to industries/businesses relating to high-technology, research and development, value-added and knowledge-intensive sectors;



Source: JTC.

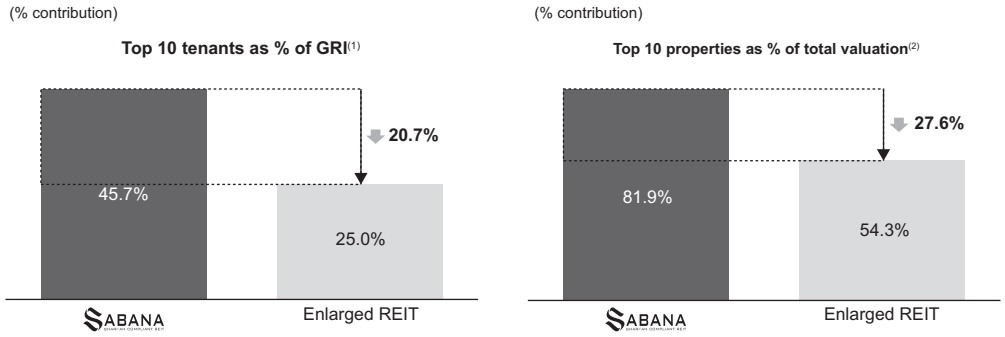
Notes:

(1) Based on JTC data as at 30 June 2020.

(2) Refers to percentage points.

(iii) The Enlarged REIT is also expected to benefit from increased tenant and asset diversification. The contribution of top 10 tenants and top 10 properties to the Enlarged REIT's GRI and valuation will reduce by 20.7% and 27.6% respectively; and

Reduced concentration from top 10 tenants by GRI contribution and top 10 properties by contribution to total valuation



Source: Company information.

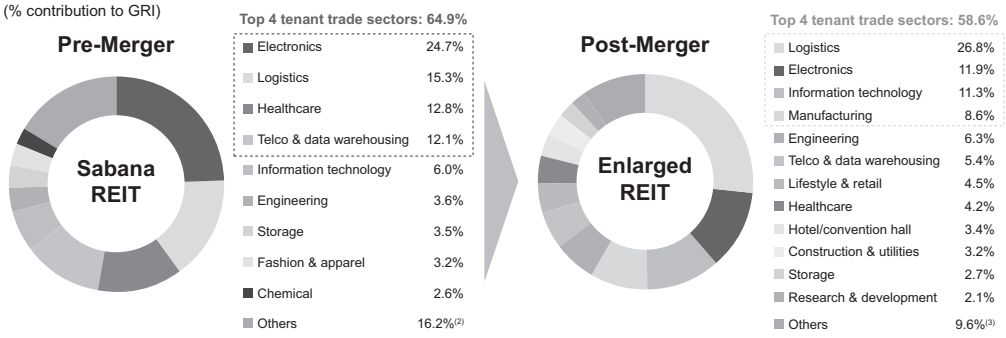
Notes:

(1) Based on GRI of Sabana REIT, or as the case may be, the pro forma GRI of the Enlarged REIT which is based on the sum of ESR-REIT's and Sabana REIT's respective GRI, in each case as at 30 June 2020.

(2) Valuation as at 30 June 2020. ESR-REIT valuation in the Enlarged REIT includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standards (FRS) 116 Leases which became effective on 1 January 2019.

With a larger portfolio, the concentration of the top four tenant trade sectors decreases from 64.9% to 58.6%. The contribution to GRI of Sabana REIT's largest single tenant decreases from 11.2% to 2.4% in the Enlarged REIT and no single tenant in the Enlarged REIT will contribute more than 4.1% to GRI[11], thereby reducing its reliance on any particular tenant and tenant trade sector.

Increased diversification of tenant trade sectors by GRI contribution(1)



Source: Company information.

Notes:

(1) Based on GRI of Sabana REIT, or as the case may be, the pro forma GRI of the Enlarged REIT which is based on the sum of ESR-REIT's and Sabana REIT's respective GRI, in each case as at 30 June 2020.

(2) Includes construction and utilities, printing, food and beverage, manufacturing, research and development, and others.

(3) Includes food and beverage, childcare and education, fashion and apparel, chemical, printing, and others.

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11 Based on GRI of Sabana REIT, or as the case may be, the pro forma GRI of the Enlarged REIT which is based on the sum of ESR-REIT's and Sabana REIT's respective GRI, in each case as at 30 June 2020.

Reduced reliance on top 10 tenants

Sabana REIT top 10 tenants by GRI	% of GRI contribution[1]
Subsidiaries of Vibrant Group Limited	11.2%
Advanced Micro Devices (Singapore) Pte. Ltd.	7.9%
Avnet Asia Pte. Ltd.	5.2%
ASM Advanced Packaging Materials Pte. Ltd.	4.0%
VWR Singapore	3.6%
Cotton On Singapore Pte. Ltd.	3.0%
Life Technologies Holdings Pte. Ltd.	3.0%
Epsilon Telecommunications (SP) Pte. Ltd.	2.8%
Skyworks Global Pte. Ltd.	2.6%
Home Box Office (Singapore) Pte. Ltd.	2.4%
Top 10 tenants GRI contribution	45.7%

Enlarged REIT top 10 tenants by GRI	% of GRI contribution[1]
AMS Sensors Singapore Pte. Ltd.	4.1%
United Engineers Developments Pte. Ltd.	3.4%
Sharikat Logistics Pte. Ltd.	2.7%
Poh Tiong Choon Logistics Limited	2.7%
Meiban Investment Pte. Ltd.	2.5%
Subsidiaries of Vibrant Group Limited	2.4%
Venture Corporation Limited	2.0%
Data Centre Operator	1.8%
Ceva Logistics Singapore Pte. Ltd.	1.7%
GKE Warehousing & Logistics Pte. Ltd.	1.7%
Top 10 tenants GRI contribution	25.0%

Source: Company information.

Note:

(1) Based on GRI of Sabana REIT, or as the case may be, the pro forma GRI of the Enlarged REIT which is based on the sum of ESR-REIT's and Sabana REIT's respective GRI, in each case as at 30 June 2020.

(c) Improved growth outlook

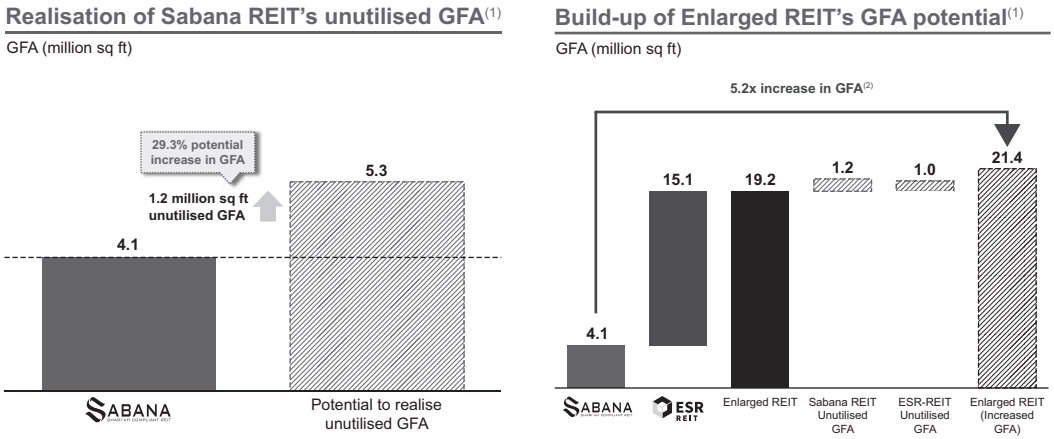
The Merger is expected to unlock growth opportunities for the Enlarged REIT with respect to AEIs (by developing unutilised plot ratios for new GFA) and/or potential asset redevelopment. As stated in Paragraphs 11 and 13 of Appendix A to the Scheme Document, Sabana REIT only has S$25.9 million of additional financing headroom as 93.8% of Sabana REIT's assets are secured. With the Merger, the Enlarged REIT may potentially benefit from its untapped GFA given that: (1) the closing down of assets may not adversely impact DPU as much or may potentially be negligible, given that each asset contributes a much smaller proportion of the portfolio; (2) more flexible leasing arrangements may be made with existing tenants who still have leases running (e.g., relocating existing tenants to other assets within the portfolio) as the portfolio is larger with alternative assets which may suit tenant requirements; (3) the cost of funding these redevelopments can be cheaper, resulting in higher returns; and (4) the Enlarged REIT will have an increased development headroom under the Property Funds Appendix, given the larger portfolio.

Such assets present an attractive opportunity for the Enlarged REIT to further grow the portfolio's value, which is expected to be accomplished by following the following key strategies:

(i) Upgrading and improvement of building specifications. Following the Merger, the Enlarged REIT will be better positioned to potentially modernise assets in order to respond to real estate trends and evolving demands, hence improving the marketability and rent of the property, and enhancing value;

(ii) Change of building use to align with current and expected market trends. Properties may be repositioned towards greater "value-add" uses like high-specifications buildings or data centres, thereby enhancing and unlocking asset value; and

(iii) Realisation of Sabana REIT's unutilised GFA. As set out in Paragraphs 2.4(a)(iv), 2.4(c) and 2.4(d) of the Letter to Sabana Unitholders, the Enlarged REIT will have a larger debt headroom and development headroom, and the Enlarged REIT will be able to undertake value-enhancing AEIs and/or redevelopments at lower cost and with lower execution risks. Further, as set out in Paragraph 2.7 below, the Enlarged REIT have flexibility to re-evaluate the scale and risk-return profile of the AEIs to be undertaken for both ESR-REIT's existing portfolio as well as Sabana REIT's portfolio of assets. This re-evaluation will include, amongst others, a review of the projected construction costs of identified AEI projects, given the better bargaining power of the Enlarged REIT with service providers and reduced portfolio financial impact when undertaking AEIs.



Source: Company information.

Notes:

(1) Information as at 30 June 2020.

(2) Assumes 100% realisation of Sabana REIT and ESR-REIT's unutilised GFA as at 30 June 2020.

Following the Merger, the Enlarged REIT will be able to undertake value-enhancing AEIs and/or redevelopments at lower cost and with lower execution risks. Greater access to a larger tenant base will also help to identify the optimal use for unutilised GFA, reduce leasing risks and develop in-demand space for emerging industries.

The Enlarged REIT will be able to leverage on ESR-REIT's established track record and experience in unlocking value through AEI, as evidenced by its recent upgrading of the asset located at 30 Marsiling Industrial Estate Road 8:

(1) the asset has been upgraded from General Industrial to High-specs;

(2) two quality tenants from high-value added manufacturing sectors were secured prior to the receipt of the temporary occupation permit in January 2019;

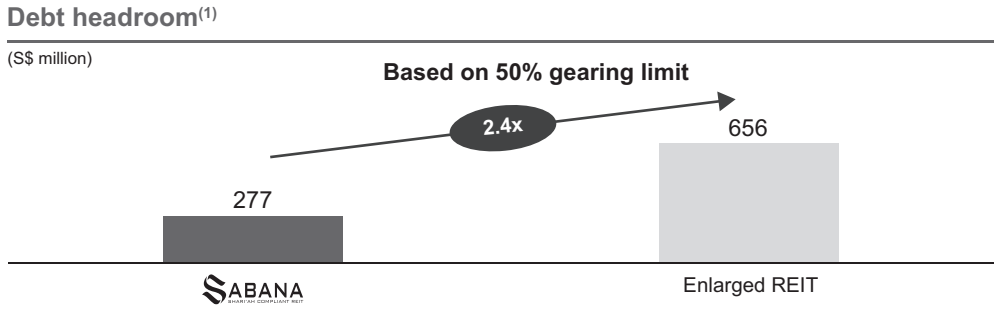
(3) the asset will enjoy 100% occupancy over the next five years; and

(4) AEI was completed earlier than expected (in 9 months) and within cost estimates.

Further, the lower cost of capital of the Enlarged REIT is expected to enhance returns for future AEIs as compared to the Sabana REIT's current cost of capital.

(d) **Enhanced balance sheet flexibility and cost of capital**

(i) Following the Merger, the Enlarged REIT is expected to benefit from having a higher debt headroom and access to more diversified funding sources. The stronger balance sheet and greater financial flexibility would better position it to drive value-accretive acquisitions and organic growth for unitholders;



Source: Company information.

Note:

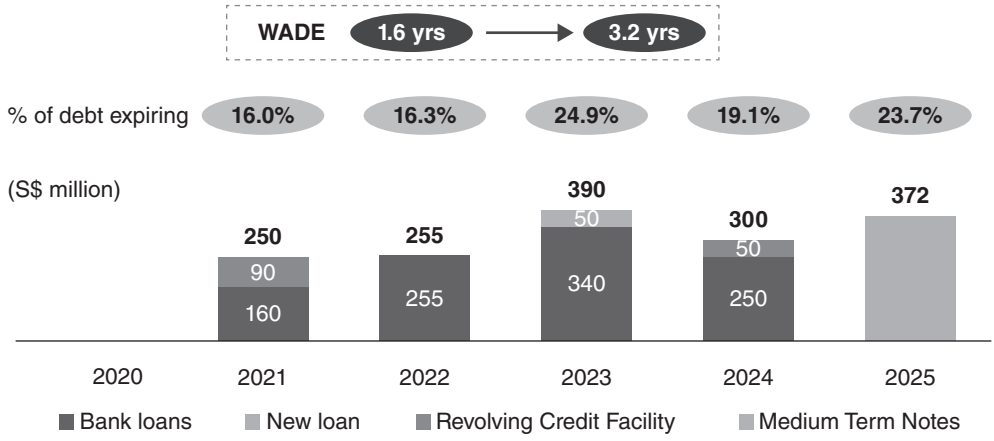
(1) Debt headroom calculated based on a regulatory aggregate leverage limit of 50.0% as at 30 June 2020. Includes potential additional debt that can be used for asset acquisitions.

(ii) The Enlarged REIT is expected to have a more evenly-distributed and resilient debt maturity profile, longer debt tenor and at a lower weighted average cost of debt following the Merger.

As at 30 June 2020, Sabana REIT has 53.8% of total debt maturing in FY2021. Following the Merger, the percentage of total debt maturing in each year will decrease to a maximum of approximately 25% in any given year for the Enlarged REIT.

Furthermore, the Enlarged REIT will have a longer weighted average debt expiry ("**WADE**") profile of 3.2 years, providing it with a more resilient capital structure. As stated in Paragraph 2.7 below, the ESR-REIT Manager intends to refinance all of Sabana REIT's existing debt post-Merger. All Sabana REIT's lenders' consents required for this exercise have already been obtained. Given that ESR-REIT's borrowings remain fully unencumbered, and Sabana REIT's debt will be fully refinanced with a new unsecured loan (which will also be unencumbered), the Enlarged REIT's debt will be fully unencumbered as well. Following the Merger, Sabana REIT will have a fully unencumbered portfolio (as compared to 6.2% unencumbered assets in Sabana REIT as at 30 June 2020), providing the Enlarged REIT with enhanced financial flexibility and better access to wider pools of capital and lower cost of funding; and

Pro forma debt maturity profile(1)



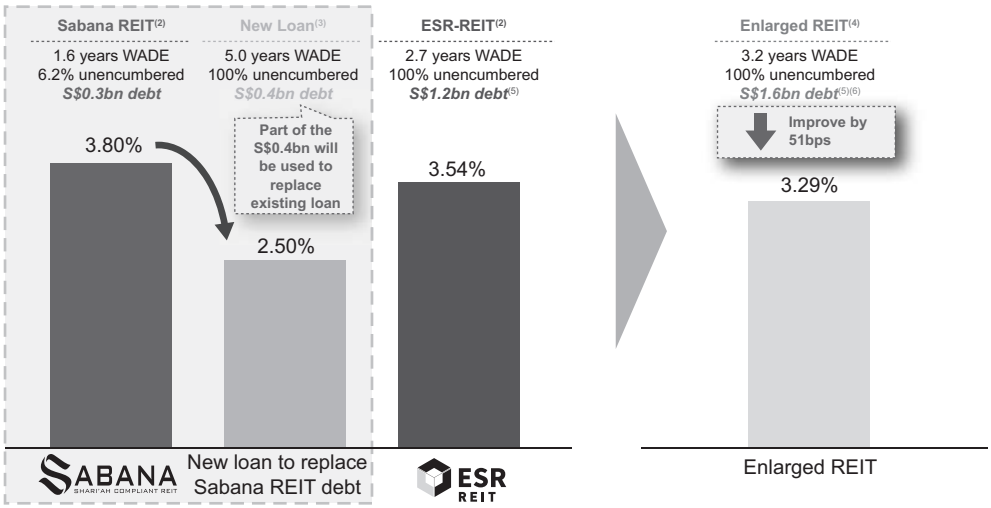
Source: Company information.

Note: For illustrative purposes only — not a forward-looking projection.

(1) Information as at 30 June 2020.

(iii) The Enlarged REIT is also expected to have a more competitive cost of debt while retaining balance sheet flexibility with a fully unencumbered portfolio. Unitholders will benefit from the Enlarged REIT's lower cost of funding, longer debt tenor and its fully unencumbered portfolio, as well as access to wider pools of capital. The Enlarged REIT is expected to have a lower weighted average cost of debt by around 51 basis points.[12]

Pro forma cost of debt(1)



Source: Company information.

Notes: For illustrative purposes only — not a forward-looking projection

(1) Represents all-in interest cost.

(2) Information as at 30 June 2020.

(3) Estimated S$372.2 million debt to be drawn from the New Facilities, at an expected all-in interest cost of 2.5% provided by Malayan Banking Berhad (Singapore Branch), RHB Singapore, Sumitomo Mitsui Banking Corporation Singapore Branch and United Overseas Bank Limited.

(4) Illustrative Enlarged REIT pro forma debt metrics as at 30 June 2020.

12 As at 30 June 2020, Sabana REIT's all-in financing cost is approximately 3.8%.

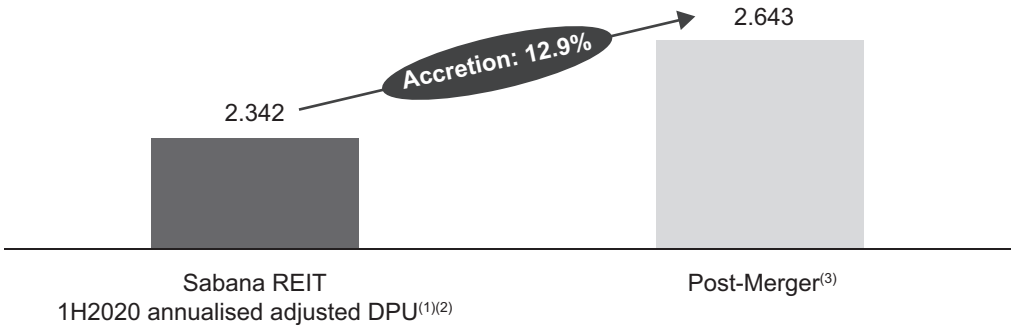
(5) Excludes share of borrowings from joint ventures.

(6) Includes the estimated S$372.2 million debt to be drawn from the New Facilities for the refinancing of Sabana REIT's existing debt, upfront land premium[13] and estimated professional and other fees and expenses relating to the Merger.

(e) **DPU accretion for Sabana Unitholders on a historical pro forma basis**

Assuming the Merger had been completed on 1 January 2019, the pro forma annualised 1H2020 DPU attributable to Sabana Unitholders would have increased from 2.342 cents to 2.643 cents, translating to a DPU accretion of 12.9% for Sabana Unitholders on a pro forma basis.

Pro forma Distribution per Unit (Singapore cents)



Notes: For illustrative purposes only — not a forward-looking projection

(1) Assumes 60.0% of Sabana REIT's asset management fees are paid in units as per the proportion that ESR-REIT paid out for 1H2020 at an illustrative issue price of S$0.341 per unit determined based on the six-month VWAP of the Sabana Units ending on and including 30 June 2020. Sabana Unitholders should note that the illustrative issue price is used in the context of calculating the management fee payable to the Sabana Manager for the purposes of the relevant illustrations.

(2) Assumes Sabana REIT does not retain distributable income of S$6.1 million and distributes 100% of its total distributable income of S$11.1 million for 1H2020.

(3) Based on the Enlarged REIT's pro forma DPU for 1H2020 on an annualised basis of 2.812 cents multiplied by the gross exchange ratio of 0.940x. Please refer to Appendix E to this Scheme Document for further details of the pro forma financial effects of the Merger on Sabana REIT.

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[13] Under JTC's prevailing terms and conditions, the existing land rental payment scheme will be converted to the upfront land premium scheme when JTC grants approval to the assignment of leases of JTC properties to third party facility providers. It is expected that upon JTC's approval to the Merger, upfront land premium would be payable to JTC for the remaining part of the lease terms of the JTC properties currently under the land rental payment scheme.

The Enlarged REIT will continue to benefit from a strong developer-sponsor, ESR Cayman Limited, which is a leading Asia Pacific-focused integrated logistics real estate platform with over US$26 billion in assets under management and 18 million square metres in GFA as at 30 June 2020. Following the Merger, the Enlarged REIT will have a "first look" at ESR Group's extensive portfolio of assets in an environment where quality logistics assets are becoming increasingly scarce. Further, the Enlarged REIT will benefit from ESR Group's regional pipeline, which presents opportunities for growth and geographical expansion in countries where ESR Group has a footprint and established "on the ground" expertise. This better positions the Enlarged REIT to capitalise on further expansion opportunities and participate in the continued growth of the industrial sector as the global economy emerges from the COVID-19 pandemic.

If Sabana REIT were to continue as a standalone REIT, and one of the smallest S-REITs in the S-REIT industry, it would face various challenges. These challenges include the following: (i) limited financing resources to fund the growth of Sabana REIT (as most of the loan funding in Sabana REIT is on a secured basis), (ii) higher cost of funds due to higher credit and portfolio risk as a standalone REIT, compared to the Enlarged REIT, makes Sabana REIT less competitive in obtaining financing for its initiatives, (iii) lower development limit (based on 10% of total deposited property value of Sabana REIT) to undertake frequent and larger size AEIs and/or redevelopments to keep its portfolio contemporary to improve its occupancy and DPU within a short period of time, (iv) vacancy rate and financial impact from loss of revenue due to downtime from AEIs and/or redevelopments of portfolio are magnified due to a smaller asset base, (v) difficulty in overseas expansion as a growth strategy for a small REIT with no networks, visible and sustainable pipelines and scalability, etc. and (vi) limited risk diversification on smaller portfolio.

2.5 Key Questions, Responses and Clarifications

The Sabana Unitholders should refer to Appendix A to this Scheme Document for a list of key questions from investors and the Sabana Manager's responses in relation to the Merger ("**Key Questions, Responses and Clarifications**").

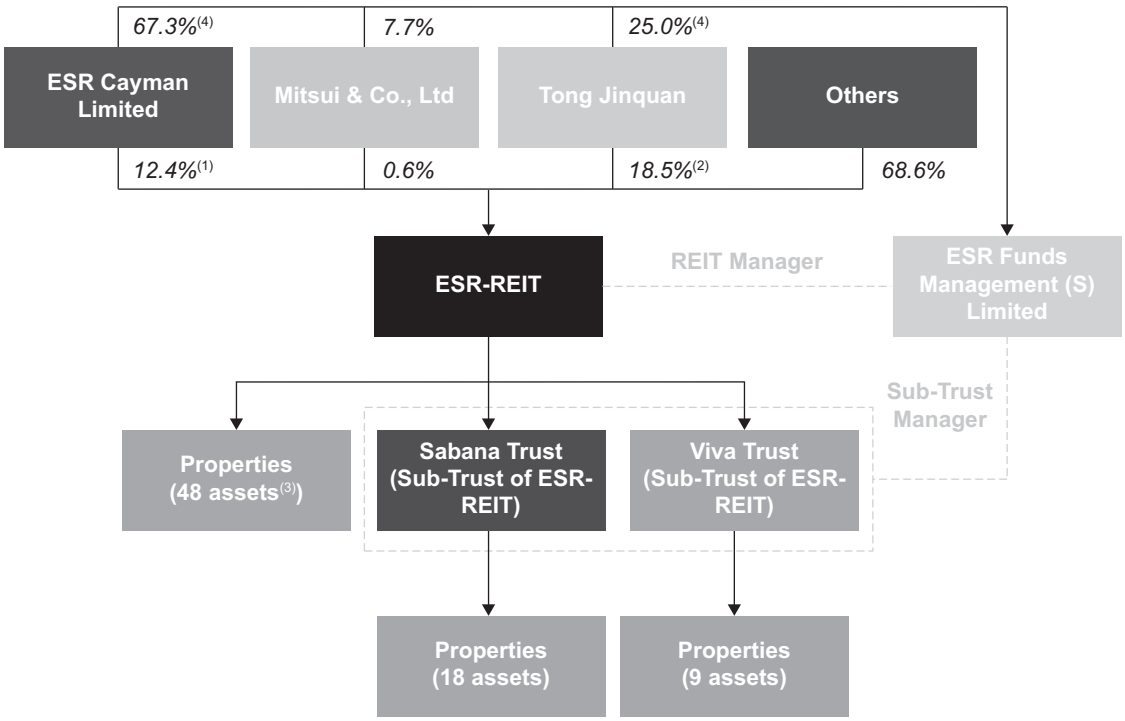
2.6 Enlarged REIT Structure

Upon completion of the Merger, the Sponsor and its related corporations are expected to hold, directly and indirectly, approximately 12.4% of the total issued units[14] in the Enlarged REIT.

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[14] Based on the illustrative pro forma number of ESR-REIT Units as at the Latest Practicable Date, including the issue of approximately 989.9 million ESR-REIT Units as the aggregate Scheme Consideration and the issue of approximately 20.7 million ESR-REIT Units as the Acquisition Fee for the Merger at the Reference Price of S$0.401 per ESR-REIT Unit. For the avoidance of doubt, the actual number of ESR-REIT Units to be issued as payment for the Acquisition Fee will be determined based on the 10-day volume weighted average price of the ESR-REIT Units up to and including the last trading day immediately preceding the Effective Date.

It is currently envisaged that the structure of the Enlarged REIT[15] immediately upon completion of the Merger will be as follows:



Notes:

(1) Refers to ESR Cayman Limited's direct interests and/or deemed interests through holding entities.

(2) Excludes approximately 44.7 million ESR-REIT Units held through the ESR-REIT Manager (including approximately 20.7 million new ESR-REIT Units as the Acquisition Fee for the Merger at the Reference Price of S$0.401 per ESR-REIT Unit), representing approximately 0.98% of all ESR-REIT Units of the Enlarged REIT as at the Latest Practicable Date.

(3) Includes (a) 80% ownership of 7000 AMK LLP (Ho Lee Properties Pte Ltd owns the remaining 20%); and (b) 49% ownership of PTC Logistics Hub LLP (Poh Tiong Choon Logistics Limited owns the remaining 51%).

(4) Through wholly-owned subsidiaries.

2.7 ESR-REIT Manager's Future Intentions for the Enlarged REIT

Based on Paragraph 5 of the Offeror's Letter at Appendix D to this Scheme Document, and assuming the completion of the Merger:

(a) the ESR-REIT Manager will be the manager of the Enlarged REIT and Mr. Adrian Chui will continue to be the Chief Executive Officer ("**CEO**") of the ESR-REIT Manager. The ESR-REIT Manager intends to engage the current CEO of the Sabana Manager, Mr. Donald Han, as an advisor to the ESR-REIT Manager. The Nominating and Remuneration Committee of the ESR-REIT Manager is also in the process of reviewing, together with the Sponsor, the composition of the board of directors and management of the ESR-REIT Manager (including the feasibility of engaging certain existing employees of the Sabana Manager);

[15] Illustrative *pro forma* unitholding structure based on latest available information as at the Latest Practicable Date, based on the gross exchange ratio of 0.940x.

(b) the fee structure of the Enlarged REIT will be based on the existing fee structure of ESR-REIT. The Sabana Manager will be entitled to the applicable manager's fees accruing up to the date of delisting of Sabana REIT in accordance with the existing Sabana Trust Deed. There will be no double counting of management fees to the Sabana Manager and the ESR-REIT Manager in respect of the Sabana REIT portfolio between the Effective Date and the date of delisting;

(c) the ESR-REIT Manager does not intend to retain Sabana REIT's Shari'ah compliant status and accordingly, Sabana REIT will be renamed "Sabana Trust"; and

(d) it is intended that the existing outstanding loan facilities granted to Sabana REIT will be refinanced.

The Enlarged REIT's larger portfolio will provide the opportunity and flexibility to re-evaluate the scale and risk-return profile of the AEIs to be undertaken, for both the existing ESR-REIT portfolio and the Sabana REIT portfolio of real estate assets. This re-evaluation will include, amongst others, a review of the projected construction costs of identified AEI projects, given the better bargaining power of the Enlarged REIT with service providers and reduced portfolio financial impact when undertaking AEIs, while taking into consideration the supply and demand dynamics of the industrial market currently and over the next two (2) to three (3) years.

Save as disclosed above, the ESR-REIT Manager does not currently have any intention to (a) make any major changes to the business of Sabana REIT, (b) re-deploy the fixed assets of Sabana REIT, or (c) discontinue the employment of the existing employees of the Sabana Manager (save in the ordinary course of business or as a result of any internal reorganisation or restructuring which may be implemented after the Merger).

Nonetheless, the ESR-REIT Manager retains the flexibility to, at any time, consider options or opportunities which may present themselves, or may be required, and which it regards to be in the best interests of the Enlarged REIT.

In respect of paragraph 2.7(c) above, the Sabana Manager wishes to highlight that upon the Scheme becoming effective in accordance with its terms, its investment mandate will be amended pursuant to the Sabana Trust Deed. The amended investment mandate will be to principally invest in income-producing real estate used for industrial purposes in Asia, as well as real-estate related assets. Under the Sabana Trust Deed, the Sabana Manager may from time to time change Sabana REIT's investment policies subject to compliance with the Listing Manual, so long as it has given not less than 30 days' prior notice of the change to the Sabana Trustee and the Sabana Unitholders by way of an announcement to the SGX-ST. For the purposes of Clause 10.2.4 of the Sabana Trust Deed, this paragraph is deemed to be the notice of the amendment of the existing investment mandate of Sabana REIT upon the Scheme becoming effective in accordance with its terms. For the avoidance of doubt, such amendment of the investment mandate of Sabana REIT does not require the approval of the Sabana Unitholders.

2.8 Conditions

(a) Conditions

The table below sets out the Conditions to the Scheme and the status of each Condition. All capitalised terms used and not defined in the table shall have the same meanings given to them in the Implementation Agreement.

No.	Condition	Status as at date of the Scheme Document
(i)	**Amendment of Sabana Trust Deed**: the approval of the Sabana Unitholders holding in aggregate 75.0% or more of the total number of votes cast for and against the resolution at the extraordinary general meeting for the amendment of the Sabana Trust Deed to include provisions that will facilitate the implementation of the Scheme, in such form and substance as agreed in writing by the Parties	To be sought at the Extraordinary General Meeting
(ii)	**Sabana Unitholders' Approval for the Scheme**: the approval of a majority in number of the Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by the Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the Scheme	To be sought at the Scheme Meeting
(iii)	**Court Approval for the Scheme**: the Scheme Court Order being obtained.	Scheme Court Order is targeted to be obtained on or about 21 December 2020

No.	Condition	Status as at date of the Scheme Document
(iv)	**Regulatory Approvals**: all the Regulatory Approvals having been obtained or granted and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted up to the Record Date, including without limitation, the following:	
	(1) confirmation from the SIC that: (A) Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code shall not apply to the Scheme, subject to any conditions the SIC may deem fit to impose; (B) it has no objections to the Conditions; and (C) it has no objections to the Switch Option;	Rulings obtained
	(2) approval-in-principle from the SGX-ST for the Scheme, the Scheme Document and for the proposed delisting of Sabana REIT from the SGX-ST;	Satisfied, save for the proposed delisting of Sabana REIT from the SGX-ST. Please see Paragraph 5 below for further details.
	(3) approval-in-principle from the SGX-ST for the ESR-REIT Circular, and the listing and quotation for the Consideration Units on the Main Board of the SGX-ST;	Satisfied
	(4) a waiver from the SGX-ST to comply with Rule 1309(1) of the Listing Manual, which requires a cash alternative to be offered as a default alternative for a delisting of Sabana REIT (the "**Rule 1309(1)(b) Waiver**");	Satisfied[16]
	(5) approval of JTC under the Head Leases in respect of relevant Sabana Real Properties to the Merger (including, if applicable, the final written confirmation by JTC that it has no objection to the Parties proceeding with completion of the Scheme);	Targeted to be obtained on or about 21 December 2020

[16] As stated in the Joint Announcement, the SGX-ST has advised that it has no objection to the application for the Rule 1309(1)(b) Waiver, subject to the following conditions: (i) Sabana REIT announcing the Rule 1309(1)(b) Waiver granted, the reasons for seeking the Rule 1309(1)(b) Waiver, the conditions to the Rule 1309(1)(b) Waiver, and if the Rule 1309(1)(b) Waiver conditions have been satisfied. If the Rule 1309(1)(b) Waiver conditions have not been met on the Joint Announcement Date, Sabana REIT must make an update announcement when the conditions have all been met; and (ii) an unqualified opinion from an independent financial adviser that the financial terms of the Scheme are fair and reasonable to the Sabana Unitholders. As at the date of this Scheme Document, both the Rule 1309(1)(b) Waiver conditions have been satisfied.

No.	Condition	Status as at date of the Scheme Document
	(6) there being no objections from the MAS: (A) to the withdrawal of the authorisation of Sabana REIT as an authorised collective investment scheme in the event the Merger is implemented and Sabana REIT is delisted from the Main Board of the SGX-ST; and (B) to grant an exemption to Sabana REIT from the requirements set out in Section 295(2) of the SFA in the event the authorisation of Sabana REIT as an authorised collective investment scheme is withdrawn;	Satisfied
	(7) an exemption granted by the MAS to the ESR-REIT Manager from the requirements set out in Subdivision (3) of Division 2 (Collective Investment Schemes) of Part XIII (Offers of Investments) of the SFA, which relates to prospectus requirements, for the purposes of the Scheme; and	Satisfied
	(8) confirmation from the Inland Revenue Authority of Singapore that stamp duty is not chargeable on the transfer of Sabana Units held by the Sabana Unitholders to the ESR-REIT Trustee (as trustee of ESR-REIT) and a tax ruling from the Inland Revenue Authority of Singapore that Sabana REIT will be an approved sub-trust and enjoy tax transparency;	Satisfied

No.	Condition	Status as at date of the Scheme Document
(v)	**ESR-REIT Unitholders' Approvals for the Merger**: the approval of the ESR-REIT Unitholders for: (1) the Merger; (2) the issue of Consideration Units in consideration for the Merger; and (3) such other resolutions as may be necessary to give effect to and implement the Merger and the Scheme;	To be sought at the ESR-REIT EGM
(vi)	**No Legal or Regulatory Restraint**: between the date of the Implementation Agreement and up to the Record Date, no issuance of any order, injunction, judgment, decree or ruling issued by any Governmental Authority or by any court of competent jurisdiction preventing the Merger or the implementation of the Scheme, being in effect as at the Record Date.	To be determined on the Record Date
(vii)	**No Prescribed Occurrence**: between the date of the Implementation Agreement and up to the Record Date, no Prescribed Occurrence in relation to the Sabana Group and/or the ESR-REIT Group (as the case may be) occurs other than as required or contemplated by this Agreement, the Scheme or the Merger.	To be determined on the Record Date
(viii)	**Sabana Representations and Warranties**: there being no breach of the Sabana Warranties which is material in the context of the Scheme as at the date of the Implementation Agreement and as at the Record Date as though made on and as at that date except to the extent any such Sabana Warranty expressly relates to an earlier date (in which case as at such earlier date).	To be determined on the Record Date
(ix)	**ESR-REIT Representations and Warranties**: there being no breach of the ESR-REIT Warranties which is material in the context of the Scheme as at the date of the Implementation Agreement and as at the Record Date as though made on and as at that date except to the extent any such ESR-REIT Warranty expressly relates to an earlier date (in which case as at such earlier date).	To be determined on the Record Date

No.	Condition	Status as at date of the Scheme Document
(x)	**Material Adverse Effect**: there being no event or events, whether individually or in aggregate, occurring from the date of the Joint Announcement which has or have the effect of causing a diminution: (1) in relation to the Sabana Group: (A) in the consolidated net asset value of the Sabana Group by more than S$53,912,600, being 10 per cent. of the consolidated net asset value of the Sabana Group of S$539,126,000 as at 30 June 2020 as stated in the Sabana 1H2020 Financial Statements, as determined by reference to the later of (1) the latest publicly released unaudited consolidated financial statement of Sabana REIT prior to the Record Date, and (2) the unaudited consolidated management balance sheet (prepared using the same accounting policies and methods of computation with those applied in the Sabana Financial Statements) as at the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier; or (B) in the consolidated gross revenue (excluding straight line rent adjustments) of the Sabana Group by more than S$3,401,400, being 10 per cent. of the consolidated gross revenue (excluding straight line rent adjustments) of the Sabana Group of S$34,014,000[17] for the six-month period ended 30 June 2020 as stated in the Sabana 1H2020 Financial Statements, as determined by reference to the unaudited consolidated management income statement (prepared using the same accounting policies and methods of computation with those applied in the Sabana Financial Statements) for the six-month period ending on the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier,	To be determined on the Record Date

[17] This number is derived from the "Gross Revenue" of S$34,263,000 set out in the Sabana 1H2020 Financial Statements and adjusted for straight line rent adjustments of S$249,000.

No.	Condition	Status as at date of the Scheme Document
	(in each case, a "**Sabana Material Adverse Effect**"); and (2) in relation to the ESR-REIT Group: (A) in the consolidated net asset value of the ESR-REIT Group by more than S$144,872,100, being 10 per cent. of the consolidated net asset value of the ESR-REIT Group of S$1,448,721,000 as at 30 June 2020 as stated in the ESR-REIT 1H2020 Financial Statements, as determined by reference to the later of (1) the latest publicly released unaudited consolidated financial statement of ESR-REIT prior to the Record Date, and (2) the unaudited consolidated management balance sheet (prepared using the same accounting policies and methods of computation with those applied in the ESR-REIT Financial Statements) as at the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier; or (B) in the consolidated gross revenue (excluding straight line rent adjustments) of the ESR-REIT Group by more than S$11,356,400, being 10 per cent. of the consolidated gross revenue (excluding straight line rent adjustments) of the ESR-REIT Group of S$113,564,000[18] for the six-month period ended 30 June 2020 as stated in the ESR-REIT 1H2020 Financial Statements, as determined by reference to the unaudited consolidated management income statement (prepared using the same accounting policies and methods of computation with those applied in the ESR-REIT Financial Statements) for the six-month period ending on the calendar month-end falling at least 28 calendar days prior to the Record Date or the Long-Stop Date, whichever is the earlier,	

[18] This number is derived from the "Gross Revenue" of S$113,754,000 set out in the ESR-REIT 1H2020 Financial Statements and adjusted for straight line rent adjustments of S$190,000.

No.	Condition	Status as at date of the Scheme Document
	(in each case, an "**ESR-REIT Material Adverse Effect**"). For the avoidance of doubt, distributions that have already been paid to the Sabana Unitholders or ESR-REIT Unitholders prior to the date of the Implementation Agreement, as well as the Sabana Permitted Distributions and ESR-REIT Permitted Distributions shall not be taken into account in determining if there has been a Sabana Material Adverse Effect or ESR-REIT Material Adverse Effect.	

(b) **Benefit of Conditions**

(i) **ESR-REIT's Benefit**

The ESR-REIT Manager and the ESR-REIT Trustee may waive the conditions precedent in Paragraphs 2.8(a)(vii) (in relation to Prescribed Occurrences relating to the Sabana Group), 2.8(a)(viii) and 2.8(a)(x)(1). Any breach or non-fulfilment of any such conditions precedent may be relied upon only by the ESR-REIT Manager and the ESR-REIT Trustee. The ESR-REIT Manager and the ESR-REIT Trustee may at any time and from time to time at its sole and absolute discretion waive any such breach or non-fulfilment.

(ii) **Sabana REIT's Benefit**

The Sabana Manager and the Sabana Trustee may waive the conditions precedent in Paragraphs 2.8(a)(vii) (in relation to Prescribed Occurrences relating to the ESR-REIT Group), 2.8(a)(ix) and 2.8(a)(x)(2). Any breach or non-fulfilment of any such conditions precedent may be relied upon only by the Sabana Manager and the Sabana Trustee. The Sabana Manager and the Sabana Trustee may at any time and from time to time at their sole and absolute discretion waive any such breach or non-fulfilment.

(iii) **No Waiver**

The Parties agree that the conditions precedent in Paragraphs 2.8(a)(i), 2.8(a)(ii), 2.8(a)(iii), 2.8(a)(iv), 2.8(a)(v) and 2.8(a)(vi) are not capable of being waived by any Party or all Parties.

2.9 Effective Date

The Scheme will become effective upon the written notification to the MAS of the grant of the Scheme Court Order, which shall be effected by or on behalf of the ESR-REIT Manager:

(a) on a date to be mutually agreed in writing between the ESR-REIT Manager and the Sabana Manager, being a date within 25 Business Days from the date that the last of the Conditions set out in Paragraphs 2.8(a)(i), 2.8(a)(ii), 2.8(a)(iii), 2.8(a)(iv) and 2.8(a)(v) is satisfied in accordance with the terms of the Implementation Agreement; and

(b) provided that the rest of the Conditions set out in Paragraphs 2.8(a) are satisfied or waived on the Record Date, as the case may be, in accordance with the terms of the Implementation Agreement.

2.10 Termination of the Scheme

(a) **Right to Terminate**

The Implementation Agreement may be terminated with immediate effect by giving notice in writing at any time on or prior to the Record Date (subject to the prior consultation with the SIC, and the SIC giving its approval for, or stating that it has no objection to, such termination):

(i) **Regulatory Action**. By any Party, if any court of competent jurisdiction or Governmental Authority has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme, the Merger or any part thereof, or has refused to do anything necessary to permit the Scheme, the Merger or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable;

(ii) **Breach or Prescribed Occurrence**. By either:

(1) the ESR-REIT Trustee and the ESR-REIT Manager, if (A) any of the Sabana Trustee or the Sabana Manager is in breach of the representations and warranties of the Sabana Trustee or the Sabana Manager set out in the Implementation Agreement which is material in the context of the Scheme; or (B) a Prescribed Occurrence relating to the Sabana Group has occurred which is material in the context of the Scheme, and such defaulting party fails to remedy such breach (if capable of remedy) within 14 days after being given notice by either of the ESR-REIT Trustee or the ESR-REIT Manager to do so; or

(2) the Sabana Trustee and the Sabana Manager, if (A) any of the ESR-REIT Trustee or the ESR-REIT Manager is in breach of the representations and warranties of the ESR-REIT Trustee or the ESR-REIT Manager set out in the Implementation Agreement which is material in the context of the Scheme; or (B) a Prescribed Occurrence relating to the ESR-REIT Group has occurred which is material in the context of the Scheme, and such defaulting party fails to remedy such breach (if capable of remedy) within 14 days after being given notice by either of the Sabana Trustee or the Sabana Manager to do so;

(iii) **Material Adverse Effect**. By either:

(1) the ESR-REIT Trustee and the ESR-REIT Manager, if there has been an occurrence of a Sabana Material Adverse Effect; or

(2) the Sabana Trustee and the Sabana Manager, if there has been an occurrence of an ESR-REIT Material Adverse Effect;

(iv) **Sabana Unitholders' Approval**. By any Party, if the resolutions in respect of the Sabana Trust Deed Amendments and/or the Scheme are not approved (without amendment) by the requisite majorities of the Sabana Unitholders at the Sabana EGM and/or the Scheme Meeting; or

(v) **ESR-REIT Unitholders' Approval**. By any Party, if the resolutions in respect of the ESR-REIT Unitholders' Approval (as defined in Paragraph 4.3 below) are not

approved (without amendment) by the requisite majorities of the ESR-REIT Unitholders at the meeting to be convened by the ESR-REIT Manager (the "ESR-REIT EGM"); or

(vi) **Sabana Competing Proposal or ESR-REIT Competing Proposal**. By either:

(1) the ESR-REIT Trustee and the ESR-REIT Manager or the Sabana Trustee and the Sabana Manager, if a Sabana Competing Proposal becomes or is declared unconditional in all respects (or its equivalent) or is completed or becomes effective (or the equivalent in respect of any of the foregoing), save in respect of any Sabana Competing Proposal effected with the ESR-REIT Trustee's and the ESR-REIT Manager's prior written consent; or

(2) the Sabana Trustee and the Sabana Manager or the ESR-REIT Trustee and ESR-REIT Manager, if an ESR-REIT Competing Proposal becomes or is declared unconditional in all respects (or its equivalent) or is completed or becomes effective (or the equivalent in respect of any of the foregoing), save in respect of any ESR-REIT Competing Proposal effected with the Sabana Trustee's and the Sabana Manager's prior written consent.

(b) **Non-fulfilment of Conditions**

Notwithstanding anything contained in the Implementation Agreement, the Implementation Agreement shall terminate if any of the Conditions set out in Paragraph 2.8(a) has not been satisfied (or, where applicable, has not been waived) by the Long-Stop Date (being 31 December 2020 or such other date as the Parties may agree in writing), except that:

(i) in the event of any non-fulfilment of the Conditions in Paragraphs 2.8(a)(i), 2.8(a)(ii), 2.8(a)(iii), 2.8(a)(iv) and/or 2.8(a)(v), any Party may only rely on such non-fulfilment of any such condition precedent to terminate the Implementation Agreement;

(ii) in the event of any non-fulfilment of the Conditions in Paragraphs 2.8(a)(vii) (in relation to any Prescribed Occurrences set out in Appendix N to this Scheme Document relating to the Sabana Group), 2.8(a)(viii) and 2.8(a)(x)(1), the ESR-REIT Trustee and the ESR-REIT Manager may rely on such non-fulfilment of any such condition precedent to terminate the Implementation Agreement; and

(iii) in the event of any non-fulfilment of the Conditions in Paragraphs 2.8(a)(vii) (in relation to the Prescribed Occurrences set out in Appendix N to this Scheme Document relating to the ESR-REIT Group), 2.8(a)(ix) and 2.8(a)(x)(2), the Sabana Trustee and the Sabana Manager may rely on such non-fulfilment of any such condition precedent to terminate the Implementation Agreement,

in each case, provided that prior consultation with the SIC has been conducted and the SIC has granted its approval for such termination.

(c) **Consultation with Other Parties**

In the event that any Party intends to consult the SIC in relation to the termination of the Implementation Agreement, it shall give prior written notice of such intention to the other Parties.

(d) **Effect of Termination**

In the event of termination of the Implementation Agreement by any Party pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall

terminate (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law) and none of the Parties shall have any claim against the others under the Implementation Agreement, save for claims in respect of the Break Fee (defined in Paragraph 2.11(a) below) or the Reverse Break Fee (defined in Paragraph 2.11(b) below), as the case may be. Each of the Sabana Trustee and/or the Sabana Manager on one hand or the ESR-REIT Trustee and/or the ESR-REIT Manager on the other agrees that the only remedy it has under the Implementation Agreement for any breach or non-compliance by the Sabana Trustee and/or the Sabana Manager or the ESR-REIT Trustee and/or ESR-REIT Manager (as the case may be) shall be the right to terminate the Implementation Agreement in the manner prescribed in the Implementation Agreement and there shall be no other liability on any Party save for claims in respect of the Break Fee or the Reverse Break Fee.

2.11 Break Fee and Reverse Break Fee

(a) **Break Fee**

Pursuant to the terms of the Implementation Agreement:

(i) subject to Paragraph 2.14(d) below, the Sabana Trustee agrees and undertakes that it shall compensate the ESR-REIT Trustee and/or the ESR-REIT Manager for costs and expenses reasonably incurred by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager in connection with the Merger and/or the Scheme (including without limitation, the fees and disbursements of counsel, auditors and advisers engaged by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager in connection with the Merger and/or the Scheme) (the "**Break Fee**"), if any of the following (the "**Break Fee Events**") occurs:

(1) in the event the ESR-REIT Trustee or the ESR-REIT Manager terminates the Implementation Agreement pursuant to Paragraph 2.10(a)(ii)(1) above; and/or

(2) in the event a Sabana Competing Proposal becomes or is declared unconditional in all respects or is completed or becomes effective (or the equivalent in respect of any of the foregoing),

provided that the Break Fee shall be subject to a maximum amount of 1% of the value of the aggregate Scheme Consideration (which, for purposes of determining the Break Fee, shall be calculated based on the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date of the relevant Break Fee Event multiplied by the number of ESR-REIT Units that would have otherwise been issued pursuant to the Scheme (assuming the Scheme became effective and the Books Closure Date falls on the date of the relevant Break Fee Event))[19]; and

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[19] For illustrative purposes, if a Break Fee Event is triggered on the Latest Practicable Date, the maximum amount of Break Fee payable will be S$3.7 million, being 1% of the value of the aggregate Scheme Consideration calculated based on the VWAP of the ESR-REIT Units for the one (1) month period ending on and including 2 November 2020, being the last trading day prior to the date of which the Break Fee Event was triggered, multiplied by the number of ESR-REIT Units that would have otherwise been issued pursuant to the Scheme (assuming the Scheme became effective and the Books Closure Date falls on the date of the relevant Break Fee Event.

Sabana REIT has sufficient financial resources and an undrawn loan facility to pay the Break Fee and each of the Sabana Manager and the Sabana Financial Advisers has issued a written confirmation to the SIC to confirm that the Sabana Trustee will have the financial resources to pay the Break Fee. Based on the latest unaudited consolidated financial statements of the Sabana Group for 1H2020, Sabana REIT has approximately S$7.6 million of cash and cash equivalent.

(ii) the obligation to pay the Break Fee as described in this Paragraph 2.11(a) shall survive termination of the Implementation Agreement and remain in effect until all liabilities of the Sabana Trustee described in this Paragraph 2.11(a), if any, have been satisfied.

(b) **Reverse Break Fee**

Pursuant to the terms of the Implementation Agreement:

(i) the ESR-REIT Trustee agrees and undertakes that it shall compensate the Sabana Trustee and/or the Sabana Manager for costs and expenses reasonably incurred by or on behalf of the Sabana Trustee and/or the Sabana Manager in connection with the Merger and/or the Scheme (including without limitation, the fees and disbursements of counsel, auditors and advisers engaged by or on behalf of the Sabana Trustee and/or the Sabana Manager in connection with the Merger and/or the Scheme) (the "**Reverse Break Fee**"), if any of the following (the "**Reverse Break Fee Events**") occurs:

(1) in the event the Sabana Trustee or the Sabana Manager terminates the Implementation Agreement pursuant to Paragraph 2.10(a)(ii)(2) above; and/or

(2) in the event an ESR-REIT Competing Proposal becomes or is declared unconditional in all respects or is completed or becomes effective (or the equivalent in respect of any of the foregoing),

provided that the Reverse Break Fee shall be subject to a maximum amount of 1% of the value of the aggregate Scheme Consideration (which, for purposes of determining the Reverse Break Fee, shall be calculated based on the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date of the relevant Reverse Break Fee Event multiplied by the number of ESR-REIT Units that would have otherwise been issued pursuant to the Scheme (assuming the Scheme became effective and the Books Closure Date falls on the date of the relevant Reverse Break Fee Event)); and

(ii) the obligation to pay the Reverse Break Fee as described in this Paragraph 2.11(b) shall survive termination of the Implementation Agreement and remain in effect until all liabilities of the ESR-REIT Trustee described in this Paragraph 2.11(b), if any, have been satisfied.

2.12 Conduct of Business

(a) Each Party has agreed not to, during the period from the date of the Implementation Agreement to the Effective Date, without the prior written consent of the other Parties (as relevant), take or omit to take any action which is reasonably within its power or control that will result in the occurrence of a Prescribed Occurrence (as set out in Appendix N), other than in accordance with the Implementation Agreement.

(b) Each Party has also agreed that, during the period from the date of the Implementation Agreement to the Effective Date, save insofar as agreed in writing by the other Parties (as relevant), it will and will procure that its relevant subsidiaries (i) carry on their respective businesses only in the usual, regular and ordinary course in the same manner as previously conducted and in compliance in all respects with all applicable laws and regulations; and (ii) take or omit to take certain actions relating to the conduct of business as specified in the Implementation Agreement.

2.13 Exclusivity

During the period from the date of the Implementation Agreement to the Effective Date (which is the date on which the Scheme becomes effective in accordance with its terms and, based on the Expected Timetable as set out in this Scheme Document, is expected to fall on 31 December 2020) or (if earlier) the date of the termination of the Implementation Agreement, save and except for any fiduciary duties and/or statutory and/or legal obligations that the directors of the Sabana Manager may be subject to under all applicable laws and regulations (including but not limited to their obligations under the Code), each of them will, subject to applicable laws and regulations:

(a) not, and not authorise or cause any of its respective employees, officers, advisers to, on behalf of Sabana REIT, whether directly or indirectly, (A) solicit any approach, expression of interest, offer or proposal from, (B) enter into any discussions or negotiations with, (C) enter into any agreement, arrangement or understanding with, or (D) announce or communicate any intention to do any of the foregoing, to or with any other person in connection with any initial, further or continuing approach, expression of interest, offer or proposal to or by or on behalf of such other person involving a transaction taking place with the intention to do any of the things as follows:

(i) preclude or frustrate or prejudice the Merger or the Scheme;

(ii) (whether directly or indirectly) acquire or become the holder (whether by share purchase, scheme, capital reconstruction, purchase of assets, tender offer or otherwise) of, or otherwise have an economic interest in:

(1) all or any part of the businesses, undertakings and/or real estate assets of Sabana REIT (other than the lease of real estate assets of the Sabana Group in the ordinary and usual course of business, in respect of which the restrictions in this Paragraph 2.13 shall not apply); or

(2) any part of the unit capital of Sabana REIT;

(iii) acquire control of Sabana REIT; or

(iv) otherwise acquire or merge with Sabana REIT (whether by way of joint venture, dual listed vehicle structure or otherwise); and

(b) notify the ESR-REIT Manager of the details of any approach or solicitation, by any third party made in writing to either the Sabana Manager or Sabana REIT, with a view to the making of an approach, expression of interest, offer or proposal referred to in Paragraph 2.13(a) above, upon becoming aware of the relevant matter, provided that such notification is made in brief, on a no-names basis and not in breach of Sabana REIT or the Sabana Manager's confidentiality obligations to any party.

For the avoidance of doubt, nothing in Paragraph 2.13(a) shall apply to:

(i) the making of normal presentations by and on behalf of any member of the Sabana Group, to brokers, portfolio investors and analysts in the ordinary and usual course in relation to its business generally;

(ii) the provision of information by or on behalf of Sabana REIT to the SGX-ST or to any Governmental Authority or as otherwise may be required under the Listing Manual or the Code or any applicable laws or regulations; or

(iii) prohibit or restrict Sabana REIT from receiving any unsolicited or uninitiated approach, expression of interest, offer or proposal referred to in Paragraph 2.13(a) above.

In the event that an unsolicited or uninitiated approach, expression of interest, offer or proposal referred to in Paragraph 2.13(a) above is received by the Sabana Manager, the Sabana Manager shall be entitled, only to the extent necessary to enable the directors of the Sabana Manager to discharge their fiduciary duties and statutory, regulatory and/or legal obligations, to:

(1) announce such expression of interest, offer or proposal so far as such announcement is required under the Listing Manual or the requirements of the SGX-ST or the Code or any applicable laws or regulations (subject to compliance with the Implementation Agreement);

(2) review and evaluate such expression of interest, offer or proposal;

(3) make any recommendation to the Sabana Unitholders as may be required under the Listing Manual or the Code or any applicable laws or regulations in respect of such expression of interest, offer or proposal; and

(4) generally perform all such other acts as may be necessary for the directors of the Sabana Manager to comply with and discharge their fiduciary duties and/or statutory, regulatory and/or legal obligations that they may be subject to under all applicable laws and regulations (including but not limited to their obligations under the Code).

2.14 Switch Option

Pursuant to the terms of the Implementation Agreement and subject to prior consultation with the SIC:

(a) if a Sabana Competing Proposal or an intention to make a Sabana Competing Proposal is announced, the ESR-REIT Trustee and the ESR-REIT Manager have the option to elect to proceed by way of a voluntary conditional offer for the Sabana Units (the "**Offer**") (instead of proceeding with the Merger by way of the Scheme) (the "**Switch Option**"), unless the ESR-REIT Trustee and the ESR-REIT Manager have consented to such Sabana Competing Proposal;

(b) if the ESR-REIT Trustee and the ESR-REIT Manager become entitled to and elect to exercise the Switch Option, they will be required to make the Offer on the same or better terms as those which apply to the Scheme or the Sabana Competing Proposal (whichever is higher), including the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances set at only more than 50 per cent. of the Sabana Units to which the Offer relates and not conditional on a higher level of acceptances;

(c) in determining the Scheme Consideration for purposes of the Switch Option, this will be the implied dollar value of the Consideration Units, based on the fixed number of Consideration Units issued for each Sabana Unit and the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date on which the Switch Option is exercised; and

(d) if the Switch Option is exercised, the Implementation Agreement (save for certain surviving provisions) shall terminate with effect from the date of announcement by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager of a firm intention to make the Offer, and none of the Parties shall have any claim against the others under the Implementation Agreement, including any claim in respect of the Break Fee (as defined in Paragraph 2.11(a) above).

The Switch Option is intended to provide a mechanism for the ESR-REIT Trustee and the ESR-REIT Manager to respond to a Sabana Competing Proposal. There should be no prejudice to the Sabana Unitholders if the ESR-REIT Trustee is permitted to make the Offer on the same or better terms as those which apply to the Scheme or the Sabana Competing Proposal (whichever is the higher), as the Sabana Unitholders will still have the option to tender their Sabana Units in acceptance of the Offer at the same or higher consideration as the Scheme Consideration, subject to the default minimum acceptance condition of more than 50 per cent. of the Sabana Units provided for under the Code.

2.15 Obligations in relation to Implementation

Pursuant to the terms of the Implementation Agreement, each of the ESR-REIT Manager and the Sabana Manager must execute all documents and do all acts and things necessary for the implementation of the Scheme, as expeditiously as reasonably practicable, including the specific obligations set out in the Implementation Agreement.

2.16 Waiver of Rights to a General Offer

In accordance with the SIC's rulings as set out in Paragraph 4.2 below, Sabana Unitholders should note that by voting in favour of the Scheme Resolution, Sabana Unitholders will be regarded as having waived their rights to a general offer by the ESR-REIT Concert Party Group to acquire the Sabana Units under the Code and are agreeing to the ESR-REIT Concert Party Group acquiring or consolidating effective control of Sabana REIT by way of the Scheme without having to make a general offer.

3. THE SABANA TRUST DEED AMENDMENTS

Pursuant to the Sabana Trust Deed, the Sabana Manager is seeking the approval of Sabana Unitholders by way of an Extraordinary Resolution at the Extraordinary General Meeting for the Sabana Trust Deed Amendments.

The Sabana Trust Deed Amendments will introduce provisions to facilitate the implementation of the Scheme. Pursuant to the Sabana Trust Deed Amendments, details of which are as follows:

(a) Sabana Unitholders, the Sabana Trustee and the Sabana Manager shall do all things and execute all deeds, instruments, transfers or other documents as the Sabana Trustee and/or the Sabana Manager consider necessary or desirable to execute, implement and/or to give full effect to the terms of the Scheme and the transactions contemplated by it;

(b) a Sabana Unitholder entitled to attend and vote at the Scheme Meeting is, unless the Court orders otherwise, entitled to appoint only one proxy to attend and vote at the Scheme Meeting;

(c) each of the Sabana Trustee and/or the Sabana Manager shall have the power to do all things which it considers necessary, desirable or reasonably incidental to execute, implement and/or to give effect to the Scheme and the transactions contemplated by it; and

(d) the Scheme, if the Scheme Resolution is approved at the Scheme Meeting and upon granting of the Scheme Court Order, shall come into effect on the Effective Date and shall be binding on the Sabana Trustee, the Sabana Manager and all Sabana Unitholders.

Please refer to Appendix G to this Scheme Document which sets out the Sabana Trust Deed Amendments.

For the avoidance of doubt, the Scheme Meeting will only be convened if the Sabana Trust Deed Amendments Resolution is passed at the Extraordinary General Meeting.

4. APPROVALS REQUIRED IN RESPECT OF THE SCHEME

4.1 Extraordinary General Meeting, Scheme Meeting and Court Sanction

The Scheme will require, *inter alia*, the following approvals:

(a) the approval of Sabana Unitholders by way of an Extraordinary Resolution (75.0% or more of the total number of votes cast for and against the resolution) at the Extraordinary General Meeting for the Sabana Trust Deed Amendments Resolution;

(b) the approval of a majority in number of Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting for the Scheme Resolution; and

(c) the Scheme Court Order being obtained.

The Scheme Resolution is contingent upon the approval of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting. In the event that the Sabana Trust Deed Amendments Resolution is not passed at the Extraordinary General Meeting, the Sabana Manager will not proceed with the Scheme Meeting. This means that the Scheme cannot be implemented by the ESR-REIT Manager and the Sabana Manager unless both the Sabana Trust Deed Amendments Resolution and the Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

For the avoidance of doubt, the Sabana Trust Deed Amendments Resolution is not conditional on the Scheme Resolution being passed. In the event the Sabana Trust Deed Amendments Resolution is approved at the Extraordinary General Meeting, the Sabana Trust Deed will be amended to include the Sabana Trust Deed Amendments, whether or not the Scheme Resolution is passed.

In addition, the Scheme will only come into effect if all the other Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

When the Scheme, with or without modification, becomes effective, it will be binding on all Sabana Unitholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

4.2 SIC Rulings and Confirmations

Pursuant to the application made by the ESR-REIT Manager to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the Scheme, the SIC has confirmed, *inter alia*, that:

(a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to, *inter alia*, the following conditions:

(i) the ESR-REIT Manager, its concert parties as well as the common substantial ESR-REIT Unitholders/Sabana Unitholders (i.e. those holding 5% or more interests in both ESR-REIT and Sabana REIT) abstain from voting on the Scheme;

(ii) Sabana REIT appoints an independent financial adviser to advise the Sabana Unitholders on the Scheme;

(iii) the Scheme is approved by a majority in number representing three-fourths in value of the Sabana Units held by the Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting;

(iv) the Sabana Manager obtains the Scheme Court Order; and

(v) it has no objections to the Conditions.

4.3 ESR-REIT Unitholders' Approval

The ESR-REIT EGM will also be convened to seek the approval of ESR-REIT Unitholders for: (a) the Merger; and (b) the issue of the Consideration Units as consideration for the Merger (the "**ESR-REIT Unitholders' Approval**").

For further information on the approvals required from ESR-REIT Unitholders and the Merger from the perspective of ESR-REIT, please refer to the ESR-REIT Circular dated 12 November 2020, a copy of which is available on the website of SGX-ST at www.sgx.com.

5. DELISTING

Upon the Scheme becoming effective in accordance with its terms:

(a) all Entitled Sabana Unitholders will receive Consideration Units of **0.940** new ESR-REIT Units for each Sabana Unit;

(b) Sabana REIT will be wholly-owned by the ESR-REIT Trustee; and

(c) Sabana REIT will, following settlement of the Scheme Consideration and subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application will be made to seek approval from the SGX-ST to delist and remove Sabana REIT from the Official List of the SGX-ST upon the Scheme becoming effective in accordance with its terms.

SABANA UNITHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME RESOLUTION, SABANA REIT WILL, SUBJECT TO THE APPROVAL OF THE SGX-ST, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.

6. FEES

6.1 Sabana REIT

No fee is payable to the Sabana Manager in connection with the Merger and the Scheme.

6.2 ESR-REIT

The Acquisition Fee payable to the ESR-REIT Manager for the Merger is estimated to be approximately S$8.3 million, based on the Reference Price. Approximately 20.7 million ESR-REIT Units will be allotted and issued to the ESR-REIT Manager in payment of the Acquisition Fee at the Reference Price of S$0.401 per ESR-REIT Unit. Please refer to Schedule 2 to the Offeror's Letter at Appendix D to this Scheme Document for further details with respect to the fees payable to the ESR-REIT Manager.

7. EXTRAORDINARY GENERAL MEETING

7.1 Extraordinary General Meeting

As mentioned in Paragraph 4 above, the Extraordinary General Meeting will be convened to seek the approval of Sabana Unitholders for the Sabana Trust Deed Amendments Resolution by way of an Extraordinary Resolution.

7.2 Convening of Extraordinary General Meeting

The Extraordinary General Meeting will be convened and held on 4 December 2020 at 2.00 p.m., for the purpose of considering, and if thought fit, passing with or without modifications, the Sabana Trust Deed Amendments Resolution by way of an Extraordinary Resolution.

7.3 Notice

The notice of the Extraordinary General Meeting is set out in the "Notice of Extraordinary General Meeting" section to this Scheme Document. You are requested to take note of the date, time and place of the Extraordinary General Meeting.

8. SCHEME MEETING

8.1 Scheme Meeting

As mentioned in Paragraph 4 above, the Scheme will require, *inter alia*, the following approvals:

(a) the approval of Sabana Unitholders by way of Extraordinary Resolution at the Extraordinary General Meeting for the Sabana Trust Deed Amendments Resolution; and

(b) the approval of a majority in number of Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting for the Scheme Resolution.

The Scheme Resolution is contingent upon the approval of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting. In the event that the Sabana Trust Deed Amendments Resolution is not passed at the Extraordinary General Meeting, the Sabana Manager will not proceed with the Scheme Meeting. This means that the Scheme cannot be implemented by the Sabana Manager and the ESR-REIT Manager unless both the Sabana Trust Deed Amendments Resolution and the Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

For the avoidance of doubt, the Sabana Trust Deed Amendments Resolution is not conditional on the Scheme Resolution being passed. In the event that the Sabana Trust Deed Amendments Resolution is approved at the Extraordinary General Meeting, the Sabana Trust Deed will be amended to reflect the Sabana Trust Deed Amendments, whether or not the Scheme Resolution is passed.

In addition, the Scheme will only come into effect if all the Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

When the Scheme, with or without modifications, becomes effective, it will be binding on all Sabana Unitholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

8.2 Convening of the Scheme Meeting

Pursuant to an application by the Sabana Manager and Sabana Trustee made under Order 80 of the Rules of Court, and the Scheme Meeting Court Order, the Court has ordered, amongst other things, that:

(a) the Sabana Manager and the Sabana Trustee shall be at and are hereby granted liberty to convene the Scheme Meeting within three months of the date of the Scheme Meeting Court Order, for the purpose of considering, and if thought fit, approving (with or without modification) the Scheme;

(b) the Scheme Meeting shall be convened in the manner set out in Appendix O to this Scheme Document;

(c) in the event the Scheme is approved by a majority in number of Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by such Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting, the Sabana Manager and the Sabana Trustee shall be at liberty to apply for the Court's approval of the Scheme under Order 80 of the Rules of Court, with such modifications as are approved at the Scheme Meeting (if any); and

(d) each of the Sabana Manager and the Sabana Trustee and any Sabana Unitholder shall have liberty to apply for such further or other directions as may be necessary or desirable.

8.3 Notice

The notice of the Scheme Meeting is set out in the "Notice of Scheme Meeting" section to this Scheme Document. You are requested to take note of the date, time and place of the Scheme Meeting.

9. IMPLEMENTATION OF THE SCHEME

9.1 Application to Court for Sanction

Upon receipt of the approval by the requisite majority of Sabana Unitholders (as stated in Paragraph 4.1(b) above) at the Scheme Meeting, an application will be made to the Court by the Sabana Manager for the Scheme Court Order.

9.2 Procedure for Implementation

If the requisite majority of Sabana Unitholders approve the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting and the Scheme Resolution at the Scheme Meeting, and the Court sanctions the Scheme by granting the Scheme Court Order, the ESR-REIT Manager and the Sabana Manager will (subject to the Conditions having been satisfied or, as the case may be, waived in accordance with the Implementation Agreement) take the necessary steps to render the Scheme effective and binding, and the following will be implemented:

(a) the Sabana Units will be transferred to the ESR-REIT Trustee as follows:

(i) in the case of Entitled Sabana Unitholders (not being depositors), the Sabana Manager shall authorise any person to execute or effect on behalf of all such Entitled Sabana Unitholders an instrument or instruction of transfer of all the Sabana Units held by such Entitled Sabana Unitholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Sabana Unitholder; and

(ii) in the case of the Entitled Sabana Unitholders (being depositors), the Sabana Manager shall instruct CDP, for and on behalf of such Entitled Sabana Unitholders, to debit, not later than seven Business Days after the Effective Date, all of the Sabana Units standing to the credit of the Securities Accounts of such Entitled Sabana Unitholders and credit all of such Sabana Units to the Securities Accounts of the ESR-REIT Trustee;

(b) from the Effective Date, all existing confirmation notes relating to the Sabana Units held by the Entitled Sabana Unitholders (not being depositors) will cease to be evidence of title of the Sabana Units represented thereby;

(c) the Entitled Sabana Unitholders (not being depositors) are required to forward their existing confirmation notes relating to their Sabana Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven Business Days after the Effective Date for cancellation; and

(d) the ESR-REIT Trustee and the ESR-REIT Manager shall, not later than seven Business Days after the Effective Date, and against the transfer of the Sabana Units set out in Paragraph 9.2 above, make payment of the Scheme Consideration to the Entitled Sabana Unitholders in the manner set out in Paragraph 9.3 below.

9.3 The Scheme Consideration

The Consideration Units

(a) The ESR-REIT Trustee shall, not later than seven Business Days after the Effective Date, and against the transfer of the Sabana Units set out in Paragraph 9.2(a) above:

(i) **Entitled Sabana Unitholders whose Sabana Units are deposited with CDP**

deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Sabana Unitholder (being a depositor) by sending the same to CDP. CDP shall send to such Entitled Sabana Unitholder a statement showing the number of Consideration Units credited to his Securities Account, by ordinary post at his address (such address as appearing in the Depository Register on the date

that such statement is generated) at the sole risk of such Entitled Sabana Unitholder, or in the case of joint Entitled Sabana Unitholders, to the first named Entitled Sabana Unitholder by ordinary post at his address as appearing in the Depository Register on the date that such statement is generated, at the sole risk of such joint Entitled Sabana Unitholders; and

(ii) **Entitled Sabana Unitholders whose Sabana Units are not deposited with CDP**

deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Sabana Unitholder (not being a depositor) by sending to such Entitled Sabana Unitholder the same by ordinary post at his address as appearing in the Register of Sabana Unitholders at the close of business on the Books Closure Date at the sole risk of such Entitled Sabana Unitholder, or in the case of joint Entitled Sabana Unitholders, to the first named Entitled Sabana Unitholder by ordinary post at his address as appearing in the Register of Sabana Unitholders at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Sabana Unitholders.

(iii) All mandates or other instructions given by any Entitled Sabana Unitholder relating to the payment of distributions by Sabana REIT or relating to notices, annual report or other communications in force on the Record Date shall, unless and until specifically revoked in writing, be deemed on and from the Effective Date to be an effective mandate or, as the case may be, an effective instruction in respect of his corresponding holding of Consideration Units.

(b) The delivery of confirmation notes by the ESR-REIT Trustee to each Entitled Sabana Unitholder's address and/or CDP (as the case may be) in accordance with this Paragraph 9.3 shall be deemed as a good discharge to ESR-REIT, the ESR-REIT Manager, the ESR-REIT Trustee and CDP of the Consideration Units represented thereby.

(c) From the Effective Date, each existing confirmation note representing a former holding of Sabana Units by Entitled Sabana Unitholders (not being depositors) will cease to be evidence of title of the Sabana Units represented thereby. The Entitled Sabana Unitholders (not being depositors) shall forward their existing confirmation notes relating to their Sabana Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven Business Days after the Effective Date for cancellation.

10. VALUATION OF PROPERTIES

10.1 Sabana Properties

The Sabana Manager and the Sabana Trustee have commissioned Cushman & Wakefield VHS Pte. Ltd., Savills Valuation and Professional Services (S) Pte Ltd and SRE Global Pte Ltd (the "**Sabana Independent Valuers (Sabana Portfolio)**") to conduct a desktop independent valuation of Sabana REIT's properties, as at 30 June 2020 for the purposes of the Sabana 1H2020 Financial Statements and not specifically for the purposes of the Merger. The valuation was undertaken as part of Sabana REIT's half-yearly valuation exercise for corporate reporting purposes. For the avoidance of doubt, the basis of which the fair market value of Sabana REIT's properties is determined as well as the fair market value adopted by the Sabana Independent Valuers (Sabana Portfolio) will be the same even if the valuation had been specifically conducted for purposes of the Merger. As stated by the

Sabana Independent Valuers (Sabana Portfolio) in the valuation certificates on the valuation of Sabana REIT's properties as at 30 June 2020 (the "**Sabana Independent Valuation Certificates (Sabana Portfolio)**")[20], the aggregate open market value of Sabana REIT's properties as at 30 June 2020 is S$836.9 million. The details of the valuation are as follows:

Description of Sabana Properties	Valuation by Sabana Independent Valuers (Sabana Portfolio) as at 30 June 2020 (S$ million)(1)
151 Lorong Chuan New Tech Park Singapore 556741	323.4
15 Jalan Kilang Barat Frontech Centre Singapore 159357	22.0
23 Serangoon North Ave 5 BTC Centre Singapore 554530	31.0
33 & 35 Penjuru Lane Freight Links Express Logisticpark Singapore 609200/609202	43.2
18 Gul Drive Singapore 629468	20.0
34 Penjuru Lane Penjuru Logistics Hub Singapore 609201	33.7
26 Loyang Drive Singapore 508970	24.7
8 Commonwealth Lane Singapore 149555	54.0
508 Chai Chee Lane Singapore 469032	63.8
51 Penjuru Road Freight Links Express Logisticentre Singapore 609143	35.6
3A Joo Koon Circle Singapore 629033	34.7
2 Toh Tuck Link Singapore 596225	30.0
10 Changi South Street 2 Singapore 486596	36.0
123 Genting Lane Yenom Industrial Building Singapore 349574	16.8

[20] Due to the uncertainties arising from the current COVID-19 situation and the unknown future impact which COVID-19 may have on the real estate market, less certainty and a higher degree of caution should be attached to the valuation than would normally be the case. Please refer to Appendix J to this Scheme Document for copies of the Sabana Independent Valuation Certificates (Sabana Portfolio) which provide the key assumptions for the valuation of the portfolio.

Description of Sabana Properties	Valuation by Sabana Independent Valuers (Sabana Portfolio) as at 30 June 2020 (S$ million)(1)
30 & 32 Tuas Ave 8 Singapore 639246/639247	24.4
39 Ubi Road 1 Singapore 408695	20.4
21 Joo Koon Crescent Singapore 629026	14.7
1 Tuas Ave 4 Singapore 639382	8.5
Total	**836.9**

Note:

(1) Rounded to the nearest one decimal place.

Please refer to Appendix J to this Scheme Document for a copy of the Sabana Independent Valuation Certificates (Sabana Portfolio).

The valuations of these properties were based on discounted cash flow analysis, the income capitalisation approach and the comparison method.

10.2 ESR-REIT Properties

The Sabana Manager and the Sabana Trustee have commissioned Colliers International Consultancy & Valuation (S) Pte Ltd and Cushman & Wakefield VHS Pte. Ltd. (the "**Sabana Independent Valuers (ESR-REIT Portfolio)**") to conduct a full independent valuation of ESR-REIT's properties, as at 30 June 2020 for the purposes of the Merger. As stated by the Sabana Independent Valuers (ESR-REIT Portfolio) in the valuation certificates on the valuation of ESR-REIT's properties as at 30 June 2020 (the "**Sabana Independent Valuation Certificates (ESR-REIT Portfolio)**")[21], the aggregate open market value of ESR-REIT's properties as at 30 June 2020 is S$3,109.5 million.[22] The details of the valuation are as follows:

Description of ESR-REIT Properties	Valuation by Sabana Independent Valuers (ESR-REIT Portfolio) as at 30 June 2020 (S$ million)(1)
11 Chang Charn Road Singapore 159640	29.2
1/2 Changi North Street 2 Singapore 498808/498775	22.5
31 Changi South Avenue 2 Singapore 486478	12.5

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[21] Due to the uncertainties arising from the current COVID-19 situation and the unknown future impact which COVID-19 may have on the real estate market, less certainty and a higher degree of caution should be attached to the valuation than would normally be the case. Please refer to the reports issued by the Sabana Independent Valuers (ESR-REIT Portfolio) on the valuation of ESR-REIT's properties as at 30 June 2020 which provide the key assumptions for the valuation of the portfolio.

[22] Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

Description of ESR-REIT Properties	Valuation by Sabana Independent Valuers (ESR-REIT Portfolio) as at 30 June 2020 (S$ million)[1]
25 Changi South Avenue 2 Singapore 486594	12.5
4/6 Clementi Loop Singapore 129810/129814	39.4
15 Greenwich Drive Singapore 534022	95.6
16 International Business Park Singapore 609929	30.6
86/88 International Road Singapore 629176/629177	41.3
2 Jalan Kilang Barat Singapore 159346	29.0
13 Jalan Terusan Singapore 619293	22.0
24 Jurong Port Road Singapore 619097	79.3
30 Marsiling Industrial Estate Road 8 Singapore 739193	47.3
25 Pioneer Crescent Singapore 628554	16.2
120 Pioneer Road Singapore 639597	36.0
3 Pioneer Sector 3 Singapore 628342	95.1
54 Serangoon North Avenue 4 Singapore 555854	22.7
11 Serangoon North Avenue 5 Singapore 554809	19.9
16 Tai Seng Street Singapore 534138	59.0
30 Teban Gardens Crescent Singapore 608927	31.0
30 Toh Guan Road Singapore 608840	58.3
3C Toh Guan Road East Singapore 608832	30.0
2 Tuas South Avenue 2 Singapore 637601	35.0
3 Tuas South Avenue 4 Singapore 637610	43.0
8 Tuas South Lane Singapore 637302	104.6

Description of ESR-REIT Properties	Valuation by Sabana Independent Valuers (ESR-REIT Portfolio) as at 30 June 2020 (S$ million)[1]
43 Tuas View Circuit Singapore 637360	18.2
28 Woodlands Loop Singapore 738308	17.4
11 Woodlands Walk Singapore 738265	16.8
511/513 Yishun Industrial Park A Singapore 768768/768736	25.7
7000 Ang Mo Kio Avenue 5 Singapore 569877	305.4
12 Ang Mo Kio Street 65 Singapore 569060	38.2
750–750E Chai Chee Road Singapore 469000-469005	288.7
2,4,6 & 8 Changi Business Park (UE Bizhub East) Singapore 486015/486016, 486017/486018	530.4
45 Changi South Avenue 2 Singapore 486133	11.0
6 Chin Bee Avenue Singapore 619930	94.5
22 Chin Bee Drive Singapore 619870	14.6
160A Gul Circle Singapore 629618	15.3
5/7 Gul Street 1 Singapore 629318/629320	13.6
128 Joo Seng Road Singapore 368356	12.2
130 Joo Seng Road Singapore 368357	15.7
136 Joo Seng Road Singapore 368360	11.9
160 Kallang Way Singapore 349246	25.0
11 Lorong 3 Toa Payoh (Jackson Square) Singapore 319579	53.2
30 Pioneer Road Singapore 628502	48.0
70 Seletar Aerospace View Singapore 797564	9.6

Description of ESR-REIT Properties	Valuation by Sabana Independent Valuers (ESR-REIT Portfolio) as at 30 June 2020 (S$ million)[(1)]
28 Senoko Drive Singapore 758214	14.2
21B Senoko Loop Singapore 758171	26.9
19 Tai Seng Avenue Singapore 534054	45.8
29 Tai Seng Street Singapore 534120	34.5
1 Third Lok Yang Rd & 4 Fourth Lok Yang Rd Singapore 627996/629701	10.8
31 Tuas Avenue 11 Singapore 639105	12.1
81 Tuas Bay Drive Singapore 637308	28.1
60 Tuas South Street 1 Singapore 639925	4.4
79 Tuas South Street 5 Singapore 637604	10.8
9 Tuas View Crescent Singapore 637612	10.0
11 Ubi Road 1 Singapore 408723	83.0
21/23 Ubi Road 1 Singapore 408724/408725	36.5
48 Pandan Road Singapore 609289	215.0
Total	**3,109.5**

Note:

(1) Rounded to the nearest one decimal place.

Please refer to Appendix K to this Scheme Document for a copy of the Sabana Independent Valuation Certificates (ESR-REIT Portfolio).

The valuations of these properties were based on discounted cash flow analysis, the income capitalisation approach and the comparison method.

10.3 Potential Tax Liability

Under Rule 26.3 of the Code, the Sabana Manager is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of valuation.

Sabana REIT is a long-term investor in its properties. Accordingly, the Sabana Manager is of the view that the Sabana Properties have been acquired for long-term investment purposes and any gain on any hypothetical disposal of the Sabana Properties will not be subject to tax. The potential tax liabilities that may be incurred by Sabana REIT on the hypothetical sale of Sabana Properties on an "as is" basis is therefore zero.

11. ACTION TO BE TAKEN BY SABANA UNITHOLDERS

11.1 Alternative Arrangements due to COVID-19

Due to the current COVID-19 situation, Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries will not be able to physically attend the Extraordinary General Meeting and Scheme Meeting in person. Instead, alternative arrangements relating to attendance at the Extraordinary General Meeting and the Scheme Meeting (pursuant to the Scheme Meeting Court Order) via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Extraordinary General Meeting and/or the Chairman of the Scheme Meeting in advance of and by no later than 72 hours before the Scheme Meeting, addressing of such substantial and relevant questions and voting by appointing the Chairman of the Extraordinary General Meeting and/or the Chairman of the Scheme Meeting as proxy at the Extraordinary General Meeting and Scheme Meeting (as the case may be), are set out below and in the Notice of Extraordinary General Meeting and Notice of Scheme Meeting.

11.2 Information Relating to Sabana Unitholders

A Sabana Unitholder who has Sabana Units entered against his/her name in (a) the Register of Sabana Unitholders; or (b) the Depository Register as at the cut-off time being 72 hours prior to the time of the Extraordinary General Meeting and the time of the Scheme Meeting, as the case may be (being the time at which the name of the Sabana Unitholder must appear in the Register of Sabana Unitholders or the Depository Register, in order for him/her to be considered to have Sabana Units entered against his/her name in the said Registers), shall be entitled to attend (via electronic means), submit questions in advance and by no later than 72 hours before the Scheme Meeting, and vote by proxy at the Extraordinary General Meeting and the Scheme Meeting respectively.

Sabana Unitholders will be able to observe and/or listen to the Extraordinary General Meeting and Scheme Meeting proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers. In order to do so, Sabana Unitholders must pre-register at Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** from **12 November 2020** to **1 December 2020, 2.30 p.m.** to enable the Sabana Manager to verify their status as Sabana Unitholders.

Sabana Unitholders are encouraged to raise their questions (if any) as early as possible in advance of the Extraordinary General Meeting and the Scheme Meeting, as they will not be able to raise questions live at the Extraordinary General Meeting and the Scheme Meeting. All Sabana Unitholders may submit questions related to the resolutions to be tabled for approval at the Extraordinary General Meeting and/or the Scheme Meeting to the Chairman of the Extraordinary General Meeting and/or the Chairman of the Scheme Meeting respectively in the following manner by **2.30 p.m.** on **1 December 2020**:

(a) if submitted electronically, be submitted via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm**; or

(b) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

In view of the COVID-19 situation, all Sabana Unitholders who wish to exercise his/her vote are requested to complete the enclosed Proxy Form A (EGM) and/or Proxy Form B (Scheme Meeting) in accordance with the instructions printed thereon and submit them to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

(a) if submitted electronically, be submitted via email to **sabana-meetings@boardroomlimited.com**; or

(b) if submitted by post, be lodged at the office of the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623,

in either case, not less than 72 hours before the time appointed for each of the Extraordinary General Meeting and/or the Scheme Meeting.

All Sabana Unitholders who wish to exercise his/her/its vote must appoint the Chairman of the Extraordinary General Meeting or Scheme Meeting (as the case may be) as proxy to vote on his/her behalf. In appointing the Chairman of the Extraordinary General Meeting or the Scheme Meeting (as the case may be) as proxy, a Sabana Unitholder should give specific instructions in the respective proxy form as to the manner in which his/her vote is to be cast for the respective resolutions. In relation to the Scheme Meeting, a Sabana Unitholder may only cast all the votes he/she/it uses at the Scheme Meeting in one way. Please refer to the Notice of Extraordinary General Meeting and the Notice of Scheme Meeting for details on the measures which will be taken to minimise the risk of the COVID-19 situation.

11.3 Information Relating to Persons Who Hold Sabana Units Through Relevant Intermediaries

A person (including a CPFIS Investor and SRS Investor) who holds Sabana Units through a relevant intermediary shall be entitled to attend (via electronic means) the Extraordinary General Meeting and/or the Scheme Meeting and submit questions in advance and by no later than 72 hours before the Scheme Meeting.

Persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries will be able to observe and/or listen to the Extraordinary General Meeting and Scheme Meeting proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers. In order to do so, such persons must pre-register at Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** from **12 November 2020 to 1 December 2020, 2.30 p.m.** to enable the Sabana Manager to verify their status as persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries.

Persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries are encouraged to raise their questions (if any) as early as possible in advance of the Extraordinary General Meeting and the Scheme Meeting, as they will not be able to raise questions live at the Extraordinary General Meeting and the Scheme Meeting. All persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries may submit questions related to the resolutions to be tabled for approval at the Extraordinary General Meeting and/or the Scheme Meeting to the Chairman of the Extraordinary General Meeting and/or the Chairman of the Scheme Meeting respectively in the following manner by **2.30 p.m.** on **1 December 2020**:

(a) if submitted electronically, be submitted via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm**; or

(b) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

Persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries who wish to vote at the Extraordinary General Meeting and/or the Scheme Meeting should not use the Proxy Form A (EGM) and/or Proxy Form B (Scheme Meeting) and should instead approach their respective relevant intermediaries as soon as possible to specify voting instructions.

CPFIS Investors and SRS Investors who wish to vote at the Extraordinary General Meeting and/or the Scheme Meeting should approach their respective CPF Agent Banks or SRS Agent Banks as soon as possible by **5.00 p.m.** on **24 November 2020**, being at least seven Business Days before the date of the Scheme Meeting (**4 December 2020**).

12. INDEPENDENT FINANCIAL ADVISER TO THE SABANA INDEPENDENT DIRECTORS, AUDIT AND RISK COMMITTEE AND THE SABANA TRUSTEE

12.1 Appointment of Sabana IFA

Deloitte & Touche Corporate Finance Pte Ltd has been appointed as the independent financial adviser pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Sabana Independent Directors, the Audit and Risk Committee of the Sabana Manager and the Sabana Trustee on the terms of the Scheme, in compliance with the provisions of the Code.

Sabana Unitholders should consider carefully the recommendation of the Sabana Independent Directors and the advice of the Sabana IFA to the Sabana Independent Directors, the Audit and Risk Committee of the Sabana Manager and the Sabana Trustee before deciding whether or not to vote in favour of the Scheme Resolution.

The advice of the Sabana IFA in relation to the Scheme is set out in the Sabana IFA Letter as set out in Appendix C to this Scheme Document.

12.2 Sabana IFA Opinion on the Scheme

After having regard to the considerations set out in the Sabana IFA Letter and based on the information available to the Sabana IFA as at the Latest Practicable Date, the Sabana IFA has given its advice in respect of the Scheme to the Sabana Independent Directors and the Sabana Trustee (an extract of which is reproduced in italics below).

Sabana Unitholders should read the following extract in conjunction with, and in the context of, the Sabana IFA Letter in its entirety as set out in Appendix C to this Scheme Document.

"*In arriving at our recommendation, we have taken into account the following factors which we consider to have a significant bearing on our assessment of the Merger:*

(1) The rationale for the Merger;

(2) Based on the market quotations and liquidity of Sabana Units and ESR-REIT Units, the respective units have not been unduly illiquid. Accordingly, market quotations of the respective Units are reflective of the fundamental value;

(3) The Scheme Consideration computed by using the Gross Exchange ratio and the VWAP for the respective reference period implied a premium/(discount) of 1.7%, 0.3%, 1.5%, 1.2%, 3.8%, and 1.8% over the VWAPs of Sabana Units for the respective reference periods;

(4) The Scheme Consideration implied by the Reference Price is generally represents a premium/(discount) range of (4.2%) to 11.9% over the VWAP of the respective reference periods for the Sabana Units;

(5) The Scheme Consideration implied by the Reference Price is generally lower than the closing prices of the Sabana Units for periods prior to 15 March 2020 but generally higher than the closing prices of the Sabana Units for periods after 15 March 2020;

(6) The P/NAV multiple of 0.7363x based on the Scheme Consideration, the Reference Price and the pro forma financial statements of Sabana REIT as at 30 June 2020 is within the range of the P/NAV multiples achieved and between the mean and median for the Sabana Units for the six-month period up to the JAD but below the mean and median for the Sabana Units for the twelve-month period up to the JAD. The P/NAV based on the Scheme Consideration and Reference Price is higher than the P/NAV as at JAD;

(7) The P/NAV of 0.7363x implied by the Scheme Consideration and Reference Price is within the range of P/NAV multiples for the selected comparable industrial S-REITs but is lower than the mean and the median P/NAV multiples as at the JAD. We further note that the implied P/NAV of the Scheme Consideration is at a lower discount of (26.6%) to the median of comparable industrial S-REITs in comparison to the same for historical periods discount range of (26.9%) to (33.0%);

(8) The premia offered based on the Scheme Consideration and Reference Price are within the range of premia observed in the precedent amalgamations;

(9) The Reference Price is generally lower than the closing prices of the ESR-REIT Units for periods prior to 15 March 2020 but generally higher than the closing prices of the ESR-REIT Units for periods after 15 March 2020;

(10) The Reference Price of the Consideration Units represents a P/NAV multiple of 0.9774x based on the pro forma financial statements of ESR-REIT as at 30 June 2020. The Reference Price is within the range of the P/NAV multiples achieved and above the mean and median range for the ESR-REIT Units for the six-month period up to the JAD but below the mean and median range for the twelve-month period up to the JAD. The P/NAV based on the Reference Price is higher than the P/NAV as at JAD;

(11) The P/NAV of 0.9774x implied by the Reference Price (as at the JAD) is within the range of P/NAV multiples for the selected comparable industrial S-REITs but is lower than the mean and the median P/NAV multiples as at the JAD. We further note that the implied P/NAV of the Reference Price is at a discount of (2.6%) to the median of comparable industrial S-REITs. This discount is within the range of the median of comparable industrial S-REITs for the historical periods premium/(discount) range of (5.6%) to 7.0%;

(12) The Scheme Consideration comprises of no cash component;

(13) The independent valuations of ESR-REIT Properties purposed for the Merger commissioned by The Sabana Manager and Sabana Trustee;

(14) On a pro forma basis, the Merger is expected to be DPU accretive and NAV dilutive for Sabana Unitholders. Aggregate leverage is expected to increase for Sabana Unitholders;

(15) The Break Fee and Reverse Break Fee is within the range of the respective components for selected precedent S-REIT amalgamation transactions. In event that the Switch Option is exercised, none of the Parties shall have any claim against the others under the Implementation Agreement, including any claim in respect of the Break Fee (and Reverse Break Fee);

(16) As at LPD there were no other offers or approaches for Sabana REIT by third parties. In event of a Sabana Competing Proposal, the ESR-REIT Manager may exercise the Switch Option (subject to SGX-ST approval);

(17) The basis of the Scheme Consideration as set out in Paragraph 2.1 of the Letter to Sabana Unitholders;

(18) ESR-REIT Manager's future intentions for the Enlarged REIT as set out in Paragraph 5 of the Offeror's Letter at Appendix D of the Scheme Document;

(19) Conditions of the Scheme as set out in Paragraph 2.8 of the Letter to Sabana Unitholders;

(20) Delisting of Sabana REIT as set out in Paragraph 5 of the Letter to Sabana Unitholders; and

(21) By voting in favour of the Scheme Resolution, Sabana Unitholders will be regarded as having waived their rights to a general offer by the ESR-REIT Concert Party Group.

Based on our analysis and after having considered carefully the information available to us as at the LPD, we are of the opinion that the financial terms of the Merger are fair and reasonable. Accordingly, we advise the Sabana Independent Directors to recommend that the Sabana Unitholders vote in favour of the Scheme Resolution."

13. RECOMMENDATIONS BY SABANA INDEPENDENT DIRECTORS

13.1 Recommendation on the Sabana Trust Deed Amendments and the Scheme

Having regard to the above and the rationale for the Sabana Trust Deed Amendments as set out in Paragraph 3**,** the Sabana Independent Directors are of the opinion that the Sabana Trust Deed Amendments would be beneficial to, and be in the interests of, Sabana REIT.

Accordingly, the Sabana Independent Directors recommend that Sabana Unitholders **VOTE IN FAVOUR** of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting.

Further, in accordance with their fiduciary duties, the Sabana Independent Directors are proposing the Merger by way of the Scheme for the consideration of the independent Sabana Unitholders. The Sabana Independent Directors, having considered carefully the terms of the Scheme and the advice given by the Sabana IFA in the Sabana IFA Letter and having taken into account the various factors set out in the Sabana IFA Letter (an extract of which is set out in Paragraph 12.2 above), recommend that Sabana Unitholders **VOTE IN FAVOUR** of the Scheme Resolution at the Scheme Meeting. As stated in Paragraph 2.1(a)(i) above, all the Sabana Independent Directors are considered independent for the purposes of the Code and have assumed responsibility for the recommendation on the Scheme Resolution.

As stated in Paragraph 2.1(a) above, the Board of the Sabana Manager is comprised only of the Sabana Independent Directors, and there are strict controls in place to mitigate against any potential conflict of interest resulting from ESR Cayman Limited's interests in Sabana REIT and ESR-REIT and in their respective managers. The Sabana Independent Directors went through a thorough process to evaluate the terms of the Merger, which involved lengthy

and careful deliberations with the management team of the Sabana Manager as well as Sabana Financial Advisers that were engaged to evaluate the commercial terms of the Merger. The terms of the Merger were arrived at after extensive negotiations between the Sabana Manager and the ESR-REIT Manager. In addition, the Sabana Independent Directors wish to highlight that the Merger is the only offer that the Sabana Manager has received since the independent strategic review conducted in 2017 by the previous management team of the Sabana Manager.

Sabana Unitholders are reminded that upon the Scheme becoming effective in accordance with its terms, it will be binding on all Sabana Unitholders, whether or not they attended or voted at the Scheme Meeting, and, if they attended and voted at the Scheme Meeting, whether or not they voted in favour of the Scheme Resolution.

Sabana Unitholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Sabana Units will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective and binding for whatever reason. Sabana Unitholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

Sabana Unitholders should read and consider carefully this Scheme Document in its entirety, and in particular the advice of the Sabana IFA set out in the Sabana IFA Letter as set out in Appendix C to this Scheme Document, before deciding whether or not to vote in favour of the Scheme Resolution.

13.2 Additional Considerations for Sabana Unitholders

The Sabana Independent Directors advise Sabana Unitholders, in deciding whether or not to vote in favour of the Scheme Resolution, to carefully consider the advice of the Sabana IFA and in particular, the various considerations highlighted by the Sabana IFA in the Sabana IFA Letter as set out in Appendix C to this Scheme Document.

Sabana Unitholders should note that the trading of the Sabana Units is subject to, *inter alia*, the performance and prospects of Sabana REIT, prevailing economic conditions, economic outlook and stock market conditions and sentiments.

Sabana Unitholders should be aware that market, economic, financial, industry, monetary, regulatory and other conditions may change over a relatively short period of time. Sabana Unitholders may wish to take note of any announcements which may be released after the date of the Sabana IFA Letter.

In giving the above recommendation, the Sabana Independent Directors have not had regard to the specific objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints and circumstances of any individual Sabana Unitholder.

As each Sabana Unitholder would have different investment objectives and profiles, the Sabana Independent Directors recommend that Sabana Unitholders who may require advice in relation to their investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

14. VOTING ON THE SABANA TRUST DEED AMENDMENTS RESOLUTION AND THE SCHEME RESOLUTION

14.1 Sabana Trust Deed Amendments Resolution

The Sabana Independent Director who legally and/or beneficially owns Sabana Units, as set out in Paragraph 5.4 of Appendix F to this Scheme Document, being Ms Ng Shin Ein, has informed the Sabana Manager that she will **VOTE IN FAVOUR** of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting.

14.2 Scheme Resolution

In accordance with the SIC's rulings as set out in Paragraph 4.2 above, the ESR-REIT Concert Party Group (including, as at the Latest Practicable Date, the list of persons set out in Paragraph 1 of Schedule 4 to the Offeror's Letter at Appendix D to this Scheme Document) will abstain from voting on the Scheme Resolution at the Scheme Meeting. Members of the ESR-REIT Concert Party Group (including Mr. Tong Jinquan, Wealthy Fountain Holdings Inc., Mr. Tong Yu Lou, ESR Cayman Limited and the Common Substantial Unitholder, being e-Shang Infinity Cayman Limited) are required to abstain from voting on the Scheme Resolution at the Scheme Meeting.

Based on the information available to the Sabana Manager, there are no common substantial unitholders other than e-Shang Infinity Cayman Limited, and entities that have a deemed interest in both Sabana Units and ESR-REIT Units through e-Shang Infinity Cayman Limited (including ESR Cayman Limited). In addition, the Sabana Manager will abstain from voting on the Scheme Resolution at the Scheme Meeting pursuant to Rule 748(5) of the Listing Manual. As at the Latest Practicable Date, the percentage interest in Sabana REIT held by the the Common Substantial Unitholder, i.e. e-Shang Infinity Cayman Limited, is 19.73%.

Accordingly, each of the parties named above shall decline to accept appointment as proxy to attend and vote at the Scheme Meeting in respect of the Scheme Resolution.

If the Sabana Unitholders do not approve of the Merger, Sabana REIT will continue to operate as a standalone REIT. Sabana Unitholders should refer to the last paragraph in Paragraph 2.4 of the Letter to Sabana Unitholders and Paragraph 13 of Appendix A to the Scheme Document for details on the challenges that Sabana REIT would face as a standalone REIT.

The Sabana Independent Director who legally and/or beneficially owns Sabana Units, as set out in Paragraph 5.4 of Appendix F to this Scheme Document, being Ms Ng Shin Ein, has informed the Sabana Manager that she will **VOTE IN FAVOUR** of the Scheme Resolution at the Scheme Meeting.

15. CLOSURE OF BOOKS, SETTLEMENT AND REGISTRATION PROCEDURES, ODD LOTS TRADING ARRANGEMENT AND OVERSEAS SABANA UNITHOLDERS

Please refer to Appendix B to this Scheme Document for further details.

16. RESPONSIBILITY STATEMENT

The Sabana Independent Directors (including those who may have delegated detailed supervision of this Scheme Document) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Scheme Document (other than the information in Appendices C, D, J and K to this Scheme Document, and any information relating to or opinions expressed by ESR-REIT, the ESR-REIT Manager, the ESR-REIT IFA, the

ESR-REIT Auditors, the Sabana Independent Valuers (ESR-REIT Portfolio), the Sabana Independent Valuers (Sabana Portfolio), the Sabana Auditors and/or the Sabana IFA) are fair and accurate and that there are no other material facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading. The Sabana Independent Directors jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including ESR-REIT, the ESR-REIT Manager, the ESR-REIT IFA, the ESR-REIT Auditors, the Sabana Independent Valuers (ESR-REIT Portfolio), the Sabana Independent Valuers (Sabana Portfolio), the Sabana Auditors and/or the Sabana IFA), the sole responsibility of the Sabana Independent Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Scheme Document. The Sabana Independent Directors do not accept any responsibility for any information relating to ESR-REIT and/or the ESR-REIT Manager or any opinion expressed by ESR-REIT and/or the ESR-REIT Manager.

17. GENERAL INFORMATION

Your attention is drawn to the further relevant information in the Appendices to this Scheme Document.

Yours faithfully
By Order of the Board of Directors

Sabana Real Estate Investment Management Pte. Ltd.
(Company Registration No. 201005493K. Capital Markets Services Licence No. CMS 100169)
As manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust

Any queries for Sabana Real Estate Investment Management Pte. Ltd. relating to the Merger or the Scheme should be directed to:

Credit Suisse (Singapore) Limited
Investment Banking & Capital Markets
Tel: +65 6212 2000

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APPENDIX A — KEY QUESTIONS, RESPONSES AND CLARIFICATIONS

KEY QUESTIONS, RESPONSES AND CLARIFICATIONS

A. Conflict of interest

1. Are there any conflicts of interest?

The Board and the management of the Sabana Manager would like to reiterate that there are strict controls in place to mitigate against any potential conflict of interest resulting from ESR Cayman's interests in Sabana REIT and ESR-REIT and their respective managers. These controls include:

- The Board is comprised **entirely of independent directors**, with no representation of directors from either the ESR Cayman or the ESR-REIT Manager.

- There is **no overlap of management teams** between the Sabana Manager and the ESR-REIT Manager.

- All decision-making for the business strategy and operations of Sabana REIT is made by the management team of the Sabana Manager and, if required, reviewed and approved by the Sabana Independent Directors, and the Sabana Manager has its own decision-making process which is independent of ESR Cayman or ESR-REIT.

- Since ESR Cayman's acquisition of the Sabana Manager, information barriers have been in place between the Sabana Manager and the ESR-REIT Manager and between Sabana Manager and ESR Cayman Limited, to ensure that any information relating to Sabana REIT's business strategy or operations is not made privy to ESR-REIT (and vice versa) or shared with ESR Cayman.

- The offices of ESR Cayman Limited, Sabana Manager, and ESR-REIT Manager are separately located in three different physical locations.

B. Transaction-related

2. Why is Sabana REIT selling its assets at a discount to NAV?

- The transaction is a **unit-for-unit merger**. This is **not a sale of assets.**

- The Merger allows Sabana Unitholders to receive consideration units in ESR-REIT and stay invested in an enlarged REIT and enjoy the potential upside post-Merger as elaborated below.

- A merger into the Enlarged REIT **offers the best opportunity for re-rating and for reducing the NAV discount in the long term** as part of a larger, more liquid and scalable REIT that is backed and supported by a developer-sponsor.

- The discount to NAV in respect of the Merger is reflective of Sabana REIT's unit trading price at the time of the Joint Announcement, which is similar to historical REIT mergers that had largely been priced at around the market price (and implied price-to-NAV ("**P/NAV**")) of the respective REITs (as seen in the table below) at the time of announcement of those mergers.

Merger[1]	Target	Implied price based on scheme consideration (S$)	Last traded price prior to announcement (S$)	Last reported NAV per unit prior to announcement (S$)	P/NAV based on scheme consideration[2]	Last traded P/NAV[3]	Difference between P/NAV based on scheme consideration vs. last traded P/NAV
ART-AHT	AHT	1.087	0.975	1.016	1.07x	0.96x	0.11x
CMT-CCT	CCT	2.124	2.130	1.860[4]	1.14x	1.15x	(0.00x)
ESR-REIT-VIT	VIT	0.960	0.890	0.760	1.26x	1.17x	0.09x
FLT-FCOT	FCOT	1.680	1.670	1.629	1.03x	1.03x	0.01x
OUECT-OUEHT	OUEHT	0.747	0.735	0.750	1.00x	0.98x	0.02x
ESR-REIT-Sabana REIT	Sabana REIT	0.377	0.360	0.512	0.74x	0.70x	0.03x

Notes:

(1) ART refers to Ascott Residence Trust, AHT refers to Ascendas Hospitality Trust, CMT refers to Capitaland Mall Trust, CCT refers to Capitaland Commercial Trust, VIT refers to Viva Industrial Trust, FLT refers to Frasers Logistics & Industrial Trust, FCOT refers to Frasers Commercial Trust, OUECT refers to OUE Commercial REIT, OUEHT refers to OUE Hospitality Trust.

(2) Based on the issue price used in the respective REIT merger announcements and reported target NAV prior to announcement.

(3) Based on the last "unaffected" price (i.e. prior to the relevant announcement date) and reported target NAV prior to announcement.

(4) Based on unadjusted CCT NAV per unit as at 31 December 2019, being the last reported NAV per unit prior to the CMT-CCT merger announcement.

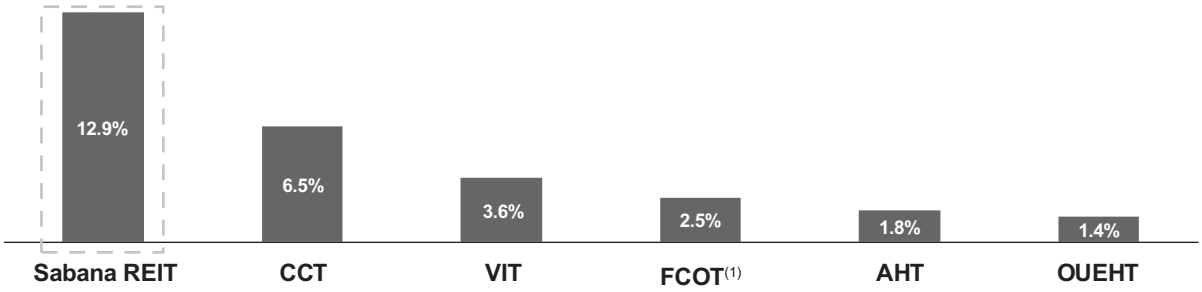
- While NAV per unit is a pertinent evaluation consideration, it should not be the only factor when considering the merits of the Merger and Sabana Unitholders should also take into consideration the following merits of the Merger (details of which are set out in the Joint Announcement):

  (i) **Pro forma DPU accretion of 12.9% is the highest** among prior S-REIT mergers; and

  (ii) a **compelling transaction rationale** for Sabana Unitholders (as set out in Paragraph 2.4 of the Letter to Sabana Unitholders), which is particularly relevant and important in the current uncertain environment, namely:

  - creation of a sizeable and liquid industrial real estate investment trust in Singapore;
  - enhanced portfolio diversification, strength, and resilience;
  - improved growth outlook with greater capacity for AEIs and/or potential asset redevelopment; and
  - enhanced balance sheet flexibility, better access to capital and lower cost of funding.

Pro-forma DPU accretion



Source: Based on DPU accretion reported in the respective merger documents.

Note: CCT refers to Capitaland Commercial Trust, VIT refers to Viva Industrial Trust, FCOT refers to Frasers Commercial Trust, AHT refers to Ascendas Hospitality Trust, OUEHT refers to OUE Hospitality Trust.

Chart excludes Croesus Trust, Accordia Golf Trust and Saizen REIT transactions as these are privatisations / asset sales (and not REIT mergers), whereby the target unitholders do not stay invested in the merged REIT.

(1) FCOT pro forma DPU accretion is based solely on the impact of the FLT-FCOT merger and does not include the impact of the proposed asset acquisition.

- In addition, the Sabana Manager would highlight that unit prices are market's reflection of the REIT's value to the investors in the market place. Sabana REIT's unit price has been at a significant discount to NAV in the last 2 years, relative to its peers, reflecting:

  - lack of scale and lower trading liquidity – clear investor preference for the REITs with higher market capitalisation, evident by the top 4-5 REITs trading at a significant premium to book and having better institutional following (more research coverage and more institutional unitholding);

  - risk of downward pressure on existing portfolio valuation (excluding 151 Lorong Chuan that is undergoing AEI) due to vacancy and rental risks, assets transitioning from single-to-multi-tenanted which result in loss of effective NLA and lower margins; and

  - limitations to the ability to grow due to lack of speed and scale, given that Sabana REIT is a relatively small REIT, as well as less competitive cost of capital, coupled with the absence of a clear acquisition/ROFR pipeline compared to some of its other peers.

3. Why sell now, when the unit price is low during the COVID-19 pandemic, which results in a low offer price?

- The transaction is a **unit-for-unit merger**. This is **not a sale of assets**.

- When COVID-19 pandemic subsides and the economy begins to recover, Sabana REIT wants to be well-positioned to take advantage of any opportunities that may become available, including the recovery in the demand for logistics/industrial space as global trade and economy pick up.

  - As such, Sabana REIT needs to better position its portfolio to tap on such opportunities whether by way of AEIs, redevelopments and/or the repositioning of properties to make it more attractive for tenants. Such strategic initiatives require funding.

- It will be more challenging and slower for Sabana REIT to do so as a standalone sub-scale REIT as compared to leveraging the support of the Enlarged REIT platform to execute these strategies.

- The greater scale resulting from the Merger would also allow Sabana REIT to be more resilient amidst the COVID-19 situation, to emerge stronger post pandemic and to execute the necessary strategies at lower cost of funding in order to tap on available opportunities.

    - Sabana Unitholders that choose to stay invested in the Enlarged REIT post-Merger will still get to enjoy the recovery and any potential future upsides not available in an asset sale.

- Additionally, given that this is a **unit-for-unit merger**, **the relevant metric is the gross exchange ratio**, which is a relative price metric (ESR-REIT unit price versus Sabana REIT unit price). As such, despite the COVID-19 period, the Sabana Manager believes that it is a good time for Sabana REIT to carry out the Merger, given that **the implied gross exchange ratio of the scheme consideration is at a premium to historical gross exchange ratios**. To illustrate, the current Merger terms imply a gross exchange ratio of 0.940x, which is higher than the historical gross exchange ratios laid out in the table below:

	Sabana REIT (S$)	ESR-REIT (S$)	Gross Exchange Ratio	% premium over historical Gross Exchange Ratio[(1)]
At announcement	0.360	0.390	0.92x	1.8%
1M average	0.360	0.396	0.91x	3.3%
3M average	0.343	0.377	0.91x	3.3%
6M average	0.369	0.415	0.89x	5.8%
12M average	0.413	0.473	0.87x	7.7%
24M average	0.417	0.495	0.84x	11.6%

Note: Gross exchange ratio is calculated by dividing the relevant Sabana REIT unit price by the corresponding ESR-REIT unit price. For example, 1-month average would be the average unit price for Sabana REIT/ESR-REIT for the 1-month period up to 15 July 2020, being the last trading day before the Joint Announcement.

(1) Calculations made using precise (i.e. not rounded) figures.

- Prior to ESR Cayman taking ownership in the Sabana Manager, an independent strategic review was conducted by the previous management team of the Sabana Manager in 2017, where the Sabana Manager had sought proposals from prospective strategic partners which would further strengthen Sabana REIT. However, there was no offer received by the Sabana Manager that could be presented to Sabana Unitholders as part of that strategic review.

- Since then, the Merger is the only offer which the Board has received for the Sabana Units or Sabana REIT's entire portfolio. The Board had followed due process to evaluate the offer and negotiate the best possible terms for the Sabana Unitholders and had, in accordance with its fiduciary duties, decided that the Merger should be put to a vote by the independent Sabana Unitholders, where ESR-REIT Manager, its concert parties as well as the common substantial Sabana Unitholders/ESR-REIT Unitholders, including ESR Cayman and its related parties are required to abstain from voting.

4. Why are Sabana Unitholders not being offered any cash component as part of the Scheme Consideration?

- The Scheme Consideration was determined based on independent commercial negotiations between the Sabana Manager and the ESR-REIT Manager. Factors taken into account in arriving at the Scheme Consideration by determining the gross exchange ratio include (but are not limited to):

  - the prevailing and historical relative market prices of the Sabana Units and the ESR-REIT Units;

  - the NAVs of Sabana REIT and ESR-REIT, prevailing and historical prices to NAV per unit, distribution yield, market capitalization, trading liquidity, capital structure, debt costs and debt tenor of each of Sabana REIT and ESR-REIT;

  - the market conditions and market value of the respective property portfolios;

  - relevant precedent trust scheme transactions in Singapore; and

  - the resulting pro forma financial impact of the Merger on Sabana REIT and ESR-REIT.

- In evaluating and negotiating the terms of the Merger, the Board and the management team of the Sabana Manager took into consideration various factors outlined above. Importantly, in view of the current economic environment, Sabana REIT's current debt structure and potential future AEI plans for the Enlarged REIT, it would be **prudent to have an "all-unit" merger without a cash component in order to conserve cash and preserve debt headroom, so as to retain balance sheet flexibility for the Enlarged REIT**, which Sabana Unitholders will be unitholders of upon completion of the Merger.

5. Why did Sabana REIT not consider a NAV-NAV merger?

- In evaluating and negotiating the terms of the Merger, the Board and the management team of the Sabana Manager took into consideration various factors, including DPU accretion, NAV discount, the premium of the gross exchange ratio over historical exchange ratios based on unit trading prices, as well as other factors relating to the operational and business environment, especially in light of the COVID-19 pandemic.

- After careful assessment of the above factors, the Board supports the rationale of this Merger. In accordance with the Board's fiduciary duties to Sabana Unitholders, the Board and the management of Sabana REIT negotiated for the best possible terms with ESR-REIT.

- It is important to note that a NAV-NAV merger would have been both DPU and NAV dilutive for ESR-REIT Unitholders, and the Merger by way of a Scheme is ultimately required to be approved by both Sabana Unitholders and ESR-REIT Unitholders.

6. Did Sabana REIT ask the ESR-REIT Manager to raise the Scheme Consideration after some investors mentioned on 30 July 2020 that it was too low? Given that the ESR-REIT Manager said soon after, on 6 August 2020, that it did not intend to increase the Scheme Consideration, can the terms of the Merger still be modified in any way?

- The transaction terms have been discussed and heavily negotiated between the boards of directors and the management teams of both the Sabana Manager and the ESR-REIT Manager, with the transaction terms agreed and announced on 16 July 2020.

- As mentioned in the announcement released on 6 August 2020 by ESR-REIT, the terms of the Merger are final and binding on the parties as per the Implementation Agreement which has been entered into on 16 July 2020, and the ESR-REIT Manager has announced and it does not intend to increase the Scheme Consideration. Therefore, in accordance with Rule 20.2 of the Code, the ESR-REIT Manager will not be allowed to subsequently increase the Scheme Consideration, in any way, save that the ESR-REIT Manager may do so in a competitive situation.

7. What are the independent directors' views on the Merger?

- In accordance with its fiduciary duties, the Board is proposing the Merger by way of the Scheme for the consideration of the independent Sabana Unitholders, as it believes that independent Sabana Unitholders should have the opportunity to decide and vote on the Merger, taking into account the compelling transaction rationale set out in Paragraph 2.4 of the Letter to Sabana Unitholders, and various other factors such as the premium of the gross exchange ratio over historical exchange ratios based on the respective unit trading prices, DPU accretion, NAV discount, the property portfolio of both REITs as well as the challenges of continuing as a smaller standalone REIT in comparison to a potential value uplift from being part of a larger combined REIT (4th largest industrial S-REIT by Singapore industrial GFA market share).

- The recommendation of the Board (which comprises only independent directors), along with the opinion of the IFA, will be included in the Scheme Document to be despatched or issued to the Sabana Unitholders in due course.

8. Has the Board fully evaluated its strategic options? Why did it not run a public sale process to maximise value?

- Sabana REIT is not looking to sell all its assets. The Merger is the only offer received to date with transaction terms which have been heavily negotiated. This is a strategic merger transaction with significant long-term benefits, including size, scale and resilience, which are particularly relevant in the current challenging environment, as mentioned above.

- Prior to ESR Cayman taking ownership in the Sabana Manager, an independent strategic review was conducted by the previous management team of the Sabana Manager in 2017, where the Sabana Manager had sought proposals from prospective strategic partners which would further strengthen Sabana REIT. However, there was no offer received by the Sabana Manager that could be presented to Sabana Unitholders as part of that strategic review.

- Since then, the Merger is the only offer which the Board has received for Sabana Units or Sabana REIT's entire portfolio. The Board had followed due process to evaluate the offer and negotiate the best possible terms for the Sabana Unitholders and had, in accordance with its fiduciary duties, decided that the Merger should be put to a vote by the independent Sabana Unitholders, where ESR-REIT Manager, its concert parties as well as the common substantial Sabana Unitholders/ESR-REIT Unitholders, including ESR Cayman and its related parties are required to abstain from voting.

- In addition, there are challenges to selling part of, or the entire property portfolio of, Sabana REIT. Some of these challenges include the following:

  (i) Unlike other property sectors, the Singapore industrial sector is heavily regulated by JTC, with only approved buyers being able to acquire properties on JTC land. The approved buyers are qualified end-users, REITs and CMS licensed entities. There are also other assignment policies in place such as:

    (a) moratorium period for assignment/sale;

(b) value-adding criteria whereby prospective end-buyers are subject to JTC's assessment of their proposed usage, current utilization of space, business plan and value to be generated from their business for the next five years; and

(c) other than JTC, sale of industrial properties is also subject to the approval of other authorities such as URA, NEA and LTA.

Transactions involving JTC properties typically take more than six months and if approval is not granted, the whole marketing process for the property has to be repeated.

(ii) A sale of property portfolio runs the risk of better quality assets being sold, with weaker assets remaining in a sub-scale portfolio which will in turn impact Sabana REIT's ability to grow accretively going forward; and

(iii) Execution risks of putting up material assets for sale. A delay in or failure to achieve the sale outcome due to regulations may impact ongoing and future tenancies as the tenants may be concerned with the identity and stability of their landlords.

9. If an investor presents alternative options, will Sabana REIT evaluate these options? Can Sabana REIT walk away from the Merger if the alternative options are feasible?

- The Merger is the only offer which the Board has received for Sabana Units or Sabana REIT's entire portfolio. Sabana REIT has not received any other offer since the independent strategic review conducted in 2017 by the previous management team of the Sabana Manager.

- The Merger is considered a public takeover and is subject to the Code as well as the terms of the Implementation Agreement, which is a binding agreement between Sabana REIT and ESR-REIT. Subject to the terms of the Implementation Agreement, the Sabana Manager will not be entitled to walk away from the Merger if the alternative options are presented and the Board will be obliged to propose the Merger to the independent Sabana Unitholders for their consideration.

- If, however, the Sabana Manager receives an unsolicited proposal from an investor during the offer period, the Board will be entitled under the Implementation Agreement to perform all acts that may be necessary to comply with and discharge their fiduciary duties and/or statutory, regulatory and/or legal obligations under all applicable laws and regulations. This includes announcing the receipt of any such proposal in compliance with applicable laws or regulations, reviewing and evaluating such proposal, and making recommendations to the Sabana Unitholders as may be required under applicable laws and regulations.

10. How did this transaction come about? What was ESR Cayman's role during the negotiations?

- The Sabana Manager reviews its portfolio on an ongoing basis and constantly seeks measures to strengthen and improve the resilience and performance of its portfolio so as to create long-term value for Sabana Unitholders. This includes evaluating the potential merits of a merger for the Sabana Unitholders.

- In May 2020, Sabana REIT received a letter of interest from ESR-REIT proposing a merger between Sabana REIT and ESR-REIT, subsequent to which Sabana REIT undertook a detailed deal assessment, which involved lengthy and careful deliberations and evaluations, and financial advisors were engaged to evaluate the commercial terms of the offer.

- The Board is comprised entirely of the Sabana Independent Directors, who are considered independent for purposes of the Code, and there were no ESR Cayman representatives at any of its meetings.

- The Sabana Manager and the Board, aided by their financial advisors, conducted the transaction assessments and commercial negotiations.

C. Execution of growth strategy by Sabana REIT

11. Has Sabana REIT looked closely at past suggestions from investors to grow earnings organically? How have these suggestions been evaluated?

- The Sabana Manager reviews its portfolio on an ongoing basis and constantly seeks measures to strengthen and improve the resilience and performance of its portfolio so as to create long-term value for Sabana Unitholders.

- The Sabana Manager has evaluated the following suggestions from Sabana Unitholders, but notes that these suggestions do not take into consideration the practical challenges that an industrial REIT manager faces in the Singapore industrial market:

  (i) It was suggested that Sabana REIT is inefficiently under-geared with substantial debt headroom to acquire new assets or pursue unit buybacks.

  The Sabana Manager wishes to highlight the following:

  - As at 30 June 2020, 93.8% of the Sabana REIT portfolio is secured against its borrowings of S$284.4 million. That leaves only 6.2% of the portfolio, representing two assets valued at S$51.7 million, which may be encumbered for any additional secured financing (including for AEIs and working capital purposes). This is more reflective of the actual debt headroom available for Sabana REIT.

    - In addition, applying the typical 50% LTV ratio that banks have historically lent to Sabana REIT on a secured basis, given its portfolio size and asset quality, means that with only two assets valued at S$51.7 million unencumbered, Sabana REIT would only be able to potentially obtain additional amount of approximately S$25.9 million in loans.

    - As Sabana REIT's debt financing is mostly on a secured basis, the actual debt headroom is limited to the number of properties left to be secured for financing and the LTV on the valuation of the secured properties.

  - If Sabana REIT continues to operate on a standalone basis, Sabana REIT, as the smallest industrial REIT in Singapore listed on the SGX-ST, will continue to be less competitive in the REITs market. On the contrary, as an Enlarged REIT following the Merger, Sabana REIT would be better positioned to compete for a larger piece of the overall Singapore industrial property market, with a larger debt headroom, greater financial flexibility and more competitive cost of funding on an enlarged basis.

  - Furthermore, with respect to the unit buybacks, the Sabana Manager considers Sabana REIT's capital structure/management holistically along with the overall strategy and operating environment to create long-term value for Sabana Unitholders. Given the operating cash flow requirements, there is limited debt headroom for the Sabana Manager to pursue unit buybacks.

- Finally, as Sabana REIT continues to weather the COVID-19 pandemic, it is crucial to maintain fiscal discipline and prudence. As such, the immediate focus is on managing Sabana REIT's existing operations and having ample liquidity while maintaining a stable balance sheet and cash position.

(ii) It was suggested that there are opportunities for further upside given untapped GFA.

The Sabana Manager wishes to highlight the following:

- The concept of "untapped GFA" being equivalent to "land" as mentioned by certain investors is misleading. For most of Sabana REIT's properties, there is not much "excess" land (capable of independent development) for Sabana REIT to develop the second or third property. In order to make use of the "untapped GFA", it will first need to tear down the existing property in order to redevelop to a bigger property. Construction for the bigger property usually takes approximately 18 to 24 months, during which the owner (or landlord) will not be able to collect any rent while still having to pay for all expenses.

- By way of illustration, the average gross revenue contribution per asset (based on 17 properties, excluding 1 Tuas Avenue 4 which is currently vacant), is approximately 6%. The tearing down and redevelopment of an asset will immediately see a 6% drop in DPU across the development period of approximately 18 to 24 months while still incurring all other property expenses and additional funding costs for the AEI. The consideration to redevelop also depends on (i) whether the property is tenanted and if the REIT is able to pre-terminate the tenancies to carry out such redevelopment works; (ii) availability of funds; (iii) limitations of the development limit under the Property Fund Guidelines; (iv) approvals by various government agencies such as JTC or LTA; and (v) visibility on tenancy.

- Feasibility of "adding" GFA without affecting the existing structure so as to minimise the impact on existing tenancies and DPU are also explored but such methods can be very costly, may cause disturbance to existing occupiers and only works for smaller scale AEI where the specifications and integrity of the structure will not be adversely affected.

- As a standalone REIT, it would be more challenging and would take a significantly longer time for Sabana REIT to maximise its untapped GFA. However, following the Merger, the Enlarged REIT may potentially benefit from optimising its untapped GFA given that: (1) the closing down of assets may not adversely impact DPU as much or may potentially be negligible, given that each asset contributes a much smaller proportion of the portfolio; (2) more flexible leasing arrangements may be made with existing tenants who still have leases running (e.g., relocating existing tenants to other assets within the portfolio) as the portfolio is larger with alternative assets which may suit tenant requirements; (3) the cost of funding these redevelopments can be cheaper, resulting in higher returns; and (4) the Enlarged REIT will have an increased development headroom under the Property Funds Appendix, given the larger portfolio.

(iii) It was suggested that Sabana REIT should grow earnings by exploring a sale of assets.

The Sabana Manager wishes to highlight the following:

- Sabana Manager has consistently explored divestments of selected assets, which were deemed to be non-core.

- When the new management of Sabana REIT came onboard in 2018 following its strategic review, it announced and implemented its refreshed strategy ("**Refreshed Strategy**"). Some key initiatives pursuant to the Refreshed Strategy included:

  - divestment of non-performing and matured assets. The Sabana Manager completed the sale of 6 Woodlands Loop in early 2018 and 9 Tai Seng Drive in early 2019; and

  - the Sabana Manager was also pursuing the divestment of 1 Tuas Avenue 4, which was eventually aborted as the buyer was not granted approval by JTC. As explained by the Sabana Manager in relation to question 8 above, the approval requirement from JTC represents one of the key challenges to asset transactions in the Singapore industrial market. The Sabana Manager was open to exploring the sale of some other assets but there has been little interest.

- However, a sale of assets may not necessarily be at a compelling price. This is evident in a recent factory sale along Tuas Avenue 4 (with a 28-year lease), which was sold for S$3.7 million, being 32% lower than the S$5 million guide price (Business Times article on 27 July 2020 titled "Distressed properties sold via private treaty as auctions remain no-go").

- Post the streamlining of its portfolio, the management of the Sabana Manager is now focused on delivering Phase 2 of its Refreshed Strategy, where the focus will be on enhancing portfolio returns through AEIs. As explained in relation to question 11(ii) above, being part of the Enlarged REIT post-Merger with access to lower cost of funding will in turn reduce overall execution risks and enhance returns.

(iv) It was suggested that Sabana REIT should pay management fees in units.

The Sabana Manager wishes to highlight the following:

- The issue price of the new Sabana Units to settle the payment of management fees is based on a 10 business day VWAP. As Sabana REIT has typically traded below its NAV per unit, the issuance of new units for fee settlement at issue prices below NAV per unit would be NAV dilutive to Sabana Unitholders. Moreover, the additional new units issued would increase the total number of outstanding Sabana Units (total unit base), leading to DPU dilution in the following semi-annual distributions.

12. Why did Sabana REIT register such low occupancy rates/a slowdown in occupancy rates despite the change in Sponsor? Can you clarify the impact of master leases on this?

- In 1H2020, the overall portfolio occupancy stood at 77.3%, which is an improvement over the FY2019 overall portfolio occupancy of 75.4%.

- Excluding 1 Tuas Avenue 4 (which is vacant due to being slated for divestment), the occupancy in 1H2020 was actually at 80.2%.

- The dip in occupancy rates in 3Q2019 and 4Q2019 was mainly due to the conversion of 10 Changi South Street 2 ("**10CSS2**") and 3A Joo Koon Circle ("**3AJKC**") from master-leased to multi-tenanted properties. 10CSS2 was a termination event as a result of default by then master-tenant while 3AJKC was a non-renewal due to tenant's expansion plan which 3AJKC could not accommodate; however, Sabana REIT has since secured tenants for approximately 95% of 3AJKC (of which approximately 40% is on short-term lease). It is worth noting that short-term leases of less than one year are not included in the overall occupancy rate computation.

- These two assets contributed to approximately 12.4% of the portfolio occupancy, magnified by the small portfolio size, due to Sabana REIT being the smallest industrial S-REIT in terms of asset size.

- The default/non-renewal of the two master tenants were neither within the Sabana Manager's nor ESR Cayman's controls.

- Following the Merger with ESR-REIT, Sabana Unitholders will be able to benefit from an Enlarged REIT that will be larger, stronger, more diversified and resilient with significantly more favourable debt terms, diversifying portfolio risks, and increasing execution capabilities while maintaining a stable DPU profile and potentially enhancing returns from the AEIs.

13. What are the challenges of Sabana REIT as a standalone smaller REIT?

In summary, the following are some of the challenges which Sabana REIT faces as one of the smallest S-REITs in the S-REIT industry:

- There are limited financing resources to fund the growth of Sabana REIT as all the loan funding in Sabana REIT are on a secured basis. Currently, approximately 93.8% of its portfolio are encumbered, notwithstanding that Sabana REIT has a low aggregate leverage ratio. Only two assets valued at S$51.7 million as at 30 June 2020 are unencumbered. Assuming a loan-to-value ("**LTV**") ratio of 50%, the available debt headroom is S$25.9 million.

- Higher cost of funds due to higher credit and portfolio risk as a standalone REIT, compared to the Enlarged REIT, makes Sabana REIT less competitive in obtaining financing for its initiatives.

- Lower development limit (based on 10% of total deposited property value of Sabana REIT) to undertake frequent and larger size AEIs and/or redevelopments to keep its portfolio contemporary to improve its occupancy and DPU within a short period of time.

- Vacancy rate and financial impact from loss of revenue due to downtime from AEIs and/or redevelopments of portfolio are magnified due to a smaller asset base.

- Overseas expansion is difficult as a growth strategy for a small REIT with no networks, visible and sustainable pipelines and scalability, etc.

- Limited risk diversification on smaller portfolio.

Sabana REIT can survive as a standalone REIT but will face more difficulties and constraints due to its small asset base as a small REIT as highlighted in our clarifications to questions 11 and 12 above. If the COVID-19 situation is prolonged, it will present Sabana REIT with continuing and more uncertainties because of its size.

Therefore, a better option is to consider the only offer proposed to Sabana REIT – to merge with ESR-REIT to create a more sizeable, more liquid and more resilient platform with long-term synergies in order to improve the position of Sabana Unitholders and come out of the COVID-19 pandemic stronger.

D. General questions relating to Sabana REIT

14. Why has Sabana REIT not removed its Shari'ah compliance despite earlier calls from investors? Were you timing it for the Merger?

- The new management team of the Sabana Manager came onboard in 2018, and had to prioritise key issues within the group, from high and unsustainable leverage, to divesting non-core assets, and improving asset returns. The Sabana Manager actively reviews its strategies and positioning on an ongoing basis in view of creating long-term value for Sabana Unitholders, including but not limited to assessing the continued relevance of maintaining the Shari'ah compliance status.

- In relation to the Merger, ESR-REIT, as the Enlarged REIT post the Merger, is the entity which will remain listed on the SGX-ST. Since ESR-REIT is not a Shari'ah compliant REIT and all the Sabana REIT's existing loans will be refinanced with conventional bank loans and debts on an unsecured basis which are non-Shari'ah compliant in nature by ESR-REIT post-Merger, the current Shari'ah compliant status of Sabana REIT will not be retained post-Merger.

15. Would removing Sabana REIT's Shari'ah compliance requirement have increased DPU significantly?

- In the past three years, the Sabana Manager has only encountered one or two prospective tenants with small footprint requirements who had activities that do not comply with the Shari'ah compliance requirement. As such, these prospective tenants would not have made any significant impact on the occupancy or rental revenue contribution to Sabana REIT.

- As part of the delisting of Sabana REIT post the Merger, ESR-REIT has obtained conventional bank loans to fully refinance Sabana REIT's Shari'ah compliant debt.

- The suggestion that the removal of Shari'ah compliance of Sabana REIT would drastically reduce financing costs is a misconception because the borrower's credit risk determines LTV quantum and loan pricing for financing of properties. Lenders assess the credit risk of a REIT by the size, quality, portfolio diversity, stability of cashflows, percentage of secured versus unsecured assets, debt expiry profile, debt tenor and track record of sponsor's backing (i.e. credit factors) in determining the LTV and pricing terms for Sabana REIT's debt. Removing the Shari'ah compliance does not change the credit risk profile of a REIT. This is evident by the fact that three of the four lending banks lending to ESR-REIT for the Proposed Merger are existing lending banks of Sabana REIT, and are currently lending to Sabana REIT at an interest rate of 3.2% per annum (as at 30 September 2020) and on a secured basis, whereas the Enlarged REIT is able to refinance this debt at a lower interest rate of 2.5% per annum with a longer tenor on an unsecured basis, against the same Sabana REIT portfolio. As a standalone entity currently, it would remain challenging for Sabana REIT to obtain similar debt terms, with or without its Shari'ah compliance status, due to its credit risk as a small REIT.

16. Can you disclose the provisions and allowances for impairments that you have made?

- In light of the still-evolving COVID-19 situation and uncertainties, Sabana REIT has made a one-time provision for rental waivers and allowances for impairment losses on trade receivables for certain tenants across the portfolio out of prudence and practicality:
    - Provision for impairments of accounts receivables of S$992k as a provision for bad debt;
    - Provision for rental rebates of S$806k to support SMEs as required by the Fortitude Budget;
    - Sabana REIT has an SME tenant exposure of approximately 50%, which increases the risk of the portfolio given that they would have been more significantly affected by the COVID-19 pandemic and thus providing a need for greater prudence in conserving cash; and
    - Changes and variations in government policies and legislations with regards to landlords' obligations to tenants further add to potential cashflow uncertainties, e.g. COVID-19 (Temporary Measures) Act 2020.
- These provisions were required by Sabana REIT through the uncertain times of COVID-19 pandemic, and were made on a basis that is appropriate and according to the relevant accounting standards as audited by the auditors.

17. Can you please clarify the contribution of the retail component from the New Tech Park AEI?

- Contrary to the claim that the retail component has been conveniently absent in the pro forma DPU calculations, the preparation of the pro forma financial effects follows strict accounting guidelines which only allows adjustments directly related to the Merger to be made. The financial effects are also prepared in accordance with the financial reporting standards, as reviewed by the Reporting Accountant. As disclosed in the 1H2020 results presentation, the retail component is envisaged to be completed in 1Q2021 and cannot be directly attributed to the Merger.
- In addition, some investors may have alluded to the retail component potentially generating a NPI of S$4.4 million in FY2021 that would yield more than 10% growth in DPU. This would imply a rental rate of approximately S$13.10 psf/month on 100% occupancy and 100% of its GFA, assuming a typical 65% NPI margin. However, in reality, retail units are leased on NLA (and not on GFA) basis, excluding common areas and facilities which are non-revenue generating. For example, the new retail mall in New Tech Park will have a NLA of approximately 35,000 sqft out of the 43,000 sqft GFA.
- Further, according to URA's Retail Space Vacancy data, the vacancy rate for 2Q 2020 has increased to 9.6% from 8.0% in 1Q 2020. Asking rentals in CommercialGuru (Source: www.commercialguru.com.sg) for similar type retail malls in Business 1 development range from S$5.00 to S$10.00 psf/month and are lower than the rental rate of S$13.10 psf/month which has been implied. Hence, even assuming 100% occupancy at S$10.00psf/month on a NLA of 35,000 sqft, based on a full year projection (notwithstanding that the new mall will likely start collecting rental only from 2Q 2021, after provisions for rent-free fitting out period), the NPI that could potentially be generated is only approximately S$2.7 million instead of S$4.4 million for FY2021. Furthermore, the NPI of S$2.7 million is before the deduction of other costs such as

interest costs, management and trustee fees, etc. If additional costs were taken into consideration, the potential growth in DPU would likely be considerably lower than the 10% estimation.

- With the Merger, it is important for Sabana Unitholders to note that even after the Merger, Sabana Unitholders will still be able to benefit from the additional NPI from the retail component after its completion, as part of the Enlarged REIT, and this is in addition to the 12.9% pro forma DPU accretion from the Merger. Sabana Unitholders should, however, be aware that there may be some degree of uncertainty due to current economic environment.

18. Can you disclose what adjustments or assumptions have been made in determining the Merger's pro forma DPU? How reasonable and realistic are such adjustments and assumptions?

- Please refer to Schedule 4 of the Joint Announcement ("Pro forma financial effects of the Merger") for the details of the pro forma 1H2020 DPU calculations and adjustments.

- The preparation of the pro forma financial effects follows strict accounting guidelines which only allows for adjustments directly related to the Merger to be made. The pro forma financial effects were also prepared in accordance with the financial reporting standards, as reviewed by the Reporting Accountant.

APPENDIX B — ADDITIONAL INFORMATION ON PROCEDURE AND SETTLEMENT

ADDITIONAL INFORMATION ON PROCEDURE AND SETTLEMENT

1. CLOSURE OF BOOKS

1.1 Notice of Books Closure Date

Subject to the Sabana Trust Deed Amendments Resolution and the Scheme Resolution being passed and the sanction of the Scheme by the Court, notice of the Books Closure Date will be given in due course for the purposes of determining the entitlements of Sabana Unitholders to the Scheme Consideration under the Scheme.

The Books Closure Date is expected to be on 30 December 2020 at 5.00 p.m. The Sabana Manager will make a further announcement on the Books Closure Date in due course.

1.2 Transfer of Sabana Units after Books Closure Date

No transfer of the Sabana Units where the confirmation notes relating thereto are not deposited with CDP may be effected after the Books Closure Date, unless such transfer is made pursuant to the Scheme.

1.3 Trading in Sabana Units on the SGX-ST

The Scheme is tentatively scheduled to become effective and binding on or about 31 December 2020 and accordingly (assuming the Scheme becomes effective and binding on 31 December 2020), Sabana REIT is expected to be delisted and removed from the Official List of the SGX-ST after the settlement of the Scheme Consideration. It is therefore expected that, subject to the approval of the SGX-ST, the Sabana Units will cease to be traded on the SGX-ST on or about 28 December 2020 at 5.00 p.m., being two Market Days before the expected Books Closure Date on 30 December 2020 at 5.00 p.m..

Sabana Unitholders (not being depositors) who wish to trade in their Sabana Units on the SGX-ST are required to deposit with CDP their confirmation notes relating to their Sabana Units, together with the duly executed instruments of transfer in favour of CDP, eight Market Days prior to the tentative last day for trading of the Sabana Units.

2. SETTLEMENT AND REGISTRATION PROCEDURES

Subject to the Scheme becoming effective, the following settlement and registration procedures in respect of the Consideration Units will apply:

(a) **Sabana Unitholders whose Sabana Units are not deposited with CDP**

Entitlements of Entitled Sabana Unitholders (not being depositors) whose Sabana Units are not deposited with CDP under the Scheme will be determined on the basis of their holdings of Sabana Units appearing in the Register of Sabana Unitholders at 5.00 p.m. on the Books Closure Date. Sabana Unitholders (not being depositors) who have not already registered their holdings of the Sabana Units are requested to take the necessary action to ensure that the Sabana Units owned by them are registered in their names or in the names of their nominees by the Books Closure Date.

From the Effective Date, each existing confirmation note representing a former holding of Sabana Units by the Entitled Sabana Unitholder (not being depositors) will cease to be evidence of title to the Sabana Units represented thereby.

Within seven Business Days of the Effective Date, the ESR-REIT Trustee shall make payment of the Scheme Consideration to each Entitled Sabana Unitholder (not being a depositor) based on his holding of the Sabana Units as at 5.00 p.m. on the Books Closure Date.

(b) **Sabana Unitholders (being depositors) whose Sabana Units are deposited with CDP**

Entitlements of Entitled Sabana Unitholders (being depositors) under the Scheme will be determined on the basis of the number of Sabana Units standing to the credit of their Securities Accounts at 5.00 p.m. on the Books Closure Date. Sabana Unitholders who have not already done so are requested to take the necessary action to ensure that the Sabana Units owned by them are credited to their Securities Accounts by 5.00 p.m. on the Books Closure Date.

Following the Effective Date, CDP will debit all the Sabana Units standing to the credit of each relevant Securities Account of each Entitled Sabana Unitholder (being a depositor) and credit all of such Sabana Units to the Securities Accounts of the ESR-REIT Trustee.

Within seven Business Days of the Effective Date, CDP shall, based on the number of Sabana Units standing to the credit of the Securities Account of the Entitled Sabana Unitholders (being depositors) as at 5.00 p.m. on the Books Closure Date credit the Securities Accounts of the Entitled Sabana Unitholders with the appropriate number of Consideration Units.

3. ODD LOTS TRADING ARRANGEMENT

3.1 Odd Lots Trading for up to 99 ESR-REIT Units

Sabana Unitholders should note that they may receive odd lots of ESR-REIT Units as part of the consideration for their Sabana Units pursuant to the Scheme. The Sabana Manager will facilitate the trading of odd lots so that Sabana Unitholders who wish to round up or down their unitholding to the nearest board lot size of ESR-REIT Units (i.e. in multiples of 100 ESR-REIT Units) can do so.

The Sabana Manager has arranged with the following named brokers to facilitate Odd Lots Trades for the period of one month commencing from the date of allotment and issuance of the Consideration Units (the "**Applicable Period**"):

(a) Phillip Securities Pte Ltd ("**Phillip Securities**"); and

(b) UOB Kay Hian Private Limited ("**UOB Kay Hian**"),

(collectively, the "**Brokers**").

The term "**Odd Lots Trade**" shall mean (i) an aggregate of 99 or less ESR-REIT Units bought in a single day; or (ii) an aggregate of 99 or less ESR-REIT Units sold in a single day.

The brokerage fees (including any goods and services tax relating to such fees) in respect of Odd Lots Trades carried out via the Brokers during the Applicable Period will be borne by the Sabana Manager. As such, holders of ESR-REIT Units will **NOT** be charged any brokerage fees for Odd Lots Trades during the Applicable Period (the "**Odd Lots Trading Brokerage Fee Arrangement**").

For the avoidance of doubt, no brokerage fees in respect of such Odd Lots Trades will be charged towards the assets of Sabana REIT.

By way of illustration:

(i) if a Sabana Unitholder received 198 ESR-REIT Units and wishes to buy 2 ESR-REIT Units to round up to 200 ESR-REIT Units, such holder of ESR-REIT Units will be entitled to the Odd Lots Trading Brokerage Fee Arrangement and may do so on the trading platforms of the Brokers (without being required to pay the brokerage fee). For avoidance of doubt, the buy order can be made in multiple tranches but should not exceed 99 ESR-REIT Units in a single day; or

(ii) if a Sabana Unitholder received 198 ESR-REIT Units and wishes to sell 98 ESR-REIT Units to round down to 100 ESR-REIT Units, such holder of ESR-REIT Units will be entitled to the Odd Lots Trading Brokerage Fee Arrangement and may do so on the trading platforms of the Brokers. For avoidance of doubt, the sell order can be made in multiple tranches but should not exceed 99 ESR-REIT Units in a single day.

Sabana Unitholders should note that notwithstanding the Odd Lots Trading Brokerage Fee Arrangement, holders of ESR-REIT Units will be required to continue to bear clearing fees and other regular trading fees imposed by the SGX-ST (including any goods and services tax relating to such fees), which shall be based on customary rates imposed from time to time.

3.2 Applicable Period for the Odd Lots Trading Brokerage Fee Arrangement

The Odd Lots Trading Brokerage Fee Arrangement shall be available for the Applicable Period. Details of the Applicable Period will be announced by or on behalf of the Sabana Manager on the SGXNET.

After the Applicable Period, the Odd Lots Trading Brokerage Fee Arrangement will no longer be applicable to any trades of odd lots of ESR-REIT Units carried out via the Brokers.

3.3 Odd Lots Buy Side Facility

To further facilitate the trading of odd lots of ESR-REIT Units, the Sabana Manager has arranged with Phillip Securities to provide a buy-side facility for the trading of odd lots of ESR-REIT Units ("**Odd Lots Trading Arrangement**") during the Applicable Period, which will allow Phillip Securities to provide a buy order quote on the odd lots trading market to facilitate the selling of any odd lots in the odd lots trading market.

Sabana Unitholders should also note that the Odd Lots Trading Arrangement does not guarantee that odd lots of ESR-REIT Units will be traded at the same or similar prices at which the ESR-REIT Units in board lots will be traded.

3.4 Account with Phillip Securities or UOB Kay Hian

Sabana Unitholders who intend to carry out any Odd Lots Trades via Phillip Securities or UOB Kay Hian, or who intend to use the online trading platforms of Phillip Securities or UOB Kay Hian, should note that if they do not have an existing account with the relevant Broker, they must personally apply to open such an account with such Broker.

To open a POEMS account with Phillip Securities, Sabana Unitholders are requested to personally apply to open the account with Phillip Securities through the following link (www.poems.com.sg/open-an-account) or make an appointment to visit any of the 15 Phillip Investor Centres islandwide (https://www.poems.com.sg/pic/#find-pic) for assistance.

Phillip Securities
250 North Bridge Road
#06-00 Raffles City Tower
Singapore 179101
Customer service hotline:
Tel: +65 6531 1555
Operating hours: Monday – Friday, 8.45 am to 5.30 pm (except public holidays)
Email: talktophillip@phillip.com.sg
Website: www.poems.com.sg

To open an account with UOB Kay Hian, Sabana Unitholders are requested to personally apply to open such an account with UOB Kay Hian through the following link (https://sg.uobkayhian.com/login/open-trading-account.html) or make an appointment to visit UOB Kay Hian's office via email (appointment@uobkayhian.com).

UOB Kay Hian
8 Anthony Road, #01-01
Singapore 229957
Customer service hotline:
Tel: + 65 6536 9338
Operating hours: Monday – Friday, 8.30 am to 5.30 p.m. (excluding public holidays)
Email: contact@utrade.com.sg
Website: utrade.com.sg

Sabana Unitholders should note that the opening of an account with each Broker will be subject to the relevant Broker's criteria, procedures, approvals and timeline and each Broker retains at all times the absolute discretion to accept or reject any account opening application without furnishing any reason.

4. OVERSEAS SABANA UNITHOLDERS

4.1 Overseas Sabana Unitholders

The applicability of the Merger and the Scheme to Overseas Sabana Unitholders, whose addresses are outside Singapore, as shown on the Register of Sabana Unitholders, or as the case may be, in the records of CDP, may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Sabana Unitholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Overseas Sabana Unitholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.

4.2 Copies of Scheme Document

Where there are potential restrictions on sending this Scheme Document to any overseas jurisdiction, the ESR-REIT Manager and the Sabana Manager reserve the right not to send such documents to Sabana Unitholders in such overseas jurisdiction.

Sabana Unitholders (including Overseas Sabana Unitholders) may obtain copies of this Scheme Document and any related documents during normal business hours and up to the date of the Extraordinary General Meeting and the Scheme Meeting from the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 or contact the Unit Registrar at +65 6536 5355. Alternatively, an Overseas Sabana Unitholder may write in to the Unit Registrar at the same address to request for this Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Extraordinary General Meeting and the Scheme Meeting.

It is the responsibility of any Overseas Sabana Unitholder who wishes to request for this Scheme Document and any related documents or participate to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Scheme Document and any related documents or participating in the Merger and the Scheme, the Overseas Sabana Unitholder represents and warrants to the ESR-REIT Manager and the Sabana Manager that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

For the avoidance of doubt, the Merger and the Scheme are being proposed to all Sabana Unitholders (including, in each case, Overseas Sabana Unitholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Merger and the Scheme are not being proposed in any jurisdiction in which the introduction or implementation of the Merger and the Scheme would not be in compliance with the laws of such jurisdiction.

If any Overseas Sabana Unitholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

4.3 Notice

The ESR-REIT Manager and the Sabana Manager each reserves the right to notify any matter, including the fact that the Merger and the Scheme has been proposed, to any or all Sabana Unitholders (including Overseas Sabana Unitholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Sabana Unitholder (including any Overseas Sabana Unitholders) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as Sabana REIT remains listed on the SGX-ST, the Sabana Manager will continue to notify all Sabana Unitholders (including Overseas Sabana Unitholders) of any matter relating to the Merger and the Scheme by announcement via the SGXNET.

Notwithstanding that such Overseas Sabana Unitholder may not receive the notice of the Extraordinary General Meeting or the Scheme Meeting, they shall be bound by the Scheme if the Scheme becomes effective.

4.4 Foreign Jurisdiction

It is the responsibility of each Overseas Sabana Unitholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. Each Overseas Sabana Unitholder represents and warrants to the ESR-REIT Trustee, the Sabana Trustee, the ESR-REIT Manager and the Sabana Manager that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Overseas Sabana Unitholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

4.5 Tax

Sabana Unitholders should consult their own tax advisors on the possible tax implications (if any) of the Merger and the Scheme or any other transactions contemplated by this Scheme Document. Depending on the individual circumstances of each Sabana Unitholder, including his/her tax residence and the size of his/her holdings in Sabana REIT, he/she may realise or be deemed under applicable tax laws, regulations and rules to realise a gain or loss arising from the Merger or the Scheme or any other transactions contemplated by this Scheme Document which is taxable or, as the case may be, not permitted to be deductible in any applicable jurisdiction.

APPENDIX C — LETTER FROM THE SABANA IFA TO THE SABANA INDEPENDENT DIRECTORS AND TO THE SABANA TRUSTEE IN RESPECT OF THE SCHEME

INDEPENDENT FINANCIAL ADVISER'S LETTER

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD
(Incorporated in the Republic of Singapore)
Company Registration Number: 200200144N

12 November 2020

The Independent Directors and Audit and Risk Committee
Sabana Real Estate Investment Management Pte. Ltd.
(as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**" and Sabana Real Estate Investment Management Pte. Ltd. as the manager of Sabana REIT, the "**Manager**")
151 Lorong Chuan
#02-03 New Tech Park
Singapore 556741

HSBC Institutional Trust Services (Singapore) Limited
(as trustee of Sabana REIT) (the "**Sabana Trustee**")
10 Marina Boulevard,
Marina Bay Financial Centre Tower 2, #48-01
Singapore 018983

Dear Sir/ Madam

INDEPENDENT FINANCIAL ADVISER'S LETTER IN RELATION TO:

1) **THE PROPOSED MERGER OF ESR-REIT AND SABANA REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT**

For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the Scheme Document dated 12 November 2020 (the "Scheme Document") of Sabana REIT in relation to the above matters.

1. INTRODUCTION

1.1 Joint Announcement of the Merger and the Scheme

On 16 July 2020, the respective boards of directors of the Sabana Manager and the ESR-REIT Manager jointly announced the Merger, which shall be effected through the acquisition by ESR-REIT Trustee of all the Sabana Units, in exchange for Consideration Units, by way of the Scheme in accordance with the Code and the Sabana Trust Deed.

1.2 Proposed Sabana Trust Deed Amendments

In connection with the implementation of the Scheme, it was also announced that the Sabana Manager proposes to amend the Sabana Trust Deed to include the Sabana Trust Deed Amendments to facilitate the implementation of the Scheme.

1.3 Summary of Approvals Sought

1.3.1 Sabana Trust Deed Amendments Resolution

The Sabana Manager is convening the Extraordinary General Meeting to seek approval of Sabana Unitholders by way of an Extraordinary Resolution (75.0% or more of the total number of votes cast for and against the resolution) for the Sabana Trust Deed Amendments Resolution to effect the Sabana Trust Deed Amendments to facilitate the implementation of the Scheme.

Please refer to Paragraph 3 of the Letter to Sabana Unitholders and Appendix G of the Scheme Document for further details on the Sabana Trust Deed Amendments.

1.3.2 Scheme Resolution

In addition, the Sabana Manager is convening the Scheme Meeting to seek the approval of a majority in number of Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting for the Scheme Resolution.

The Scheme Resolution is contingent upon the approval of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting. In the event that the Sabana Trust Deed Amendments Resolution is not passed at the Extraordinary General Meeting, the Sabana Manager will not proceed with the convening of the Scheme Meeting. This means that the Scheme cannot be implemented by the Sabana Manager and the ESR-REIT Manager unless both the Sabana Trust Deed Amendments Resolution and the Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

For avoidance of doubt, the Sabana Trust Deed Amendments Resolution is not conditional on the Scheme Resolution being passed. In the event the Sabana Trust Deed Amendments are approved at the Extraordinary General Meeting, the Sabana Trust Deed will be amended to include the Sabana Trust Deed Amendments, whether or not the Scheme Resolution is passed.

In addition, the Scheme will only come into effect if all the Conditions set out in Paragraph 2.8(a) of the Letter to Sabana Unitholders have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

Sabana Unitholders should note that the Scheme will become effective and binding on all Sabana Unitholders if approval is obtained by a majority in number of Sabana Unitholders present and voting in person or by proxy representing at least 75% in value of the Sabana Units.

1.4 Appointment of Independent Financial Adviser ("IFA")

Deloitte & Touche Corporate Finance Pte Ltd has been appointed as the independent financial adviser pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Sabana Independent Directors, the Audit and Risk Committee and the Sabana Trustee on the terms of the Scheme, as to whether the terms of the Scheme are fair and reasonable, in compliance with the provisions of the Code.

Sabana Unitholders should consider carefully the recommendation of the Sabana Independent Directors and the advice of the Sabana IFA to the Sabana Independent Directors, the Audit and Risk Committee and to the Sabana Trustee before deciding whether or not to vote in favour of the Scheme Resolution.

This letter sets out our assessment of the financial terms of the Merger and our recommendation to the Sabana Independent Directors, the Audit and Risk Committee and to the Sabana Trustee. It will form part of the Scheme Document to provide the recommendations of the Independent Directors on the actions to be taken by Sabana Unitholders.

2. TERMS OF REFERENCE

We have confined our evaluation and assessment to the financial terms of the Merger and have not taken into account the commercial risks or commercial merits of the Merger.

We have not been requested and we do not express any advice or give any opinion on the merits of the Merger relative to any other alternative. We were not involved in the negotiations pertaining to the Merger nor were we involved in the deliberations leading up to the decision to put forth the Merger for the approval of Unitholders.

The scope of our appointment does not require us to express and we do not express any view on the future growth prospects, financial position or earnings potential of Sabana REIT. Such evaluation or comments remains the responsibility of the Sabana Manager although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion. The opinion set forth herein is based solely on publicly available information as well as information provided by the Sabana Manager. This Letter therefore does not reflect any projections on the future financial performance of Sabana REIT.

We have not been requested or authorised to solicit and we have not solicited any indications of interest from any third party with respect to the Sabana Units. In that regard, we have not addressed the relative merits of the Scheme in comparison with any alternative transaction that Sabana REIT may consider in the future. Therefore, we do not express any views in these areas in arriving at our recommendation.

In formulating our opinion and recommendation, we have held discussions with the Directors and the management of Sabana Manager and have relied to a considerable extent on the information set out in the Scheme Document, other public information collated by us and the information, representations, opinions, facts and statements provided to us whether written or verbal by Sabana Manager and its professional advisers. Whilst care has been exercised in reviewing the information we have relied upon and we have made reasonable enquiries and exercised reasonable judgement in the use of such information and we are not aware of any reason to doubt the accuracy, completeness or adequacy of the information. We have not independently verified the information both written and verbal and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of such information.

The Sabana Manager has confirmed, having made all reasonable inquiries and to the best of its knowledge, information and belief, all material information in connection with the Merger has been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other material information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to Sabana REIT stated in the Scheme Document to be inaccurate, incomplete or misleading in any material respect. The Directors of Sabana Manager have jointly and severally accepted full responsibility for such information described herein. Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information.

The information which we relied on is based on market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date (as defined herein) and may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or assumptions contained herein. The Unitholders should take note of any announcements relevant to their consideration of the Scheme which may be released after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the general or specific investment objectives, financial situation, risk profiles, tax position or particular needs and constraints of individual Unitholders. As each Unitholder may have different investment profiles and objectives, we advise the Directors of the Sabana Manager to recommend that the Unitholders who may require specific advice in relation to their investment portfolio should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

The Sabana Manager has been separately advised by its own professional advisers in the preparation of the Scheme Document. We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review and verification of the Scheme Document. Accordingly, we take no responsibility for and express no view, whether express or implied, on the contents of the Scheme Document.

We hereby consent to a copy of this Letter to be reproduced in the Scheme Document and save for purposes of the Merger (including for such use in the Scheme Document and in the related Court Hearings), neither the Sabana Manager nor the Directors of the Sabana Manager or the Sabana Trustee may reproduce, disseminate or quote this Letter (or any part thereof) for any other purposes at any time and in any manner, without the prior written consent of Deloitte in each specific case.

This Letter and our opinion are addressed expressly to the Independent Directors of the Sabana Manager, the Audit and Risk Committee and the Sabana Trustee for their benefit and deliberation in respect of the Merger. The recommendations made by the Independent Directors of Sabana Manager to the Sabana Unitholders in relation to the Merger shall remain the responsibility of the Independent Directors of the Sabana Manager. Our recommendation to the Sabana Independent Directors, the Audit and Risk Committee and the Sabana Trustee in relation to the Merger should be considered in the context of the entirety of this Letter and the Scheme Document.

3. INFORMATION ON SABANA REIT AND ESR-REIT

3.1 Sabana REIT

Sabana REIT is a real estate investment trust listed on the Main Board of the SGX-ST since 26 November 2010, which principally invests in income-producing real estate used for industrial purposes in Asia, as well as real-estate related assets, in line with Shari'ah investment principles. As at the Latest Practicable Date, Sabana REIT has a diversified portfolio of 18 industrial properties in Singapore with a total portfolio GFA of approximately 4.1 million sq ft (as at 30 June 2020), in the High-tech Industrial, Warehouse and Logistics, Chemical Warehouse and Logistics, as well as General Industrial sectors, with an estimated total asset value of approximately S$0.9 billion as at 30 June 2020.

As at the Latest Practicable Date, Sabana REIT has in issue an aggregate of 1,053,083,530 Sabana Units.

Based on the unaudited consolidated financial statements of the Sabana Group for 1H2020, certain key financial information with respect to the Sabana Group is set out as follows:

Sabana Group (as at 30 June 2020)	**S$**
Total assets	927.4 million
NAV	539.1 million(1)
NAV per Sabana Unit	51.2 cents
Distributable income for 1H2020	11.1 million(2)
DPU for 1H2020	1.052 cents(2)
Aggregate valuation of portfolio(3)	836.9 million

Notes:

(1) The NAV of Sabana Group as at 30 June 2020 was determined based on the independent valuations of its investment properties as at 30 June 2020. The book value of Sabana Group's investment properties was adjusted down by S$54.7 million as a result of the revaluation of its investment properties based on their independent valuations as at 30 June 2020 and the adjustments in right-of-use assets in relation to the land leases with JTC included in investment properties as at 30 June 2019, in accordance with Financial Reporting Standards (FRS) 116. Please refer to the Sabana Manager's announcement on 30 July 2020 for more details on the property valuation. The Merger is based on fixed gross exchange ratio of 0.940x and not a fixed offer price. The value per Sabana Unit as at 30 June 2020 based on the gross exchange ratio of 0.940x and with reference to ESR-REIT's last traded price of S$0.395 per ESR-REIT Unit on the SGX-ST as at 30 June 2020 (see Paragraph 2.3(a) of the Letter to Sabana Unitholders) is S$0.3713. The implied Scheme Consideration for each Sabana Unit is directly correlated with ESR-REIT's unit price and will rise or decline in tandem with ESR-REIT's unit price performance for the one (1) month period ending on and including the last trading day prior to the Effective Date.

(2) The DPU of 1.052 cents is computed based on Sabana REIT's total distributable income of S$11.1 million for 1H2020. Of this amount, approximately S$5.0 million has been announced as distribution to Sabana Unitholders, translating to 0.470 cents per Sabana Unit, based on 1,053,083,530 Sabana Units in issue for the period from 1 January 2020 to 30 June 2020. The remaining S$6.1 million has been retained by Sabana for prudent cash flow management in view of the COVID-19 uncertainties. It is intended that the retained S$6.1 million, to the extent unutilised, will be paid to existing Sabana Unitholders as at the Books Closure Date as part of the Sabana Permitted Distributions, assuming the completion of the Scheme.

(3) Please refer to Paragraph 10.1 of the Letter to Sabana Unitholders for updated valuations of Sabana REIT's properties as at 30 June 2020

The Sabana Manager

Sabana REIT is managed by the Sabana Manager, which was incorporated in Singapore on 15 March 2010 and currently holds a CMS Licence for REIT management pursuant to the SFA.

Please refer to Paragraph 2.2 of the Letter to Sabana Unitholders for further information on Sabana REIT and the Sabana Manager.

3.2 ESR-REIT

ESR-REIT is a Singapore-based real estate investment trust listed on the Main Board of the SGX-ST on 25 July 2006. The principal activity of ESR-REIT is to invest in quality income-producing industrial properties in Singapore. ESR-REIT has a diversified portfolio which currently comprises 57 properties located across Singapore, close to major transportation hubs and key industrial zones island-wide, with a total GFA of approximately 15.1 million square feet and an aggregate property value of S$3.1 billion[1] as at 30 June 2020. The properties are in the following business sectors: Business Park[2], High-Specs Industrial, Logistics / Warehouse and General Industrial. ESR-REIT has a diversified tenant base of 343 tenants (as at 30 June 2020).

As at the Latest Practicable Date, ESR-REIT has in issue an aggregate of 3,543,157,293 ESR-REIT Units.

Based on the unaudited consolidated financial statements of the ESR-REIT Group for 1H2020, certain key financial information with respect to the ESR-REIT Group is set out as follows:

ESR-REIT Group (as at 30 June 2020)	**S$**
Total assets	3,196.8 million
NAV	1,448.7 million(1)
NAV per ESR-REIT Unit	41.0 cents
Distributable income for 1H2020	47.8 million(2)
DPU for 1H2020	1.359 cents(2)
Aggregate valuation of portfolio(3)	3,117.1 million

Notes:

(1) The NAV of ESR-REIT Group as at 30 June 2020 was determined based on the independent valuations of its investment properties as at 30 June 2020. The book value of ESR-REIT Group's investment properties was adjusted down by S$46.7 million as a result of the revaluation of its investment properties based on their independent valuations as at 30 June 2020.

(2) The DPU of 1.359 cents is computed based on ESR-REIT's total distributable income of S$47.8 million for 1H2020. Of this amount, approximately S$40.8 million has been announced as distribution to ESR-REIT Unitholders, translating to 1.162 cents per ESR-REIT Unit. The remaining S$7.0 million has been retained by ESR-REIT for prudent cash flow management in view of the COVID-19 uncertainties. It is intended that the retained S$7.0 million, to the extent unutilised, will be paid to existing ESR-REIT Unitholders as part of the ESR-REIT Permitted Distributions, assuming the completion of the Scheme.

(3) Please refer to Paragraph 12.1 of Schedule 1 of the Offeror's Letter at Appendix D to the Scheme Document for more information on the updated valuations of ESR-REIT's properties as at 30 June 2020.

[1] Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

[2] "**Business Parks**" refers to properties that cater to industries or businesses relating to high-technology, research and development value-added and knowledge-intensive sectors.

The ESR-REIT Manager

The ESR-REIT Manager was incorporated in Singapore on 14 September 2005 and currently holds a CMS Licence for REIT management pursuant to the SFA. ESR-REIT is managed by the ESR-REIT Manager, whose objective is to provide ESR-REIT Unitholders with a stable and secure income stream through the successful implementation of the following strategies: (a) acquisition of value-enhancing properties, (b) proactive asset management, (c) divestment of non-core properties and (d) prudent capital and risk management.

Please refer to Paragraph 2.3 of the Letter to Sabana Unitholders for further information on ESR-REIT and the ESR-REIT Manager.

4. THE MERGER AND THE SCHEME

4.1 The Merger and the Scheme

(a) **Overview**

The Merger was first explored between the ESR-REIT Manager and the Sabana Manager in late April 2020. This was followed by a confidential non-binding expression of interest from the ESR-REIT Manager in May 2020.

Following the receipt of the expression of interest and prior to the Joint Announcement, the board of directors of the Sabana Manager (the "Board") (comprising entirely of the Sabana Independent Directors appointed in accordance with the SFA and the Listing Manual) had gone through a thorough process to evaluate the terms of the Merger, which involved lengthy and careful deliberations with the management team of the Sabana Manager as well as Sabana Financial Advisers that were engaged to evaluate the commercial terms of the Merger. The terms of the Merger were arrived at after extensive negotiations between the Sabana Manager and the ESR-REIT Manager. In particular, the Sabana Independent Directors (together with the management team of the Sabana Manager as well as Sabana Financial Advisers) negotiated with ESR-REIT for the fixed exchange ratio to be at a premium to historical gross exchange ratios and sought to narrow the significant NAV dilution for Sabana Unitholders. Please also see Section C of Appendix A to the Scheme Document, on the other options considered by the Sabana Independent Directors, such as asset acquisitions or unit buybacks, carrying out of asset enhancement initiatives ("**AEI**") and sale of assets.

There are strict controls in place to mitigate against any potential conflict of interest resulting from ESR Cayman Limited's interests in Sabana REIT and ESR-REIT and their respective managers. These controls include:

(i) the Board being comprised entirely of the Sabana Independent Directors, who are considered independent for the purposes of the Scheme in accordance with the Code. There is no representation of directors from either ESR Cayman Limited or the ESR-REIT Manager.

For the information of the Sabana Unitholders, Ms Ng Shin Ein, being one of the Sabana Independent Directors, had sold to the ESR Group her entire interests in the issued and paid-up share capital in Blackwood Investment Pte. Ltd. ("**Blackwood**", and the divestment of her interests in Blackwood, the "**Divestment**"). Ms Ng Shin Ein's interest in Blackwood amounted to 40% of the issued and paid-up share capital in Blackwood (of which a 35% stake was divested in FY2018 and the remaining 5% stake was divested on 30 August 2019). This in turn represented an 18% effective interest in the Sabana Manager as Blackwood held a 45% indirect interest in the Sabana Manager. The Divestment was fully completed by 30 August 2019. Following the Divestment, Ms Ng Shin Ein ceased to be a director of Blackwood on 25 October 2019.

For the avoidance of doubt, the Board has assessed Ms Ng Shin Ein to be independent for the purposes of the Scheme in accordance with the Code. As highlighted above, the Merger was first explored between the ESR-REIT Manager and the Sabana Manager in late April 2020 (being at least six months after the Divestment and after Ms Ng Shin Ein has ceased to be a director of Blackwood). Ms Ng Shin Ein has also disclosed to the Board the terms of the Divestment, which were determined on a willing buyer willing seller basis. After the Divestment, Ms Ng Shin Ein does not have any agreement or understanding with the ESR Group in relation to Sabana REIT and/or the Sabana Units. The Board also notes that the consideration received by Ms Ng Shin Ein for the Divestment was at a valuation in line with the consideration received by another indirect shareholder for the divestment of its effective stake in the Sabana Manager based on the public announcement made by that shareholder in 2019.

Accordingly, the Board considers Ms Ng Shin Ein is not deemed to have an irreconcilable conflict of interest for the purposes of the Code. All the Sabana Independent Directors, including Ms Ng Shin Ein, are required under the Code to assume responsibility for the recommendation on the Scheme Resolution set out in Paragraph 13 of the Letter to Sabana Unitholders;

(ii) there is no overlap of management teams between the Sabana Manager and the ESR-REIT Manager;

(iii) all decision-making for the business strategy and operations of Sabana REIT is made by the management team of the Sabana Manager and, if required, reviewed and approved by the Sabana Independent Directors, and the Sabana Manager has its own decision-making process which is independent of ESR Cayman Limited or ESR-REIT;

(iv) the offices of ESR Cayman Limited, the Sabana Manager, and the ESR-REIT Manager are separately located in three different physical locations; and

(v) since ESR Cayman Limited's acquisition of the Sabana Manager, information barriers (i.e. the controls as described in paragraphs (i) to (iv) above) have been in place between the Sabana Manager and the ESR-REIT Manager and between Sabana Manager and ESR Cayman Limited, to ensure that any information relating to Sabana REIT's business strategy or operations is not made privy to ESR-REIT (and vice versa) or shared with ESR Cayman Limited;

The Sabana Independent Directors wish to highlight that the Merger is the only offer, that the Sabana Manager has received since 2017, when an independent strategic review was conducted by the previous management team of the Sabana Manager, where the Sabana Manager had sought proposals from prospective strategic partners which would further strengthen Sabana REIT. In accordance with their fiduciary duties, the Sabana Independent Directors are proposing the Merger by way of the Scheme for the consideration of the independent Sabana Unitholders as the Sabana Independent Directors believe that independent Sabana Unitholders should have the opportunity to decide and vote on the Merger, taking into account the compelling transaction rationale set out in Paragraph 2.4 of the Letter to Sabana Unitholders (namely, (a) the creation of a sizeable and liquid S-REIT, (b) enhanced portfolio diversification, strength and resilience, (c) improved growth outlook, (d) enhanced balance sheet flexibility and cost of capital and (e) DPU accretion to Sabana Unitholders on a historical pro forma basis), and various other factors such as the premium of the gross exchange ratio over historical exchange ratios based on the respective unit trading prices (as outlined in Section C of Appendix A to the Scheme Document), NAV discount, the property portfolio of both REITs as well as the challenges of continuing as a smaller standalone REIT in comparison to a potential value uplift from being part of a larger combined REIT (fourth largest industrial S-REIT by Singapore industrial gross floor area ("GFA") market share).[3] Sabana Unitholders should refer to the last paragraph in Paragraph 2.4 of the Letter to Sabana Unitholders and Paragraph 13 of Appendix A to the Scheme

[3] Please refer to paragraph 2.4(a)(i) of the Letter to Sabana Unitholders.

Document for details on the challenges of Sabana REIT as a standalone smaller REIT (including (a) greater challenge and longer time for Sabana REIT to maximise its untapped GFA, (b) limited financing resources to fund growth, (c) higher cost of funds due to higher credit and portfolio risk, (d) lower development limit and (e) higher vacancy rate and financial impact from loss of revenue due to smaller asset base).

The management team and the Sabana Independent Directors evaluate Sabana REIT's portfolio and strategy on an ongoing basis and constantly seek measures to strengthen and improve its resilience and performance so as to create long-term value for Sabana Unitholders. As explained in Paragraphs 8 and 11 of Appendix A to the Scheme Document, they have evaluated the strategic options available to Sabana REIT, and have been implementing the Refreshed Strategy announced by Sabana REIT in 2018 following a strategic review. The senior management team and the Sabana Independent Directors are committed to, and will continue to be committed to, act in the best interests of Sabana REIT and its unitholders.

The recommendation of the Sabana Independent Directors, along with the opinion of the Sabana IFA, are included in this Scheme Document. Please refer to Paragraphs 12 and 13.1 of the Letter to Sabana Unitholders for further details. The Sabana Unitholders are advised to carefully consider the details provided in this Scheme Document, before deciding on their important vote on the Merger.

The Sabana Manager believes that the Scheme is a fair and equitable way of effecting the Merger, as it provides a binary outcome (i.e. "all or nothing") of effecting the Merger. As stated in Paragraph 1.3(b) of the Letter to Sabana Unitholders, the Scheme will be decided upon by the independent Sabana Unitholders at the Scheme Meeting as the Scheme requires the approval by a majority in number of independent Sabana Unitholders representing at least three-fourths (75%) in value of the Sabana Units held by independent Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting. As an additional protection for the independent Sabana Unitholders and as stated in Paragraph 2.9 of the Letter to Sabana Unitholders, the Scheme will require the Sabana Manager to apply for and obtain the Scheme Court Order before the Scheme can become effective in accordance with its terms. The Court may take into account factors such as the following: (a) that the requisite voting threshold is met at the Scheme Meeting and (b) that the Scheme is a fair and reasonable one, namely, one which a man of business or an intelligent and honest man, being a member of the class concerned and acting in respect of his interest would reasonably approve. Ultimately, the Court will consider whether the proposed Scheme reasonably addresses the interests of the Sabana Unitholders.

As stated in Paragraph 14.2 of the Letter to Sabana Unitholders, members of the ESR-REIT Concert Party Group (including Mr. Tong Jinquan, Wealthy Fountain Holdings Inc., Mr. Tong Yu Lou, ESR Cayman Limited and the Common Substantial Unitholder, being e-Shang Infinity Cayman Limited), will abstain from voting on the Scheme. In addition, the Sabana Manager will abstain from voting on the Scheme pursuant to Rule 748(5) of the Listing Manual of the SGX-ST.

As at the Latest Practicable Date, the Common Substantial Unitholder, e-Shang Infinity Cayman Limited, holds 19.73% of the Sabana Units. Please refer to Paragraph 14.2 of the Letter to Sabana Unitholders for further details on the percentage interest in Sabana REIT held by the Common Substantial Unitholder as at the Latest Practicable Date.

If the Sabana Unitholders do not approve of the Merger, Sabana REIT will continue to operate as a standalone REIT. Sabana Unitholders should refer to the last paragraph in Paragraph 2.4 of the Letter to Sabana Unitholders and Paragraph 13 of Appendix A to the Scheme Document for details on the challenges that Sabana REIT would face as a standalone REIT.

(b) **Terms of the Scheme**

(i) **The Scheme**: The Scheme is proposed to be effected in accordance with the Code and the Sabana Trust Deed, subject to the terms and conditions of the Implementation Agreement.

Under the Scheme, upon the Scheme becoming effective and binding in accordance with its terms:

(A) all the Sabana Units held by the Sabana Unitholders, as at the Books Closure Date, will be transferred to the ESR-REIT Trustee fully paid, free from all Encumbrances and together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared by the Sabana Manager on or after the Joint Announcement Date (except for the Sabana Permitted Distributions), such that on the Scheme Settlement Date, the ESR-REIT Trustee shall hold 100% of the Sabana Units; and

(B) in consideration of such transfer of the Sabana Units, each of the ESR-REIT Trustee and the ESR-REIT Manager (as the case may be) agrees to allot and issue (or procure the allotment and issuance of) the Consideration Units to each Sabana Unitholder, in accordance with the terms and conditions of the Implementation Agreement.

The Merger is a unit-for-unit merger between Sabana REIT and ESR-REIT which will allow Sabana Unitholders to receive Consideration Units and stay invested in the Enlarged REIT, and is not a sale of assets by Sabana REIT. Please refer to Paragraph 5 of Appendix A to the Scheme Document, which sets out the various factors the Board and the management team of the Sabana Manager took into consideration in evaluating and negotiating the terms of the Merger, and Paragraph 8 of Appendix A to the Scheme Document for, amongst others, the challenges to selling part of, or the entire property portfolio of Sabana REIT. The Sabana Independent Directors and the management of the Sabana Manager believe that the Merger represents a credible offer and is an opportunity for Sabana Unitholders to participate in a Merger that would see unitholders effectively rolling over into a stronger, larger and more resilient Enlarged REIT, and are of the view that the Merger should be presented to Sabana Unitholders for their consideration.

(ii) **Scheme Consideration:** In consideration of the transfer of the Sabana Units referred to in Paragraph 4.1(b)(i) above, each of the ESR-REIT Trustee and the ESR-REIT Manager agrees, subject to the Scheme becoming effective in accordance with its terms, to pay or procure the payment of the scheme consideration (the "Scheme Consideration") for each Sabana Unit held by each Sabana Unitholder as at the Books Closure Date in accordance with the terms and conditions of the Implementation Agreement, which shall be satisfied by the allotment and issuance of 0.940 new ESR-REIT Units (the "Consideration Units"), such Consideration Units to be credited as fully paid. No fractions of a Consideration Unit shall be issued to any Sabana Unitholder and fractional entitlements shall be disregarded in the calculation of the Consideration Units to be issued to any Sabana Unitholder pursuant to the Scheme[4]. Please also refer to Paragraph 3 of Appendix B of the Scheme Document for the Odd Lots Trading Arrangement.

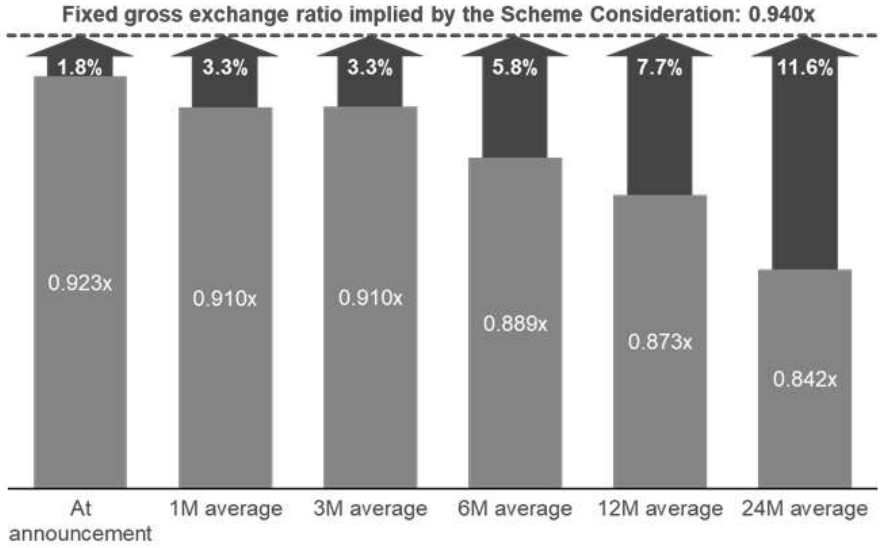
The Scheme Consideration, including the exchange ratio of 0.940x, was determined based on commercial negotiations between the ESR-REIT Manager and the Sabana Manager. Factors taken into account in arriving at the Scheme Consideration by determining the exchange ratio include (without limitation): (a) the transaction rationale in respect of the Merger for each REIT; (b) the prevailing and historical relative market prices of the ESR-REIT Units and Sabana Units over the last two (2) years prior to the Joint Announcement Date; (c) the NAVs of each of ESR-REIT and Sabana REIT; (d) the market value of the respective property portfolios (see Paragraphs 10.1 and 10.2 of the Letter to Sabana Unitholders); (e) relevant precedent trust scheme transactions in Singapore; (f) the prevailing and historical price to NAV per unit of each REIT over the last two (2) years prior to the Joint Announcement Date; (g) the prevailing and historical distribution yield of each REIT over the last two (2) years prior to the Joint Announcement Date; (h) the market capitalisation and trading liquidity of each REIT; (i) the capital structure, debt costs and tenor of each REIT; and (j) the resulting pro forma financial impact of the Merger on ESR-REIT and Sabana REIT.

By way of illustration, if the Scheme becomes effective in accordance with its terms, a Sabana Unitholder will receive 94 Consideration Units for every 100 Sabana Units held by it as at the Books Closure Date.

As announced by the ESR-REIT Manager on 6 August 2020, the ESR-REIT Manager announced that it does not intend to increase the Scheme Consideration and accordingly, the exchange ratio of 0.940x is final, except that the ESR-REIT Manager reserves the right to do so in a competitive situation. **Therefore, in accordance with Rule 20.2 of the Code, the ESR-REIT Manager will not be allowed to subsequently increase the Scheme Consideration, in any way, save that the ESR-REIT Manager reserves its right to do so in a competitive situation.**

[4] Based on the total number of Sabana Units in issue and the composition of Sabana Unitholders as at the Latest Practicable Date, the aggregate fractional entitlements to be disregarded amount to approximately 764 Sabana Units (with a value of approximately S$306.4 based on the Reference Price). There will be 1,441 Sabana Unitholders (representing 13% of the total Sabana Unitholders as at the Latest Practicable Date) who will have fractional entitlements being disregarded as a result of the Merger. There will be 6 Sabana Unitholders who will no longer be unitholders of the Enlarged REIT as a result of the ratio proposed, due to the fact that they only hold one Sabana Unit. Sabana Unitholders should note that the ESR-REIT Trustee, as the offeror, is required under the Code to treat all Sabana Unitholders equally and accordingly, the terms of the Merger (including the terms in respect of the settlement of the Scheme Consideration) will have to be applied in the same manner for all Sabana Unitholders. The affected Sabana Unitholders who will have fractional entitlements disregarded as a result of the Merger will not be compensated for the disregarded fractional entitlements.

The Scheme Consideration is based on a fixed gross exchange ratio of 0.940x, and not a fixed issue price. The fixed gross exchange ratio is at a premium to historical gross exchange ratios (as implied by the 1-month, 3-month, 6-month, 12-month and 24-month average unit prices of Sabana REIT and ESR-REIT up to the last trading day prior to the Joint Announcement Date):



Source: FactSet

Note: Gross Exchange Ratio is calculated by dividing the relevant Sabana REIT unit price by the corresponding ESR-REIT unit price. For example, 1-month average would be the average unit price for Sabana REIT/ESR-REIT for the 1-month period up to 15 July 2020, being the last trading day before the Joint Announcement. Calculations made using precise (i.e. not rounded) figures.

As stated in Paragraph 4 of Appendix A to the Scheme Document, factors taken into account in arriving at the gross exchange ratio include (a) the prevailing and historical relative market prices of the Sabana Units and the ESR-REIT Units, (b) the NAVs of Sabana REIT and ESR-REIT, prevailing and historical prices to NAV per unit, distribution yield, market capitalisation, trading liquidity, capital structure, debt costs and debt tenor of each of Sabana REIT and ESR-REIT, (c) the market conditions and market value of the respective property portfolios, (d) relevant precedent trust scheme transactions in Singapore and (e) the resulting pro forma financial impact of the Merger on Sabana REIT and ESR-REIT. In addition, a determination of the gross exchange ratio with reference to the unadjusted unit prices is a generally accepted convention by finance practitioners. It also provides a basis to compare the fixed gross exchange with the historical gross exchange ratio of both the unit prices of Sabana REIT and ESR-REIT on a relative basis. This is consistent with various precedent S-REIT mergers, where the unit prices considered were on an unadjusted basis, and reflects the "market-to-market" nature of the transaction.

As stated in Paragraph 2.1(d)(ii) of the Letter to Sabana Unitholders, the Consideration Units will be issued at the Consideration Unit Issue Price, being the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the Effective Date. **This means that the implied dollar value of each Consideration Unit will be determined based on ESR-REIT's unit performance during the one-month period leading up to and including the last trading day prior to the Effective Date.**

Based on the illustrative issue price of $0.401 per Consideration Unit ("**Reference Price**"), the implied aggregate Scheme Consideration is approximately S$396.9 million (derived by multiplying the aggregate of 1,053,083,530 Sabana Units in issue as at the Joint Announcement Date by the gross exchange ratio of 0.940x and by the Reference Price). For the avoidance of doubt, the Reference Price is for illustrative purposes only and is determined based on the one-month VWAP of the ESR-REIT Units ending on and including the last trading day one (1) week prior to the Joint Announcement Date, being the 30 calendar day period from 10 June 2020 up to and including 9 July 2020. The implied Scheme Consideration of S$0.377 per Sabana Unit is derived from the gross exchange ratio of 0.940x and the Reference Price of S$0.401. The Consideration Unit Issue Price, being the actual issue price of the Consideration Units, is to be determined based on the VWAP of the ESR-REIT Units for the one-month period ending on and including the last trading day prior to the Effective Date. **The Consideration Unit Issue Price may be above or below the Reference Price but there will not be any adjustment to the number of the Consideration Units to be issued for each Sabana Unit to reflect any such price differential.**

(c) **Permitted Distributions**

Subject to the terms and conditions of the Implementation Agreement:

(i) the Sabana Manager is permitted to announce, declare, pay or make distributions to the Sabana Unitholders in the ordinary course of business, in respect of the period from 1 January 2020 up to the day immediately before the Effective Date (including any clean-up distribution in respect of the period from the day following the latest completed financial half year of Sabana REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date); and

(ii) the ESR-REIT Manager is permitted to announce, declare, pay or make distributions to the ESR-REIT Unitholders (i) in respect of the unpaid distribution income that has been announced and retained by the ESR-REIT Manager in respect of the period from 1 January 2020 to 31 March 2020; and (ii) in the ordinary course of business, in respect of the period from 1 April 2020 up to the day immediately before the Effective Date (including any clean-up distribution in respect of the period from the day following the latest completed financial quarter of ESR-REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date).

The Sabana Permitted Distributions and the ESR-REIT Permitted Distributions shall not include distributions declared, paid or made by the Sabana Manager or the ESR-REIT Manager to the Sabana Unitholders or the ESR-REIT Unitholders respectively in respect of (1) proceeds received in connection with the sale of any real properties; and/or (2) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which have not been distributed to Sabana Unitholders or ESR-REIT Unitholders (as the case may be) prior to the date of the Implementation Agreement.

Assuming the completion of the Scheme, the Sabana Manager intends to make the clean-up distribution in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made (i.e. from 1 July 2020), up to the day immediately before the Effective Date (including the retained S$6.1 million, to the extent unutilised, withheld in 1H2020) to existing Sabana Unitholders as at the Books Closure Date as part of the Sabana Permitted Distributions.

The Parties shall be entitled to announce, declare, pay or make the Sabana Permitted Distributions and ESR-REIT Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration.

The Sabana Unitholders shall have the right to receive and retain the Sabana Permitted Distributions declared and made <u>in addition to</u> the Scheme Consideration. The Sabana Manager has declared and paid the Sabana Permitted Distributions for the period from 1 January 2020 to 30 June 2020. Assuming the completion of the Scheme, as mentioned above, the Sabana Manager intends to declare and pay the Sabana Permitted Distributions from 1 July 2020 up to the day immediately before the Effective Date, details of which will be announced by the Sabana Manager in due course.

The ESR-REIT Manager reserves the right to reduce the Scheme Consideration if and to the extent that any distribution in excess of the Sabana Permitted Distributions is announced, declared, paid or made by the Sabana Manager on or after the date of the Implementation Agreement.

(d) **Consideration Units**

The Consideration Units shall:

(i) when issued, be duly authorised, validly issued and fully paid-up and shall rank pari passu in all respects with the existing ESR-REIT Units as at the date of their issue (and not as at the Joint Announcement Date);

(ii) be issued at the Consideration Unit Issue Price (and for the avoidance of doubt, not at the Reference Price);

(iii) be issued no later than seven Business Days from the Effective Date; and

(iv) be issued free from all Encumbrances and restrictions on transfers and no person shall have any rights of pre-emption over any Consideration Unit.

For the avoidance of doubt, the Consideration Units shall be issued with all rights, benefits and entitlements attaching on and from the date of their issue (and not as at the Joint Announcement Date), including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the ESR-REIT Manager on or after the date of their issue. The Consideration Units will not be entitled to the ESR-REIT Permitted Distributions; and the Parties shall be entitled to declare, make or pay the Sabana Permitted Distributions and ESR-REIT Permitted Distributions (as the case may be) without any adjustments to the Scheme Consideration.

4.2 ESR-REIT Manager's Future Intentions for the Enlarged REIT

Based on Paragraph 5 of the Offeror's Letter at Appendix D of the Scheme Document, and assuming the completion of the Merger:

(a) the ESR-REIT Manager will be the manager of the Enlarged REIT and Mr. Adrian Chui will continue to be the Chief Executive Officer ("CEO") of the ESR-REIT Manager. The ESR-REIT Manager intends to engage the current CEO of the Sabana Manager, Mr. Donald Han, as an advisor to the ESR-REIT Manager. The Nominating and Remuneration Committee of the ESR-REIT Manager is also in the process of reviewing, together with the Sponsor, the composition of the board of directors and management of the ESR-REIT Manager (including the feasibility of engaging certain existing employees of the Sabana Manager);

(b) the fee structure of the Enlarged REIT will be based on the existing fee structure of ESR-REIT. The Sabana Manager will be entitled to the applicable manager's fees accruing up to the date of delisting of Sabana REIT in accordance with the existing Sabana Trust Deed. There will be no double counting of management fees to the Sabana Manager and the ESR-REIT Manager in respect of the Sabana REIT portfolio between the Effective Date and the date of delisting;

(c) the ESR-REIT Manager does not intend to retain Sabana REIT's Shari'ah compliant status and accordingly, Sabana REIT will be renamed "Sabana Trust"; and

(d) it is intended that the existing outstanding loan facilities granted to Sabana REIT will be refinanced.

The Enlarged REIT's larger portfolio will provide the opportunity and flexibility to re-evaluate the timing, scale and risk-return profile of the AEIs to be undertaken, for both the existing ESR-REIT portfolio and the Sabana REIT portfolio of real estate assets. This re-evaluation will include, amongst others, a review of the projected construction costs of identified AEI projects, given the better bargaining power of the Enlarged REIT with service providers and reduced portfolio financial impact when undertaking AEIs, while taking into consideration the supply and demand dynamics of the industrial market currently and over the next two (2) to three (3) years.

Save as disclosed above, the ESR-REIT Manager does not currently have any intention to (a) make any major changes to the business of Sabana REIT, (b) re-deploy the fixed assets of Sabana REIT, or (c) discontinue the employment of the existing employees of the Sabana Manager (save in the ordinary course of business or as a result of any internal reorganisation or restructuring which may be implemented after the Merger).

Nonetheless, the ESR-REIT Manager retains the flexibility to, at any time, consider options or opportunities which may present themselves, or may be required, and which it regards to be in the best interests of the Enlarged REIT.

In respect of paragraph 4.2(c) above, the Sabana Manager wishes to highlight that upon the Scheme becoming effective in accordance with its terms, its investment mandate will be amended pursuant to the Sabana Trust Deed. The amended investment mandate will be to principally invest in income-producing real estate used for industrial purposes in Asia, as well as real-estate related assets. Under the Sabana Trust Deed, the Sabana Manager may from time to time change Sabana REIT's investment policies subject to compliance with the Listing Manual, so long as it has given not less than 30 days' prior notice of the change to the Sabana Trustee and the Sabana Unitholders by way of an announcement to the SGX-ST. For the purposes of Clause 10.2.4 of the Sabana Trust Deed, this paragraph is deemed to be the notice of the amendment of the existing investment mandate of Sabana REIT upon the Scheme becoming effective in accordance with its terms. For the avoidance of doubt, such amendment of the investment mandate of Sabana REIT does not require the approval of the Sabana Unitholders.

4.3 Conditions

The Scheme Document sets out the Conditions to the Scheme and the status of each Condition. Please refer to paragraph 2.8 of the Letter to Sabana Unitholders for further details of the Conditions.

4.4 Effective Date

The Scheme will become effective upon the written notification to the MAS of the grant of the Scheme Court Order, which shall be effected by or on behalf of the ESR-REIT Manager:

(a) on a date to be mutually agreed in writing between the ESR-REIT Manager and the Sabana Manager, being a date within 25 Business Days from the date that the last of the Conditions set out in Paragraphs 2.8(a)(i), 2.8(a)(ii), 2.8(a)(iii), 2.8(a)(iv) and 2.8(a)(v) of the Letter to Sabana Unitholders is satisfied in accordance with the terms of the Implementation Agreement; and

(b) provided that the rest of the Conditions set out in Paragraphs 2.8(a) of the Letter to Sabana Unitholders are satisfied or waived on the Record Date, as the case may be, in accordance with the terms of the Implementation Agreement.

4.5 Switch Option

Pursuant to the terms of the Implementation Agreement and subject to prior consultation with the SIC:

(a) if a Sabana Competing Proposal or an intention to make a Sabana Competing Proposal is announced, the ESR-REIT Trustee and the ESR-REIT Manager have the option to elect to proceed by way of a voluntary conditional offer for the Sabana Units (the "Offer") (instead of proceeding with the Merger by way of the Scheme) (the "Switch Option"), unless the ESR-REIT Trustee and the ESR-REIT Manager have consented to such Sabana Competing Proposal;

(b) if the ESR-REIT Trustee and the ESR-REIT Manager become entitled to and elect to exercise the Switch Option, they will be required to make the Offer on the same or better terms as those which apply to the Scheme or the Sabana Competing Proposal (whichever is higher), including the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances set at only more than 50 per cent. of the Sabana Units to which the Offer relates and not conditional on a higher level of acceptances;

(c) in determining the Scheme Consideration for purposes of the Switch Option, this will be the implied dollar value of the Consideration Units, based on the fixed number of Consideration Units issued for each Sabana Unit and the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date on which the Switch Option is exercised; and

(d) if the Switch Option is exercised, the Implementation Agreement (save for certain surviving provisions) shall terminate with effect from the date of announcement by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager of a firm intention to make the Offer, and none of the Parties shall have any claim against the others under the Implementation Agreement, including any claim in respect of the Break Fee (as defined in Paragraph 2.11(a) of the Letter to Sabana Unitholders).

The Switch Option is intended to provide a mechanism for the ESR-REIT Trustee and the ESR-REIT Manager to respond to a Sabana Competing Proposal. There should be no prejudice to the Sabana Unitholders if the ESR-REIT Trustee is permitted to make the Offer on the same or better terms as those which apply to the Scheme or the Sabana Competing Proposal (whichever is the higher), as the Sabana Unitholders will still have the option to tender their Sabana Units in acceptance of the Offer at the same or higher consideration as the Scheme Consideration, subject to the default minimum acceptance condition of more than 50 per cent. of the Sabana Units provided for under the Code.

4.6 Waiver of Rights to a General Offer

In accordance with the SIC's rulings as set out in Paragraph 4.2 of the Letter to Sabana Unitholders, Sabana Unitholders should note that by voting in favour of the Scheme Resolution, Sabana Unitholders will be regarded as having waived their rights to a general offer by the ESR-REIT Concert Party Group to acquire the Sabana Units under the Code and are agreeing to the ESR-REIT Concert Party Group acquiring or consolidating effective control of Sabana REIT by way of the Scheme without having to make a general offer.

4.7 SIC Rulings and Confirmations

Pursuant to the application made by the ESR-REIT Manager to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the Scheme, the SIC has confirmed, inter alia, that:

(a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:

(i) the ESR-REIT Manager, its concert parties as well as the common substantial ESR-REIT Unitholders/Sabana Unitholders (i.e. those holding 5% or more interests in both ESR-REIT and Sabana REIT) abstain from voting on the Scheme;

(ii) Sabana REIT appoints an independent financial adviser to advise on the Scheme;

(iii) the Scheme is approved by a majority in number representing three-fourths in value of the Sabana Units held by the Sabana Unitholders present and voting either in person or by proxy at the Scheme Meeting;

(iv) the Sabana Manager obtains the Scheme Court Order; and

(v) it has no objections to the Conditions.

5. DELISTING

Upon the Scheme becoming effective in accordance with its terms:

(a) all Entitled Sabana Unitholders will receive Consideration Units of 0.940 new ESR-REIT Units for each Sabana Unit;

(b) Sabana REIT will be wholly-owned by the ESR-REIT Trustee; and

(c) Sabana REIT will, following settlement of the Scheme Consideration and subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application will be made to seek approval from the SGX-ST to delist and remove Sabana REIT from the Official List of the SGX-ST upon the Scheme becoming effective in accordance with its terms.

SABANA UNITHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME RESOLUTION, SABANA REIT WILL, SUBJECT TO THE APPROVAL OF THE SGX-ST, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.

6. RATIONALE

6.1 Sabana Manager's Rationale for the Merger

Sabana Manager's rationale for the Merger is set out below:

(a) Creation of a sizeable and liquid industrial real estate investment trust in Singapore ("S-REIT");

(b) Enhanced portfolio diversification, strength, and resilience;

(c) Improved growth outlook;

(d) Enhanced balance sheet flexibility and cost of capital; and

(e) DPU accretive to Sabana Unitholders on a historical pro forma basis.

Please refer to paragraph 2.4 of the Letter to Sabana Unitholders for further details of Sabana Manager's rationale for the Merger.

7. OUR ASSESSMENT OF THE FINANCIAL TERMS OF THE MERGER

In evaluating and assessing the financial terms of the Scheme Consideration, we have taken into account the pertinent factors set out below which we consider to have a significant bearing on our assessment:

(1) The rationale for the Merger;

(2) Market quotations and liquidity of Sabana Units;

(3) Comparison of the Scheme Consideration implied by the Reference Price with historical prices of Sabana Units;

(4) Comparison of Scheme Consideration implied by the Reference Price with historical VWAPs;

(5) Comparison of the P/NAV implied by the Scheme Consideration and the Reference Price with historical P/NAV of Sabana Units;

(6) Comparison of P/NAV of Sabana Units implied by the Scheme Consideration and the Reference Price with selected comparable industrial S-REITs;

(7) Comparison of Scheme Consideration implied by the Reference Price with selected precedent amalgamations of S-REITs;

(8) Market quotations and liquidity of ESR-REIT Units;

(9) Comparison of the Reference Price with historical prices of ESR-REIT Units;

(10) Comparison of the P/NAV implied by the Reference Price with historical P/NAV of ESR-REIT Units;

(11) Comparison of P/NAV of ESR-REIT Units with selected comparable industrial S-REITs;

(12) Comparison of implied consideration mix with selected precedent amalgamations of S-REITs

(13) Valuation of Sabana Properties and ESR-REIT Properties;

(14) Pro forma financial effects of the Proposed Transaction;

(15) Break Fee and Reverse Break Fee; and

(16) Other relevant considerations.

7.1 The rationale for the Merger

The disclosures made in relation to the rationale for the Merger are set out in Paragraph 2.4 of the Letter to Sabana Unitholders and in section 6 of this letter.

We recommend that the Sabana Independent Directors advise the Sabana Unitholders to read this information carefully.

7.2 Market quotations and liquidity of Sabana Units

We have considered the liquidity and free float of Sabana Units relative to the top 30 STI Companies as at JAD (as defined herein) in order to evaluate whether the historical market prices of Sabana Units provide a meaningful benchmark and reference point for a comparison with the Scheme Consideration.

On 16 July 2020, the respective boards of directors of the Sabana Manager and the ESR-REIT Manager jointly announced the Merger (the "Joint Announcement Date" or "JAD"). Accordingly, the table below outlines the average daily trading volume for the past twelve months ("ADT Volume") and the average daily trading value for the past twelve months ("ADT Value") leading up to JAD for Sabana Units and the top 30 STI Companies:

Table 1: Liquidity analysis of the Sabana Units and the top 30 STI Companies(1)

Reference period: Twelve-month period up to JAD **Top 30 STI Companies**	**ADT Volume of shares as a percentage of free float(2, 3)**	**ADT Value of shares as a percentage of market capitalisation(2, 4)**
Mean	0.41%	0.28%
Median	0.35%	0.21%
Maximum	1.15%	0.87%
Minimum	0.10%	0.03%
Sabana Units	**0.18%**	**0.12%**

Source: Bloomberg

Notes:

(1) The top 30 STI Companies comprises of Ascendas Real Estate Investment Trust, CapitaLand Commercial Trust, CapitaLand Ltd, CapitaLand Mall Trust, City Developments Ltd, ComfortDelGro Corp Ltd, Dairy Farm International Holdings Ltd, DBS Group Holdings Ltd, Genting Singapore Ltd, Hongkong Land Holdings Ltd, Jardine Cycle & Carriage Ltd, Jardine Matheson Holdings Ltd, Jardine Strategic Holdings Ltd, Keppel Corp Ltd, Mapletree Commercial Trust, Mapletree Industrial Trust, Mapletree Logistics Trust, Oversea-Chinese Banking Corp Ltd, SATS Ltd, Sembcorp Industries Ltd, Singapore Airlines Ltd, Singapore Exchange Ltd, Singapore Technologies Engineering Ltd, Singapore Telecommunications Ltd, Thai Beverage PCL, United Overseas Bank Ltd, UOL Group Ltd, Venture Corp Ltd, Wilmar International Ltd, Yangzijiang Shipbuilding Holdings Ltd.

(2) All figures are as at market close of JAD

(3) Average daily trading volume as a percentage of free float is computed using the ADT Volume up to JAD and dividing that by free float number of shares.

(4) Average daily trading value as a percentage of market capitalisation is computed using the ADT Value up to JAD and dividing that by market capitalisation of the companies.

We note the following in respect of the liquidity of the Sabana Units:

(A) The ADT Volume as a percentage of free float for the Sabana Units is within the range of the top 30 STI Companies and below the mean and median; and

(B) The ADT Value of Sabana Units as a percentage of market capitalisation is within the range of the top 30 STI Companies and below the mean and median.

The above analysis indicates that Sabana Units have not been unduly illiquid in the twelve months leading up to JAD. Sabana Units appear to have reasonable liquidity given Sabana REIT's market capitalisation. We conclude that the market prices for Sabana Units provide a meaningful benchmark (for the fundamental value of Sabana Units) and reference point for the comparison with the Scheme Consideration.

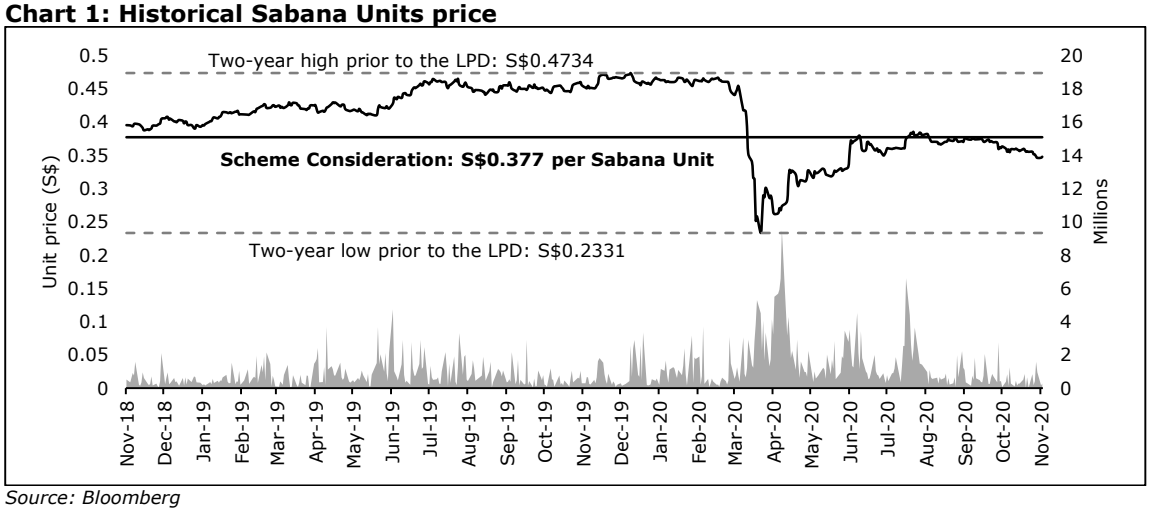
We note that for the period from JAD to Latest Practicable Date ("LPD"), the ADT Volume as a percentage of free float was 28% lower and the ADT value as a percentage of market capitalisation was 25% lower for Sabana Units as compared to the 12-month reference period shown in Table 1 above.

7.3 Comparison of the Scheme Consideration implied by the Reference Price with historical prices of Sabana Units

We note that the Scheme Consideration (S$0.377 per Sabana Unit) shall be satisfied by the allotment and issuance of 0.940 new ESR-REIT Units (the "Gross Exchange Ratio" or "GER") (at a Reference Price of S$0.401) per Consideration Unit.

We have compared the implied Scheme Consideration of S$0.377 per Sabana Unit with the market prices and trading volumes of Sabana Units for the two-year period prior to the JAD and up to 03 November 2020 being the LPD in the chart below.

Chart 1: Historical Sabana Units price



Source: Bloomberg

A summary of announcements relating to Sabana REIT during the two-year period prior to the LPD are as follows:

No	Date	Details
1	30/10/2020	Announcement of Q3 2020 Interim Business update
2	22/09/2020	Announcement of order of Court to convene Scheme Meeting
3	21/09/2020	Announcement of addendum to the Annual Report 2019
4	28/08/2020	Announcement of press release by ESR Cayman Limited reiterating there are no conflicts of interest
5	28/08/2020	Announcement of clarifications relating to the Proposed Merger
6	07/08/2020	Announcement of corrigendum to joint announcement and Sabana investor presentation
7	16/07/2020	Announcement of the request for lifting of trading halt
8	16/07/2020	Announcement of the Merger of ESR-REIT and Sabana REIT by way of a Trust Scheme of Arrangement
9	16/07/2020	Announcement of a distribution of SGD0.0047 per Unit for the period from 1 January 2020 to 30 June 2020, comprising wholly taxable income distribution
10	16/07/2020	Announcement of the Q2 and/or half yearly results for the period ended 30 June 2020
11	27/03/2020	Announcement of the change to half-yearly reporting
12	23/01/2020	Announcement of a distribution of SGD0.77 cents per Unit for the period from 1 October 2019 to 31 December 2019, comprising wholly taxable income distribution
13	23/01/2020	Announcement of the full year results for the year ended 31 December 2019
14	22/11/2019	Announcement of the S$161.0 million new commodity murabaha facilities and disclosure pursuant to Rule 704(31)
15	24/10/2019	Announcement of a distribution of SGD0.78 cents per unit for the period from 1 July 2019 to 30 September 2019, comprising wholly taxable income distribution
16	24/10/2019	Announcement of the Q3 results for the period ended 30 September 2019
17	25/07/2019	Announcement of a distribution of SGD0.62 cents per Unit for the period from 1 April 2019 to 30 June 2019, comprising wholly taxable income distribution
18	25/07/2019	Announcement of the Q2 and/or half yearly results for the period ended 30 June 2019
19	20/04/2019	Announcement of a distribution of SGD0.75 cents per unit for the period from 1 January 2019 to 31 March 2019, comprising a taxable income component of SGD0.0063 per unit and a capital gains component of SGD0.0012 per Unit
20	20/04/2019	Announcement of the Q1 results for the period ended 31 March 2019
21	24/01/2019	Announcement of a distribution of SGD0.71 cents per unit for the period from 1 October 2018 to 31 December 2018, comprising wholly taxable income distribution
22	24/01/2019	Announcement of the full year results for the year ended 31 December 2018
23	10/01/2019	Announcement of the completion of divestment of 9 Tai Seng Drive, Geo-Tele Centre, Singapore 535227
24	26/10/2018	Announcement of a distribution of SGD0.77 cents per unit for the period from 1 July 2018 to 30 September 2018, comprising wholly taxable income distribution
25	26/10/2018	Announcement of the Q3 results for the period ended 30 September 2018
26	25/07/2018	Announcement of a distribution of SGD0.82 cents per unit for the period from 1 April 2018 to 30 June 2018, comprising wholly taxable income distribution
27	25/07/2018	Announcement of the Q2 and/or half yearly results for the period ended 30 June 2018

We note that:

(A) The Scheme Consideration implied by the Reference Price is generally lower than the closing prices of the Sabana Units for periods prior to 15 March 2020; and

(B) The Scheme Consideration implied by the Reference Price is generally higher than the closing prices of the Sabana Units for periods after 15 March 2020

We have tabulated below a comparison of the Scheme Consideration implied by the Reference Price against the volume weighted average price ("VWAP") performance of Sabana Units for a range of reference periods:

Table 2: Comparison of VWAPs of the Sabana Units against the Scheme Consideration implied by the Reference Price

Reference period	Highest traded price	Lowest traded price	VWAP	Premium of the Scheme Consideration to VWAP
Prior to JAD				
JAD	0.365	0.355	0.3605	4.6%
Last 1 week	0.361	0.3597	0.3605	4.6%
Last 1 month	0.3698	0.3496	0.3599	4.7%
Last 3 months	0.3792	0.3034	0.3432	9.8%
Last 6 months	0.4664	0.2331	0.3370	11.9%
Last 12 months	0.4734	0.2331	0.3746	0.6%
Last 24 months	0.4734	0.2331	0.3933	-4.2%
After JAD				
From JAD to the LPD	0.3851	0.3459	0.3718	1.4%
LPD	0.35	0.345	0.3476	8.5%

Source: Bloomberg

We note that:

(A) The Scheme Consideration implied by the Reference Price represents a premium/(discount) range of (4.2%) to 11.9% over the respective reference periods VWAP of the Sabana Units.

7.4 Comparison of Scheme Consideration implied by the Reference Price over historical VWAPs

We tabulate below the consideration implied by GER based on historical VWAP of ESR Units for the respective periods.

Table 3: Comparison of consideration implied by GER over VWAP of Sabana Units

Reference period	Sabana Units VWAP (1)	ESR Unit VWAP (2)	Consideration implied by GER (3) = GER x (2)	Premium of consideration implied by GER over VWAP of Sabana Units
Prior to JAD				
JAD	0.3605	0.3903	0.3669	1.8%
Last 1 week	0.3605	0.3904	0.3670	1.8%
Last 1 month	0.3599	0.3975	0.3737	3.8%
Last 3 months	0.3432	0.3694	0.3472	1.2%
Last 6 months	0.3370	0.3638	0.3420	1.5%
Last 12 months	0.3746	0.3996	0.3756	0.3%
Last 24 months	0.3933	0.4255	0.4000	1.7%
After JAD				
From JAD to the LPD	0.3718	0.3893	0.3660	-1.6%
LPD	0.3476	0.3612	0.3395	-2.3%

We note that:

(A) The consideration implied by the Gross Exchange Ratio represents a premium range of 0.3% to 3.8% to the VWAPs of the respective Sabana Units for the JAD, 1 week, 1 month, 3 months, 6 months 12 months and 24 months time periods; and

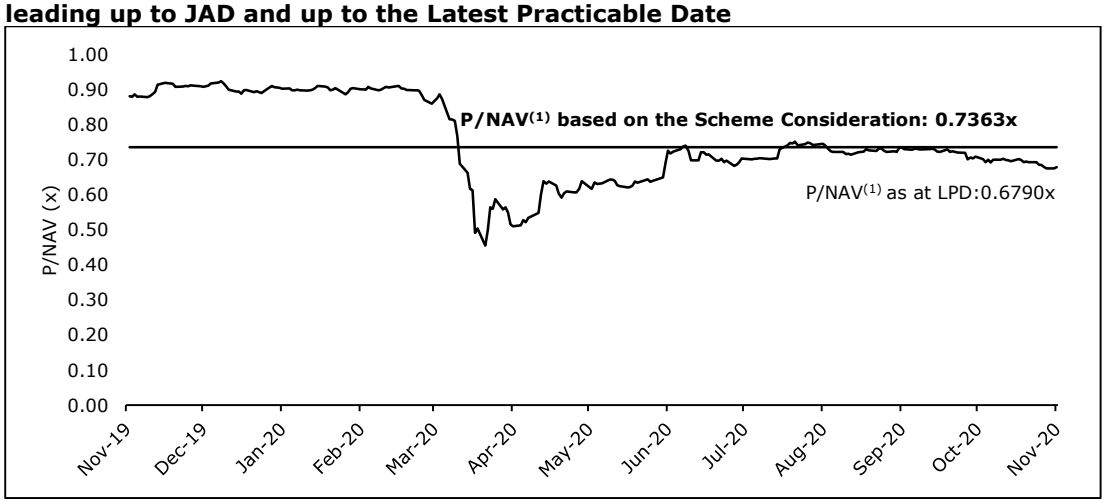
(B) The consideration implied by the Gross Exchange Ratio represents a discount of (1.6%) and (2.3%) to the VWAPs of Sabana Units for the period from JAD to LPD and as at LPD respectively.

We note that, for the period from JAD to LPD, there are various factors that may have impacted the prices for Sabana Units and ESR Units, including but not limited to the volatility in the stock markets due to the pandemic and the US elections.

7.5 Comparison of the P/NAV implied by the Scheme Consideration and the Reference Price with historical P/NAV of Sabana Units

We have compared the Scheme Consideration implied by the Reference Price with the NAV per Sabana Unit as at the JAD and the P/NAV multiple (as defined herein) of the Sabana Unit for the twelve-month period leading up JAD and as at the LPD.

Chart 2: Latest P/NAV multiples of the Sabana Units for the twelve-month period leading up to JAD and up to the Latest Practicable Date



Source: Bloomberg
Notes:
(1) NAV is based on the unaudited consolidated financial statements as at 30 June 2020

Table 4: P/NAV multiples of the Sabana Units for selected periods

	Implied P/NAV(1,2)	P/NAV as at JAD(1,2)	P/NAV(1,2) as at LPD	Six-month period up to the JAD				Twelve-month period up to the JAD			
				Mean	Median	Max	Min	Mean	Median	Max	Min
P/NAV multiple (1,2)	0.7363x	0.7042x	0.6790x	0.7172x	0.6987x	0.9110x	0.4553x	0.8048x	0.8786x	0.9247x	0.4553x

Source: Bloomberg
Notes:
(1) P/NAV multiple – "NAV" or "net asset value" is the book value of a company's shareholder's equity (excluding non-controlling interests and perpetual security holders). The "P/NAV" or "price to NAV" ratio illustrates the ratio of the market price of a company's units relative to its historical book value per unit recorded in the pro forma financial statements. Comparisons of companies using their book value are affected by the differences in their respective accounting policies, in particular their depreciation and asset valuation policies.
(2) The Implied P/NAV multiple of the Sabana Units is based on the Scheme Consideration, the Reference Price and the NAV based on the unaudited consolidated financial statements as at 30 Jun 2020.

We note that:

(A) The P/NAV (based on Scheme Consideration and Reference Price) is within the range and above the mean and median for the six-month period up to the JAD;

(B) The P/NAV (based on Scheme Consideration and Reference Price) is within range and below the mean and median for the twelve-month period up to the JAD; and

(C) The P/NAV (based on the Scheme Consideration and Reference Price) is higher than the P/NAV as at JAD and LPD.

7.6 Comparison of P/NAV of Sabana Units implied by the Scheme Consideration and the Reference Price with selected comparable industrial S-REITs

We have evaluated selected comparable S-REITs which are engaged in industrial real estate investments and which are considered to be broadly comparable to Sabana REIT to provide an indication of the current market expectations with respect to the valuation of such trusts as implied by their respective closing market prices as at the LPD.

We wish to highlight that the selected comparable industrial S-REITs may not be directly comparable to Sabana REIT in terms of, *inter alia*, business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria. As a result, any comparisons drawn can serve only as an illustrative guide.

We have compared Sabana REIT with the selected comparable industrial S-REITs using their P/NAV multiples as at 30 June 2019, 30 September 2019, 31 December 2019, the JAD and as at LPD as the key valuation metric, based on their respective closing prices and their latest publicly available financial results as at the relevant dates.

Table 5: Description of selected comparable industrial S-REITs

Name	Description
Ascendas REIT	Ascendas REIT is Singapore's first and largest listed business space and industrial real estate investment trust. It was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in November 2002. As at 31 December 2019, investment properties under management stands at S$12.8 billion, comprising 200 properties across the developed markets of Singapore, Australia, the United Kingdom and the United States. Ascendas Reit's portfolio includes business and science parks, suburban office properties, high-specifications industrial properties, light industrial properties, logistics and distribution centres, and integrated developments, amenities and retail properties.
Mapletree Industrial Trust	Mapletree Industrial Trust ("MIT") is a real estate investment trust listed on the Main Board of Singapore Exchange. Its principal investment strategy is to invest in a diversified portfolio of income-producing real estate used primarily for industrial purposes in Singapore and income-producing real estate used primarily as data centres worldwide beyond Singapore, as well as real estate-related assets.
AIMS APAC REIT	AIMS APAC REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial, logistics and business park real estate, located throughout the Asia Pacific region. The real estate assets are utilised for a variety of purposes, including but not limited to warehousing and distribution activities, business park activities and manufacturing activities. The existing portfolio consists of 27 properties, of which 25 properties are located throughout Singapore, a property located in Gold Coast, Queensland, Australia and a 49.0% interest in one business park property, Optus Centre, which is located in Macquarie Park, New South Wales, Australia.
ARA LOGOS Logistics Trust	Listed on the Singapore Exchange on 12 April 2010, ARA LOGOS Logistics Trust ("ALOG") invests in income-producing industrial real estate used for logistics purposes, as well as real estate-related assets in the Asia Pacific. As at 31 March 2020, ALOG's portfolio comprises 27 high quality logistics warehouse properties strategically located in established logistics clusters in Singapore and Australia. The portfolio has a total gross floor area of approximately 9.0 million square feet valued at approximately S$1.26 billion.
Soilbuild Business Space REIT	Soilbuild Business Space REIT ("Soilbuild REIT") is a Singapore and Australia-focused real estate investment trust with a portfolio of business parks and industrial properties used by industries engaging in manufacturing, engineering, logistic, warehousing, electronics, marine, oil & gas, research and

	development and value-added knowledge-based activities. Soilbuild REIT's portfolio comprises 10 properties in Singapore and 3 properties in Australia with a total net lettable area of 4.12 million square feet and an occupancy rate of 89.5% as at 30 June 2020. Soilbuild REIT was listed on the Singapore Exchange Securities Trading Limited on 16 August 2013.

Source: Bloomberg, S&P Capital IQ, annual reports of the respective S-REITs

Table 6: Selected comparable industrial S-REITs

Company	**Market Capitalisation as at JAD** *(S$ million)*	**P/NAV(1) as at LPD**	**P/NAV(1) as at JAD**	**P/NAV(1) as at 31-Dec-2019**	**P/NAV(1) as at 30-Sep-2019**	**P/NAV(1) as at 30-Jun-2019**
Ascendas REIT	11,983	1.3697x	1.5342x	1.6176x	1.4904x	1.4623x
Mapletree Industrial Trust	6,856	1.8356x	1.9236x	1.6774x	1.7370x	1.4807x
AIMS APAC REIT	848	0.8678x	0.8880x	1.0934x	1.0816x	1.0981x
ARA LOGOS Logistics Trust	641	0.9900x	1.0030x	1.1172x	1.1406x	1.1878x
Soilbuild Business Space REIT	533	0.7808x	0.7164x	0.8663x	1.0200x	0.9935x
Mean		1.1688x	1.2130x	1.2744x	1.2939x	1.2445x
Median		0.9900x	1.0030x	1.1172x	1.1406x	1.1878x
Maximum		1.8356x	1.9236x	1.6774x	1.7370x	1.4807x
Minimum		0.7808x	0.7164x	0.8663x	1.0200x	0.9935x
Sabana Units		0.6790x	0.7042x	0.8165x	0.8100x	0.7953x
Discount to Median		-31.4%	-29.8%	-26.9%	-29.0%	-33.0%
Implied by Scheme Consideration			0.7363x			
Discount to Median			-26.6%			

Source: Bloomberg
Notes:
(1) The Price to NAV ("P/NAV") was calculated based on the ratio of market capitalisation as at the respective end of the time period, JAD or LPD to the latest published NAV of the S-REIT (excluding non-controlling interests and amounts attributable to perpetual securities holders).

We note that:

(A) The discount (implied P/NAV to the median P/NAV of selected comparable S-REITS) as at JAD of 26.6% is lower than the historical range of discount of 26.9% to 33.0% based on the median P/NAV of the comparable S-REITS as of the selected dates prior to and including JAD;

(B) The P/NAV of 0.7363x implied by the Scheme Consideration and the Reference Price (as at JAD) is within the range of multiples for the selected comparable industrial S-REITs but lower than both the mean and median P/NAV multiples for the selected comparable industrial S-REITs as at the JAD; and

(C) The P/NAV of 0.7363x implied by the Scheme Consideration and the Reference Price (as at JAD) is lower than the range of multiples for selected comparable industrial S-REITs as at the LPD.

7.7 Comparison with Scheme Consideration implied by the Reference Price with selected precedent amalgamations of S-REITs

We have compiled details of the selected precedent amalgamations of selected S-REITs in the three-year period preceding the JAD in the table below.

We note that the S-REITs set out in this table may not be directly comparable to either Sabana REIT or ESR-REIT in terms of, inter alia, their business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria.

We note further that there may be commercial and financial merits specific to each of the transactions noted. The premium that an offeror will pay in respect of any particular takeover depends on various factors including, inter alia, the offeror's intention for the target, the potential synergy that the offeror can derive from the target, the presence of competing bids, prevailing market conditions and sentiment, the attractiveness and profitability of the target's business and assets and existing and desired level of control in the target. As a result, any comparisons to be drawn can serve only as an illustrative guide.

Table 7: The premium/(discount) of the scheme consideration for selected precedent S-REIT amalgamation transactions

			Premium/(discount) of consideration over VWAP				
Ann. Date	**Target**	**Acquirer**	1-week	1-month	3-month	6-month	12-month
02-Dec-19[(1)]	Frasers Commercial Trust[(5)]	Frasers Logistics and Industrial Trust	2.1%	3.6%	3.1%	3.6%	8.2%
03-Jul-19[(2)]	A-HTRUST	Ascott REIT	11.3%	13.8%	18.9%	24.0%	31.8%
08-Apr-19[(3)]	OUE[(6)] Hospitality Trust[(7)]	OUE Commercial REIT	11.8%	3.0%	4.4%	6.7%	0.6%
18-May-18[(4)]	Viva Industrial Trust[(8)]	ESR-REIT	2.3%	2.1%	0.7%	1.5%	8.0%
22-Jan-20[(9)]	CapitaLand Commercial Trust	CapitaLand Mall Trust	0.2%	2.7%	4.8%	3.2%	5.2%
Mean			**5.5%**	**5.0%**	**6.4%**	**7.8%**	**10.8%**
Median			**2.3%**	**3.0%**	**4.4%**	**3.6%**	**8.0%**
Maximum			**11.8%**	**13.8%**	**18.9%**	**24.0%**	**31.8%**
Minimum			**1.4%**	**2.1%**	**0.7%**	**1.5%**	**0.6%**
	Sabana REIT	**ESR-REIT**	**4.6%**	**4.7%**	**9.8%**	**11.9%**	**0.6%**

Source: Relevant SGX-ST filings and the respective companies' announcements, circulars and offer documents

Notes:

(1) Date of the initial announcement by the managers of Frasers Commercial Trust and Frasers Logistics and Industrial Trust for the merger between Frasers Commercial Trust and Frasers Logistics and Industrial Trust

(2) Date of the initial announcement by the managers of A-HTRUST and Ascott REIT that it had submitted a proposal for the merger between A-HTRUST and Ascott REIT

(3) Date of the initial announcement by the managers of OUE Commercial REIT and OUE Hospitality Trust that it had submitted a proposal for the merger between OUE Commercial REIT and OUE Hospitality Trust

(4) Date of the initial announcement by the manager of ESR-REIT that it had submitted a proposal for the merger between ESR-REIT and Viva Industrial Trust

(5) Total consideration computed based on the implied gross exchange ratio of 1.355x and the issue price of S$1.24

(6) Total consideration computed based on the implied gross exchange ratio of 0.836x and the issue price of S$1.30

(7) 5% is based on the cash consideration divided by the implied value of the offer computed based on the implied gross exchange ratio of 1.430x and the issue price of S$0.57

(8) Total consideration computed based on the implied gross exchange ratio of 1.778x and issue price of S$0.54

(9) Date of the initial announcement by the managers of CapitaLand Mall Trust and CapitaLand Commercial Trust for the merger between CapitaLand Mall Trust and CapitaLand Commercial Trust.

We note that:

(A) We note that premia offered by the Scheme Consideration based on the Reference Price for the 1-week VWAP, 1-month VWAP, 3-month VWAP, and 6-month VWAP are higher than the median of those observed in the precedent amalgamations;

(B) The premia offered by the Scheme Consideration based on the Reference Price for the 12-month VWAP is lower than the median of those observed in the precedent amalgamations; and

(C) The premia offered by the Scheme Consideration based on the Reference Price are within the range observed in the precedent amalgamations.

7.8 Market quotations and liquidity of ESR-REIT Units

We have considered the liquidity and free float of ESR-REIT relative to the top 30 STI Companies as at JAD in order to evaluate whether the historical market prices of the ESR-REIT Units provide a meaningful benchmark and reference point for a comparison with the Consideration Units.

On 16 July 2020, the respective boards of directors of the Sabana Manager and the ESR-REIT Manager jointly announced the. Accordingly, the table below outlines the Past 12M ADT Volume and the Past 12M ADT Value up to JAD of the ESR-REIT Units and of the top 30 STI Companies:

Table 8: Liquidity analysis of the ESR-REIT Units and the top 30 STI Companies [(1)]

Reference period: Twelve-month period up to JAD **Top 30 STI Companies**	**ADT Volume of shares as a percentage of free float [(2, 3)]**	**ADT Value of shares as a percentage of market capitalisation [(2, 4)]**
Mean	0.41%	0.28%
Median	0.35%	0.21%
Maximum	1.15%	0.87%
Minimum	0.10%	0.03%
ESR-REIT Units	**0.86%**	**0.42%**

Source: Bloomberg

Notes:

(1) The top 30 STI Companies comprises of Ascendas Real Estate Investment Trust, CapitaLand Commercial Trust, CapitaLand Ltd, CapitaLand Mall Trust, City Developments Ltd, ComfortDelGro Corp Ltd, Dairy Farm International Holdings Ltd, DBS Group Holdings Ltd, Genting Singapore Ltd, Hongkong Land Holdings Ltd, Jardine Cycle & Carriage Ltd, Jardine Matheson Holdings Ltd, Jardine Strategic Holdings Ltd, Keppel Corp Ltd, Mapletree Commercial Trust, Mapletree Industrial Trust, Mapletree Logistics Trust, Oversea-Chinese Banking Corp Ltd, SATS Ltd, Sembcorp Industries Ltd, Singapore Airlines Ltd, Singapore Exchange Ltd, Singapore Technologies Engineering Ltd, Singapore Telecommunications Ltd, Thai Beverage PCL, United Overseas Bank Ltd, UOL Group Ltd, Venture Corp Ltd, Wilmar International Ltd, Yangzijiang Shipbuilding Holdings Ltd.

(2) All figures are at JAD.

(3) Average daily trading volume as a percentage of free float is computed taking the ADT Volume leading up to JAD divided by free float number of shares.

(4) Average daily trading value as a percentage of market capitalisation is computed taking the ADT Value leading up to JAD divided by market capitalisation of the companies.

We note the following in respect of the liquidity of the ESR-REIT Units:

(A) The ADT Volume as a percentage of free float for the ESR-REIT Units is within range of the maximum and minimum, and higher than the mean and median of measures for the top 30 STI Companies; and

(B) The Past 12M ADT Value as a percentage of market capitalisation for the ESR-REIT Units is within range of the maximum and minimum, and higher than the mean and median of measures for the top 30 STI Companies.

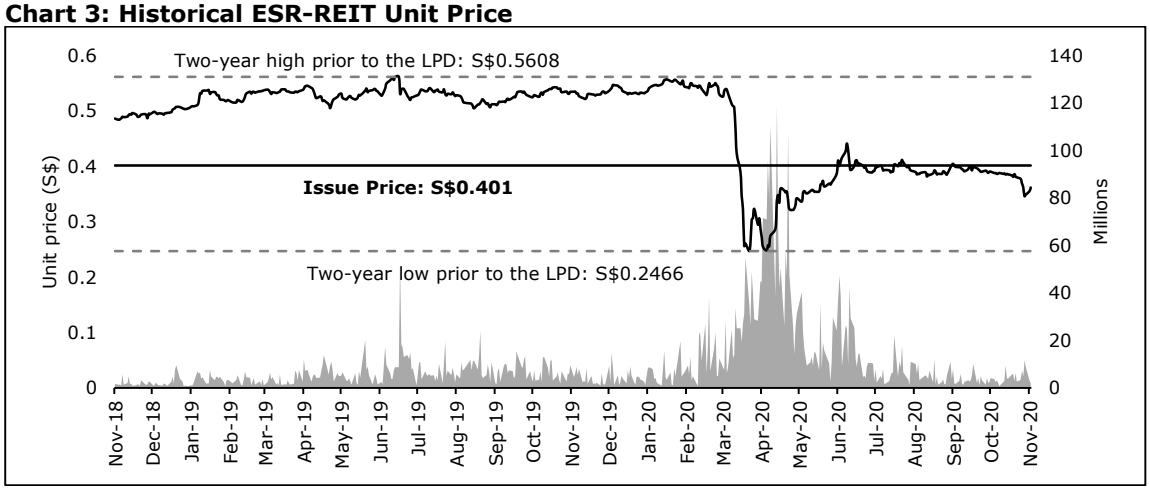
The above analysis indicates that ESR-REIT Units have not been unduly illiquid in the twelve months leading up to JAD. We conclude that the market prices for the ESR-REIT Units provide a meaningful benchmark and reference point for the comparison with the Scheme Consideration.

We note that for the period from JAD to LPD, the ADT Volume as a percentage of free float was 75% lower and the ADT value as a percentage of market capitalisation was 64% lower for ESR-Units as compared to the 12-month reference period shown in Table 7 above.

7.9 Comparison of the Reference Price with historical prices of ESR-REIT Units

We have compared the Reference Price of S$0.401 against the market price and trading volumes for the ESR-REIT Units for the two-year period prior to the JAD and up to the LPD in the chart below.

Chart 3: Historical ESR-REIT Unit Price



Source: Bloomberg

A summary of announcements relating to ESR-REIT during the two-year period prior to the LPD are as follows:

No	Date	Details
1	30/10/2020	Announcement of a taxable income distribution of 0.798 cents per Unit for the period from 1 July 2020 to 30 September 2020
2	30/10/2020	Announcement of ESR-REIT Q3 2020 Interim update
3	31/08/2020	Announcement of merger of ESR-REIT and Sabana REIT presenting significant benefits
4	07/08/2020	Announcement of Proposed Merger of ESR-REIT and Sabana REIT - Corrigendum announcements
5	06/08/2020	Announcement of Proposed Merger of ESR-REIT and Sabana REIT - No increase of offer price
6	27/07/2020	Announcement of the issue price of units pursuant to the ESR-REIT distribution reinvestment plan
7	16/07/2020	Announcement of the request for lifting of trading halt
8	16/07/2020	Announcement of the entry into S$460 million unsecured loan facility with Malayan Banking Berhad, RHB Bank Berhad, Sumitomo Mitsui Banking Corporation and United Overseas Bank Limited as lenders
9	16/07/2020	Announcement of the Proposed Merger of ESR-REIT and Sabana REIT by way of a Trust Scheme of Arrangement
10	16/07/2020	Announcement of the Q2 and/or half yearly results for the period ended 30 June 2020
11	24/06/2020	Announcement of the issue of 17,219,104 new units in ESR-REIT at an issue price of S$0.3317 per Unit pursuant to the ESR-REIT Distribution Reinvestment Plan
12	21/05/2020	Announcement of the redemption on maturity and cancellation of S$130 million 3.95% Series 004 notes issued by ESR-MTN Pte. Ltd.
13	29/04/2020	Announcement of the redemption on maturity and cancellation of S$30 million 4.10% Series 002 notes issued by ESR-MTN Pte. Ltd.
14	23/04/2020	Announcement of the Q1 interim update for the period ended 31 March 2020
15	13/03/2020	Announcement of the change to half-yearly reporting
16	09/03/2020	Announcement of the issue of 14,393,967 new units in ESR-REIT at an issue price of S$0.5317 per unit pursuant to the ESR-REIT distribution reinvestment plan
17	28/02/2020	Announcement of the entry into S$200 million unsecured loan facility with MUFG Bank Ltd., Sumitomo Mitsui Banking Corporation as lenders
18	23/01/2020	Announcement of the full year results for the year ended 31 December 2019
19	25/10/2019	Announcement of the Q3 results for the period ended 30 September 2019
20	14/10/2019	Announcement of the issue and listing of 98,117,183 new units, at the issue price of S$0.510 per new unit, pursuant to the preferential offering
21	07/08/2019	Announcement of the completion of acquisition of 48 Pandan Road
22	22/07/2019	Announcement of a distribution of SGD0.059 cents per unit for the period from 26 June 2019 to 30 June 2018, comprising a taxable income distribution of SGD0.053 cents per unit and a other gains component of SGD0.006 cents per unit
23	22/07/2019	Announcement of the Q2 and/or half yearly results for the period ended 30 June 2019
24	28/06/2019	Announcement of the completion of divestment of 31 Kian Teck Way for approximately S$5.8 million (excluding divestment costs and applicable goods and services tax)
25	26/06/2019	Announcement of the issue of 194,174,000 new units at the issue price of S$0.515 per new unit pursuant to the private placement
26	17/06/2019	Announcement of the entry into joint venture and acquisition of 48 Pandan Road, Singapore 609289 at a purchase consideration of S$225 million
27	10/06/2019	Announcement of the issue of 8,936,833 new units in ESR-REIT at an issue price of S$0.5123 per unit pursuant to the ESR-REIT distribution reinvestment plan
28	29/05/2019	Announcement of the entry into S$150 million unsecured loan facility with CIMB Bank Berhad as lender
29	24/04/2019	Announcement of a distribution of SGD1.007 cents per unit for the period from 1 January 2019 to 31 March 2019, comprising a taxable income distribution of SGD0.942 cents per unit and a other gains component of SGD0.065 cents per unit
30	24/04/2019	Announcement of the Q1 results for the period ended 31 March 2019
31	05/03/2019	Announcement of the entry into S$155 million unsecured loan facility with Australia and New Zealand Banking Group Limited, CTBC Bank Co., Ltd., and Standard Chartered Bank as lenders

32	18/01/2019	Announcement of a distribution of SGD0.841 cents per unit for the period from 16 October 2018 to 31 December 2018, comprising a taxable income distribution of SGD0.794 cents per unit and a other gains component of 0.047 cents per Unit
33	18/01/2019	Announcement of the full year results for the year ended 31 December 2018
34	05/11/2018	Announcement of the redemption on maturity and cancellation of S$155 million 3.50% notes issued by ESR-MTN Pte. Ltd.
35	26/10/2018	Announcement of the Q3 results for the period ended 30 September 2018
36	25/10/2018	Announcement of the completion of acquisition of 15 Greenwich Drive for S$95.8 million and entry into S$100 million unsecured loan facility
37	13/08/2018	Announcement of a distribution of SGD1.001 cents per unit for the period from 1 April 2018 to 30 June 2018, comprising a taxable income distribution of SGD0.888 cents per Unit and a other gains component of SGD0.113 cents per Unit
38	13/08/2018	Announcement of the Q2 and/or half yearly results for the period ended 30 June 2018

We note that:

(A) The Reference Price is generally lower than the closing prices of the ESR Units for periods prior to 15 March 2020; and

(B) The Reference Price is generally higher than the closing prices of the ESR Units for periods after 15 March 2020.

We have tabulated below a comparison of the Reference Price with the price performance of the ESR-REIT Units for a range of reference periods:

Table 9: Comparison of VWAPs of the ESR-REIT Units against Consideration Units

Reference period	Highest traded price	Lowest traded price	VWAP	Premium/ (discount) of Reference Price to VWAP
Prior to JAD				
JAD	0.3950	0.3850	0.3903	2.7%
Last 1 week	0.3928	0.3885	0.3904	2.7%
Last 1 month	0.4102	0.3883	0.3975	0.9%
Last 3 months	0.4407	0.3209	0.3694	8.6%
Last 6 months	0.5565	0.2466	0.3638	10.2%
Last 1 year	0.5565	0.2466	0.3996	0.4%
Last 2 years	0.5608	0.2466	0.4255	-5.8%
After JAD				
From JAD to the LPD	0.411	0.3458	0.3893	3.0%
LPD	0.365	0.355	0.3612	11.0%

Source: Bloomberg

We note that:

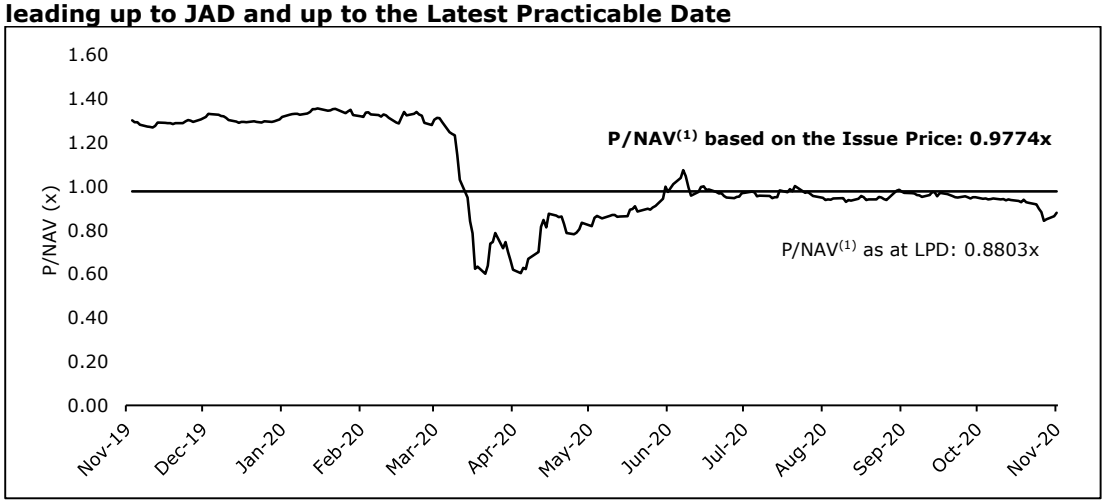
(A) The Reference Price Units represents a discount of (5.8%) to a premium of 10.2% to the VWAPS of the respective ESR Units for the JAD, 1 week, 1 month, 3 months, 6 months 12 months and 24 months time periods; and

(B) The Reference Price Units represents a premium of 3.0% and 11.0% to the VWAPS of the ESR Units for the JAD to the LPD and LPD periods respectively.

7.10 Comparison of the P/NAV implied by the Reference Price with historical P/NAV of ESR-REIT Units

We have compared the Reference Price with the NAV per ESR-REIT Unit as at the JAD and the P/NAV multiple of the ESR-REIT Units over the twelve-month period up to the JAD and as at the LPD.

Chart 4: Latest P/NAV multiples of the ESR-REIT Units for the twelve-month period leading up to JAD and up to the Latest Practicable Date



Source: Bloomberg

Notes:

(1) NAV is based on the unaudited consolidated financial statements as at 30 June 2020.

Table 10: P/NAV multiples of the ESR-REIT Units for selected periods

	Implied P/NAV(1,2)	P/NAV as at JAD(1,2)	P/NAV(1,2) as at LPD	Six-month period up to the JAD				Twelve-month period up to the JAD			
				Mean	Median	Max	Min	Mean	Median	Max	Min
P/NAV multiple(1,2)	0.9774x	0.9466x	0.8803x	0.9641x	0.9375x	1.2945x	0.5578x	1.0702x	1.1492x	1.2945x	0.5578x

Source: Bloomberg

Notes:

(1) P/NAV multiple – "NAV" or "net asset value" is the book value of the company's shareholder's equity (excluding non-controlling interests and perpetual security holders). The "P/NAV" or "price to NAV" ratio illustrates the ratio of the market price of a company's units relative to its historical book value per unit recorded in the pro forma financial statements. Comparisons of companies using their book value are affected by the differences in their respective accounting policies, in particular their depreciation and asset valuation policies.

(2) The Implied P/NAV multiple of the Units is based on the Reference Price of S$0.401 for each ESR-REIT Unit as at the JAD, and the NAV based on unaudited consolidated financial statements as at 30 June 2020.

We note that:

(A) The P/NAV (based on the Reference Price) is within the range and above the mean and median for the ESR-REIT Units for the six-month period up to the JAD;

(B) The P/NAV (based on the Reference Price) is within range and below the mean and median for the twelve-month period up to the JAD; and

(C) The P/NAV based on the Reference Price is higher than the P/NAV as at JAD and LPD.

7.11 Comparison of P/NAV of ESR-REIT Units with selected comparable industrial S-REITs

We have compared ESR-REIT with selected comparable industrial S-REITs using their P/NAV multiples as at 30 June 2019, 30 September 2019, 31 December 2019, the JAD and at LPD, as the key valuation metric based on their respective closing prices and their latest publicly available financial results as at the relevant dates.

Table 11: Selected comparable industrial S-REITs

Company	**Market Capitalisation as at JAD** *(S$ million)*	**P/NAV(1) as at LPD**	**P/NAV(1) as at JAD**	**P/NAV(1) as at 31-Dec-2019**	**P/NAV(1) as at 30-Sep-2019**	**P/NAV(1) as at 30-Jun-2019**
Ascendas REIT	11,983	1.3697x	1.5342x	1.6176x	1.4904x	1.4623x
Mapletree Industrial Trust	6,856	1.8356x	1.9236x	1.6774x	1.7370x	1.4807x
AIMS APAC REIT	848	0.8678x	0.8880x	1.0934x	1.0816x	1.0981x
ARA LOGOS Logistics Trust	641	0.9900x	1.0030x	1.1172x	1.1406x	1.1878x
Soilbuild Business Space REIT	533	0.7808x	0.7164x	0.8663x	1.0200x	0.9935x
Mean		1.1688x	1.2130x	1.2744x	1.2939x	1.2445x
Median		0.9900x	1.0030x	1.1172x	1.1406x	1.1878x
Maximum		1.8356x	1.9236x	1.6774x	1.7370x	1.4807x
Minimum		0.7808x	0.7164x	0.8663x	1.0200x	0.9935x
ESR-REIT		0.8803x	0.9466x	1.1958x	1.1601x	1.1957x
Discount to Median		-11.1%	-5.6%	7.0%	1.7%	0.7%
Implied by Reference Price			0.9774x			
Discount to Median			-2.6%			

Source: Bloomberg

Notes:

(1) The Price to NAV ("P/NAV") was calculated based on the ratio of market capitalisation as at the respective year-end, JAD or LPD to the latest published NAV, which is the book value of a company's shareholder's equity (excluding non-controlling interests and perpetual securities holders).

We note that:

(A) The P/NAV of 0.9774x implied by the Reference Price for the Consideration Units (as at the JAD) is within range and lower than the mean and median of P/NAV multiples for the selected comparable industrial S-REITs as at the JAD;

(B) The P/NAV of 0.9774x implied by the Reference Price is at a (2.6%) discount to the median of the selected comparable industrial S-REITs as at the JAD;

(C) The (2.6%) discount to the median of comparable industrial (as at the JAD) is within range when compared to the (discount)/premium of (5.6%) to 7.0% observed for historical periods; and

(D) The P/NAV of 0.9774x implied by the Reference Price (as at the JAD) is within range and lower than the mean and median of the multiples for selected comparable industrial S-REITs as at the LPD.

7.12 Comparison of implied consideration mix with selected precedent amalgamations of S-REITs

We note that the Scheme Consideration of S$0.377 per Sabana Unit will be paid with 0.940 ESR-REIT Units issued at the Reference Price of S$0.401 (that is, 100% of the Scheme Consideration).

We have compared this aspect of the structure of the Scheme Consideration against the equivalent structure of selected precedent amalgamations of S-REITs. We note that these selected precedent transactions may not be directly comparable to the Scheme in terms of, inter alia, business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria and that there may have been specific commercial and financial merits to each precedent transaction. As a result, any comparison drawn can serve only as an illustrative guide.

Table 12: The scheme consideration components for selected precedent S-REIT amalgamation transactions

Ann. Date	Target	Acquirer	Cash Component	Unit Component	Total Consideration
02-Dec-19(1)	Frasers Commercial Trust	Frasers Logistics and Industrial Trust	9.0%	91.0%	S$1.680(5)
03-Jul-19(2)	A-HTRUST	Ascott REIT	5.0%	95.0%	S$1.087(6)
08-Apr-19(3)	OUE Hospitality Trust	OUE Commercial REIT	5.0%(7)	95.0%	S$0.815(7)
18-May-18(4)	Viva Industrial Trust	ESR-REIT	10.0%	90.0%	S$0.960(8)
22-Jan-20(9)	CapitaLand Commercial Trust	CapitaLand Mall Trust	16.0%(10)	84.0%	S$1.627
16-Jul-20	**Sabana REIT**	**ESR-REIT**	**0.0%**	**100.0%**	**S$0.377**

Source: Relevant SGX-ST filings and the respective companies' announcements, circulars and offer documents
Notes:
(1) Date of the initial announcement by the managers of Frasers Commercial Trust and Frasers Logistics and Industrial Trust for the merger between Frasers Commercial Trust and Frasers Logistics and Industrial Trust
(2) Date of the initial announcement by the managers of A-HTRUST and Ascott REIT that it had submitted a proposal for the merger between A-HTRUST and Ascott REIT
(3) Date of the initial announcement by the managers of OUE Commercial REIT and OUE Hospitality Trust that it had submitted a proposal for the merger between OUE Commercial REIT and OUE Hospitality Trust
(4) Date of the initial announcement by the manager of ESR-REIT that it had submitted a proposal for the merger between ESR-REIT and Viva Industrial Trust
(5) Total consideration computed based on the implied gross exchange ratio of 1.355x and the issue price of S$1.24
(6) Total consideration computed based on the implied gross exchange ratio of 0.836x and the issue price of S$1.30
(7) 5% is based on the cash consideration divided by the implied value of the offer computed based on the implied gross exchange ratio of 1.430x and the issue price of S$0.57
(8) Total consideration computed based on the implied gross exchange ratio of 1.778x and issue price of S$0.54
(9) Date of the initial announcement by the managers of CapitaLand Mall Trust and CapitaLand Commercial Trust for the merger between CapitaLand Mall Trust and CapitaLand Commercial Trust
(10) The cash and unit component weighting is based on the scheme consideration as of the latest practicable date (using the closing price of $1.90 per CapitaLand Mall Trust Unit).

We note that:

(A) The Scheme Consideration has no cash component, while the four selected precedent S-REIT amalgamation transactions had cash components of between 5.0% to 16.0% of the Scheme Consideration.

7.13 Valuation of Sabana Properties and ESR-REIT Properties

Sabana Properties

The Sabana Manager and the Sabana Trustee have commissioned Cushman & Wakefield VHS Pte. Ltd., Savills Valuation and Professional Services (S) Pte Ltd and SRE Global Pte Ltd (the "**Sabana Independent Valuers (Sabana Portfolio)**") to conduct a desktop independent valuation of Sabana REIT's properties, as at 30 June 2020. As stated by the Sabana Independent Valuers (Sabana Portfolio) in the valuation certificates on the valuation of Sabana REIT's properties as at 30 June 2020 (the "**Sabana Independent Valuation Certificates (Sabana Portfolio**)")[5], the aggregate open market value of Sabana REIT's properties as at 30 June 2020 is S$836.9 million.

Please refer to Paragraph 10.1 of the Letter to Sabana Unitholders for further details of the valuation of Sabana Properties.

We wish to highlight the following key points in respect of the desktop independent valuation performed by the Sabana Independent Valuers on Sabana REIT's properties:

(A) The Sabana Independent Valuers (Sabana Portfolio) was not purposed for the Merger.

ESR-REIT Properties

The Sabana Manager and the Sabana Trustee have commissioned Colliers International Consultancy & Valuation (S) Pte Ltd and Cushman & Wakefield VHS Pte. Ltd. (the "**Sabana Independent Valuers (ESR-REIT Portfolio)")** to conduct a full independent valuation of ESR-REIT's properties, as at 30 June 2020 for the purposes of the Merger. As stated by the Sabana Independent Valuers (ESR-REIT Portfolio) in the valuation certificates on the valuation of ESR-REIT's properties as at 30 June 2020 (the "**Sabana Independent Valuation Certificates (ESR-REIT Portfolio)**")[6], the aggregate open market value of ESR-REIT's properties as at 30 June 2020 is S$3,109.5 million[7].

Please refer to Paragraph 10.2 of the Letter to Sabana Unitholders for further details of the valuation of ESR-REIT Properties.

[5] Due to the uncertainties arising from the current COVID-19 situation and the unknown future impact which COVID-19 may have on the real estate market, less certainty and a higher degree of caution should be attached to the valuation than would normally be the case. Please refer to the Sabana Independent Valuation Certificates (Sabana Portfolio) which provide the key assumptions for the valuation of the portfolio.

[6] Due to the uncertainties arising from the current COVID-19 situation and the unknown future impact which COVID-19 may have on the real estate market, less certainty and a higher degree of caution should be attached to the valuation than would normally be the case. Please refer to the reports issued by the Sabana Independent Valuers (ESR-REIT Portfolio) on the valuation of ESR-REIT's properties as at 30 June 2020 which provide the key assumptions for the valuation of the portfolio.

[7] Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road.

We wish to highlight the following key points in respect of the full independent valuation performed by the Sabana Independent Valuers on ESR-REIT's properties:

(A) The Sabana Independent Valuers (ESR-REIT Portfolio) was commissioned by the Sabana Manager and the Sabana Trustee for the purpose of the Merger.

(B) Colliers International Consultancy & Valuation (S) Pte Ltd conducted a full independent valuation on 28 out of the 57 ESR-REIT Properties;

(C) Cushman & Wakefield VHS Pte. Ltd. conducted a full independent valuation on 29 out of the 57 ESR-REIT Properties;

(D) Colliers International Consultancy & Valuation (S) Pte Ltd used the capitalisation approach, discounted cash flow analysis, and comparison method;

(E) Cushman & Wakefield VHS Pte. Ltd. used the capitalisation approach, discounted cash flow analysis, and comparison method; and

(F) The methods used by the Sabana Independent Valuers are widely accepted methods for the purpose of valuing income-producing properties.

7.14 Pro forma financial effects of the Merger on Sabana REIT

The pro forma financial effects of the Merger on Sabana REIT are set out in Appendix D of the Scheme Document. We recommend that the Independent Directors advise the Sabana Unitholders to read this information carefully.

On the basis presented and using the assumptions as set out in Appendix D, we note that the pro forma financial effects of the Merger is:

(A) DPU accretive. On a pro forma basis, DPU is expected to increase by 12.9% for Sabana Unitholders;

(B) NAV per unit dilutive. On a pro forma basis, NAV per unit is expected to decrease by 20.7% for Sabana Unitholders; and

(C) Aggregate leverage is expected to increase. On a pro forma basis, the aggregate leverage is expected to increase from 33.7% to 41.7%.

As part of the Scheme Consideration, Sabana Unitholders will be receiving ESR-REIT units at a higher P/NAV as compared to the P/NAV implied by the Scheme Consideration. Accordingly, this represents an expected NAV dilution of 20.7%. However, we have also taken into account the following factors which we consider to have a bearing on our assessment of the Scheme:

(A) The Merger is expected to be significantly DPU accretive for Sabana Holders – DPU is expected to increase by 12.9% on a pro forma basis;

(B) The implied P/NAV of Sabana Units based on the Scheme Consideration is at a lower discount of -26.6% to the median of selected industrial S-REITS P/NAV as compared to historical periods range of -30% to -33%;

(C) Sabana Unitholders will be part of an enlarged REIT with better access to capital; market opportunities; improved underlying asset and tenant quality (i.e. WALE, occupancy, tenant diversification)

7.15 Break Fee and Reverse Break Fee

Pursuant to the terms of the Implementation Agreement, we note that both Sabana REIT and ESR-REIT have the right to terminate the Scheme. In such circumstance, the Break Fee and Reverse Break Fee (as set out in Paragraph 2.11 of the Letter to Sabana Unitholders) may be payable by the Sabana Trustee on one hand and the ESR-REIT Trustee on the other.

We also note that, if the Switch Option is exercised, the Implementation Agreement (save for certain surviving provisions) shall terminate with effect from the date of announcement by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager of a firm intention to make the Offer, and none of the Parties shall have any claim against the others under the Implementation Agreement, including any claim in respect of the Break Fee (as defined in Paragraph 2.11 of the Letter to Sabana Unitholders).

We have compared this aspect (Break Fee) of the structure of the Scheme Consideration against similar structures of selected precedent amalgamations of S-REITs. We note that these selected precedent transactions may not be directly comparable to the Scheme in terms of, inter alia, business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria and that there may have been specific commercial and financial merits to each precedent transaction. As a result, any comparison drawn can serve only as an illustrative guide.

Table 13: Break Fee (and Reverse Break Fee) components for selected precedent S-REIT amalgamation transactions

Ann. Date	Target	Acquirer	Break Fee[8]	Reverse Break Fee[8]
02-Dec-19[1]	Frasers Commercial Trust	Frasers Logistics and Industrial Trust	N/A	N/A
03-Jul-19[2]	A-HTRUST	Ascott REIT	1.0%	1.0%
08-Apr-19[3]	OUE Hospitality Trust	OUE Commercial REIT	N/A	N/A
18-May-18[4]	Viva Industrial Trust	ESR-REIT	0.75%	0.25%[6]
22-Jan-20[7]	CapitaLand Commercial Trust	CapitaLand Mall Trust	0.4%	0.4%
16-Jul-20	**Sabana REIT**	**ESR-REIT**	**1.0%**	**1.0%**

Source: Relevant SGX-ST filings and the respective companies' announcements, circulars and offer documents
Notes:
(1) Date of the initial announcement by the managers of Frasers Commercial Trust and Frasers Logistics and Industrial Trust for the merger between Frasers Commercial Trust and Frasers Logistics and Industrial Trust
(2) Date of the initial announcement by the managers of A-HTRUST and Ascott REIT that it had submitted a proposal for the merger between A-HTRUST and Ascott REIT
(3) Date of the initial announcement by the managers of OUE Commercial REIT and OUE Hospitality Trust that it had submitted a proposal for the merger between OUE Commercial REIT and OUE Hospitality Trust
(4) Date of the initial announcement by the manager of ESR-REIT that it had submitted a proposal for the merger between ESR-REIT and Viva Industrial Trust
(5) As a percentage to the respective aggregate scheme consideration
(6) The arrangements in respect of the Break Fee and Reverse Break Fee were agreed as a result of normal commercial negotiations between the Viva Industrial Trust Manager and the ESR-REIT Manager and the parties have agreed to (i) a higher cap for the Break Fee as compared to the Reverse Break Fee, and (ii) a higher cap on the aggregate liability of the VIT Managers as compared to the aggregate liability of the ESR-REIT Manager to take into account the costs and expenses incurred by the ESR-REIT Manager in connection with the entry into the financing facilities.
(7) Date of the initial announcement by the managers of CapitaLand Mall Trust and CapitaLand Commercial Trust for the merger between CapitaLand Mall Trust and CapitaLand Commercial Trust.
(8) Percentages are computed based on the aggregate scheme consideration for the respective amalgamation transactions

We note that:

(A) The Break Fee and the Reverse Break Fee components of the Scheme of 1.0% is within the range of the Break Fee and Reverse Break Fee components for selected precedent S-REIT amalgamation transactions.

7.16 Other relevant considerations which may have a significant bearing on our assessment

7.16.1 No other offers and Switch Option

We understand from the Sabana Manager that, as at the LPD, no other offer or approach has been made for Sabana REIT by any other third party. The Merger is the only offer which Sabana Board has received for Sabana Units or Sabana REIT's entire portfolio.

In its clarifications related to the Merger released on 28 August 2020, Sabana Manager has noted that Sabana REIT is not looking to sell all its assets. The Merger is viewed as a strategic transaction with significant long-term benefits, including size, scale and resilience. Additionally, Sabana Manager has stated challenges in selling part of, or the entire property portfolio of Sabana REIT. Some of the challenges articulated include the following:

(A) Singapore industrial sector is heavily regulated by JTC Corporation ("JTC"), with only approved buyers being able to acquire properties on JTC land. The approved buyers are qualified end-users, REITs and CMS licensed entities.

(B) A sale of property portfolio runs the risk of better quality assets being sold, with weaker assets remaining in a sub-scale portfolio which will in turn impact Sabana REIT's ability to grow accretively going forward; and

(C) A delay in or failure to achieve the sale outcome due to regulations may impact ongoing and future tenancies as the tenants may be concerned with the identity and stability of their landlords.

Further, as set out in Paragraph 2.14 of the Letter to Sabana Unitholders, in the event of a Sabana Competing Proposal or an intention to make a Sabana Competing Proposal is announced, the ESR-REIT Manager have the option to elect to proceed by way of a voluntary conditional offer for the Sabana Units (instead of proceeding with the Merger by way of the Scheme). In such event, the ESR-REIT Trustee and the ESR-REIT Manager will make the Offer on the same or better terms as those which apply to the Scheme or the Sabana Competing Proposal.

7.16.2 Basis of the Scheme Consideration and the gross exchange ratio

The Scheme Consideration was determined based on commercial negotiations between the ESR-REIT Manager and the Sabana Manager. Factors taken into account in arriving at the Scheme Consideration by determining the exchange ratio includes:

- the transaction rationale in respect of the Merger for each REIT
- the prevailing and historical relative market prices of the ESR-REIT Units and Sabana Units;
- the NAVs of each of ESR-REIT and Sabana REIT;
- the market value of the respective property portfolios;
- relevant precedent trust scheme transactions in Singapore;
- the prevailing and historical price to NAV per unit of each REIT;
- the prevailing and historical distribution yield of each REIT;
- the market capitalisation and trading liquidity of each REIT;
- the capital structure, debt costs and tenor of each REIT; and
- the resulting pro forma financial impact of the Merger on ESR-REIT and Sabana REIT.

7.16.3 ESR-REIT Manager's future intentions for the Enlarged REIT

Based on Paragraph 5 of the Offeror's Letter at Appendix D of the Scheme Document, and assuming the completion of the Merger:

- the ESR-REIT Manager will be the manager of the Enlarged REIT and Mr. Adrian Chui will continue to be the Chief Executive Officer ("CEO") of the ESR-REIT Manager. The ESR-REIT Manager intends to engage the current CEO of the Sabana Manager, Mr. Donald Han, as an advisor to the ESR-REIT Manager. The Nominating and Remuneration Committee of the ESR-REIT Manager is also in the process of reviewing, together with the Sponsor, the composition of the board of directors and management of the ESR-REIT Manager (including the feasibility of engaging certain existing employees of the Sabana Manager);

- the fee structure of the Enlarged REIT will be based on the existing fee structure of ESR-REIT. The Sabana Manager will be entitled to the applicable manager's fees accruing up to the date of delisting of Sabana REIT in accordance with the existing Sabana Trust Deed. There will be no double counting of management fees to the Sabana Manager and the ESR-REIT Manager in respect of the Sabana REIT portfolio between the Effective Date and the date of delisting;

- the ESR-REIT Manager does not intend to retain Sabana REIT's Shari'ah compliant status and accordingly, Sabana REIT will be renamed "Sabana Trust"; and

- it is intended that the existing outstanding loan facilities granted to Sabana will be refinanced.

The Enlarged REIT's larger portfolio will provide the opportunity and flexibility to re-evaluate the scale and risk-return profile of the AEIs to be undertaken, for both the existing ESR-REIT portfolio and the Sabana REIT portfolio of real estate assets. This re-evaluation will include, amongst others, a review of the projected construction costs of identified AEI projects, given the better bargaining power of the Enlarged REIT with service providers and reduced portfolio financial impact when undertaking AEIs, while taking into consideration the supply and demand dynamics of the industrial market currently and over the next two (2) to three (3) years.

Save as disclosed above, the ESR-REIT Manager does not currently have any intention to (a) make any major changes to the business of Sabana REIT, (b) re-deploy the fixed assets of Sabana REIT, or (c) discontinue the employment of the existing employees of the Sabana Manager (save in the ordinary course of business or as a result of any internal reorganisation or restructuring which may be implemented after the Merger).

Nonetheless, the ESR-REIT Manager retains the flexibility to, at any time, consider options or opportunities which may present themselves, or may be required, and which it regards to be in the best interests of the Enlarged REIT.

In respect of paragraph 2.7(c) of the Letter to Sabana Unitholders, the Sabana Manager wishes to highlight that upon the Scheme becoming effective in accordance with its terms, its investment mandate will be amended pursuant to the Sabana Trust Deed. The amended investment mandate will be to principally invest in income-producing real estate used for industrial purposes in Asia, as well as real-estate related assets. Under the Sabana Trust Deed, the Sabana Manager may from time to time change Sabana REIT's investment policies subject to compliance with the Listing Manual, so long as it has given not less than 30 days' prior notice of the change to the Sabana Trustee and the Sabana Unitholders by way of an announcement to the SGX-ST. For the purposes of Clause 10.2.4 of the Sabana Trust Deed, this paragraph is deemed to be the notice of the amendment of the existing investment mandate of Sabana REIT upon the Scheme becoming effective in accordance with its terms. For the avoidance of doubt, such amendment of the investment mandate of Sabana REIT does not require the approval of the Sabana Unitholders.

7.16.4 Conditions of the Scheme

The conditions of the Scheme are set out in Paragraph 2.8 of the Letter to Sabana Unitholders. We recommend that the Independent Directors advise the Sabana Unitholders to read this information carefully. We further note that the conditions entered into are customary given the nature of the transaction.

7.16.5 Delisting of Sabana REIT

As set out in Paragraph 5 of the Letter to Sabana Unitholders, it is intended that following the completion of the Merger, Sabana REIT will be delisted from the Official List of the SGX-ST.

7.16.6 Waiver of Rights to a General Offer

As set out in Paragraph 2.16 of the Letter to Sabana Unitholders, Sabana Unitholders should note that by voting in favour of the Scheme Resolution, Sabana Unitholders will be regarded as having waived their rights to a general offer by the ESR-REIT Concert Party Group to acquire the Sabana Units under the Code and are agreeing to the ESR-REIT Concert Party Group acquiring or consolidating effective control of Sabana REIT by way of the Scheme without having to make a general offer.

8. OUR RECOMMENDATION

In arriving at our recommendation, we have taken into account the following factors which we consider to have a significant bearing on our assessment of the Merger:

(1) The rationale for the Merger;

(2) Based on the market quotations and liquidity of Sabana Units and ESR-REIT Units, the respective units have not been unduly illiquid. Accordingly, market quotations of the respective Units are reflective of the fundamental value;

(3) The Scheme Consideration computed by using the Gross Exchange ratio and the VWAP for the respective reference period implied a premium/(discount) of 1.7%, 0.3%, 1.5%, 1.2%, 3.8%, and 1.8% over the VWAPs of Sabana Units for the respective reference periods;

(4) The Scheme Consideration implied by the Reference Price represents a premium/(discount) range of (4.2%) to 11.9% over the VWAP of the respective reference periods for the Sabana Units;

(5) the Scheme Consideration implied by the Reference Price is generally lower than the closing prices of the Sabana Units for periods prior to 15 March 2020 but generally higher than the closing prices of the Sabana Units for periods after 15 March 2020;

(6) The P/NAV multiple of 0.7363x based on the Scheme Consideration, the Reference Price and the pro forma financial statements of Sabana REIT as at 30 June 2020 is within the range of the P/NAV multiples achieved and between the mean and median for the Sabana Units for the six-month period up to the JAD but below the mean and median for the Sabana Units for the twelve-month period up to the JAD. The P/NAV based on the Scheme Consideration and Reference Price is higher than the P/NAV as at JAD;

(7) The P/NAV of 0.7363x implied by the Scheme Consideration and Reference Price is within the range of P/NAV multiples for the selected comparable industrial S-REITs but is lower than the mean and the median P/NAV multiples as at the JAD. We further note that the implied P/NAV of the Scheme Consideration is at a lower discount of (26.6%) to the median of comparable industrial S-REITs in comparison to the same for historical periods discount range of (26.9%) to (33.0%);

(8) The premia offered based on the the Scheme Consideration and Reference Price are within the range of premia observed in the precedent amalgamations;

(9) The Reference Price is generally lower than the closing prices of the ESR-REIT Units for periods prior to 15 March 2020 but generally higher than the closing prices of the ESR-REIT Units for periods after 15 March 2020;

(10) The Reference Price of the Consideration Units represents a P/NAV multiple of 0.9774x based on the pro forma financial statements of ESR-REIT as at 30 June 2020. The Reference Price is within the range of the P/NAV multiples achieved and above the mean and median range for the ESR-REIT Units for the six-month period up to the JAD but below the mean and median range for the twelve-month period up to the JAD. The P/NAV based on the Reference Price is higher than the P/NAV as at JAD;

(11) The P/NAV of 0.9774x implied by the Reference Price (as at the JAD) is within the range of P/NAV multiples for the selected comparable industrial S-REITs but is lower than the mean and the median P/NAV multiples as at the JAD. We further note that the implied P/NAV of the Reference Price is at a discount of (2.6%) to the median of comparable industrial S-REITs. This discount is within the range of the median of comparable industrial S-REITs for the historical periods premium/(discount) range of (5.6%) to 7.0%;

(12) The Scheme Consideration comprises of no cash component;

(13) The independent valuations of ESR-REIT Properties purposed for the Merger commissioned by The Sabana Manager and Sabana Trustee;

(14) On a pro forma basis, the Merger is expected to be DPU accretive and NAV dilutive for Sabana Unitholders. Aggregate leverage is expected to increase for Sabana Unitholders;

(15) The Break Fee and Reverse Break Fee is within the range of the respective components for selected precedent S-REIT amalgamation transactions. In event that the Switch Option is exercised, none of the Parties shall have any claim against the others under the Implementation Agreement, including any claim in respect of the Break Fee (and Reverse Break Fee);

(16) As at LPD, there were no other offers or approaches for Sabana REIT by third parties. In event of a Sabana Competing Proposal, the ESR-REIT Manager may exercise the Switch Option (subject to SGX-ST approval);

(17) The basis of the Scheme Consideration as set out in Paragraph 2.1 of the Letter to Sabana Unitholders;

(18) ESR-REIT Manager's future intentions for the Enlarged REIT as set out in Paragraph 5 of the Offeror's Letter at Appendix D of the Scheme Document;

(19) Conditions of the Scheme as set out in Paragraph 2.8 of the Letter to Sabana Unitholders;

(20) Delisting of Sabana REIT as set out in Paragraph 5 of the Letter to Sabana Unitholders; and

(21) By voting in favour of the Scheme Resolution, Sabana Unitholders will be regarded as having waived their rights to a general offer by the ESR-REIT Concert Party Group.

Based on our analysis and after having considered carefully the information available to us as at the LPD, we are of the opinion that the financial terms of the Merger are fair and reasonable. Accordingly, we advise the Sabana Independent Directors to recommend that the Sabana Unitholders vote in favour of the Scheme Resolution.

In arriving at our recommendation, we wish to emphasise that we have relied on representations made by the Sabana Manager relating to current intentions and future directions of Sabana REIT. In addition, the Sabana Independent Directors, the Audit and Risk Committee and Sabana Trustee should note that we have arrived at our conclusion based on information made available to us up to and including the LPD.

In rendering the above advice, we have not had regard to the specific investment objectives, financial situation, tax position or particular needs and constraints of any individual Unitholder. As each Unitholder has different investment objectives and profile, we would advise that individual Unitholder who require specific advice in relation to their investment objectives or portfolio should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Unitholders should note that the trading of Sabana Units is subject to, *inter alia*, the performance and prospects of Sabana REIT, prevailing economic conditions, economic outlook and stock market conditions and sentiments. Accordingly, our advice on the Merger do not and cannot take into account future trading activities or patterns or price levels that may be established for Sabana Unitholders after the LPD since these are governed by factors beyond the ambit of our review and also, such advice, if given, would not fall within our terms of reference in connection with the Scheme.

The Sabana Independent Directors, the Audit and Risk Committee and Sabana Trustee should note that trading in Sabana Unit is subject to possible market fluctuations and, accordingly, our advice and does not take into account the future trading activity or patterns or price levels that may be established for the Sabana Units as these are governed by factors beyond the ambit of our review and would not fall within the terms of reference in connection with the Scheme.

Our recommendation is required under Listing Rule 1309(2) as well as is addressed to the Sabana Independent Directors, the Audit and Risk Committee and the Sabana Trustee for their benefit in connection with and for the purposes of their consideration of the Merger. Any recommendations made by the Sabana Independent Directors and the Audit and Risk Committee in respect of the Merger shall remain their responsibility.

Our recommendation are governed by the laws of Singapore, and are strictly limited to the matters stated in this letter and do not apply by implication to any other matter.

Yours faithfully

For and on behalf of
Deloitte & Touche Corporate Finance Pte Ltd

Koh Soon Bee

Executive Director

APPENDIX D — OFFEROR'S LETTER TO SABANA UNITHOLDERS

ESR Funds Management (S) Limited
(Company Registration No: 200512804G)
(Incorporated in Singapore)

12 November 2020

To: Unitholders of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust

Dear Sir/Madam

PROPOSED MERGER OF ESR-REIT AND SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT

1. INTRODUCTION

1.1 The Merger and the Scheme. On 16 July 2020 (the "**Joint Announcement Date**"), the respective boards of directors of ESR Funds Management (S) Limited, in its capacity as manager of ESR-REIT (the "**ESR-REIT Manager**"), Sabana Real Estate Investment Management Pte. Ltd., in its capacity as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**", and the manager of Sabana REIT, the "**Sabana Manager**") made a joint announcement in relation to the proposed merger (the "**Merger**") of ESR-REIT and Sabana REIT. The Merger will be effected through the acquisition by RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) (the "**ESR-REIT Trustee**") of all the units of Sabana REIT (the "**Sabana Units**") held by the unitholders of Sabana REIT (the "**Sabana Unitholders**"), in exchange for units in ESR-REIT (the "**ESR-REIT Units**"), by way of a trust scheme of arrangement (the "**Scheme**") in compliance with the Singapore Code on Take-overs and Mergers (the "**Code**").

1.2 Implementation Agreement. In connection with the Merger, the ESR-REIT Manager, the ESR-REIT Trustee, the Sabana Manager and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana REIT) (the "**Sabana Trustee**") (each, a "**Party**" and collectively the "**Parties**") entered into an implementation agreement (the "**Implementation Agreement**") dated 16 July 2020 setting out the terms and conditions on which the Parties will implement the Scheme.

1.3 Scheme Document. This letter from the ESR-REIT Manager (this "**Letter**") to the Sabana Unitholders should be read and construed together with, and in the context of, the scheme document dated 12 November 2020 (the "**Scheme Document**") issued by the Sabana Manager on behalf of Sabana REIT to the Sabana Unitholders containing details of the Scheme. Unless otherwise stated, terms used but not defined in this Letter shall have the same meanings as defined in the Scheme Document.

If you are in doubt about this Letter or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE MERGER AND THE SCHEME

2.1 **The Scheme**. The Scheme is proposed to be effected in accordance with the Code and the Sabana Trust Deed (to be amended and supplemented as described in Paragraph 3 of the Letter to Sabana Unitholders and Appendix G to the Scheme Document), subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

(a) following the Scheme becoming effective and binding in accordance with its terms, all the Sabana Units held by the Sabana Unitholders, as at the Books Closure Date, will be transferred to the ESR-REIT Trustee:

(i) fully paid;

(ii) free from any liens, equities, mortgages, charges, encumbrances, security interests, hypothecations, powers of sale, rights to acquire, options, restrictions, rights of first refusal, easements, pledges, title retention, trust arrangement, hire purchase, judgment, preferential right, rights of pre-emption and other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing ("**Encumbrances**"); and

(iii) together with all rights, benefits and entitlements as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and distributions (if any) declared by the Sabana Manager on or after the Joint Announcement Date, except for the Sabana Permitted Distributions (as defined in paragraph 2.3 below),

such that on and from the Scheme Settlement Date, the ESR-REIT Trustee will hold 100 per cent. (100%) of the Sabana Units; and

(b) in consideration for such transfer of the Sabana Units, each of the ESR-REIT Trustee and the ESR-REIT Manager (as the case may be) agrees to allot and issue (or procure the allotment and issue) of the Consideration Units (as defined in paragraph 2.2 below) to each Sabana Unitholder in accordance with the terms and conditions of the Implementation Agreement.

2.2 **Scheme Consideration**. Pursuant to the Implementation Agreement, each of the ESR-REIT Trustee and the ESR-REIT Manager will, following the Scheme becoming effective in accordance with its terms, pay or procure the payment of a consideration (the "**Scheme Consideration**") for each Sabana Unit held by each of the Sabana Unitholders as at the Books Closure Date in accordance with the terms and conditions of the Implementation Agreement, which shall be satisfied by the allotment and issue of 0.940 new ESR-REIT Units (the "**Consideration Units**"), such Consideration Units to be credited as fully paid. No fractions of a Consideration Unit shall be issued to any Sabana Unitholder and fractional entitlements shall be disregarded in the calculation of the Consideration Units to be issued to any Sabana Unitholder pursuant to the Scheme. Please also refer to Paragraph 3 of Appendix B to the Scheme Document for the Odd Lots Trading Arrangement.

The Scheme Consideration, including the exchange ratio of 0.940x was determined based on commercial negotiations between the ESR-REIT Manager and the Sabana Manager. Factors taken into account in arriving at the Scheme Consideration by determining the exchange ratio include (without limitation): (a) the transaction rationale in respect of the Merger for each REIT; (b) the prevailing and historical relative market prices of the ESR-REIT Units and the Sabana Units over the last two (2) years prior to the Joint Announcement Date; (c) the net asset value ("**NAV**") of each of ESR-REIT and Sabana REIT; (d) the market value of the respective property portfolios (see paragraph 12.1 of Schedule 1

of this Letter and Paragraphs 10.1 and 10.2 of the Letter to Sabana Unitholders); (e) relevant precedent trust scheme transactions in Singapore; (f) the prevailing and historical price to NAV per unit of each REIT over the last two (2) years prior to the Joint Announcement Date; (g) the prevailing and historical distribution yield of each REIT over the last two (2) years prior to the Joint Announcement Date; (h) the market capitalisation and trading liquidity of each REIT; (i) the capital structure, debt costs and tenor of each REIT; and (j) the resulting *pro forma* financial impact of the Merger on ESR-REIT and Sabana REIT.

By way of illustration, if the Scheme becomes effective in accordance with its terms, a Sabana Unitholder will receive 94 Consideration Units for every 100 Sabana Units held by it as at the Books Closure Date.

Based on the illustrative issue price of S$0.401 per Consideration Unit ("**Reference Price**")[1], the implied aggregate Scheme Consideration is approximately S$396.9 million (derived by multiplying the aggregate of 1,053,083,530 Sabana Units in issue as at the Joint Announcement Date by the gross exchange ratio of 0.940x and by the Reference Price). For the avoidance of doubt, the Reference Price is for illustrative purposes only and the actual issue price of the Consideration Units, i.e. the Consideration Unit Issue Price, is to be determined based on the volume weighted average price of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the Effective Date. The Consideration Unit Issue Price may be above or below the Reference Price and there will not be any adjustment to the number of the Consideration Units to be issued for each Sabana Unit to reflect any such price differential. This means that the implied dollar value of each Consideration Unit will be determined based on ESR-REIT's unit price performance during the one-month period leading up to and including the last trading day prior to the Effective Date.

As announced by the ESR-REIT Manager on 6 August 2020, the ESR-REIT Manager does not intend to increase the Scheme Consideration and accordingly, the exchange ratio of 0.940x is final, except that the ESR-REIT Manager reserves the right to do so in a competitive situation. Therefore, in accordance with Rule 20.2 of the Code, the ESR-REIT Manager will not be allowed to subsequently increase the Scheme Consideration, in any way, save that the ESR-REIT Manager reserves its right to do so in a competitive situation.

2.3 Permitted Distributions. Subject to the terms and conditions of the Implementation Agreement:

(a) the Sabana Manager is permitted to announce, declare, pay or make distributions to the Sabana Unitholders (the "**Sabana Permitted Distributions**") in the ordinary course of business, in respect of the period from 1 January 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the Sabana Unitholders in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date); and

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[1] The Reference Price is determined based on the one-month volume weighted average price of the ESR-REIT Units ended on and including the last trading day one (1) week prior to the Joint Announcement Date, being the 30 calendar day period from 10 June 2020 up to and including 9 July 2020. The one-month volume weighted average price calculation was agreed between the parties through commercial negotiations to be a better representation of the value of ESR-REIT Units as it takes into account both trading volume and price over a period of time. The implied Scheme Consideration of S$0.377 per Sabana Unit is derived from the gross exchange ratio of 0.940x and the Reference Price of S$0.401.

(b) the ESR-REIT Manager is permitted to announce, declare, pay or make distributions (the "**ESR-REIT Permitted Distributions**") to the unitholders of ESR-REIT (the "**ESR-REIT Unitholders**") (i) in respect of the unpaid distribution income that has been announced and retained by the ESR-REIT Manager in respect of the period from 1 January 2020 to 31 March 2020; and (ii) in the ordinary course of business, in respect of the period from 1 April 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the ESR-REIT Unitholders in respect of the period from the day following the latest completed financial quarter of ESR-REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date).

The Sabana Permitted Distributions and the ESR-REIT Permitted Distributions shall not include distributions declared, paid or made by the Sabana Manager or the ESR-REIT Manager to the Sabana Unitholders or the ESR-REIT Unitholders respectively in respect of (A) proceeds received in connection with the sale of any real properties; and/or (B) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which have not been distributed to Sabana Unitholders or ESR-REIT Unitholders (as the case may be) prior to the date of the Implementation Agreement.

Assuming the completion of the Scheme, the Sabana Manager intends to make the clean-up distribution in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made (i.e. from 1 July 2020), up to the day immediately before the Effective Date (including the retained S$6.1 million, to the extent unutilised, withheld in 1H2020) to the existing Sabana Unitholders as at the Books Closure Date as part of the Sabana Permitted Distributions.

The Parties shall be entitled to announce, declare, pay or make the Sabana Permitted Distributions and ESR-REIT Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration.

The Sabana Unitholders shall have the right to receive and retain the Sabana Permitted Distributions declared and made in addition to the Scheme Consideration. The Sabana Manager has declared and paid the Sabana Permitted Distributions for the period from 1 January 2020 to 30 June 2020. Assuming the completion of the Scheme, as mentioned above, the Sabana Manager intends to declare and pay the Sabana Permitted Distributions from 1 July 2020 up to the day immediately before the Effective Date, details of which will be announced by the Sabana Manager in due course.

The ESR-REIT Manager reserves the right to reduce the Scheme Consideration, if and to the extent that any distribution in excess of the Sabana Permitted Distributions is announced, declared, paid or made by the Sabana Manager on or after the date of the Implementation Agreement.

2.4 **Scheme Conditions**. The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the conditions precedent (the "**Scheme Conditions**") by 31 December 2020 (or such other date as the Parties may agree in writing) (the "**Long-Stop Date**"). Additional information on the Scheme Conditions is set out in Paragraph 2.8 of the Letter to Sabana Unitholders. The Scheme Conditions are reproduced in Paragraph 2.8(a) of the Letter to Sabana Unitholders.

2.5 **Effect of Termination**. In the event of termination of the Implementation Agreement by any Party pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law) and none of the Parties shall have any claim against the others under the Implementation Agreement, save for claims in respect of the Break Fee (defined in paragraph 2.6(a) below) or the Reverse Break Fee (defined in

paragraph 2.7(a) below), as the case may be. Each of the Sabana Trustee and/or the Sabana Manager on one hand or the ESR-REIT Trustee and/or the ESR-REIT Manager on the other agrees that the only remedy it has under the Implementation Agreement for any breach or non-compliance by the Sabana Trustee and/or the Sabana Manager or the ESR-REIT Trustee and/or ESR-REIT Manager (as the case may be) shall be the right to terminate the Implementation Agreement in the manner prescribed in the Implementation Agreement and there shall be no other liability on any Party save for claims in respect of the Break Fee or the Reverse Break Fee.

2.6 Break Fee. Pursuant to the terms of the Implementation Agreement:

(a) subject to paragraph 2.8(d) below, the Sabana Trustee agrees and undertakes that it shall compensate the ESR-REIT Trustee and/or the ESR-REIT Manager for costs and expenses reasonably incurred by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager in connection with the Merger and/or the Scheme (including without limitation, the fees and disbursements of counsel, auditors and advisers engaged by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager in connection with the Merger and/or the Scheme) (the "**Break Fee**"), if any of the following (the "**Break Fee Events**") occurs:

(i) in the event the ESR-REIT Trustee or the ESR-REIT Manager terminates the Implementation Agreement pursuant to Paragraph 2.10(a)(ii)(1) of the Letter to Sabana Unitholders; and/or

(ii) in the event a Sabana Competing Proposal becomes or is declared unconditional in all respects or is completed or becomes effective (or the equivalent in respect of any of the foregoing),

provided that the Break Fee shall be subject to a maximum amount of 1% of the value of the aggregate Scheme Consideration (which, for purposes of determining the Break Fee, shall be calculated based on the volume weighted average price of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date of the relevant Break Fee Event multiplied by the number of ESR-REIT Units that would have otherwise been issued pursuant to the Scheme (assuming the Scheme became effective and the Books Closure Date falls on the date of the relevant Break Fee Event)); and

(b) the obligation to pay the Break Fee as described in this paragraph 2.6 shall survive termination of the Implementation Agreement and remain in effect until all liabilities of the Sabana Trustee described in this paragraph 2.6, if any, have been satisfied.

2.7 Reverse Break Fee. Pursuant to the terms of the Implementation Agreement:

(a) the ESR-REIT Trustee agrees and undertakes that it shall compensate the Sabana Trustee and/or the Sabana Manager for costs and expenses reasonably incurred by or on behalf of the Sabana Trustee and/or the Sabana Manager in connection with the Merger and/or the Scheme (including without limitation, the fees and disbursements of counsel, auditors and advisers engaged by or on behalf of the Sabana Trustee and/or the Sabana Manager in connection with the Merger and/or the Scheme) (the "**Reverse Break Fee**"), if any of the following (the "**Reverse Break Fee Events**") occurs:

(i) in the event the Sabana Trustee or the Sabana Manager terminates the Implementation Agreement pursuant to Paragraph 2.10(a)(ii)(2) of the Letter to Sabana Unitholders; and/or

(ii) in the event an ESR-REIT Competing Proposal becomes or is declared unconditional in all respects or is completed or becomes effective (or the equivalent in respect of any of the foregoing),

provided that the Reverse Break Fee shall be subject to a maximum amount of 1% of the value of the aggregate Scheme Consideration (which, for purposes of determining the Reverse Break Fee, shall be calculated based on the volume weighted average price of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date of the relevant Reverse Break Fee Event multiplied by the number of ESR-REIT Units that would have otherwise been issued pursuant to the Scheme (assuming the Scheme became effective and the Books Closure Date falls on the date of the relevant Reverse Break Fee Event)); and

(b) the obligation to pay the Reverse Break Fee as described in this paragraph 2.7 shall survive termination of the Implementation Agreement and remain in effect until all liabilities of the ESR-REIT Trustee described in this paragraph 2.7, if any, have been satisfied.

Please refer to Paragraphs 2.10 and 2.11 of the Letter to Sabana Unitholders for additional details on the termination rights and the Break Fee and Reverse Break Fee under the Implementation Agreement.

2.8 Switch Option. Pursuant to the terms of the Implementation Agreement and subject to prior consultation with the Securities Industry Council of Singapore:

(a) if a Sabana Competing Proposal or an intention to make a Sabana Competing Proposal is announced, the ESR-REIT Trustee and the ESR-REIT Manager have the option to elect to proceed by way of a voluntary conditional offer for the Sabana Units (the "**Offer**") (instead of proceeding with the Merger by way of the Scheme) (the "**Switch Option**"), unless the ESR-REIT Trustee and the ESR-REIT Manager have consented to such Sabana Competing Proposal;

(b) if the ESR-REIT Trustee and the ESR-REIT Manager becomes entitled to and elects to exercise the Switch Option, they will be required to make the Offer on the same or better terms as those which apply to the Scheme or the Sabana Competing Proposal (whichever is higher), including the same or a higher consideration than the Scheme Consideration and conditional upon a level of acceptances set at only more than 50 per cent. of the Sabana Units to which the Offer relates and not conditional on a higher level of acceptances;

(c) in determining the Scheme Consideration for purposes of the Switch Option, this will be the implied dollar value of the Consideration Units, based on the fixed number of Consideration Units issued for each Sabana Unit and the volume weighted average price of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the date on which the Switch Option is exercised; and

(d) if the Switch Option is exercised, the Implementation Agreement (save for certain surviving provisions) shall terminate with effect from the date of announcement by or on behalf of the ESR-REIT Trustee and/or the ESR-REIT Manager of a firm intention to make the Offer, and none of the Parties shall have any claim against the others under the Implementation Agreement, including any claim in respect of the Break Fee (as defined in paragraph 2.6(a) above).

3. DELISTING

Upon the Scheme becoming effective in accordance with its terms:

(a) all Entitled Sabana Unitholders will receive Consideration Units of 0.94 new ESR-REIT Units for each Sabana Unit;

(b) Sabana REIT will be wholly-owned by the ESR-REIT Trustee; and

(c) Sabana REIT will, following settlement of the Scheme Consideration and subject to the approval of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), be delisted and removed from the Official List of the SGX-ST.

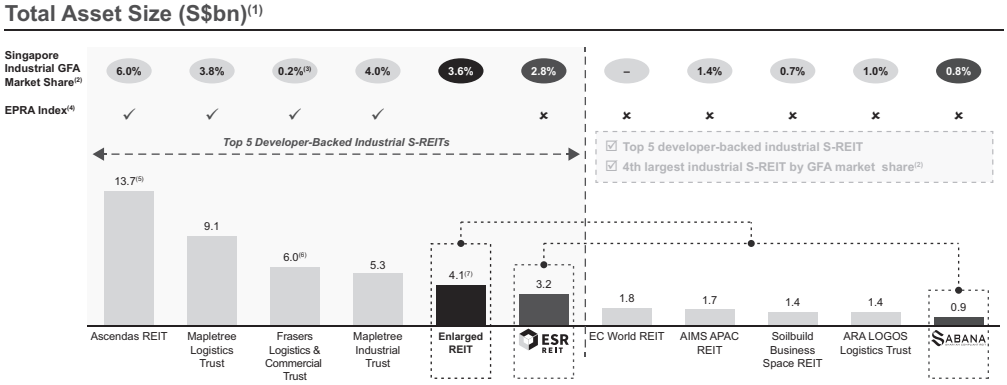
An application will be made to seek approval from the SGX-ST to delist and remove Sabana REIT from the Official List of the SGX-ST upon the Scheme becoming effective in accordance with its terms.

4. RATIONALE FOR THE MERGER

4.1 Size Does Matter

(a) **Solidifies Position Amongst Top 5 Industrial Singapore REITs ("S-REITs")**

Sabana REIT is currently the smallest industrial S-REIT by total asset size, while ESR-REIT is currently the 5th largest industrial S-REIT and is approximately 3.4 times larger than Sabana REIT in terms of total asset size[2]. Post-Merger, the Enlarged REIT is expected to solidify its position amongst the top five (5) developer-backed industrial S-REITs, with a combined asset size of approximately S$4.1 billion. The Enlarged REIT is also expected to be the 4th largest industrial S-REIT by Singapore industrial gross floor area ("**GFA**") market share[3].



Notes:

(1) Total assets as at 30 June 2020.

(2) Singapore industrial GFA market share calculated based on the respective REIT's GFA as at 30 June 2020 or latest available GFA from the respective company information divided by the total industrial space in Singapore as at 30 June 2020 from JTC quarterly market report on industrial properties.

(3) Based on Alexandra Technopark's net lettable area as at 30 September 2019.

(4) Refers to the FTSE EPRA Nareit Developed Asia Index ("**EPRA Index**") as at 30 September 2020.

(5) Excludes the effects of Financial Reporting Standard (FRS) 116 Leases and includes interests in joint ventures.

(6) Represents *pro forma* total asset size from the scheme document dated 14 February 2020.

(7) Represents the Enlarged REIT's *pro forma* total assets as at 30 June 2020.

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2 Based on total assets as at 30 June 2020.

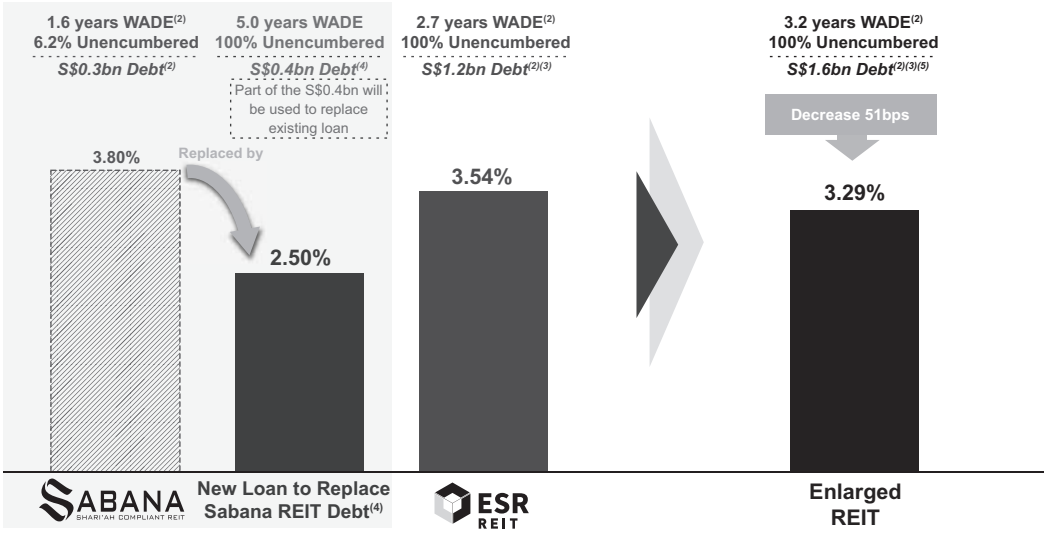
3 Singapore industrial GFA market share calculated based on the respective REIT's GFA as at 30 June 2020 or latest available GFA from the respective company information divided by the total industrial space in Singapore as at 30 June 2020 from JTC quarterly market report on industrial properties.

(b) **Larger Size Leads to More Competitive Cost of Capital Underpinned by an Evenly-Distributed and Resilient Debt Maturity Profile**

Given ESR-REIT's large unsecured portfolio and competitive cost of debt, it has secured the New Facilities for the purposes of the Merger on a 100% unencumbered basis at an estimated cost of debt of approximately 2.50% to replace Sabana REIT's existing approximately S$0.3 billion secured debt which has a cost of debt of approximately 3.80%. The New Facilities will also have a longer debt tenor of five (5) years compared to Sabana REIT's existing debt tenor of 1.6 years. Post-Merger, the Enlarged REIT is expected to have an evenly-distributed and resilient debt maturity profile with no more than approximately 25% of its debt expiring in any given year from 2021 to 2025. In comparison, Sabana REIT has 54% and 39% of its debt expiring in 2021 and 2022 respectively.

With the Merger and refinancing, the Enlarged REIT is expected to have its cost of debt lowered by around 51 basis points to 3.29%, a longer weighted average debt expiry ("**WADE**") of 3.2 years, access to wider pools of capital while retaining balance sheet flexibility with a fully unencumbered portfolio.

***Pro Forma* Cost of Debt(1)**



Notes:

(1) Represents all-in interest cost.

(2) As at 30 June 2020.

(3) Excludes share of borrowings from joint ventures.

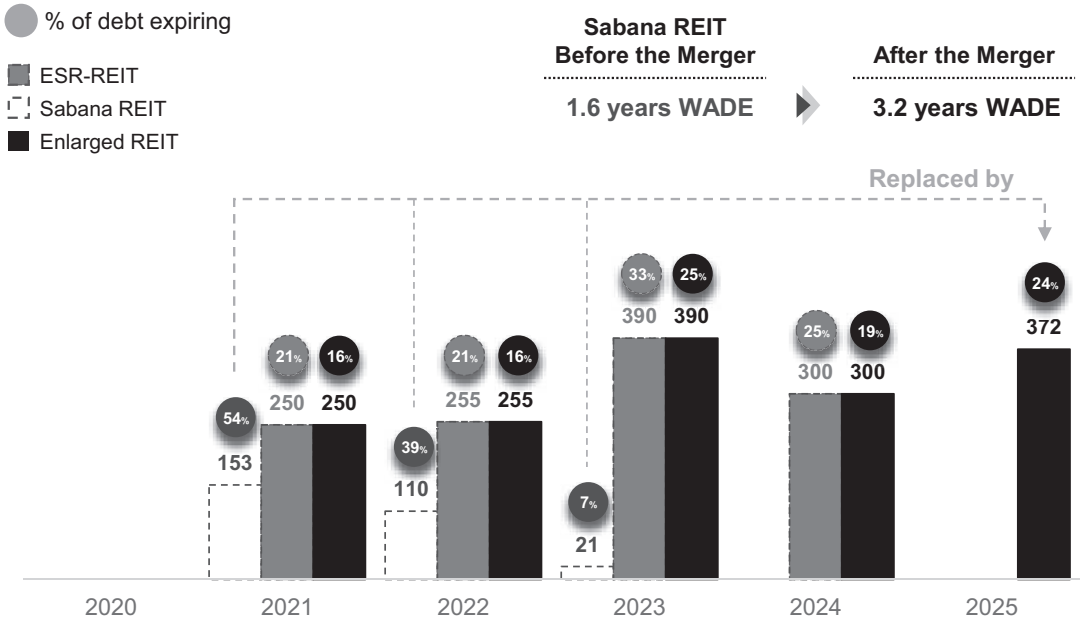
(4) Estimated S$372.2 million debt to be drawn from the New Facilities, at an expected all-in interest cost of 2.5% provided by Malayan Banking Berhad (Singapore Branch), RHB Singapore, Sumitomo Mitsui Banking Corporation Singapore Branch and United Overseas Bank Limited.

(5) Includes the estimated S$372.2 million debt to be drawn from the New Facilities for the refinancing of Sabana REIT's existing debt, upfront land premium[4] and estimated professional and other fees and expenses relating to the Merger.

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4 Under JTC's prevailing terms and conditions, the existing land rental payment scheme will be converted to the upfront land premium scheme when JTC grants approval to the assignment of leases of JTC properties to third party facility providers. It is expected that upon JTC's approval to the Merger, upfront land premium would be payable to JTC for the remaining part of the lease terms of the JTC properties currently under the land rental payment scheme.

***Pro Forma* Debt Maturity Profile**[(1)]



Note:

(1) As at 30 June 2020.

(c) Potential Inclusion in Key Indices

ESR-REIT's market capitalisation is approximately 3.6 times larger than Sabana REIT's at S$1.4 billion and S$0.4 billion[5] respectively with average daily trading volumes of 11.0 million and 1.5 million respectively[6]. The Merger will lead to a larger market capitalisation and free float. The Enlarged REIT's market capitalisation[7] will materially increase to approximately S$1.8 billion, approximately 4.6 times of Sabana REIT's market capitalisation[8] based on the implied Scheme Consideration. The Merger effectively enables Sabana Unitholders to roll over into a larger and more liquid Enlarged REIT.

Correspondingly, the Enlarged REIT's free float market capitalisation will increase to approximately S$1.3 billion[9], approximately 4.7 times of Sabana REIT's free float[10] based on the implied Scheme Consideration. Larger market capitalisation and free float increases the probability of inclusion in key indices which offers the benefits of access to a wider and more diversified investor base, higher trading liquidity, increased analyst coverage and a potential positive re-rating of its unit price, which would be beneficial to the unitholders of the Enlarged REIT.

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5 Based on the implied Scheme Consideration of S$0.377 per Sabana Unit and 1,053.1 million Sabana Units in issue and Reference Price of S$0.401 and approximately 3,543.2 million ESR-REIT Units in issue as at the Latest Practicable Date.

6 Based on the average daily trading volume of ESR-REIT and Sabana REIT for the period from 10 June 2020 to 9 July 2020, both dates inclusive.

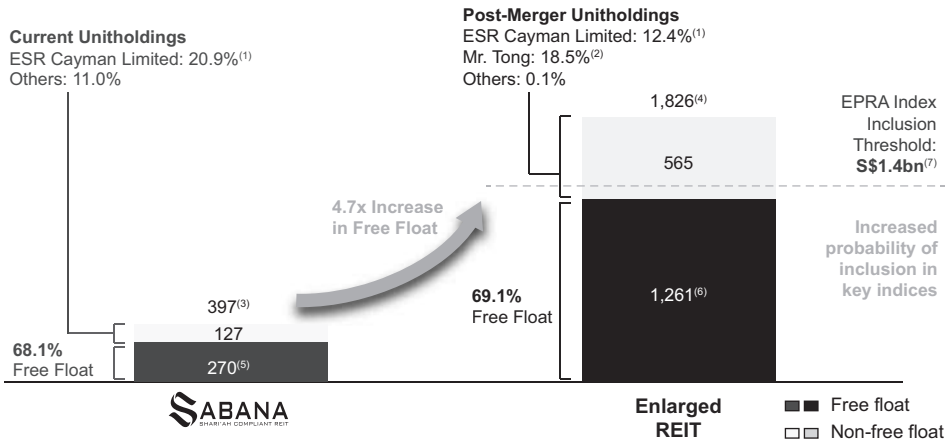
7 Based on the Reference Price of S$0.401 and approximately 3,543.2 million ESR-REIT Units in issue as at the Latest Practicable Date.

8 Based on the implied Scheme Consideration of S$0.377 per Sabana Unit and 1,053.1 million Sabana Units in issue as at the Latest Practicable Date.

9 Includes the issue of approximately 989.9 million new ESR-REIT Units as the aggregate Scheme Consideration and the issue of approximately 20.7 million new ESR-REIT Units as the Acquisition Fee for the Merger at the Reference Price of S$0.401 per ESR-REIT Unit. For the avoidance of doubt, the actual number of ESR-REIT Units to be issued as payment for the Acquisition Fee will be determined based on the 10-day volume weighted average price of the ESR-REIT Units up to and including the last trading day immediately preceding the Effective Date.

10 Based on the implied Scheme Consideration of S$0.377 per Sabana Unit.

Free Float and Market Capitalisation (S$m)



Notes:

(1) Including direct interests and/or deemed interests through holding entities.

(2) Excludes deemed interest held through the ESR-REIT Manager.

(3) Based on the implied Scheme Consideration of S$0.377 per Sabana Unit and 1,053.1 million Sabana Units in issue as at the Latest Practicable Date.

(4) Based on the issuance of approximately 989.9 million new ESR-REIT Units as the aggregate Scheme Consideration and approximately 20.7 million new ESR-REIT Units as the Acquisition Fee for the Merger at the Reference Price of S$0.401 per ESR-REIT Unit. For the avoidance of doubt, the actual number of ESR-REIT Units to be issued as payment for the Acquisition Fee will be determined based on the 10-day volume weighted average price of the ESR-REIT Units up to and including the last trading day immediately preceding the Effective Date.

(5) Excludes Sabana Units held by ESR Cayman Limited, the Sabana Manager, the directors of the Sabana Manager, other substantial unitholders, and their respective associates.

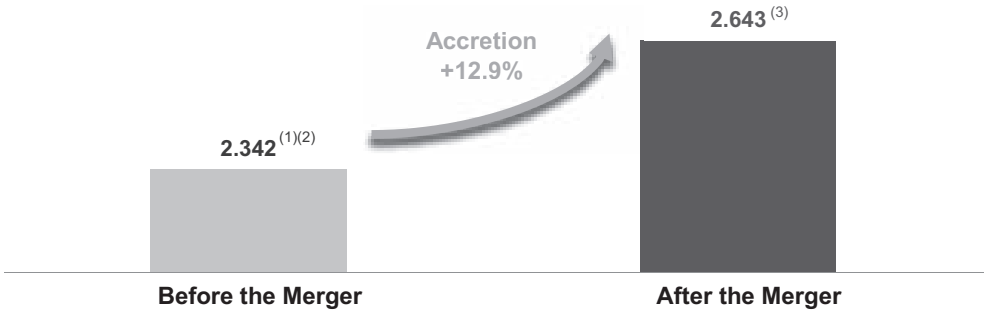
(6) Excludes units held by ESR Cayman Limited, the ESR-REIT and Sabana REIT Managers, Mr. Tong Jinquan, the directors of the ESR-REIT and Sabana REIT Managers, other substantial unitholders, and their respective associates.

(7) EPRA Index refers to the FTSE EPRA Nareit Developed Asia index, which is a subset of the FTSE EPRA Nareit Developed Index and is designed to track the performance of listed real estate companies and REITs. As at September 2020, the regular entry threshold for EPRA Index is approximately US$1.0 billion, equivalent to approximately S$1.4 billion.

4.2 Transaction is 12.9% DPU accretive to Sabana Unitholders on a Historical *Pro Forma* Basis

The Merger results in a distribution per unit ("**DPU**") accretion of approximately 12.9%[11] to Sabana REIT Unitholders on a historical *pro forma* basis — the highest in the history of S-REIT mergers[12]. This *pro forma* DPU accretion to Sabana Unitholders is largely achieved by ESR-REIT's ability to secure the competitive new loan terms for the refinancing of Sabana REIT's existing loan, financing of upfront land premium and continuing to receive management fees in units of the Enlarged REIT for alignment of interests with unitholders.

***Pro Forma* Sabana REIT's 1H2020 Annualised Distribution per Unit (Cents)**



Notes:

(1) Assumes 60.0% of Sabana REIT's asset management fees are paid in units as per the proportion that ESR-REIT paid out for 1H2020 at an illustrative issue price of S$0.341 per unit determined based on the six-month volume weighted average price of the Sabana Units ending on and including 30 June 2020. Sabana Unitholders should note that the illustrative issue price is used in the context of calculating the management fee payable to the Sabana Manager for the purposes of the relevant illustrations.

(2) Assumes Sabana REIT did not retain distributable income of S$6.1 million and distributed 100% of its total distributable income of S$11.1 million for 1H2020.

(3) Based on the Enlarged REIT's *pro forma* DPU for 1H2020 on an annualised basis of 2.812 cents multiplied by the gross exchange ratio of 0.940x.

4.3 Enhances Diversification and Resilience of the Enlarged REIT Platform

(a) Exposure to New Business Park Asset Class to Increase Portfolio Resilience

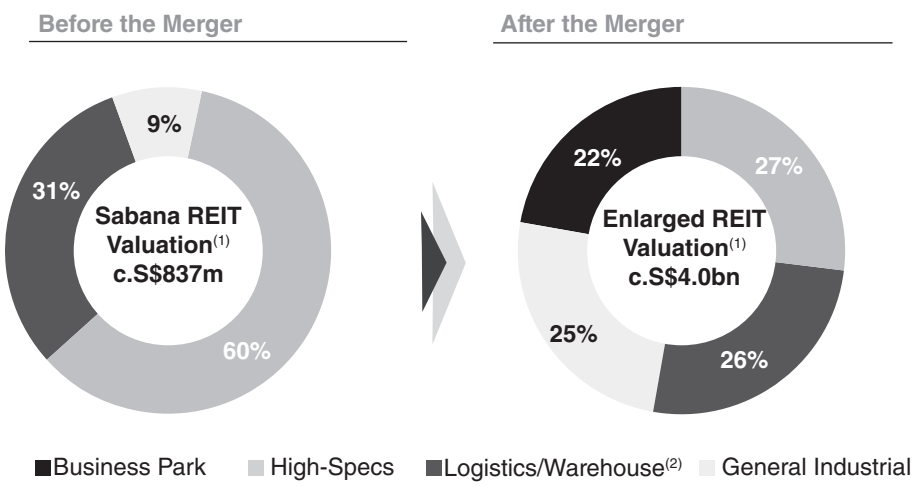
The Merger will expand Sabana REIT's existing industrial portfolio to include the Business Park asset class, as this segment is currently a part of ESR-REIT's portfolio. Post-Merger, Sabana REIT will gain immediate access to three (3) business parks nationwide, located in prime industrial clusters across Singapore, and is expected to benefit from the reduced segment concentration risk.

The Enlarged REIT is well positioned to capture the growth and demand from the evolving Singapore business parks sector, which caters to industries/businesses relating to high-technology, research and development, value-added and knowledge-intensive sectors.

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[11] On a historical basis for 1H2020 annualised adjusted DPU.

[12] Compared to all the S-REIT mergers announced prior to 16 July 2020.



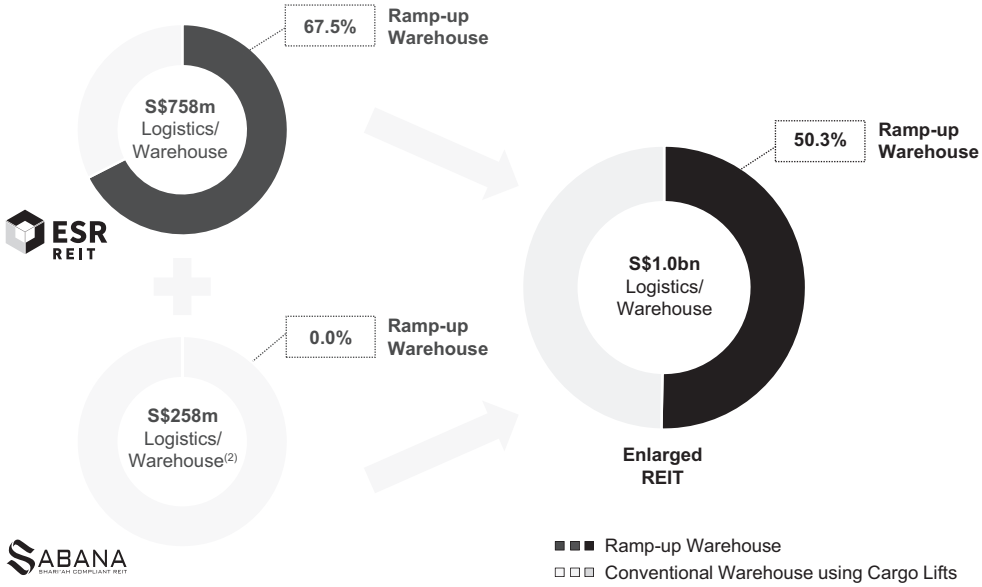
Notes:

(1) Valuation as at 30 June 2020. ESR-REIT's valuation in the Enlarged REIT includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standards (FRS) 116 Leases which became effective on 1 January 2019.

(2) Includes Sabana REIT's chemical warehouse and logistics segment.

In addition, Sabana Unitholders will gain exposure to modern, high quality and in-demand ramp-up warehouses which make up 67.5% of ESR-REIT's logistics portfolio, and currently do not form part of Sabana REIT's existing logistics portfolio. Ramp-up warehouses enjoy, among others, the following key benefits as compared to conventional warehouses using cargo lifts: (i) direct vehicular access to all warehouse units on all floors which results in improved operational efficiency for users as they can easily load and unload goods directly in front of their unit, (ii) movement of bulky goods without the size constraint of cargo lifts and (iii) absence of cargo lifts, other machinery and equipment leading to lower utilities, operating and maintenance expenses as well as lower manpower requirements. As such, ramp-up warehouses, in general, are able to attract better quality and higher rental terms due to strong leasing demand from a broad range of end-users with added cost savings on property expenses.

Breakdown of Logistics/Warehouse Asset Class Segment(1)



Notes:

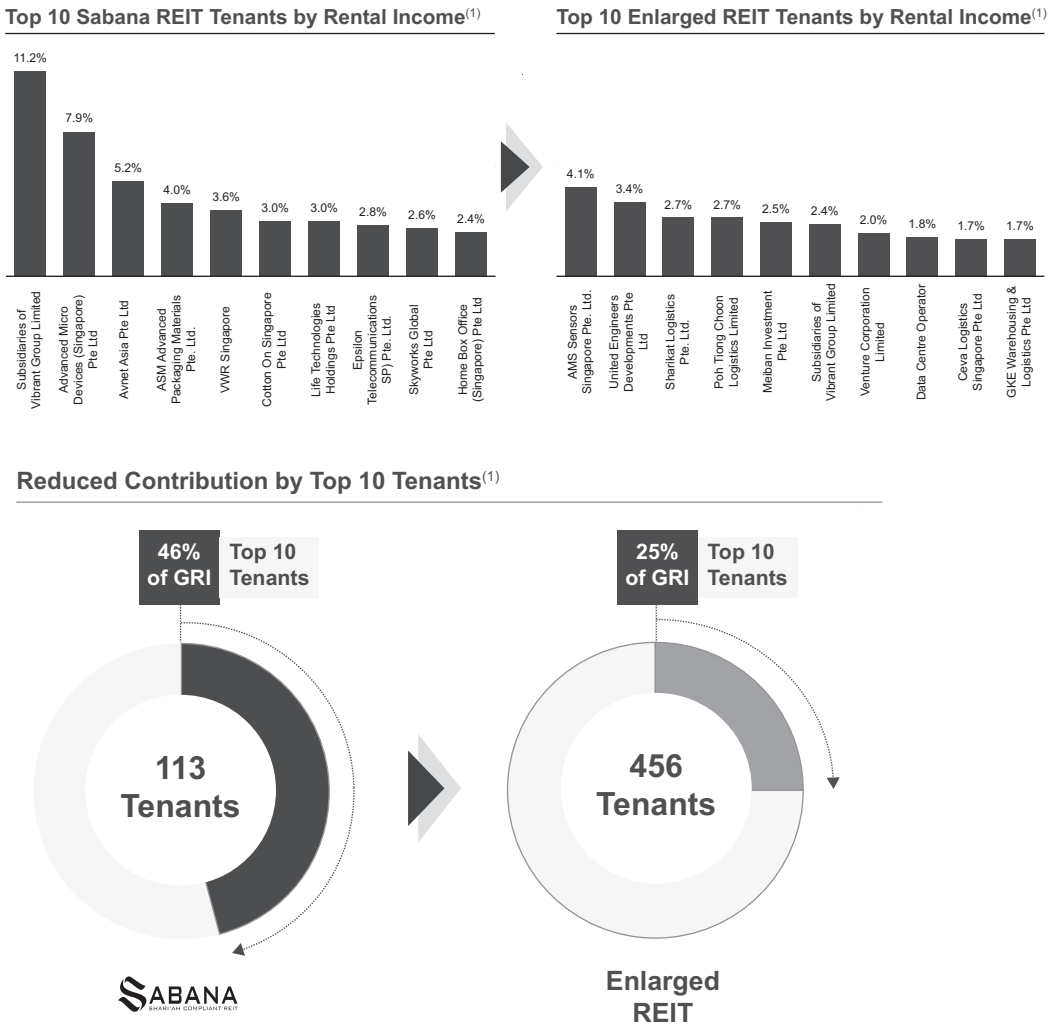
(1) Valuation as at 30 June 2020.

(2) Includes chemical warehouses.

(b) **Larger Tenant Base Reduces Concentration Risks**

The Enlarged REIT is expected to benefit from the introduction of larger and more diversified tenants from the ESR-REIT portfolio that will significantly enhance the diversification and stickiness of the tenant base and allow the portfolio to become more resilient to market cycles. These tenants include renowned companies in attractive trade sectors such as telecommunications/data warehousing, electronics, information technology, logistics, chemical, and healthcare, among others.

Post-Merger, the number of tenants will increase by 4.0 times for Sabana REIT to 456 tenants[13]. This reduces the top 10 tenants' contribution to Gross Rental Income ("**GRI**") from approximately 46% to 25% on a *pro forma* basis as at 30 June 2020, with no single tenant accounting for more than 4.1% of the Enlarged REIT's GRI[14].



Note:

(1) Based on GRI of Sabana REIT, or as the case may be, the *pro forma* GRI of the Enlarged REIT which is based on the sum of ESR-REIT and Sabana REIT's respective GRI, in each case as at 30 June 2020.

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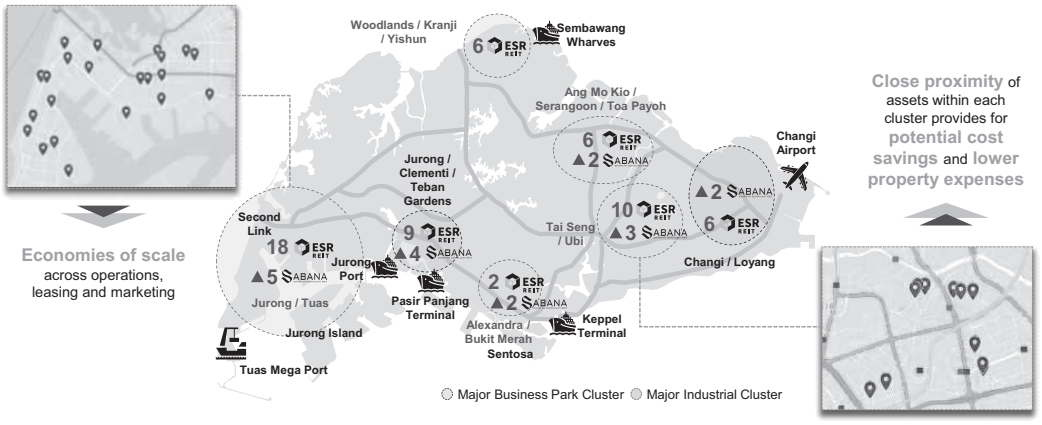
13 As at 30 June 2020.

14 Based on the *pro forma* GRI of the Enlarged REIT which is based on the sum of ESR-REIT and Sabana REIT's respective GRI as at 30 June 2020.

4.4 100% Pure-Play S-REIT Post-Merger

(a) Deepens Singapore Presence in Key Industrial Clusters

Sabana REIT's strategically located assets in key industrial classes across Singapore enhances ESR-REIT's current island-wide portfolio network.



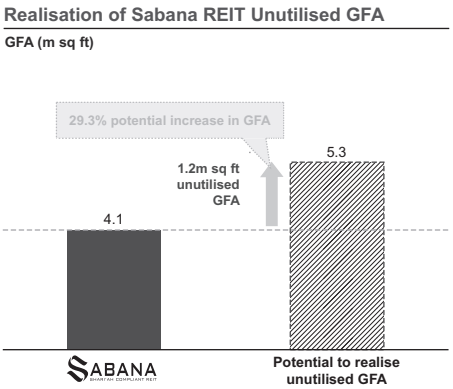
The Enlarged REIT will have a portfolio of 75 properties, which represents a 4.2 times increase in the number of properties from Sabana REIT's existing portfolio. There will be an increase in total GFA by 4.7 times to approximately 19.2 million square feet and number of tenants is expected to increase by 4.0 times to 456 for Sabana REIT.

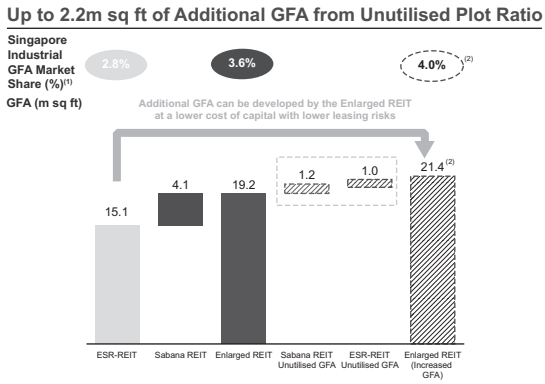
(b) Operational Synergies and Portfolio Optimisation Potential

By leveraging the existing marketing, leasing and asset management platforms of ESR-REIT as well as of ESR Cayman Limited and its subsidiaries (collectively, the "**ESR Group**"), economies of scale are expected to be extracted across operations. There is also further potential cost savings for tenants arising from the integration and optimisation of property management services arising from the close proximity of assets within each cluster. With a bigger portfolio and tenant base, the Enlarged REIT will also have stronger bargaining power with service providers and tenants.

(c) Organic Asset Enhancement Initiative ("AEI") Growth Opportunities to Realise Unutilised GFA

The Merger is expected to enhance potential returns and lower portfolio risks of future growth strategies such as value-adding AEIs and/or redevelopments undertaken by the Enlarged REIT, in comparison to if these were done on a standalone basis especially during such uncertain times in the global economy due to COVID-19. Exposure to a larger tenant base helps ESR-REIT to identify the optimal use for unutilised GFA and reduces leasing risks. The Enlarged REIT's access to lower cost of capital will enhance returns on AEIs and/or redevelopments for the benefit of all unitholders. Post-Merger, the enlarged asset base also improves the Enlarged REIT's flexibility to undertake AEIs as any potential drop in income from the property undergoing AEI would be less significant to the Enlarged REIT due to the reduced income contribution from each property towards the enlarged portfolio. Through this Merger, the Enlarged REIT could develop up to 2.2 million square feet of additional GFA at a lower cost of capital with lower leasing risks as it gains access to a larger pool of potential tenants through the ESR Group's and ESR-REIT's existing tenant relationships and network, thus unlocking property value and increasing its overall industrial GFA market share.





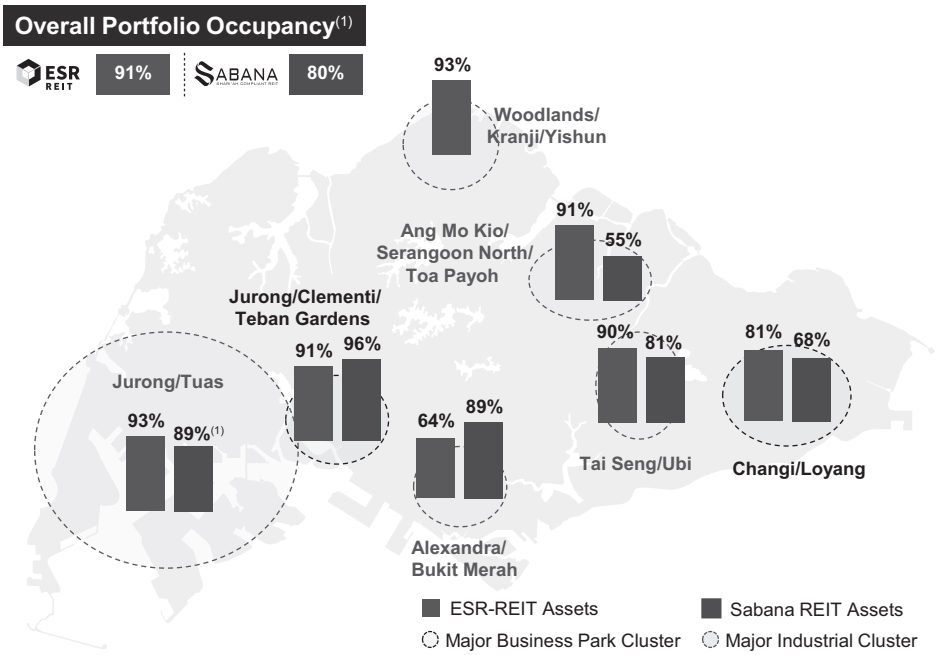
Notes:

(1) Singapore industrial GFA market share calculated based on the respective REIT's GFA as at 30 June 2020 or latest available GFA from the respective company information divided by the total industrial space in Singapore as at 30 June 2020 from JTC quarterly market report on industrial properties.

(2) Assume 100% realisation of Sabana REIT's and ESR-REIT's unutilised GFA.

(d) Lease-Up Opportunities for Organic Growth

Being part of the Enlarged REIT provides the ability to leverage ESR-REIT's and the ESR Group's platform to enhance leasing opportunities.



Note:

(1) Occupancy rates as at 30 June 2020. Sabana REIT occupancy rates exclude 1 Tuas Avenue 4. Average of occupancy rates across assets in each key cluster.

Such organic growth opportunities can be achieved through leveraging the ESR Group's and ESR-REIT's existing tenant relationships and network for expansion. The Enlarged REIT will have access to a wider pool of tenants across a range of industries and will be able to explore cross marketing activities and enhance leasing opportunities. The Enlarged REIT is also better able to capitalise on the potential increase in e-commerce, third party logistics and advanced manufacturing demand.

4.5 Leveraging the ESR Group's and ESR-REIT's Operating Platform to Improve Growth Prospects

Being the largest Asia-Pacific focused logistics real estate platform with more than US$26 billion assets under management[15], the ESR Group's operating platform, footprint and network can be leveraged by the Enlarged REIT to create a leading Pan-Asian industrial REIT without altering the risk profile drastically.

ESR-REIT benefits from having a developer-sponsor, the ESR Group, which has the largest development pipeline in Asia-Pacific of more than 18 million square metres GFA[15]. ESR-REIT has a "first look" on more than US$26 billion of the ESR Group's growing portfolio of assets in an increasingly scarce environment for quality logistics assets.

Since its entry as the sponsor of ESR-REIT in 2017, the ESR Group has also demonstrated strong support towards ESR-REIT, transforming it into a large developer-backed REIT. ESR-REIT's portfolio GFA has doubled by approximately two (2) times, and its portfolio has been rejuvenated to focus on the higher value-added segment of the industrial value chain, including High-Specs assets. As a result, ESR-REIT traded at an average price-to-book ratio of 1.14x[16] in FY2019, which makes it easier for ESR-REIT to fund new acquisitions on a DPU and NAV accretive basis. There are also continued opportunities to grow ESR-REIT further, through scalable value-enhancing acquisition opportunities in Singapore, as well as opportunities to participate in development projects, either individually or via a joint venture with the ESR Group.

As the sponsor of ESR-REIT, the ESR Group has also provided strong capital support and financial commitment to ESR-REIT for its growth strategies via a total of S$175 million[17] backstop in preferential offerings and the acquisition of REIT managers to facilitate the merger of ESR-REIT with Viva Industrial Trust as well as the current proposed Merger with Sabana REIT.

The ESR Group has a regional presence across China, Japan, Singapore, South Korea, India and Australia. With the ESR Group's continued support, the Enlarged REIT will be able to leverage the ESR Group's strong network of strategic relationships with leading global e-commerce companies, retailers, logistics service providers, manufacturers, and its established local real estate operating platform, and at the same time, have the opportunity to acquire the ESR Group's visible pipeline of assets. This will facilitate the Enlarged REIT's scalable growth and overseas expansion in the future. Overseas expansion to gain access to properties on longer leasehold and/or freehold land is important in overcoming the structurally short land lease tenor of industrial properties in the Singapore market[18] and the limited Singapore market size in order to preserve and enhance the NAV of the Enlarged REIT.

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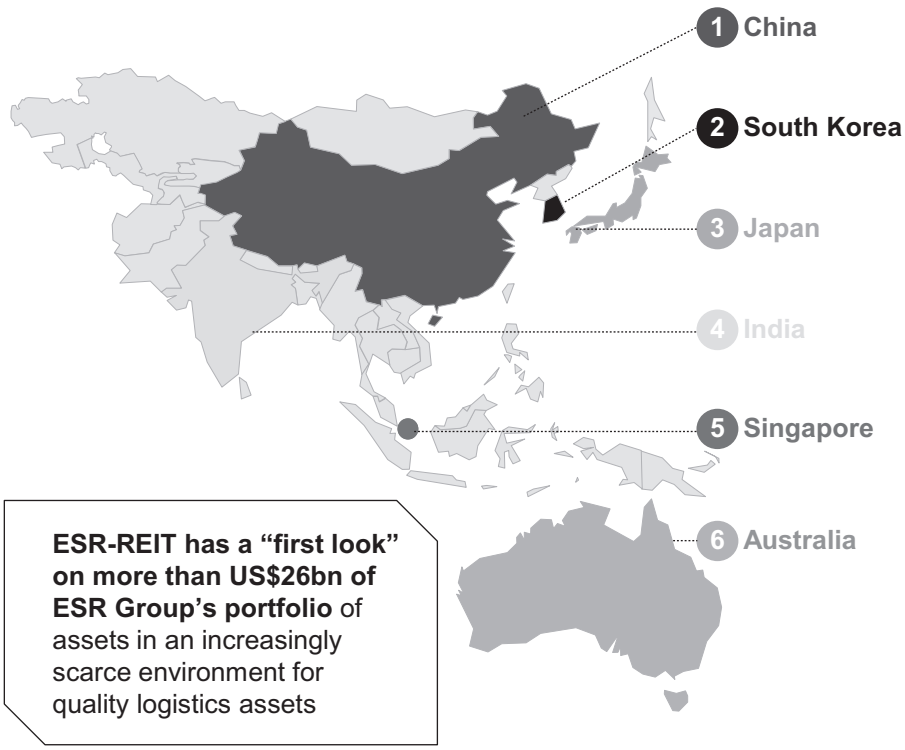
15 As at 30 June 2020.

16 From Bloomberg L.P.

17 S$125.0 million backstop in relation to a preferential offering undertaken in March 2018 and S$50.0 million backstop in relation to a preferential offering undertaken in October 2019.

18 A typical land lease tenor for industrial properties in Singapore is approximately 30 years on average as compared to industrial properties overseas which may be on a 99-year leasehold and/or freehold land.

ESR Group's Regional Presence



5. ESR-REIT MANAGER'S FUTURE INTENTIONS FOR THE ENLARGED REIT

Assuming the completion of the Merger:

(a) the ESR-REIT Manager will be the manager of the Enlarged REIT and Mr. Adrian Chui will continue to be the Chief Executive Officer ("**CEO**") of the ESR-REIT Manager. The ESR-REIT Manager intends to engage the current CEO of the Sabana Manager, Mr. Donald Han, as an advisor to the ESR-REIT Manager. The Nominating and Remuneration Committee of the ESR-REIT Manager is also in the process of reviewing, together with the Sponsor, the composition of the board of directors and management of the ESR-REIT Manager (including the feasibility of engaging certain existing employees of the Sabana Manager);

(b) the fee structure of the Enlarged REIT will be based on the existing fee structure of ESR-REIT. The Sabana Manager will be entitled to the applicable manager's fees accruing up to the date of delisting of Sabana REIT in accordance with the existing Sabana Trust Deed. There will be no double counting of management fees to the Sabana Manager and the ESR-REIT Manager in respect of the Sabana REIT portfolio between the Effective Date and the date of delisting;

(c) the ESR-REIT Manager does not intend to retain Sabana REIT's Shari'ah compliant status and accordingly, Sabana REIT will be renamed "Sabana Trust"; and

(d) it is intended that the existing outstanding loan facilities granted to Sabana REIT will be refinanced.

The Enlarged REIT's larger portfolio will provide the opportunity and flexibility to re-evaluate the scale and risk-return profile of the AEIs to be undertaken, for both the existing ESR-REIT portfolio and the Sabana REIT portfolio of real estate assets. This re-evaluation will include, amongst others, a review of the projected construction costs of identified AEI projects, given the better bargaining power of the Enlarged REIT with service providers and reduced portfolio financial impact when undertaking AEIs, while taking into consideration the supply and demand dynamics of the industrial market currently and over the next two (2) to three (3) years.

Save as disclosed above, the ESR-REIT Manager does not currently have any intention to (i) make any major changes to the business of Sabana REIT, (ii) re-deploy the fixed assets of Sabana REIT, or (iii) discontinue the employment of the existing employees of the Sabana Manager (save in the ordinary course of business or as a result of any internal reorganisation or restructuring which may be implemented after the Merger).

Nonetheless, the ESR-REIT Manager retains the flexibility to, at any time, consider options or opportunities which may present themselves, or may be required, and which it regards to be in the best interests of the Enlarged REIT.

6. INFORMATION ON ESR-REIT AND THE ESR-REIT MANAGER

6.1 **ESR-REIT**. Constituted by way of a trust deed entered into between the ESR-REIT Trustee and the ESR-REIT Manager dated 31 March 2006 (as amended and/or supplemented from time to time) (the "**ESR-REIT Trust Deed**"), ESR-REIT is a Singapore-based real estate investment trust listed on the Main Board of the SGX-ST on 25 July 2006. The principal activity of ESR-REIT is to invest in quality income-producing industrial properties in Singapore. ESR-REIT has a diversified portfolio which currently comprises 57 properties located across Singapore, close to major transportation hubs and key industrial zones island-wide, with a total gross floor area of approximately 15.1 million square feet and a property value of approximately S$3.1 billion[19] as at 30 June 2020. The properties are in the following business sectors: Business Park[20], High-Specs Industrial, Logistics/Warehouse and General Industrial. ESR-REIT has a diversified tenant base of 343 tenants (as at 30 June 2020) and is listed on the SGX-ST.

As at the Latest Practicable Date, ESR-REIT has in issue an aggregate of 3,543,157,293 ESR-REIT Units.

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[19] Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

[20] "**Business Parks**" refers to properties that cater to industries or businesses relating to high-technology, research and development value-added and knowledge-intensive sectors.

Based on the unaudited consolidated financial statements of ESR-REIT and its subsidiaries (the "**ESR-REIT Group**") for the financial half year ended 30 June 2020 as announced on 16 July 2020 ("**1H2020**"), certain key financial information with respect to the ESR-REIT Group is set out as follows:

ESR-REIT Group (as at 30 June 2020)	S$
Total assets	3,196.8 million
NAV(1)	1,448.7 million
NAV per ESR-REIT Unit	41.0 cents
Distributable income for 1H2020(2)	47.8 million
DPU for 1H2020(2)	1.359 cents
Aggregate valuation of portfolio(3)	3,117.1 million

Notes:

(1) The NAV of ESR-REIT Group as at 30 June 2020 was determined based on the independent valuations of its investment properties as at 30 June 2020. The book value of ESR-REIT Group's investment properties was adjusted down by S$46.7 million as a result of the revaluation of its investment properties based on their independent valuations as at 30 June 2020.

(2) The DPU of 1.359 cents is computed based on ESR-REIT's total distributable income of S$47.8 million for 1H2020. Of this amount, approximately S$40.8 million has been announced as distribution to ESR-REIT Unitholders, translating to 1.162 cents per ESR-REIT Unit, based on approximately 3,519.4 million applicable number of ESR-REIT Units for the period from 1 January 2020 to 30 June 2020. The remaining S$7.0 million has been retained by ESR-REIT for prudent cash flow management in view of the COVID-19 uncertainties. It is intended that the retained S$7.0 million, to the extent unutilised, will be paid to existing ESR-REIT Unitholders as part of the ESR-REIT Permitted Distributions, assuming the completion of the Scheme.

(3) Please refer to paragraph 12.1 of Schedule 1 of this Letter for more information on the updated valuations of ESR-REIT's properties as at 30 June 2020.

The principal office of ESR-REIT is the office of the ESR-REIT Manager at 138 Market Street, #26-03/04 CapitaGreen, Singapore 048946.

6.2 **The ESR-REIT Manager**. The ESR-REIT Manager was incorporated in Singapore on 14 September 2005 and currently holds a capital markets services licence ("**CMS Licence**") for REIT management pursuant to the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). ESR-REIT is managed by the ESR-REIT Manager, whose objective is to provide ESR-REIT Unitholders with a stable and secure income stream through the successful implementation of the following strategies: (a) acquisition of value-enhancing properties, (b) proactive asset management, (c) divestment of non-core properties and (d) prudent capital and risk management.

As at the Latest Practicable Date:

(i) the shareholders of the ESR-REIT Manager are:

(A) ESR Investment Management Pte. Ltd. ("**ESRIM**") (67.3%);

(B) Mitsui & Co., Ltd (7.7%); and

(C) Shanghai Summit Pte. Ltd. (25.0%);

(ii) the directors of the ESR-REIT Manager are:

(A) Mr. Ooi Eng Peng (Independent Chairman);

(B) Mr. Khor Un-Hun (Independent Non-Executive Director);

(C) Dr. Leong Horn Kee (Independent Non-Executive Director);

(D) Mr. Ronald Lim Cheng Aun (Independent Non-Executive Director);

(E) Ms. Stefanie Yuen Thio (Independent Non-Executive Director);

(F) Mr. Philip John Pearce (Non-Executive Director);

(G) Mr. Jeffrey David Perlman (Non-Executive Director);

(H) Mr. Tong Jinquan (Non-Executive Director) ("**Mr. Tong**");

(I) Mr. Wilson Ang Poh Seong (Non-Executive Director); and

(J) Mr. Adrian Chui Wai Yin (Chief Executive Officer and Executive Director).

6.3 As at the Latest Practicable Date, the ESR-REIT Manager has an issued and paid-up share capital of S$64,714,500 comprising 2,727,273 ordinary shares in issue and no treasury shares.

6.4 Save as disclosed in the Scheme Document and save for information relating to the ESR-REIT Manager, the Merger and the Scheme that is publicly available, there has been no material change in any information previously published by or on behalf of the ESR-REIT Manager during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

6.5 Schedule 1 to this Letter sets out certain additional information on the ESR-REIT Manager.

7. INFORMATION ON SABANA REIT AND THE SABANA MANAGER

7.1 **Sabana REIT**. Sabana REIT is a real estate investment trust listed on the Main Board of the SGX-ST since 26 November 2010, which principally invests in income-producing real estate used for industrial purposes, as well as real-estate related assets in Asia, in line with Shari'ah investment principles. As at the Latest Practicable Date, Sabana REIT has a diversified portfolio of 18 industrial properties in Singapore with a total portfolio GFA of approximately 4.1 million square feet (as at 30 June 2020), in the High-tech Industrial, Warehouse and Logistics, Chemical Warehouse and Logistics, as well as General Industrial sectors, with an estimated total assets value of approximately S$0.9 billion as at 30 June 2020.

As at the Latest Practicable Date, Sabana REIT has in issue an aggregate of 1,053,083,530 Sabana Units.

Based on the unaudited consolidated financial statements of Sabana REIT and its subsidiary (the "**Sabana Group**") for 1H2020 as announced on 16 July 2020, certain key financial information with respect to the Sabana Group is set out as follows:

Sabana Group (as at 30 June 2020)	S$
Total assets	927.4 million
NAV(1)	539.1 million
NAV per Sabana Unit	51.2 cents
Distributable income for 1H2020(2)	11.1 million
DPU for 1H2020(2)	1.052 cents
Aggregate valuation of portfolio(3)	836.9 million

Notes:

(1) The NAV of Sabana Group as at 30 June 2020 was determined based on the independent valuations of its investment properties as at 30 June 2020. The book value of Sabana Group's investment properties declined by S$54.7 million as a result of the revaluation of its investment properties based on their independent valuations as at 30 June 2020 and the adjustments in right-of-use assets in relation to the land leases with JTC included in investment properties as at 30 June 2019, in accordance with Financial Reporting Standards (FRS) 116 Leases.

(2) The DPU of 1.052 cents is computed based on Sabana REIT's total distributable income of S$11.1 million for 1H2020. Of this amount, approximately S$5.0 million has been announced as distribution to Sabana Unitholders, translating to 0.470 cents per Sabana Unit, based on 1,053,083,530 Sabana Units in issue for the period from 1 January 2020 to 30 June 2020. The remaining S$6.1 million has been retained by Sabana REIT for prudent cash flow management in view of the COVID-19 uncertainties. It is intended that the retained S$6.1 million, to the extent unutilised, will be paid to existing Sabana Unitholders as at the Books Closure Date as part of the Sabana Permitted Distributions, assuming the completion of the Scheme.

(3) Please refer to Paragraph 10.1 of the Letter to Sabana Unitholders for more information on the updated valuations of Sabana REIT's properties as at 30 June 2020.

7.2 The Sabana Manager. Sabana REIT is managed by the Sabana Manager, which was incorporated in Singapore on 15 March 2010 and currently holds a CMS Licence for REIT management pursuant to the SFA.

As at the Latest Practicable Date:

(a) the Sabana Manager is wholly-owned by Sabana Investment Partners Pte. Ltd., which in turn is wholly-owned by Perpetual Asia (Limited), acting in its capacity as trustee of Blackwood Trust. The sole beneficiary of Blackwood Trust is InfinitySub Pte. Ltd. (the parent company of ESRIM, which holds 67.3% of the shares in the ESR-REIT Manager); and

(b) the directors of the Sabana Manager are:

(i) Mr. Tan Cheong Hin (Chairman and Independent Non-Executive Director);

(ii) Mr. Wong Heng Tew (Independent Non-Executive Director); and

(iii) Ms. Ng Shin Ein (Independent Non-Executive Director).

7.3 Material Changes in the Financial Position of Sabana REIT. Save for the information of Sabana REIT which is publicly available (including, without limitation, the unaudited consolidated financial statements of Sabana REIT and its subsidiary for 1H2020 and announcements which are released by the Sabana Manager, on behalf of Sabana REIT, on the SGXNET) and save as disclosed in the Scheme Document, there has not been, to the knowledge of the ESR-REIT Manager, any material change in the financial position or prospects of Sabana REIT since 31 December 2019, being the date of the last balance sheet laid before the Sabana Unitholders in a general meeting.

7.4 **Transfer Restrictions**. The Sabana Trust Deed does not contain any restrictions on the right to transfer the Sabana Units in connection with the Merger or the Scheme.

8. NO SPECIAL ARRANGEMENTS

8.1 No Agreement having any Connection with or Dependence on the Scheme

Save for the Implementation Agreement as at the Latest Practicable Date, and except as disclosed herein, there is no agreement, arrangement or understanding between (a) the ESR-REIT Trustee and/or the ESR-REIT Manager or any person acting in concert with them in connection with the Merger, and (b) any of the current or recent directors of the Sabana Managers or any of the current or recent Sabana Unitholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

8.2 Transfer of Sabana Securities

As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Sabana Securities (as defined in paragraph 9.1(i) of this Letter below) acquired by the ESR-REIT Trustee pursuant to the Scheme will be transferred to any other person.

8.3 No Payment or Benefit to Directors of the Sabana Manager

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Sabana Manager or of any of their related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

8.4 Directors' Service Contracts

As at the Latest Practicable Date, there are no agreements, arrangements or understandings between (a) the ESR-REIT Trustee and/or the ESR-REIT Manager or any person acting in concert with them in connection with the Merger, and (b) any of the directors of the ESR-REIT Manager, whereby the emoluments received or to be received by the directors of the ESR-REIT Manager will be varied or affected by the Scheme.

9. DISCLOSURE OF INTERESTS

9.1 Save as disclosed in Schedule 4 to this Letter, as at the Latest Practicable Date, based on the latest information available to the ESR-REIT Manager, none of (a) the ESR-REIT Trustee or its directors, (b) the ESR-REIT Manager or its directors, and (c) any of the persons acting in concert with the ESR-REIT Manager in connection with the Merger (collectively, the "**ESR-REIT Concert Party Group**"):

(i) owns, controls or has agreed to acquire any (A) Sabana Units; (B) securities which carry voting rights in Sabana REIT; and/or (C) convertible securities, warrants, options or derivatives in respect of such Sabana Units or securities which carry voting rights in Sabana REIT (collectively, "**Sabana Securities**"); or

(ii) has dealt for value during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date (the "**Relevant Period**") in any Sabana Securities.

9.2 Disclosures relating to Other Arrangements in Sabana Securities

(a) Undertakings to vote in favour of or against the Scheme

As at the Latest Practicable Date, no person has given any undertaking to any member of the ESR-REIT Concert Party Group in connection with the Merger, to vote in favour of or against the Scheme.

(b) Arrangements of the kind referred to in Note 7 on Rule 12 of the Code

As at the Latest Practicable Date, no member of the ESR-REIT Concert Party Group has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Sabana Securities which may be an inducement to deal or refrain from dealing in the Sabana Securities.

(c) No security interest over or borrowing/lending of Sabana Securities

Save for (i) the charge granted in favour of Deutsche Bank Aktiengesellschaft and UBS AG over all the Sabana Units owned directly or indirectly by Mr. Tong, and (ii) the charge granted to RHB Singapore (as security agent) over 200,649,603 Sabana Units owned by e-Shang Infinity Cayman Limited (which ESR Cayman Limited is deemed interested in), as at the Latest Practicable Date, based on the latest information available to the ESR-REIT Manager, no member of the ESR-REIT Concert Party Group has (A) granted a security interest over any Sabana Securities to another person, whether through a charge, pledge or otherwise, (B) borrowed from another person any Sabana Securities (excluding borrowed Sabana Securities which have been on-lent or sold), or (C) lent any Sabana Securities to another person.

10. FINANCIAL ADVISERS TO THE ESR-REIT MANAGER

Citigroup Global Markets Singapore Pte. Ltd., Maybank Kim Eng Securities Pte. Ltd., RHB Singapore[21] and United Overseas Bank Limited are the financial advisers to the ESR-REIT Manager in respect of the Merger and the Scheme (the "**ESR-REIT Financial Advisers**").

11. CONSENT

Each of the ESR-REIT Financial Advisers has given and has not withdrawn its written consent to the issue of this Letter with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Letter.

Each of CBRE Pte Ltd, Knight Frank Pte Ltd and Savills Valuation and Professional Services (S) Pte Ltd (the "**ESR-REIT Independent Valuers (ESR-REIT Portfolio)**") and Edmund Tie & Company (SEA) Pte Ltd (the "**ESR-REIT Independent Valuer (Sabana Portfolio)**") has given and has not withdrawn its written consent to the issue of this Letter with the inclusion herein of its name, and all references thereto and in the form and context in which they appear in this Letter.

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[21] On 29 June 2020, RHB Bank Berhad ("**RHB Bank**") announced on Bursa Malaysia that it entered into a conditional share purchase agreement with Phillip Securities Pte. Ltd. to dispose of its entire equity interest in RHB Securities Singapore Pte. Ltd. ("**RHBSEC**"), an indirect wholly-owned subsidiary of RHB Bank (the "**Proposed Disposal**"). The Corporate Finance Department of RHBSEC which undertakes the engagement as joint financial adviser to the ESR-REIT Manager will be transferred to RHB Bank Berhad, through its Singapore branch ("**RHB Singapore**"), prior to the completion of the Proposed Disposal (the "**Proposed Transfer**"). RHBSEC's engagement will be novated to RHB Singapore, and RHB Singapore will replace RHBSEC as a joint financial adviser to ESR-REIT Manager ("**Replacement**") if the Proposed Transfer occurs during the offer period of the Merger. As announced on 1 September 2020, the Replacement has become effective on 31 August 2020.

The auditors of ESR-REIT, Ernst & Young LLP, has given and has not withdrawn its written consent to the issue of this Letter with the inclusion herein of its name and all references thereto and in the form and context in which they appear in this Letter.

12. SETTLEMENT AND REGISTRATION PROCEDURES

Please refer to Appendix B to the Scheme Document for details on the settlement and registration procedures.

13. MARKET QUOTATIONS FOR SABANA SECURITIES

13.1 Transacted Prices

The highest, lowest (on the daily closing prices for the monthly market data) and last closing prices and transacted volume of the Sabana Securities on the SGX-ST on a monthly basis from January 2020 (being six (6) calendar months preceding the Joint Announcement Date) to the Latest Practicable Date, as reported by Bloomberg L.P., are set out below:

Monthly Trades	Highest Closing Price (S$)	Lowest Closing Price (S$)	Last Closing Price (S$)	Transacted Volume of the Sabana Units ('000)
Latest Practicable Date	0.360	0.345	0.350	10,552.9
January 2020	0.470	0.455	0.465	23,794.3
February 2020	0.465	0.450	0.450	15,817.4
March 2020	0.460	0.235	0.295	45,880.5
April 2020	0.330	0.260	0.325	67,639.4
May 2020	0.330	0.315	0.330	23,851.5
June 2020	0.380	0.335	0.350	44,701.4
July 2020	0.395	0.355	0.380	38,816.9
August 2020	0.385	0.365	0.370	13,859.6
September 2020	0.380	0.360	0.365	16,901.8
October 2020	0.365	0.345	0.350	10,604.0

13.2 Highest and Lowest Prices

During the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date, the highest closing price was S$0.470 per Sabana Unit, transacted on 17 January 2020, and the lowest closing price was S$0.235 per Sabana Unit, transacted on 23 March 2020.

13.3 Closing Prices

The closing price on:

(a) 15 July 2020, being the last full trading day immediately prior to the Joint Announcement Date, was S$0.360 per Sabana Unit; and

(b) the Latest Practicable Date, was S$0.350 per Sabana Unit.

14. DOCUMENTS FOR INSPECTION

A copy of the following documents will be made available for inspection[22] during normal business hours at the registered office of the ESR-REIT Manager from the Joint Announcement Date up until the Effective Date:

(a) the Implementation Agreement;

(b) the letters of consent referred to in paragraph 11 above;

(c) the ESR-REIT Trust Deed;

(d) the ESR-REIT Independent Valuation Certificates (ESR-REIT Portfolio);

(e) the ESR-REIT Independent Valuation Certificates (Sabana Portfolio);

(f) the ESR-REIT Independent Valuation Reports; and

(g) ESR-REIT 3Q2020 Financial Update, and the audited financial statements of ESR-REIT for FY2017, FY2018 and FY2019.

15. RESPONSIBILITY STATEMENT

The directors of the ESR-REIT Manager (including those who may have delegated detailed supervision of the preparation of this Letter) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Letter (other than those relating to Sabana REIT, the Sabana Manager, the ESR-REIT Independent Valuers (ESR-REIT Portfolio) and/or the ESR-REIT Independent Valuer (Sabana Portfolio)) are fair and accurate and that there are no other material facts not contained in this Letter, the omission of which would make any statement in this Letter misleading.

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[22] Prior appointment is required in light of the COVID-19 situation.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including Sabana REIT, the Sabana Manager, the ESR-REIT Independent Valuers (ESR-REIT Portfolio) and/or the ESR-REIT Independent Valuer (Sabana Portfolio)), the sole responsibility of the directors of the ESR-REIT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Letter. The directors of the ESR-REIT Manager jointly and severally accept responsibility accordingly.

Yours faithfully

ESR Funds Management (S) Limited
As Manager of ESR-REIT
(Company Registration No.: 200512804G, Capital Markets Services Licence No.: CMS 100132)

Adrian Chui
Chief Executive Officer and Executive Director
12 November 2020

SCHEDULE 1

ADDITIONAL INFORMATION ON ESR-REIT

1. DIRECTORS OF THE ESR-REIT MANAGER

The names, addresses and descriptions of the directors of the ESR-REIT Manager as at the Latest Practicable Date are as follows:

Name	Address	Description
Ooi Eng Peng	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Independent Chairman
Khor Un-Hun	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Independent Non-Executive Director
Leong Horn Kee	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Independent Non-Executive Director
Ronald Lim Cheng Aun	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Independent Non-Executive Director
Stefanie Yuen Thio	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Independent Non-Executive Director
Philip John Pearce	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Non-Executive Director
Jeffrey David Perlman	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Non-Executive Director
Tong Jinquan	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Non-Executive Director
Wilson Ang Poh Seong	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Non-Executive Director
Adrian Chui Wai Yin	138 Market Street, #26-03/04 CapitaGreen, Singapore 048946	Chief Executive Officer and Executive Director

2. CAPITAL STRUCTURE

2.1 Capital

ESR-REIT has one (1) class of securities, being the ESR-REIT Units.

2.2 Changes to Capital Structure of ESR-REIT

As at the Latest Practicable Date, 55,841,322 ESR-REIT Units have been issued since 31 December 2019, being the end of the last financial year for ESR-REIT.

2.3 Consideration Units

The Consideration Units shall:

(a) when issued, be duly authorised, validly issued and credited as fully paid and shall rank *pari passu* in all respects with the existing ESR-REIT Units as at the date of their issue (and not as at the Joint Announcement Date);

(b) be issued at the Consideration Unit Issue Price (and, for the avoidance of doubt, not at the Reference Price);

(c) be issued no later than seven (7) Business Days from the Effective Date; and

(d) be issued free from all and any Encumbrances and restrictions on transfers and no person has or shall have any rights of pre-emption over the Consideration Units.

For the avoidance of doubt, the Consideration Units shall be issued with all rights, benefits and entitlements attaching on and from the date of their issue (and not as at the Joint Announcement Date), including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the ESR-REIT Manager on or after the date of their issue. The Consideration Units will not be entitled to the ESR-REIT Permitted Distributions, and the Parties shall be entitled to declare, make or pay the Sabana Permitted Distributions and ESR-REIT Permitted Distributions (as the case may be) without any adjustments to the Scheme Consideration.

The SGX-ST has approved in-principle the listing and quotation of the Consideration Units on the Main Board of the SGX-ST, subject to the following:

(i) compliance with the SGX-ST's listing requirements;

(ii) approval of the independent ESR-REIT Unitholders being obtained for the Merger and the issue of the Consideration Units; and

(iii) the approval of the High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore, for the implementation of the Scheme.

The approval of the SGX-ST shall not be taken as an indication of the merits of the Merger, the Consideration Units, ESR-REIT or its subsidiaries.

2.4 Convertible Securities of ESR-REIT

As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for or options in respect of securities which carry voting rights affecting the ESR-REIT Units.

2.5 Re-organisation of Capital of ESR-REIT

Save as disclosed below, as at the Latest Practicable Date and in any other information which is publicly available (including, without limitation, the announcements released by the ESR-REIT Manager, on behalf of ESR-REIT, on the SGXNET, ESR-REIT has not undergone any re-organisation of its capital structure in the three (3) financial years preceding the Latest Practicable Date.

During the three (3) financial years preceding the Latest Practicable Date, the material changes to the issued capital of ESR-REIT are as follows:

(a) in FY2020 and up to the Latest Practicable Date:

(i) an aggregate of 17,541,269 new ESR-REIT Units were issued in lieu of cash management fees; and

(ii) an aggregate of 38,300,053 new ESR-REIT Units were issued pursuant to ESR-REIT's distribution reinvestment plan;

(b) in FY2019:

(i) an aggregate of 292,291,183 new ESR-REIT Units were issued via an equity fund raising exercising comprising a private placement completed on 26 June 2019 and a preferential offering completed on 14 October 2019;

(ii) an aggregate of 15,915,230 new ESR-REIT Units were issued in lieu of cash management fees; and

(iii) an aggregate of 8,936,833 new ESR-REIT Units were issued pursuant to ESR-REIT's distribution reinvestment plan;

(c) in FY2018:

(i) 262,849,614 new ESR-REIT Units were issued pursuant to a *pro rata* and non-renounceable preferential offering which was completed on 28 March 2018.

(ii) an aggregate of 25,257,078 new ESR-REIT Units were issued in lieu of cash management fees and acquisition fees;

(iii) 1,561,213,700 new ESR-REIT Units were issued as partial consideration paid in units pursuant to the merger between ESR-REIT and Viva Industrial Trust comprising Viva Industrial Real Estate Investment Trust and Viva Industrial Business Trust by way of a scheme of arrangement which was completed on 15 October 2018; and

(iv) an aggregate of 7,229,019 new ESR-REIT Units were issued pursuant to ESR-REIT's distribution reinvestment plan; and

(d) in FY2017: an aggregate of 9,188,898 new ESR-REIT Units were issued pursuant to ESR-REIT's distribution reinvestment plan.

3. ESR-REIT TRUST DEED

The rights and privileges attached to the Consideration Units are stated in the ESR-REIT Trust Deed, a copy of which is available for inspection[23] at the office of the ESR-REIT Manager at 138 Market Street, #26-03/04 CapitaGreen, Singapore 048946 during normal business hours.

For ease of reference, a summary of certain provisions in the ESR-REIT Trust Deed pertaining to the rights of unitholders in respect of capital, distributions and voting and the fees payable to the ESR-REIT Manager and the ESR-REIT Trustee have been reproduced in Schedule 2 to this Letter.

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[23] Prior appointment is required in light of the COVID-19 situation.

4. SUMMARY OF FINANCIAL INFORMATION OF ESR-REIT

A summary of the financial information relating to ESR-REIT for 3Q2020, FY2017, FY2018 and FY2019 is set out below. The summary of the financial information should be read together with the ESR-REIT 3Q2020 Financial Update (as set out in Schedule 3 to this Letter), and the audited financial statements of ESR-REIT for FY2017, FY2018 and FY2019 (copies of which are available for inspection as set out in paragraph 14 of this Letter).

Consolidated Income Statements of ESR-REIT

A summary of the audited consolidated income statements of ESR-REIT for FY2017, FY2018 and FY2019 is set out below:

	(Audited)		
	FY2019 S$'000	**FY2018 S$'000**	**FY2017 S$'000**
Gross revenue	253,044	156,916	109,700
Property expenses	(65,114)	(44,880)	(31,255)
Net property income[(1)]	187,930	112,036	78,445
Management fees	(14,926)	(9,805)	(6,989)
Trust expenses	(2,578)	(1,891)	(2,176)
Interest income	15	48	113
Borrowing costs	(51,161)	(27,442)	(20,439)
Finance costs on lease liabilities for leasehold land	(10,799)	—	—
Net income	108,481	72,946	48,954
Gain on disposal of investment properties	48	128	221
Change in fair value of financial derivatives	(6,076)	(16,200)	—
Change in fair value of investment properties	(91,611)	(1,954)	(47,779)
Change in fair value of right-of-use of leasehold land	2,091	—	—
Fair value adjustments relating to the Merger	—	(283,219)	—
Share of results of joint venture	(1,519)	—	—
Impairment loss on investment in joint venture	(1,465)	—	—
Total return/(loss) before income tax and distribution	9,949	(228,299)	1,396
Income tax expense	(26)	(97)	—[(2)]
Total return/(loss) for the year after income tax before distribution	9,923	(228,396)	1,396
Attributable to:			
Unitholders and perpetual securities holders	6,080	(232,562)	614
Non-controlling interest	3,843	4,166	782
Total return/(loss) for the year	9,923	(228,396)	1,396

	(Audited)		
	FY2019 S$'000	FY2018 S$'000	FY2017 S$'000
Distribution Statement			
Total return for the year after income tax before distribution available to Unitholders and perpetual securities holders	6,080	(232,562)	614
Net effect of distribution adjustments	117,286	307,889	50,891
	123,366	75,327	51,505
Amount reserved for distribution to perpetual securities holders	(6,900)	(6,900)	(1,115)
Net income available for distribution to Unitholders	116,466	68,427	50,390
Distribution from other gains	16,100	6,039	—
Total amount available for distribution	132,566	74,466	50,390
EPU (cents)	(0.025)	(12.938)	(0.038)
DPU (cents)	4.011	3.857	3.853

Notes:

(1) In the case of a real estate investment trust, net property income is a close proxy to the net profits attributable to its assets.

(2) Less than S$1,000.

A summary of the key financials in the unaudited consolidated income statement of ESR-REIT for the nine (9) months ended 30 September 2020 ("**9M2020**") is set out below:

	(Unaudited) 9M2020 S$'000
Gross revenue	170,700
Net property income	120,603
Total return before income tax	419
Total return after income tax	412
Attributable to:	
Unitholders and perpetual securities holders	(1,647)
Non-controlling interest	2,059
	412
Distributable income	72,644
Distribution from other gains	—
Distributable amount available for ESR-REIT Unitholders	72,644
Retention of distributable income	(3,461)
Distribution declared to ESR-REIT Unitholders	69,183

	Cents
Distributable amount available per unit	**2.059**
Declared DPU	**1.960**
EPU	**(0.194)**

Consolidated Balance Sheet of ESR-REIT

The audited consolidated balance sheet of ESR-REIT as at 31 December 2019 is summarised below:

	(Audited) 31 December 2019 S$'000
Current assets	27,765
Non-current assets	3,201,887
Total assets	**3,229,652**
Current liabilities	271,414
Non-current liabilities	1,298,547
Total liabilities	**1,569,961**
Net assets	**1,659,691**
Represented by:	
Unitholders' funds	1,508,576
Perpetual securities holders' funds	151,115
	1,659,691

	Cents
Net asset value / Net tangible asset per unit	**43.3**

The unaudited consolidated balance sheet of ESR-REIT as at 30 September 2020 is summarised below:

	(Unaudited) 30 September 2020 S$'000
Current assets	34,283
Non-current assets	3,163,154
Total assets	**3,197,437**
Current liabilities	156,690
Non-current liabilities	1,434,521
Total liabilities	**1,591,211**
Net assets	**1,606,226**

	(Unaudited) 30 September 2020 S$'000
Represented by:	
Unitholders' funds	1,453,372
Perpetual securities holders' funds	152,854
	1,606,226

	Cents
Net asset value / Net tangible asset per unit	**41.0**

5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save for (a) the Merger and the Scheme (and the financing thereof), and (b) any publicly available information on ESR-REIT, there has been no known material changes in the financial position of ESR-REIT subsequent to 31 December 2019, being the date of its last published audited accounts.

6. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of ESR-REIT are disclosed in Note 2 of the audited financial statements of ESR-REIT for FY2019, a copy of which is available for inspection as set out in paragraph 14 of this Letter.

7. INDEBTEDNESS

Save as disclosed below and in this Letter, as at the Latest Practicable Date, ESR-REIT and its subsidiaries do not have any bank overdrafts or loans, or other similar indebtedness, mortgages, charges, or guarantees or other material contingent liabilities:

(a) unsecured loan facilities from CIMB Bank Berhad, Singapore Branch comprising a S$100 million term loan and a S$50 million revolving credit facility;

(b) an unsecured revolving credit facility of S$150 million from The Hong Kong and Shanghai Banking Corporation Limited ("**HSBC**");

(c) unsecured term loan facilities of S$500 million from a syndicate of four (4) banks comprising HSBC, Malayan Banking Berhad, Singapore Branch, RHB Singapore and United Overseas Bank Limited;

(d) an unsecured term loan facility of S$100 million from BNP Paribas, Singapore Branch;

(e) unsecured term loan facilities of S$155 million from three (3) banks comprising Australia and New Zealand Banking Group Limited, Singapore Branch, CTBC Bank Co., Ltd., Singapore Branch, and Standard Chartered Bank (Singapore) Limited;

(f) S$200 million in principal amount of unsecured medium term notes and perpetual securities were issued on May 2016 and November 2017 pursuant to the S$750 million Multicurrency Debt Issuance Programme established on 2 February 2012 and last updated on 12 September 2019;

(g) unsecured loan facilities from MUFG Bank, Ltd. and Sumitomo Mitsui Banking Corporation Singapore Branch comprising a S$150 million term loan facility and a S$50 million revolving loan facility; and

(h) unsecured term loan facilities of up to S$460 million from Malayan Banking Berhad Singapore Branch, RHB Singapore, Sumitomo Mitsui Banking Corporation Singapore Branch and United Overseas Bank Limited in connection with the Merger and the Scheme.

8. DISCLOSURE OF INTERESTS IN ESR-REIT SECURITIES

Save as disclosed in Schedule 5 to this Letter, as at the Latest Practicable Date, no member of the ESR-REIT Concert Party Group:

(a) owns, controls or has agreed to acquire in any (i) ESR-REIT Units; (ii) securities which carry voting rights in ESR-REIT; and/or (iii) convertible securities, warrants, options or derivatives in respect of such ESR-REIT Units or securities which carry voting rights in ESR-REIT (the "**ESR-REIT Securities**"); or

(b) dealt for value during the Relevant Period in any ESR-REIT Securities.

9. MARKET QUOTATIONS FOR ESR-REIT UNITS

9.1 Transacted Prices

The highest, lowest (on the daily closing prices for the monthly market data) and last closing prices and transacted volume of the ESR-REIT Units on the SGX-ST on a monthly basis from January 2020 (being six (6) calendar months preceding the Joint Announcement Date) to the Latest Practicable Date, as reported by Bloomberg L.P., are set out below:

Monthly Trades	Highest Closing Price (S$)	Lowest Closing Price (S$)	Last Closing Price (S$)	Transacted Volume of the ESR-REIT Units ('000)
Latest Practicable Date	0.385	0.345	0.360	99,173.5
January 2020	0.560	0.535	0.545	103,183.1
February 2020	0.550	0.530	0.530	254,964.7
March 2020	0.540	0.240	0.300	572,123.6
April 2020	0.365	0.245	0.340	1,227,314.5
May 2020	0.375	0.335	0.375	291,713.4
June 2020	0.435	0.385	0.395	446,225.4
July 2020	0.420	0.390	0.390	136,420.9
August 2020	0.405	0.380	0.405	103,496.7
September 2020	0.405	0.385	0.385	77,807.3
October 2020	0.390	0.345	0.350	100,864.9

9.2 Highest and Lowest Prices

During the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date, the highest closing price was S$0.560 per ESR-REIT Unit, transacted on 16 January 2020, 17 January 2020, 23 January 2020 and 24 January 2020, and the lowest closing price was S$0.240 per ESR-REIT Unit, transacted on 23 March 2020.

9.3 Closing Prices

The closing price on:

(a) 15 July 2020, being the last full trading day immediately prior to the Joint Announcement Date, was S$0.390 per ESR-REIT Unit; and

(b) the Latest Practicable Date, was S$0.360 per ESR-REIT Unit.

10. MATERIAL LITIGATION

As at the Latest Practicable Date, the ESR-REIT Manager is not aware of any litigation, arbitration or other legal proceedings pending or threatened against ESR-REIT, or of any facts likely to give rise to such proceedings which might have a material adverse effect on the financial position or business of ESR-REIT.

11. MATERIAL CONTRACTS WITH INTERESTED PERSONS

Save as disclosed below and in this Letter and other than (a) the Merger and the Scheme, (b) the fees payable to the ESR-REIT Manager under the ESR-REIT Trust Deed, (c) the fees and commissions payable to the property manager of ESR-REIT under the property management agreement, and (d) the fees payable to the ESR-REIT Trustee, there are no material contracts which are not in the ordinary course of business which have been entered into by ESR-REIT with an interested person (within the meaning of Note 1 to Rule 23.12 of the Code) during the three (3) years prior to the Latest Practicable Date.

12. VALUATION ON PROPERTIES

12.1 Valuation

(a) The ESR-REIT Manager has commissioned the ESR-REIT Independent Valuers (ESR-REIT Portfolio) to conduct a full independent valuation of ESR-REIT's properties, as at 30 June 2020 for the purposes of the Merger. As stated by the ESR-REIT Independent Valuers (ESR-REIT Portfolio) in the valuation certificates on the valuation of ESR-REIT's properties as at 30 June 2020 (the "**ESR-REIT Independent Valuation Certificates (ESR-REIT Portfolio)**")[24], the aggregate open market value of ESR-REIT's properties as at 30 June 2020 is S$3,117.1 million.

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[24] The valuation of ESR-REIT's properties has taken into consideration the uncertainties relating to the current COVID-19 situation and the unknown future impact COVID-19 might have on the real estate market. Consequently, less certainty — and a higher degree of caution – should be attached to the valuation than would normally be the case. Please refer to the reports issued by the ESR-REIT Independent Valuers (ESR-REIT Portfolio) which provide the key assumptions for the valuation of the portfolio.

The valuation of ESR-REIT's properties has taken into consideration the uncertainties relating to the current COVID-19 situation and the unknown future impact COVID-19 might have on the real estate market. The current response to COVID-19 means that the property valuers are faced with an unprecedented set of circumstances on which to base a judgement. Consequently, the valuations are reported on the basis of "material valuation uncertainty" — and a higher degree of caution should be attached to the valuation than would normally be the case. For the avoidance of doubt, the "material valuation uncertainty" qualifier is to serve as a precaution and does not mean that the valuations cannot be relied upon. The key assumptions for the valuation of the portfolio are set out in the reports issued by the ESR-REIT Independent Valuers (ESR-REIT Portfolio) on the valuation of ESR-REIT's properties as at 30 June 2020.

The valuations of these properties were based on the discounted cash flow, direct comparable and capitalisation valuation methods. The ESR-REIT Manager is satisfied that the valuation methods and estimates are reflective of the current market conditions.

(b) The ESR-REIT Manager has also commissioned the ESR-REIT Independent Valuer (Sabana Portfolio) to conduct a full independent valuation of Sabana REIT's properties, as at 30 June 2020 for the purposes of the Merger. As stated by the ESR-REIT Independent Valuer (Sabana Portfolio) in the valuation certificates on the valuation of Sabana REIT's properties as at 30 June 2020 (the "**ESR-REIT Independent Valuation Certificates (Sabana Portfolio)**")[25], the aggregate open market value of Sabana REIT's properties as at 30 June 2020 is S$829.5 million.

The valuation of Sabana REIT properties has taken into consideration the current COVID-19 situation where, like the financial market, the real estate market is being impacted by the uncertainty that the COVID-19 outbreak has caused. As such, the valuation is current at the date of valuation only. For the avoidance of doubt, the "material valuation uncertainty" qualifier is to serve as a precaution and does not mean that the valuations cannot be relied upon. The key assumptions for the valuation of the portfolio are set out in the reports issued by the ESR-REIT Independent Valuer (Sabana Portfolio) on the valuation of Sabana REIT's properties as at 30 June 2020.

The valuations of these properties were based on the discounted cash flow and capitalisation valuation methods. The ESR-REIT Manager is satisfied that the valuation methods and estimates are reflective of the current market conditions.

12.2 Potential Tax Liability

Under Rule 26.3 of the Code, the ESR-REIT Manager is required, *inter alia*, to make an assessment of any potential tax liability which would arise if ESR-REIT's properties were to be sold at the amount of valuation.

ESR-REIT is a long-term investor in its properties. Accordingly, the ESR-REIT Manager is of the view that all of ESR-REIT's properties have been acquired for long-term investment purposes and any gain on disposal will not be subject to tax. The potential tax liabilities that may be incurred by the ESR-REIT Group on the hypothetical sale of ESR-REIT's properties on an "as is" basis is therefore zero.

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[25] The valuation of Sabana REIT properties has taken into consideration the current COVID-19 situation where, like the financial market, the real estate market is being impacted by the uncertainty that the COVID-19 outbreak has caused. As such, this valuation is current at the date of valuation only. Please refer to the reports issued by the ESR-REIT Independent Valuer (Sabana Portfolio) which provide the key assumptions for the valuation of the portfolio.

12.3 Inspection

Copies of the ESR-REIT Independent Valuation Certificates (ESR-REIT Portfolio), the ESR-REIT Independent Valuation Certificates (Sabana Portfolio) and reports issued by the ESR-REIT Independent Valuers (ESR-REIT Portfolio) and the ESR-REIT Independent Valuer (Sabana Portfolio) respectively on the valuation of ESR-REIT's and Sabana REIT's properties as at 30 June 2020 (the "**ESR-REIT Independent Valuation Reports**") are available for inspection as set out in paragraph 14 of this Letter.

SCHEDULE 2

RELEVANT EXTRACTS OF THE ESR-REIT TRUST DEED

The summary below does not purport to be complete or a comprehensive description of the ESR-REIT Trust Deed and is qualified in its entirety by reference to the complete ESR-REIT Trust Deed. Unless otherwise stated, terms used but not defined in this Schedule 2 shall have the same meanings as defined in the ESR-REIT Trust Deed.

1. Capital

2. PROVISIONS AS TO UNITS, HOLDERS AND STATEMENTS OF HOLDINGS

2.1 No Certificates

2.1.1 No certificate shall be issued to Holders by either the Manager or the Trustee in respect of Units (whether Listed or Unlisted) issued to Holders. For so long as the Trust is Listed, the Manager and the Trustee shall pursuant to the Depository Services Terms and Conditions, appoint the Depository as the Unit depository for the Trust, and all Units issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof.

2.1.2 For so long as the Trust is Listed, the Manager or the agent appointed by the Manager and/or the Trustee shall issue to the Depository not more than 10 Business Days after the issue of Units a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

2.2 Form of Statements of Holdings

*2.2.1 In the event the Trust is or becomes Unlisted, the Manager or the agent appointed by the Manager shall issue to each Holder not more than one month after the allotment of Units to such Holder a confirmation note confirming such allotment. The Manager or its agent shall, for so long as the Trust is Unlisted, issue to each Holder on a calendar quarterly basis (or such other period as may be agreed between the Manager and the Trustee) a statement of holdings (the "**Statement of Holdings**"). A Statement of Holdings shall be dated and shall specify the number of Units held by each Holder in respect of the preceding calendar quarter (or such other relevant period) and the transactions in respect of such Units and shall be in such form as may from time to time be agreed between the Manager and the Trustee.*

2.2.2 For so long as the Trust is Listed and Units are registered in the name of the Depository, the Depository shall issue to each Depositor such contract statements, confirmation notes, statements of accounts balances and statements of transactions and accounts balances, and at such intervals, as may be provided for in the Depository Services Terms and Conditions for operation of Securities Accounts.

2.3 Sub-division and Consolidation of Units

Subject to the Relevant Laws, Regulation and Guidelines, the Manager may at any time, with the prior approval of the Trustee and the prior approval of Holders in general meeting by passing an Ordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1, determine that each Unit shall be sub-divided into two or more Units or consolidated with one or more other Units, and the Holders shall be bound accordingly. The Register shall be altered accordingly to reflect the new number of Units held by each Holder as a result of such sub-division or consolidation and, where applicable, the Trustee or the Manager shall cause the Depository to alter the Depository Register accordingly in respect of each relevant Depositor's Securities Account to reflect the new number of Units held by each Depositor as a result of such sub-division or consolidation.

2.4 Terms and Conditions of Trust Deed and Supplemental Deeds to Bind Holders

The terms and conditions of this Deed and any supplemental deed shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed and any supplemental deed contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things and any supplemental deed may require the Trustee or (as the case may be) the Manager to do.

2.5 Availability of Trust Deed

A copy of this Deed and of any supplemental deed for the time being in force shall be made available for inspection at the registered office of the Manager at all times by prior appointment with the Manager during usual Business Hours, and shall be supplied by the Manager to any person as required by and in accordance with the Relevant Laws, Regulations and Guidelines and on application at a charge not exceeding S$10 per copy document.

2.6 Units to be Held Free from Equities

A Holder entered in the Register as the registered holder of Units or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Units registered to him, shall be the only person recognised by the Trustee or by the Manager as having any right, title or interest in or to the Units registered in his name and the Trustee and the Manager may recognise such Holder or (as the case may be) such Depositor as absolute owner thereof and shall not be bound by any notice to the contrary or to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by some court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Units. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

2.7 Variation of Rights

2.7.1 Whenever the Units of the Trust are divided into different Classes of Units, subject to the provisions of the Relevant Laws, Regulations and Guidelines, preference Units, other than redeemable preference Units, may be repaid and the special rights attached to any Class may be varied or abrogated either with the consent in writing of the Holders of at least three-quarters of the issued Units of the Class or with the sanction of an Extraordinary Resolution at a separate meeting of Holders of the Units of the Class (but not

otherwise) and may be so repaid, varied or abrogated either whilst the Trust is a going concern or during or in contemplation of a winding-up. To every such meeting of Holders, all the provisions of this Deed relating to meetings of Holders (including, but not limited to the provisions of Schedule 1) shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued Units of the Class, PROVIDED THAT in the event that there is only one Holder is respect of the Units of that Class, the necessary quorum shall be that sole Holder, and PROVIDED ALWAYS that where the necessary majority for such an Extraordinary Resolution is not obtained at such meeting of Holders, consent in writing if obtained from the Holders of at least three-quarters of the issued Units of the Class concerned within two months of such meeting of Holders shall be as valid and effectual as an Extraordinary Resolution at such meeting of Holders. This Clause 2.7 shall apply to the variation or abrogation of the special rights attached to some only of the Units of any Class as if each group of Units of the Class differently treated formed a separate Class the special rights whereof are to be varied.

2.7.2 The rights conferred upon the Holders of the Units of any Class issued with preferred, deferred, subordinated or other rights shall not, unless otherwise expressly provided by the terms of issue of the Units of that Class or by this Deed as are in force at the time of such issue, be deemed to be varied by the creation or issue of further Units ranking equally therewith.

2.8 Rights of Manager in Respect of Units Not Registered

For so long as the Trust is Unlisted, the Manager shall be treated for all the purposes of this Deed as the Holder of each Unit during such times as there shall be no other person registered or entitled to be registered as the Holder and any such Unit shall be deemed to be in issue. Nothing herein contained shall prevent the Manager from becoming registered as the Holder of Units.

2.9 Restrictions

The Holders shall not give any directions to the Manager or the Trustee (whether at a meeting of Holders convened pursuant to Clause 32 or otherwise) and if such directions are given, the Manager and/or the Trustee shall be entitled to disregard such instructions if it would require the Manager or Trustee to do or omit from doing anything which may result in:

2.9.1 the Trust, the Manager or the Trustee, as the case may be, ceasing to comply with the Listing Rules and such other Relevant Laws, Regulations and Guidelines; or

2.9.2 the exercise of any discretion expressly conferred on the Trustee or the Manager by this Deed or the determination of any matter which under this Deed requires the agreement of either or both of the Trustee and the Manager, PROVIDED THAT nothing in this Clause 2.9.2 shall limit the right of a Holder to require the due administration of the Trust in accordance with this Deed.

3. REGISTRATION OF HOLDERS

3.1 Register of Holders

An up-to-date Register shall be kept in Singapore by the Trustee or the Registrar in such manner as may be required by any Relevant Laws, Regulations and Guidelines. The Register shall be maintained at all times whether the Trust is Listed or Unlisted. For so long as the Trust is Listed, the Trustee or the Registrar shall record the Depository as the registered Holder of all Units in issue in the Register. In the event the Trust is Unlisted, the Trustee or the Registrar shall record each Holder as the registered Holder of Units held by such Holder. There shall be entered in the Register, in respect of each Holder or person who has ceased to be a Holder, the following information as soon as practicable after the Trustee or the Registrar receives the following relevant information:

3.1.1 the names and addresses of the Holders (and in the case where the registered Holder is the Depository, the name and address of the Depository);

3.1.2 the number of Units held by each Holder;

3.1.3 the Class of Units held by each Holder (if more than one Class of Units has been issued);

3.1.4 the date on which every such person entered in respect of the Units standing in his name became a Holder and where he became a Holder by virtue of an instrument of transfer a sufficient reference to enable the name and address of the transferor to be identified;

3.1.5 the date on which any transfer is registered and the name and address of the transferee; and

3.1.6 where applicable, the date on which any person ceases or ceased to be a Holder of Units.

Units may be issued to Joint Holders with no limit as to the number of persons who may be registered as Joint Holders.

3.2 Unlisted Units

For so long as the Trust is Unlisted, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Holder and, in the event of any discrepancy between the entries in the Register and the details appearing on any Statement of Holdings, the entries in the Register shall prevail unless the Holder proves, to the satisfaction of the Manager and the Trustee, that the Register is incorrect.

3.3 Listed Units

For so long as the Trust is Listed, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by the Depository and, in the event of any discrepancy between the entries in the Register and the confirmation notes issued by the Manager to the Depository under Clause 2.1, the entries in the Register shall prevail unless the Manager, the Trustee and the Depository mutually agree that the Register is incorrect. For so long as the Trust is

Listed, the Manager shall have entered into the Depository Services Terms and Conditions for the Depository to maintain a record in the Depository Register of the Depositors having Units credited into their respective Securities Accounts and to record in the Depository Register the information referred to in Clauses 3.1.1 to 3.1.6 in relation to each Depositor. Each Depositor named in the Depository Register shall, for such period as the Units are entered against his name in the Depository Register, be deemed to be the owner in respect of the number of Units entered against such Depositor's name in the Depository Register and the Manager and the Trustee shall be entitled to rely on any and all such information in the Depository Register kept by the Depository. Subject to the terms of the Depository Services Terms and Conditions, two or more persons may be registered as Joint Depositors of Units. The entries in the Depository Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Depositor and, in the event of any discrepancy between the entries in the Depository Register and the details appearing in any contract statements, confirmation notes, statements of account balances and statements of transactions and accounts balances issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves, to the satisfaction of the Manager, the Trustee and the Depository that the Depository Register is incorrect.

3.4 Change of Name or Address

For so long as the Trust is Unlisted, any change of name or address on the part of any Holder shall forthwith be notified by him to the Manager in writing or in such other manner as the Manager may approve. If the Manager is satisfied with the change in name or address and that all formalities as may be required by the Manager have been complied with, the Manager shall notify the Trustee of the same and the Trustee shall alter or cause to be altered the Register accordingly.

3.5 Inspection of Register

3.5.1 The Trustee shall give the Manager and its representatives, or procure that the Manager and its representatives are given, access to the Register and all subsidiary documents and records relating thereto at all reasonable times during Business Hours and allow them to, or procure that they are allowed to, inspect and to take copies of the same with or without notice and without charge but neither the Manager nor its representatives shall be entitled to remove the same (save in the case where the Manager is required to produce the Register to a court of competent jurisdiction or otherwise as required by law) or to make any entries therein or alterations thereto. Except when the Register is closed in accordance with Clause 3.6, the Register shall during Business Hours (subject to such reasonable restrictions as the Trustee may impose but so that not less than two hours in each Business Day shall be allowed for inspection) be open to the inspection of any Holder, without charge, PROVIDED THAT if the Register is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 3.5 may be satisfied by the production of legible evidence of the contents of the Register.

3.5.2 If the Trustee is removed or retires in accordance with the provisions of Clause 23, the Trustee shall deliver to the Manager the Register and all subsidiary documents and records relating thereto in its possession or under its control. Thereafter, the Trustee shall not retain any copies of the aforesaid documents and records unless required by law.

3.6 Closure of Register

Subject to the Relevant Laws, Regulations and Guidelines, the Register may be closed at such times and for such periods as the Trustee may from time to time determine, PROVIDED THAT it shall not be closed for more than 30 days in any one Year.

3.7 Transfer of Units

3.7.1 For so long as the Trust is Listed, transfers of Units between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Units that have been transferred in accordance with the Depository Requirements and the provisions of Clauses 3.7.2 to 3.7.6 shall not apply. The Manager shall be entitled to appoint the Depository to facilitate transactions of Units within the Depository and maintain records of Units of Depositors credited into Securities Accounts and to pay out of the Deposited Property all fees, costs and expenses of the Depository arising out of or in connection with such services to be provided by the Depository. Any transfer or dealing in Units on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Units on the SGX-ST shall be deemed to be the agent duly authorised by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the Manager and/or the Depository shall be borne by the Depositor who is the transferor. There are no restrictions as to the number of Units (whether Listed or Unlisted) which may be transferred by a transferor to a transferee. For so long as the Trust is Listed, in the case of a transfer of Units from a Securities Account into another Securities Account, the instrument of transfer (if applicable) shall be in such form as provided by the Depository and the transferor shall be deemed to remain the Depositor of the Units transferred until the relevant Units have been credited into the Securities Account of the transferee or transferred out of a Securities Account and registered in the Depository Register. No transfer or purported transfer of a Listed Unit other than a transfer made in accordance with this Clause 3.7.1 shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than aforesaid) be entered upon the Depository Register.

3.7.2 For so long as the Trust is Unlisted, every Holder, Joint-All Holder (with the concurrence of all the other Joint-All Holders) and Joint-Alternate Holder shall be entitled to transfer all or any of the Units held by him as follows:

(i) a transfer of Units shall be effected by an instrument of transfer in writing in common form (or in such other form as the Manager and the Trustee may from time to time approve). The instrument of transfer need not be a deed;

(ii) every instrument of transfer relating to Units must be signed by the transferor and the transferee and subject to the provisions of Clauses 3.7 to 3.13, the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof;

(iii) all charges in relation to such transfer as may be imposed by the Trustee shall be borne by the Holder who is the transferor; and

(iv) there are no restrictions as to the number of Units which may be transferred by a transferor to a transferee.

3.7.3 Every instrument of transfer must be duly stamped (if required by law) and left with the Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines and by such evidence as the Manager may require to prove the title of the transferor or his right to transfer the Units.

3.7.4 For so long as the Trust is Unlisted, the Manager shall notify the Trustee of the date of each transfer effected in respect of Units and the name and address of the transferee and the Trustee shall alter or cause to be altered the Register accordingly.

3.7.5 For so long as the Trust is Unlisted, all instruments of transfer which shall be registered in respect of Units shall be forwarded by the Manager to, and retained by, the Trustee.

3.7.6 For so long as the Trust is Unlisted, a fee not exceeding S$10 (or such other amount as the Manager and the Trustee may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the Trustee for the registration of any transfer by an instrument of transfer of Units. Such fee must, if required by the Trustee, be paid before the registration of any transfer.

3.7.7 No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 3.7 shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other-than as aforesaid) be entered upon the Register or the Depository Register.

3.7.8 The Trustee shall have the powers to rectify the Register if it appears to the Trustee that any of the particulars recorded in the Register (including those particulars set out in Clause 3.1) was wrongly entered or omitted.

3.7.9 Subject to compliance with procedures provided in this Clause 3.7, there shall be no restriction in this Deed on the transfer of fully paid Units except where required by the Relevant Laws, Regulations and Guidelines.

3.8 Death of Holders

The executors or administrators of a deceased Holder (not being a Joint Holder) shall be the only persons recognised by the Trustee and the Manager as having title to the Units. In case of the death of any one of the Joint Holders of Units and subject to any Relevant Laws, Regulations and Guidelines, the survivor or survivors, upon producing such evidence of death as the Manager and the Trustee may require, shall be the only person or persons recognised by the Trustee and the Manager as having any title to or interest in the Units, PROVIDED THAT where the sole survivor is a Minor, the Manager or the Trustee shall act only on the requests, applications or instructions of the surviving Minor after he attains the age of 18 years and shall not be obliged to act on the requests, applications or instructions of the heirs, executors or administrators

of the deceased Joint Holder, and shall not be liable for any claims or demands whatsoever by the heirs, executors or administrators of the deceased Joint Holder, the Minor Joint Holder or the Minor Joint Holder's legal guardian in omitting to act on any request, application or instruction given by any of them (in the case of the Minor, before he attains the age of 18 years).

3.9 Body Corporate

A body corporate may be registered as a Holder or as one of the Joint Holders of Units. The successor in title to any corporate Holder by reason of a merger or amalgamation or by operation of law or otherwise shall, subject to Clause 3.12, be the only person recognised by the Trustee and the Manager as having title to the Units of such corporate Holder. The registration of a body corporate as a Depositor or as one of two or more Joint Depositors of Units shall be in accordance with the Depository Services Terms and Conditions for the operation of Securities Accounts. The successor in title to any corporate Depositor resulting from a merger or amalgamation or by operation of law or otherwise shall, upon producing such evidence as may be required by the Manager and the Trustee of such succession, be the only person recognised by the Trustee and the Manager as having title to the Units.

3.10 Minors

A Minor shall not be registered as a sole Holder or as one of the Joint-Alternate Holders of Units but may be registered as one of the Joint-All Holders of Units, PROVIDED THAT at least one of the Joint-All Holders is a person who has attained the age of 18 years. In the event that one of the Joint-All Holders is a Minor, the Manager and the Trustee need only act on the instructions given by the other Joint-All Holder or Joint-All Holders who has or have attained the age of 18 years.

3.11 Transmission

3.11.1 Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Holder or being the survivor of Joint Holders may (subject as hereinafter provided), upon producing such evidence as to his title as the Trustee and the Manager shall think sufficient, either be registered himself as Holder of such Unit upon giving to the Manager notice in writing of his desire to be recognised as Holder or transfer such Unit to some other person. The Manager shall notify the Trustee upon the receipt by it of any such notice and the Trustee shall alter or cause to be altered the Register accordingly. All the limitations, restrictions and provisions of this Deed relating to transfers shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Holder.

3.11.2 Any person becoming entitled to a Unit in consequence of death or bankruptcy as aforesaid may give a discharge for all moneys payable in respect of the Unit but he shall not be entitled in respect thereof to receive notices of or to attend or vote at any meeting of Holders until he shall have been registered as the Holder of such Unit in the Register or (as the case may be) the Depositor of such Unit in the Depository Register.

3.11.3 The Manager may retain any moneys payable in respect of any Unit of which any person is, under the provisions as to the transmission of Units hereinbefore contained, entitled to be registered as the Holder of or to transfer, until such person shall be registered as the Holder of such Units or shall duly transfer the same.

3.12 Payment of Fee

In respect of the registration of any probate, letter of administration, power of attorney, marriage or death certificate, stop notice, order of the court, deed poll or any other document relating to or affecting the title to any Unit, the Trustee may require from the person applying for such registration a fee of S$10 (or such other amount as the Trustee and the Manager may from time to time agree) together with a sum sufficient in the opinion of the Trustee to cover any stamp duty or other governmental taxes or charges that may be payable in connection with such registration. Such fee, if required by the Trustee, must be paid before the registration of any transfer.

3.13 Removal from Register

For so long as the Trust is Unlisted, upon the registration of a transfer in favour of the Manager, the name of the Holder shall be removed from the Register in respect of such Units but the name of the Manager need not be entered in the Register as the Holder of such Units. Such removal shall not be treated for any purposes of this Deed as a cancellation of the Units or as withdrawing the same from issue.

3.14 Registrar

The Trustee may, with the approval of the Manager, at any time or from time to time appoint an agent on its behalf to keep and maintain the Register. The fees and expenses of the Registrar (as may be agreed from time to time between the Manager, the Trustee and the Registrar) shall be payable out of the Deposited Property of the Trust.

5. ISSUE OF UNITS

5.1 General

5.1.1 Subject to the provisions of this Deed and any Relevant Laws, Regulations and Guidelines, the Manager shall have the exclusive right to effect for the account of the Trust the issue of Units (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue or any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of Securities) and any Units may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Manager may think fit, PROVIDED THAT for so long as the Trust is Listed, the Manager shall comply with the Listing Rules or any other Relevant Laws, Regulations and Guidelines when issuing Units. No fractions of a Unit shall be issued (whether on a rights issue, an issue of new Units otherwise than by way of a rights issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) and in issuing such number of Units as corresponding to the relevant subscription proceeds (if any), the Manager shall, in respect of each Holder's entitlement to Units, truncate but not round off to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Deposited Property. Issues of Units shall only

be made on a Business Day unless and to the extent that the Manager, with the previous consent of the Trustee, otherwise prescribes. Issues of Units for cash shall be made at a price hereinafter prescribed.

5.1.2 The Manager may by deed supplemental hereto with the Trustee issue Classes of Units under such terms and conditions as may be contained therein.

5.1.3 Preference Units may be issued subject to such limitation thereof as may be prescribed by the SGX-ST. The total number of issued preference Units shall not exceed the total number of ordinary Units at any time. Preference Holders shall have the same rights as ordinary Holders as regards receiving of notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the preference Units is more than six months in arrears.

5.1.4 The Manager has power to issue further preference capital ranking equally with, or in priority to, preference Units already issued.

5.2 Issue Price of Units when the Trust is Listed

*5.2.1 Subject to Clauses 5.2.2, 5.2.3 and 5.2.4 and to any Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Manager may issue Units on any Business Day at an issue price per Unit ("**Issue Price**") equal to the Market Price, without the prior approval of the Holders in a meeting of Holders. For this purpose "**Market Price**" shall mean:*

(i) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST, in the ordinary course of trading on the SGX-ST, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST) immediately preceding the relevant Business Day; or

(ii) if the Manager believes that the calculation in Clause 5.2.1(i) does not provide a fair reflection of the market price of a Unit (which may include, without limitation, instances where the volume of trades in the Units is very low or there is disorderly trading activity in the Units), an amount as determined by the Manager and the Trustee (after consultation with a Stockbroker approved by the Trustee), as being the fair market price of a Unit.

5.2.2 Subject to Clauses 5.2.3 and 5.2.4, for so long as the Trust is Listed, the Manager may issue Units at an Issue Price other than as calculated in accordance with Clause 5.2.1 without the prior approval of the Holders in a meeting of Holders, PROVIDED THAT the Manager complies with the Listing Rules, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines in determining the Issue Price, including the Issue Price for a rights issue on a pro rata basis to all existing Holders, the Issue Price of a Unit issued other than by way of a rights issue offered on a pro rata basis to all existing Holders, and the Issue Price for any reinvestment or distribution arrangement. If the Issue Price determined by the Manager is at a discount to the Market Price, the discount shall not

exceed such percentage as may, from time to time, be permitted under the Listing Rules, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines.

5.2.3 Subject to any direction to the contrary that may be given by an Ordinary Resolution of a meeting of Holders or except as permitted under the Listing Rules, all new Units shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices of meetings of Holders in proportion, as far as circumstances admit, to the number of the existing Units to which they are entitled. The offer shall be made by notice specifying the number of Units offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Units offered, the Manager may dispose of those Units in a manner as it thinks most beneficial to the Trust. The Manager may likewise dispose of any new Units which (by reason of the ratio which the new Units bear to Units held by persons entitled to an offer of new Units) cannot, in the opinion of the Manager, be conveniently offered under this provision.

5.2.4 Where Units are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust in conjunction with an issue of Units to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other Authorised Investments in conjunction with the said Authorised Investment, the Manager shall have the discretion to determine that the Issue Price of a Unit so issued as full or partial consideration shall be the same as the Issue Price for the Units issued in conjunction with an issue of Units to raise cash for the aforesaid purposes.

5.2.5 For as long as the Trust is Listed, subject to any Relevant Laws, Regulations and Guidelines, the Manager shall not issue any Units in numbers exceeding the limit (if any) set out in any Relevant Laws, Regulations and Guidelines, relating to the issue of Units unless the Holders approve the Units exceeding the aforesaid limit in general meeting.

5.2.6 For so long as the Trust is Listed:

(i) the Trustee and/or its related parties; and

(ii) the directors and/or immediate family members of the directors of the Trustee,

(unless otherwise permitted by the Authority in writing) may only participate in the issue of Units (which, for the avoidance of doubt, shall not include any issue of Units by way of a preferential offering of Units on a pro rata basis to all existing Holders or an offering of Units to the public through the internet or through the automated teller machines of participating banks which is carried out without preference to any particular group of investors) with the prior specific approval of Holders by Ordinary Resolution at a meeting to be convened by the Manager in accordance with Schedule 1 at which the following persons (unless otherwise permitted by the Authority in writing) must abstain from voting:

(aa) the person to which the issue is to be made;

(bb) where such person is a corporation, its directors and the immediate family members of its directors; and

(cc) where such person is a corporation, its related parties.

*For the purpose of this Clause 5.2.6, "**related parties**" in relation to an entity shall mean its related corporations (as defined in the Companies Act) and companies in which at least 20% but not more than 50% of its shares are held by such entity and its related corporations.*

5.3 Issue Price of Units where the Units and/or the Trust become Unlisted

Where the Units and/or the Trust become Unlisted, the Manager may issue Units at an Issue Price equal to the Current Unit Value on the date of the issue of the Unit plus, if so determined by the Manager, an amount equal to the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

5.4 Units Issued on Unpaid or Partly Paid Basis

5.4.1 Capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in distributions.

5.4.2 In the event that the Manager issues Units on an unpaid or partly paid basis to any person, the provisions of Clauses 5.4.3 and 5.4.4 shall apply.

5.4.3 Calls on Units

(i) The Manager may from time to time make calls upon the Holders in respect of any moneys unpaid on their Units but subject always to the terms of issue of such Units. A call may be made payable by instalments.

(ii) Each Holder shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Trust at the time or times and place so specified the amount called on his Units. The Joint Holders of a Unit shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Manager may determine.

(iii) If a sum called in respect of a Unit is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10.0% per annum) as the Manager may determine but the Manager shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

(iv) Any sum which by the terms of issue of a Unit becomes payable upon allotment or at any fixed date shall for all the purposes of this Deed be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In cases of non-payment, all the relevant provisions of this Deed as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

(v) The Manager may on the issue of Units differentiate between the Holders as to the amount of calls to be paid and the times of payment.

(vi) The Manager may if it thinks fit receive from any Holder willing to advance the same, all or any part of the moneys uncalled and unpaid upon the Units held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the Units in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Trust may pay interest at such rate (not exceeding 8.0% per annum) as the Holder paying such sum and the Manager may agree. Capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in profits.

5.4.4 Forfeiture and Lien

(i) If a Holder fails to pay in full any call or instalment of a call on the due date for payment thereof, the Manager may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Trust by reason of such non-payment.

(ii) The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of nonpayment in accordance therewith the Units on which the call has been made will be liable to be forfeited.

(iii) If the requirements of any such notice as aforesaid are not complied with, any Unit in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by the Manager. Such forfeiture shall include all distributions declared in respect of the forfeited Unit and not actually paid before forfeiture. The Manager may accept a surrender of any Unit liable to be forfeited hereunder.

(iv) A Unit so forfeited shall become the property of the Trust and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture the Holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Manager shall think fit and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Manager thinks fit. The Manager may, if necessary, authorise some person to transfer or effect the transfer of a forfeited Unit to any such other person as aforesaid.

(v) A Holder whose Units have been forfeited or surrendered shall cease to be a Holder in respect of the Units but shall notwithstanding the forfeiture or surrender remain liable to pay to the Trust all moneys which at the date of forfeiture or surrender were presently payable by him to the Trust in respect of the Units with interest thereon at 8.0% per annum (or such lower rate as the Manager may determine) from the date of forfeiture or surrender until payment and the Manager may at its absolute discretion enforce payment without any allowance for the value of the Units at that time of forfeiture or surrender or waive payment in whole or in part.

(vi) The Trust shall have a first and paramount lien on every Unit (not being a fully paid Unit) and distribution from time to time declared in respect of such Units. Such lien shall be restricted to unpaid calls and instalments upon the specific Units in respect of which such moneys are due and unpaid, and to such amounts as the Trust may be called upon by law to pay in respect of the Units of the Holder or deceased Holder. The Manager may waive any lien which has arisen and may resolve that any Unit shall for some limited period be exempt wholly or partially from the provisions of this Clause 5.4.4.

(vii) The Trust may sell in such manner as the Manager thinks fit any Unit on which the Trust has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the Holder for the time being of the Unit or the person entitled thereto by reason of his death or bankruptcy.

(viii) The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the Units at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale, the Manager may authorise some person to transfer or effect the transfer of the Units sold to the purchaser.

(ix) A statutory declaration in writing that the declarant is a director or secretary of the Manager and that a Unit has been duly forfeited or sold to satisfy a lien of the Trust on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Unit. Such declaration and the receipt of the Trust for the consideration (if any) given for the Unit on the sale, re-allotment or disposal thereof together (where the same be required) with the confirmation note delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the Unit and the Unit shall be registered in the name of the person to whom the Unit is sold, re-allotted or disposed of or, where such person is a Depositor, the Manager shall procure that his name be entered in the Depository Register in respect of the Unit so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the Unit be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the Unit.

5.5 Units Issued to Persons Resident Outside Singapore

Subject to any Relevant Laws, Regulations and Guidelines, if a Unit is to be issued to a person resident outside Singapore, the Manager shall be entitled to charge an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if such person had been resident in Singapore. In relation to any rights issue or (as the case may be) any preferential offering, the Manager may in its absolute discretion elect not to extend an offer of Units under the rights issue or preferential offering to those Holders whose addresses are outside Singapore after having regard to the relevant considerations including whether the Manager considers such election to be necessary or expedient on account either of the legal restrictions under the laws or regulations of the relevant place or the requirements of the relevant governmental, statutory or regulatory body or authority in that place. In the case of a rights issue, the provisional allocations of Units of such Holders may be offered for sale by the Manager (as the nominee and authorised agent of each such relevant Holder) in such manner and at such price as the Manager may determine. Where necessary, the Trustee shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale if successful will be paid to the relevant Holders, PROVIDED THAT where the proceeds payable to any single Holder is less than S$10, the Manager shall be entitled to retain such proceeds as part of the Deposited Property.

5.6 Non-payment of Issue Price

Subject to the Relevant Laws, Regulations and Guidelines and unless otherwise provided in the relevant agreement, application form or other document relating to the issuance of the Units, where (i) where payment of the Issue Price payable in respect of any Unit agreed to be issued by the Manager has not been received by the seventh Business Day after the date on which the Unit was agreed to be issued (or such other date as the Manager and the Trustee may agree) or (ii) the Issue Price paid in respect of any Unit is returned to the Holder, such Unit may, in its absolute discretion, at that time or any time thereafter be cancelled by the Manager by giving notice to that effect to the applicant and such Unit shall thereupon be deemed never to have been issued or agreed to be issued (as the case may be) and the applicant therefor shall have no right or claim in respect thereof against the Manager or the Trustee, PROVIDED THAT:

5.6.1 no previous valuations of the Trust shall be re-opened or invalidated as a result of the cancellation of such Units;

5.6.2 the Manager shall be entitled to charge the applicant (and retain for its own account) a cancellation fee of such amount as they may from time to time determine to represent the administrative costs involved in processing the application for such Units from such applicant; and

5.6.3 the Manager may, but shall not be bound to, require the applicant to pay to the Manager for the account of the Trust in respect of each Unit so cancelled the amount (if any) by which the Issue Price of each such Unit exceeds the Repurchase Price which would have applied in relation to each such Unit if the Manager had received on such day a request from such applicant for the repurchase or redemption thereof.

5.7 Updating of Securities Account

For so long as the Trust is Listed, the Manager shall cause the Depository to effect the book entry of Units issued to a Holder into such Holder's Securities Account no later than the tenth Business Day after the date on which those Units are agreed to be issued by the Manager.

5.8 Selling Price of Manager's Units

For so long as the Trust is Unlisted, each Unit of which the Manager is or is deemed to be the Holder may be sold or offered for sale by the Manager at a price equal to the total of the Current Unit Value of that Unit on the day of the sale or offer, the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

5.9 Discounts

In the event a Preliminary Charge is imposed on the issue of Units where the Trust is Unlisted, the Manager may on any day differentiate between applicants as to the amount of the Preliminary Charge to be imposed (within the permitted limit) on the Issue Price of Units issued to them respectively and likewise the Manager may on any day on the issue of Units allow any person or persons applying for larger numbers of Units than others a discount or discounts on the Issue Price of their Units on such basis or on such scale as the Manager may think fit (PROVIDED THAT no such discount shall exceed the Preliminary Charge included in the Issue Price of the Units concerned) and in any such case, the amount of such Preliminary Charge to be deducted from the proceeds of issue of such Units shall be reduced by the amount of the discount and accordingly the discount shall be borne by the Manager. Besides the number of Units purchased, the bases on which the Manager may differentiate between applicants as to the amount of the Preliminary Charge to be included in the Issue Price of their Units depends on several other factors, including but not limited to, the performance of and the marketing strategy adopted by the Manager for the Trust.

5.10 Statement of Dealings

The Manager shall furnish to the Trustee from time to time on demand a statement of all issues of Units and of the terms on which the same are issued and of any Investments which it determines to direct to be purchased for account of the Trust, and also a statement of any Investments which in accordance with the powers hereinafter contained it determines to direct to be sold for account of the Trust, and any other information which may be necessary so that the Trustee may be in a position to ascertain at any moment the Net Asset Value of the Deposited Property. The Trustee shall be entitled to require that the Manager refuse to issue a Unit if at any time the Trustee is of the opinion that the provisions of this Clause 5 in regard to the issue of Units are being infringed; but nothing in this Clause 5.10 or elsewhere in this Deed contained shall impose upon the Trustee any responsibility for satisfying itself before issuing Units that the Manager has complied with the conditions of this Clause 5.

5.11 Suspension of Issue

The Manager or the Trustee may, with the prior written approval of the other and subject to the Listing Rules (while the Trust is Listed), suspend the issue of Units during any of the following events:

5.11.1 any period when the SGX-ST is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;

5.11.2 the existence of any state of affairs which, in the opinion of the Manager or (as the case may be) the Trustee might seriously prejudice the interests of the Holders as a whole or of the Deposited Property;

5.11.3 any breakdown in the means of communication normally employed in determining the price of any Investments or (if relevant) the current price thereof on the SGX-ST or when for any reason the prices of any Investments cannot be promptly and accurately ascertained;

5.11.4 any period when remittance of money which will or may be involved in the realisation of any Investments or in the payment for any Investments cannot, in the opinion of the Manager, be carried out at normal rates of exchange;

5.11.5 any period where the issuance of Units is suspended pursuant to any order or direction issued by the Authority or any other relevant governmental, statutory or regulatory authority;

5.11.6 in relation to any general meeting of the Holders, the period 72 hours before such general meeting or any adjournment thereof; or

5.11.7 when the business operations of the Manager or the Trustee in relation to the operation of the Trust are substantially interrupted or closed as a result of, or arising from nationalisation, expropriation, currency restrictions, pestilence, widespread communicable and infectious diseases, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 5.11 shall exist upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee. In the event of any suspension while the Trust is Listed, the Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST.

5.12 Issue of Instruments Convertible into Units

The Manager may issue instruments which may be convertible into Units (including without limitation any Securities, options, warrants, debentures or other instruments) for consideration or no consideration and on such terms of offer and issue as the Manager may determine, subject to Clause 5.1 and Clause 5.2.3 and all Relevant Laws, Regulations and Guidelines relating to the offer or issue of instruments which may be convertible into Units.

7. REPURCHASE AND REDEMPTION OF UNITS BY MANAGER

7.1 Repurchase and Redemption Restrictions when Trust is Unlisted

When the Trust is Unlisted, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Holder has no right to request for the repurchase or redemption of Units more than once a year. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Unlisted and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.

7.2 Repurchase and Redemption Restrictions when Trust is Listed

7.2.1 General

The Manager is not obliged to repurchase or cause the redemption of Units so long as the Trust is Listed. Subject to the Relevant Laws, Regulations and Guidelines (including but not limited to the Listing Rules and the Property Funds Appendix), where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Listed and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3. In the event the Manager decides to repurchase or cause the redemption of Units, such repurchase or redemption must comply with the Relevant Laws, Regulations and Guidelines (including but not limited to the Listing Rules and the Property Funds Appendix). The Manager may, subject to the Relevant Laws, Regulations and Guidelines (including but not limited to the Listing Rules and the Property Funds Appendix), suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to Clause 5.11.

7.2.2 Holders' Approval

*For so long as the Trust is Listed on the SGX-ST, the Manager may repurchase or otherwise acquire its issued Units on such terms and in such manner as the Manager may from time to time think fit if it has obtained the prior approval of Holders in general meeting by passing an Ordinary Resolution (the "**Unit Buy-back Mandate**"), in accordance with the provisions of this Deed but subject thereto and to other requirements of the Relevant Laws, Regulations and Guidelines.*

7.2.3 Maximum Limit

The total number of Units which may be repurchased pursuant to any Unit Buy-back Mandate is limited to that number of Units representing not more than 10% of the total number of issued Units as at the date of the general meeting when such Unit Buyback Mandate is approved by Holders, or such other limit as may be provided under the Relevant Laws, Regulations and Guidelines from time to time.

7.2.4 Duration of Authority

*Repurchases of Units may be made during the Relevant Period. "**Relevant Period**" is the period commencing from the date of the general meeting at which a Unit Buyback Mandate is sought and the resolution relating to the Unit Buy-back Mandate is passed, and expiring on:*

(i) the date the next Annual General Meeting is or is required by the Relevant Laws, Regulations and Guidelines or this Deed to be held, whichever is earlier; or

(ii) the date on which the repurchases of Units by the Manager pursuant to the Unit Buy-back Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Unit Buy-back Mandate is revoked or varied,

whichever is the earliest.

For the avoidance of doubt, the authority conferred on the Manager by the Unit Buyback Mandate to repurchase Units may be renewed at the next general meeting.

7.3 Repurchase Price

For the purposes of Clauses 7.1 and 7.2, the Repurchase Price shall be, unless prohibited by the Relevant Laws, Regulations and Guidelines, the Current Unit Value of the relevant Units on the day the request is accepted by the Manager less the Repurchase Charge and less an amount to adjust the resultant total downwards to the nearest whole cent.

The Repurchase Charge shall be retained by the Manager for its own benefit and the adjustment shall be retained as part of the Deposited Property. The Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Units to be repurchased by the Manager from them respectively. The bases on which the Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Units and Holders who have opted for a distribution reinvestment arrangement. Once a request for repurchase or redemption is given, it cannot be revoked without the consent of the Manager. The Manager may, subject to the Relevant Laws, Regulations and Guidelines (including but not limited to the Listing Rules and the Property Funds Appendix), suspend the repurchase or redemption of Units during any period when the issue of Units is suspended pursuant to Clause 5.11.

7.4 Repurchase or Redemption Options of Manager

In the event the Manager decides to make any offer to repurchase or redeem Units, the Manager shall have the following options:

7.4.1 to effect a repurchase out of its own funds (upon which repurchase the Manager shall be entitled to the Units concerned and to the benefit of the Units concerned);

7.4.2 to procure some other person (such as a broker) to purchase the Units and such purchase shall be deemed to be a repurchase by the Manager within the meaning of this Clause 7; or

7.4.3 PROVIDED THAT there is sufficient Cash in the Trust, and subject to compliance with the Relevant Laws, Regulations and Guidelines, to request and cause the Trustee to redeem the Units out of the assets of the Trust by paying from the Deposited Property a sum sufficient to satisfy the Repurchase Price and the Repurchase Charge (if any) of the Units. The Trustee shall only comply if, in the opinion of the Trustee, sufficient Cash would be retained in the Deposited Property after the release of Cash necessary to comply with the redemption notice to meet other Liabilities, including but without limiting the generality thereof, the Property Expenses and the remuneration due to the Trustee and the Manager under this Deed. Should the Trustee advise the Manager that, in the opinion of the Trustee, sufficient Cash would not be retained in the Deposited Property to meet other Liabilities if the Trustee were to release the funds necessary to comply with any redemption notice, then the Manager may, at its absolute discretion, request the Trustee to sell, mortgage or otherwise deal with the Investments or borrow to raise sufficient Cash to redeem the Units pursuant to this Clause 7.4.3.

7.5 Amendments to Register

Upon delivery to the Trustee of a written statement signed by or on behalf of the Manager that all the Units or a specified number of Units held by a Holder have been repurchased by the Manager or have been purchased by another person or have been redeemed, the Trustee shall remove or procure the removal of the name of the Holder from the Register in respect of all or (as the case may be) such number of Units.

7.6 Redeemed Units are Cancelled

Units which are redeemed shall thereupon be cancelled and shall not thereafter be reissued but this Clause 7.6 shall not limit or restrict the right of the Manager to cause the creation and/or issue of further or other Units.

7.7 Manner of Repurchase

Subject always to the requirements of the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed on the SGX-ST, the Manager may:

*7.7.1 purchase or acquire Units through the trading system of the SGX-ST ("**Market Purchase**"); or*

*7.7.2 make an offer to repurchase Units, otherwise than on a securities exchange and by way of an "off-market" acquisition of the Units on an "equal access scheme" (as defined below) ("**Off-Market Purchase**"),*

*(each a form of "**Unit Buy-back**"), and to deal with any of the Units so purchased or acquired in accordance with this Clause 7.*

*For the purpose of this Clause 7, an "**equal access scheme**" is a scheme which satisfies the following criteria:*

(i) the offers under the scheme are to be made to every person who holds Units to purchase or acquire the same percentage of their Units;

(ii) all of those persons have a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers are the same except that there shall be disregarded:

(a) differences in consideration attributable to the fact that the offers relate to Units with different accrued distribution entitlements;

(b) differences in consideration attributable to the fact that the offers relate to Units with different amounts remaining unpaid; and

(c) differences in the offers introduced solely to ensure that each Holder is left with a whole number of Units.

7.8 Procedure for Repurchase of Units via a Market Purchase

For so long as the Trust is Listed, where Units are repurchased via a Market Purchase, the notice of general meeting specifying the intention to propose a resolution to authorise a Market Purchase shall:

7.8.1 specify the maximum number of Units or the maximum percentage of Units authorised to be acquired or purchased;

7.8.2 determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);

7.8.3 specify a date on which the authority is to expire, being a date that must not be later than the date on which the next Annual General Meeting is or is required by law to be held, whichever is earlier; and

7.8.4 specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

The resolution authorising a Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.8.1 to 7.8.3.

7.8.5 The authority for a Market Purchase may, from time to time, be varied or revoked by the Holders in a general meeting. A resolution to confer or vary the authority for a Market Purchase may determine the maximum price for purchase or acquisition by:

(i) specifying a particular sum; or

(ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9 Procedure for Repurchase of Units via an Off-Market Purchase

7.9.1 For so long as the Trust is Listed, where Units are repurchased via an Off-Market Purchase, the notice of general meeting specifying the intention to propose a resolution to authorise an Off-Market Purchase shall:

(i) specify the maximum number of Units or the maximum percentage of Units authorised to be acquired or purchased;

(ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);

(iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next Annual General Meeting is or is required by law to be held, whichever is earlier; and

(iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

The resolution authorising an Off-Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.9.1(i) to 7.9.1(iv).

The authority for an Off-Market Purchase may, from time to time, be varied or revoked by the Holders in a general meeting. A resolution to confer or vary the authority for an Off-Market Purchase may determine the maximum price for purchase or acquisition by:

(a) specifying a particular sum; or

(b) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9.2 For so long as the Trust is Listed, in the event that the Manager decides to make any offer to repurchase Units via an Off-Market Purchase, the Manager will send an offer notice to Holders. Holders wishing to take up the offer will be asked to respond by sending a request in writing for the repurchase of their Units. At such request in writing of a Holder (or, in the case of Joint Holders, all the Joint Holders), the Manager will repurchase, in accordance with this Clause 7, such of the Units entered against his name in the Register or the Depository Register (as the case may be) as are required by the Holder to be repurchased.

7.10 Reporting Requirements

Subject to the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Manager shall:

7.10.1 notify the SGX-ST (in the form of an announcement on the SGX-ST) of all purchases of Units in accordance with the Listing Rules and in such form and with such details as the SGX-ST may prescribe; and

7.10.2 make an announcement on the SGX-ST at the same time it notifies the SGX-ST of any purchase of Units pursuant to any Unit Buy-back Mandate, that the board of directors of the Manager is satisfied on reasonable grounds that, immediately after the purchase of Units, the Manager will be able to fulfil, from the Deposited Property, the Liabilities as these liabilities fall due.

2. Distributions

11. DISTRIBUTIONS

11.1 Distribution of Income

Subject to this Clause 11 and the Relevant Laws, Regulations and Guidelines, the Manager shall make regular distributions of all (or such lower percentage as determined by the Manager in its absolute discretion) of

11.1.1 the Net Taxable Income (excluding gains from sale of Authorised Investments determined by the IRAS to be trading gains); and

11.1.2 the Net Tax-Exempt Income,

to Holders at quarterly, half-yearly or yearly intervals or at such other intervals as the Manager shall decide in its absolute discretion.

11.2 Manager to Collect

The Manager must collect and pay to the Trustee and the Trustee must receive all moneys, rights and property paid or receivable in respect of the Trust.

11.3 Determination of Income and Reserves

The Manager (acting after consulting the Auditors) is to determine whether any item is income in nature or capital in nature and the extent to which reserves or provisions need to be made. If the Manager determines any item to be capital, the Manager may apply it to any item in the balance sheet of the Trust including, without limitation, Holders' funds and Investments. This Clause 11.3 applies to distributions and to books of account.

11.4 Frequency of Distribution of Income

The Manager will endeavour to ensure that for each Financial Year there is at least one distribution and the last distribution covers the period up to the last day of the Financial Year. For each Distribution Period the Manager will calculate, and the Trustee will distribute, each Holder's Distribution Entitlement, in accordance with the provisions of this Clause 11.

11.5 Distribution Amount and Distribution Entitlement

*11.5.1 The "**Distribution Amount**" for a Distribution Period is to be determined in accordance with the following formula:*

$$DA = NTI + I + E + C$$

Where:

DA is the Distribution Amount for that Distribution Period (which shall not be a negative amount);

NTI is the Net Taxable Income for the Distribution Period determined by the Manager less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee;

I is so much of the amount (which may be a negative amount) by which Net Taxable Income as agreed between the Manager and the IRAS for any Financial Year preceding the Financial Year in which the Distribution Period occurs (less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee), exceeds or is less than the Net Taxable Income for that preceding Financial Year distributed pursuant to this Clause 11 as NTI but so that the amount is only taken into account in determining the Distribution Amount for the Distribution Period ending immediately after the agreement between the IRAS and the Manager is reached;

E is any amount of Net Tax-Exempt Income which the Manager has determined is to be distributed; and

C is any additional amount (including capital), which may be a negative amount, which the Manager has determined is to be distributed or if thought fit by the Manager, to be transferred to or from an undistributed income reserve account.

11.5.2 Each Holder's Distribution Entitlement is to be determined in accordance with the following formula:

$$DE = DA \times \frac{UH}{U\,I}$$

where:

DA is the Distribution Amount determined in accordance with Clause 11.5.1;

DE is the Distribution Entitlement;

UH is the number of Units held by the Holder, at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent he is entitled to participate in the Distribution Amount; and

UI is the number of Units in issue in the Trust at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent the Holder is entitled to participate in the Distribution Amount.

11.6 Distribution of Entitlement

11.6.1 The Trustee must in respect of each Distribution Period pay to each Holder, his Distribution Entitlement on or before the Distribution Date for the Distribution Period.

11.6.2 For the purpose of identifying the persons who are entitled to the Distribution Entitlement for a Distribution Period, the persons who are Holders on the Record Date for that Distribution Period have an absolute, vested and indefeasible interest in their respective Distribution Entitlements for that Distribution Period.

11.6.3 The Manager and the Trustee must deduct from each Holder's Distribution Entitlement all amounts which:

(i) are necessary to avoid distributing a fraction of a cent;

(ii) the Manager determines not to be practical to distribute on a Distribution Date;

(iii) equal any amount of Tax which has been paid or which the Manager determines is or may be payable by the Trustee or the Manager in respect of the portion of the Income of the Trust attributable to such Holder or the amount of the distribution otherwise distributable to such Holder;

(iv) are required to be deducted by law, any Tax Ruling or this Deed; or

(v) are payable by the Holder to the Trustee or the Manager.

11.6.4 The Manager must direct the Trustee as to how any sum so retained is to be applied and/or paid.

11.7 Holder Notification

Each Holder must as and when required by the Manager, provide such information as to his place of residence for taxation purposes as the Manager may from time to time determine.

11.8 Composition of Distribution

Following the end of each Financial Year, the Manager must notify each Holder of:

11.8.1 the extent to which a distribution under this Clause 11 is composed of, and the types of, income and capital; and

11.8.2 any amounts deducted under Clauses 11.6.3(iii) and 11.6.3(iv).

11.9 Tax Declaration Forms and Tax Distribution Vouchers

11.9.1 The Manager shall, where necessary, in respect of each Distribution Period before the Distribution Amounts are paid out, send or procure to be sent to each Holder, a tax declaration form for the purpose of each Holder declaring his tax status. The Manager and the Trustee may rely on any representation made by a Holder as to his tax status made on each relevant tax declaration form returned to the Manager (or its agent) or the Trustee to determine whether or not to deduct Tax from the Distribution Amount. If a Holder fails to make any such declaration in time for a distribution, the Manager and the Trustee shall have the right to deduct the appropriate amount of Tax from the Distribution Amount due to that Holder.

11.9.2 On a distribution having been made, the Trustee shall, where necessary, issue to each Holder a tax distribution voucher prepared by the Manager in a form approved by the Trustee and the IRAS (where applicable). In the case of any distribution made or on termination of the Trust, each tax distribution voucher shall show what proportion of the distribution represents capital, what proportion represents income exempt from Singapore income tax or income subject to Singapore income tax and what proportion represents the portion of any tax payable by the Trustee on income and gains attributable to the Holders.

11.10 Categories and Sources of Income

11.10.1 For any category or source of Income the Manager may keep separate accounts and allocate the Income from any category or source to any Holder.

11.10.2 The Manager may cause the distribution of any amount recorded in an account or record kept pursuant to Clause 11.10.1 before the distribution of any other amount.

11.11 Distribution Policy

The Manager and the Trustee acknowledge that subject to Clause 11.1, the Trust's distribution policy is to distribute as much of its Income as practicable (subject to retention of such amounts as the Manager considers would be in the interests of Holders and having regard to the future capital requirements of the Trust).

11.12 Distribution Reinvestment Arrangements

The Manager may advise Holders, from time to time in writing that Holders, may, on terms as permitted by the Property Funds Appendix, the Listing Rules and all other Relevant Laws, Regulations and Guidelines and as specified in the notice, participate in an arrangement under which Holders may request that all or a proportion of specified distributions due to them be applied to the issue of further Units, PROVIDED THAT the Issue Price for any such Units to be issued shall be the Issue Price determined in accordance with Clause 5.2 if the Units are Listed and Clause 5.3 if the Units are Unlisted. The Units so issued shall be deemed to be purchased by such Holders. The Manager shall be entitled to amend the terms of any such distribution reinvestment arrangements from time to time by notice in writing to Holders.

11.13 Distribution of Capital and Unrealised Gains

Subject to the Relevant Laws, Regulations and Guidelines, the Manager may with the consent of the Trustee (which consent shall not be unreasonably withheld) cause the distribution of an amount which represents:

11.13.1 part of the capital of the Trust and which the Manager reasonably determines to be in excess of the financial needs of the Trust;

11.13.2 part or all of the unrealised gains (including any revaluation gains) due to the increase in the capital value of the Real Estate held by the Trust; and/or

11.13.3 any other amount as the Manager deems appropriate.

12. PLACE AND CONDITIONS OF PAYMENT

12.1 Place and Conditions of Payment

Any moneys payable by the Trustee to any Holder on the relevant Record Date under the provisions of this Deed shall be paid in the case of Holders who do not hold their Units jointly with any other person, by cheque or warrant (if applicable) sent through the post to the registered address of such Holder or, in the case of Joint Holders, to the registered address of the Joint Holder who is first named in the Register or to the registered address of any other of the Joint Holders as may be authorised by all of them. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the moneys payable and shall be a good discharge to the Trustee. Where the Trustee receives the necessary authority in such form as the Trustee shall consider sufficient, the Trustee shall pay the amount due to any Holder to his bankers or other agent and the receipt of such an amount by such bankers or other agent shall be a good discharge therefor. Any moneys payable by the Trustee to any Depositor appearing in the Depository Register on the relevant Record Date under the provisions of this Deed shall be paid, in the case of such Depositor's Units credited into a Securities Account, by transferring such moneys into the Depository's bank account (as notified to the Manager and the Trustee) and by the Trustee causing the Depository to make payment thereof to such Depositor by cheque sent through the post to the address of such Depositor on record with the Depository or, in the case of Joint Depositors, to the registered address of the Joint Depositors on record with the Depository or by any other form as may be agreed between the Manager and the Depository. Payment of the moneys by the Trustee to the Depository shall be a satisfaction of the moneys payable to the relevant Depositor and shall be a good discharge to the Trustee. Any charges payable to the Depository for the distribution of moneys to Depositors under this Deed shall be borne out of the Deposited Property.

No amount payable to any Holder or Depositor shall bear interest.

12.2 Deductions

Before any payment is made to a Holder, there shall be deducted such amounts as any law of Singapore or any law of any other country in which such payment is made may require or allow in respect of any income or other taxes, charges or assessments whatsoever and there may also be deducted the amount of any stamp duties or other government taxes or charges payable by the Manager or (as the case may be) the Trustee for which the Manager or (as the case may be) the Trustee may be made liable in respect of or in connection therewith.

There may also be deducted from such payment the amount of any stamp duties or other governmental, statutory or regulatory taxes or charges payable by the Manager or, as the case may be, the Trustee or for which either of them may be made liable in respect of such payment or any documents signed by it in connection therewith.

Neither the Manager or the Trustee shall be liable to account to a Holder for any payment made or suffered to be made by the Manager or (as the case may be) the Trustee in good faith and in the absence of fraud, gross negligence, wilful default, a breach of this Deed or a breach of trust (in the case of the Trustee) to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under this Deed notwithstanding that any such payments ought not to be, or need not have been, made or suffered to be made.

12.3 Receipt of Holders

The receipt of the Holder or (as the case may be) the Depository on behalf of the Depositors, for any amounts payable in respect of Units shall be a good discharge to the Manager or (as the case may be) the Trustee and if several persons are registered as Joint Holders or, in consequence of the death of a Holder, are entitled to be so registered, any one of them may give effectual receipts for any such amounts.

12.4 Unclaimed Moneys

12.4.1 *Any moneys payable to a Holder under this Deed which remain unclaimed after a period of 12 months shall be accumulated in a special account (the "**Unclaimed Moneys Account**") from which the Trustee may, from time to time, make payments to a Holder claiming any such moneys.*

12.4.2 Subject to Clause 26, the Trustee shall cause such sums which represent moneys remaining in the Unclaimed Moneys Account for five years after the date for payment of such moneys into the Unclaimed Moneys Account and interest, if any, earned thereon to be paid into the courts of Singapore, after deducting from such sum all fees, costs and expenses incurred in relation to such payment, PROVIDED THAT if the said moneys are insufficient to meet the payment of all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the Deposited Property for such payment.

12.4.3 Clauses 12.4.1 and 12.4.2 shall not apply to moneys payable to a Holder which remain unclaimed where the Trust is Listed and to the extent that such unclaimed moneys are held by the Depository. Subject to Clause 26, the Trustee shall cause such sums which are returned by the Depository to the Trustee (and which have remained unclaimed by a Holder for a period of six years after the time when such moneys became payable to such Holder) to be paid into the courts of Singapore and any fees, costs and expenses incurred in relation to such payment into the courts of Singapore shall be deducted from the moneys payable to the relevant Holder, PROVIDED THAT if the said moneys are insufficient to meet the payment of all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the Deposited Property for such payment.

12.4.4 Notwithstanding the foregoing but subject to any Relevant Laws, Regulations and Guidelines, if such unclaimed moneys payable to Holders are, in the opinion of the Trustee (in consultation with the Manager) insufficient or impractical to be paid into the courts of Singapore pursuant to Clauses 12.4.2 and 12.4.3, the said amount shall, to the extent permitted by Relevant Laws, Regulations and Guidelines, be dealt with in such manner as the Manager may direct, PROVIDED THAT the Trustee shall be entitled to have recourse to the Deposited Property in respect of any fees and expenses incurred in complying with this Clause 12.4.4.

3. Remuneration of Trustee, Manager and Property Manager

15.1 Management Fees

The Manager shall be entitled to the Management Fees comprising the Base Fee and the Performance Fee, as follows:

15.1.1 Base Fee

*(i) The Manager shall be entitled to receive for its own account out of the Deposited Property the amount of the Base Fee accrued to it and remaining unpaid. The Base Fee shall be 0.5 per cent. per annum (for the purposes of this Clause 15.1.1, the "**permitted limit**") of the Value of the Deposited Property.*

(ii) Any increase in the rate of the Base Fee above the permitted limit shall be approved by an Extraordinary Resolution of a meeting of Holders, duly convened and held in accordance with the provisions of Schedule 1.

*(iii) The Base Fee shall accrue on each day of each calendar month in respect of the period up to and including the last day of that calendar month. The Base Fee shall be payable out of whichever bank account of the Trust the Manager in its discretion shall decide. The amount accruing on each day of each month shall be a sum equal to the appropriate percentage of the Value of the Deposited Property on the last day of the calendar month multiplied by the number of days in the relevant period and divided by 365. The "**appropriate percentage**" for the purposes of this Clause 15.1.1(iii) shall be the rate of the Base Fee applicable on the relevant day.*

*(iv) The Base Fee may at the discretion of the Manager be structured as payable in the form of Cash or Units or a combination of both Cash and Units in such proportions as may be determined at the option of the Manager, and be based generally in relation to the Value of the Deposited Property as a whole. If payment is in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Base Fee at the Issue Price equal to the Market Price. For this purpose, "**Market Price**" means the volume weighted average traded price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the last ten Business Days immediately preceding (and for the avoidance of doubt, including) the end of the relevant calendar quarter which such fees relate to, or if the Manager believes that the foregoing calculation does not provide a fair reflection*

of the Market Price of a Unit (which may include, without limitation, instances where the volume of trades in the Units is very low or there is disorderly trading activity in the Units), means an amount as determined by the Manager (after consultation with a Stockbroker approved by the Trustee), and as approved by the Trustee, as being the fair Market Price of a Unit. In the event the payment or part thereof is to be made in the form of Units and the Holders' prior approval is required for the issue of such Units pursuant to Clause 5.2.5 but is not obtained, then the payment to the Manager for that portion of the Base Fee shall be made in the form of cash.

(v) The Cash component of the Base Fee shall be payable out of the Deposited Property monthly in arrears within 30 days after the last day of each calendar month. The relevant amount in Cash of the Units component of the Base Fee shall be accrued for each calendar quarter, and be issued in the form of Units at the Issue Price with reference to the Market Price as at the end of each calendar quarter as determined under Clause 15.1.1(iv), within 30 days after the last day of each calendar quarter.

(vi) Subject to the restriction under Clause 5.2.5 and to the Base Fee remaining within the permitted limit, the Manager may at any time determine or change the structure of the payment of the Base Fee between Cash and Units without the requirement of obtaining approval by an Extraordinary Resolution of a meeting of Holders.

(vii) If a Trigger Event occurs resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the Trigger Event occurs.

(viii) The amount of the Base Fee payable to the Manager shall be net of all applicable GST and all other applicable sales tax, governmental impositions, duties and levies whatsoever imposed thereon by the relevant governmental, statutory and/or regulatory authorities in Singapore or elsewhere, which shall be borne by the Trust and paid in Cash.

15.1.2 Performance Fee

(i) Subject to Clause 15.1.3, the Manager, in addition to its remuneration under Clause 15.1.1, will be entitled to receive for its own account out of the Deposited Property a Performance Fee.

*(ii) The Performance Fee in respect of a Financial Year, shall be a fee equal to a rate of 25.0% of the growth in DPU for such Financial Year when compared to the then highest DPU achieved by the Trust in the previous years for which a Performance Fee was payable under this formula (the "**High DPU Threshold**") multiplied by the weighted average number of Units in issue for such Financial Year (for the purposes of this Clause 15.1.2(ii), the "**permitted limit**") PROVIDED THAT:*

(a) the Manager hereby waives its entitlement to any Performance Fees under Clause 15.1.2(i) and this Clause 15.1.2(ii) for the Financial Years ended 31 December 2015 and 31 December 2016

*(the "**Performance Fee Waiver period**"). For the avoidance of doubt and notwithstanding anything to the contrary in the foregoing, the Manager shall continue to be entitled to receive the Excess Performance Entitlement (as defined herein) which have accrued as at 31 March 2015 and which will be paid to the Manager in the months of July 2015, January 2016, July 2016 and January 2017; and*

(b) for the purpose of calculation of the first Performance Fee payable to the Manager under the formula in this Clause 15.1.2(ii), the High DPU Threshold will be 5.357 Singapore cents, being the highest DPU paid since 2009, or if the DPU achieved during the Performance Fee Waiver period is higher than 5.357 Singapore cents, such higher DPU.

For the purpose of the computation of the Performance Fee under this Clause 15.1.2(ii) only, the DPU shall be calculated based on all Income of the Trust arising from the operations of the Trust, such as, but not limited to, rentals, interest, dividends, and other similar payments or income arising from the Authorised Investments of the Trust, and will be adjusted for the election by the Manager to receive its Management Fees for the relevant Financial Year in Units, but shall exclude the distribution of any one-off income of the Trust such as any income arising from any sale or disposal of (i) any Real Estate (whether directly or indirectly through one or more Special Purpose Vehicles) or any part thereof, and/or (ii) any Investments forming part of the Deposited Property or any part thereof. The High DPU Threshold will be adjusted accordingly to take into account any corporate actions such as Unit consolidations and Unit splits undertaken by the Trust.

The Performance Fee shall be paid to the Manager or to any person which the Manager may designate or nominate (including but not limited to the Manager's subsidiaries) in the form of Cash and/or Units (as the Manager may elect) out of the Deposited Property. Any increase in the Performance Fee payable above the permitted limit or any change in the structure of the Performance Fee shall be approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1.

(iii) The Performance Fee may at the discretion of the Manager be structured as payable in the form of Cash or Units or a combination of both Cash and Units in such proportion as may be determined at the option of the Manager and, subject to the Performance Fee being determined in accordance with formula calculated in accordance with Clause 15.1.2(ii) and to the total of the Base Fee and the Performance Fee not exceeding the limit for that Financial Year calculated in accordance with Clause 15.1.3(i), the Manager may at any time change the structure of the payment of the Performance Fee between Cash and Units without the requirement of obtaining approval by an Extraordinary Resolution of a meeting of the Holders, PROVIDED THAT the Manager is only entitled to payment of the Performance Fee for any Financial Year in Cash (with the amount of the Cash payment to be calculated in accordance with Clause 15.1.4) if a Trigger Event occurs within that Financial Year. In the event the payment or part thereof is to be made in the form of Units and the Holders' prior approval is required for the issue

of such Units but is not obtained, then the payment to the Manager for that portion of the Performance Fee shall be made in the form of Cash.

(iv) *Where the whole or part of the Performance Fee for any Financial Year is to be paid in the form of Units, the issue price ("**Pc**") shall be equal to the Market Price. For this purpose, **Market Price** shall mean:*

Pc = the greater of (A) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST in the ordinary course of trading during the five Business Days preceding the last day of the relevant Financial Year (including the last day of the relevant Financial Year) and (B) the five Business Days after the last day of the relevant Financial Year (ten Business Days in total) and the Value of Deposited Property divided by the number of Units in issue or deemed to be in issue at the end of the Financial Year. This will be the issue price of the relevant Units to be issued.

(v) *Any payment of the Performance Fee whether in the form of Cash or Units shall be payable out of the Deposited Property in arrears within 30 days after the last day of each Financial Year. Such payment if in Cash shall be made out of whichever bank account of the Trust the Manager in its discretion shall decide.*

(vi) *The amount of the Performance Fee (if any) payable to the Manager shall exclude all applicable GST and all other applicable sales tax, governmental impositions, duties and levies whatsoever imposed thereon by the relevant governmental, statutory and/or regulatory authorities in Singapore or elsewhere, which shall be borne by the Trust and paid in Cash.*

15.1.3 Annual Fee Cap

(i) *Except as provided in Clause 15.1.3(iii) and notwithstanding anything to the contrary in this Deed, the maximum fees to be paid to the Manager in respect of any Financial Year including the Base Fee and the Performance Fee is to be an amount equal to 0.8% per annum of the Value of Deposited Property at the end of the Financial Year (referred to in this Clause 15.1.3 as the "**annual fee cap**"). For the avoidance of doubt and notwithstanding anything in the foregoing, the Manager shall continue to be entitled to receive the Excess Performance Entitlement which have accrued as at 31 March 2015 pursuant to Clause 15.1.2(ii)(a) and the Manager's entitlement to such Excess Performance Entitlement will be paid in the months of July 2015, January 2016, July 2016 and January 2017 and which will remain subject to the annual fee cap provided for pursuant to this Clause 15.1.3(i).*

(ii) *If the amount of the total Base Fee and Performance Fee for a Financial Year as calculated in accordance with Clauses 15.1.1 and 15.1.2 exceeds the annual fee cap for the Financial Year specified in Clause 15.1.3(i), the Base Fee for that Financial Year shall be payable and only that part of the Performance Fee equal to the balance of the amount up to the annual fee cap will be paid to the Manager and the remaining Performance Fee which would otherwise have been paid in respect of that Financial Year if the annual fee cap in Clause 15.1.3(i) did not apply*

*("**Excess Performance Entitlement**") will not be paid at that time. The Excess Performance Entitlement shall be recorded as a liability to the Manager and shall be paid to the Manager in future Financial Years to the extent that the total fees payable to the Manager in relation to any future Financial Year are less than the annual fee cap referred to in Clause 15.1.3(i). In carrying forward the Excess Performance Entitlement into future Financial Years to supplement the Manager's total fees up to the annual fee cap under Clause 15.1.3(i), the Excess Performance Entitlement shall be paid in the order that it accrued as a liability. Should the Manager at its discretion structure the payment of the whole or part of the Excess Performance Entitlement in the form of Units, the number of Units to be issued shall be calculated by dividing the amount of the whole or (as the case may be) the relevant part of the Excess Performance Entitlement by **Pc** (as defined in Clause 15.1.2(iv) but modified such that references in the definition to "the last day of the relevant Financial Year" shall be read as references to "the last day of the Financial Year in respect of which the Performance Amount out of which the whole or part of the Excess Performance Entitlement being paid in Units arose").*

(iii) If ESR Funds Management (S) Limited ceases to be the Manager of the Trust, ESR Funds Management (S) Limited shall be entitled to receive in Cash all of the Excess Performance Entitlement which has not been paid to it in Cash within seven days after the date upon which it ceases to be the manager of the Trust. If a Trigger Event occurs at a time when any Excess Performance Entitlement has not been paid resulting in the removal of ESR Funds Management (S) Limited as manager of the Trust, then the Manager is entitled to payment in Cash of such Excess Performance Entitlement in Cash. Any Cash payment under this Clause 15.1.3(iii) will be disregarded for the purposes of Clause 15.1.3(i).

15.1.4 Cash Payment on Trigger Event

If a Trigger Event occurs in any Financial Year resulting in the Manager being removed, the Manager shall be paid a Cash payment calculated as follows in payment of any Performance Fee (whether structured by the Manager to be paid in Cash or in the form of Units) to which it might otherwise have been entitled, such payment to be made to the entity which was the manager of the Trust on the day upon which the Trigger Event occurred notwithstanding that the entity may have ceased to be the manager of the Trust or that the Trust has terminated:

(i) the Cash payment is to be equal to the Performance Fee calculated in accordance with Clause 15.1.2 as if the end of the Financial Year was the date of the occurrence of the Trigger Event but in determining the market price of the Units:

(a) in the case of a resolution being passed at a meeting of Holders removing or replacing the Manager, the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading during the 10 Business Days prior to the date of the notice of such meeting;

(b) in the case of a scheme of arrangement, the mid-point of the value range for the Units contained in the independent expert's report (if any) prepared for the Members in relation to the scheme of arrangement or if there is no independent expert's report, the fair value of the consideration per Unit as determined by an independent accountant appointed by the Manager;

(c) in the case where the Trust becomes Unlisted, the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading during the 10 Business Days prior to the date of delisting; or

(d) in the case of termination of the Trust, the amount per Unit to be received by the Holders after accruing the amount payable to the Manager for the Performance Fee; and

(ii) the Cash payment is payable as soon as it can be calculated. If there has been any accrual of the Performance Fee from any prior Financial Year, the amount accrued shall be paid in Cash rather than Units on the date of occurrence of the Trigger Event.

15.2 Acquisition Fee

*15.2.1 Subject to Clause 15.2.2, the Manager is entitled to receive an Acquisition Fee of 1.0 per cent. (for the purposes of this Clause 15.2, the "**permitted limit**") of each of the following as is applicable, subject to there being no double-counting:*

(i) The purchase price, excluding GST, of any Real Estate acquired, whether directly by the Trust or indirectly through a Special Purpose Vehicle;

(ii) The value of any underlying Real Estate (pro-rata, if applicable, to the proportion of the Trust's interest in such Real Estate) where the Trust invests in any class of Real Estate Related Assets, including any class of equity, equity-linked securities and/or securities issued in real estate securitisation, of any entity directly or indirectly owning or acquiring such Real Estate, PROVIDED THAT:

(a) the Trust shall hold or invest in at least 50% of the Equity of such entity; or

(b) if the Trust holds or invests in 30% or more but less than 50% of the Equity of such entity, the Trust shall have Management Control of the underlying Real Estate and/or such entity;

(iii) The value of any shareholder's loan extended by the Trust to the entity referred to in Clause 15.2.1(ii); and

(iv) The value of any investment by the Trust in any loan extended to or in debt securities of any property corporation or other special purpose vehicle owning or acquiring Real Estate, made with the prior consent of the Holders passed by Ordinary Resolution at a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1.

15.2.2 For any acquisition or transaction made in Singapore, any payment to third party agents or brokers in connection with the acquisition of any Real Estate in Singapore for the Trust shall be borne by the Manager, and not additionally out of the Trust. For any acquisition or transaction made outside Singapore for the Trust, if any such payment is made to third party agents or brokers, such payment shall be paid out of the Deposited Property of the Trust, PROVIDED THAT the Manager shall charge an Acquisition Fee of 0.6 per cent instead of 1.0 per cent.

15.2.3 Any increase in the Acquisition Fee above the permitted limit or any change in the structure of the Acquisition Fee shall be approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1.

15.2.4 The Manager may opt to receive the Acquisition Fee in the form of Cash or Units or a combination of both Cash and Units, PROVIDED THAT in respect of any acquisition under Clause 15.2.1 from a Related Party such Acquisition Fee shall be in the form of Units. Where the Acquisition Fee is to be received in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the Issue Price with reference to the Market Price at the time of issue of such Units as determined under Clause 5.2.1. In the event the payment or part thereof is to be made in the form of Units and the Holders' prior approval was required for the issue of such Units pursuant to Clause 5.2.5 but was not obtained, then the payment to the Manager for that portion of that Acquisition Fee shall be made in the form of cash.

15.2.5 Subject to the restriction under Clauses 5.2.5 and 15.2.4 and to the Acquisition Fee remaining within the permitted limit, the Manager may determine or change the structure of the payment of the Acquisition Fee between Cash and Units in relation to each acquisition without the requirement of obtaining approval by an Extraordinary Resolution of a meeting of Holders.

15.2.6 The Acquisition Fee is payable fourteen (14) days after completion of the relevant acquisition.

15.3 Divestment Fee

*15.3.1 Subject to Clause 15.3.2, the Manager is entitled to receive a Divestment Fee of 0.5 per cent. (for the purposes of this Clause 15.3.1, the "**permitted limit**") of each of the following as is applicable, subject to there being no double-counting:*

(i) The sale price, excluding GST, of any investment of the type referred to in Clause 15.2.1(i);

(ii) In relation to an investment of the type referred to in Clause 15.2.1(ii), the value of any underlying Real Estate (pro-rata, if applicable, to the proportion of the Trust's interest in such Real Estate);

(iii) The proceeds of sale, repayment or (as the case may be) redemption of an investment in a loan referred to in Clause 15.2.1(iii); and

(iv) The value of an investment referred to in Clause 15.2.1(iv).

15.3.2 For any divestment or transaction made in Singapore, any payment to third party agents or brokers in connection with the divestment of any Investment in Singapore for the Trust shall be borne by the Manager, and not additionally out of the Trust. For any divestment or transaction made outside Singapore for the Trust, if any such payment is made to third party agents or brokers, such payment shall be paid out of the Deposited Property of the Trust, PROVIDED THAT the Manager shall charge a Divestment Fee of 0.5 per cent. of the sale price.

15.3.3 Any increase in the Divestment Fee above the permitted limit or any change in the structure of the Divestment Fee shall be approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1.

15.3.4 The Manager may opt to receive the Divestment Fee in the form of Cash or Units or a combination of both Cash and Units, PROVIDED THAT in respect of any divestment under Clause 15.3.1 from a Related Party such Divestment Fee shall be in the form of Units. Where the Divestment Fee is to be received in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Divestment Fee at the Issue Price with reference to the Market Price at the time of issue of such Units as determined under Clause 5.2.1. In the event the payment or part thereof is to be made in the form of Units and the Holders' prior approval was required for the issue of such Units pursuant to Clause 5.2.5 but was not obtained, then the payment to the Manager for that portion of that Divestment Fee shall be made in the form of cash.

15.3.5 Subject to the restriction under Clauses 5.2.5 and 15.3.4 and to the Divestment Fee remaining within the permitted limit, the Manager may determine or change the structure of the payment of the Divestment Fee between Cash and Units in relation to each divestment without the requirement of obtaining approval by an Extraordinary Resolution of a meeting of Holders.

15.3.6 The Divestment Fee is payable as soon as practicable after completion of the relevant divestment.

15.4 Other Provisions relating to Remuneration of the Manager

15.4.1 The Trustee is entitled, on the recommendation of the Manager based on tax considerations, to authorise the payment of any Acquisition Fee or Divestment Fee either at the level of the Trust or if relevant, at the level of a relevant Special Purpose Vehicle.

15.4.2 The amount of any Acquisition Fee or Divestment Fee payable to the Manager shall exclude all applicable GST and all other applicable sales tax, governmental impositions, duties and levies whatsoever imposed thereon by the relevant governmental, statutory and/or regulatory authorities in Singapore or elsewhere, which shall be borne by the Trust and paid in Cash.

15.4.3 The Manager shall be entitled to all the rights attached to any Units issued to it under this Clause 15 as any other Holder of Units.

15.4.4 In consideration of the foregoing the Manager shall not make any charge against the Holders or against the Deposited Property for its services or for its normal expenses hereunder with the exception of the charges or fees expressly authorised by this Deed and PROVIDED THAT unless and until the Trustee shall be satisfied that adequate provision has been or will be made for the future expenses of the Trust (including without limitation the remuneration of the Manager), the Trustee shall have a lien on and shall be entitled to retain the Deposited Property for the purpose of paying, discharging or providing for such expenses and shall pay to the Manager only the balance (if any) after all such payments discharges or provisions have been made.

15.4.5 Special Purpose Vehicles

If relevant, the Manager shall procure the entry into by the Manager and the Trustee of a written agreement relating to the Real Estate in the form of land and the Special Purpose Vehicles owned or to be owned by the Trust to provide, inter alia, for the payment of the Performance Fee to the Manager by each relevant Special Purpose Vehicle. The Manager shall, pursuant to such agreement, at the end of each calendar month (or such other period as may be agreed between the Manager and the Trustee) compute the Performance Fee for that month based on management accounts of the relevant Special Purpose Vehicle and submit an invoice with such computation of the Performance Fee to the Trustee or to such Special Purpose Vehicle (with a copy to the Trustee), within 14 days of the last day of that period for payment within 14 days of receipt of the invoice. All such payments of the Performance Fee by the Special Purpose Vehicles made to the Manager shall be reconciled with the audited accounts for the relevant Financial Year relating to the relevant Special Purpose Vehicle within 14 days of the completion of the audited accounts (or such other period as may be agreed between the Manager and the Trustee) and any balance of such Performance Fee due and payable to the Manager or any refund due from the Manager, respectively, shall be paid by the relevant Special Purpose Vehicle or (if the Real Estate is owned by the Trust) the Trust or the Manager (as the case may be) within 14 days after completion of the said audited accounts for that Financial Year (or such other period as may be agreed between the Manager and the Trustee).

15.5 Remuneration of Trustee

*The Trustee shall be entitled to receive for its own account out of the Deposited Property within 30 days of the last day of every calendar month the amount of the remuneration of the Trustee accrued to it and remaining unpaid. The remuneration of the Trustee shall not exceed the rate of 0.1% per annum of the Value of the Deposited Property (for the purposes of this Clause 15.5, the "**permitted limit**") and shall be payable out of the Deposited Property monthly in arrears. The actual remuneration within the permitted limit that is payable to the Trustee shall be agreed in writing between the Trustee and the Manager and may be increased from time to time, PROVIDED THAT such remuneration does not exceed the permitted limit. Any increase in the rate of the remuneration of the Trustee above the permitted limit or any change in the structure of the remuneration of the Trustee shall be approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1. The remuneration of the Trustee shall accrue on each day of each calendar month in respect of the period up to and including the last day of that calendar month. The amount accruing on each day of each month*

*shall be a sum equal to the appropriate percentage of the Value of the Deposited Property on the last day of the calendar month multiplied by the number of days in the relevant period and divided by 365. The "**appropriate percentage**" for the purposes of this Clause 15.5 shall be the rate of the remuneration of the Trustee applicable on the relevant day. The Trustee shall in addition to such remuneration be entitled to be paid out of the Deposited Property all reasonable out-of-pocket expenses incurred by it in the performance of its duties under this Deed until the Trust is finally wound up. The amount of the remuneration payable to the Trustee shall be net of all applicable GST and all other applicable sales tax, governmental impositions, duties and levies whatsoever imposed thereon by the relevant governmental, statutory and/or regulatory authorities in Singapore or elsewhere.*

15.6 Charges by Trustee or Manager

In consideration of the foregoing neither the Trustee nor the Manager shall impose any charge or fee against the Holders or against the Deposited Property for its services or for its normal expenses hereunder with the exception of the charges or fees expressly authorised by this Deed and PROVIDED THAT unless and until the Trustee shall be satisfied that adequate provision has been or will be made for the future expenses of the Trust (including the remuneration of the Trustee), the Trustee shall have a lien on and shall be entitled to retain the Deposited Property for the purpose of paying, discharging or providing for such expenses and shall pay to the Manager only the balance (if any) after all such payments discharges or provisions have been made.

15.7 Development Management Fee

*15.7.1 The Manager is also entitled to receive for its own account out of the Deposited Property a development management fee ("**Development Management Fee**") equivalent to 3.0% of the Total Project Costs incurred in a Development Project undertaken on behalf of the Trust. In addition, when the estimated Total Project Costs is greater than S$100.0 million, the Trustee and the Manager's independent directors will first review and approve the quantum of the Development Management Fee whereupon the Manager may be directed by its independent directors to reduce the Development Management Fee. Further, in cases where the Manager is of the view that the market pricing for comparable services is materially lower than the Development Management Fee, the independent directors of the Manager shall have the discretion to direct the Manager to reduce the Development Management Fee to such amount which is less than 3.0% of the Total Project Costs incurred in a Development Project undertaken on behalf of the Trust.*

15.7.2 Any increase in the percentage of the Development Management Fee or any change in the structure of the Development Management Fee shall be approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1.

15.7.3 Subject to the Property Funds Appendix, the Manager may opt to receive the Development Management Fee in the form of Cash or a combination of both Cash and Units in such proportions as may be determined at the option of the Manager. Where part of the Development Management Fee is to be received in the form of Units, the relevant amount in Cash of the Units component of the Development Management Fee shall be accrued for the calendar quarter and the Manager shall be entitled to receive, within 30 days after the last day

*of the calendar quarter (or such longer period as the Manager may determine in the event that such fee cannot be computed within 30 days of the last day of the calendar quarter), such number of Units as may be purchased for the relevant amount of the Development Management Fee at the Issue Price equal to the Market Price. For this purpose, "**Market Price**" means the volume weighted average traded price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the last ten Business Days immediately preceding (and for the avoidance of doubt, including) the end of the relevant calendar quarter which such fees relate to, or if the Manager believes that the foregoing calculation does not provide a fair reflection of the Market Price of a Unit (which may include, without limitation, instances where the volume of trades in the Units is very low or there is disorderly trading activity in the Units), means an amount as determined by the Manager (after consultation with a Stockbroker approved by the Trustee), and as approved by the Trustee, as being the fair Market Price of a Unit. In the event the payment or part thereof is to be made in the form of Units and the Holders' prior approval was required for the issue of such Units pursuant to Clause 5.2.5 but was not obtained, then the payment to the Manager for that portion of that Development Management Fee shall be made in the form of Cash.*

15.7.4 Subject to the restrictions under Clauses 5.2.5 and 15.7.3, the Manager may determine or change the structure of the payment of the Development Management Fee between Cash and Units in relation to each Development Project without the requirement of obtaining approval by an Extraordinary Resolution of a meeting of Holders.

15.7.5 The Development Management Fee is payable in equal monthly instalments over the construction period of each Development Project based on the Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount when the Total Project Costs is finalised. For the avoidance of doubt, the Trust shall bear all applicable GST and all other applicable sales tax, governmental impositions, duties and levies whatsoever imposed on the Development Management Fee by the relevant governmental, statutory and/or regulatory authorities in Singapore or elsewhere.

15.7.6 Where Real Estate or Real Estate Related Assets are purchased, invested in or acquired for development, no Acquisition Fee shall be paid in relation to such purchase, investment or acquisition when the Manager receives the Development Management Fee for the Development Project.

15.7.7 For the avoidance of doubt, the Manager may at its sole discretion appoint one or more service providers to perform works or services in connection with the Development Project, PROVIDED THAT the Manager remains at all times responsible for the management and supervision of such service provider(s) and the Manager shall be entitled to the full Development Management Fee notwithstanding the appointment of such service provider(s).

15.7.8 All Units issued to the Manager under this Clause 15.7 shall be credited as fully paid and rank pari passu with other Units of the same class and the Manager shall be entitled to all the rights attached to any Units issued to it under this Clause 15.7 as any other Holder of Units.

15.8 Remuneration of the Property Manager

Any fees payable to any property manager of the Trust (including any Special Purpose Vehicle of the Trust) shall (subject to the relevant property management agreement) be in the form of Cash and/or Units as the Manager may in its sole discretion determine, such determination to be made prior to the payment of such fees.

15.9 Form and Time of Payment of Fee Payable to any Property Manager

15.9.1 Where the fees payable to any property manager of the Trust (including any Special Purpose Vehicle of the Trust) are payable in the form of Units, such payment shall be made within 30 days of the last day of every calendar quarter (or such longer period as the Manager may determine in the event that such fee cannot be computed within 30 days of the last day of the calendar quarter), in arrears.

15.9.2 Where the fees payable to any property manager of the Trust (including any Special Purpose Vehicle of the Trust) is payable in the form of Cash, such payment shall be made out of the Deposited Property (or as the case may be, the relevant Special Purpose Vehicles) within such period of time as provided for in the relevant property management agreement in arrears and in the event that Cash is not available out of the Deposited Property (or as the case may be, the relevant Special Purpose Vehicles) to make the whole or part of such payment, then payment of such fee due and payable to the property manager of the Trust shall be deferred to such period when Cash is available out of the Deposited Property (or as the case may be, the relevant Special Purpose Vehicles).

*15.9.3 When the fees payable to any property manager of the Trust (including any Special Purpose Vehicle of the Trust) is paid in the form of Units, the property manager or any person which the property manager may designate or nominate (including but not limited to the related corporations of the property manager) (subject to the relevant property management agreement) shall be entitled to receive such number of Units as may be purchased with such amount of fees determined or attributable to the relevant period at an Issue Price equal to the Market Price. For this purpose, "**Market Price**" means the volume weighted average traded price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the last ten Business Days immediately preceding (and for the avoidance of doubt, including) the end of the relevant calendar quarter which such fees relate to, or if the Manager believes that the foregoing calculation does not provide a fair reflection of the Market Price of a Unit (which may include, without limitation, instances where the volume of trades in the Units is very low or there is disorderly trading activity in the Units), means an amount as determined by the Manager (after consultation with a Stockbroker approved by the Trustee), and as approved by the Trustee, as being the fair Market Price of a Unit.*

15.9.4 In the event that payment is to be made in the form of Units and the Holders' prior approval was required for the issue of such Units pursuant to Clause 5.2.5 but was not obtained, then the payment to the property manager for that portion of the fee shall be made in the form of cash.

15.9.5 All Units issued to the property manager of the Trust under Clause 15.9 shall be credited as fully paid and rank pari passu with other Units of the same class and the property manager of the Trust, or any person which the property manager of the Trust may designate or nominate (including but not limited to the subsidiaries of the property manager of the Trust) (subject to the relevant property management agreement), shall be entitled to all the rights attached to any Units issued to it under this Clause 15.9 as any other Holder of Units.

4. Voting

32. MEETINGS OF HOLDERS

The provisions set out in Schedule 1 relating to meetings of Holders shall have effect as if the same were included herein.

SCHEDULE 1

Meetings Of Holders

1. *A general meeting to be called the "**Annual General Meeting**" shall, in addition to any other meeting of Holders, be held once in every calendar year and not more than 15 months after the holding of the last preceding Annual General Meeting, but so long as the Trust holds its first Annual General Meeting within 18 months of its authorisation, the Trust need not hold it in the year of its constitution or in the following year, subject to any waivers granted by the relevant governmental, statutory and/or regulatory authorities in connection with the foregoing. Save as set out above and in Clause 21, all Annual General Meetings may be held at such time and place in Singapore as may be determined by the Trustee and the Manager. All other general meetings shall be called Extraordinary General Meetings. Notwithstanding anything to the contrary in this Deed, in the event that a notice of a general meeting of Holders has been given to Holders, the Manager may postpone or cancel such general meeting by giving a notice to Holders of such postponement or cancellation via an announcement on SGXNet. Notice of the date and time of the postponed meeting, when fixed, shall be given to Holders in accordance with the Listing Rules and the provisions in this Deed concerning notices of general meetings.*

2. *The Trustee or the Manager (and the Manager shall at the request in writing of not less than 50 Holders or Holders representing not less than 10.0% of the issued Units of the Trust) may at any time convene a meeting of Holders at such time and place (subject as hereinafter provided) as may be thought fit and the following provisions of this Schedule shall apply thereto. Any such meeting convened shall be held in Singapore.*

3. *The Manager or (each being a Holder) the controlling shareholders (as defined in the Listing Rules) of the Manager and any Associate thereof, shall be entitled to receive notice of and attend at any such meeting but shall, subject to paragraph 4(ii) of this Schedule, not be entitled to vote or be counted in the quorum thereof at a meeting convened to consider a matter in respect of which the Manager or the relevant controlling shareholder of the Manager or any such Associate (as the case may be) has a material interest (including, for the avoidance of doubt, interested person transactions (as defined in the Listing Rules) and interested party transactions (as defined in the Property Funds Appendix)) and accordingly for the purposes of the following provisions of this Schedule, Units held or deemed to be held by the Manager or such controlling shareholder or such Associate shall not be regarded as being in issue under such circumstances. Any director, the secretary and any solicitor of the Manager, the Trustee and directors and any authorised official and any solicitor of the Trustee shall be entitled to attend and be heard at any such meeting.*

4. *A meeting of Holders duly convened and held in accordance with the provisions of this Schedule shall be competent by:*

    (i) an Extraordinary Resolution to:

        (a) sanction any modification, alteration or addition to the provisions of this Deed which shall be agreed by the Trustee and the Manager as provided in Clause 28 of this Deed;

        (b) sanction a supplemental deed (including an amending and restating deed) increasing the maximum permitted limit or any change in the structure of the Management Fee (including the Base Fee and the Performance Fee), the Acquisition Fee, the Divestment Fee, the Development Management Fee and the Trustee's remuneration as provided in Clause 15 of this Deed;

(c) remove the Auditors and appoint other Auditors in their place as provided in Clause 22.3 of this Deed;

(d) remove the Trustee as provided in Clause 23.3.4 of this Deed;

(e) direct the Trustee to take any action pursuant to Section 295 of the Securities and Futures Act (relating to the winding up of the Trust); and

(f) delist the Trust if it is been Listed as provided in Clause 9.2 of this Deed; and

(ii) an Ordinary Resolution to remove the Manager as provided in Clause 24.1.4 of this Deed,

and shall have such further or other powers under such terms and conditions as may be determined by the Manager with the prior written approval of the Trustee. Any decision to be made by resolution of the Holders other than those specified in this paragraph 4(i) and 4(ii), shall be made by Ordinary Resolution, unless an Extraordinary Resolution is required by the Securities and Futures Act, the Code, the Listing Rules or any other Relevant Laws, Regulations and Guidelines.

4.1 Subject to paragraph 4.2 below, at least 14 days' notice (to pass an Ordinary Resolution) or 21 days' notice (to pass an Extraordinary Resolution) (in each case, not inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Holders in the manner provided in this Deed. The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed, and each such notice shall where required by any Relevant Laws, Regulations and Guidelines be given by advertisement in the daily press and in writing to each stock exchange on which the Trust is listed. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such business. A copy of the notice shall be sent by post or using electronic communications to the Trustee unless the meeting shall be convened by the Trustee. Any accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting.

4.2 Notwithstanding the provisions of paragraph 4.1 above, a meeting of Holders convened by the Trustee for the purposes of the winding up of the Trust pursuant to the Securities and Futures Act shall comply with the relevant requirements of the Securities and Futures Act.

5. The quorum shall be not less than two Holders (whether present in person or by proxy) together holding or representing at least one-tenth in value of all the Units for the time being in issue, PROVIDED THAT in the event that there is only one Holder, the necessary quorum shall be that sole Holder. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

6. If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to such day and time being not less than 15 days thereafter and to such place as shall be determined for the purpose by the Chairman of the meeting. Notice of the adjourned meeting shall be given in the same manner as for an original meeting. Such notice shall state that the Holders present at the adjourned meeting whatever their number and the value of the Units held by them will form a quorum thereat. At any such adjourned meeting the Holders present in person or by proxy thereat shall be a quorum.

7. *A person nominated in writing by the Trustee (in consultation with the Manager) shall preside at every meeting and if no such person is nominated or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting, the Holders present shall choose one of their number to be Chairman.*

8. *The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.*

9. *At any meeting a resolution put to the vote of the meeting shall, subject to the Relevant Laws, Regulations and Guidelines, be decided on a poll. A Holder shall not be entitled to vote unless all calls or other sums personally payable by him in respect of Units have been paid. Every Holder who is present in person or by proxy shall, notwithstanding any provision to the contrary in this Deed, have a right to attend any general meeting of the Holders and to speak and vote on any resolution before the meeting in accordance with this Schedule.*

10. *A poll shall be taken in such manner as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was conducted.*

11. *A poll shall be taken at such time and place as the Chairman directs.*

12. *On a poll every Holder who is present in person or by proxy shall have one vote for every Unit of which he is the Holder. A person entitled to more than one vote need not use all his votes or cast them the same way.*

13. *In the case of Joint Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other Joint Holders and for this purpose seniority shall be determined by the order in which the names stand in the Register, the first being the senior.*

14. *On a poll votes may be given either personally or by proxy.*

15. *The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised.*

16. *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee or the Manager with the approval of the Trustee may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Manager not less than 72 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Holder.*

17. Where a Holder is a Relevant Intermediary the Holder may appoint more than two proxies to exercise all or any of its rights to attend, speak and vote at every general meeting, PROVIDED THAT each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (which number of Units and Class shall be specified).

18. An instrument of proxy may be in the usual common form or in any other form which the Trustee shall approve.

19. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Units in respect of which the proxy is given, PROVIDED THAT no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the registered office of the Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.

20. Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Manager at the expense of the Manager and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be conclusive evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.

21. A resolution in writing signed by or on behalf of all the Holders for the time being entitled to receive notice of any meeting of Holders shall be as valid and effectual as a resolution (including an Extraordinary Resolution) passed at a meeting of those Holders duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by or on behalf of one or more of the Holders concerned.

22. For the purpose of this Deed, an Extraordinary Resolution means a resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager and an Ordinary Resolution means a resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager.

An Extraordinary Resolution or (as the case may be) an Ordinary Resolution shall be binding on all Holders whether or not present at the relevant meeting and each of the Holders and the Trustee and the Manager shall, subject to the provision relating to indemnity in this Deed, be bound to give effect thereto accordingly.

23. A corporation, being a Holder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Holders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

24. *For the purposes of determining the number of Units held in respect of Units registered in the name of the Depository and the number of votes which a particular Holder may cast in respect of such Units, each of the Trustee and the Manager shall be entitled and bound to accept as accurate the number of Units credited into the Securities Account(s) of the relevant Depositor as shown in the records of the Depository as at a time not earlier than 72 hours prior to the time of the relevant meeting, supplied by the Depository to the Trustee, and to accept as the maximum number of votes which in aggregate that Depositor and his proxy(ies) (if any) are able to cast on a poll a number which is the number of Units credited into the Securities Account(s) of the relevant Depositor, as shown in the aforementioned records of the Depository, whether that number is greater or smaller than that specified by the Depositor or in the instrument of proxy. Neither the Trustee nor the Manager shall under any circumstances be responsible for, or liable to any person as a result of it, acting upon or relying on the aforementioned records of the Depository.*

25. *Notwithstanding anything to the contrary in this Deed, where a corporation is beneficially entitled to all the Units in issue and a minute is signed by a duly authorised representative of the corporation stating that any act, matter, or thing, or any Ordinary Resolution or Extraordinary Resolution, required to be made, performed, or passed by or at a meeting of Holders has been made, performed, or passed, that act, matter, thing, or resolution shall, for all purposes, be deemed to have been duly made, performed, or passed by or at a meeting of Holders duly convened and at which a quorum is formed. For the avoidance of doubt, paragraph 7 of this Schedule need not be complied with when any act, matter, thing, or resolution is be deemed to have been duly made, performed, or passed by or at a duly convened meeting of Holders by virtue of this paragraph 25.*

26. *Notwithstanding anything to the contrary in this Deed, Holders who have used their CPF moneys to subscribe or purchase Units through the CPF Investment Scheme are allowed to attend any general meetings as observers, PROVIDED THAT such Holders have submitted their requests to attend the general meeting through their CPF agent bank.*

SCHEDULE 3

ESR-REIT 3Q2020 FINANCIAL UPDATE

(Constituted in the Republic of Singapore pursuant to a trust deed dated 31 March 2006 (as amended))

FINANCIAL HIGHLIGHTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2020

On 16 July 2020, the respective boards of directors of ESR Funds Management (S) Limited, as manager of ESR-REIT and Sabana Real Estate Investment Management Pte. Ltd., as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**") announced the proposed merger (the "**Merger**") of ESR-REIT and Sabana REIT. In view of the Merger, the below financial highlights of ESR-REIT and its subsidiaries (the "**Group**") for the third quarter ("**3Q2020**") and nine months ("**9M2020**") ended 30 September 2020 and the accompanying reports from the auditor and independent financial adviser of ESR-REIT have been prepared and provided to ESR-REIT Unitholders solely for the purpose of complying with the Singapore Code on Take-overs and Mergers.

Summary of the Group's Results

	3Q2020 S$'000	3Q2019 S$'000	9M2020 S$'000	9M2019 S$'000
Gross revenue	56,946	61,965	170,700	190,549
Net property income	40,375	45,336	120,603	141,747
Total return before income tax	25,968	23,828	419	78,327
Total return after income tax	25,968	23,825	412	78,306
Attributable to:				
Unitholders and perpetual securities holders	24,995	22,868	(1,647)	75,433
Non-controlling interest	973	957	2,059	2,873
	25,968	23,825	412	78,306
Distributable income	24,815	29,219	72,644	87,388
Distribution from other gains	-	4,605	-	10,475
Distributable amount available for Unitholders	24,815	33,824	72,644	97,863
Release / (Retention) of distributable income	3,461	-	(3,461)	-
Distribution declared to Unitholders	28,276	33,824	69,183	97,863
	Cents	**Cents**	**Cents**	**Cents**
Distributable amount available per unit	**0.700**	**1.000**	**2.059**	**3.011**
Declared distribution per unit	**0.798**	**1.000**	**1.960**	**3.011**
Basic and diluted earnings per unit	**0.658**	**0.625**	**(0.194)**	**2.164**

Summary of the Group's Financial Position

	30 Sep 2020 S$'000	31 Dec 2019 S$'000
Non-current assets	3,163,154	3,201,887
Current assets	34,283	27,765
Total assets	3,197,437	3,229,652
Non-current liabilities	1,434,521	1,298,547
Current liabilities	156,690	271,414
Total liabilities	1,591,211	1,569,961
Net assets	1,606,226	1,659,691
Represented by:		
Unitholders' funds	1,453,372	1,508,576
Perpetual securities holders' funds	152,854	151,115
	1,606,226	1,659,691
	Cents	**Cents**
Net asset value / Net tangible asset per unit	41.0	43.3

BY ORDER OF THE BOARD

ESR Funds Management (S) Limited
As Manager of ESR-REIT
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132)

Adrian Chui
Chief Executive Officer and Executive Director
30 October 2020

For further enquiries, please contact:

ESR Funds Management (S) Limited
Gloria Low
Corporate Communications Manager
Tel: +65 6827 9332
Email: gloria.low@esr-reit.com.sg

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Investor Relations Manager
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Email: lyn.ong@esr-reit.com.sg

About ESR-REIT

ESR-REIT has been listed on the Singapore Exchange Securities Trading Limited since 25 July 2006.

ESR-REIT invests in quality income-producing industrial properties and as at 30 June 2020 holds interest in a diversified portfolio of 57 properties located across Singapore, with a total gross floor area of approximately 15.1 million square feet and an aggregate property value of S$3.1 billion[1]. The properties are in the following business sectors: Business Park, High-Specs Industrial, Logistics/Warehouse and General Industrial, and are located close to major transportation hubs and key industrial zones island-wide.

The Manager's objective is to provide Unitholders with a stable income stream through the successful implementation of the following strategies:

- Acquisition of value-enhancing properties;
- Proactive asset management;
- Divestment of non-core properties; and
- Prudent capital and risk management.

ESR Funds Management (S) Limited, the Manager of ESR-REIT, is owned by namely, ESR Cayman Limited ("**ESR**") (67.3%), Shanghai Summit Pte. Ltd. (25.0%), and Mitsui & Co., Ltd (7.7%).

For further information on ESR-REIT, please visit www.esr-reit.com.sg.

About the Sponsor, ESR

ESR is the largest APAC focused logistics real estate platform by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. Co-founded by its senior management team and Warburg Pincus, ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, CPP Investments, OMERS, PGGM and Ping An. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 30 June 2020, the fair value of the properties directly held by ESR and the assets under management with respect to the funds and investment vehicles managed by ESR recorded approximately US$26.5 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised 18.7 million sqm in total. ESR has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 November 2019.

For more information on ESR, please visit www.esr.com.

[1] Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 *Leases* which became effective on 1 January 2019.

Important Notice

The value of units in ESR-REIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of ESR Funds Management (S) Limited ("**Manager**"), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) ("**Trustee**"), or any of their respective related corporations and affiliates (individually and collectively "**Affiliates**"). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither ESR-REIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of ESR-REIT, any particular rate of return from investing in ESR-REIT, or any taxation consequences of an investment in ESR-REIT. Any indication of ESR-REIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses, governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support ESR-REIT's future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This announcement is for information purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this announcement is not to be construed as investment or financial advice and does not constitute an offer or an invitation to invest in ESR-REIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.

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Building a better working world

ASU-RHC/61013338/LWH

29 October 2020

RBC Investor Services Trust Singapore Limited
(in its capacity as Trustee of ESR-REIT)
8 Marina View
#26-01 Asia Square Tower 1
Singapore 018960

ESR Funds Management (S) Limited
(in its capacity as Manager of ESR-REIT)
("Manager")
138 Market Street
#26-03/04 CapitaGreen
Singapore 048946

Dear Sirs

ESR-REIT and its subsidiaries
Review of interim financial information for the nine-month and the three-month periods ended 30 September 2020

Introduction

We have reviewed the accompanying interim financial information of ESR-REIT (the "Trust") and its subsidiaries (collectively, the "Group") for the nine-month period and the three-month period ended 30 September 2020 (the "Interim Financial Information"). The Interim Financial Information comprises the following:

- Statements of financial position of the Group and the Trust as at 30 September 2020;
- Statements of total return of the Group for the nine-month period and the three-month period ended 30 September 2020;
- Distribution statements of the Group for the nine-month period and the three-month period ended 30 September 2020;
- Statements of movements in unitholders' funds of the Group and the Trust for the nine-month period and the three-month period ended 30 September 2020;
- Statements of cash flows of the Group for the nine-month period and the three-month period ended 30 September 2020; and
- Certain explanatory notes to the above Interim Financial Information.

The Manager is responsible for the preparation and presentation of the Interim Financial Information in accordance with the recommendations of *Statement of Recommended Accounting Practice ("RAP") 7 Reporting Framework for Unit Trusts* relevant to interim financial information issued by the Institute of Singapore Chartered Accountants ("ISCA"). Our responsibility is to express a conclusion on the Interim Financial Information based on our review.

Ernst & Young LLP (UEN T08LL0859H) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).
A member firm of Ernst & Young Global Limited

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Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the recommendations of the RAP 7 relevant to interim financial information issued by the ISCA.

Restriction of use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust in meeting the relevant financial disclosure requirements under the Singapore Code on Take-overs and Mergers issued by the Monetary Authority of Singapore and for no other purpose. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

29 October 2020

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A member firm of Ernst & Young Global Limited

Report from the Independent Financial Adviser ("IFA") in respect of the Interim Financial Information

The Board of Directors (the "**Directors**") of
ESR Funds Management (S) Limited
as Manager of ESR-REIT
138 Market Street
CapitaGreen #26-03/04
Singapore 048946

RBC Investor Services Trust Singapore Limited
as Trustee of ESR-REIT
8 Marina View
#26-01 Asia Square Tower 1
Singapore 018960

30 October 2020

Dear Sir/Madam,

Report from the IFA in respect of the Interim Financial Information (as defined herein) made in the announcement which was released by ESR Funds Management (S) Limited, as Manager of ESR-REIT, on SGXNET on 30 October 2020

For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the joint announcement in relation to the proposed merger of ESR-REIT and Sabana Shari'ah Compliant Industrial Real Estate Investment Trust by way of a trust scheme of arrangement dated 16 July 2020.

On 16 July 2020, the respective boards of directors of the ESR-REIT Manager and the Sabana Manager jointly announced the Merger of ESR-REIT and Sabana REIT which shall be effected through the acquisition by the ESR-REIT Trustee of all the units of Sabana REIT held by the unitholders of Sabana REIT, in exchange for units in ESR-REIT, by way of a trust scheme of arrangement in compliance with the Code.

On 30 October 2020, the Directors had approved the unaudited financial statements highlights announcement of ESR-REIT and its subsidiaries (collectively, the "**Group**") relating to its financial performance for the nine-month period and the third quarter ended 30 September 2020 (the "**Interim Financial Information**").

We have reviewed the Interim Financial Information and have held discussions with the management of the ESR-REIT Manager who are responsible for the preparation of the Interim Financial Information

The Interim Financial Information were arrived at on bases consistent with the significant accounting policies and methods of computation adopted by the Group for the preparation of the audited consolidated financial statements of the Group for the full year ended 31 December 2019 ("**FY2019**"), which are set out in the annual report of the Group for FY2019.

We have also considered the Report on review of Interim Financial Information dated 29 October 2020 issued by Ernst & Young LLP, being the external independent auditors of the Group, relating to their review of the Interim Financial Information.

Based on the above, we are of the opinion that the Interim Financial Information have been made by the ESR-REIT Manager after due and careful enquiry.

Rothschild & Co

For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and / or discussed with us by the ESR-REIT Manger. Save as provided in this letter, we do not express any other opinion or views on the Interim Financial Information. The Directors remain solely responsible for the Interim Financial Information.

This letter is provided to the Directors solely for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose. We do not accept responsibility to any person(s), other than the ESR-REIT Manager, the Directors and the Trustee, in respect of, arising out of, or in connection with this letter.

Yours faithfully

For and on behalf of
Rothschild & Co Singapore Limited



Rohit Elhence
Managing Director, Head of South East Asia

Rothschild & Co



ESR-REIT declares DPU of 0.798 Singapore cents(1) for 3Q2020

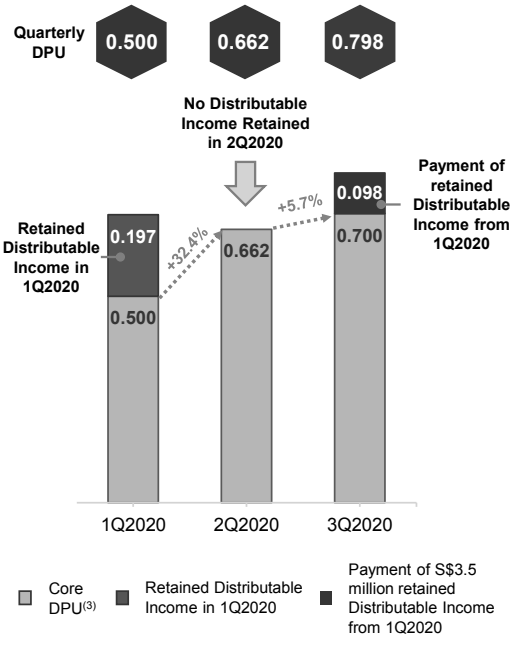
3Q2020 Interim Update

0.798 cents(1)	S$3.2B	S$1.36B(2)	90.8%
Distribution Per Unit	Total Assets	Market Capitalisation	Portfolio Occupancy

KEY HIGHLIGHTS

- Distribution per Unit ("DPU") for 3Q2020 is 0.798 Singapore cents including the payment of S$3.5 million distributable income from 1Q2020 which was previously retained in view of COVID-19 uncertainties.
- Core Distributable Income Available Per Unit ("Core DPU")(3) for 3Q2020 is 0.700 Singapore cents, an increase of 5.7% quarter-on-quarter ("q-o-q") and a 19.0%(4) decrease year-on-year ("y-o-y") after setting aside rental rebates to support tenants adversely affected by COVID-19.
- The Manager has previously estimated that S$10.1 million of rental rebates may be required for tenant support. As at 30 Sep 2020, S$3.8 million of rental rebates have been given to eligible tenants and another S$3.2 million has been recognized but yet to be given out as the majority of it are pending IRAS's confirmation of the cash grants and eligibility for SME tenants.
- Rental rebates due to the COVID-19 outbreak and lease conversions from single to multi-tenancies for five properties led to y-o-y declines in Gross Revenue and Net Property Income.
- Net asset value ("NAV") per unit was 41.0 cents as at 30 Sep 2020.
- Portfolio remained resilient with occupancy at 90.8%. Year-to-Date ("YTD") rental reversions improved from -4.3% as at 30 Jun 2020 to -0.2% this quarter.
- Renewed 585,000 sqft of space and secured 244,000 sqft of new leases, bringing the total leases signed in 3Q2020 to 829,000 sqft.
- Prudent and proactive capital management with no debt refinancing till June 2021.

Distribution per Unit for 3Q2020 at 0.798 Singapore cents includes payment of S$3.5 million retained 1Q2020 distributable income



Notes:
1. Includes the payment of S$3.5 million retained distributable income from 1Q2020.
2. Based on closing price of S$0.385 as at 30 September 2020.
3. Core DPU refers to Distribution per Unit from Operations.
4. Excluding "Distributions from Other Gains". Refer to the Press Release dated 30 October 2020.

Financial Updates

Real Estate for Tomorrow's Businesses | ESR REIT

- Core Distributable Income Available Per Unit for 3Q2020 at 0.700 Singapore cents. This reflects an increase of 5.7% q-o-q and a decrease of 19.0%[(1)] y-o-y after setting aside rental rebates to support tenants adversely affected by COVID-19.
- 3Q2020 DPU of 0.798 Singapore cents has been declared, which includes payment of S$3.5 million or 50% of the S$7.0 million distributable income, which was previously retained in 1Q2020 in view of COVID-19 uncertainties.

Gross Revenue

S$56.9M

▲ 1.6% q-o-q
▼ 8.1% y-o-y

Net Property Income ("NPI")

S$40.4M

▲ 3.1% q-o-q
▼ 10.9% y-o-y

Distributable Income

S$24.8M

▲ 6.0% q-o-q
▼ 15.2%[(1)] y-o-y

NAV per Unit

41.0 cents

- % q-o-q
▼ 11.4% y-o-y

- New leases that commenced in 3Q2020 contributed to the improved q-o-q showing of gross revenue and NPI while the y-o-y decrease in gross revenue and NPI was mainly due to the lease conversion from single to multi tenancies for five properties, non-renewals and downsizing by certain tenants and rental rebates for tenants.

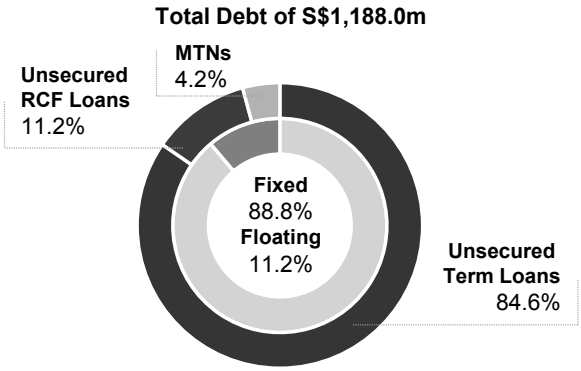
Distribution Details	
Distribution Period	1 July 2020 – 30 September 2020
Distribution Rate	0.798 cents taxable income per unit

Distribution Timetable	
Books Closure Date	9 November 2020
Distribution Payment Date	30 December 2020

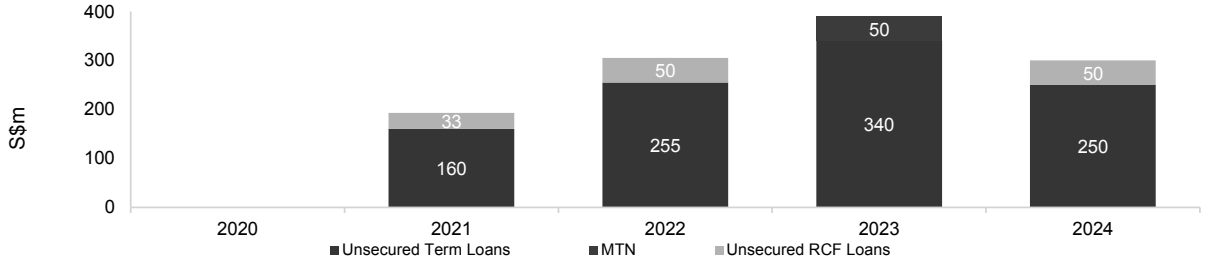
Prudent Capital Management

- Debt to Total Assets (Gearing) at 41.6%.
- All-In Cost of Debt reduced to 3.5% p.a.
- No debt refinancing requirements till June 2021.
- Weighted Average Debt Expiry as at 30 Sep 2020 was 2.5 years.
- 88.8% of debt on fixed interest rates with Weighted Average Fixed Debt Expiry at 2.3 years.
- Interest Coverage Ratio at 3.6x.
- Portfolio remains 100% unencumbered.
- Committed undrawn RCF of S$117.0 million.

Breakdown of Debt



Debt Maturity Profile



% of Debt Expiring	0	16.2	25.7	32.8	25.3

Notes:
1. Excluding "Distributions from Other Gains".

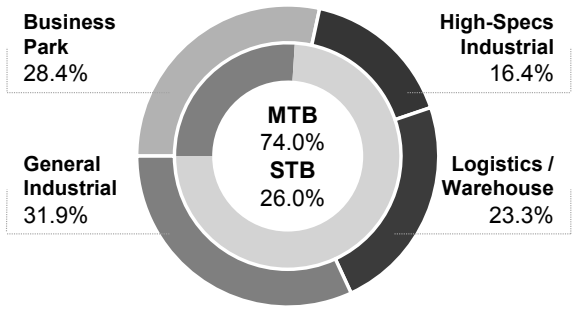
Portfolio and Operational Updates

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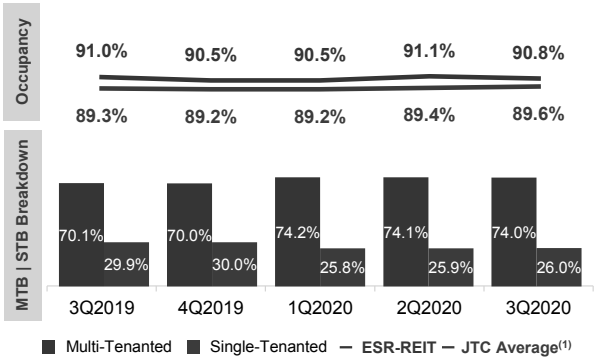
- Portfolio occupancy at 90.8% remained consistently above JTC's average of 89.6%[1] while YTD tenant retention rate was 85.0%.
- YTD rental reversions improved from -4.3% as at 30 June 2020 to -0.2% this quarter.
- Portfolio's Weighted Average Lease Expiry (WALE) reduced to 3.0 years. The top 10 tenants accounted for 30.9% and 25.2% of ESR-REIT's portfolio by rental income and net leasable area respectively. Well-diversified tenant base with no single tenant accounting for more than 6.0% by portfolio rental income.
- Well spread out lease expiry profile with only 5.3% of expiring leases (by rental income) due for renewal in 4Q2020.

90.8%	85.0%	3.0 years	-0.2%
Portfolio Occupancy	YTD Tenant Retention	Weighted Average Lease Expiry	YTD Rental Reversions

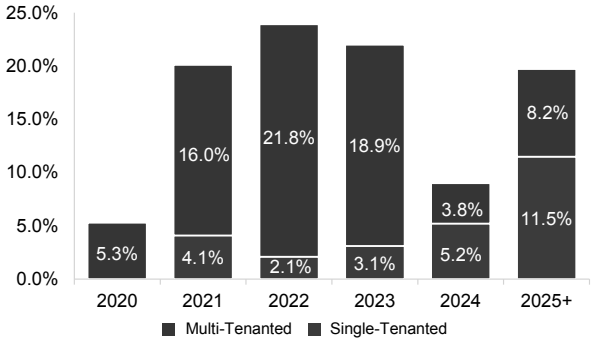
Asset Class (by Rental Income)



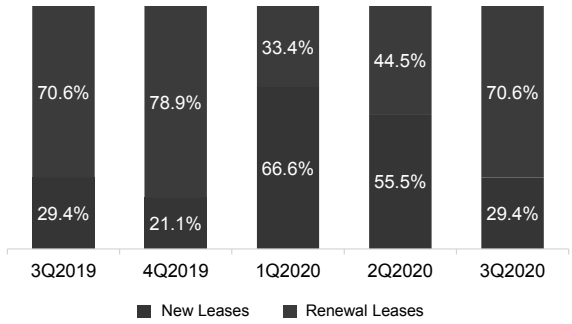
Stabilised Occupancy, Consistently Above JTC



WALE (by Rental Income)



Leases Committed by Type



3Q2020 Operational Updates

- During the quarter, we have renewed about 585,000 sqft of space and secured 244,000 sqft of new leases bringing the total leases signed in 3Q2020 to 829,000 sqft.
- More leasing enquiries received from businesses looking to increase their stockpile requirements or to right-size their current operations. New leasing demand from pharmaceutical and mechanical manufacturing sectors with expansion and relocation needs.
- Major leases secured in this quarter includes Egis Nanotech (49,300 sqft) and NIPO International Private Ltd (22,700 sqft) at 8 Tuas South Lane and Marquis Furniture Gallery at 130 Joo Seng Road (20,250 sqft).

EGIS NANOTECH NIPO MARQUIS

Note:
1. Based on 3Q2020 data from JTC.

Updates given COVID-19 situation

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Singapore Economic Outlook

- Advanced estimates by the Ministry of Trade & Industry ("MTI") indicated that the Singapore economy contracted by 7.0% y-o-y but expanded by 7.9% q-o-q in 3Q2020.(1) MTI estimates GDP growth forecast for 2020 will be between -7.0% to -5.0%.(2)
- Manufacturing output recorded a 13.7% growth y-o-y in August, led by strong growth in electronics sector, after contracting for three consecutive months.(3)
- The Purchasing Managers' Index registered the third month of expansion for the overall manufacturing sector with a 0.2-point increase to 50.3 in September 2020.(4)

Industrial Property Market

- External demand conditions and the softening labour market will pose a drag on economic recovery. The ongoing US-China trade standoff has also disrupted the recovery pace.
- Despite signs of gradual stabilisation, the industrial outlook remains uncertain with pressures from the staggered openings of international borders and potential resurgence of COVID-19 in some countries having impeded global trade and production volumes.
- Industrial property rents and prices continue to slide in 3Q2020.(5) In addition, the delay in construction of industrial space is expected to push new-supply completion into 2021.
- Industrial rents are expected to remain muted due to pandemic pressures and current weak trade conditions which prevent industrialists from committing to long term space needs while local industrialists are looking at short-term expansion to meet stockpiling requirements.

COVID-19 Updates

Operational Resilience	▪ Rental collection in 3Q2020 is approximately 94% of the gross rental income, consistent with 1H2020, as well as pre-COVID-19 level. ▪ Of the 5.3% leases expiring in 4Q2020, approximately 4.4% of such leases are in advanced negotiations where tenants have given indications of renewal.
Stakeholders	▪ Notifications for relief received from 22 tenants out of 346 tenants. ▪ The Manager has previously estimated that S$10.1 million of rental rebates may be required for tenant support. As at 30 Sep 2020, S$3.8 million of rental rebates have been given to eligible tenants and another S$3.2 million has been recognized but yet to be given out as the majority of it are pending IRAS's confirmation of the cash grants and eligibility for SME tenants. The Manager does not expect major changes to the rental rebates to be given out for the remainder of the year. ▪ As the COVID-19 situation in Singapore has stabilised considerably, as is our portfolio performance and cashflow metrics, where S$3.5 million or 50% of the retained Distributable Income in 1Q2020 will be released to Unitholders.
Looking Forward	▪ We are cautiously optimistic as the economy has shown signs of stabilisation while uncertainties over the pandemic lingers. ✓ Resumed asset enhancement initiatives ("AEI") at UE BizHub EAST, scheduled for completion in 1Q2021. ✓ AEI works have commenced at 19 Tai Seng Avenue to convert the property from a general industrial building to high-specs industrial to unlock value to meet the increasing demand of technology companies and firms from higher value-added industries. The AEI is expected to complete in 2H2021. ✓ We will continue to review potential AEI and redevelopments within our portfolio to position ESR-REIT to ride out the economic recovery and cater to partnerships with new and upcoming industrialists. ▪ Strengthening ESR-REIT's presence to capitalise on growth opportunities locally and overseas will be a key focus.

Notes:
1. Based on Advanced Estimates for Third Quarter of 2020 released on 14 October 2020 by Ministry of Trade and Industry (MTI).
2. Based on 2Q2020 Economic Survey of Singapore released on 11 August 2020 by Ministry of Trade and Industry (MTI).
3. Based on monthly manufacturing performance data obtained from Economic Development Board (EDB).
4. Based on monthly PMI figures obtained from the SPIMM institute.
5. Based on JTC 3Q2020 Industrial Property Market Statistics.

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Important Notice

The value of units in ESR-REIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of ESR Funds Management (S) Limited ("**Manager**"), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) ("**Trustee**"), or any of their respective related corporations and affiliates (individually and collectively "**Affiliates**"). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither ESR-REIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of ESR-REIT, any particular rate of return from investing in ESR-REIT, or any taxation consequences of an investment in ESR-REIT. Any indication of ESR-REIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses, governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support ESR-REIT's future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This presentation is for information purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this material is not to be construed as investment or financial advice and does not constitute an offer or an invitation to invest in ESR-REIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.

SCHEDULE 4

HOLDINGS AND DEALINGS IN SABANA SECURITIES

1. Holdings in Sabana Units

As at the Latest Practicable Date, based on the latest information available to the ESR-REIT Manager, the interests in Sabana Units held by the ESR-REIT Concert Party Group are set out below:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Sabana Units	%[1]	No. of Sabana Units	%[1]	No. of Sabana Units	%[1]
ESR Cayman Limited	12,141,800	1.15	207,755,509	19.73	219,897,309	20.88
e-Shang Jupiter Cayman Limited	–	–	207,755,509	19.73	207,755,509	19.73
e-Shang Infinity Cayman Limited	207,755,509	19.73	–	–	207,755,509	19.73
Mr. Tong Jinquan	16,930,200	1.61	17,806,800	1.69	34,737,000	3.30
Wealthy Fountain Holdings	17,806,800	1.69	–	–	17,806,800	1.69
Mr. Tong Yu Lou	4,156,000	0.39	–	–	4,156,000	0.39
Maybank Kim Eng Securities Pte. Ltd. ("**MKES**")	10,000[2]	–[3]	–	–	10,000[2]	–[3]
Citigroup Global Markets Limited ("**CGML**")[4]	143,137	0.01	–	–	143,137	0.01
Professor Cham Tao Soon[5]	7,200	–[3]	–	–	7,200	–[3]
Soh Xuan Yong	400,000	0.04	–	–	400,000	0.04

Notes:

(1) All references to percentage shareholding of the issued Sabana Units in this paragraph are based on the total issued Sabana Units as at the Latest Practicable Date, being 1,053,083,530 Sabana Units. Percentages are rounded to the nearest two (2) decimal places.

(2) MKES is the counterparty to certain derivatives products known as contracts for difference ("**CFDs**") which were opened by MKES' clients. The relevant CFDs represent purchases of 10,000 Sabana Units by the clients, and provide them with a synthetic economic exposure that is similar to them holding Sabana Units directly. As the counterparty to CFDs opened by these clients, MKES would be economically exposed to market price fluctuations. MKES maintains a neutral exposure to the 10,000 Sabana Units referenced under the relevant CFDs by directly purchasing and holding such number of Sabana Units equal to the number of referenced units under the relevant CFDs when the clients opened them.

(3) Not meaningful.

(4) Affiliate of Citigroup Global Markets Singapore Pte. Ltd..

(5) A director of one or more of the related corporations of United Overseas Bank Limited.

2. Holdings in derivatives of Sabana Units

As at the Latest Practicable Date, based on the latest information available to the ESR-REIT Manager, the interests in derivatives of Sabana Units held by the ESR-REIT Concert Party Group are set out below:

Name	Type of derivatives	Type of position	Number of Sabana Units referenced	% of Sabana Units referenced[1]	Maturity date
MKES	Contracts for difference	Short[2]	10,000	–[3]	N/A

Notes:

(1) All references to percentage shareholding of the issued Sabana Units in this paragraph are based on the total issued Sabana Units as at the Latest Practicable Date, being 1,053,083,530 Sabana Units. Percentages are rounded to the nearest two (2) decimal places.

(2) MKES is the counterparty to certain derivatives products known as CFDs which were opened by MKES' clients. The relevant CFDs represent purchases of 10,000 Sabana Units by the clients, and provide them with a synthetic economic exposure that is similar to them holding Sabana Units directly. As the counterparty to CFDs opened by these clients, MKES' economic exposure is the opposite of their clients, and is similar to MKES having short-sold 10,000 Sabana Units.

(3) Not meaningful.

3. Dealings in Sabana Units

Based on the latest information available to the ESR-REIT Manager, the details of dealings in Sabana Units during the Relevant Period by the ESR-REIT Concert Party Group are set out below:

Name	Transaction Date	Transaction Type	No. of Sabana Units	Transaction price per Sabana Unit (S$)
CGML	16-Apr-20	Acquisition of Units	61,600	0.3250
CGML	6-May-20	Disposal of Units	66,900	0.3229
CGML	8-May-20	Disposal of Units	37,200	0.3246
CGML	11-May-20	Disposal of Units	90,200	0.3280
CGML	12-May-20	Disposal of Units	80,900	0.3287
CGML	13-May-20	Disposal of Units	2,800	0.3261
CGML	27-May-20	Acquisition of Units	7,037	0.3295
MKES	2-Jun-20	Acquisition of Units	200,000	0.340
MKES	3-Jun-20	Disposal of Units	200,000	0.370

4. Dealings in derivatives of Sabana Securities

Based on the latest information available to the ESR-REIT Manager, the details of dealings in derivatives of Sabana Securities during the Relevant Period by the ESR-REIT Concert Party Group are set out below:

Name	Transaction Date	Transaction Type	No. of Sabana Units Referenced	Reference price per Sabana Unit (S$)	Maturity date
CGML	16-Apr-20	Entering into long equity swap with client(1)	48,700	0.3252	27-Feb-23
CGML	16-Apr-20	Entering into long equity swap with client(1)	12,900	0.3252	27-Feb-23
CGML	6-May-20	Closing of long equity swap with client(1)	43,800	0.3227	27-Feb-23
CGML	6-May-20	Closing of long equity swap with client(1)	23,100	0.3227	27-Feb-23
CGML	8-May-20	Closing of long equity swap with client(1)	37,200	0.3244	27-Feb-23
CGML	11-May-20	Closing of long equity swap with client(1)	90,200	0.3278	27-Feb-23
CGML	12-May-20	Closing of long equity swap with client(1)	80,900	0.3285	27-Feb-23
CGML	13-May-20	Closing of long equity swap with client(1)	2,800	0.3259	27-Feb-23
MKES	2-Jun-20	Entering into long CFD with client(2)	200,000	0.340	N/A
MKES	3-Jun-20	Closing of long CFD with client(2)	200,000	0.370	N/A

Notes:

(1) CGML is the counterparty to certain derivatives products known as equity swaps which were opened by the clients of CGML and/or its affiliates. The equity swaps provide the client with a synthetic economic exposure to a referenced number of Sabana Units. A client will give the instruction to enter into a long equity swap to take a position (referenced to a number of Sabana Units at a reference price) that the price of Sabana Units will rise.

(2) MKES is the counterparty to certain derivatives products known as CFDs which were opened by MKES' clients. The relevant CFDs represent purchases of the reference number of Sabana Units by the clients at the reference price, and provide them with a synthetic economic exposure to a referenced number of Sabana Units. A client will give the instruction to enter into a long CFD to take a position (referenced to a number of Sabana Units at a reference price) that the price of Sabana Units will rise. Conversely, a client will give the instruction to enter into a short CFD to take a position (referenced to a number of Sabana Units at a reference price) that the price of Sabana Units will fall.

SCHEDULE 5

HOLDINGS AND DEALINGS IN ESR-REIT SECURITIES

1. Holdings in ESR-REIT Units

As at the Latest Practicable Date, based on the latest information available to the ESR-REIT Manager, the interests in ESR-REIT Units held by the members of the ESR-REIT Concert Party Group are set out below:

	Direct Interest		Deemed Interest		Total Interest	
Name	No. of ESR-REIT Units	%[1]	No. of ESR-REIT Units	%[1]	No. of ESR-REIT Units	%[1]
ESR Funds Management (S) Limited[2]	24,048,447	0.68	–	–	24,048,447	0.68
ESR Property Management (S) Pte Ltd[2]	8,554,089	0.24	–	–	8,554,089	0.24
ESR Investment Management Pte. Ltd.[2]	–	–	32,602,536	0.92	32,602,536	0.92
Infinitysub Pte. Ltd.[3]	–	–	32,602,536	0.92	32,602,536	0.92
e-Shang Infinity Cayman Limited[4]	303,565,997	8.57	32,602,536	0.92	336,168,533	9.49
e-Shang Jupiter Cayman Limited[4]	–	–	336,168,533	9.49	336,168,533	9.49
ESR Cayman Limited[5]	–	–	336,168,533	9.49	336,168,533	9.49
Mitsui & Co., Ltd	26,432,353	0.75	–	–	26,432,353	0.75
Shanghai Summit Pte. Ltd.[6]	–	–	37,220,601	1.05	37,220,601	1.05
Wealthy Fountain Holdings Inc[6]	60	–[7]	–	–	60	–[7]
Skyline Horizon Consortium Ltd[6]	13,172,094	0.37	–	–	13,172,094	0.37
Leading Wealth Global Inc[8]	621,952,678	17.55	–	–	621,952,678	17.55
Longemont Real Estate Pte Ltd[8]	–	–	621,952,678	17.55	621,952,678	17.55
Shanghai Summit (Group) Co., Ltd[8]	–	–	621,952,678	17.55	621,952,678	17.55
Mr. Tong Jinquan[9]	172,802,987	4.88	659,173,279	18.60	831,976,266	23.48
Stefanie Yuen Thio[10]	148,527	–[7]	35,804	–[7]	184,331	0.01
Thio Shen Yi	35,804	–[7]	–	–	35,804	–[7]
Wilson Ang Poh Seong	3,793,387	0.11	–	–	3,793,387	0.11
Ronald Lim Cheng Aun	155,423	–[7]	–	–	155,423	–[7]
Leong Horn Kee	105,369	–[7]	–	–	105,369	–[7]
CGML	346,981	0.01	–	–	346,981	0.01
MKES	15,000[11]	–[7]	–	–	15,000	–[7]
Maybank Asset Management Sdn Bhd[12]	149,822	–[7]	–	–	149,822	–[7]
Chua Kim Leng[13]	125,000	–[7]	–	–	125,000	–[7]
Professor Cham Tao Soon[13]	823,000	0.02	–	–	823,000	0.02
Soh Xuan Yong	686,510	0.02	–	–	686,510	0.02
Amanda Tan Ming Hui	225,700	0.01	–	–	225,700	0.01
Nancy Tan	236,400	0.01	–	–	236,400	0.01
Chan Wee Kiat (Chen Weijie)	320,000	0.01	–	–	320,000	0.01
Leow Chye Teck Steven	26,652	–[7]	–	–	26,652	–[7]
Ho Lee Group Trust	49,729,270	1.40	–	–	49,729,270	1.40
Tan Hai Peng Micheal	1,529,000	0.04	–	–	1,529,000	0.04
Kan Phui Lin	500,000	0.01	–	–	500,000	0.01
Seow Whye Teck	275,772	0.01	–	–	275,772	0.01

Notes:

(1) The percentage unitholding interest is based on the total number of issued ESR-REIT Units of 3,543,157,293 ESR-REIT Units as at the Latest Practicable Date. Percentages are rounded to the nearest two (2) decimal places.

(2) 24,048,447 ESR-REIT Units are held by the ESR-REIT Manager and 8,554,089 ESR-REIT Units are held by ESR Property Management (S) Pte Ltd. 67.3% of the shares in the ESR-REIT Manager and 100% of the shares in ESR Property Management (S) Pte Ltd are directly owned by ESR Investment Management Pte. Ltd..

(3) Infinitysub Pte. Ltd. owns the entire issued share capital of ESR Investment Management Pte. Ltd.. As Infinitysub Pte. Ltd. has control of ESR Investment Management Pte. Ltd., it is deemed to have interests in the 32,602,536 ESR-REIT Units which ESR Investment Management Pte. Ltd. has interests in.

(4) e-Shang Jupiter Cayman Limited owns the entire issued share capital of e-Shang Infinity Cayman Limited. As e-Shang Jupiter Cayman Limited has control of e-Shang Infinity Cayman Limited, it is deemed to have interests in the 336,168,533 ESR-REIT Units which e-Shang Infinity Cayman Limited has interests in (the "**Infinity Units**").

(5) ESR Cayman Limited owns the entire issued share capital of e-Shang Jupiter Cayman Limited, which in turn owns the entire issued share capital of e-Shang Infinity Cayman Limited. As ESR Cayman Limited has control of e-Shang Infinity Cayman Limited, it is deemed to have interests in the 336,168,533 Infinity Units.

(6) Shanghai Summit Pte. Ltd. is the sole shareholder of Wealthy Fountain Holdings Inc and Skyline Horizon Consortium Ltd and accordingly, is deemed to be interested in the 60 ESR-REIT Units which Wealthy Fountain Holdings Inc holds and 13,172,094 ESR-REIT Units which Skyline Horizon Consortium Ltd holds. The ESR-REIT Manager holds 24,048,447 ESR-REIT Units and is 25% owned by Shanghai Summit Pte. Ltd.. Accordingly, Shanghai Summit Pte. Ltd. is deemed to have interests in the 37,220,601 ESR-REIT Units held by the above entities.

(7) Not meaningful.

(8) Leading Wealth Global Inc holds 621,952,678 ESR-REIT Units and is a wholly-owned subsidiary of Longemont Real Estate Pte Ltd, which is in turn a wholly-owned subsidiary of Shanghai Summit (Group) Co., Ltd. Accordingly, Shanghai Summit (Group) Co., Ltd is deemed to have interests in 621,952,678 ESR-REIT Units held by Leading Wealth Global Inc.

(9) Both Shanghai Summit Pte. Ltd. and Shanghai Summit (Group) Co., Ltd are wholly owned by Mr. Tong Jinquan. Therefore, Mr. Tong Jinquan is deemed to have interests in the 659,173,279 ESR-REIT Units which both Shanghai Summit Pte Ltd and Shanghai Summit (Group) Co., Ltd have interests in.

(10) As 35,804 ESR-REIT Units are held by Ms. Stefanie Yuen Thio's husband, pursuant to Section 137Y(3) of the SFA, Ms. Stefanie Yuen Thio is deemed interested in these ESR-REIT Units.

(11) MKES is the counterparty to certain derivatives products known as CFDs which were opened by MKES' clients. The relevant CFDs represent purchases of 15,000 ESR-REIT Units by the clients, and provide them with a synthetic economic exposure that is similar to them holding ESR-REIT Units directly. As the counterparty to CFDs opened by these clients, MKES would be economically exposed to market price fluctuations. MKES maintains a neutral exposure to the 15,000 ESR-REIT Units referenced under the relevant CFDs by directly purchasing and holding such number of ESR-REIT Units equal to the number of referenced units under the relevant CFDs when the clients opened them.

(12) Affiliate of MKES. Maybank Asset Management Sdn Bhd is a discretionary fund manager for a fund and holds the ESR-REIT Units for such fund.

(13) A director of one or more of the related corporations of United Overseas Bank Limited.

2. Holdings in derivatives of ESR-REIT Units

As at the Latest Practicable Date, based on the latest information available to the ESR-REIT Manager, the interests in derivatives of ESR-REIT Units held by the members of the ESR-REIT Concert Party Group are set out below:

Name	Type of derivatives	Type of position	Number of ESR-REIT Units referenced	% of ESR-REIT Units referenced[1]	Maturity date
MKES	Contracts for difference	Short[2]	15,000	–[3]	N/A
CGML	Equity swaps	Long[4]	81	–[3]	16-Sep-21

Notes:

(1) The percentage unitholding interest is based on the total number of issued ESR-REIT Units of 3,543,157,293 ESR-REIT Units as at the Latest Practicable Date. Percentages are rounded to the nearest two (2) decimal places.

(2) MKES is the counterparty to certain derivatives products known as CFDs which were opened by MKES' clients. The relevant CFDs represent purchases of 15,000 ESR-REIT Units by the clients, and provide them with a synthetic economic exposure that is similar to them holding ESR-REIT Units directly. As the counterparty to CFDs opened by these clients, MKES' economic exposure is the opposite of their clients, and is similar to MKES having short-sold 15,000 ESR-REIT Units.

(3) Not meaningful.

(4) As the counterparty of the short equity swap issued to the client, CGML is holding a long equity swap of 81 ESR-REIT Units.

3. Dealings in ESR-REIT Units

Based on the latest information available to the ESR-REIT Manager, the details of dealings in ESR-REIT Units during the Relevant Period by the members of the ESR-REIT Concert Party Group are set out below:

Name	Transaction Date	Transaction Type	No. of ESR-REIT Units	Transaction price per ESR-REIT Unit (S$)
CGML	16-Apr-20	Disposal of Units	16,200	0.3357
CGML	17-Apr-20	Return of units borrowed by CGML to Citigroup Global Markets Inc. ("**CGMI**"), an affiliate of CGML	400,000	N/A
CGMI	17-Apr-20	Return of units borrowed by CGML to CGMI	400,000	N/A
CGMI	17-Apr-20	Return of units borrowed by CGMI to third parties	400,000	N/A
CGML	17-Apr-20	Disposal of Units	20,800	0.3556
MKES	20-Apr-20	Disposal of Units	6,500	0.360
CGML	21-Apr-20	Disposal of Units	176,500	0.3509
CGML	22-Apr-20	Disposal of Units	185,900	0.3532
CGML	22-Apr-20	Return of units provided by CGML to third parties as collateral	137,613	N/A
MKES	23-Apr-20	Acquisition of Units	6,500	0.355
CGML	23-Apr-20	Disposal of Units	103,900	0.3361

Name	Transaction Date	Transaction Type	No. of ESR-REIT Units	Transaction price per ESR-REIT Unit (S$)
CGML	23-Apr-20	Return of units provided by CGML to third parties as collateral	185,900	N/A
CGML	24-Apr-20	Return of units provided by CGML to third parties as collateral	103,900	N/A
CGML	28-Apr-20	Disposal of Units	15,900	0.3209
CGML	28-Apr-20	Return of units provided by CGML to third parties as collateral	398,032	N/A
CGML	5-May-20	Disposal of Units	31,300	0.3475
CGML	6-May-20	Disposal of Units	81,800	0.3539
CGML	11-May-20	Acquisition of Units	52,900	0.3574
CGML	15-May-20	Disposal of Units	46,800	0.3514
ESR Funds Management (S) Limited	15-May-20	Payment of Management Fees in Units to ESR-REIT Manager	5,226,373	0.2868
ESR Property Management (S) Pte Ltd	15-May-20	Payment of Management Fees in Units to ESR Property Management (S) Pte Ltd	2,448,894	0.2868
CGML	20-May-20	Acquisition of Units	46,800	0.3698
MKES	22-May-20	Acquisition of Units	5,000	0.370
CGML	27-May-20	Disposal of Units	3,851	0.3651
CGML	27-May-20	Acquisition of Units	28,900	0.3700
MKES	2-Jun-20	Disposal of Units	5,000	0.400
CGML	15-Jun-20	Acquisition of Units	178,100	0.4117
CGML	19-Jun-20	Disposal of Units	178,100	0.4050
e-Shang Infinity Cayman Limited	24-Jun-20	DRP Subscription	3,797,606	0.3317
Wilson Ang Poh Seong	24-Jun-20	DRP Subscription	56,331	0.3317
Ronald Lim Cheng Aun	24-Jun-20	DRP Subscription	2,308	0.3317
ESR Funds Management (S) Limited	14-Aug-20	Payment of Management Fees in Units to ESR-REIT Manager	3,851,999	0.3976
ESR Property Management (S) Pte Ltd	14-Aug-20	Payment of Management Fees in Units to ESR Property Management (S) Pte Ltd	1,672,840	0.3976
e-Shang Infinity Cayman Limited	17-Sep-20	DRP Subscription	4,207,128	0.4018
ESR Funds Management (S) Limited	22-Oct-20	Distribution of an interim dividend in specie of ESR-REIT Units to ESR Investment Management Pte. Ltd.	15,635,456	N/A
e-Shang Infinity Cayman Limited	22-Oct-20	Distribution of an interim dividend in specie of ESR-REIT Units by InfinitySub Pte. Ltd. to e-Shang Infinity Cayman Limited[(1)]	15,635,456	N/A

Note:

(1) The interim dividend in specie of 15,635,456 ESR-REIT Units distributed by the ESR Funds Management (S) Limited to ESR Investment Management Pte. Ltd. was in turn distributed as an interim dividend in specie to InfinitySub Pte. Ltd.

4. Dealings in derivatives of ESR-REIT Units

Based on the latest information available to the ESR-REIT Manager, the details of dealings in derivatives of ESR-REIT Units during the Relevant Period by the members of the ESR-REIT Concert Party Group are set out below:

Name	Transaction Date	Transaction Type	No. of ESR-REIT Units Referenced	Reference price per ESR-REIT Unit (S$)	Maturity date
CGML	16-Apr-20	Closing of long equity swap with client(1)	16,200	0.3355	27-Feb-23
CGML	17-Apr-20	Closing of long equity swap with client(1)	20,800	0.3554	27-Feb-23
MKES	20-Apr-20	Entering into short CFD with client(2)	6,500	0.360	N/A
CGML	21-Apr-20	Closing of long equity swap with client(1)	176,500	0.3507	27-Feb-23
CGML	22-Apr-20	Closing of long equity swap with client(1)	147,700	0.3530	27-Feb-23
CGML	22-Apr-20	Closing of long equity swap with client(1)	38,200	0.3530	27-Feb-23
CGML	23-Apr-20	Closing of long equity swap with client(1)	103,900	0.3359	27-Feb-23
MKES	23-Apr-20	Closing of short CFD with client(2)	6,500	0.355	N/A
CGML	28-Apr-20	Closing of long equity swap with client(1)	15,900	0.3207	27-Feb-23
CGML	5-May-20	Closing of long equity swap with client(1)	31,300	0.3473	27-Feb-23
CGML	6-May-20	Entering into short equity swap with client(1)	52,900	0.3537	16-Sep-20
CGML	6-May-20	Entering into short equity swap with client(1)	28,900	0.3537	16-Sep-20
CGML	11-May-20	Closing of short equity swap with client(1)	52,900	0.3576	16-Sep-20
CGML	15-May-20	Entering into short equity swap with client(1)	46,800	0.3512	16-Sep-20
CGML	20-May-20	Closing of short equity swap with client(1)	46,800	0.3700	16-Sep-20
MKES	22-May-20	Entering into long CFD with client(2)	5,000	0.370	N/A

Name	Transaction Date	Transaction Type	No. of ESR-REIT Units Referenced	Reference price per ESR-REIT Unit (S$)	Maturity date
CGML	27-May-20	Closing of short equity swap with client(1)	28,900	0.3702	16-Sep-20
MKES	2-Jun-20	Closing of long CFD with client(2)	5,000	0.400	N/A

Notes:

(1) CGML is the counterparty to certain derivatives products known as equity swaps which were opened by the clients of CGML and/or its affiliates. The equity swaps provide the client with a synthetic economic exposure to a referenced number of ESR-REIT Units. A client will give the instruction to enter into a long equity swap to take a position (referenced to a number of ESR-REIT Units at a reference price) that the price of ESR-REIT Units will rise. Conversely, a client will give the instruction to enter into a short equity swap to take a position (referenced to a number of ESR-REIT Units at a reference price) that the price of ESR-REIT Units will fall.

(2) MKES is the counterparty to certain derivatives products known as CFDs which were opened by MKES' clients. The relevant CFDs represent purchases of the reference number of ESR-REIT Units by the clients at the reference price, and provide them with a synthetic economic exposure to a referenced number of ESR-REIT Units. A client will give the instruction to enter into a long CFD to take a position (referenced to a number of ESR-REIT Units at a reference price) that the price of ESR-REIT Units will rise. Conversely, a client will give the instruction to enter into a short CFD to take a position (referenced to a number of ESR-REIT Units at a reference price) that the price of ESR-REIT Units will fall.

APPENDIX E — PRO FORMA FINANCIAL EFFECTS OF THE MERGER ON SABANA REIT

PRO FORMA FINANCIAL EFFECTS OF THE MERGER ON SABANA REIT

1. DPU for 1H2020

The pro forma financial effects of the Merger on Sabana REIT's DPU for 1H2020, assuming that the Merger had been completed on 1 January 2019, are as follows:

	Effects of the Merger			
	Before the Merger			After the Merger
	DPU excluding retained distributable income[(1)]	DPU including retained distributable income[(1)]	Adjusted DPU including retained distributable income[(1)]	DPU including retained distributable income[(1)]
1H2020 DPU (Singapore cents)	0.470	1.052[(2)]	1.171[(2)(3)]	1.322[(4)(5)]
1H2020 annualised DPU (Singapore cents)	0.940	2.104	2.342	2.643

Notes:

(1) Retained distributable income refers to the S$6.1 million retained by Sabana REIT for prudent cash flow management in view of the COVID-19 uncertainties.

(2) Assumes Sabana REIT does not retain distributable income of S$6.1 million and distributes 100% of its total distributable income of S$11.1 million for 1H2020.

(3) Assumes 60.0% of Sabana REIT's asset management fees are paid in units as per the proportion that ESR-REIT paid out for 1H2020 at an illustrative issue price of S$0.341 per unit determined based on the six-month VWAP of the Sabana Units ending on and including 30 June 2020. Sabana Unitholders should note that the illustrative issue price is used in the context of calculating the management fee payable to the Sabana Manager for the purposes of the relevant illustrations.

(4) Based on the Enlarged REIT's pro forma DPU for 1H2020 of 1.406 cents multiplied by the gross exchange ratio of 0.940x.

(5) The Enlarged REIT's pro forma DPU for 1H2020:

(i) assumes ESR-REIT does not retain distributable income of S$7.0 million and distributes 100% of its total distributable income of S$47.8 million for 1H2020;

(ii) assumes Sabana REIT does not retain distributable income of S$6.1 million and distributes 100% of its total distributable income of S$11.1 million for 1H2020;

(iii) the consideration for the Merger is settled by way of approximately 989.9 million new ESR-REIT Units at the Reference Price of S$0.401 with no cash consideration;

(iv) Sabana REIT draws down an additional S$6.0 million of debt to finance its Merger-related transaction fees prior to the Merger;

(v) Sabana REIT's total borrowings and related interest rate swaps of approximately S$295.0 million are replaced with new banking facilities at a weighted average "all-in" finance cost of 2.5% per annum;

(vi) estimated upfront land premium of approximately S$58.6 million is paid to JTC at completion of the Merger and the Enlarged REIT does not incur land rent expenses for the Sabana REIT portfolio for 1H2020;

(vii) the Acquisition Fee of approximately S$8.3 million in respect of the acquisition of Sabana REIT's assets pursuant to the Merger are paid by way of approximately 20.7 million new ESR-REIT Units at the Reference Price of S$0.401;

(viii) Sabana REIT's fee structures for the asset management, property management and trustee fees are replaced with the fee structures in the ESR-REIT Trust Deed and approximately 60.0% of Sabana REIT's asset management fees are paid in units as per the proportion that ESR-REIT paid out for 1H2020; and

(ix) estimated professional and other fees and expenses of approximately S$18.6 million are funded by new banking facilities at a weighted average "all-in" finance cost of 2.5% per annum.

2. NAV per Sabana Unit for 1H2020

The pro forma financial effects of the Merger on the NAV per Sabana Unit as at 30 June 2020, assuming that the Merger had been completed on 30 June 2020, are as follows:

	Effects of the Merger	
	Before the Merger	**After the Merger**
NAV per unit (Singapore cents)	51.2	40.6[(1)(2)]

Notes:

(1) Based on the Enlarged REIT's pro forma NAV per unit for 1H2020 of 43.2 cents multiplied by the gross exchange ratio of 0.940x.

(2) The Enlarged REIT's pro forma NAV per unit for 1H2020:

(i) assumes the consideration for the Merger is settled by way of approximately 989.9 million new ESR-REIT Units at the Reference Price of S$0.401 with no cash consideration;

(ii) Sabana REIT draws down an additional S$6.0 million of debt to finance its Merger-related transaction fees prior to the Merger;

(iii) Sabana REIT's total borrowings and related interest rate swaps of approximately S$295.0 million are replaced with new banking facilities at a weighted average "all-in" finance cost of 2.5% per annum;

(iv) estimated upfront land premium of approximately S$58.6 million is paid to JTC at completion of the Merger and the Enlarged REIT does not incur land rent expenses for the Sabana REIT portfolio for 1H2020;

(v) the Acquisition Fee of approximately S$8.3 million in respect of the acquisition of Sabana REIT's assets pursuant to the Merger are paid by way of approximately 20.7 million new ESR-REIT Units at the Reference Price of S$0.401;

(vi) Sabana REIT's fee structures for the asset management, property management and trustee fees are replaced with the fee structures in the ESR-REIT Trust Deed and approximately 60.0% of Sabana REIT's asset management fees are paid in units as per the proportion that ESR-REIT paid out for 1H2020; and

(vii) estimated professional and other fees and expenses of approximately S$18.6 million are funded by new banking facilities at a weighted average "all-in" finance cost of 2.5% per annum.

3. Aggregate Leverage for 1H2020

The pro forma financial effects of the Merger on the aggregate leverage of Sabana REIT and the Enlarged REIT (as the case may be) as at 30 June 2020, assuming that the Merger had been completed on 30 June 2020, are as follows:

	Effects of the Merger	
	Before the Merger	**After the Merger**
Aggregate leverage (%)	33.7%(1)	41.7%(2)

Notes:

(1) Ratio of total borrowings and deferred payment over deposited property as defined in the Appendix 6 of the Code on Collective Investment Schemes issued by the MAS.

(2) The Enlarged REIT's pro forma aggregate leverage for 1H2020:

(i) assumes the consideration for the Merger is settled by way of approximately 989.9 million new ESR-REIT Units at the Reference Price of S$0.401 with no cash consideration;

(ii) Sabana REIT draws down an additional S$6.0 million of debt to finance its Merger-related transaction fees prior to the Merger;

(iii) Sabana REIT's total borrowings and related interest rate swaps of approximately S$295.0 million are replaced with new banking facilities at a weighted average "all-in" finance cost of 2.5% per annum;

(iv) estimated upfront land premium of approximately S$58.6 million is paid to JTC at completion of the Merger and the Enlarged REIT does not incur land rent expenses for the Sabana REIT portfolio for 1H2020;

(v) the Acquisition Fee of approximately S$8.3 million in respect of the acquisition of Sabana REIT's assets pursuant to the Merger are paid by way of approximately 20.7 million new ESR-REIT Units at the Reference Price of S$0.401;

(vi) Sabana REIT's fee structures for the asset management, property management and trustee fees are replaced with the fee structures in the ESR-REIT Trust Deed and approximately 60.0% of Sabana REIT's asset management fees are paid in units as per the proportion that ESR-REIT paid out for 1H2020; and

(vii) estimated professional and other fees and expenses of approximately S$18.6 million are funded by new banking facilities at a weighted average "all-in" finance cost of 2.5% per annum.

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APPENDIX F — GENERAL INFORMATION RELATING TO SABANA REIT

1. DIRECTORS

The names, addresses and designations of the Sabana Independent Directors as at the Latest Practicable Date are as follows:

Name	Address	Designation
Mr Tan Cheong Hin	151 Lorong Chuan #02-03 New Tech Park Singapore 556741	Chairman and Independent Non-Executive Director
Mr Wong Heng Tew	151 Lorong Chuan #02-03 New Tech Park Singapore 556741	Independent Non-Executive Director
Ms Ng Shin Ein	151 Lorong Chuan #02-03 New Tech Park Singapore 556741	Independent Non-Executive Director

2. PRINCIPAL ACTIVITIES

Sabana REIT is a real estate investment trust listed on the Main Board of the SGX-ST since 26 November 2010, which principally invests in income-producing real estate used for industrial purposes in Asia, as well as real-estate related assets, in line with Shari'ah investment principles. As at the Latest Practicable Date, Sabana REIT has a diversified portfolio of 18 industrial properties in Singapore, in the High-tech Industrial, Warehouse and Logistics, Chemical Warehouse and Logistics, as well as General Industrial sectors, with an estimated total assets value of approximately S$0.9 billion as at 30 June 2020.

3. SABANA UNITS

3.1 Sabana Units

As at the Latest Practicable Date, Sabana REIT has 1,053,083,530 Sabana Units in issue. No Sabana Units have been issued since 31 December 2019, being the end of the last financial year of Sabana REIT.

3.2 Rights of Sabana Unitholders in respect of Capital, Distributions and Voting

Selected texts of the Sabana Trust Deed relating to the rights of Sabana Unitholders in respect of capital, distributions and voting have been extracted and reproduced in Appendix H to this Scheme Document.

3.3 Convertible Instruments

As at the Latest Practicable Date, there are no outstanding Sabana Convertible Securities or instruments convertible into, rights to subscribe for, and options in respect of, Sabana Units or securities which carry voting rights affecting Sabana Units.

4. FINANCIAL INFORMATION

4.1 Consolidated Statement of Total Return

Set out below is certain financial information extracted from the annual reports of Sabana REIT for FY2017, FY2018 and FY2019 as well as the Sabana 1H2020 Financial Statements.

The financial information for FY2017, FY2018 and FY2019 should be read in conjunction with the audited consolidated financial statements of the Sabana Group and the accompanying notes as set out in the above-mentioned annual reports. The financial information for 1H2020 should be read in conjunction with the Sabana 1H2020 Financial Statements and the accompanying notes as set out in the Sabana 1H2020 Financial Statements.

	1H2020 (S$'000)	**FY2019 (S$'000)**	**FY2018 (S$'000)**	**FY2017 (S$'000)**
Gross revenue	34,263	76,338	80,961	85,196
Property expenses	(13,401)	(24,726)	(28,171)	(31,817)
Net property income	**20,862**	**51,612**	**52,790**	**53,379**
Finance income	36	229	154	308
Finance costs	(5,537)	(12,739)	(15,149)	(17,193)
Finance costs relating to lease liabilities	(1,669)	(3,358)	—	—
Net finance costs	**(7,170)**	**(15,868)**	**(14,995)**	**(16,885)**
Manager's fees	(2,167)	(4,495)	(4,568)	(3,700)
Trustee's fee	(177)	(360)	(385)	(423)
Donation of non Shari'ah compliant income	(1)	(5)	(48)	(21)
Other trust expenses	(455)	(1,036)	(901)	(3,546)
Net income	**10,892**	**29,848**	**31,893**	**28,804**
Net change in fair value of financial derivatives	(3,960)	(535)	363	(225)
Net change in fair value of investment properties	(54,712)	(7,885)	34,675	(57,205)
(Loss)/gain on divestment of investment properties	—	(773)	754	1,816
Total (loss)/return for the period/year before taxation	**(47,780)**	**20,655**	**67,685**	**(26,810)**
Tax expense	*	*	*	*
Total (loss)/return for the period/year after taxation	**(47,780)**	**20,655**	**67,685**	**(26,810)**
Earnings per Sabana Unit (cents)				
Basic	(4.54)	1.96	6.43	(2.60)
Diluted	(4.54)	1.96	6.43	(2.60)

* Less than $1,000

4.2 Distribution per Sabana Unit

Set out below is also a summary of the distribution per Sabana Unit declared in respect of each of FY2017, FY2018, FY2019 and 1H2020. This information was extracted from the audited consolidated financial statements of the Sabana Group for FY2017, FY2018 and FY2019, and the Sabana 1H2020 Financial Statements.

	Sabana Group			
	Financial Year ended 31 December			
	1H2020	FY2019	FY2018	FY2017
Distribution per Sabana Unit (cents)	0.47[(1)]	2.92	3.18	3.31

Note:

(1) The DPU of 0.47 cents is computed based on Sabana REIT's total distributable income after the retention of S$6.1 million by the Sabana Manager for prudent cash flow management in view of the COVID-19 uncertainties.

4.3 Consolidated Statement of Financial Position

The audited consolidated statement of financial position of the Sabana Group as at 31 December 2019, being the latest published audited consolidated statement of financial position of the Sabana Group prior to the Latest Practicable Date, is set out below.

The audited consolidated statement of financial position of the Sabana Group as at 31 December 2019 should be read in conjunction with the audited consolidated financial statements of the Sabana Group and the accompanying notes as set out in the audited consolidated financial statements of the Sabana Group for FY ended 31 December 2019.

	Sabana Group As at 31 December 2019 (S$'000)
Non-current assets	
Investment properties	949,241
Total non-current assets	**949,241**
Current assets	
Investment properties held for divestment	14,888
Trade and other receivables	3,419
Cash and cash equivalents	4,099
Total current assets	**22,406**
Total assets	**971,647**

	Sabana Group As at 31 December 2019 (S$'000)
Current liabilities	
Trade and other payables	14,992
Borrowings	56,500
Derivative liabilities	240
Lease liabilities	6,278
Total current liabilities	**78,010**
Non-current liabilities	
Trade and other payables	6,290
Borrowings	218,684
Derivative liabilities	197
Lease liabilities	73,451
Total non-current liabilities	**298,622**
Total liabilities	**376,632**
Net assets	**595,015**

Copies of the annual reports of Sabana REIT for FY2017, FY2018 and FY2019 are available for inspection[1] at the registered office of the Sabana Manager at 151 Lorong Chuan #02-03 New Tech Park, Singapore 556741 during normal business hours from the date of this Scheme Document up to the Effective Date. The Sabana 1H2020 Financial Statements are set out in Appendix I to this Scheme Document.

4.4 Material Changes in Financial Position

Save as disclosed in this Scheme Document, the Sabana 1H2020 Financial Statements, and any other information on the Sabana Group which is publicly available (including without limitation, the announcements released by the Sabana Manager, on behalf of Sabana REIT, on the SGXNET), there have been no material changes in the financial position of Sabana REIT since 31 December 2019, being the date of the last published audited consolidated financial statements of the Sabana Group.

4.5 Significant Accounting Policies

The significant accounting policies for the Sabana Group are set out in the notes to the audited consolidated financial statements of the Sabana Group for FY ended 31 December 2019 and the Sabana 1H2020 Financial Statements. Save as disclosed in the notes to the audited consolidated financial statements of the Sabana Group for FY ended 31 December 2019 and the Sabana 1H2020 Financial Statements, there are no significant accounting policies or any matter from the notes of the financial statements of the Sabana Group which are of any major relevance for the interpretation of the financial statements of the Sabana Group.

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[1] Prior appointment is required in light of the COVID-19 situation.

4.6 Changes in Accounting Policies

As at the Latest Practicable Date, there are no changes in the accounting policies of the Sabana Group which will cause the figures disclosed in Paragraph 4 of this Appendix F not to be comparable to a material extent.

5. DISCLOSURE OF INTERESTS

5.1 Interests of Sabana Group Entities in ESR-REIT Units and ESR-REIT Convertible Securities

As at the Latest Practicable Date, none of the Sabana Group Entities owns, controls or has agreed to acquire any ESR-REIT Units or any ESR-REIT Convertible Securities.

5.2 Interests of Sabana Manager in ESR-REIT Units and ESR-REIT Convertible Securities

As at the Latest Practicable Date, the Sabana Manager does not have any direct or indirect interests in the ESR-REIT Units or the ESR-REIT Convertible Securities.

5.3 Interests of Sabana Independent Directors in ESR-REIT Units and ESR-REIT Convertible Securities

As at the Latest Practicable Date, none of the Sabana Independent Directors has any direct or indirect interests in the ESR-REIT Units or the ESR-REIT Convertible Securities.

5.4 Interests of Sabana Independent Directors in Sabana Units

As at the Latest Practicable Date, based on the Register of Directors' Unitholdings maintained by the Sabana Manager, the interests in Sabana Units held by the Sabana Independent Directors are set out below.

Directors	**Direct Interest**		**Deemed Interest**	
	No. of Sabana Units	**%(1)**	**No. of Sabana Units**	**%(1)**
Mr. Tan Cheong Hin	—	—	—	—
Mr. Wong Heng Tew	—	—	—	—
Ms. Ng Shin Ein	378,500	0.04	—	—

Note:

(1) All references to percentage unitholding of the issued units of Sabana REIT in this Paragraph 5.4 are based on the total issued Sabana Units as at the Latest Practicable Date, being 1,053,083,530 Sabana Units in issue. Percentages are rounded to the nearest two decimal places.

5.5 Interests of Substantial Unitholders in Sabana Units

Based on the information available to the Sabana Manager, as at the Latest Practicable Date, the interests of the substantial unitholders of Sabana REIT in the Sabana Units are set out below.

Substantial Unitholders	Direct Interest		Deemed Interest	
	No. of Sabana Units	%(1)	No. of Sabana Units	%(1)
ESR Cayman Limited(2)	12,141,800	1.15	207,755,509	19.73
e-Shang Jupiter Cayman Limited(3)	—	—	207,755,509	19.73
e-Shang Infinity Cayman Limited	207,755,509	19.73	—	—
Quarz Capital ASIA (Singapore) Pte. Ltd.(4)	—	—	63,190,000	6.00
Black Crane Asia Pacific Opportunities Fund	52,658,000	5.00	—	—

Notes:

(1) All references to percentage unitholding of the issued units of Sabana REIT in this Paragraph 5.5 are based on the total issued Sabana Units as at the Latest Practicable Date, being 1,053,083,530 Sabana Units in issue. Percentages are rounded to the nearest two decimal places.

(2) ESR Cayman Limited holds a 100% interest in e-Shang Jupiter Cayman Limited and has a deemed interest in the Sabana Units in which e-Shang Jupiter Cayman Limited has an interest.

(3) e-Shang Jupiter Cayman Limited holds a 100% interest in e-Shang Infinity Cayman Limited and has a deemed interest in the Sabana Units in which e-Shang Infinity Cayman Limited has an interest.

(4) Quarz Capital ASIA (Singapore) Pte. Ltd. is deemed interested in the Sabana Units held by its funds, in its capacity as investment advisor and fund manager of its funds and accounts.

5.6 Interests of Sabana Manager in Sabana Units

As at the Latest Practicable Date, the Sabana Manager has no direct or indirect interests in the Sabana Units.

6. DEALINGS DISCLOSURE

6.1 Dealings in ESR-REIT Units and ESR-REIT Convertible Securities by the Sabana Group Entities

None of the Sabana Group Entities has dealt for value in the ESR-REIT Units or the ESR-REIT Convertible Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.2 Dealings in ESR-REIT Units and ESR-REIT Convertible Securities by the Sabana Manager

The Sabana Manager has not dealt for value in the ESR-REIT Units or the ESR-REIT Convertible Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.3 Dealings in ESR-REIT Units and ESR-REIT Convertible Securities by the Sabana Independent Directors

None of the Sabana Independent Directors has dealt for value in the ESR-REIT Units or the ESR-REIT Convertible Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.4 Dealings in Sabana Units by the Sabana Independent Directors

None of the Sabana Independent Directors has dealt for value in any Sabana Units during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.5 Dealings in Sabana Units by the Sabana Manager

The Sabana Manager has not dealt for value in the Sabana Units during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

7. INTERESTS OF THE SABANA IFA

7.1 Interests of the Sabana IFA in ESR-REIT Units and ESR-REIT Convertible Securities

As at the Latest Practicable Date, none of the Sabana IFA, its related corporations or funds whose investments are managed by the Sabana IFA or its related corporations on a discretionary basis, owns or controls any ESR-REIT Units or ESR-REIT Convertible Securities.

7.2 Dealings in ESR-REIT Units and ESR-REIT Convertible Securities by the Sabana IFA

None of the Sabana IFA, its related corporations or funds whose investments are managed by the Sabana IFA or its related corporations on a discretionary basis has dealt for value in the ESR-REIT Units or ESR-REIT Convertible Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

7.3 Interests of the Sabana IFA in Sabana Units

As at the Latest Practicable Date, none of the Sabana IFA, its related corporations or funds whose investments are managed by the Sabana IFA or its related corporations on a discretionary basis, owns or controls any Sabana Units.

7.4 Dealings in Sabana Units by the Sabana IFA

None of the Sabana IFA, its related corporations or funds whose investments are managed by the Sabana IFA or its related corporations on a discretionary basis has dealt for value in the Sabana Units during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

8. ARRANGEMENTS AFFECTING SABANA INDEPENDENT DIRECTORS

8.1 No Payment or Benefit to Sabana Independent Directors

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Sabana Independent Director or to any director of any other corporation which, by virtue of Section 6 of the Companies Act, is deemed to be related to the Sabana Manager as compensation for loss of office or otherwise in connection with the Scheme.

8.2 No Agreement Conditional upon Outcome of the Scheme

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, there is no agreement, arrangement or understanding made between any of the Sabana Independent Directors and any other person in connection with or conditional upon the outcome of the Scheme.

8.3 No Material Personal Interest in Material Contracts

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, there are no material contracts entered into by the ESR-REIT Manager and ESR-REIT Trustee in which any Sabana Independent Director has a material personal interest, whether direct or indirect.

9. MATERIAL LITIGATION

As at the Latest Practicable Date:

(a) none of the Sabana Group Entities is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially or adversely affect the financial position of the Sabana Group Entities taken as a whole; and

(b) the Sabana Independent Directors are not aware of any proceedings pending or threatened against any of the Sabana Group Entities or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the Sabana Group Entities taken as a whole.

10. GENERAL DISCLOSURE

10.1 Audited Consolidated Financial Statements for FY2019 and Unaudited Consolidated Financial Statements for 1H2020

The audited consolidated financial statements of the Sabana Group for FY2019 are set out in the annual report of Sabana REIT for FY2019, which is available for inspection[2] at the registered office of the Sabana Manager at 151 Lorong Chuan #02-03 New Tech Park, Singapore 556741 during normal business hours from the date of this Scheme Document up to the Effective Date. The Sabana 1H2020 Financial Results are set out in Appendix I to this Scheme Document.

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[2] Prior appointment is required in light of the COVID-19 situation.

10.2 Sabana Independent Directors' Service Contracts

As at the Latest Practicable Date:

(a) there are no service contracts between any of the Sabana Independent Directors or proposed directors with any Sabana Group Entity which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and

(b) there are no such contracts entered into or amended during the period commencing six months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

10.3 Material Contracts with Interested Persons

As at the Latest Practicable Date, save as disclosed in the audited consolidated financial statements of the Sabana Group for FY2017, FY2018 and FY2019 and the Sabana 1H2020 Financial Statements, the annual reports of Sabana REIT for FY2017, FY2018 and FY2019 and any other information on the Sabana Group which is publicly available (including without limitation, the announcements released by the Sabana Manager on the SGXNET) as to material contracts with interested persons (within the meaning of Note 1 to Rule 23.12 of the Code) which are not in the ordinary course of business, none of the Sabana Group Entities has entered into any material contracts with interested persons (other than those entered into in the ordinary course of business) during the period beginning three years before the Joint Announcement Date and ending on the Latest Practicable Date.

10.4 Costs and Expenses

In the event that the Scheme does not become effective and binding for any reason, the expenses and costs incurred by the Sabana Manager in connection with the Scheme will be paid out of the assets of Sabana REIT.

11. CONSENTS

11.1 General

The Sabana Financial Advisers and the Unit Registrar have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and all the references to their names in the form and context in which they respectively appear in this Scheme Document.

11.2 Sabana IFA

The Sabana IFA has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the Sabana IFA Letter as set out in Appendix C to this Scheme Document and all references to its name in the form and context in which it appears in this Scheme Document.

11.3 Sabana Independent Valuers (Sabana Portfolio)

The Sabana Independent Valuers (Sabana Portfolio) have given and have not withdrawn their written consent to the issue of this Scheme Document with the inclusion herein of their name and the Sabana Independent Valuation Certificates (Sabana Portfolio) as set out in Appendix J to this Scheme Document, and all references to their name in the form and context in which they appear in this Scheme Document.

11.4 Sabana Independent Valuers (ESR-REIT Portfolio)

The Sabana Independent Valuers (ESR-REIT Portfolio) have given and have not withdrawn their written consent to the issue of this Scheme Document with the inclusion herein of their name and the Sabana Independent Valuation Certificates (ESR-REIT Portfolio) as set out in Appendix K to this Scheme Document, and all references to their name in the form and context in which their appear in this Scheme Document.

11.5 Sabana Auditors

The Sabana Auditors have given and have not withdrawn their written consent to the issue of this Scheme Document with the inclusion herein of their name, and all references to their name in the form and context in which they appear in this Scheme Document.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection[3] by Sabana Unitholders at the registered office of the Sabana Manager at 151 Lorong Chuan #02-03 New Tech Park, Singapore 556741 during normal business hours, from the date of this Scheme Document up to the Effective Date:

(a) the Sabana Trust Deed;

(b) the annual reports of Sabana REIT for FY2017, FY2018 and FY2019;

(c) the Sabana 1H2020 Financial Statements;

(d) the Sabana Independent Valuation Certificates (Sabana Portfolio), Sabana Independent Valuation Certificates (ESR-REIT Portfolio) and the reports issued by the Sabana Independent Valuers (ESR-REIT Portfolio) on the valuation of ESR-REIT's properties as at 30 June 2020;

(e) the Sabana IFA Letter;

(f) the Implementation Agreement; and

(g) the letters of consent referred to in Paragraph 11 of Appendix F to this Scheme Document.

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[3] Prior appointment is required in light of the COVID-19 situation.

APPENDIX G — SABANA TRUST DEED AMENDMENTS

1. To amend Clause 9.2 of the Sabana Trust Deed by adding the underlined text below:

   "**9.2** Delisting of the Trust

   Notwithstanding anything in the Listing Rules and the listing rules of any other relevant Recognised Stock Exchange, the Manager may only make an application to delist the Trust, after it has been Listed if the delisting has been approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1 or after the Scheme Resolution has been approved at the Scheme Meeting."

2. To insert the following provision as Clause 24A in the Sabana Trust Deed immediately after Clause 24 of the Sabana Trust Deed:

   "**24A Scheme**

   24A.1 Definitions

   For the purposes of Clause 24A:

   "**Court**" means the High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore;

   "**Offeror**" means any corporation or body unincorporate (whether incorporated or carrying on business in Singapore or not) or real estate investment trust or business trust (whether registered or carrying on business in Singapore or not) or natural person (whether resident in Singapore or not and whether a citizen of Singapore or not) or any other entity proposing to acquire all the Units by way of a Scheme;

   "**Scheme Meeting**" means the general meeting(s) (or any adjourned meeting(s)) of the Holders for the purpose of, inter alia, considering and voting on the Scheme Resolution;

   "**Scheme Resolution**" means a resolution passed by a majority in number of Holders representing at least three-fourths (75%) in value of the Units held by the Holders or class of Holders present and voting either in person or by proxy at the Scheme Meeting to approve the Scheme;

   "**Trust Deed Amendment Resolution**" means a resolution passed by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager to approve the amendments to this Deed to facilitate the implementation of the Scheme; and

   "**Scheme**" means an arrangement under which an Offeror acquires all of the Units, which is subject to the Scheme Resolution being approved at a Scheme Meeting and by an order of the Court.

24A.2 Implementation of Scheme

On and with effect from the time at which the Trust Deed Amendment Resolution has been duly passed:

24A.2.1 each Holder, the Trustee and the Manager shall do all things and execute all deeds, instruments, transfers or other documents as the Trustee and/or the Manager consider are necessary or desirable to execute, implement and/or to give full effect to the terms of the Scheme and the transactions contemplated by it and any other matters reasonably incidental thereto;

24A.2.2 notwithstanding anything in this Deed, a Holder entitled to attend and vote at the Scheme Meeting is, unless the Court orders otherwise, entitled to appoint only one proxy to attend and vote at the Scheme Meeting;

24A.2.3 without limiting the Trustee's and the Manager's other powers under this Clause 24A, each of the Trustee and/or the Manager shall have the power to do all things which it considers necessary, desirable or reasonably incidental to execute, implement and/or to give effect to the Scheme and the transactions contemplated by it and any other matters reasonably incidental thereto; and

24A.2.4 a Scheme, in respect of which a Scheme Resolution has been approved at a Scheme Meeting and which is approved by an order of the Court, coming into effect on its effective date in accordance with its terms, shall:

(i) bind the Trustee and the Manager and all Holders from time to time, including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting and those who vote against the Scheme Resolution at the Scheme Meeting; and

(ii) to the extent of any inconsistency, override the other provisions of this Deed."

3. To amend paragraph 20 of Schedule 1 of the Sabana Trust Deed by deleting the struck-through text and adding the underlined text below:

"20. "~~Notwithstanding anything in this Deed, where~~Where a Holder is a Relevant Intermediary, the Holder may appoint more than two proxies to exercise all or any of its rights to attend, speak and vote at every meeting, provided that each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (which number of Units and Class shall be specified)."

APPENDIX H — EXTRACTS FROM THE SABANA TRUST DEED

All capitalised terms used in the following extracts shall have the same meanings given to them in the Sabana Trust Deed, a copy of which is available for inspection during normal business hours at the registered office of the Sabana Manager from the date of this Scheme Document up until the Effective Date.

The rights of Sabana Unitholders in respect of capital, distribution and voting as extracted and reproduced from the Sabana Trust Deed are set out below:

THE RIGHTS OF SABANA UNITHOLDERS IN RESPECT OF CAPITAL

*"**2. Provisions as to Units, Holders and Statements of Holdings***

2.1 No Certificates

2.1.1 *No certificate shall be issued to Holders by either the Manager or the Trustee in respect of Units (whether Listed or Unlisted) issued to Holders. For so long as the Trust is Listed on the SGX-ST, the Manager shall, pursuant to the Depository Services Agreement, appoint the Depository as the Unit depository for the Trust, and all Units issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof.*

2.1.2 *For so long as the Trust is Listed on the SGX-ST, the Manager or the agent appointed by the Manager shall issue to the Depository not more than 10 Business Days after the issue of Units a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.*

2.2 Form of Statements of Holdings

2.2.1 *In the event the Trust is or becomes Unlisted, the Manager or the agent appointed by the Manager shall issue to each Holder not more than one month after the allotment of Units to such Holder a confirmation note confirming such allotment. The Manager or its agent shall, for so long as the Trust is Unlisted, issue to each Holder on a calendar quarterly basis (or such other period as may be agreed between the Manager and the Trustee) a statement of holdings (the "Statement of Holdings"). A Statement of Holdings shall be dated and shall specify the number of Units held by each Holder in respect of the preceding quarter (or such other relevant period) and the transactions in respect of such Units and shall be in such form as may from time to time be agreed between the Manager and the Trustee.*

2.2.2 *For so long as the Trust is Listed and Units are registered in the name of the Depository, the Depository shall issue to each Depositor such contract statements, confirmation notes, statements of accounts balances and statements of transactions and accounts balances, and at such intervals, as may be provided for in the Depository's terms and conditions for operation of Securities Accounts.*

2.3 Sub-division and Consolidation of Units

The Manager may at any time, with the approval of the Trustee and on prior written notice, given by the Manager to each Holder or (as the case may be) to each Depositor by the Manager or the Trustee delivering such notice in writing to the Depository (for onward delivery to the Depositors), determine that each Unit shall be sub-divided into two or more Units or consolidated with one or more other Units and the Holders shall be bound accordingly. The Register shall be altered accordingly to reflect the new number of Units held by each Holder as a result of such sub-division or consolidation and, where applicable, the Trustee shall cause the Depository to alter the Depository Register accordingly in respect of each Depositor's Securities Account to reflect the new number of Units held by each Depositor as a result of such sub-division or consolidation.

2.4 Terms and Conditions of Trust Deed and Supplemental Deeds to Bind Holders

The terms and conditions of this Deed and of any supplemental deed (including any amending and restating deed) shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed and any supplemental deed (including any amending and restating deed) contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things as this Deed and of any supplemental deed (including any amending and restating deed) may require the Trustee or (as the case may be) the Manager to do.

2.5 Availability of Trust Deed and Supplemental Deeds

A copy of this Deed and of any supplemental deed (including any amending and restating deed) for the time being in force shall be made available for inspection at the registered office of the Manager at all times during usual Business Hours and shall be supplied by the Manager to any person on application at a charge not exceeding S$10 per copy document.

2.6 Units to be Held Free from Equities

A Holder entered in the Register as the registered holder of Units or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Units registered to him, shall be the only person recognised by the Trustee or by the Manager as having any right, title or interest in or to the Units registered in his name and the Trustee and the Manager may recognise such Holder or (as the case may be) such Depositor as absolute owner thereof and shall not be bound by any notice to the contrary or to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by some court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Units. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

2.7 Variation of Rights

Whenever the capital of the Trust is divided into different classes of Units, subject to the provisions of the Relevant Laws, Regulations and Guidelines, preference capital, other than redeemable preference capital, may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued Units of the class or with the sanction of an Extraordinary Resolution at a separate meeting of holders of the Units of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Trust is a going concern or during or in contemplation of a winding-up. To every such meeting of Holders, all the provisions of

this Deed relating to meetings of Holders (including, but not limited to the provisions of Schedule 1) shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued Units of the class and that any holder of Units of the class present in person or by proxy shall on a poll have one vote for every Unit of the class held by him, PROVIDED ALWAYS that where the necessary majority for such an Extraordinary Resolution is not obtained at such meeting of Holders, consent in writing if obtained from the holders of three-quarters of the issued Units of the class concerned within two months of such meeting of Holders shall be as valid and effectual as an Extraordinary Resolution at such meeting of Holders. This Clause 2.7 shall apply to the variation or abrogation of the special rights attached to some only of the Units of any class as if each group of Units of the class differently treated formed a separate class the special rights whereof are to be varied.

2.8 Rights of Manager in Respect of Units Not Registered

For so long as the Trust is Unlisted, the Manager shall be treated for all the purposes of this Deed as the Holder of each Unit during such times as there shall be no other person registered or entitled to be registered as the Holder and any such Unit shall be deemed to be in issue. Nothing herein contained shall prevent the Manager from becoming registered as the Holder of Units.

2.9 Restrictions

The Holders shall not give any directions to the Manager or the Trustee (whether at a meeting of Holders convened pursuant to Clause 30 or otherwise) if it would require the Manager or Trustee to do or omit from doing anything which may result in:

2.9.1 *the Trust ceasing to comply with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange for so long as the Trust is Listed and such other Relevant Laws, Regulations and Guidelines; or*

2.9.2 *the exercise of any discretion expressly conferred on the Trustee or the Manager by this Deed or the determination of any matter which under this Deed requires the agreement of either or both of the Trustee and the Manager; PROVIDED THAT nothing in this Clause 2.9.2 shall limit the right of a Holder to require the due administration of the Trust in accordance with this Deed.*

3. Registration of Holders

3.1 Register of Holders

An up-to-date Register shall be kept in Singapore by the Trustee or the Registrar in such manner as may be required by any Relevant Laws, Regulations and Guidelines. The Register shall be maintained at all times whether the Trust is Listed or Unlisted. For so long as the Trust is Listed, the Trustee or the Registrar shall record the Depository as the registered holder of all Units in issue in the Register. In the event the Trust is Unlisted, the Trustee or the Registrar shall record each Holder as the registered holder of Units held by such Holder. There shall be entered in the Register, in respect of each Holder or person who has ceased to be a Holder, the following information as soon as practicable after the Trustee or the Registrar receives the following relevant information:

3.1.1 *the names and addresses of the Holders (and in the case where the registered Holder is the Depository, the name and address of the Depository);*

3.1.2 *the number of Units held by each Holder;*

3.1.3 *the date on which every such person entered in respect of the Units standing in his name became a Holder and where he became a Holder by virtue of an instrument of transfer a sufficient reference to enable the name and address of the transferor to be identified;*

3.1.4 *the date on which any transfer is registered and the name and address of the transferee; and*

3.1.5 *where applicable, the date on which a Holder ceases or ceased to be a Holder of Units.*

Units may be issued to Joint Holders with no limit as to the number of persons who may be registered as Joint Holders.

3.2 Unlisted Units

For so long as the Trust is Unlisted, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Holder and, in the event of any discrepancy between the entries in the Register and the details appearing on any Statement of Holdings, the entries in the Register shall prevail unless the Holder proves, to the satisfaction of the Manager and the Trustee, that the Register is incorrect.

3.3 Listed Units

For so long as the Trust is Listed, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by the Depository and, in the event of any discrepancy between the entries in the Register and the confirmation notes issued by the Manager to the Depository under Clause 2.1, the entries in the Register shall prevail unless the Manager, the Trustee and the Depository mutually agree that the Register is incorrect. For so long as the Trust is Listed, the Manager shall have entered into the Depository Services Agreement for the Depository to maintain a record in the Depository Register of the Depositors having Units credited into their respective Securities Accounts and to record in the Depository Register the information referred to in Clause 3.1.1 to 3.1.5 in relation to each Depositor. Each Depositor named in the Depository Register shall, for such period as the Units are entered against his name in the Depository Register, be deemed to be the owner in respect of the number of Units entered against such Depositor's name in the Depository Register, and the Manager and the Trustee shall be entitled to rely on any and all such information in the Depository Register kept by the Depository. Subject to the terms of the Depository Services Agreement, two or more persons may be registered as Joint Depositors of Units. The entries in the Depository Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Depositor and, in the event of any discrepancy between the entries in the Depository Register and the details appearing in any contract statements, confirmation notes, statements of account balances and statements of transactions and accounts balances issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves, to the satisfaction of the Manager, the Trustee and the Depository, that the Depository Register is incorrect.

3.4 Change of Name or Address

For so long as the Trust is Unlisted, any change of name or address on the part of any Holder shall forthwith be notified to the Manager in writing or in such other manner as the Manager may approve. If the Manager is satisfied with the change in name or address and that all formalities as may be required by the Manager have been complied with, the Manager shall notify the Trustee of the same and the Trustee shall alter or cause to be altered the Register accordingly.

3.5 Inspection of Register

3.5.1 *The Trustee shall give the Manager and its representatives, or procure that the Manager and its representatives are given, access to the Register and all subsidiary documents and records relating thereto at all reasonable times during Business Hours and allow them to, or procure that they are allowed to, inspect and to take copies of the same with or without notice and without charge but neither the Manager nor its representatives shall be entitled to remove the same (save in the case where the Manager is required to produce the Register to a court of competent jurisdiction or otherwise as required by law) or to make any entries therein or alterations thereto. Except when the Register is closed in accordance with Clause 3.6, the Register shall during Business Hours (subject to such reasonable restrictions as the Trustee may impose but so that not less than two hours in each Business Day shall be allowed for inspection) be open to the inspection of any Holder without charge PROVIDED THAT if the Register is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 3.5 may be satisfied by the production of legible evidence of the contents of the Register.*

3.5.2 *If the Trustee is removed or retires in accordance with the provisions of Clause 23, the Trustee shall deliver to the Manager the Register and all subsidiary documents and records relating thereto in its possession. Thereafter, the Trustee shall not retain any copies of the aforesaid documents and records unless required by law.*

3.6 Closure of Register

Subject to the Relevant Laws, Regulations and Guidelines, the Register may be closed at such times and for such periods as the Trustee may from time to time determine, PROVIDED THAT it shall not be closed for more than 30 days in any one Year.

3.7 Transfer of Units

3.7.1 *For so long as the Trust is Listed on the SGX-ST, transfers of Units between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Units that have been transferred in accordance with the Depository Requirements and the provisions of Clauses 3.7.2 to 3.7.6 shall not apply. The Manager shall be entitled to appoint the Depository to facilitate transactions of Units within the Depository and maintain records of Units of Depositors credited into Securities Accounts and to pay out of the Deposited Property all fees, costs and expenses of the Depository arising out of or in connection with such services to be provided by the Depository. Any transfer or dealing in Units on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Units on the SGX-ST shall be deemed to be the agent duly authorised by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the Manager and/or the Depository shall be borne by the Depositor who is the transferor. There are no restrictions as to the number of Units (whether Listed or Unlisted) which may be transferred by a transferor to a transferee. For so long as the Trust is Listed, in the case of a transfer of Units from a Securities Account into another Securities Account, the instrument of transfer (if applicable) shall be in such form as provided by the Depository and the transferor shall be deemed to remain the Depositor of the Units transferred until the relevant Units have been credited into the Securities*

Account of the transferee or transferred out of a Securities Account and registered in the Depository Register. If the Units are Listed on any other Recognised Stock Exchange, the transfer of Units shall be in accordance with the requirements of the relevant Recognised Stock Exchange. No transfer or purported transfer of a Listed Unit other than a transfer made in accordance with this Clause 3.7.1 shall entitle the transferee to be registered in respect thereof.

3.7.2 *For so long as the Trust is Unlisted, every Holder, Joint-All Holder (with the concurrence of all the other Joint-All Holders) and Joint-Alternate Holder shall be entitled to transfer all or any of the Units held by him as follows:*

(i) transfer of Units shall be effected by an instrument of transfer in writing in common form (or in such other form as the Manager and the Trustee may from time to time approve). The instrument of transfer need not be a deed;

(ii) every instrument of transfer relating to Units must be signed by the transferor and the transferee and subject to the provisions of Clauses 3.7 to 3.13, the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof;

(iii) all charges in relation to such transfer as may be imposed by the Trustee shall be borne by the Holder who is the transferor; and

(iv) there are no restrictions as to the number of Units which may be transferred by a transferor to a transferee.

3.7.3 *Every instrument of transfer must be duly stamped (if required by law) and left with the Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines for the time being in force and by such evidence as the Manager may require to prove the title of the transferor or his right to transfer the Units.*

3.7.4 *For so long as the Trust is Unlisted, the Manager shall notify the Trustee of the date of each transfer effected in respect of Units and the name and address of the transferee and the Trustee shall alter or cause to be altered the Register accordingly.*

3.7.5 *For so long as the Trust is Unlisted, all instruments of transfer which shall be registered in respect of Units shall be forwarded by the Manager to, and retained by, the Trustee.*

3.7.6 *For so long as the Trust is Unlisted, a fee not exceeding S$10 (or such other amount as the Manager and the Trustee may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the Trustee for the registration of any transfer by an instrument of transfer of Units. Such fee must, if required by the Trustee, be paid before the registration of any transfer.*

3.7.7 *No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 3 shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.*

3.8 Death of Holders

The executors or administrators of a deceased Holder of Units (not being a Joint Holder) shall be the only persons recognised by the Trustee and the Manager as having title to the Units. In case of the death of any one of the Joint Holders of Units and subject to any Relevant Laws, Regulations and Guidelines, the survivor or survivors, upon producing such evidence of death as the Manager and the Trustee may require, shall be the only person or persons recognised by the Trustee and the Manager as having any title to or interest in the Units, PROVIDED THAT where the sole survivor is a Minor, the Manager or the Trustee shall act only on the requests, applications or instructions of the surviving Minor after he attains the age of 18 years and shall not be obligated to act on the requests, applications or instructions of the heirs, executors or administrators of the deceased Joint Holder, and shall not be liable for any claims or demands whatsoever by the heirs, executors or administrators of the deceased Joint Holder, the Minor Joint Holder or the Minor Joint Holder's legal guardian in omitting to act on any request, application or instruction given by any of them (in the case of the Minor, before he attains the age of 18 years).

3.9 Body Corporate

A body corporate may be registered as a Holder or as one of the Joint Holders of Units. The successor in title of any corporate Holder which loses its legal entity by reason of a merger or amalgamation shall, subject to Clause 3.13, be the only person recognised by the Trustee and the Manager as having title to the Units of such corporate Holder. The registration of a body corporate as a Depositor or as one of two or more Joint Depositors of Units shall be in accordance with the Depository's terms and conditions for the operation of Securities Accounts. The successor in title of any corporate Depositor resulting from a merger or amalgamation shall, upon producing such evidence as may be required by the Manager and the Trustee of such succession, be the only person recognised by the Trustee and the Manager as having title to the Units.

3.10 Minors

A Minor shall not be registered as a sole Holder or as one of the Joint-Alternate Holders of Units but may be registered as one of the Joint-All Holders of Units, PROVIDED THAT at least one of the Joint-All Holders is a person who has attained the age of 18 years. In the event that one of the Joint-All Holders is a Minor, the Manager and the Trustee need only act on the instructions given by the other Joint-All Holder or Joint-All Holders who has or have attained the age of 18 years.

3.11 Transmission

3.11.1 *Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Holder or being the survivor of Joint Holders may (subject as hereinafter provided), upon producing such evidence as to his title as the Trustee and the Manager shall think sufficient, either be registered himself as Holder of such Unit upon giving to the Manager notice in writing of his desire or transfer such Unit to some other person. The Manager shall notify the Trustee upon the receipt by it of any such notice and the Trustee shall alter or cause to be altered the Register accordingly. All the limitations, restrictions and provisions of this Deed relating to transfers shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Holder.*

3.11.2 *Any person becoming entitled to a Unit in consequence of death or bankruptcy as aforesaid may give a discharge for all moneys payable in respect of the Unit but he shall not be entitled in respect thereof to receive notices of or to attend or vote at any meeting of Holders until he shall have been registered as the Holder of such Unit in the Register or (as the case may be) the Depositor of such Unit in the Depository Register.*

3.11.3 *The Manager may retain any moneys payable in respect of any Unit of which any person is, under the provisions as to the transmission of Units hereinbefore contained, entitled to be registered as the Holder of or to transfer, until such person shall be registered as the Holder of such Units or shall duly transfer the same.*

3.12 Payment of Fee

In respect of the registration of any probate, letter of administration, power of attorney, marriage or death certificate, stop notice, order of the court, deed poll or any other document relating to or affecting the title to any Unit, the Trustee may require from the person applying for such registration a fee of S$10 (or such other amount as the Trustee and the Manager may from time to time agree) together with a sum sufficient in the opinion of the Trustee to cover any stamp duty or other governmental taxes or charges that may be payable in connection with such registration.

3.13 Removal from Register

For so long as the Trust is Unlisted, upon the registration of a transfer in favour of the Manager, the name of the Holder shall be removed from the Register in respect of such Units but the name of the Manager need not be entered in the Register as the Holder of such Units. Such removal shall not be treated for any purposes of this Deed as a cancellation of the Units or as withdrawing the same from issue.

3.14 Registrar

The Trustee may, with the approval of the Manager, at any time or from time to time appoint an agent on its behalf to keep and maintain the Register. The fees and expenses of the Registrar (as may be agreed from time to time between the Manager, the Trustee and the Registrar) shall be payable out of the Deposited Property of the Trust.

5. Issue of Units

5.1 General

5.1.1 *Subject to the provisions of this Deed, the Manager shall have the exclusive right to effect for the account of the Trust the issue of Units (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue or any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) and any Units may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Manager may think fit PROVIDED THAT, in connection with the initial Listing of the Trust on the SGX-ST, the Manager shall not be bound to accept an application for Units so as to give rise to a holding of fewer than 100 Units (or such other number of Units as may be determined by the Manager) and for so long as the Trust is Listed, the Manager shall comply with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange or any other Relevant Laws, Regulations and Guidelines when issuing Units. No fractions of a Unit shall be issued (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units*

pursuant to a conversion of any Securities) and in issuing such number of Units as corresponding to the relevant subscription proceeds (if any), the Manager shall, in respect of each Holder's entitlement to Units, truncate but not round off to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Deposited Property. Issues of Units shall only be made on a Business Day unless and to the extent that the Manager, with the previous consent of the Trustee, otherwise prescribes. Issues of Units for cash shall be made at a price hereinafter prescribed.

5.1.2 *The Manager may by deed supplemental hereto with the Trustee issue Classes of Units under such terms and conditions as may be contained therein.*

5.1.3 *Preference Units may be issued subject to such limitation thereof as may be prescribed by the SGX-ST or any Recognised Stock Exchange upon which Units may be listed. Preference Holders shall have the same rights as ordinary Holders as regards receiving of notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the preference Units is more than six months in arrear.*

5.1.4 *The Manager has power to issue further preference capital ranking equally with, or in priority to, preference Units already issued.*

5.1.5 *The Trust may be Listed on the SGX-ST pursuant to Clause 9 and, if so Listed, the Units shall be traded on the SGX-ST and settled through the Depository. Units already in issue may be transferred or otherwise dealt with through Securities Accounts into which Units are credited in accordance with Clause 3.7.*

5.1.6 *Subject to Clause 5.1.7, for so long as the Trust is Listed, the Manager may issue Units provided that the Manager complies with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines in determining the Issue Price, including the Issue Price for a rights issue on a pro-rata basis to all existing Holders, the Issue Price of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders and the Issue Price for any reinvestment of distribution arrangement. If the Issue Price determined by the Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines.*

5.1.7 *Subject to any direction to the contrary that may be given by an Ordinary Resolution of a meeting of Holders or except as permitted under the Listing Rules, all new Units shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices of meetings of Holders in proportion, as far as the circumstances admit, to the number of the existing Units to which they are entitled. The offer shall be made by notice specifying the number of Units offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Units offered, the Manager may dispose of those Units in such manner as it thinks most beneficial to the Trust. The Manager may likewise so dispose of any new Units which (by reason of the ratio which the new Units bear to Units held by persons entitled to an offer of new Units) cannot, in the opinion of the Manager, be conveniently offered under this Clause 5.1.7.*

5.2 Issue Price of Units When the Trust is Unlisted and the Initial Offering Price

5.2.1 *Prior to the Listing Date, the Manager may issue Units at any time to any person at any issue price per Unit ("Issue Price") and on such terms and conditions as the Manager may determine in its absolute discretion.*

5.2.2 *The issue of Units for the purpose of an initial public offering of Units shall be at an Issue Price to be determined by the Manager, or within such range to be determined by the Manager, on or before the Listing Date for such Units, PROVIDED THAT the Manager may cede the right to make such determination to any underwriter, issue manager or placement agent engaged in connection with the initial public offering. The actual Issue Price shall be determined by the Manager and/or such underwriter, issue manager or placement agent following a book building process or through such other method of price determination as may be decided upon and agreed by the relevant persons. The manner of and amount payable and any applicable refund on an application for Units during the initial public offering will be stated in the relevant Prospectus. Any such offer of Units for the purpose of an initial public offering may remain open for a period as may be agreed between the Manager and the Trustee, subject to the prevailing laws, rules and regulations.*

5.2.3 *Subject to Clause 5.2.2, the Manager may extend a discount to the Issue Price under an initial public offering of Units to any applicant who successfully applies to purchase more than such number of Units (as determined by the Manager in its absolute discretion) in a single application, subject to compliance with the Listing Rules and any Relevant Laws, Regulations and Guidelines.*

5.2.4 *The Manager may issue Units at the Issue Price determined in accordance with Clause 5.2.2 to the vendor of any Authorised Investments to be purchased by the Trust in conjunction with an initial public offering of Units, or to any person nominated by such vendor, in full or partial satisfaction of the consideration or any deferred purchase consideration payable by the Trust for such Authorised Investments.*

5.3 Issue Price of Units when the Trust is Listed

5.3.1 *Subject to Clauses 5.3.2 and 5.3.3 and to such laws, rules and regulations as may be applicable, for so long as the Trust is Listed, the Manager may issue Units on any Business Day at an Issue Price equal to the Market Price, without the prior approval of the Holders in a meeting of Holders. For this purpose "**Market Price**" shall mean:*

(i) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Trust is Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or the relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or

(ii) if the Manager believes that the calculation in Clause 5.3.1(i) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Manager and the Trustee (after consultation with a Stockbroker approved by the Trustee), as being the fair market price of a Unit.

5.3.2 *For so long as the Trust is Listed, the Manager may issue Units at an Issue Price other than calculated in accordance with Clause 5.3.1 without the prior approval of the Holders in a meeting of Holders provided that the Manager complies with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines in determining the Issue Price, including the Issue Price for a rights issue on a pro-rata basis to all existing Holders, the Issue Price of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders and the Issue Price for any reinvestment of distribution arrangement. If the Issue Price determined by the Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines.*

5.3.3 *Where Units are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust in conjunction with an issue of Units to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other Authorised Investments in conjunction with the said Authorised Investment, the Manager shall have the discretion to determine that the Issue Price of a Unit so issued as full or partial consideration shall be the same as the Issue Price for the Units issued in conjunction with an issue of Units to raise cash for the aforesaid purposes.*

5.4 Issue Price of Units where the Units are Suspended or the Trust is Delisted

Where the Units and/or the Trust become Unlisted after the Listing Date, the Manager may issue Units at an Issue Price equal to the Current Unit Value on the date of the issue of the Unit plus, if so determined by the Manager, an amount equal to the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

5.5 Units Issued on Unpaid or Partly Paid Basis

5.5.1 *No Units shall be issued on an unpaid or partly paid basis, unless such issue is approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1. In the event such issue is approved, capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in distributions.*

5.5.2 *In the event that the Manager issues Units on an unpaid or partly paid basis, the provisions of Clauses 5.5.3 and 5.5.4 shall apply.*

5.5.3 *Calls on Units*

(i) The Manager may from time to time make calls upon the Holders in respect of any moneys unpaid on their Units but subject always to the terms of issue of such Units. A call may be made payable by instalments.

(ii) Each Holder shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Trust at the time or times and place so specified the amount called on his Units. The Joint Holders of a Unit shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Manager may determine.

(iii) If a sum called in respect of a Unit is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10.0% per annum) as the Manager may determine but the Manager shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

(iv) Any sum which by the terms of issue of a Unit becomes payable upon allotment or at any fixed date shall for all the purposes of this Deed be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of this Deed as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

(v) The Manager may on the issue of Units differentiate between the holders as to the amount of calls to be paid and the times of payment.

(vi) The Manager may if it thinks fit receive from any Holder willing to advance the same, all or any part of the moneys uncalled and unpaid upon the Units held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the Units in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Trust may pay interest at such rate (not exceeding 8.0% per annum) as the Holder paying such sum and the Manager may agree. Capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in profits.

5.5.4 *Forfeiture and Lien*

(i) If a Holder fails to pay in full any call or instalment of a call on the due date for payment thereof, the Manager may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Trust by reason of such non-payment.

(ii) The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the Units on which the call has been made will be liable to be forfeited.

(iii) If the requirements of any such notice as aforesaid are not complied with, any Unit in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by the Manager. Such forfeiture shall include all distributions declared in respect of the forfeited Unit and not actually paid before forfeiture.

(iv) A Unit so forfeited shall become the property of the Trust and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Manager shall think fit and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Manager thinks fit. The Manager may, if necessary, authorise some person to transfer or effect the transfer of a forfeited Unit to any such other person as aforesaid.

(v) A Holder whose Units have been forfeited shall cease to be a holder in respect of the Units but shall notwithstanding the forfeiture remain liable to pay to the Trust all moneys which at the date of forfeiture were payable by him to the Trust in respect of the Units with interest thereon at 8.0% per annum (or such lower rate as the Manager may determine) from the date of forfeiture until payment and the Manager may at its absolute discretion enforce payment without any allowance for the value of the Units at that time of forfeiture or waive payment in whole or in part.

(vi) The Trust shall have a first and paramount lien on every Unit (not being a fully paid Unit) and distributions from time to time declared in respect of such Units provided that such lien shall be restricted to unpaid calls and instalments upon the specific Units in respect of which such moneys are due and unpaid, and to such amounts as the Trust may be called upon by law to pay in respect of the Units of the holder or deceased holder. The Manager may waive any lien which has arisen and may resolve that any Unit shall for some limited period be exempt wholly or partially from the provisions of this Clause.

(vii) The Trust may sell in such manner as the Manager thinks fit any Unit on which the Trust has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the Unit or the person entitled thereto by reason of his death or bankruptcy.

(viii) The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the Units at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale the Manager may authorise some person to transfer or effect the transfer of the Units sold to the purchaser.

(ix) A statutory declaration in writing that the declarant is a director or secretary of the Manager and that a Unit has been duly forfeited or sold to satisfy a lien of the Trust on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Unit. Such declaration and the receipt of the Trust for the consideration (if any) given for the Unit on the sale, re-allotment or disposal thereof together (where the same be required) with the confirmation note delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the Unit and the Unit shall be registered in the name of the person to whom the Unit is sold, re-allotted or disposed of or, where such person is a Depositor, the Manager shall procure that his name be entered in the Depository Register in respect of the Unit so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the Unit be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the Unit.

5.6 Units Issued to Persons Resident Outside Singapore

If a Unit is to be issued to a person resident outside Singapore, the Manager shall be entitled to charge an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if such person had been resident in Singapore. In relation to any rights issue or (as the case may be) any preferential offering, the Manager may in its absolute discretion elect not to extend an offer of Units under the rights issue or preferential offering to those Holders whose addresses are outside Singapore. In the case of a rights issue, the provisional allocations of Units of such Holders may be offered for sale by the Manager (as the nominee and authorised agent of each such relevant Holder) in such manner and at such price as the Manager may determine. Where necessary, the Trustee shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale if successful will be paid to the relevant Holders PROVIDED THAT, where the proceeds payable to any single Holder is less than S$10, the Manager shall be entitled to retain such proceeds as part of the Deposited Property.

5.7 Updating of Securities Account

For so long as the Trust is Listed, the Manager shall cause the Depository to effect the book entry of Units issued to a Holder into such Holder's Securities Account no later than the tenth Business Day after the date on which those Units are agreed to be issued by the Manager.

5.8 Selling Price of Manager's Units

For so long as the Trust is Unlisted, each Unit of which the Manager is or is deemed to be the Holder may be sold or offered for sale by the Manager at a price equal to the total of the Current Unit Value of that Unit on the day of the sale or offer, the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

5.9 Discounts

In the event a Preliminary Charge is imposed on the issue of Units where the Trust is Unlisted, the Manager may on any day differentiate between applicants as to the amount of the Preliminary Charge to be imposed (within the permitted limit) on the Issue Price of Units issued to them respectively and likewise the Manager may on any day on the issue of Units allow any person or persons applying for larger numbers of Units than others a discount or discounts on the Issue Price of their Units on such basis or on such scale as the Manager may think fit (PROVIDED THAT no such discount shall exceed the Preliminary Charge included in the Issue Price of the Units concerned) and in any such case, the amount of such Preliminary Charge to be deducted from the proceeds of issue of such Units shall be reduced by the amount of the discount and accordingly the discount shall be borne by the Manager. Besides the number of Units purchased, the bases on which the Manager may differentiate between applicants as to the amount of the Preliminary Charge to be included in the Issue Price of their Units depends on several other factors, including but not limited to, the performance of and the marketing strategy adopted by the Manager for the Trust.

5.10 Statement of Dealings

The Manager shall furnish to the Trustee from time to time on demand a statement of all issues of Units and of the terms on which the same are issued and of any Investments which it determines to direct to be purchased for account of the Trust, and also a statement of any

Investments which in accordance with the powers hereinafter contained it determines to direct to be sold for account of the Trust, and any other information which may be necessary so that the Trustee may be in a position to ascertain at any moment the Net Asset Value of the Deposited Property. The Trustee shall be entitled to require that the Manager refuse to issue a Unit if at any time the Trustee is of the opinion that the provisions of this Clause 5 in regard to the issue of Units are being infringed; but nothing in this Clause 5.10 or elsewhere in this Deed contained shall impose upon the Trustee any responsibility for satisfying itself before issuing Units that the Manager has complied with the conditions of this Clause 5.

5.11 Suspension of Issue

The Manager or the Trustee may, with the prior written approval of the other and, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange while the Trust is Listed, suspend the issue of Units during any of the following events:

5.11.1 *any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;*

5.11.2 *the existence of any state of affairs which, in the opinion of the Manager or (as the case may be) the Trustee might seriously prejudice the interests of the Holders as a whole or of the Deposited Property;*

5.11.3 *any breakdown in the means of communication normally employed in determining the price of any Investments or (if relevant) the current price thereof on the SGX-ST or any other relevant Recognised Stock Exchange or when for any reason the prices of any Investments cannot be promptly and accurately ascertained;*

5.11.4 *any period when remittance of money which will or may be involved in the realisation of any Investments or in the payment for any Investments cannot, in the opinion of the Manager, be carried out at normal rates of exchange;*

5.11.5 *any period where the issuance of Units is suspended pursuant to any order or direction issued by the Authority;*

5.11.6 *in relation to any general meeting of the Holders, any 72 hour period before such general meeting or any adjournment thereof; or*

5.11.7 *when the business operations of the Manager or the Trustee in relation to the operation of the Trust are substantially interrupted or closed as a result of, or arising from, pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.*

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 5.11 shall exist upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee. In the event of any suspension while the Trust is Listed, the Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST or the relevant Recognised Stock Exchange.

7. Repurchase and Redemption of Units by Manager

7.1 Repurchase and Redemption Restrictions when Trust is Unlisted

When the Trust is Unlisted, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Holder has no right to request for the repurchase or redemption of Units more than once a year. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Unlisted and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.1.

7.2 Repurchase and Redemption Restrictions when Trust is Listed

The Manager is not obliged to repurchase or cause the redemption of Units so long as the Trust is Listed. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Listed and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.2. In the event the Manager decides to repurchase or cause the redemption of Units, such repurchase or redemption must comply with the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix. The Manager may, subject to the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix, suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to Clause 5.11.

7.3 Repurchase Price

For the purposes of Clauses 7.1 and 7.2, the Repurchase Price shall be:

7.3.1 *in respect of the repurchase or redemption of Units prior to the Listing Date, an amount determined by the Manager in its absolute discretion. Such amount may be less than, equal to or more than the Current Unit Value of the relevant Units on the day the Manager's offer to repurchase or cause the redemption of Units is accepted; and*

7.3.2 *in respect of the repurchase or redemption of Units after the Listing Date (whether or not the Trust is Listed or has been Unlisted at the time the Manager's offer to repurchase or redeem Units is made), the Current Unit Value of the relevant Units on the day the request is accepted by the Manager less the Repurchase Charge and less an amount to adjust the resultant total downwards to the nearest whole cent.*

The Repurchase Charge shall be retained by the Manager for its own benefit and the adjustment shall be retained as part of the Deposited Property. The Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Units to be repurchased by the Manager from them respectively. The bases on which the Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Units and Holders who have opted for a distribution reinvestment arrangement. Once a request for repurchase or redemption is given, it cannot be revoked without the consent of the Manager. The Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the repurchase or redemption of Units during any period when the issue of Units is suspended pursuant to Clause 5.11.

7.4 Repurchase or Redemption Options of Manager

In the event the Manager decides to make any offer to repurchase or redeem Units, the Manager shall have the following options:

7.4.1 *to effect a repurchase out of its own funds (upon which repurchase the Manager shall be entitled to the Units concerned and to the benefit of the Units concerned);*

7.4.2 *to procure some other person to purchase the Units and such purchase shall be deemed to be a repurchase by the Manager within the meaning of this Clause 7; or*

7.4.3 *PROVIDED THAT there is sufficient Cash in the Trust, to request and cause the Trustee to redeem the Units out of the assets of the Trust by paying from the Deposited Property a sum sufficient to satisfy the Repurchase Price and the Repurchase Charge (if any) of the Units. The Trustee shall only comply if, in the opinion of the Trustee, sufficient Cash would be retained in the Deposited Property after the release of Cash necessary to comply with the redemption notice to meet other liabilities of the Trust, including but without limiting the generality thereof, the Property Expenses and the remuneration due to the Trustee and the Manager under this Deed. Should the Trustee advise the Manager that, in the opinion of the Trustee, sufficient Cash would not be retained in the Deposited Property to meet other liabilities of the Trust if the Trustee were to release the funds necessary to comply with any redemption notice, then the Manager may, at its absolute discretion, request the Trustee to sell, mortgage or otherwise deal with the Investments or borrow or enter into financing arrangements to raise sufficient Cash to redeem the Units pursuant to this Clause 7.4.3.*

7.5 Amendments to Register

Upon delivery to the Trustee of a written statement signed by or on behalf of the Manager that all the Units or a specified number of Units held by a Holder have been repurchased by the Manager or have been purchased by another person or have been redeemed, the Trustee shall remove or procure the removal of the name of the Holder from the Register in respect of all or (as the case may be) such number of Units.

7.6 Redeemed Units are Cancelled

Units which are redeemed shall thereupon be cancelled and shall not thereafter be reissued but this Clause 7.6 shall not limit or restrict the right of the Manager to cause the creation and/or issue of further or other Units."

THE RIGHTS OF SABANA UNITHOLDERS IN RESPECT OF DISTRIBUTIONS

*"**11. Distributions***

11.1 Distribution of Income

For so long as the Trust is Unlisted, and subject to this Clause 11, the Manager may at its discretion declare distributions of Income to Holders at such other intervals as the Manager shall decide in its absolute discretion.

For so long as the Trust is Listed, and subject to this Clause 11, the Manager shall make regular distributions of all (or such lower percentage as determined by the Manager in its absolute discretion) of:

11.1.1 *the Net Taxable Income (excluding gains from sale of Authorised Investments determined by the IRAS to be trading gains); and*

11.1.2 *the Net Tax-Exempt Income,*

to Holders at quarterly, half-yearly or yearly intervals or at such other intervals as the Manager shall decide in its absolute discretion.

11.2 Manager to Collect

The Manager must collect and pay to the Trustee and the Trustee must receive all moneys, rights and property paid or receivable in respect of the Trust.

11.3 Determination of Income and Reserves

The Manager (acting after consulting the Auditors) is to determine whether any item is income in nature or capital in nature and the extent to which reserves or provisions need to be made. If the Manager determines any item to be capital, the Manager may apply it to any item in the balance sheet of the Trust including, without limitation, Holders' funds and Investments. This Clause 11.3 applies to distributions and to books of account.

11.4 Frequency of Distribution of Income

For so long as the Trust is Unlisted, the Manager shall have the discretion to determine the frequency of each distribution of Income.

For so long as the Trust is Listed, the Manager will endeavour to ensure that for each Financial Year there is at least one distribution and the last distribution covers the period up to the last day of the Financial Year.

For each Distribution Period the Manager will calculate, and the Trustee will distribute, each Holder's Distribution Entitlement, in accordance with the provisions of this Clause 11.

11.5 Distribution Entitlement

11.5.1 *"**Distribution Amount**" for a Distribution Period is to be determined in accordance with the following formula:*

DA = NTI + I + E + C

Where:

"DA" *is the Distribution Amount;*

"NTI" *(for any Distribution Period where the Trust is Unlisted) is the Net Taxable Income determined by the Manager; and*

(for any Distribution Period where the Trust is Listed) is the Net Taxable Income for the Distribution Period determined by the Manager less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee;

"I" *(for any Distribution Period where the Trust is Unlisted) is so much of the amount (which may be a negative amount) by which Net Taxable Income as agreed between the Manager and the IRAS for any Distribution Period preceding the Distribution Period for which the Distribution Amount is being calculated, exceeds or is less than the Net Taxable Income for that preceding Distribution Period distributed pursuant to this Clause as NTI, but so that the amount is only taken into account in determining the Distribution Amount for the Distribution Period prior to the Listing Date and in which the agreement between the IRAS and the Manager is reached; and*

(for any Distribution Period where the Trust is Listed) is so much of the amount (which may be a negative amount) by which Net Taxable Income as agreed between the Manager and the IRAS for any Financial Year preceding the Financial Year in which the Distribution Period occurs (less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee), exceeds or is less than the Net Taxable Income for that preceding Financial Year distributed pursuant to this Clause 11 as NTI but so that the amount is only taken into account in determining the Distribution Amount for the Distribution Period in which the agreement between the IRAS and the Manager is reached;

"E" *is any amount of Net Tax-Exempt Income which the Manager has determined is to be distributed; and*

"C" *is any additional amount (including capital), which may be a negative amount, which the Manager has determined is to be distributed or if thought fit by the Manager, to be transferred to or from an undistributed income reserve account.*

11.5.2 *Each Holder's Distribution Entitlement is to be determined in accordance with the following formula:*

$$DE = DA \quad X \quad \frac{UH}{UI}$$

where:

"DE" *is the Distribution Entitlement;*

"DA" *is the Distribution Amount;*

"UH" *is the number of Units held by the Holder, at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent he is entitled to participate in the Distribution Amount; and*

"UI" *is the number of Units in issue in the Trust at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent the Holder is entitled to participate in the Distribution Amount.*

11.6 Distribution of Entitlement

11.6.1 *The Trustee must in respect of each Distribution Period pay to each Holder, his Distribution Entitlement on or before the Distribution Date for the Distribution Period.*

11.6.2 *For the purpose of identifying the persons who are entitled to the Distribution Entitlement for a Distribution Period, the persons who are Holders on the Record Date for that Distribution Period have an absolute, vested and indefeasible interest in the Income of that Distribution Period.*

11.6.3 *The Manager and the Trustee must deduct from each Holder's Distribution Entitlement all amounts which:*

(i) are necessary to avoid distributing a fraction of a cent;

(ii) the Manager determines not to be practical to distribute on a Distribution Date;

(iii) equal any amount of Tax which has been paid or which the Manager determines is or may be payable by the Trustee or the Manager in respect of the portion of the income of the Trust attributable to such Holder or the amount of the distribution otherwise distributable to such Holder;

(iv) are required to be deducted by law, the Tax Ruling or this Deed; or

(v) are payable by the Holder to the Trustee or the Manager.

11.6.4 *The Manager must direct the Trustee as to how any sum so retained is to be applied and/or paid.*

11.7 Holder Notification

Each Holder must as and when required by the Manager, provide such information as to his place of residence for taxation purposes as the Manager may from time to time determine.

11.8 Composition of Distribution

Following the end of each Financial Year, the Manager must notify each Holder of:

11.8.1 *the extent to which a distribution under this Clause 11 is composed of, and the types of, income and capital; and*

11.8.2 *any amounts deducted under Clauses 11.6.3(iii) and 11.6.3(iv).*

11.9 Tax Declaration Forms and Tax Distribution Vouchers

11.9.1 *The Manager shall where necessary in respect of each Distribution Period before the Distribution Amounts are paid out send to each Holder, a tax declaration form for the purpose of each Holder declaring his tax status. The Manager and the Trustee may rely on any representation made by a Holder as to his tax status made on each relevant tax declaration form returned to the Manager (or its agent) or the Trustee to determine whether or not to deduct Tax from the Distribution Amount. If a Holder fails to make any such declaration in time for a distribution, the Manager and the Trustee shall proceed to deduct the appropriate amount of Tax from the Distribution Amount due to that Holder.*

11.9.2 *On a distribution having been made, the Trustee shall where necessary issue to each Holder a tax distribution voucher prepared by the Manager in a form approved by the Trustee and the IRAS. In the case of any distribution made on termination of the Trust, each tax distribution voucher shall show what proportion of the distribution represents capital, what proportion represents income exempt from Singapore income tax or income subject to Singapore income tax and what proportion represents the portion of any tax payable by the Trustee on income and gains attributable to the Holders.*

11.10 Categories and Sources of Income

11.10.1 *For any category or source of income the Manager may keep separate accounts and allocate the income from any category or source to any Holder.*

11.10.2 *The Manager may cause the distribution of any amount recorded in an account or record kept pursuant to Clause 11.10.1 before the distribution of any other amount.*

11.11 Distribution Policy

The Manager and the Trustee acknowledge that subject to Clause 11.1, the Trust's distribution policy for so long as the Trust is Listed is to distribute as much of its income as practicable.

11.12 Distribution Reinvestment Arrangements

The Manager may advise Holders, from time to time in writing that Holders, may, on terms as permitted by the Property Funds Appendix, the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and all other Relevant Laws, Regulations and Guidelines and as specified in the notice, participate in an arrangement under which Holders may request that all or a proportion of specified distributions due to them be applied to the issue of further Units PROVIDED THAT the Issue Price for any such Units to be issued shall be the Issue Price determined in accordance with Clause 5.3 if the Units are Listed and Clause 5.4 if the Units are Unlisted. The Units so issued shall be deemed to be purchased by such Holders. The Manager shall be entitled to amend the terms of any such distribution reinvestment arrangements from time to time by notice in writing to Holders.

11.13 Capitalisation of Undistributed Distribution Amount

For so long as the Trust is Unlisted, the Manager, with the agreement of all Holders, may elect not to distribute in accordance with Clause 11.4 and in lieu of such distribution capitalise the undistributed Distribution Amount.

11.14 Distribution of Capital and Unrealised Gains

The Manager may with the consent of the Trustee (which consent shall not be unreasonably withheld) cause the distribution of an amount which represents:

11.14.1 *part of the capital of the Trust and which the Manager reasonably determines to be in excess of the financial needs of the Trust; or*

11.14.2 *part or all of the unrealised gains due to the increase in the capital value of the Real Estate held by the Trust arising from asset enhancement.*

12. Place and Conditions of Payment

12.1 Place and Conditions of Payment

Any moneys payable by the Trustee to any Holder on the relevant Record Date under the provisions of this Deed shall be paid in the case of Holders who do not hold their Units jointly with any other person, by cheque or warrant sent through the post to the registered address of such Holder or, in the case of Joint Holders, to the registered address of the Joint Holder who is first named in the Register or to the registered address of any other of the Joint Holders as may be authorised by all of them. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the moneys payable and shall be a good discharge to the Trustee. Where the Trustee receives the necessary authority in such form as the Trustee shall consider sufficient, the Trustee shall pay the amount due to any Holder to his bankers or other agent and the receipt of such an amount by such bankers or other agent shall be a good discharge therefor.

Any moneys payable by the Trustee to any Depositor appearing in the Depository Register on the relevant Record Date under the provisions of this Deed shall be paid, in the case of such Depositor's Units credited into a Securities Account, by transferring such moneys into the Depository's bank account (as notified to the Manager and the Trustee) and by the Trustee causing the Depository to make payment thereof to such Depositor by cheque sent through the post to the address of such Depositor on record with the Depository or, in the case of Joint Depositors, to the registered address of the Joint Depositors on record with the Depository or by any other form as may be agreed between the Manager and the Depository. Payment of the moneys by the Trustee to the Depository shall be a satisfaction of the moneys payable to the relevant Depositor and shall be a good discharge to the Trustee. Any charges payable to the Depository for the distribution of moneys to Depositors under this Deed shall be borne out of the Deposited Property.

No amount payable to any Holder or Depositor shall bear interest or earn any profit or income.

12.2 Deductions

Before any payment is made to a Holder, there shall be deducted such amounts as any law of Singapore or any law of any other country in which such payment is made may require or allow in respect of any income or other taxes, charges or assessments whatsoever and there may also be deducted the amount of any stamp duties or other government taxes or charges payable by the Manager or (as the case may be) the Trustee for which the Manager or (as the case may be) the Trustee may be made liable in respect of or in connection therewith.

Neither the Manager or the Trustee shall be liable to account to a Holder for any payment made or suffered to be made by the Manager or (as the case may be) the Trustee in good faith and in the absence of fraud, gross negligence, wilful default, a breach of this Deed or a breach of trust (in the case of the Trustee) to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under this Deed notwithstanding that any such payments ought not to be, or need not have been, made or suffered to be made.

12.3 Receipt of Holders

The receipt of the Holder or (as the case may be) the Depository on behalf of the Depositors, for any amounts payable in respect of Units shall be a good discharge to the Manager or (as the case may be) the Trustee and if several persons are registered as Joint Holders or, in consequence of the death of a Holder, are entitled to be so registered, any one of them may give effectual receipts for any such amounts.

12.4 Unclaimed Moneys

*Any moneys payable to a Holder under this Deed which remain unclaimed after a period of 12 months shall be accumulated in a special account (the "**Unclaimed Moneys Account**") from which the Trustee may, from time to time, make payments to a Holder claiming any such moneys. Subject to Clause 26, the Trustee shall cause such sums which represent moneys remaining in the Unclaimed Moneys Account for five years after the date for payment of such moneys into the Unclaimed Moneys Account and interest, if any, earned thereon to be paid into court after deducting from such sum all fees, costs and expenses incurred in relation to such payment into court PROVIDED THAT if the said moneys are insufficient to meet all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the Deposited Property."*

THE RIGHTS OF SABANA UNITHOLDERS IN RESPECT OF VOTING

"13. Voting Rights in Respect of the Deposited Property

13.1 Manager's Right to Determine How Voting Rights are Exercised

Except as otherwise expressly provided and subject to Clause 10.4 relating to Special Purpose Vehicles owned by the Trustee, all rights of voting conferred by any of the Deposited Property shall be exercised in such manner as the Manager may in writing direct and the Manager may refrain at its own discretion from the exercise of any voting rights and no Holder or (as the case may be) Depositor shall have any right to interfere or complain.

The Trustee shall, upon written request by and at the expense of the Manager from time to time, execute and deliver or cause to be executed or delivered to the Manager or its nominees such powers of attorney or proxies as the Manager may reasonably require, in such name or names as the Manager may request, authorising such attorneys and proxies to vote, consent or otherwise act in respect of all or any part of the Deposited Property.

The Manager shall be entitled to exercise the said rights in what the Manager may consider to be the best interests of the Holders or (as the case may be) the Depositors, but neither the Manager nor the Trustee shall be under any liability or responsibility in respect of the management of the Investment in question nor in respect of any vote, action or consent given or taken or not given or not taken by the Manager whether in person or by proxy, and neither the Trustee nor the Manager nor the holder of any such proxy or power of attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted to be done or approval voted or given or withheld by the Trustee or the Manager or by the holder of such proxy or power of attorney under this Deed; and the Trustee shall be under no obligation to anyone and shall not incur any liability with respect to any action taken or caused to be taken or omitted to be taken by the Manager or by any such proxy or attorney.

The Manager shall in respect of its having exercised or not having exercised any such right of voting, action or consent keep a written record of such exercise or non-exercise and shall at all reasonable times during Business Hours give the Trustee and any Holder or (as the case may be) any Depositor reasonable access to such record and allow the Trustee and any Holder or (as the case may be) any Depositor to inspect such record but neither the Trustee nor any Holder or (as the case may be) any Depositor shall be entitled to remove the same or to make any entries therein or alterations thereto, PROVIDED ALWAYS THAT if such record is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 13.1 may be satisfied by the production of legible evidence of the contents of such record.

13.2 Construction of Voting Rights

*The phrase "**rights of voting**" or the word "**vote**" used in this Clause 13 shall be deemed to include not only a vote at a meeting but any consent to or approval of any arrangement, scheme or resolution or any alteration in or abandonment of any rights attaching to any part of the Deposited Property and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.*

30. Meetings of Holders

The provisions set out in Schedule 1 relating to meetings of Holders shall have effect as if the same were included herein.

Schedule 1

MEETINGS OF HOLDERS

1. *A general meeting to be called the "Annual General Meeting" shall, in addition to any other meeting of Holders, be held once in every calendar year and not more than 15 months after the holding of the last preceding Annual General Meeting, but so long as the Trust holds its first Annual General Meeting within 18 months of its constitution, the Trust need not hold it in the year of its constitution or in the following year. Save as set out above and in Clause 21, all Annual General Meetings may be held at such time and place as may be determined by the Trustee and the Manager. All other general meetings shall be called Extraordinary General Meetings.*

2. *The Trustee or the Manager (and the Manager shall at the request in writing of not less than 50 Holders or Holders representing not less than 10.0% of the issued Units of the Trust) may at any time convene a meeting of Holders at such time and place (subject as hereinafter provided) as may be thought fit and the following provisions of this Schedule shall apply thereto. Any such meeting convened shall be held in Singapore.*

3. *For so long as the Trust is Unlisted, the Manager or (being a Holder) any Associate thereof shall be entitled to receive notice of and attend at any such meeting and shall be entitled to vote or be counted in the quorum thereof at a meeting convened to consider a matter in respect of which the Manager or any Associate has a material interest.*

4. *For so long as the Trust is Listed, the Manager or (being a Holder), the controlling shareholders (as defined in the Listing Rules) of the Manager and any Associate thereof shall be entitled to receive notice of and attend at any such meeting but shall subject to paragraph 5(ii) of this Schedule, not be entitled to vote or be counted in the quorum thereof at a meeting convened to consider a matter in respect of which the relevant controlling shareholders of the Manager or any Associate has a material interest (including, for the avoidance of doubt, interested person transactions (as defined in the Listing Rules and/or the listing rules of other relevant Recognised Stock Exchange) and interested party transactions (as defined in the Property Funds Appendix) and accordingly for the purposes of the following provisions of this Schedule, Units held or deemed to be held by the Manager*

or any Associate shall not be regarded as being in issue under such circumstances. Any director, the secretary and any solicitor of the Manager, the Trustee and directors and any authorised official and any solicitor of the Trustee shall be entitled to attend and be heard at any such meeting.

5. A meeting of Holders duly convened and held in accordance with the provisions of this Schedule shall be competent by:

(i) Extraordinary Resolution to:

(a) sanction any modification, alteration or addition to the provisions of this Deed which shall be agreed by the Trustee and the Manager as provided in Clause 28 of this Deed;

(b) sanction a supplemental deed (including an amending and restating deed) increasing the maximum permitted limit or any change in the structure of the Management Fee (including the Base Fee and the Performance Fee), the Acquisition Fee, the Divestment Fee and the Trustee's remuneration as provided in Clause 15 of this Deed;

(c) remove the Auditors and appoint other Auditors in their place as provided in Clause 22.3 of this Deed;

(d) remove the Trustee as provided in Clause 23.3.4 of this Deed;

(e) direct the Trustee to take any action pursuant to Section 295 of the Securities and Futures Act (relating to the winding up of the Trust);

(f) delist the Trust after it has been Listed as provided in Clause 9.2 of this Deed; and

(g) issue Units on an unpaid or partly paid basis pursuant to Clause 5.5 of this Deed; and

(ii) a resolution duly proposed and passed as such by a simple majority of Holders present and voting at a general meeting, with no Holder being disenfranchised, to remove the Manager as provided in Clause 24.1.4 of this Deed,

and shall have such further or other powers under such terms and conditions as may be determined by the Manager with the prior written approval of the Trustee. Any decision to be made by resolution of the Holders other than those specified in this paragraph 5(i) to (ii), shall be made by Ordinary Resolution, unless an Extraordinary Resolution is required by the Securities and Futures Act, the Code or the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange.

5.1 Subject to paragraphs 5.2 and 5.3 below, at least 2 days' notice (in the case of Holders' meetings where the Trust is Unlisted) or 14 days' notice (in the case of Holders' meetings to pass an Ordinary Resolution where the Trust is Listed) or 21 days' notice (in the case of Holders' meetings to pass an Extraordinary Resolution where the Trust is Listed) (not inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Holders in manner provided in this Deed. The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed. For as long as the Trust is Listed, at least 14 days' notice of every such meeting shall be given by advertisement in the daily press and in writing to each stock exchange on which the Trust is listed. A copy of the notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee. Any accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting.

5.2 Notwithstanding the provisions of paragraph 5.1 above, a meeting of Holders convened by the Trustee for the purposes of the winding up of the Trust pursuant to the Securities and Futures Act shall comply with the relevant requirements of the Securities and Futures Act.

5.3 Notwithstanding anything to the contrary in this Deed, in the event that a notice of a general meeting of Holders has been given to Holders and such meeting is required to be postponed or cancelled pursuant to or can no longer be held in accordance with the Relevant Laws, Regulations and Guidelines or any changes thereto, the Manager may postpone or cancel such general meeting by giving a notice to Holders of such postponement or cancellation via an announcement on the SGXNet, subject to compliance with the Relevant Laws, Regulations and Guidelines (including the provision of any other notice as may be prescribed in any waiver, exemption or other direction issued by the relevant authorities or any conditions pursuant to such waiver, exemption or direction). Notice of the date and time of the postponed meeting, when fixed, shall be given to Holders in accordance with the Listing Rules and the provisions in this Deed concerning notices of general meetings.

6. Where there is more than one Holder, the quorum shall be not less than two Holders (whether present in person or by proxy) together holding or representing one-tenth in value of all the Units for the time being in issue. Where there is only one Holder, that Holder shall constitute the quorum. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

7. If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to such day and time being not less than 15 days thereafter and to such place as shall be determined for the purpose by the Chairman of the meeting. Notice of the adjourned meeting shall be given in the same manner as for an original meeting. Such notice shall state that the Holders present at the adjourned meeting whatever their number and the value of the Units held by them will form a quorum thereat. At any such adjourned meeting the Holders present in person or by proxy thereat shall be a quorum.

8. A person nominated in writing by the Trustee shall preside at every meeting and if no such person is nominated or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting, the Holders present shall choose one of their number to be Chairman.

9. The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

10. At any meeting a resolution put to the vote of the meeting shall, subject to the requirements of the prevailing applicable law or regulations, be decided on a poll. A Holder shall not be entitled to vote unless all calls or other sums personally payable by him in respect of Units have been paid.

11. A poll shall be taken in such manner as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was conducted.

12. A poll shall be taken at such time and place as the Chairman directs. The Chairman shall, subject to the requirements of the prevailing applicable laws or regulations, appoint at least one scrutineer and may (and if so directed by the meeting shall) adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

13. On a poll every Holder who is present in person or by proxy shall have one vote for every Unit of which he is the Holder. A person entitled to more than one vote need not use all his votes or cast them the same way.

14. In the case of Joint Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other Joint Holders and for this purpose seniority shall be determined by the order in which the names stand in the Register, the first being the senior.

15. On a poll, votes may be given either personally or by proxy.

16. The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised.

17. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee or the Manager with the approval of the Trustee may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Manager not less than 72 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Holder.

18. An instrument of proxy may be in the usual common form or in any other form which the Trustee shall approve.

19. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Units in respect of which the proxy is given Provided That no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the registered office of the Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.

20. Notwithstanding anything in this Deed, where a Holder is a Relevant Intermediary, the Holder may appoint more than two proxies to exercise all or any of its rights to attend, speak and vote at every meeting, provided that each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (which number of Units and Class shall be specified).

21. Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Manager at the expense of the Manager and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be conclusive evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.

22. A resolution in writing signed by or on behalf of all the Holders for the time being entitled to receive notice of any meeting of Holders shall be as valid and effectual as a resolution (including an Extraordinary Resolution) passed at a meeting of those Holders duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by or on behalf of one or more of the Holders concerned.

23. For the purpose of this Deed, an Extraordinary Resolution means a resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager and an Ordinary Resolution means a resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager.

An Extraordinary Resolution or (as the case may be) an Ordinary Resolution shall be binding on all Holders whether or not present at the relevant meeting and each of the Holders and the Trustee and the Manager shall, subject to the provision relating to indemnity in this Deed, be bound to give effect thereto accordingly.

24. A corporation, being a Holder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Holders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

25. For the purposes of determining the number of Units held in respect of Units registered in the name of the Depository and the number of votes which a particular Holder may cast in respect of such Units, each of the Trustee and the Manager shall be entitled and bound to accept as accurate the number of Units credited into the Securities Account(s) of the relevant Depositor as shown in the records of the Depository as at a time not earlier than 72 hours prior to the time of the relevant meeting, supplied by the Depository to the Trustee, and to accept as the maximum number of votes which in aggregate that Depositor and his proxy(ies) (if any) are able to cast on a poll a number which is the number of Units credited into the Securities Account(s) of the relevant Depositor, as shown in the aforementioned records of the Depository, whether that number is greater or smaller than that specified by the Depositor or in the instrument of proxy. Neither the Trustee nor the Manager shall under any circumstances be responsible for, or liable to any person as a result of it, acting upon or relying on the aforementioned records of the Depository.

26. Notwithstanding anything in this Deed, where a corporation is beneficially entitled to all the Units in issue and a minute is signed by a duly authorised representative of the corporation stating that any act, matter, or thing, or any Ordinary Resolution or Extraordinary Resolution, required by this Deed to be made, performed, or passed by or at a meeting of Holders has been made, performed, or passed, that act, matter, thing, or resolution shall, for all purposes, be deemed to have been duly made, performed, or passed by or at a meeting of Holders duly convened and at which a quorum is formed. For the avoidance of doubt, paragraph 8 of this Schedule need not be complied with when any act, matter, thing, or resolution is be deemed to have been duly made, performed, or passed by or at a duly convened meeting of Holders by virtue of this paragraph 26.

27. Notwithstanding anything in this Deed, Holders who have used their CPF monies to subscribe or purchase Units through the CPF Investment Scheme are allowed to attend any general meetings as observers, PROVIDED THAT such Holders have submitted their requests to attend the general meeting through their CPF agent banks."

APPENDIX I — UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SABANA GROUP FOR 1H2020

SABANA
SHARI'AH COMPLIANT REIT

(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.)

SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR HALF YEAR FROM 1 JANUARY 2020 TO 30 JUNE 2020

INTRODUCTION

Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana Shari'ah Compliant REIT**" or "**Trust**") is a real estate investment trust constituted on 29 October 2010 (as amended) under the laws of Singapore by the Trust Deed entered between Sabana Real Estate Investment Management Pte. Ltd. as the manager (the "**Manager**") and HSBC Institutional Trust Services (Singapore) Limited as the trustee (the "**Trustee**") of Sabana Shari'ah Compliant REIT.

The portfolio of Sabana Shari'ah Compliant REIT as at the reporting date comprises 18 industrial properties located across Singapore. The properties are:

1. 151 Lorong Chuan, New Tech Park, Singapore 556741
2. 8 Commonwealth Lane, Singapore 149555
3. 15 Jalan Kilang Barat, Frontech Centre, Singapore 159357
4. 33 & 35 Penjuru Lane, Freight Links Express Logisticpark, Singapore 609200/609202
5. 18 Gul Drive, Singapore 629468
6. 1 Tuas Avenue 4, Singapore 639382
7. 34 Penjuru Lane, Penjuru Logistics Hub, Singapore 609201
8. 51 Penjuru Road, Freight Links Express Logisticentre, Singapore 609143
9. 26 Loyang Drive, Singapore 508970
10. 123 Genting Lane, Yenom Industrial Building, Singapore 349574
11. 30 & 32 Tuas Avenue 8, Singapore 639246/639247
12. 3A Joo Koon Circle, Singapore 629033
13. 2 Toh Tuck Link, Singapore 596225
14. 21 Joo Koon Crescent, Singapore 629026
15. 39 Ubi Road 1, Singapore 408695
16. 23 Serangoon North Avenue 5, BTC Centre, Singapore 554530
17. 508 Chai Chee Lane, Singapore 469032
18. 10 Changi South Street 2, Singapore 486596

In April 2020, Sabana Shari'ah Compliant REIT obtained a new secured 3-year term S$30.0 million facility to be used for general working capital, capital expenditures and other asset enhancement initiatives.

The financial information of Sabana Shari'ah Compliant REIT and its subsidiary ("**Sabana Group**" or "**Group**") for the half year ended 30 June 2020 ("**1H 2020**") and the comparative period ("**1H 2019**") as set out in this announcement have been extracted from the interim financial information for the period from 1 January 2020 to 30 June 2020 which has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

SUMMARY OF RESULTS FOR SABANA GROUP

	Group		
	Half Year		Fav / (Unfav)
	1H 2020	1H 2019	
	S$'000	S$'000	%
Gross revenue	**34,263**	**36,729**	**(6.7)**
Net property income	**20,862**	**24,693**	**(15.5)**
Total amount available for distribution to Unitholders for the period	**11,077**	**14,451**[(b)]	**(23.3)**
Total distribution amount declared to Unitholders for the period	**4,985**[(c)]	**14,451**[(b)]	**(65.5)**
Amount available for distribution per unit (cents)	**1.05**	**1.37**[(b)]	**(23.4)**
Distribution per unit ("DPU") (cents) [(a)]	**0.47**[(c)]	**1.37**[(b)]	**(65.7)**

Note:

(a) Please refer to Item 6 on Page 12 for the DPU computation.

(b) Distribution includes approximately S$1.24 million or 0.12 cents of capital gains arising from the divestment of properties.

(c) In view of the still-evolving COVID-19 situation, the Manager made the decision to temporarily retain 55.0% of its 1H 2020 distributable income to conserve capital, which will be paid out at a later date.

Had this amount been included, DPU would be 1.05 cents.

1 (a)(i) Statement of Total Return and Distribution Statement (1H 2020 vs 1H 2019)

Statements of Total Return	Group		
	Half Year		Fav / (Unfav)
	1H 2020	1H 2019	
	S$'000	S$'000	%
Gross revenue [a]	34,263	36,729	(6.7)
Property expenses [b]	(13,401)	(12,036)	(11.3)
Net property income	**20,862**	**24,693**	**(15.5)**
Finance income	36	204	(82.4)
Finance costs	(5,537)	(6,702)	17.4
Finance costs relating to lease liabilities	(1,669)	(1,682)	0.8
Net finance costs [c]	**(7,170)**	**(8,180)**	**12.3**
Manager's fees	(2,167)	(2,259)	4.1
Trustee's fees	(177)	(182)	2.7
Donation of non-Shari'ah compliant income [d]	(1)	(4)	75.0
Other trust expenses	(455)	(633)	28.1
Net income	**10,892**	**13,435**	**(18.9)**
Net change in fair value of financial derivatives [e]	(3,960)	(298)	n.m
Net change in fair value of investment properties [f]	(54,712)	(9,934)	(450.8)
Loss on divestment of investment property [g]	-	(773)	n.m
Total (loss)/return for the period before taxation	**(47,780)**	**2,430**	**n.m**
Tax expense [h]	*	*	-
Total (loss)/return for the period after taxation	**(47,780)**	**2,430**	**n.m**

Distribution Statements	Group		
	Half Year		Fav / (Unfav)
	1H 2020	1H 2019	
	S$'000	S$'000	%
Total (loss)/return for the period after taxation	**(47,780)**	**2,430**	**n.m**
Non-tax deductible/(chargeable) items:			
Amortisation of transaction costs [i]	372	714	(47.9)
Trustee's fees	177	182	(2.7)
Donation of non-Shari'ah compliant income	1	4	(75.0)
Net change in fair value of financial derivatives	3,960	298	n.m
Net change in fair value of investment properties	54,712	9,934	450.8
Loss on divestment of investment property	-	773	n.m
Effects of recognising rental income on a straight line basis over the lease term	249	(540)	146.1
Finance costs relating to lease liabilities	1,669	1,682	(0.8)
Land rent expenses	(2,400)	(2,376)	(1.0)
Other items	117	107	9.3
Net effect of non-tax deductible for the period	**58,857**	**10,778**	**446.1**
Income available for distribution to Unitholders for the period	**11,077**	**13,208**	**(16.1)**
Capital gains	-	1,243	n.m
Total amount available for distribution to Unitholders for the period	**11,077**	**14,451**	**(23.3)**
Total distribution amount declared to Unitholders for the period [j]	**4,985**	**14,451**	**(65.5)**

n.m denotes "not meaningful"
* Less than S$1,000

Notes:

(a) Gross revenue comprises rental and other operating income from the properties.

(b) Property expenses comprise:

(i) service, repairs, maintenance and insurances;
(ii) property and lease management fees;
(iii) applicable property tax and utilities expenses;
(iv) marketing and lease administrative expenses;
(v) other reimbursable expenses payable to the Property Manager; and
(vi) allowance for impairment losses on trade receivables.

(c) Included in net finance costs are the following:

	Group		
	Half Year		Fav / (Unfav)
	1H 2020	1H 2019	
	S$'000	S$'000	%
Finance income:			
- Finance income from fixed deposits	6	187	(96.8)
- Ta'widh (compensation on late payment of rent)	30	17	76.5
	36	204	(82.4)
Finance costs:			
- Commodity Murabaha facilities	(2,115)	(2,531)	16.4
- Murabahah facilities	(1,899)	(1,912)	0.7
- Term loan facility	(478)	(604)	20.9
- Revolving loan facility	(21)	-	n.m
- Profit rate swaps	(586)	209	(380.4)
- Trust certificates	-	(1,083)	n.m
- Amortisation of transaction costs	(372)	(714)	47.9
- Brokerage and agent fees	(66)	(67)	1.5
	(5,537)	(6,702)	17.4
Finance costs relating to lease liabilities (k)	(1.669)	(1,682)	0.8
	(7,206)	(8,384)	14.1
Net finance costs	**(7,170)**	**(8,180)**	**12.3**

n.m denotes "not meaningful"
* Less than S$1,000

(d) This relates to the net income which was subjected to the cleansing process and was approved by the Independent Shari'ah Committee to be and donated to the following beneficiary:

1H 2020
- The Invictus Fund

1H 2019
- Brighthill Evergreen Home

(e) Net change in fair value of financial derivatives mainly relates to the change in the fair value of the profit rate swaps based on broker quotes recognised between the current and last reporting date. These items are non-tax deductible and have no impact on income available for distribution.

(f) Net change in fair value of the investment properties in 1H 2020 mainly relates to the revaluation movement based on the independent valuations of the properties undertaken by the independent valuers Cushman & Wakefield (S) Pte Ltd, Savills Valuation and Professional Services (S) Pte Ltd and SRE Global Pte Ltd ("**1H 2020 Independent Valuers**") as at 30 June 2020 and the adjustments in right-of-use ("**ROU**") assets in relation to the land leases with Jurong Town Council ("**JTC**") included in investment properties as at 30 June 2020, in accordance with FRS 116 Leases ("**FRS 116**").

Net change in fair value of the investment properties in 1H 2019 mainly relates to the revaluation movements based on the based on the independent valuations of the properties undertaken by the independent valuers Knight Frank Pt Ltd, Edmund Tie & Company (SEA) Pte Ltd and Suntec Real Estate Consultants Pte Ltd ("**2019 Independent Valuers**") as at 30 June 2019 and the adjustments in ROU assets in relation to the land leases with JTC included in investment properties as at 30 June 2019, in accordance with FRS 116.

These items are non-tax deductible and have no impact on income available for distribution.

(g) Loss on divestment of investment property in 1H 2019 relates to additional transaction related costs incurred in the divestment of 9 Tai Seng Drive.

These items are non-tax deductible and have no impact on income available for distribution.

(h) This pertains to the tax expense of subsidiary of the Trust.

(i) This represents the amortisation of upfront fees and legal fees pertaining to the Commodity Murabaha facilities, Murabahah facilities, Trust certificates, Term loan facility and Revolving loan facility. These items are non-tax deductible and have no impact on income available for distribution.

(j) The Trust's distribution policy is to distribute at least 90.0% of its distributable income to Unitholders. In view of the still-evolving COVID-19 situation, the Manager made the decision to temporarily retain 55.0% of its 1H 2020 distributable income to conserve capital, which will be paid out at a later date.

(k) This pertains to the finance cost on the lease liabilities in upon the adoption of FRS 116.

1 (b)(i) Statements of financial position, together with comparatives as at the end of the immediate preceding financial year

	Group			Trust		
Statements of Financial Position	30/06/20	31/12/19	Change	30/06/20	31/12/19	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Non-current assets						
Investment properties [(a)]	902,669	949,241	(4.9)	902,669	949,241	(4.9)
Subsidiary [(b)]	-	-	-	*	*	-
Total non-current assets	**902,669**	**949,241**	**(4.9)**	**902,669**	**949,241**	**(4.9)**
Current assets						
Investment properties held for divestment [(a)]	13,342	14,888	(10.4)	13,342	14,888	(10.4)
Trade and other receivables [(c)]	3,845	3,419	12.5	3,842	3,417	12.4
Cash and cash equivalents [(d)]	7,593	4,099	85.2	7,593	4,099	85.2
Total current assets	**24,780**	**22,406**	**10.6**	**24,777**	**22,404**	**10.6**
Total assets	**927,449**	**971,647**	**(4.5)**	**927,446**	**971,645**	**(4.5)**
Current liabilities						
Trade and other payables [(e)]	14,775	14,992	(1.4)	14,782	14,999	(1.4)
Borrowings [(f)]	130,844	56,500	131.6	130,844	56,500	131.6
Derivative liabilities [(g)]	686	240	185.8	686	240	185.8
Lease liabilities [(h)]	6,149	6,278	(2.1)	6,149	6,278	(2.1)
Total current liabilities	**152,454**	**78,010**	**95.4**	**152,461**	**78,017**	**95.4**
Non-current liabilities						
Trade and other payables [(e)]	6,549	6,290	4.1	6,548	6,290	4.1
Borrowings [(f)]	152,414	218,684	(30.3)	152,414	218,684	(30.3)
Derivative liabilities [(g)]	3,944	197	n.m	3,944	197	n.m
Lease liabilities [(h)]	72,962	73,451	(0.7)	72,962	73,451	(0.7)
Total non-current liabilities	**235,869**	**298,622**	**(21.0)**	**235,868**	**298,622**	**(21.0)**
Total liabilities	**388,323**	**376,632**	**3.1**	**388,329**	**376,639**	**3.1**
Net assets	**539,126**	**595,015**	**(9.4)**	**539,117**	**595,006**	**(9.4)**
Represented by:						
Unitholders' funds [(i)]	**539,126**	**595,015**	**(9.4)**	**539,117**	**595,006**	**(9.4)**

n.m denotes "not meaningful"
* Less than S$1,000

Notes:

(a) The decrease in investment properties mainly due to the net revaluation loss of the properties amounting to S$54.7 million (including the net movement relating to FRS 116 adjustments) and partially offset by the capital expenditure on the properties of S$6.6 million which includes the ongoing AEI.

(b) This relates to the cost of investment in Sabana Sukuk Pte. Ltd. ("**SSPL**"), a wholly-owned subsidiary of the Trust.

(c) This relates to trade receivables, prepayments, deposits, and other receivables. The increase is mainly due to higher outstanding trade receivables from certain tenants.

(d) This relates to bank balances held with financial institutions. Please refer to the Statement of Cash Flows under Item 1(c) on Page 10 for further details in the movement of cash and cash equivalents.

(e) This relates to trade payables, security deposits, rental received in advance, retention sums, accruals and provisions.

(f) The movements in current and non-current borrowings are mainly due to:

(i) net repayment of S$2.5 million of revolving facilities during 1H 2020; and
(ii) drawdown of S$10.4 million of loan facilities in relation to AEI progress at NTP.

Please refer to the Item 1(b)(ii) on Page 8 for further details on borrowings.

As at 30 June 2020, the Group's current liabilities exceeded its current assets by S$127.7 million (2019: S$55.6 million) and had S$59.6 million (2019: S$37.5 million) of undrawn committed facilities.

(g) The derivative financial instruments as at 30 June 2020 relates to profit rate swap contracts with a total notional amount of S$200.0 million (2019: S$100.0 million). As at 30 June 2020, approximately 70.3% (2019: 36.2%) of the Group's borrowings were hedged with profit rate swap. The changes in fair value were mainly due to the revaluation of the profit rate swap contracts in accordance with FRS 109.

(h) This relates to the discounted future land rent payments on certain properties of the Group. These lease liabilities were recognised based on FRS 116.

(i) Please refer to the Statements of Movements in Unitholders' Funds under Item (1)(d)(i) on Page 11 for details.

1 (b)(ii) Aggregate amount of borrowings and debt securities

	Group	
	30/06/20	31/12/19
	S$'000	S$'000
Secured borrowings		
Amount repayable within one year:		
Revolving Loan Facility	1,000	-
Revolving CMF (D)	-	3,500
Revolving CMF (F)	7,000	-
Revolving Murabahah Facility	53,000	53,000
Term Murabahah Facility	70,000	-
Less: Unamortised capitalised transaction costs	(156)	-
	130,844	**56,500**
Amount repayable after one year:		
Term CMF (A)	30,000	30,000
Term CMF (B)	70,000	70,000
Term CMF (C)	20,000	20,000
Term CMF (E)	3,390	-
Term Murabahah Facility	-	70,000
Term Loan Facility	30,000	30,000
Less: Unamortised capitalised transaction costs	(976)	(1,316)
	152,414	**218,684**
Total secured borrowings	**283,258**	**275,184**
Total borrowings	**283,258**	**275,184**

Details of borrowings, debt securities and collaterals

Secured borrowings

(a) Commodity Murabaha Facilities

The Commodity Murabaha Facilities consisted of:

(i) 3-year Term CMF (A) of S$30.0 million maturing in November 2022;
(ii) 3-year Term CMF (B) of S$70.0 million maturing in November 2022;
(iii) 4-year Term CMF (C) of S$20.0 million maturing in November 2023;
(iv) 4-year Revolving CMF (D) of S$20.0 million maturing in November 2023;
(v) 3-year Term CMF (E) of S$14.0 million maturing in November 2022 (to fund AEI); and
(vi) 3-year Revolving CMF (F) of S$7.0 million maturing in November 2022 (to fund AEI).

As at 30 June 2020, a total of S$130.4 million, consisting of S$120.0 million Term CMF (A) to (C), S$7 million of Revolving CMF (D) and S$3.4 million of Term CMF (E), was drawn on the Commodity Murabaha Facilities.

The CMF are secured by, *inter alia*:

(1) A first ranking legal mortgage over 3 (2019: 3) investment properties ("**Securitised Properties**"), (or, where title to or lease relating to the Securitised Properties has not been issued, an assignment of building agreement or agreement for lease (as the case may be) coupled with a mortgage in escrow);
(2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Securitised Properties; and
(3) A fixed and floating charge over the other assets of Sabana Shari'ah Compliant REIT relating to the Securitised Properties.

(b) Murabahah Facilities

The Murabahah Facilities consisted of:

(i) 3-year Term Murabahah Facility of S$70.0 million maturing in March 2021; and
(ii) The Revolving Murabahah Facilities of S$53.0 million maturing in March 2021.

The facilities were fully drawn down as at 30 June 2020.

The Murabahah Facilities were secured by, *inter alia*:

(1) A first ranking legal mortgage over 7 (2019: 7) investment properties ("**Murabahah Secured Properties**");
(2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Murabahah Secured Properties; and
(3) A fixed and floating charge over the other assets of Sabana Shari'ah Compliant REIT relating to the Murabahah Secured Properties.

(c) Term Loan Facility

As at the reporting date, the Term Loan Facility of S$30.0 million maturing in December 2021 was outstanding and secured by, *inter alia:*

(1) A first ranking legal mortgage over 3 (2019: 3) investment properties ("**Term Loan Facility Secured Properties**"); and
(2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Term Loan Facility Secured Properties.

(d) Revolving Loan Facility

In April 2020, the Group had obtained a new secured 3-year term S$30.0 million facility to be used for general working capital, capital expenditures and other asset enhancement initiatives.

The Facility consisted of:

(i) 3-year Revolving Loan Facility of S$28.0 million maturing in April 2023; and
(ii) 3-year Bank Guarantee Facility of S$2.0 million maturing in April 2023.

As at 30 June 2020, S$1.0 million of Revolving Loan Facility was drawn.

The Facility is secured by, *inter alia*:

(1) A first ranking legal mortgage over 3 investment properties ("**Facility Secured Properties**"); and
(2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Facility Secured Properties.

1 (c) Statement of Cash Flows

Statement of Cash Flows	Group	
	Half Year	
	1H 2020	1H 2019
	S$'000	S$'000
Cash flows from operating activities		
Total (loss)/return for the period before taxation and before distribution	(47,780)	2,430
Adjustments for:		
Net change in fair value of financial derivatives	3,960	298
Net change in fair value of investment properties	54,712	9,934
Loss on divestment of investment property	-	773
Net finance costs	7,170	8,180
	18,062	21,615
Change in trade and other receivables	(218)	(824)
Change in trade and other payables	2,351	(5,561)
Cash generated from operations	20,195	15,230
Ta'widh (compensation on late payment of rent) received	30	17
Net cash from operating activities	**20,225**	**15,247**
Cash flows from investing activities		
Capital expenditure on investment properties	(9,667)	(750)
Proceeds from divestment of investment property	-	99,600
Payment for divestment costs	-	(773)
Profit income received	6	187
Net cash (used in)/from investing activities	**(9,661)**	**98,264**
Cash flows from financing activities		
Proceeds from borrowings	10,390	51,500
Repayment of borrowings	(2,500)	(143,000)
Transaction costs paid	-	(252)
Payment of lease liabilities	(2,400)	(2,376)
Finance costs paid	(4,451)	(6,873)
Distributions paid	(8,109)	(15,376)
Net cash used in financing activities	**(7,070)**	**(116,377)**
Net increase/(decrease) in cash and cash equivalents	**3,494**	**(2,866)**
Cash and cash equivalents at beginning of the period	4,099	7,215
Cash and cash equivalents at end of the period	**7,593**	**4,349**

1 (d)(i) Statements of Movements in Unitholders' Funds

	Group	
	Half Year	
Statements of Movements in Unitholders' Funds	1H 2020	1H 2019
	S$'000	S$'000
Balance at beginning of the period	595,015	604,478
Operations		
Total (loss)/return for the period after taxation	(47,780)	2,430
	547,235	**606,908**
Unitholders' transactions		
Distributions to Unitholders	(8,109)	(15,376)
Net decrease in net assets resulting from Unitholders' transactions	**(8,109)**	**(15,376)**
Unitholders' funds at end of the period	**539,126**	**591,532**

	Trust	
	Half Year	
Statements of Movements in Unitholders' Funds	1H 2020	1H 2019
	S$'000	S$'000
Balance at beginning of the period	595,006	604,469
Operations		
Total (loss)/return for the period after taxation	(47,780)	2,430
	547,226	**606,899**
Unitholders' transactions		
Distributions to Unitholders	(8,109)	(15,376)
Net decrease in net assets resulting from Unitholders' transactions	**(8,109)**	**(15,376)**
Unitholders' funds at end of the period	**539,117**	**591,523**

1 (d)(ii) Details of any changes in the units

	Group and Trust	
	Half Year	
	1H 2020	1H 2019
Units in issue:		
Units in issue at beginning and end of the period	1,053,083,530	1,053,083,530

1 (d)(iii) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited but have been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please see attached review report.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

6. Earnings per unit ("EPU") and Distribution per unit ("DPU") of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per unit

	Group	
	Half Year	
	1H 2020	1H 2019
Basic and Diluted EPU		
Weighted average number of units in issue	1,053,083,530	1,053,083,530
Earnings per unit for the period based on the weighted average number of units in issue (cents) [(a)(b)]	(4.54)	0.23

Notes:

(a) The EPU calculation uses the total loss/return for the period after taxation and before distribution, and the weighted average number of units outstanding during the period.

(b) The diluted EPU were the same as the basic EPU for the Group as there are no EPU dilutive financial instruments.

Distribution per unit

	Group and Trust	
	Half Year	
	1H 2020	1H 2019
Number of units issued at end of period entitled to Distribution	1,053,083,530	1,053,083,530
Distribution per unit declared for the period based on the total number of units entitled to distribution (cents)	0.47	1.37

7. Net asset value per unit and net tangible asset per unit based on units issued at the end of the financial period and immediately preceding financial year

	Group		Trust	
	As at 30/06/20	As at 31/12/19	As at 30/06/20	As at 31/12/19
Net asset value ("**NAV**") and net tangible asset ("**NTA**") per unit (S$) [(a)]	0.51[(b)]	0.57	0.51[(b)]	0.57

Note:

(a) The number of units used to compute NAV per unit and NTA per unit is 1,053,083,530 (31 December 2019: 1,053,083,530).

(b) The decrease in NAV and NTA per unit is mainly due to the revaluation of investment properties based on independent valuations of the properties undertaken by independent valuers.

8. Review of the Performance of the Group for the current financial period reported on

1H 2020 vs 1H 2019

Statement of Total Return	**Group**		
	1H 2020	1H 2019	Fav / (Unfav)
	S$'000	S$'000	%
Gross revenue	34,263	36,729	(6.7)
Property expenses	(13,401)	(12,036)	(11.3)
Net property income [(a)]	**20,862**	**24,693**	**(15.5)**
Finance income [(b)]	36	204	(82.4)
Finance costs [(c)]	(5,537)	(6,702)	17.4
Finance costs relating to lease liabilities	(1,669)	(1,682)	0.8
Net finance costs	**(7,170)**	**(8,180)**	**12.3**
Manager's fees	(2,167)	(2,259)	4.1
Trustee's fees	(177)	(182)	2.7
Donation of non-Shari'ah compliant income [(d)]	(1)	(4)	75.0
Other trust expenses [(e)]	(455)	(633)	28.1
Net income	**10,892**	**13,435**	**(18.9)**
Net change in fair value of financial derivatives [(f)]	(3,960)	(298)	n.m
Net change in fair value of investment properties [(g)]	(54,712)	(9,934)	(450.8)
Loss on divestment of investment property [(h)]	-	(773)	n.m
Total (loss)/return for the period before taxation	**(47,780)**	**2,430**	**n.m**
Tax expense	*	*	-
Total (loss)/return for the period after taxation	**(47,780)**	**2,430**	**n.m**
Distribution adjustments [(i)]	58,857	10,778	446.1
Income available for distribution to Unitholders for the period	**11,077**	**13,208**	**(16.1)**
Capital gains	-	1,243	n.m
Total amount available for distribution to Unitholders for the period [(j)]	**11,077**	**14,451**	**(23.3)**
Total distribution amount declared to Unitholders for the period [(k)]	**4,985**	**14,451**	**(65.5)**

n.m denotes "not meaningful"
*Less than S$1,000

Notes:

(a) Net property income for 1H 2020 decreased by 15.5% mainly due to:

(i) lower contribution from 10 Changi South Street 2 due to termination of master lease in 2H 2019;
(ii) lower contribution from 3A Joo Koon Circle whose master lease expired in 4Q 2019 and certain properties due to lower average occupancies in 4Q 2019; and
(iii) one-time provision of rental waiver on revenue and allowances for impairment loss on trade receivables were made for certain tenants across the portfolio on prudence basis.

(b) Lower finance income mainly due to lower average fixed deposit placement in 1H 2020 over 1H 2019.

(c) Finance costs decreased by 17.4% mainly due to lower profit expense after the repayment of S$100.0 million Trust Certificates Series II in April 2019.

(d) Lower donation of non-Shari'ah compliant income mainly due to lower income generated from non-core activities subjected to cleansing in 1H 2020 over 1H 2019.

(e) Other trust expenses decreased by 28.1% mainly due to lower other non-tax deductible professional fees in 1H 2020 over 1H 2019.

(f) The net change in fair value of financial derivatives relates to the fair value change of the profit rate swaps recognised during 1H 2020 and 1H 2019.

(g) The net change in fair value of investment properties in 1H 2020 and 1H 2019 mainly relates to the adjustments in ROU assets and the valuation movement based on the independent valuations of the properties undertaken by the Independent Valuers as at the reporting date.

(h) The loss on divestment of investment property relates to additional transaction related costs incurred in the divestment of 9 Tai Seng Drive in 1H 2019.

(i) Distribution adjustments increased mainly due to higher non-tax deductible effects of the item stated in (f) and (g).

(j) Amount available for distribution decreased by 23.3% mainly due to:

(i) lower net property income in 1H 2020 over 1H 2019;
(ii) absence of a one-time capital gains distribution of approximately S$1.24 million in 1H 2019; and
(iii) partially offset by lower finance cost in 1H 2020 over 1H 2019 as stated in (c) above.

(k) The Trust's distribution policy is to distribute at least 90.0% of its distributable income to Unitholders. In view of the still-evolving COVID-19 situation, the Manager made the decision to temporarily retain 55.0% of its 1H 2020 distributable income to conserve capital, which will be paid out at a later date.

9. Variance between forecast and the actual results

The Manager has not disclosed any financial forecast to the market. However, as indicated in the previous quarter's announcement dated 23 January 2020, the Manager will continue its focus on executing its growth plan through active asset management and progressing on asset enhancement initiatives ("**AEI**").

10. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Ministry of Trade and Industry ("**MTI**") Singapore's latest advance estimates showed that Singapore's economy contracted 12.6% y-o-y and 41.2% quarter-on-quarter ("q-o-q") in 2Q 2020 due to "Circuit Breaker" measures(1). Earlier last month, a survey by the Monetary Authority of Singapore ("**MAS**") showed that Singapore's Gross Domestic Product ("GDP") is expected to contract by 5.8% this year in response to the fallout from COVID-19, a sharp reversal from the 0.6% growth expected in the previous survey(2).

Rental reversion for industrial properties is likely to remain negative for the year, with JTC Corporation data showing continued oversupply and substantial island-wide vacancy. Industrial rents remained flat and occupancy rates decreased by 0.1% y-o-y as at 1Q 2020(3). Given the heightened macroeconomic uncertainties, JLL said that logistics or warehouse rents could face downward pressure in 2020, while yields could compress in a low-interest rate environment(4).

Still, market watchers see some pockets of opportunities amid the challenges. Savills expects the Singapore industrial and warehousing markets to hold the greatest fundamental potential for a recovery after 2020(5). There could be increased demand from certain sectors such as pharmaceutical and medical technology, food and grocery delivery from central kitchen, warehousing and logistics for food and basic necessities, manufacturers of hygiene goods, as well as e-commerce products that facilitate online learning and workplace conferencing, said Knight Frank(6).

Against this difficult backdrop, Sabana REIT expects to face pressure on its earnings for the rest of the year. The Manager will remain focused on executing its Refreshed Strategy through proactive lease and asset management and AEIs, while navigating the near-term challenges through the four key thrusts of supporting its tenants, continued prudent capital management, commitment to safety excellence and ensuring business resilience and continuity.

Sources:
(1) "Singapore's GDP Contracted by 12.6 Per Cent in the Second Quarter of 2020". Ministry of Trade and Industry Singapore. 14 July 2020.
(2) "Economic Policy Group survey of professional forecasters June 2020". Monetary Authority of Singapore. 15 June 2020.
(3) "Quarterly Market Report Industrial Properties First Quarter 2020". JTC. 23 April 2020.
(4) "Property Market Monitor, Singapore,". JLL. 15 April 2020.
(5) "Singapore Industrial Briefing Q1 2020" Savills. 12 May 2020.
(6) "Singapore Research: Industrial Q1 2020". Knight Frank. Retrieved 6 July 2020.

11. Distributions

(a) Current financial period

Any distribution declared for the current period: Yes

Name of distribution: Distribution for the half year ended 30 June 2020

Distribution Type: Taxable income

Distribution Rate: Taxable income – 0.47 cents per unit

Par value of units: Not meaningful

Tax rate: **Taxable Income**

These distributions are made out of Sabana Shari'ah Compliant REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership will be taxed at the level of these individuals at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Sabana Shari'ah Compliant REIT.

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the previous corresponding period: Yes

Name of distribution: Distribution for the half year ended 30 June 2019

Distribution Type: Taxable Income / Capital gains

Distribution Rate: Taxable Income – 1.25 cents per unit
Capital gains – 0.12 cents per unit

Par value of units: Not meaningful

Tax rate: **Taxable Income**

These distributions are made out of Sabana Shari'ah Compliant REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership will be taxed at the level of these individuals at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Sabana Shari'ah Compliant REIT.

Capital gains
The distribution is made out of gains arising from divestment of investment properties from prior years as capital gains. Unitholders receiving distribution out of capital gains are not subject to Singapore income tax.

(c) Date Payable: 28 August 2020

(d) Books Closure Date: 24 July 2020

12. If no distribution has been declared/ (recommended), a statement to that effect

Not applicable.

13. Distribution policy

The distribution policy is to distribute at least 90.0% of its distributable income to Unitholders on a half-yearly basis at the discretion of the Manager, having regards to funding requirements and other capital management considerations.

14. General mandate relating to interested person transactions

The Trust has not obtained a general mandate from Unitholders for interested person transactions.

15. Negative Confirmation By The Board Pursuant to Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager of Sabana Shari'ah Compliant REIT which may render these unaudited interim financial results to be false or misleading, in any material aspect.

16. Procured Undertakings By The Board and Executive Officers to Rule 720(1)

The Manager of Sabana Shari'ah Compliant REIT confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of the Singapore Exchange securities Trading Limited.

On behalf of the Board of Directors of
Sabana Real Estate Investment Management Pte. Ltd.
(Company registration number 201005493K)
as Manager of Sabana Shari'ah Compliant Real Estate Investment Trust

Tan Cheong Hin	Wong Heng Tew
Director	Director

By Order of the Board
Cho Form Po
Company Secretary
Sabana Real Estate Investment Management Pte. Ltd.
(Company registration number 201005493K)
as Manager of Sabana Shari'ah Compliant Real Estate Investment Trust

16 July 2020

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

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Singapore 048581

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The Board of Directors
Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as Manager of Sabana Shari'ah
Compliant Industrial Real Estate Investment Trust)
151 Lorong Chuan
#02-03 New Tech Park
Singapore 556741

15 July 2020

Dear Sirs

Sabana Shari'ah Compliant Industrial Real Estate Investment Trust
Review of Interim Financial Information

Introduction

We have reviewed the accompanying Interim Financial Information of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust (the "Trust") and its subsidiary (collectively the "Group") for the six-month period ended 30 June 2020. The Interim Financial Information comprise the following:

- Statements of financial position of the Group and the Trust as at 30 June 2020;
- Consolidated portfolio statement of the Group as at 30 June 2020;
- Consolidated statement of total return of the Group for the six-month period ended 30 June 2020;
- Consolidated distribution statement of the Group for the six-month period ended 30 June 2020;
- Statements of movements in unitholders' funds of the Group and the Trust for the six-month period ended 30 June 2020;
- Consolidated statement of cash flows of the Group for the six-month period ended 30 June 2020; and
- Certain explanatory notes to the above Interim Financial Information.

The management of Sabana Real Estate Investment Management Pte. Ltd. (the "Manager" of the Trust) is responsible for the preparation and presentation of the Interim Financial Information in accordance with the provisions of the Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Unit Trusts* relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on the Interim Financial Information based on our review.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A), and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of the Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the provisions of RAP 7 relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants.

Restriction of Use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust in meeting the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited's Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its Interim Financial Information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore

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APPENDIX J — SABANA INDEPENDENT VALUATION CERTIFICATES (SABANA PORTFOLIO)

3 July 2020

SRE GLOBAL PTE LTD
60 Paya Lebar Road
#12-29 Paya Lebar Square
Singapore 409051
Tel: +65 6221 8288
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UEN No. 198404370K

HSBC Institutional Trust Services (Singapore) Limited
(as Trustee of Sabana Shari'ah Compliant Industrial REIT)
c/o Sabana Real Estate Investment Management Pte Ltd
(as manager of Sabana Shari'ah Compliant Industrial REIT)
151 Lorong Chuan
#02-03 New Tech Park
Singapore 556741

Attention : Mr Donald Han

Dear Sirs

2020 MID-YEAR REVALUATION

1.0 Instruction

We have been instructed by HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT) on 5 June 2020 to conduct a review of the Fair Values of six (6) properties within the portfolio of Sabana Shari'ah Compliant Industrial REIT (the "REIT"). Sabana Real Estate Investment Management Pte Ltd is the manager of the REIT.

2.0 Interests to be valued

Our instruction is to value the unexpired leasehold interest of the following six properties:

S/No	Property Address	Postal Code
1	1 Tuas Avenue 4 (Vacant Land)	639382
2	2 Toh Tuck Link	596225
3	8 Commonwealth Lane	149555
4	10 Changi South Street 2	486596
5	23 Serangoon North Avenue 5 BTH Centre	554530
6	151 Lorong Chuan New Tech Park	556741

3.0 Basis of Value

The basis of value is Fair Value as defined by the Singapore Financial Reporting Standards (International) 13 (SFRS(I) 13) for Financial Reporting purpose:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

4.0 Material Date

The material date of valuation is 30 June 2020.

5.0 Inspection

This is a desktop valuation and no inspection of the properties have been carried out. We have relied on material information which have been provided at the end of 2019 as well as the latest information by the manager of the REIT.

6.0 Valuation Premise

For 1 Tuas Avenue 4, the valuation is on the land as an industrial development site. We have disregarded the existing structures on site.

For the rest of the properties, the valuation is on an as-is-where-is basis subject to the existing tenancies.

7.0 Valuation Standards

Our opinion of the value is based on generally accepted valuation principles and practices that rely on the use of reasonable assumptions, and it is our independent assessment based on our professional judgement and experience, taking into consideration the general market, economic and relevant industry conditions prevailing at the material date.

Our valuation complies with the Valuation Standards and Guidelines by the Singapore Institute of Surveyors and Valuers (SISV) and the International Valuation Standards by International Valuation Standards Council (IVSC).

8.0 Qualifications

We have relied upon material information supplied by the manager, which we assume to be true and accurate. We take no responsibility for inaccurate data supplied by the manager and the subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the properties and are not a related corporation of nor do we have a relationship with the manager, adviser or other party/parties whom the REIT is contracting with in relation to the subject properties. We confirm that there is no conflict of interest in our role as external valuers.

Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the manager, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

In our valuation, we have not carried out any structural survey of the property that have been completed or any testing of services. We have assumed that there are no structural defects and that all building services are fully functional. We have also not carried out any investigations on the suitability of the site and ground conditions for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

We have prepared this valuation and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the financial report, other than in respect of the information provided within the valuation report. We do not make any warranty or representation as to the accuracy of the information in any part of the financial report other than as expressly made or given in this valuation report.

We certify that the valuers undertaking this valuation are licensed appraisers and are suitably qualified with more than five years of relevant experience.

9.0 Opinion of Value

Our opinion of values are in the attached valuation certificates.

We are pleased to be of service to you in this instance. Our invoice is also attached for your kind attention.

Yours faithfully
For and on behalf of
SRE Global Pte Ltd



Chng Shih Hian
Senior Executive Director
Licensed Appraiser (Lands & Buildings)
MSISV, MRICS (Registered Valuer)

VALUATION CERTIFICATE

1 Tuas Avenue 4, Singapore 639382

Our Reference	:	2200259/AA/CSH
Property Address	:	1 Tuas Avenue 4 Singapore 639382
Purpose of Valuation	:	For corporate reporting purpose
Date of Valuation	:	30 June 2020
Type of Property	:	An industrial land with a maximum allowable plot ratio of 2.5. Currently on site is a 3-storey purpose-built factory building with a sub-basement level. The building is in a poor and inhabitable condition.
Legal Description	:	MK 7- 4485P
Site Area	:	Sq. m. / Sq. ft. 13,039.2 / Approximately 140,353
Gross Floor Area	:	Sq. m. / Sq. ft. Approximately 14,898 / Approximately 160,361
Tenure	:	Leasehold for 30 years commencing on 1 January 1996 with an option further term of 21 years and 4 months (Balance tenure : approximately 26.8 years as at date of valuation)
Master Plan Zoning (2019)	:	Business 2 with maximum gross plot ratio of 2.5
Tenancy	:	The property is currently vacant.
Basis of valuation	:	Fair Value as defined in Singapore Financial Reporting Standards (International) 13 (SFRS(I) 13)
Highest & Best Use	:	We are of the opinion that the highest and best use of the subject property is as a vacant industrial land with a maximum allowable gross plot ratio of 2.5
Valuation Premise	:	An industrial land with a maximum allowable gross plot ratio of 2.5
Valuation approach	:	Market Approach
Fair Value (As at 30 June 2020)	:	S$8,500,000/- (Singapore Dollars Eight Million And Five Hundred Thousand)

VALUATION CERTIFICATE

2 Toh Tuck Link
Singapore 596225

Our Reference	:	2200260/ST/CSH
Property Address	:	2 Toh Tuck Link Singapore 596225
Purpose of Valuation	:	For corporate reporting purpose
Date of Valuation	:	30 June 2020
Type of Property	:	A part 4-/part 6-storey warehouse and ancillary office building with a basement carpark.
Legal Description	:	MK 5 – 7792W

Site Area :

Sq. m.	Sq. ft.
6,732.5	Approximately 72,467.95

Gross Floor Area :

Sq. m.	Sq. ft.
16,880.95	Approximately 181,704.81

Net Floor Area :

Sq. m.	Sq. ft.
13,159.63	Approximately 141,649.0

Age	:	Circa 22 years. Temporary Occupation Permit was issued on 16 December 1998. Certificate of Statutory Completion was issued on 3 May 2001 and 17 July 2008.
Tenure	:	Leasehold for 30 + 30 years commencing on 16 December 1996 (balance tenure : approximately 36.5 years as at date of valuation)
Master Plan Zoning (2019)	:	Business 2 with maximum gross plot ratio of 2.5
Tenancy	:	The property is multi-tenanted. The current occupancy is about 98%.

	Net Floor Area (sq ft)	**Committed Monthly Gross Rent**
Tenanted area	138,819.0	$212,594.73
Vacant	2,830.0	-
Total	141,649.0	$212,594.73

Basis of valuation	:	Fair Value as defined in Singapore Financial Reporting Standards (International) 13 (SFRS(I) 13)

VALUATION CERTIFICATE

2 Toh Tuck Link
Singapore 596225

Highest & Best Use	:	We are of the opinion that the existing development is at its highest & best use
Valuation Premise	:	In its present condition subject to existing tenancies
Valuation approach	:	Market Approach, Discounted Cash Flow Analysis, Income Approach

Valuation Parameters

Market Gross Rent	:	S$1.60 per sq ft per month
Long term vacancy	:	3%
Average Rental growth	:	1.35% per year
Inflation	:	0.65% per year
Discount Rate	:	7.5%
Terminal Yield	:	6.5%
Capitalisation Rate	:	6.25%

Summary of Values :

Valuation Approach	Fair Value
Market Approach	S$33,300,000
Discounted Cash Flow Analysis	S$27,600,000
Income Approach	S$28,600,000

Fair Value
(As at 30 June 2020) : S$ 30,000,000/-
(Singapore Dollars Thirty Million)

Our Ref : 22200260/ST/CSH

VALUATION CERTIFICATE

8 Commonwealth Lane Singapore 149555

Our Reference	:	2200261/LYM/CSH
Property Address	:	8 Commonwealth Lane Singapore 149555
Purpose of Valuation	:	For corporate reporting purpose
Date of Valuation	:	30 June 2020
Type of Property	:	A 4-storey hi-tech industrial building with a 6-storey annex block
Legal Description	:	MK 3 - Lot 4185X

Site Area :

Sq. m.	Sq. ft.
6,017.6	Approximately 64,773.0

Gross Floor Area :

Sq. m.	Sq. ft.
15,033.12	Approximately 161,814.79

Net Floor Area :

Sq. m.	Sq. ft.
12,841.91	Approximately 138,229.0

Age	:	4-Storey Building - Circa 2006 6-Storey Annex – Circa 2011
Tenure	:	Leasehold for 30 years commencing on 1 February 2006 with an option for a further term of 23 years (balance tenure: approximately 38.6 years as at date of valuation)
Master Plan Zoning (2019)	:	Business 1 with maximum gross plot ratio of 2.5
Tenancy	:	The property is multi-tenanted. The current occupancy rate is about 85.6%.

	Net Floor Area (sq ft)	**Committed Monthly Gross Rent**
Tenanted area	118,377	$344,853.20
Vacant	19,852	-
Total	138,229	-

Basis of valuation	:	Fair Value as defined in Singapore Financial Reporting Standards (International) 13 (SFRS(I) 13)
Highest & Best Use	:	We are of the opinion that the existing development is at its highest & best use

Valuation Premise	:	In its present condition subject to existing tenancies
Valuation approach	:	Market Approach, Discounted Cash Flow Analysis, Income Approach

Valuation Parameters

Market Gross Rent	:	S$3.10 per sq ft per month
Long term vacancy	:	5%
Average Rental growth	:	1.35% per year
Inflation	:	0.65% per year
Discount Rate	:	7.5%
Terminal Yield	:	6.25%
Capitalisation Rate	:	6.0%

Summary of Values :

Valuation Approach	Fair Value
Market Approach	S$58,500,000/-
Discounted Cash Flow Analysis	S$49,700,000/-
Income Approach	S$54,200,000/-

Fair Value
(As at 30 June 2020) : S$54,000,000/-
(Singapore Dollars Fifty-Four Million)

VALUATION CERTIFICATE

10 Changi South Street 2, Singapore 486596

Our Reference	:	2200262/TM/CSH
Property Address	:	10 Changi South Street 2, Singapore 486596
Purpose of Valuation	:	For corporate reporting purpose
Date of Valuation	:	30 June 2020
Type of Property	:	An extended part single storey/ part 5/ part 6-storey warehouse and logistics building with ancillary offices
Legal Description	:	MK 27 - 9513M

Site Area :

Sq. m.	Sq. ft.
15,824.4	Approximately 170,332

Gross Floor Area :

Sq. m.	Sq. ft.
22,191.05	Approximately 238,862

Net Floor Area :

Sq. m.	Sq. ft.
19,315.95	Approximately 207,915

Age	:	Circa 24 years. It has undergone Additions and Alterations works which was completed on 28 November 2017
Tenure	:	Leasehold for 30 + 27 years commencing on 1 October 1994 (balance tenure : approximately 31.2 years as at date of valuation)
Master Plan Zoning (2019)	:	Business 2 with maximum gross plot ratio of 2.0
Tenancy	:	The property is multi-tenanted. The current occupancy is about 39%.

	Net Floor Area (sq ft)	**Committed Monthly Gross Rent**
Tenanted area	81,961	$130,533.1
Vacant	125,954	-
Total	207,915	-

Basis of valuation	:	Fair Value as defined in Singapore Financial Reporting Standards (International) 13 (SFRS(I) 13)
Highest & Best Use	:	We are of the opinion that the existing development is at its highest & best use

VALUATION CERTIFICATE

10 Changi South Street 2, Singapore 486596

Valuation Premise	:	In its present condition subject to existing tenancies
Valuation approach	:	Market Approach, Discounted Cash Flow Analysis, Income Approach
Land Rent	:	Land rent is not payable for the first 30-year term of the lease

Valuation Parameters

Market Gross Rent	:	S$1.70 per sq ft per month
Long term vacancy	:	10%
Average Rental growth	:	1.35% per year
Inflation	:	0.65% per year
Discount Rate	:	7.5%
Terminal Yield	:	6.5%
Capitalisation Rate	:	6.25%

Summary of Values :

Valuation Approach	Fair Value
Market Approach	S$37,500,000/-
Discounted Cash Flow Analysis	S$34,100,000/-
Income Approach	S$36,300,000/-

Fair Value (As at 30 June 2020)	:	S$ 36,000,000/- (Singapore Dollars Thirty-Six Million)

Our Ref : 22200262/TM/CSH

VALUATION CERTIFICATE

23 Serangoon North Avenue 5
BTC Centre Singapore 554530

Our Reference	:	2200263/JW/CSH
Property Address	:	23 Serangoon North Avenue 5 BTC Centre Singapore 554530
Purpose of Valuation	:	For corporate reporting purpose
Date of Valuation	:	30 June 2020
Type of Property	:	A 5-storey with mezzanine level high-tech industrial building known as BTC Centre
Legal Description	:	MK 18 -16685X

Site Area :

Sq. m.	Sq. ft.
5,999.6	Approximately 64,579.09

Gross Floor Area :

Sq. m.	Sq. ft.
14,807.25	Approximately 159,383.76

Net Floor Area :

Sq. m.	Sq. ft.
12,756.53	Approximately 137,310.0

Age : Circa 2008. Temporary Occupation Permit was issued on 14 March 2008.

Tenure : Leasehold for 30 years commencing on 16 September 2006 with an option for a further term of 20 years and 15 days

(Balance tenure of approximately 36.2 years as at date of valuation)

Master Plan Zoning (2019) : Business 1 with maximum gross plot ratio of 2.5

Tenancy : The property is multi-tenanted. The current occupancy is about 42.3%.

	Net Floor Area (sqft)	**Committed Monthly Gross Rent**
Tenanted area	58,132	S$123,547.90
Vacant	79,178	-
Total	137,310	

Basis of valuation : Fair Value as defined in Singapore Financial Reporting Standards (International) 13 (SFRS(I) 13)

VALUATION CERTIFICATE

23 Serangoon North Avenue 5
BTC Centre Singapore 554530

Highest & Best Use	:	We are of the opinion that the existing development is at its highest & best use.
Valuation Premise	:	In its present condition subject to existing tenancies
Valuation approach	:	Market Approach, Discounted Cash Flow Analysis, Income Approach

Valuation Parameters

Market Gross Rent	:	S$2.15 per sqft per month
Long term vacancy	:	10%
Average Rental growth	:	1.35% per year
Inflation	:	0.65% per year
Discount Rate	:	7.5%
Terminal Yield	:	6.5%
Capitalisation Rate	:	6.25%

Summary of Values :

Valuation Approach	Fair Value
Market Approach	S$31,600,000
Discounted Cash Flow Analysis	S$28,300,000
Income Approach	S$32,000,000

Fair Value
(As at 30 June 2020) : S$31,000,000/-
(Singapore Dollars Thirty One Million)

Our Ref : 2200263/JW/CSH

VALUATION CERTIFICATE

151 Lorong Chuan, New Tech Park, Singapore 556741

Our Reference	:	2200264/AA/CSH
Property Address	:	151 Lorong Chuan, New Tech Park, Singapore 556741
Purpose of Valuation	:	For corporate reporting purpose
Date of Valuation	:	30 June 2020
Type of Property	:	An existing 6-storey high-tech industrial development, currently undergoing Asset Enhancement Initiative (AEI).
Legal Description	:	MK18- 13157C

Site Area :

Sq. m.	Sq. ft.
39,796.9	Approximately 428,370

Gross Floor Area :

Sq. m.	Sq. ft.
77,330.05	Approximately 832,372.93

Net Floor Area :

Sq. m.	Sq. ft.
55,686.97	Approximately 599,409

Age	:	Approximately 30 years. Temporary Occupation Permit was issued on 27 May 1996. Certificate of Statutory Completion was issued on 7 August 1991, 9 November 1991, 23 August 1997 and 18 September 1997. The subject development is currently undergoing AEI.
Tenure	:	Leasehold for 45 years commencing on 26/11/2010 (Balance tenure : approximately 35.4 years as at date of valuation)
Master Plan Zoning (2019)	:	Business 1 with maximum gross plot ratio of 2.5
Tenancy	:	The property is multi-tenanted. The current occupancy is about 70.6%.

	Net Floor Area (sq ft)	**Committed Monthly Gross Rent**
Tenanted area	423,223	$1,483,546.45
Vacant	176,186	-
Total	599,409	

Basis of valuation	:	Fair Value as defined in Singapore Financial Reporting Standards (International) 13 (SFRS(I) 13)

VALUATION CERTIFICATE

151 Lorong Chuan, New Tech Park, Singapore 556741

Highest & Best Use	:	We are of the opinion that the existing development is at its highest & best use
Valuation Premise	:	In its present condition subject to existing tenancies
Valuation approach	:	Discounted Cash Flow Analysis, Income Approach

Valuation Parameters

Market Gross Rent	:	S$3.50 per sq ft per month
Long term vacancy	:	5.0%
Average Rental growth	:	1.75% per year
Inflation	:	0.65% per year
Discount Rate	:	7.50%
Terminal Yield	:	6.25%
Capitalisation Rate	:	6.00%

Summary of Values :

Valuation Approach	Fair Value
Discounted Cash Flow Analysis	S$322,900,000
Income Approach	S$324,000,000

Fair Value
(As at 30 June 2020) : S$ 323,400,000/-
(Singapore Dollars Three Hundred And Twenty-Three Million And Four Hundred Thousand)

Our Ref : 2200264/AA/CSH

Cushman & Wakefield VHS Pte. Ltd.
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Company Registration No. 200709839D

1 July 2020

HSBC Institutional Trust Services (Singapore) Limited
(as Trustee of Sabana Shari'ah Compliant Industrial REIT)
10 Marina Boulevard #48-01
Marina Bay Financial Centre Tower 2
Singapore 018983

c/o Sabana Real Estate Investment Management Pte. Ltd.
(as Manager of Sabana Shari'ah Compliant Industrial REIT)
151 Lorong Chuan,
#02-03, New Tech Park
Singapore 556741

Dear Sirs

DESKTOP REVIEW ON PORTFOLIO 6 PROPERTIES IN SINGAPORE

Cushman & Wakefield ("C&W") has been instructed by HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT) ("Trustee" or the "Client") to provide the Market Values as at 30 June 2020 and desktop format reports in respect of a portfolio of properties in Singapore ("the Properties") for corporate reporting purposes.

C&W has prepared the valuations in accordance with the requirements of the instructions and the following international definition of Market Value:

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after property marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".

The valuations have been made on the assumption that the owner sells the Property on the open market in their existing state taking into account the terms of the existing occupancy arrangements, where appropriate, but without the benefit of any other deferred term contract, joint venture or any similar arrangement which would affect the value of the Property.

We provide a valuation summary of the valuation of the Properties together with the key factors that have been considered in determining the market values of the Property. The value conclusions reflect all information known by the valuers of C&W who worked on the valuations in respect to the Properties, market conditions and available data.

Reliance on This Letter

This letter is a summary of the reports that C&W has prepared and it does not contain all the necessary information and assumptions that are included in the reports. Further reference may be made to the reports, copies of which are held by the Client.

The valuation contained in each report is not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, the Client and other related parties. Whilst C&W has endeavoured to obtain accurate information, it has not independently verified all the information provided by the Client or other reliable and reputable agencies.

C&W has also relied to a considerable extent the property data provided by the seller on matters such as land leases, tenancy details, income and expenses information, site and building plans, site and floor areas, dates of completion and all other relevant matters.

Also, in the course of the valuation, we have assumed that all leases are legally valid and enforceable and the Properties have proper legal titles that can be freely transferred, leased and sub-leased in the market without being subject to any land premium or any extra charges, C&W has no reason to doubt the truth and accuracy of the information provided to us which is material to the valuation.

No allowance has been made in the valuation for any charges, mortgages or amounts owing on the Properties. C&W has assumed that the Properties are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their market values, other than those which have been made known to C&W.

The methodologies used in valuing the Properties, are namely, the Discounted Cash Flow Analysis, Capitalisation Approach and/or Sales Comparison Method.

The income approaches, where used, are based on our professional opinion and estimates of the future results and are not guarantees or predictions. Each methodology is based on a set of assumptions as to the income and expenses taking into consideration the changes in economic conditions and other relevant factors affecting the property. The resultant value is, in our opinion, the best estimate but it is not to be construed as a guarantee or prediction and it is fully dependent upon the accuracy of the assumptions made. This summary does not contain all the necessary support data and details included in the reports. For further information on that, reference should be made to the Report to understand the complexity of the methodologies and the variables involved in order to appreciate the context in which the values are arrived at.

Our instruction was to only carry out desktop reviews on the Properties. The desk-top valuation reviews are carried out without the benefit of an inspection of the Properties, title searches and legal requisitions and have assumed these are satisfactory. We have also valued the Properties on the assumption that there is no material change to the respective property and their surroundings since our last formal valuation carried out as at 31 December 2019. We have also not conducted structural surveys nor tested the building services as this is not part of our terms of reference and, as such, we cannot report that the Properties are free from rot, infestation or any other structural defects. For the purpose of this valuation, the Properties are assumed to be in sound structural condition and the building services in good working order. Our valuation assumes that the premises and any works thereto comply with all relevant statutory and planning regulations.

We have also not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

Valuation Rationale

In arriving at our valuation, we have considered relevant general and economic factors and researched recent transactions of comparable properties that have occurred in the vicinity or in similar standard localities. We have utilized the Discounted Cash Flow Analysis, Capitalisation Approach and/ or Comparison Method, where appropriate, in undertaking our assessment for the Properties.

Discounted Cash Flow Analysis

We have carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the Property is sold at the commencement of the eleventh year of the cash flow. Where land tenure is less than 10 years, analyses were carried out over the balance tenure. This form of analysis allows an investor to make an assessment of the long term return that is likely to be derived from a property with a combination of both net income/rental and capital growth over an assumed investment horizon in undertaking this analysis, a wide range of assumptions are made including a target discount rate, rental growth, sale price of the property at the end of the investment horizon as well as costs associated with its disposal at the end of the investment period.

We have investigated the current market requirements for a return over the investment period from the relevant market sector in order to determine the appropriate discount rates for the properties. We have adopted 7.50% as discount rates.

Our selected terminal capitalisation rates used to estimate the terminal sale price, where applicable, takes into consideration perceived market conditions in the future, estimated tenancy and cash flow profile and the overall physical condition of the buildings at the end of the investment period. We have adopted rates at between 6.25% and 6.75%. The adopted terminal capitalisation rate, additionally, has regard to the duration of the remaining tenure of the property at the end of the cash flow period.

Capitalisation Approach

Where appropriate, we have also utilized the Capitalisation Approach by estimating sustainable revenue of a property, adjusting to reflect anticipated operating expenses or outgoings, deriving a net income which is then capitalized at appropriate capitalisation rate over the remaining lease term or tenure. We have adopted rates at between 6.00% and 6.50%.

Alternatively, and based on the same approach, this method can be varied so that the market rent is capitalized in accordance to the tenure of the lease with appropriate adjustments for rental shortfalls and/or overages.

Comparison Method

In the Comparison Method, where utilized, reference to comparable sale transactions where available in the relevant market have been made. Appropriate adjustments for differences such as location, tenure, age and condition, amenities and facilities and sizes, amongst other factors, are made between the property and the comparables.

Summary of Valuation

The valuation of the Properties is summarized below:

No.	Address	Land Area (sf)	Gross Floor Area (sf)	Balance Lease (years)	Market Value as at 30 June 2020 (SGD mil)[1]
1	3A Joo Koon Circle	156,649	217,899	27.1	$34.7
2	18 Gul Drive	92,449	132,878	18.2	$20.0
3	21 Joo Koon Crescent	96,789	99,575	33.6	$14.7
4	26 Loyang Drive	195,443	149,166	33.5	$24.7
5	30 & 32 Tuas Ave 8	157,141	158,846	36.2	$24.4
6	33 & 35 Penjuru Lane	277,236	286,192	28.6	$43.2
Total					**$161.7**

Our valuation is exclusive of Goods and Services Tax, where applicable.

The Valuation Certificates containing more property details of each property are attached.

Significant Uncertainty

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a 'Global Pandemic' on the 11th March 2020, has impacted many aspects of daily life and the global economy – with some real estate sectors experiencing significantly lower levels of transactional activity and liquidity. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt, the inclusion of the 'significant uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case. The significant uncertainty clause is to serve as a precaution and does not invalidate the valuation. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that you keep the valuations contained within this assignment under frequent review.

Disclaimer

We have prepared this valuation summary for Client's corporate reporting purposes. We only make warranty or representation as to the accuracy of the information in this valuation summary and the reports.

All information provided to us is treated as correct and true and we accept no responsibility for subsequent changes in information and reserve the right to change our valuation if any information provided were to materially change.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

[1] Rounded to one decimal place

We have no present or prospective interest in the Properties and are not a related corporation of nor do we have a relationship with the property owner(s) or other party/parties whom the Client are contracting with.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers in the respective jurisdictions and have the necessary experience in valuing similar types of properties.

Yours Faithfully,

For and on behalf of
CUSHMAN & WAKEFIELD VHS PTE. LTD.



Chew May Yenk
MSISV,
Licensed Appraiser No AD41-2004419H
Executive Director
Valuation & Advisory, Singapore

Enc: Valuation Certificates

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Corporate reporting purposes.
Property:	**3A Joo Koon Circle, Singapore 629033**
Brief Description of Property:	The property comprises a 2-storey warehouse building with mezzanine floor and a part 3-/part 4-storey factory building.
Legal Description:	Lot 1463T of Mukim 7
Tenure/ Interest Valued:	Leasehold 30 years from 1 August 1987 with a further term of 30 years (balance lease term of about 27.1 years)
Registered Proprietor:	The property is held in trust by HSBC Institutional Trust Services (Singapore) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	14,553.2 sq m
Gross Floor Area (GFA):	20,243.5 sq m – according to information provided
Gross Lettable Area (GLA):	19,115.5 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	Part 3-/part 4-storey factory building - 30 November 1990; 2-storey warehouse building with mezzanine floor - 23 October 2008
Condition:	Fairly good and well maintained.
Tenancy Details:	According to the information provided, the 2-storey warehouse building is leased to the tenant starting from 15 March 2020 and expiring on 14 March 2025. The initial rent is $1,796,246.40, reflecting S$1.30 per sq ft per month over the Gross Lettable Area. We understand the part 3/part 4-storey factory building is vacant as of the date of valuation. The landlord is responsible for all property maintenance and outgoings including property taxes and capital expenditure. The tenanted areas are generally the responsibility of the individual tenants.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD34,700,000** **(Singapore Dollars Thirty-Four Million and Seven Hundred Thousand Only)**
Value per GFA	SGD159 per square foot
Value per GLA:	SGD169 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Corporate reporting purposes.
Property:	**18 Gul Drive, Singapore 629468**
Brief Description of Property:	A purpose-built part 2/part 4-storey single-user chemical warehouse with ancillary offices.
Legal Description:	Lot 244C of Mukim 7
Tenure/ Interest Valued:	Leasehold 13 years 10 months and 12 days from 1 November 2004 with a further term of 20 years (balance lease term of about 18.2 years)
Registered Proprietor:	The Property is held in trust by HSBC Institutional Trust Services (Singapore) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	8,588.8 square metres
Gross Floor Area (GFA):	12,344.8 square metres – according to information provided
Gross Lettable Area (GLA):	10,849.4 square metres – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Completion was issued on 24 June 2010.
Condition:	Good and well maintained.
Tenancy Details:	According to the information provided, the Property is master leased to VWR Singapore Pte. Ltd. ("Master Tenant") starting from 1 January 2020 and expiring on 31 December 2029. The initial rent is S$2,184,516.00, reflecting S$1.56 per sq ft per month over the Gross Lettable Area. The Master Tenant is responsible for property maintenance. The Landlord shall pay the property tax, insurance, land rent and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD20,000,000** **(Singapore Dollars Twenty Million Only)**
Value per GFA	SGD151 per square foot
Value per GLA:	SGD171 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Corporate reporting purposes.
Property:	**21 Joo Koon Crescent, Singapore 629026**
Brief Description of Property:	A purpose-built 3-storey industrial building with worker's dormitory.
Legal Description:	Lot 2191X of Mukim 7
Tenure/ Interest Valued:	Leasehold 30 years from 16 February 1994 with a further term of 30 years (balance lease term of about 33.6 years)
Registered Proprietor:	The Property is held in trust by HSBC Institutional Trust Services (Singapore) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	8,992.2 sq m
Gross Floor Area (GFA):	9,250.8 sq m – according to information provided
Gross Lettable Area (GLA):	8,887.8 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Completion was issued on 19 December 2003
Condition:	Fair and was renovated in 2019.
Tenancy Details:	According to the information provided, the Property is master leased to the master tenant starting from 1 November 2019 and expiring on 31 October 2024. The initial rent is S$716,940.00, reflecting S$0.62 per sq ft per month over the Gross Lettable Area. The master tenant is responsible for outgoings including property maintenance, property tax and land rent. The Landlord shall pay insurance and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD14,700,000** **(Singapore Dollars Fourteen Million and Seven Hundred Thousand Only)**
Value per GFA	SGD148 per square foot
Value per GLA:	SGD154 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Corporate reporting purposes.
Property:	**26 Loyang Drive, Singapore 508970**
Brief Description of Property:	A purpose-built single-storey industrial building with mezzanine floors.
Legal Description:	Lot 4432W of Mukim 31
Tenure/ Interest Valued:	Leasehold for 30 years from 1 January 2006 with a further term of 18 years (balance lease term of about 33.5 years)
Registered Proprietor:	The Property is held in trust by HSBC Institutional Trust Services (Singapore) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	18,157.3 square metres
Gross Floor Area (GFA):	13,858.0 square metres – according to information provided
Gross Lettable Area (GLA):	11,178.9 square metres – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Completion (CSC) for the Property was issued on 1 November 2007.
Condition:	Good and well maintained.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 26 November 2018 and expiring on 25 November 2023. The initial rent is S$2,380,512.00, reflecting S$1.65 per sq ft per month over the Gross Lettable Area. The Master Tenant is responsible for property maintenance. The Landlord shall pay the property tax, insurance, land rent and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD24,700,000** **(Singapore Dollars Twenty-Four Million and Seven Hundred Thousand Only)**
Value per GFA	SGD166 per square foot
Value per GLA:	SGD205 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Corporate reporting purposes.
Property:	**30 and 32 Tuas Avenue 8, Singapore 639246/639247**
Brief Description of Property:	A part 2/ part 4-storey industrial building comprising 3 adjoining blocks.
Legal Description:	Lot 2927N of Mukim 7
Tenure/ Interest Valued:	Leasehold 30 years from 1 September 1996 with a further term of 30 years (balance lease term of about 36.2 years)
Registered Proprietor:	The Property is held in trust by HSBC Institutional Trust Services (Singapore) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	14,598.9 square metres
Gross Floor Area (GFA):	14,757.3 square metres – according to information provided
Gross Lettable Area (GLA):	11,330.3 square metres – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Completion ("CSC") for the 2 standard JTC type "E8" factories was issued on 19 February 1997 with another CSC issued on 17 September 1998 for addition & alteration works. Thereafter, another CSC was issued on 6 March 1999 for a 4-storey extension.
Condition:	Fairly good and well maintained.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 26 November 2018 and expiring on 25 November 2020. The initial rent is S$2,287,380.00, reflecting S$1.56 per sq ft per month over the Gross Lettable Area. The Master Tenant is responsible for property maintenance. The Landlord shall pay the property tax, insurance, land rent and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD24,400,000** **(Singapore Dollars Twenty-Four Million and Four Hundred Thousand Only)**
Value per GFA	SGD154 per square foot
Value per GLA:	SGD200 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Corporate reporting purposes.
Property:	**33 and 35 Penjuru Lane, Singapore 609200/609202**
Brief Description of Property:	The warehouse complex comprises three buildings – Block A, a 4-storey warehouse building; Block B, a part 1-storey/ part 3-storey with basement warehouse building with a VNA (Very-Narrow-Aisle) storage area; and Block C, a single-storey with mezzanine warehouse building.
Legal Description:	Lot 8480C of Mukim 5
Tenure/ Interest Valued:	Leasehold 30 years from 16 February 1988 with a further term of 31 years (balance lease term of about 28.6 years)
Registered Proprietor:	The Property is held in trust by HSBC Institutional Trust Services (Singapore) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	25,756.1 square metres
Gross Floor Area (GFA):	26,588.1 square metres – according to information provided
Gross Lettable Area (GLA):	19,953.4 square metres – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Completion ("CSC") for original completion of Block A was issued on 29 August 1994 and CSC for addition and alteration (A+A) works was issued on 9 October 2008. The CSC for Block B was issued on 9 October 2008. The CSC for original completion of Block C was issued on 11 May 1992 and CSC for A+A works was issued on 24 April 2009. According to information provided, JTC has granted an in-principle approval for the change of use of the premises for warehousing and storage of dangerous goods and cargo, drumming and other related processing and logistics services as a chemical logistics hub.
Condition:	Fairly good and well maintained.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 26 November 2018 and expiring on 25 November 2019. The rent is S$3,914,252.64, reflecting S$1.52 per sq ft per month over the Gross Lettable Area. The master tenant has renewed for another year from 26 November 2019 at the same rental with 2 weeks of rent-free period. The Property will be master leased to a new tenant starting from 1 March 2021 and expiring on 28 February 2026. The initial rent is S$0.80 per sq ft per month over the GLA with two months of rent-free period.

	The Master Tenant is responsible for property maintenance, property tax and land rent. The Landlord shall pay insurance and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD43,200,000** **(Singapore Dollars Forty-Three Million and Two Hundred Thousand Only)**
Value per GFA	SGD151 per square foot
Value per GLA:	SGD201 per square foot

VALUATION CERTIFICATE

Property Address	**15 Jalan Kilang Barat, Singapore 159357**
Valuation Prepared For	HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	Corporate Reporting
Legal Description	Lot 2923X Mukim 1
Tenure	Leasehold 99 years commencing from 1 January 1962 (based on balance un-expired interest of about 40.5 years)
Registered Lessee	HSBC Institutional Trust Services (Singapore) Limited (Held in Trust)
Brief Description	The property is located along Jalan Kilang Barat, off Jalan Bukit Merah. It comprises an 8-storey light industrial building with a multi-storey car park at levels 2 and 3. The Temporary Occupation Permit and Certificate of Statutory Completion were issued on 24 January 2002 and 5 May 2003 respectively. The property is assumed to be in fairly good condition for this valuation.
Site Area	2,337.2 sm or thereabouts, subject to government's re-survey
Gross Floor Area	Approximately 6,868.2 sm, as provided and subject to final survey
Lettable Floor Area	Approximately 5,602.8 sm, as provided and subject to final survey
Tenancy Brief	The property is multi-tenanted. Based on the tenancy information provided by the Client, the property is 92.2% let and has a total monthly gross rent of $150,309. The monthly service charge is about $0.50 psf. Majority of the leases will expire in Year 2021.
Annual Value	$1,693,400
Master Plan (2019)	Business 1 with a plot ratio of 2.5
Land Rent (pa)	Waived until further notice
Permitted Use	To be used mainly for clean industry, light industry, warehouse, public utilities, and telecommunication uses and other public installations.
Basis of Valuation	As-Is Basis, subject to existing tenancies
Valuation Approaches	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method
Date of Valuation	30 June 2020
Capitalisation Rate	5.75%
Terminal Capitalisation Rate	6.00%
Discount Rate	8.00%
Rate of Lettable Floor Area	$3,927/sm
Recommended Market Value	**$22,000,000** (Singapore Dollars Twenty-Two Million Only)
Estimated Reinstatement Cost (for fire insurance purpose)	**$13,200,000**
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein. With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.
Prepared by	
	Cynthia Ng — Licensed Appraiser No. AD041-2003388A **Cynthia Soo** — Licensed Appraiser No. AD041-2006556K Savills Valuation And Professional Services (S) Pte Ltd

This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation any other purposes.

CS/CN/pt

LIMITING CONDITIONS

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation report.

Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
Valuation Basis:	The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation report. The opinion expressed in the valuation report applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.
Currency of Valuation:	Values are reported in Singapore currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation report only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted. Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme (s), this report should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

VALUATION CERTIFICATE

Property Address	**34 Penjuru Lane, Singapore 609201**
Valuation Prepared For	HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	Corporate Reporting
Legal Description	Lot 7871A Mukim 5
Tenure	Leasehold 30 years commencing from 16 August 2002 (based on balance un-expired interest of about 12.1 years)
Registered Lessee	HSBC Institutional Trust Services (Singapore) Limited (Held in Trust)
Brief Description	The property is located near the junction of Penjuru Lane and Penjuru Road, off Jalan Buroh. It comprises a 5-storey warehouse with ancillary office. The Temporary Occupation Permit and Certificate of Statutory Completion was issued on 12 January 2009 and 12 May 2009 respectively. The property is assumed to be in average condition for this valuation.
Site Area	15,410.1 sm or thereabouts, subject to government's re-survey
Gross Floor Area	Approximately 38,487.0 sm, as provided and subject to final survey
Lettable Floor Area	Approximately 34,138.3 sm, as provided and subject to final survey
Tenancy Brief	The property is multi-tenanted. Based on the tenancy information provided by the Client, the property is 84.8% let and has a total monthly gross rent of $362,004. The monthly service charge is about $0.50 psf. Majority of the leases will expire in Year 2020.
Annual Value	$4,783,500
Master Plan (2019)	Business 2 with a plot ratio of 2.5
Land Rent (pa)	$440,729
Permitted Use	For warehousing of consumer products and chemicals only
Basis of Valuation	As-Is Basis, subject to existing tenancies
Valuation Approaches	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method
Date of Valuation	30 June 2020
Capitalisation Rate	7.25%
Discount Rate	8.00%
Rate of Lettable Floor Area	$987/sm
Recommended Market Value	**$33,700,000** (Singapore Dollars Thirty-Three Million And Seven Hundred Thousand Only)
Estimated Reinstatement Cost (for fire insurance purpose)	**$64,700,000**
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein. With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.
Prepared by	  **Cynthia Ng** **Daniel Ee** Licensed Appraiser No. AD041-2003388A Licensed Appraiser No. AD041-2004607E Savills Valuation And Professional Services (S) Pte Ltd

This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation any other purposes.

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LIMITING CONDITIONS

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Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
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Currency of Valuation:	Values are reported in Singapore currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation report only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted. Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon if the addressee of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme (s), this report should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

VALUATION CERTIFICATE

Property Address	**39 Ubi Road 1, Singapore 408695**
Valuation Prepared For	HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	Corporate Reporting
Legal Description	Lot 4610M Mukim 23
Tenure	Leasehold 30+30 years commencing from 1 January 1992 (based on balance un-expired interest of about 31.5 years)
Registered Lessee	HSBC Institutional Trust Services (Singapore) Limited (Held in Trust)
Brief Description	The subject property is located on the western side of Ubi Road 1, off Paya Lebar Road, and some 7.5 km from the City Centre. It comprises an 8-storey light industrial building with ancillary office. The Temporary Occupation Permits were issued on 1 December 1995 and 15 November 2011; and Certificate of Statutory Completion was issued on 24 September 1998. The property is assumed to be in average condition for this valuation.
Site Area	5,136.1 sm, subject to government's re-survey
Gross Floor Area	Approximately 12,589.6 sm, as provided and subject to final survey
Lettable Floor Area	Approximately 10,103.0 sm, as provided and subject to final survey
Tenancy Brief	The property is multi-tenanted. Based on the tenancy information provided by the Client, the property is about 70.9% let and has a total monthly gross rent of about $114,053. The monthly service charge is $0.50 psf. Majority of the leases will expire in Year 2028.
Annual Value	$1,981,200
Master Plan (2019)	Business 1 with plot ratio of 2.5
Land Rent (pa)	$319,363
Permitted Use	Storage and distribution of light industrial materials like window casings, timber doors, cabinets, light fittings and fixtures only
Basis of Valuation	As-Is Basis, subject to existing tenancies
Valuation Approaches	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method
Date of Valuation	30 June 2020
Capitalisation Rate	6.25%
Terminal Capitalisation Rate	6.50%
Discount Rate	8.00%
Rate of Lettable Floor Area	$2,019/sm
Recommended Market Value	**$20,400,000** (Singapore Dollars Twenty Million And Four Hundred Thousand Only)
Estimated Reinstatement Cost (for fire insurance purpose)	**$21,200,000**
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein. With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.
Prepared by	  **Cynthia Ng** **Jacqueline Tan** Licensed Appraiser No. AD041-2003388A Licensed Appraiser No. AD041-2009422G Savills Valuation And Professional Services (S) Pte Ltd

This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation any other purposes.

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LIMITING CONDITIONS

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Valuation Standards: The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.

Valuation Basis: The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation report.

The opinion expressed in the valuation report applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.

Currency of Valuation: Values are reported in Singapore currency unless otherwise stated.

Confidentiality: Our valuation is confidential and strictly for the use of the addressee of the valuation report only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.

Copyright: Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.

Limitation of Liability: The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted.

Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).

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Titles: A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.

Planning Information: Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme (s), this report should then be referred back to Savills for review on possible amendment.

Other Statutory Regulations: Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.

Site Condition: We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.

Condition of Property: While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.

Source of Information: Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.

Floor Areas: We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.

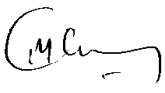
Plans: Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.

Tenant: No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.

Reinstatement Cost: Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.

Attendance in Court: Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

VALUATION CERTIFICATE

Property Address	**51 Penjuru Road, Singapore 609143**
Valuation Prepared For	HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	Corporate Reporting
Legal Description	Lot 7829M Mukim 5
Tenure	Leasehold 30+30 years commencing from 1 January 1995 (based on balance un-expired interest of about 34.5 years)
Registered Lessee	HSBC Institutional Trust Services (Singapore) Limited (Held in Trust)
Brief Description	The property is located on the eastern side of Penjuru Road, off Jalan Buroh. It comprises a part single storey automated warehouse/part 4-storey conventional warehouse building with a mezzanine level. The Temporary Occupation Permit was issued on 25 February 1999 while the Certificate of Statutory Completion was issued on 2 November 1999. The property is assumed to be in average condition for this valuation.
Site Area	14,591.7 sm or thereabouts, subject to government's re-survey
Gross Floor Area	Approximately 22,889.1 sm, as provided and subject to final survey
Lettable Floor Area	Approximately 19,721.0 sm, as provided and subject to final survey
Tenancy Brief	Based on the information provided, the entire property is leased to Freight Links Express Logisticentre Pte Ltd for 2 years commencing on 26 November 2018 at a net rent of $2,808,684 per annum. The tenant is required to pay all outgoings such as utilities, insurance, maintenance & repair, JTC land rent and property tax. The landlord is responsible for lease management fee.
Annual Value	$3,749,000
Master Plan (2019)	Business 2 with a plot ratio of 2.5
Land Rent (pa)	$417,323
Permitted Use	For warehousing with specialised storage and handling facilities, and a full range of distribution services including order picking, sorting, kitting operations, packing and other logistics related value added services, for electronic and electrical products, vehicle spare parts and equipment, personal care products, containers and other general cargoes only
Basis of Valuation	As-Is Basis, subject to existing tenancies
Valuation Approaches	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method
Date of Valuation	30 June 2020
Capitalisation Rate	6.25%
Terminal Capitalisation Rate	6.50%
Discount Rate	8.00%
Rate of Lettable Floor Area	$1,805/sm
Recommended Market Value	**$35,600,000** (Singapore Dollars Thirty-Five Million And Six Hundred Thousand Only)
Estimated Reinstatement Cost (for fire insurance purpose)	**$38,500,000**
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein. With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.
Prepared by	  **Cynthia Ng** **Daniel Ee** Licensed Appraiser No. AD041-2003388A Licensed Appraiser No. AD041-2004607E Savills Valuation And Professional Services (S) Pte Ltd

This valuation is exclusive of Goods and Services Tax.

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Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
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Plans:	Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

VALUATION CERTIFICATE

Property Address	**123 Genting Lane, Singapore 349574**
Valuation Prepared For	HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	Corporate Reporting
Legal Description	Lot 5872T Mukim 24
Tenure	Leasehold 60 years commencing from 1 September 1981 (based on balance un-expired interest of about 21.1 years)
Registered Lessee	HSBC Institutional Trust Services (Singapore) Limited (Held in Trust)
Brief Description	The property is located along Genting Lane, off Macpherson Road/Aljunied Road. It comprises an 8-storey light industrial building with ancillary office. The Certificates of Statutory Completion were issued on 17 April 1996, 20 September 2001 and 3 January 2007. The property is assumed to be in average condition for this valuation.
Site Area	6,017.4 sm or thereabouts, subject to government's re-survey
Gross Floor Area	Approximately 14,763.0 sm, as provided and subject to final survey
Lettable Floor Area	Approximately 12,424.0 sm, as provided and subject to final survey
Tenancy Brief	The property is multi-tenanted. Based on the tenancy information provided by the Client, the property is 80.2% let and has a total monthly gross rent of $151,186. The monthly service charge is about $0.50 psf. Majority of the leases will expire in Year 2021.
Annual Value	$1,896,400
Master Plan (2019)	Business 1 with a plot ratio of 2.5
Land Rent (pa)	$387,942
Permitted Use	For manufacturing of release paper coating plastic vinyl label stock.
Basis of Valuation	As-Is Basis, subject to existing tenancies
Valuation Approaches	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method
Date of Valuation	30 June 2020
Capitalisation Rate	6.50%
Terminal Capitalisation Rate	6.75%
Discount Rate	8.00%
Rate of Lettable Floor Area	$1,352/sm
Recommended Market Value	**$16,800,000** (Singapore Dollars Sixteen Million And Eight Hundred Thousand Only)
Estimated Reinstatement Cost (for fire insurance purpose)	**$24,800,000**
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein. With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.
Prepared by	
	Cynthia Ng / Licensed Appraiser No. AD041-2003388A **Cynthia Soo** / Licensed Appraiser No. AD041-2006556K Savills Valuation And Professional Services (S) Pte Ltd

This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must **be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation any other purposes.**

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Currency of Valuation:	Values are reported in Singapore currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation report only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted. Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme (s), this report should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

VALUATION CERTIFICATE

Property Address	**508 Chai Chee Lane, Singapore 469032**
Valuation Prepared For	HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	Corporate Reporting
Legal Description	Lot 6084K Mukim 28
Tenure	Leasehold 30+29 years commencing from 16 April 2001 (based on balance un-expired interest of about 39.8 years)
Registered Lessee	HSBC Institutional Trust Services (Singapore) Limited (Held in Trust)
Brief Description	The property is located at the northern end of a cul-de-sac of Chai Chee Lane, with Pan Island Expressway at its north-western boundary, and approximately 10 km from the City Centre. It comprises a 7-storey light industrial building with two basement storeys. The Certificate of Statutory Completion was issued on 8 August 2003 and subsequently in July/December 2007 and 9 February 2011. The property is assumed to be in average condition for this valuation.
Site Area	10,562.1 sm, subject to government's re-survey
Gross Floor Area	Approximately 29,702.8 sm, as provided and subject to final survey
Lettable Floor Area	Approximately 22,301.3 sm, as provided and subject to final survey
Tenancy Brief	The property is multi-tenanted. Based on the tenancy information provided by the Client, the property is about 98.1% let and has a total monthly gross rent of about $599,822. The average monthly service charge is $0.30 psf. Majority of the leases will expire in Year 2023.
Annual Value	$5,599,900
Master Plan (2019)	Business 1 with plot ratio of 2.5
Land Rent (pa)	We understand that upfront land premium has been paid.
Permitted Use	IC chips test, mark and pack complete with development of production and manufacturing activities/processes only
Basis of Valuation	As-Is Basis, subject to existing tenancies
Valuation Approaches	Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method
Date of Valuation	30 June 2020
Capitalisation Rate	6.00%
Terminal Capitalisation Rate	6.25%
Discount Rate	8.00%
Rate of Lettable Floor Area	$2,860/sm
Recommended Market Value	**$63,800,000** (Singapore Dollars Sixty-Three Million And Eight Hundred Thousand Only)
Estimated Reinstatement Cost (for fire insurance purpose)	**$49,900,000**
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation report and also the limiting conditions herein. With the outbreak of the Coronavirus Disease 2019 (COVID-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that COVID-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review. Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation report.
Prepared by	  **Cynthia Ng** **Jacqueline Tan** Licensed Appraiser No. AD041-2003388A Licensed Appraiser No. AD041-2009422G Savills Valuation And Professional Services (S) Pte Ltd

This valuation is exclusive of Goods and Services Tax.

To any party relying on this report, we advise that this summary must be read in conjunction with the full valuation report. This valuation summary should not be relied upon in isolation any other purposes.

JT/CN/ha

LIMITING CONDITIONS

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Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation report.

Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
Valuation Basis:	The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation report. The opinion expressed in the valuation report applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.
Currency of Valuation:	Values are reported in Singapore currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation report only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted. Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon if the addressee of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme (s), this report should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

APPENDIX K — SABANA INDEPENDENT VALUATION CERTIFICATES (ESR-REIT PORTFOLIO)

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VALUATION CERTIFICATE

Address of Property	:	11 Chang Charn Road Singapore 159640
Our Reference	:	2020/C2/0041/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lots 317A & 2181K Mukim 1
Tenure	:	99-year lease commencing 1 January 1958 (with balance lease term of approximately 36.5 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the south end of Chang Charn Road, abutting Hoy Fatt Road, off Leng Kee Road/ Jalan Bukit Merah and approximately 6 km from the City Centre. Accessibility to other parts of Singapore is enhanced by its proximity to the Redhill/ Queenstown MRT Stations and Pan-Island/ Central/ Ayer Rajah Expressways, all are within a short drive away. Erected on site is a 6-storey high specs industrial building with warehouse/production area, ancillary offices and showroom. Vertical access within the building is via 2 passenger lifts and two cargo lifts and supplemented by reinforced concrete staircases.
Site Area	:	3,625.8 sm or thereabouts
Gross Floor Area	:	Approximately 9,062.3 sm (as provided and subject to survey)
Lettable Area	:	Approximately 6,851.1 sm (as provided and subject to survey
Year of Completion	:	The Certificate of Statutory Completion (CSC) was issued on 2 February 1995.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted and has an occupancy rate of about 75.1%.
Annual Land Rent	:	No/nominal land rent is payable.

Annual Value	:	S$1,997,400/-. Property tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 1" with a gross plot ratio of 2.5 *Note: The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/ or made available to us.*
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate: 5.75% Discount Rate: 7.50% Terminal Rate: 6.00%
Date of Valuation	:	30 June 2020
Market Value	:	**S$29,200,000/-** **(Singapore Dollars Twenty-Nine Million And Two Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

GSL/SS/ct

This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	1 & 2 Changi North Street 2 Singapore 498808 & 498775 (the 'Property')
Our Reference	:	2020/C2/0041-1/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	

No.	Legal Description (Both of Mukim 31)
1	4030M
2	4117W

Tenure :

No.	Tenure
1	30+30-year lease commencing 1 March 2001 (with balance lease term of approximately 40.7 years as at the material date of valuation)
2	30+30-year lease commencing 23 November 2005 (with balance lease term of approximately 45.4 years as at the material date of valuation)

Registered Lessee : RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).

Brief Description : The Property is located along both sides of Changi North Street 2, directly opposite each other at its junction with Changi North Crescent, within Changi North Industrial Park, off Upper Changi Road North/ Tampines Expressway, and approximately 18 km from the City Centre.

Erected on site are two 5-storey light industrial buildings currently used as production/ warehousing/ offices. The two buildings are linked by a 2-level overhead bridge via the 3rd and 4th storeys of the two buildings.

Vertical movements within each building are via two passenger lifts (No. 1 - 14 persons or 950 kg, No. 2 – 13 persons or 885 kg), cargo lifts (No. 1 – 10 tonnes, No. 2 – 3 tonnes) and r.c. staircases.

Site Area :

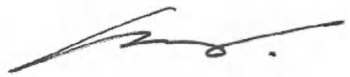
No.	Land Area (sm)
1	4,958.8
2	2,999.0
Total	**7,957.8 or thereabouts**

Gross Floor Area* : Approximately 11,693.7 sm

Lettable Area*	:	Approximately 11,693.7 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificates of Statutory Completion for Nos. 1 & 2 were issued on 23 November 2003 and 17 January 2008 respectively.
Condition	:	Average
Occupancy	:	The Property is 100% leased to a single tenant.
Annual Land Rent	:	Land rent is currently payable to JTC at $102,134/- and $66,698/- per annum for the 2 land lots respectively. The annual land rent is subject to revision on 1 March and 23 November every year respectively at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$2,008,000/-
Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.6
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate: 5.75% Discount Rate: 7.75% Terminal Rate: 6.00%
Date of Valuation	:	30 June 2020

Market Value	:	**S$22,500,000/-** **(Singapore Dollars Twenty-Two Million and Five Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	31 Changi South Avenue 2 Singapore 486478 (the 'Property')
Our Reference	:	2020/C2/0041-2/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 9958C Mukim 27
Tenure	:	30+30-year lease commencing 1 March 1995 (with balance lease term of approximately 34.6 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the western side of Changi South Avenue 2, off Xilin Avenue. It is sited within Changi South Industrial Estate, within close proximity to the Singapore Expo, Changi Business Park and Changi Airport, and approximately 17 km from the City Centre. Erected on site is a 4-storey warehouse development with ancillary office annex block and a 2-storey workers' dormitory building situated at the rear. Vertical access within the office block is via 1 passenger lift (with a capacity of 900 kg or 13 persons) and 1 hoisting lift (with a capacity of 2,000 kg) serving the warehouse. The development is supplemented with reinforced concrete staircases. Male/ female toilets are provided on every level.
Site Area	:	4,958.0 sm or thereabouts
Gross Floor Area*	:	Approximately 5,546.0 sm
Lettable Area*	:	Approximately 5,546.0 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Statutory Completion was issued in 17 March 1997 and an Asset Enhancement Initiative (AEI) was carried out in 1st Quarter 2015.
Condition	:	Average
Occupancy	:	The Property is 100% leased to a single tenant.

Annual Land Rent	:	Land rent is currently payable to JTC at S$98,863/- per annum. The annual land rent is subject to revision on 1 March every year at the prevailing market rent, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$1,240,000/-
Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.6
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$12,500,000/-** **(Singapore Dollars Twelve Million And Five Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

DA/SS/ct

This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	25 Changi South Avenue 2 Singapore 486594 (the 'Property')
Our Reference	:	2020/C2/0041-3/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 9539L Mukim 27
Tenure	:	30+30-year lease commencing 16 October 1994 (with balance lease term of approximately 34.3 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the northern side of Changi South Avenue 2, off Xilin Avenue. It is sited within Changi South Industrial Estate, within close proximity to the Singapore Expo, Changi Business Park and Changi Airport, and approximately 17 km from the City Centre. Erected on site is a 4-storey light industrial building currently used as showroom/ warehousing/ offices. Vertical movements within each building are via a passenger lift (8 persons or 545 kg capacity), 2 cargo lifts (3,000 kg capacity each) and r.c. staircases.
Site Area	:	5,028.5 sm or thereabouts
Gross Floor Area*	:	Approximately 6,781.7 sm
Lettable Area*	:	Approximately 6,781.7 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Statutory Completion was issued on 12 April 2007
Condition	:	Average
Occupancy	:	The Property is 100% leased to a single tenant for a term of 4 years commencing 25 July 2017.
Annual Land Rent	:	Land rent is currently payable to JTC at S$119,036/- per annum. The annual land rent is subject to revision on 16 October every year at the prevailing market rent, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$1,109,000/-
Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.6
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$12,500,000/-** **(Singapore Dollars Twelve Million And Five Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

DA/SS/ct

This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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12 Marina View
#19-02 Asia Square Tower 2
Singapore 018961
RCB No. 198105965E

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VALUATION CERTIFICATE

Address of Property	:	4 & 6 Clementi Loop Singapore 129810/14
Our Reference	:	2020/C2/0041-4/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 6298V Mukim 5
Tenure	:	30 + 30-year lease commencing 1 October 1993 (based on its un-expired lease term of approximately 33.2 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at eastern side of Clementi Loop, at its junction with Clementi Avenue 6, some 13 km away from the City Centre and within Clementi West Distripark. The subject property is a part 2-/ part 3-storey warehouse cum office building and a 3-storey warehouse with a 4-storey ancillary office annex block. Vertical access within the building is via passenger lifts, cargos lifts supplemented by reinforced concrete staircases. Male/ female toilets are provided on every level.
Site Area	:	18,623.2 sm or thereabouts
Gross Floor Area*	:	Approximately 27,956.4 sm
Lettable Area*	:	Approximately 23,020.8 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that Certificate of Statutory Completion was issued on 22 November 2005 for the part 2/ 3-storey warehouse cum office building and the Certificate of Statutory Completion for the 3-storey warehouse with a 4-storey ancillary office annex block was issued on 15 August 2013.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is multi-tenanted with an occupancy rate of 75%

Annual Land Rent	:	Land rent is currently payable to JTC at S$539,142/- per annum. The annual land rent is subject to yearly revision on 1 October every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$3,774,000/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 1.6
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$39,400,000/-** **(Singapore Dollars Thirty-Nine Million And Four Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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VALUATION CERTIFICATE

Address of Property	:	15 Greenwich Drive Singapore 534022
Our Reference	:	2020/C2/0041-5/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 806W Mukim 30
Tenure	:	30-year lease commencing 16 December 2011 (with un-expired lease term of approximately 21.5 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at western side of Greenwich Drive, abutting Kallang-Paya Lebar Expressway and a short distance away from its junction with Tampines Road and within JTC Tampines LogisPark. The Property is a purpose built 4-storey ramp up warehouse building with mezzanine offices on the 1st and 2nd storeys. Vertical access within the building is via passenger lifts, cargos lifts supplemented by reinforced concrete staircases. Male/ female toilets are provided on every level.
Site Area	:	25,259.8 sm or thereabouts
Gross Floor Area*	:	Approximately 42,307.7 sm
Lettable Area*	:	Approximately 42,085.7 sm **Note: As provided and subject to survey.*
Year of Completion	:	Temporary Occupation Permit was issued on 22 October 1997 and Certificate of Statutory Completion was issued on 30 April 1999.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is multi-tenanted with an occupancy rate of 100%.
Annual Land Rent	:	No/nominal land rent is payable.
Annual Value	:	S$7,430,100/-. Property Tax is payable at 10% per annum of the Annual Value.

Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 1.7
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.50% Discount Rate 7.75% Terminal Rate 6.75%
Date of Valuation	:	30 June 2020
Market Value	:	**S$95,600,000/-** **(Singapore Dollars Ninety-Five Million And Six Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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Executive Director
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VALUATION CERTIFICATE

Address of Property	:	16 International Business Park Singapore 609929
Our Reference	:	2020/C2/0041-6/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 7271W Mukim 5
Tenure	:	30 + 30-year lease commencing 1 August 1996 (with un-expired lease term of approximately 36.1 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located within International Business Park, bounded by Boon Lay Way, Jurong East Street 11 and at a crossroad of International Business Park. It is approximately 15 km from the City Centre. The subject property is a 3-storey business park building with mezzanine floor and a basement carpark The vertical access within the building is via 1 passenger lift (15 persons or 1,020 kg each) and supplemented by r.c. staircases.
Site Area	:	4,986.9 sm or thereabouts
Gross Floor Area	:	Approximately 6,434.3 sm (as provided and subject to survey)
Lettable Area	:	Approximately 6,434.3 sm (as provided and subject to survey
Year of Completion	:	We understand that the Temporary Occupation Permit was given on 29 November 1997 and Certificate Of Statutory Completion was obtained on 1 November 1999.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is single tenanted with an occupancy rate of 100%.
Annual Land Rent	:	No/nominal land rent is payable however a service charge of S$14,357 per annum is payable to JTC.
Annual Value	:	S$2,400,00/-. Property tax is payable at 10% per annum of the Annual Value.

Master Plan Zoning (2019 Edition)	:	"Business Park" with a gross plot ratio of 2.5 *Note: The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/ or made available to us.*
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.50% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$30,600,000/-** **(Singapore Dollars Thirty Million And Six Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
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Appraiser's Licence No.: AD041-2003809B
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VALUATION CERTIFICATE

Address of Property	:	86 & 88 International Road Singapore 629176 & 629177 (the 'Property')
Our Reference	:	2020/C2/0041-7/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 4584L Mukim 6
Tenure	:	30+30-year lease commencing 16 December 1994 (with balance lease term of approximately 34.4 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the northern side of International Road, opposite Fifth Lok Yang Road, and some 24 km from the City Centre. Erected on the site of No. 86 is a single-storey warehouse building with an adjoining ancillary 3-storey office block whilst erected on the site of No. 88 is a 3-storey factory building with ancillary office and a basement car park. Vertical access within No. 86 is via one passenger lift and supplemented with reinforced concrete staircases. Vertical access within No. 88 is via one passenger lift, 3 goods lift and supplemented with reinforced concrete staircases.
Site Area	:	15,908.1 sm or thereabouts
Gross Floor Area*	:	Approximately 22,039.3 sm
Lettable Area*	:	Approximately 22,039.3 sm **Note: As provided and subject to survey.*
Year of Completion	:	The Certificate of Statutory Completion for 86 & 88 International Road were issued on 8 December 1997 and 23 January 2014 respectively.
Condition	:	Average

Occupancy	:	The Property is multi-tenanted and the current occupancy rate is 100%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$267,413/- per annum. The annual land rent is subject to revision on 16 December every year at the prevailing market rent, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$3,156,000/-
Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.4
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$41,300,000/-** **(Singapore Dollars Forty-One Million and Three Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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VALUATION CERTIFICATE

Address of Property	:	2 Jalan Kilang Barat Singapore 159346
Our Reference	:	2020/C2/0041-8/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 3010W Mukim 1
Tenure	:	99-year lease commencing 1 July 1963 (with balance lease term of approximately 42.0 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the western side of Jalan Kilang Barat, at its junction with Jalan Bukit Merah, and some 6 km from the City Centre. Accessibility to other parts of Singapore is enhanced by its proximity to the Redhill/ Queenstown MRT Stations and Pan-Island/ Central/ Ayer Rajah Expressways, all are within a short drive away. Erected on site is a 9-storey purpose-built high specs industrial building with a basement car park as well as a ramp-up car park from the 1st to the 3rd storey. Vertical access within the building is via 2 passenger lifts and one cargo lift, and supplemented by reinforced concrete staircases.
Site Area	:	3,063.1 sm or thereabouts
Gross Floor Area	:	Approximately 7,678.6 sm (as provided and subject to survey)
Lettable Area	:	Approximately 6,286.5 sm (as provided and subject to survey
Year of Completion	:	The Certificate of Statutory Completion (CSC) was issued on 31 December 2002.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted and has an occupancy rate of about 60.5%.
Annual Land Rent	:	No/nominal land rent is payable.

Annual Value	:	$2,031,700/-. Property tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 1" with a gross plot ratio of 2.5 *Note: The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/ or made available to us.*
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate: 5.75% Discount Rate: 7.50% Terminal Rate: 6.00%
Date of Valuation	:	30 June 2020
Market Value	:	**S$29,000,000/-** **(Singapore Dollars Twenty-Nine Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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Executive Director
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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	13 Jalan Terusan Singapore 619293
Our Reference	:	2020/C2/0041-9/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 2938P Mukim 6
Tenure	:	28-year lease commencing 25 Mar 2007 (with un-expired lease term of approximately 14.7 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at the end road of Jalan Terusan, off Jurong Port Road, southern flank of Jalan Ahmad Ibrahim. It is some 18 km from the City Centre. The Property comprise 4 blocks of single-storey workshop, 1 block of 4-storey workshop/ ancillary office and 2 blocks of 2-storey ancillary office and ancillary canteen Vertical access within Block 6 (ancillary office block) is via two passenger lifts (each of 1,020 kg capacity), supplement with reinforced concrete staircases and 8 ton overhead cranes in block 3, 4 and 5 with 1, 4 and 7 quantities respectively.
Site Area	:	30,234.9 sm or thereabouts
Gross Floor Area*	:	Approximately 22,777.3 sm (as provided and subject to survey)
Lettable Area*	:	Approximately 21,366.2 sm (as provided and subject to survey)
Year of Completion	:	We understand that the Temporary Occupation Permits were issued on the following dates as follows :- Block 1 (2-storey ancillary office) and Blocks 2, 3 & 4 (single-storey workshops) – 31 August 2009 Block 5 (single-storey workshop) and Block 7 (2-storey ancillary office/ canteen block) – 3 September 2010 Block 6 (4-storey workshop/ancillary office) – 17 August 2012
Condition	:	Average

Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted with an occupancy rate of 85%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$ $815,132.90 per annum. The annual land rent is subject to yearly revision on 25 March every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$5,329,000/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 2.5 *Note: The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/ or made available to us.*
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.75% Discount Rate 7.75% Terminal Rate 7.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$22,000,000/-** **(Singapore Dollars Twenty-Two Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

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VALUATION CERTIFICATE

Address of Property	:	24 Jurong Port Road Singapore 619097
Our Reference	:	2020/C2/0041-10/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 3079V Mukim 6
Tenure	:	30 +12-year lease commencing 1 March 1995 (with un-expired lease term of approximately 16.6 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at western side of Jurong Port Road, a short distance away from its junction with Jalan Buloh, some 18 km away from the City Centre and within Jurong Industrial Estate. The Property is a part 4/part 5-storey warehouse development with mezzanine and a basement carpark. Vertical access within the building is via passenger lifts, cargos lifts supplemented by reinforced concrete staircases. Male/ female toilets are provided on every level.
Site Area	:	30,262.2sm or thereabouts
Gross Floor Area*	:	Approximately 75,903.8 sm
Lettable Area*	:	Approximately 66,842.9 sm **Note: As provided and subject to survey.*
Year of Completion	:	Temporary Occupation Permit was issued on 22 October 1997 and Certificate of Statutory Completion was issued on 30 April 1999.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is multi-tenanted with an occupancy rate of 81%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$741,727/- per annum. The annual land rent is subject to yearly revision on 1 March every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$8,521,000/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.75% Discount Rate 7.75% Terminal Rate 7.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$79,300,000/-** **(Singapore Dollars Seventy-Nine Million And Three Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
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VALUATION CERTIFICATE

Address of Property	:	30 Marsiling Industrial Estate Road 8 Singapore 739193
Our Reference	:	2020/C2/0041-11/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 2364A Mukim 13
Tenure	:	30 + 30-year JTC lease commencing 1 December 1989 (with balance lease term of approximately 29.4 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at the south-eastern side of Marsiling Industrial Estate Road 8, bounded by Riverside Road and Woodlands Avenue 5, and is approximately 22 km from the City Centre. Accessibility to other parts of Singapore is enhanced by its close proximity to the Bukit Timah Expressway, Seletar Expressway and Woodlands MRT Station/ Regional Bus Interchange. Erected on site is a part 5-/ part 6-storey high specs industrial building which houses production area, cleanrooms, warehouse and ancillary office. Vertical access within the building is via 2 passenger lifts, 1 fireman's lift, 2 cargo lifts and supplemented by reinforced concrete (r.c.) staircases.
Site Area	:	8,095.2 sm or thereabouts
Gross Floor Area	:	Approximately 20,238.0 sm (as provided and subject to survey)
Lettable Area	:	Approximately 17,378.0 sm (as provided and subject to survey
Year of Completion	:	The Certificate of Statutory Completion (CSC) was issued on 7 October 2002 for additions & alternations to existing 2-storey single user factory building involving extension of 3rd, 4th, 5th & 6th storey/roof.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted and enjoys 100% occupancy.

Annual Land Rent	:	Land rent is currently payable to JTC at S$191,694/- per annum. The annual land rent is subject to yearly revision on 1 December every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$2,923,500/-. Property tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with a gross plot ratio of 2.5 *Note: The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/ or made available to us.*
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate: 6.00% Discount Rate: 7.50% Terminal Rate: 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$47,300,000/-** **(Singapore Dollars Forty-Seven Million and Three Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	25 Pioneer Crescent Singapore 628554 (the 'Property')
Our Reference	:	2020/C2/0041-12/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 4414N Mukim 6
Tenure	:	30 + 28-year JTC lease commencing 1 Februrary 2009 (with balance lease term of approximately 46.6 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the southeastern flank of Pioneer Crescent, at the intersection with Tanjong Kling Road off Pioneer Road. It lies within Jurong Industrial Estate, some 21 km from the City Centre. A 4-storey single-use detached factory with ancillary offices. Vertical access within the building is via 1 passenger lift and a cargo lift (5,000 kg capacity) supplemented with reinforced concrete staircases.
Site Area	:	6,988.6 sm or thereabouts
Gross Floor Area	:	Approximately 7,060.9 sm (as provided and subject to survey).
Lettable Area	:	Approximately 7,060.9 sm (as provided and subject to survey).
Year of Completion	:	We understand that Temporary Occupation Permit was issued on 17 December 2009 while Certificate of Statutory Completion was issued on 9 September 2010.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is single tenanted with an occupancy rate of 100%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$117,478/- per annum. The annual land rent is subject to yearly revision on 1st day of February every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$1,569,000/-. Property Tax is payable at 10% per annum of the Annual Value.

Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.4 **The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/or made available to us.*
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate: 5.75% Discount Rate: 7.75% Terminal Rate: 6.00%
Date of Valuation	:	30 June 2020
Market Value	:	**S$16,200,000/-** **(Singapore Dollars Sixteen Million And Two Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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VALUATION CERTIFICATE

Address of Property	:	120 Pioneer Road Singapore 639597 (the 'Property')
Our Reference	:	2020/C2/0041-13/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 4441T Mukim 7
Tenure	:	30+28-year lease commencing 16 February 1997 (with balance lease term of approximately 34.6 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the north-eastern side of Pioneer Road, at its junction with Tuas West Road and Pioneer Road, within Jurong Industrial Estate and some 28 km from the City Centre. Erected on the site is a 2-storey factory and single-storey warehouse complex with a 4-storey ancillary office section. The warehouse is equipped with loading/ unloading bays and dock levelers and served by 2 hoist lifts for goods. The 4-storey ancillary office section is accessible via staircases. Other improvements include a guardhouse, bin center, tarmac service driveways and car parking lots within the compound.
Site Area	:	16,597.9 sm or thereabouts
Gross Floor Area*	:	Approximately 23,043.4 sm
Lettable Area*	:	Approximately 20,106.1 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Statutory Completion was issued on 11 May 2001.
Condition	:	Average

Occupancy	:	The Property is multi-tenanted and the current occupancy rate is 81.4%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$297,600/- per annum. The annual land rent is subject to revision on 16 February every year at the prevailing market rent, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$2,104,000/-
Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.4
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$36,000,000/-** **(Singapore Dollars Thirty-Six Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
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VALUATION CERTIFICATE

Address of Property	:	3 Pioneer Sector 3 Singapore 628342
Our Reference	:	2020/C2/0041-14/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 2111N Mukim 7
Tenure	:	30 + 30-year lease commencing 16 December 1990 (based on its un-expired lease term of approximately 30.4 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at southern side of Pioneer Sector 3, a short distance away from its junction with Gul Road, some 25 km away from the City Centre and within Jurong Industrial Estate. The subject property is a part 2-/part 3-storey warehouse with ancillary office and a 4-storey ramp- up warehouse extension with a link bridge. Vertical access within the building is via passenger lifts, cargos lifts supplemented by reinforced concrete staircases. Male/ female toilets are provided on every level.
Site Area	:	47,551.2 sm or thereabouts
Gross Floor Area*	:	Approximately 66,566.0 sm
Lettable Area*	:	Approximately 59,968.9 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that Certificate of Statutory Completion was issued on 10 December 1996 and the Temporary Occupation Permit was issued on 3 June 2014 for the 4-storey extension.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is multi-tenanted with an occupancy rate of 92%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$799,336/- per annum. The annual land rent is subject to yearly revision on 16 December every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$8,348,100/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 1.4
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.25% Discount Rate 7.75% Terminal Rate 6.50%
Date of Valuation	:	30 June 2020
Market Value	:	**S$95,100,000/-** **(Singapore Dollars Ninety-Five Million And One Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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Executive Director
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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	54 Serangoon North Avenue 4 Singapore 555854 (the 'Property')
Our Reference	:	2020/C2/0041-15/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 15780V Mukim 18
Tenure	:	30+30-year lease commencing 16 June 1996 (with balance lease term of approximately 35.9 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the eastern side of Serangoon North Avenue 4, off Serangoon North Avenue 5, with its rear boundary backing onto Yio Chu Kang Road and approximately 12 km from the City Centre. Erected on site is a 6-storey light industrial building, currently used for production/ warehousing and some offices. Vertical access within the building is via two passenger lifts (1,000 kg, 15 persons) and two cargo lifts (3,000 kg each), supplemented by r.c. staircases.
Site Area	:	5,201.9 sm or thereabouts
Gross Floor Area*	:	Approximately 12,936.7 sm
Lettable Area*	:	Approximately 10,719.9 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Statutory Completion was issued on 3 August 1998.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted and the current occupancy rate is 99.3%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$278,255/- per annum. The annual land rent is subject to revision on 16 June every year at the prevailing market rent, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$2,434,700/-
Master Plan Zoning (2019 Edition)	:	"Business 1" with plot ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$22,700,000/-** **(Singapore Dollars Twenty-Two Million And Seven Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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VALUATION CERTIFICATE

Address of Property	:	11 Serangoon North Avenue 5 Singapore 554809 (the 'Property')
Our Reference	:	2020/C2/0041-16/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 15726C Mukim 18
Tenure	:	30+30-year lease commencing 16 April 1997 (with balance lease term of approximately 36.8 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the northern side of Serangoon North Avenue 5, off Ang Mo Kio Avenue 3 and Yio Chu Kang Road, and some 12.5 km from the City Centre. Erected on site is a is a part 6/ part 7-storey detached factory building with a basement level, currently used as production/ warehousing/ offices. Vertical access within the building is via two passenger lifts (1,000 kg, 15 persons) and two cargo lifts (3,000 kg each), supplemented by r.c. staircases.
Site Area	:	5,462.3 sm or thereabouts
Gross Floor Area*	:	Approximately 13,621.4 sm
Lettable Area*	:	Approximately 10,413.3 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Statutory Completion was issued on 5 March 2002.
Condition	:	Average
Occupancy	:	The Property is multi-tenanted and the occupancy rate is 75.5% as at May 2020.
Annual Land Rent	:	Land rent is currently payable to JTC at S$282,874/- per annum. The annual land rent is subject to revision on 16 April every year at the prevailing market rent, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$1,620,900/-
Master Plan Zoning (2019 Edition)	:	"Business 1" with plot ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$19,900,000/-** **(Singapore Dollars Nineteen Million And Nine Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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VALUATION CERTIFICATE

Address of Property	:	16 Tai Seng Street Singapore 534138
Our Reference	:	2020/C2/0041-17/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 6562P Mukim 23
Tenure	:	30 + 30-year JTC lease commencing 4 July 2007 (with balance lease term of approximately 47 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the western side of Tai Seng Street, off Airport Road/ Upper Paya Lebar Road, and some 10 km from the City Centre. The front of the Property is bounded by the Paya Lebar Park Connector and Upper Paya Lebar Road. Accessibility to other parts of Singapore is enhanced by its close proximity to the Central/ Pan-Island/ Kallang-Paya Lebar Expresssways, all are within a short drive away. The Tai Seng MRT Station which forms part of the Circle Line is located diagonally across Upper Paya Lebar Road. Erected on site is an 8-storey high specs industrial building featuring warehouse, production area, ancillary showroom and ancillary office. Vertical access within the building is via 2 passenger lifts (including a firemen's lift) and 2 cargo lifts and supplemented by reinforced concrete staircases.
Site Area	:	6,513.7 sm or thereabouts
Gross Floor Area	:	Approximately 20,036.0 sm (as provided and subject to survey)
Lettable Area	:	Approximately 16,941.0 sm (as provided and subject to survey
Year of Completion	:	We understand that the Temporary Occupation Permit was obtained on 11 November 2008 and the Certificate of Statutory Completion (CSC) was issued on 10 March 2011. The CSC for the extension work carried out on 6th, 7th & 8th storeys was obtained on 21 May 2013.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted and enjoys 100% occupancy.

Annual Land Rent	:	Land rent is currently payable to JTC at S$464,963/- per annum. The annual land rent is subject to yearly revision on 4 July every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$3,548,500/-. Property tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2 - White" with maximum plot ratio of 3.5 (B2 – 2.5) *Note: The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/ or made available to us.*
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 5.75% Discount Rate 7.50% Terminal Rate 6.00%
Date of Valuation	:	30 June 2020
Market Value	:	**S$59,000,000/-** **(Singapore Dollars Fifty-Nine Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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VALUATION CERTIFICATE

Address of Property	:	30 Teban Gardens Crescent Singapore 608927
Our Reference	:	2020/C2/0041-18/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 6472L Mukim 5
Tenure	:	Leasehold 22 years commencing 1 June 2017 (with balance lease term of approximately 18.9 years as at the date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The property is located at the north-western flank of Teban Gardens Crescent, near its junction with Penjuru Road, and approximately 16.0 km from the City Centre. The Property is a 3-storey ramp-up industrial building which is used as ancillary showroom/office and car workshop with a 2-storey annex building used as ancillary showroom/ office. Vertical access within the buildings is via reinforced concrete staircases. In addition, vehicular access to the upper floors of the main building is facilitated by a ramp. The annex building is equipped with a car hoist lift.
Site Area	:	10,675.3 sm or thereabouts
Gross Floor Area*	:	Approximately 12,962.3 sm
Lettable Area*	:	Approximately 11,109.1 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Fitness for the original main building was issued on 15 December 1979 and TOP for the 3rd storey extension was obtained on 10 December 2010. TOP for the annex building was obtained on 31 December 2013 and its Certificate of Statutory Completion was obtained on 19 February 2014.
Condition	:	Fairly good
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is 100% let to multiple tenants.

Annual Land Rent	:	The current land rent payable to JTC is $380,361 per annum.
Annual Value	:	S$4,004,000/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 1" with plot ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.75% Discount Rate 7.75% Terminal Rate 7.00%
Date of Valuation	:	30 June 2020
Market Value	:	**S$31,000,000/-** **(Singapore Dollars Thirty-One Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Licensed Appraiser No. AD041-2003809B
Executive Director
Valuation and Advisory Services

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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

Colliers International Consultancy & Valuation
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VALUATION CERTIFICATE

Address of Property	:	30 Toh Guan Road Singapore 608840 (the 'Property')
Our Reference	:	2020/C2/0041-19/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 7956T Mukim 5
Tenure	:	30+30-year lease commencing 16 August 1996 (with balance lease term of approximately 35.1 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the western side of a slip road of Toh Guan Road, between its junction with Toh Guan Road East and Jurong East St 21, off Boon Lay Way. It is sited directly opposite IMM, just a few minutes' drive to the Jurong East MRT Station and some 15 km from the City Centre. Erected on site is a part 6-/ part 8-storey industrial development with ancillary offices and showroom on the 1st storey. Vertical access within the building is currently via 2 passenger lifts (750 kg capacity) and 3 goods lifts (6,000 kg capacity) and supplemented by reinforced concrete staircases.
Site Area	:	12,338.1 sm or thereabouts
Gross Floor Area*	:	Approximately 30,844.0 sm
Lettable Area*	:	Approximately 26,618.1 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Statutory Completion was issued on 28 December 1998.
Condition	:	Average

Occupancy	:	The Property is multi-tenanted and the occupancy rate is 96.2% as at May 2020.
Annual Land Rent	:	Land rent is currently payable to JTC at S$547,195/- per annum. The annual land rent is subject to revision on 16 August every year at the prevailing market rent, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$4,528,400/-
Master Plan Zoning (2019 Edition)	:	"Business 1" with plot ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$58,300,000/-** **(Singapore Dollars Fifty-Eight Million and Three Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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VALUATION CERTIFICATE

Address of Property	:	3C Toh Guan Road East Singapore 608832
Our Reference	:	2020/C2/0041-20/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 5999K Mukim 5
Tenure	:	30 + 30-year lease commencing 16 February 1991 (with un-expired lease term of approximately 30.6 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at north-western side of a branch of Toh Guan Road East, a short distance away from its junction with Toh Guan Road, some 16 km away from the City Centre. The subject property is a 5-storey warehouse building with ancillary office and mezzanine floor on the 1st , 2nd , 4th and 5th storeys. The ancillary office is located at the front and the warehouse is sited at the rear. Vertical access within the building is via passenger lifts, cargos lifts supplemented by reinforced concrete staircases.
Site Area	:	7,406.1 sm or thereabouts
Gross Floor Area*	:	Approximately 17,917.6 sm
Lettable Area*	:	Approximately 16,081.7 sm **Note: As provided and subject to survey.*
Year of Completion	:	Original building was completed in 1994. We understand that Certificate of Statutory Completion was issued on 19 May 1999 for the additional 2-storey with mezzanine floor for warehouse and ancillaries.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted with an occupancy rate of 76%.
Annual Land Rent	:	Land rent is currently payable to JTC at S$328,461/- per annum. The annual land rent is subject to yearly revision on 16 February every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$2,555,800/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.25% Discount Rate 7.75% Terminal Rate 6.50%
Date of Valuation	:	30 June 2020
Market Value	:	**S$30,000,000/-** **(Singapore Dollars Thirty Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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VALUATION CERTIFICATE

Address of Property	:	2 Tuas South Avenue 2 Singapore 637601
Our Reference	:	2020/C2/0041-21/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 2865P Mukim 7
Tenure	:	Leasehold 60-year commencing 4 January 1999 (with balance lease term of approximately 38.5 years as at the date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the south-western side of Tuas South Avenue 2, between its junction with Tuas South Avenue 1 and Tuas South Avenue 3, and approximately 30 km from the City Centre. The Property is a part 4-/ part 6-storey industrial-cum-warehouse development with ancillary facilities and basement car park. Vertical movement within the building is via 2 cargo lifts, 3 passenger lifts and supplemented by r.c. staircases.
Site Area	:	12,425.2 sm or thereabouts
Gross Floor Area*	:	Approximately 20,192.6 sm
Lettable Area*	:	Approximately 20,192.6 sm **Note: As provided and subject to survey.*
Year of Completion	:	Certificate of Statutory Completion was issued in 2006.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is fully leased to a single tenant.
Annual Land Rent	:	No land rent is payable.
Annual Value	:	S$2,847,000/-. Property Tax is payable at 10% per annum of the Annual Value.

Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$35,000,000/-** **(Singapore Dollars Thirty-Five Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Licensed Appraiser No. AD041-2003809B
Executive Director And Head
Valuation and Advisory Services

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VALUATION CERTIFICATE

Address of Property	:	3 Tuas South Avenue 4 Singapore 637610
Our Reference	:	2020/C2/0041-22/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 3633K Mukim 7
Tenure	:	Leasehold 30+30 years commencing 1 May 1999 (with balance lease term of approximately 38.8 years as at the date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the southern side of Tuas South Avenue 4, at its intersection with Tuas South Avenue 5 within Tuas View Industrial Estate, some 29 km from the City Centre. The Property is a 3-storey single user detached factory with ancillary offices. Vertical access within the building is by a passenger lift, 2 cargo lifts and r.c. staircases.
Site Area	:	59,708.1 sm or thereabouts
Gross Floor Area*	:	Approximately 29,312.9 sm
Lettable Area*	:	Approximately 29,312.9 sm **Note: As provided and subject to survey.*
Year of Completion	:	Certificate of Statutory Completion was issued on 26 June 2002.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the property is fully leased to a single tenant.
Annual Land Rent	:	No land rent is payable currently.
Annual Value	:	S$7,643,000/-. Property Tax is payable at 10% per annum of the Annual Value.

Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.4
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$43,000,000/-** **(Singapore Dollars Forty-Three Million Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Licensed Appraiser No. AD041-2003809B
Executive Director And Head
Valuation and Advisory Services

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VALUATION CERTIFICATE

Address of Property	:	8 Tuas South Lane Singapore 637302
Our Reference	:	2020/C2/0041-23/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 4154W Mukim 7
Tenure	:	Leasehold 30+16 years commencing 1 April 2008 (with balance lease term of approximately 33.7 years as at the date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the southern side of Tuas South Lane, off Tuas South Avenue 9, and approximately 30 km from the City Centre. The Property is a purpose-built industrial development comprising an 8-storey warehouse building with an adjoining single storey factory, 4 blocks of single storey factory (one with 2-storey ancillary office) and 3 blocks of workers dormitory with other ancillary structures/buildings. There are 2 cargo lifts, 3 passenger lifts and 6 loading bays within the development.
Site Area	:	77,174.7 sm or thereabouts
Gross Floor Area*	:	Approximately 72,568.9 sm
Lettable Area*	:	Approximately 71,130.2 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that Certificate of Statutory Completion ("CSC") for the multiple buildings were issued on 14 September 2009, 29 July 2011, 10 August 2011, 19 October 2015, 26 April 2017, 14 September 2012 and 14 September 2015. In addition, the CSC for the additions and alterations to the 8-storey warehouse building was issued on 25 May 2018.
Condition	:	Fairly good
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted and enjoys 100% occupancy.
Annual Land Rent	:	No land rent is payable.

Annual Value	:	S$8,716,000/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.0
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$104,600,000/-** **(Singapore Dollars One Hundred Four Million And Six Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Licensed Appraiser No. AD041-2003809B
Executive Director And Head
Valuation and Advisory Services

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VALUATION CERTIFICATE

Address of Property	:	43 Tuas View Circuit Singapore 637360
Our Reference	:	2020/C2/0041-24/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 4128K Mukim 7
Tenure	:	Leasehold 30 years commencing 1 February 2008 (with balance lease term of approximately 17.6 years as at the date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the south-western side of Tuas View Circuit, off Tuas South Avenue 9 and approximately 32 km from the City Centre. The Property is a part single, part 2-storey and part 3-storey single user factory with ancillary office Vertical access within the building is via a cargo lift, a passenger lift and reinforced concrete staircases.
Site Area	:	13,138.3 sm or thereabouts
Gross Floor Area*	:	Approximately 11,411.8 sm
Lettable Area*	:	Approximately 11,411.8 sm **Note: As provided and subject to survey.*
Year of Completion	:	We understand that the Certificate of Statutory Completion was issued on 27 February 2013.
Condition	:	Fairly good
Occupancy	:	Based on the tenancy schedule as of 13 May 2020 provided to us, the Property is fully let to a single tenant,
Annual Land Rent	:	The current land rent payable to JTC is $173,684 per annum.
Annual Value	:	S$1,989,000/-. Property Tax is payable at 10% per annum of the Annual Value.

Master Plan Zoning (2019 Edition)	:	"Business 2" with plot ratio of 1.4
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancy
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.75% Discount Rate 7.75% Terminal Rate 7.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$18,200,000/-** **(Singapore Dollars Eighteen Million And Two Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Licensed Appraiser No. AD041-2003809B
Executive Director And Head
Valuation and Advisory Services

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Colliers INTERNATIONAL

VALUATION CERTIFICATE

Address of Property	:	28 Woodlands Loop Singapore 738308
Our Reference	:	2020/C2/0041-25/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 4749V Mukim 13
Tenure	:	30 + 30-year lease commencing 16 October 1995 (with un-expired lease term of approximately 35.3 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT)
Brief Description	:	The Property is located on the eastern side of Woodlands Loop, with the rear eastern boundary abuts Woodlands Avenue 10, within Woodlands East Industrial Estate, and approximately 22 km from the City Centre. The Subject Property is a 4-storey light industrial building. Vertical access within the building is via one passenger lift (of 750 kg or 11 persons capacity) and two cargo lifts (each of 3,000 kg); and supplemented with reinforced concrete staircases. Male/female toilets are provided on every level.
Site Area	:	9,345 sm or thereabouts
Gross Floor Area	:	Approximately 12,250.1 sm (as provided and subject to survey)
Lettable Area	:	Approximately 12,250.1 sm (as provided and subject to survey)
Year of Completion	:	Original building was completed in circa mid-1990s. We understand that Certificate of Statutory Completion was issued on 1998.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is 100% leased to a single tenant.
Annual Land Rent	:	Land rent is currently payable to JTC at S$ S$210,353/- per annum. The annual land rent is subject to yearly revision on 16 October every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$1,632,000/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$17,400,000/-** **(Singapore Dollars Seventeen Million And Four Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
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This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

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VALUATION CERTIFICATE

Address of Property	:	11 Woodlands Walk Singapore 738265
Our Reference	:	2020/C2/0041-26/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lot 5972X Mukim 13
Tenure	:	30 + 30-year lease commencing 16 October 1995 (with un-expired lease term of approximately 35.3 years as at the material date of valuation)
Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located on the south-western flank of Woodlands Walk, with Woodlands Avenue 8 at its rear and approximately 23 km from the City Centre. The Subject Property is a part 2-/ 3-/ 4-storey single-user detached factory with ancillary workers' dormitory on the 4th storey. Vertical movement within the building is via a passenger lift, two hydraulic goods lifts and r.c. staircases.
Site Area	:	6,646.6 sm or thereabouts
Gross Floor Area	:	Approximately 8,976.8 sm (as provided and subject to survey)
Lettable Area	:	Approximately 8,976.8 sm (as provided and subject to survey)
Year of Completion	:	Original building completed circa 1997/1998. However, we understand that addition & alteration works were done around 2002 on the 2nd & 3rd storeys and an addition of the workers' dormitory on the 4th storey in 2008.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is 100% leased to a single tenant.
Annual Land Rent	:	Land rent is currently payable to JTC at S$105,814/- per annum. The annual land rent is subject to yearly revision on 16 October every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.

Annual Value	:	S$1,628,000/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$16,800,000/-** **(Singapore Dollars Sixteen Million And Eight Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



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Appraiser's Licence No.: AD041-2003809B
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VALUATION CERTIFICATE

Address of Property	:	511 & 513 Yishun Industrial Park A Singapore 768768/36
Our Reference	:	2020/C2/0041-27/CORP
Valuation Prepared for	:	HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Shari'ah Compliant Industrial REIT) & Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Shari'ah Compliant Industrial REIT)
Purpose of Valuation	:	For the Proposed Merger of Sabana REIT and ESR-REIT
Legal Description	:	Lots 2060A & 1909V Mukim 19
Tenure	:	

Address	Tenure
511 Yishun Industrial Park A	29+30-year lease commencing 1 June 1995
513 Yishun Industrial Park A	30+30-year lease commencing 1 December 1993

Registered Lessee	:	RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT).
Brief Description	:	The Property is located at southern side of a service road within Yishun Industrial Park A, off Yishun Avenue 7 and some 20 km away from City Centre. The Property is a 5-storey industrial building with workers' dormitory (511) and a 4-storey walk-up industrial building (513). Both buildings are connected via a link bridge. Vertical access within the building is via passenger lifts, cargos lifts supplemented by reinforced concrete staircases. Male/ female toilets are provided on every level.
Site Area	:	

Address	Site area (sm)
511 Yishun Industrial Park A	6,551.3
513 Yishun Industrial Park A	4,503.5
Total	11,054.8

Gross Floor Area*	:	Approximately 20,874.3 sm
Lettable Area*	:	Approximately 18,600.8 sm **Note: As provided and subject to survey.*
Year of Completion	:	Certificate of Statutory Completion was issued in 1998 and 1995 for 511 and 513 respectively.
Condition	:	Average
Occupancy	:	Based on the tenancy schedule as at 13 May 2020 provided to us, the Property is multi-tenanted with an occupancy rate of about 84%.

Annual Land Rent	:	Land rent is currently payable to JTC at S$332,418/- per annum. The annual land rent is subject to yearly revision on 1 June every year at the prevailing market rate, subject to an increase not exceeding 5.5% of the immediately preceding annual rent.
Annual Value	:	S$2,382,400/-. Property Tax is payable at 10% per annum of the Annual Value.
Master Plan Zoning (2019 Edition)	:	"Business 2" with Plot Ratio of 2.5
Basis of Valuation	:	Market Value on 'As-Is' basis and subject to the existing tenancies
Methods of Valuation	:	Income Capitalisation Method and Discounted Cash Flow Analysis as primary methods and Comparison Method as a check
Key Assumptions	:	Capitalisation Rate 6.00% Discount Rate 7.75% Terminal Rate 6.25%
Date of Valuation	:	30 June 2020
Market Value	:	**S$25,700,000/-** **(Singapore Dollars Twenty-Five Million And Seven Hundred Thousand Only)**
Special Caveat	:	In view of the current COVID-19 situation and the preventive measures implemented by the Government, we have carried out an external inspection of the Property and relied on the photographs/ video/ floor plans of the Property provided by the owner. We have conducted title searches and made relevant inquiries and investigations as we deem necessary to provide you with the assessment of its market value. We have considered the effects of the pandemic with reference to information and evidence available to us when this valuation was prepared. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of the Property under frequent review.

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



Goh Seow Leng
Appraiser's Licence No.: AD041-2003809B
B.Sc (Estate Management), MSISV
Executive Director
Valuation and Advisory Services I Singapore

SS/GSL/sl

This valuation certificate is subject to the Caveats & Assumptions attached to the Valuation Report.

Cushman & Wakefield VHS Pte. Ltd.
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Company Registration No. 200709839D

14 July 2020

Sabana Real Estate Investment Management Pte. Ltd.
(as Manager of Sabana Shari'ah Compliant Industrial REIT)
151 Lorong Chuan,
#02-03, New Tech Park
Singapore 556741

HSBC Institutional Trust Services (Singapore) Limited
(as Trustee of Sabana Shari'ah Compliant Industrial REIT)
10 Marina Boulevard #48-01
Marina Bay Financial Centre Tower 2
Singapore 018983

Dear Sirs

VALUATION OF PORTFOLIO 29 PROPERTIES IN SINGAPORE

Cushman & Wakefield ("C&W") has been instructed by Sabana Real Estate Investment Management Pte. Ltd. (as Manager of Sabana Shari'ah Compliant Industrial REIT) ("Sabana"); and HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Sabana Shari'ah Compliant Industrial REIT) ("Trustee") (together "the Clients") to provide the Market Values as at 30 June 2020 and reports in respect of a portfolio of properties in Singapore ("the Properties") for proposed merger of Sabana REIT and ESR-REIT purposes.

C&W has prepared the valuations in accordance with the requirements of the instructions and the following international definition of Market Value:

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after property marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".

The valuations have been made on the assumption that the owner sells the Property on the open market in their existing state taking into account the terms of the existing occupancy arrangements, where appropriate, but without the benefit of any other deferred term contract, joint venture or any similar arrangement which would affect the value of the Property.

We provide a valuation summary of the valuation of the Properties together with the key factors that have been considered in determining the market values of the Property. The value conclusions reflect all information known by the valuers of C&W who worked on the valuations in respect to the Properties, market conditions and available data.

Reliance on This Letter

This letter is a summary of the reports that C&W has prepared and it does not contain all the necessary information and assumptions that are included in the reports. Further reference may be made to the reports, copies of which are held by the Clients.

The valuation contained in each report is not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, the Clients and other related parties. Whilst C&W has endeavoured to obtain accurate information, it has not independently verified all the information provided by the Clients or other reliable and reputable agencies.

C&W has also relied to a considerable extent the property data provided by the seller on matters such as land leases, tenancy details, income and expenses information, site and building plans, site and floor areas, dates of completion and all other relevant matters.

Also, in the course of the valuation, we have assumed that all leases are legally valid and enforceable and the Properties have proper legal titles that can be freely transferred, leased and sub-leased in the market without being subject to any land premium or any extra charges, C&W has no reason to doubt the truth and accuracy of the information provided to us which is material to the valuation.

No allowance has been made in the valuation for any charges, mortgages or amounts owing on the Properties. C&W has assumed that the Properties are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their market values, other than those which have been made known to C&W.

The methodologies used in valuing the Properties, are namely, the Discounted Cash Flow Analysis, Capitalization Approach and/or Sales Comparison Method.

The income approaches, where used, are based on our professional opinion and estimates of the future results and are not guarantees or predictions. Each methodology is based on a set of assumptions as to the income and expenses taking into consideration the changes in economic conditions and other relevant factors affecting the property. The resultant value is, in our opinion, the best estimate but it is not to be construed as a guarantee or prediction and it is fully dependent upon the accuracy of the assumptions made. This summary does not contain all the necessary support data and details included in the reports. For further information on that, reference should be made to the Report to understand the complexity of the methodologies and the variables involved in order to appreciate the context in which the values are arrived at.

We have not conducted structural surveys nor tested the building services as this is not part of our terms of reference and, as such, we cannot report that the Properties are free from rot, infestation or any other structural defects. For the purpose of this valuation, the Properties are assumed to be in sound structural condition and the building services in good working order. Our valuation assumes that the premises and any works thereto comply with all relevant statutory and planning regulations.

We have also not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

Valuation Rationale

In arriving at our valuation, we have considered relevant general and economic factors and researched recent transactions of comparable properties that have occurred in the vicinity or in similar standard localities. We have utilized the Discounted Cash Flow Analysis, Capitalization Approach and/ or Comparison Method, where appropriate, in undertaking our assessment for the Properties.

Discounted Cash Flow Analysis

We have carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the Property is sold at the commencement of the eleventh year of the cash flow. Where land tenure is less than 10 years, analyses were carried out over the balance tenure. This form of analysis allows an investor to make an assessment of the long term return that is likely to be derived from a property with a combination of both net income/rental and capital growth over an assumed investment horizon in undertaking this analysis, a wide range of assumptions are made including a target discount rate, rental growth, sale price of the property at the end of the investment horizon as well as costs associated with its disposal at the end of the investment period.

We have investigated the current market requirements for a return over the investment period from the relevant market sector in order to determine the appropriate discount rates for the properties. We have adopted between 7.25% and 8.00% as discount rates.

Our selected terminal capitalization rates used to estimate the terminal sale price, where applicable, takes into consideration perceived market conditions in the future, estimated tenancy and cash flow profile and the overall physical condition of the buildings at the end of the investment period. We have adopted rates at 5.50% on business parks and between 6.00% and 6.50% on the other properties. The adopted terminal capitalization rate, additionally, has regard to the duration of the remaining tenure of the property at the end of the cash flow period.

Capitalization Approach

Where appropriate, we have also utilized the Capitalization Approach by estimating sustainable revenue of a property, adjusting to reflect anticipated operating expenses or outgoings, deriving a net income which is then capitalized at appropriate capitalization rate over the remaining lease term or tenure. We have adopted rates of 5.25% on business parks and between 5.75% and 7.50% on the other properties.

Alternatively, and based on the same approach, this method can be varied so that the market rent is capitalized in accordance to the tenure of the lease with appropriate adjustments for rental shortfalls and/or overages.

Comparison Method

In the Comparison Method, where utilised, reference to comparable sale transactions where available in the relevant market have been made. Appropriate adjustments for differences such as location, tenure, age and condition, amenities and facilities and sizes, amongst other factors, are made between the property and the comparables.

Summary of Valuation

The valuation of the Properties is summarized below:

No.	Address	Land Area (sf)	Gross Floor Area (sf)	Balance Lease (years)	Market Value as at 30 June 2020 (SGD mil)[1]
1	7000 Ang Mo Kio Avenue 5	628,955	1,073,233	36.6	$305.4
2	12 Ang Mo Kio Street 65	72,714	180,424	30.3	$38.2
3	750-750E Chai Chee Road	617,915	1,526,762	10.8	$288.7
4	2,4,6 & 8 Changi Business Park (UE Bizhub East)	312,148	783,415	47.7	$530.4
5	45 Changi South Avenue 2	55,446	73,684	35.3	$11.0
6	6 Chin Bee Avenue	129,746.0	324,166	23.3	$94.5
7	22 Chin Bee Drive	69,256	120,653	15.2	$14.6
8	160A Gul Circle	89,880	86,075	20.3	$15.3
9	5 & 7 Gul Street 1	78,776	98,864	17.3	$13.6
10	128 Joo Seng Road	37,155	92,849	31.9	$12.2
11	130 Joo Seng Road	47,266	118,320	31.9	$15.7
12	136 Joo Seng Road	45,839	101,321	30.3	$11.9
13	160 Kallang Way	129,907	322,604	12.7	$25.0
14	11 Lorong 3 Toa Payoh	263,734	418,586	9.0	$53.2
15	30 Pioneer Road	200,787	281,101	16.6	$48.0
16	70 Seletar Aerospace View	57,284	53,729	21.4	$9.6
17	28 Senoko Drive	216,137	159,338	19.5	$14.2
18	21B Senoko Loop	80,241	195,823	32.6	$26.9
19	19 Tai Seng Avenue	48,221	120,556	47.3	$45.8
20	29 Tai Seng Street	34,072	85,070	46.9	$34.5
21	1 Third Lok Yang Road & 4 Fourth Lok Yang Road	133,812	114,111	11.5	$10.8
22	21 Tuas Avenue 11	71,175	75,579	33.8	$12.1
23	81 Tuas Bay Drive	107,639	107,567	46.1	$28.1
24	60 Tuas South Street 1	42,951	44,675	14.7	$4.4
25	79 Tuas South Street 5	67,955	67,942	39.6	$10.8
26	9 Tuas View Crescent	71,401	71,581	38.0	$10.0
27	11 Ubi Road 1	103,238	253,059	35.3	$83.0
28	21 & 23 Ubi Road 1	81,144	202,770	36.7	$36.5
29	48 Pandan Road	437,368	1,093,415	1,009,579	$215.0
	Total				**$2,019.4**

Our valuation is exclusive of Goods and Services Tax, where applicable.

The Valuation Certificates containing more property details of each property are attached.

[1] Rounded to one decimal place

Significant Uncertainty

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a 'Global Pandemic' on the 11th March 2020, has impacted many aspects of daily life and the global economy – with some real estate sectors experiencing significantly lower levels of transactional activity and liquidity. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt, the inclusion of the 'significant uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case. The significant uncertainty clause is to serve as a precaution and does not invalidate the valuation. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that you keep the valuations contained within this assignment under frequent review.

Disclaimer

We have prepared this valuation summary for the purposes of the Clients' proposed merger of Sabana REIT and ESR-REITpurposes. We only make warranty or representation as to the accuracy of the information in this valuation summary and the reports.

All information provided to us is treated as correct and true and we accept no responsibility for subsequent changes in information and reserve the right to change our valuation if any information provided were to materially change.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

We have no present or prospective interest in the Properties and are not a related corporation of nor do we have a relationship with the property owner(s) or other party/parties whom the Clients are contracting with.

The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers in the respective jurisdictions and have the necessary experience in valuing similar types of properties.

Yours Faithfully,

For and on behalf of
CUSHMAN & WAKEFIELD VHS PTE. LTD.



Chew May Yenk
MSISV,
Licensed Appraiser No AD41-2004419H
Executive Director
Valuation & Advisory, Singapore

Enc: Valuation Certificates

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**7000 Ang Mo Kio Avenue 5, Singapore 569877**
Brief Description of Property:	The subject property comprises a 6-storey production block and a 5-storey office block.
Legal Description:	Lot 16070P of Mukim 18
Tenure/ Interest Valued:	Leasehold for 32 years from 30 January 1995 with a further term of 30 years (balance lease term of about 36.6 years)
Registered Proprietor:	7000 AMK LLP
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	58,431.9 sq m
Gross Floor Area (GFA):	99,706.7 sq m – according to information provided
Net Lettable Area (NLA):	76,117.7 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 10 February 1998 and the Property has since undergone numerous additions and alterations.
Condition:	Fairly good
Tenancy Details:	The Property is multi-tenanted and according to tenancy information provided, the gross passing rental is around S$2.54 psfpm and the occupancy is around 94.2%. We understand from the Landlord that active lease management is in place for the vacant space within the Property. The Landlord is responsible for all property outgoings and lease and property management fees. The WALE by NLA is around 2.93 years.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD305,400,000/-** **(Singapore Dollars Three Hundred Five Million and Four Hundred Thousand Only)**
Value per GFA:	SGD285 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**12 Ang Mo Kio Street 65, Singapore 569060**
Brief Description of Property:	The subject property comprises a 6-storey light industrial building.
Legal Description:	Lot 13099C of Mukim 18
Tenure/ Interest Valued:	Leasehold for 30 years from 16 October 1990 with a further term of 30 years (balance lease term of about 30.3 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited.
Master Plan (2019 Edition):	Zoned "Business 1" use with plot ratio 2.5
Land Area:	6,755.4 sq m
Gross Floor Area (GFA):	16,762.0 sq m – according to information provided
Net Lettable Area (NLA):	15,353.9 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 7 November 1996.
Condition:	Fairly good
Tenancy Details:	The Property is multi-tenanted and according to tenancy information provided, the gross passing rental is around S$1.42 psfpm and the occupancy is around 90.7% including pre-committed lease. We understand from the Landlord that active lease management is in place for the vacant space within the Property. The Landlord is responsible for all property outgoings and lease and property management fees. The WALE by NLA is around 1.43 years.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD38,200,000/-** **(Singapore Dollars Thirty-Eight Million and Two Hundred Thousand Only)**
Value per GFA:	SGD212 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**750, 750A, 750B, 750C, 750D & 750E Chai Chee Road, Viva Business Park, Singapore 469000 to 469005**
Brief Description of Property:	The Property is a mixed-use development comprising three 4-storey and three 8-storey blocks of business park use with some retail and F&B amenities.
Legal Description:	Lots 8134N[1] (parent lot) & 7837V of Mukim 18
Tenure/ Interest Valued:	Leasehold 60 years commencing 1 April 1971 for MK27-8134N[1] (parent lot) and leasehold 43 years commencing 1 March 1988 for MK27-7837V.
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited.
Master Plan (2019 Edition):	Zoned "Business Park" use with plot ratio 2.5
Total Land Area:	57,406.20 sq m
Gross Floor Area (GFA):	141,840.96 sq m – according to information provided
Net Lettable Area (NLA):	105,368.64 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Completion for the buildings were issued in various stages from 30 October 1975 to 22 August 2000.
Condition:	Fairly good
Tenancy Details:	The Property is multi-tenanted and according to tenancy information provided, the gross passing rental is around S$3.27 psfpm and the occupancy is around 78.9% including pre-committed lease. We understand from the Landlord that active lease management is in place for the vacant space within the Property. The Landlord is responsible for all property outgoings and lease and property management fees. The WALE by NLA is around 1.79 years.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD288,700,000/-** **(Singapore Dollars Two Hundred Eighty-Eight Million and Seven Hundred Thousand Only)**
Value per GFA:	SGD189 per square foot

[1] Parent lot MK27-8134N has been subdivided into child lots MK27-11125T & 11126A. However, no certificate of title has been issued for the child lots.

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**2, 4, 6 & 8 Changi Business Park Avenue 1, UE Bizhub East, Singapore 486015/16/17/18**
Brief Description of Property:	UE Bizhub East is a mixed-use development which integrates a Business Park component and a Hotel component. The Business Park component consists of two 9-storey blocks of business park buildings with retail outlets at Basement 1, 1st and 2nd storeys. The Hotel component consists of a 10-storey hotel block known as Park Avenue Changi accommodating with 251 guest rooms with hotel facilities, 30 serviced offices and four retail outlets at the 1st storey and a 2-level convention centre with a retail unit at the rooftop level.
Legal Description:	Lots 10501L and 10602N of Mukim 27
Tenure/ Interest Valued:	Leasehold for 30 years from 1 February 2008 with a further term of 30 years (balance lease term of about 47.6 years)
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited.
Master Plan (2019 Edition):	Zoned "Business Park – White 40" with a plot ratio of 2.5
Land Area:	28,999.5 sq m (combined total)
Gross Floor Area (GFA):	72,781.7 sq m – according to information provided
Net Lettable Area ("NLA"):	Business Park component 46,030.2 sq m – according to information provided Hotel[1] component 14,682.7 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) for the Business Park component and Hotel component were issued on 24 April 2012 and 4 May 2012, respectively. The Property recently underwent AEI works involving reconfiguration of external and internal public areas such as drop-off point, lift lobbies, underground link to MRT station to improve circulation and accessibility and rejuvenation of building façade and public facilities.
Condition:	Good
Tenancy Details:	The Business Park component is multi-tenanted and according to tenancy information provided, the gross passing rental is around $5.02 psfpm and the occupancy is around 49.1%. We understand from the Landlord that active lease management is in place for the vacant space within the premises. The Landlord is responsible for all property outgoings and lease and property management fees.

[1] NLA for the Hotel component includes four retail units at the 1st storey of the hotel block and a retail unit at the rooftop level of the convention centre.

	The WALE by NLA is around 3.56 years. According to information provided, the Hotel component (hotel and convention centre) is leased back to UED for 5 years from 4 November 2013, with option to renew for a further 5+5+5 years. The initial rental payable for the initial term commencing from 4 November 2013 is S$8,550,000 p.a. The rental payable for the 1st option term commencing from 4 November 2018 is S$9,660,000 p.a. UED is responsible for all outgoings expenses including property tax, insurance, maintenance, admin, utilities, upkeep, landscaping etc. while the Landlord is responsible for property management fee and capital expenditure.	
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.	
Market Value as at 30 June 2020:	**Business Park component**	**SGD360,400,000/- (Singapore Dollars Three Hundred and Sixty Million and Four Hundred Thousand Only)**
	Hotel component	**SGD170,000,000/- (Singapore Dollars One Hundred and Seventy Million Only)**
Value per GFA:	Business Park component	SGD576 per square foot
	Hotel component	SGD1,080 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**45 Changi South Avenue 2, Singapore 486133**
Brief Description of Property:	The subject property comprises a 4-storey general industrial building.
Legal Description:	Lot 9935T of Mukim 27
Tenure/ Interest Valued:	Leasehold for 30 years from 1 September 1995 with a further term of 30 years (balance lease term of about 35.2 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited.
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.6
Land Area:	5,151.1 sq m
Gross Floor Area (GFA):	6,845.5 sq m – according to information provided
Net Lettable Area ("NLA"):	5,965.7 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 28 August 2001.
Condition:	Fairly good
Tenancy Details:	The Property is multi-tenanted and according to tenancy information provided, the gross passing rental is around $1.35 psfpm and the occupancy is around 40.4%. We understand from the Landlord that active lease management is in place for the vacant space within the Property. The Landlord is responsible for all property outgoings and lease and property management fees. The WALE by NLA is around 2.07 years.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD11,000,000/-** **(Singapore Dollars Eleven Million Only)**
Value per GFA:	SGD149 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**6 Chin Bee Avenue, Singapore 619330**
Brief Description of Property:	The subject property comprises a 10-storey warehouse building with a mezzanine level and ramp-up driveway
Legal Description:	Lots 1371M, 1372W and 2280N of Mukim 6
Tenure/ Interest Valued:	Leasehold 30 years from 16 October 2013 (balance lease term of about 23.3 years)
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5

Land Area:

Lot No.	Land Area (sq.m)	Land Area (sq.ft)
Lot No.1371M, Mukim 6	4,597.30	49,485
Lot No.1372W, Mukim 6	7,131.70	76,765
Lot No.2280N, Mukim 6	324.80	3,496
Total	12,053.80	129,746

Gross Floor Area (GFA):	30,116.0 sq m – according to information provided
Net Lettable Area ("NLA"):	30,116.0 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 27 December 2016
Condition:	Good
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD94,500,000** **(Singapore Dollars Ninety-Four Million and Five Hundred Thousand Only)**
Value per GFA:	SGD292 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**22 Chin Bee Drive, Singapore 619870**
Brief Description of Property:	The subject property comprises a part 4-storey warehouse-cum-factory/ part 6-storey ancillary office and a 5-storey annex building with ancillary workers' dormitory.
Legal Description:	Lot 3886T of Mukim 6
Tenure/ Interest Valued:	Leasehold for 30 years from 16 September 2005 (balance lease term of about 15.2 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 1" use with plot ratio 2.5
Land Area:	6,434.1 sq m
Gross Floor Area (GFA):	11,209.0 sq m – according to information provided
Net Lettable Area ("NLA"):	11,209.0 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 23 April 2009
Condition:	Good
Tenancy Details:	The property is presently vacant.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD14,600,000** **(Singapore Dollars Fourteen Million and Six Hundred Thousand Only)**
Value per GFA:	SGD121 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**160A Gul Circle, Singapore 629635**
Brief Description of Property:	The subject property comprises a single-storey warehouse and a 4-storey industrial building with ancillary office
Legal Description:	Lot 4743X of Mukim 7
Tenure/ Interest Valued:	Leasehold for 27 years from 30 September 2013 (balance lease term of about 20.3 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	8,350.1 sq m
Gross Floor Area (GFA):	7,996.6 sq m – according to information provided
Net Lettable Area ("NLA"):	7,451.1 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 18 August 1994 with A & A works completed on 12 November 2014.
Condition:	Good
Tenancy Details:	The Property is multi-tenanted and according to tenancy information provided, the gross passing rental is around $1.83 psfpm and the occupancy is around 34.6%. We understand from the Landlord that active lease management is in place for the vacant space within the Property. The Landlord is responsible for all property outgoings and lease and property management fees. The WALE by NLA is around 0.56 years.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD15,300,000** **(Singapore Dollars Fifteen Million and Three Hundred Thousand Only)**
Value per GFA:	SGD178 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**5 & 7 Gul Street 1, Singapore 629318/629320**
Brief Description of Property:	The subject property comprises a part single/ part 4-storey industrial building with ancillary office
Legal Description:	Lot 325A of Mukim 7
Tenure/ Interest Valued:	Leasehold for 29 years and 6 months from 1 April 2008 (balance lease term of about 17.3 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	7,318.5 sq m
Gross Floor Area (GFA):	9,184.7 sq m – according to information provided
Net Lettable Area ("NLA"):	8,101.2 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 2 September 2011
Condition:	Good
Tenancy Details:	The Property is multi-tenanted and according to tenancy information provided, the gross passing rental is around $1.33 psfpm and the occupancy is around 66.4%. We understand from the Landlord that active lease management is in place for the vacant space within the Property. The Landlord is responsible for all property outgoings and lease and property management fees. The WALE by NLA is around 0.97 years.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD13,600,000** **(Singapore Dollars Thirteen Million and Six Hundred Thousand Only)**
Value per GFA:	SGD138 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT purposes
Property:	**128 Joo Seng Road, Singapore 368356**
Brief Description of Property:	A 7-level light industrial building completed in 1994.
Legal Description:	Lot 7121N of Mukim 24
Tenure/ Interest Valued:	Leasehold 30 years commencing 1 May 1992 with further term of 30 years (Balance of about 32 years)
Registered Proprietor:	The property is held in trust by RBC Dexia Trust Services Singapore Limited
Master Plan (2019 Edition):	Business 1 with plot ratio 2.5
Land Area:	3,451.8 sq m
Gross Floor Area (GFA):	Approximately 8,626.0 sq m – according to information provided
Net Lettable Area (NLA):	Approximately 6,852.5 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit ("TOP") and Certificate of Statutory Completion ("CSC") were issued on 14 June 1994 and 29 August 1994 respectively.
Condition:	Fairly good
Tenancy Details:	The Property is multi-tenanted and according to tenancy schedule as at 13 May 2020 provided, the gross passing rental is at $1.52 psfpm and the occupancy was around 85.6%. The Landlord is responsible for all lease and property management matters, capital expenditure and property outgoings.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalization Approach and Comparison Method
Market Value as at 30 June 2020:	**SGD12,200,000** **(Singapore Dollars Twelve Million and Two Hundred Thousand Only)**
Value per GFA:	SGD131 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT purposes
Property:	**130 Joo Seng Road, Singapore 368357**
Brief Description of Property:	A 7-level light industrial building completed around 1996 and with car parks on level 1.
Legal Description:	Lot 7120K of Mukim 24
Tenure/ Interest Valued:	Leasehold 30 years commencing 1 December 1991 with further term of 30 years (Balance of about 31.4 years)
Registered Proprietor:	The property is held in trust by RBC Dexia Trust Services Singapore Limited
Master Plan (2019 Edition):	Business 1 with plot ratio 2.5
Land Area:	4,391.2 sq m
Gross Floor Area (GFA):	Approximately 10,992.3 sq m – according to information provided
Net Lettable Area (NLA):	Approximately 8,341.0 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Certification ("CSC") was issued on 17 September1996.
Condition:	Fairly good
Tenancy Details:	The Property is multi-tenanted and according to tenancy schedule as at 13 May 2020 provided, the gross passing rental is at $1.51 psfpm and the occupancy was around 95.5%. The Landlord is responsible for all lease and property management matters, capital expenditure and property outgoings.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalization Approach and Comparison Method
Market Value as at 30 June 2020:	**SGD15,700,000** **(Singapore Dollars Fifteen Million and Seven Hundred Thousand Only)**
Value per GFA:	SGD133 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT purposes
Property:	**136 Joo Seng Road, Singapore 368360**
Brief Description of Property:	A 6-storey light industrial building with warehouses and production space.
Legal Description:	Lot 7127V of Mukim 24
Tenure/ Interest Valued:	Leasehold 30 years commencing 1 October 1990 with further term of 30 years (Balance of about 30.3 years)
Registered Proprietor:	The property is held in trust by RBC Dexia Trust Services Singapore Limited
Master Plan (2019 Edition):	Business 1 with plot ratio 2.5
Land Area:	4,258.6 sq m
Gross Floor Area (GFA):	Approximately 8,189.0 sq m – according to information provided
Net Lettable Area (NLA):	Approximately 7,264.0 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Certificate of Statutory Certification ("CSC") was issued on 2 May1996.
Condition:	Fair
Tenancy Details:	The Property is multi-tenanted and according to tenancy schedule as at 13 May 2020 provided, the gross passing rental is at $1.36 psfpm and fully occupied. The Landlord is responsible for all lease and property management matters, capital expenditure and property outgoings.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalization Approach and Comparison Method
Market Value as at 30 June 2020:	**SGD11,900,000** **(Singapore Dollars Eleven Million and Nine Hundred Thousand Only)**
Value per GFA:	SGD117 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**160 Kallang Way, Singapore 349246**
Brief Description of Property:	The subject property comprises a 5-storey warehouse/ logistics building with mezzanine/ ancillary office.
Legal Description:	Lot 5273W of Mukim 24
Tenure/ Interest Valued:	Leasehold for 60 years from 16 February 1973 (balance lease term of about 12.6 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited.
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	12,068.8 sq m
Gross Floor Area (GFA):	29,970.9 sq m – according to information provided
Net Lettable Area ("NLA"):	29,970.9 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) and Certificate of Statutory Completion (CSC) were issued in 1976.
Condition:	Fairly good
Tenancy Details:	The Property is master leased for a period of 12 years commencing from 25 July 2016 and expiring on 24 July 2028. The current net rent payable is S$2,692,451 per annum, reflecting a rental rate of about S$0.70 psfpm on GFA. The rent is is subject to escalation of 7.0% per annum in Year 4, 7 and 10 of the master lease term. The master tenant is responsible for operating expenses, property tax and land rent during the master lease term. The Landlord is responsible for capital expenditure as well as property and lease management fee.
Methods of Valuation:	Discounted Cash Flow Analysis and Capitalisation Approach.
Market Value as at 30 June 2020:	**SGD25,000,000/-** **(Singapore Dollars Twenty Five Million Only)**
Value per GFA:	SGD77 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT purposes
Property:	**11 Lorong 3 Toa Payoh, Jackson Square, Singapore 319579**
Brief Description of Property:	A light industrial complex comprising a 2-storey block (Block A), a 4-storey block (Block B) with linkage to a 3-storey block (Block C) and a 6-storey block (Block D).
Legal Description:	Lots 2681M and 2682W of Mukim 17
Tenure/ Interest Valued:	Leasehold 60 years commencing from 16 May 1969 (Balance of about 8.9 years)
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited
Master Plan (2019 Edition):	Business 1 with plot ratio 2.5
Land Area:	24,501.7 sq m
Gross Floor Area (GFA):	Approximately 38,887.9 sq m – according to information provided
Net Lettable Area (NLA):	Approximately 32,340.0 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	Blocks A, B and C appeared to be originally completed between 1970s and-1980s. Since then, they have undergone additions & alteration works (A&A) and the Temporary Occupation Permit ("TOP") and Certificate of Statutory Completion ("CSC") were issued on 14 April 2008 and 16 June 2008 respectively. Further A&A involving 4th floor extension to Block B was carried out and CSC for this was issued on 24 January 2011. The TOP and CSC for Block D was obtained on 24 December 2013 and 3 June 2014 respectively.
Condition:	Fairly good
Tenancy Details:	The Property is multi-tenanted and according to tenancy schedule as at 13 May 2020 provided, the gross passing rental is at $2.43 psfpm and the occupancy was around 84.3%. The Landlord is responsible for all lease and property management matters and property outgoings.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalization Approach and Comparison Method
Market Value as at 30 June 2020:	**SGD53,300,000** **(Singapore Dollars Fifty-Three Million and Three Hundred Thousand Only)**
Value per GFA:	SGD153 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT.
Property:	**30 Pioneer Road, Singapore 628502**
Brief Description of Property:	The subject property comprises a 4-storey warehouse building with a 7-storey ancillary office block
Legal Description:	Lot 3963N of Mukim 7
Tenure/ Interest Valued:	Leasehold for 30 years from 16 February 2007 (balance lease term of about 16.6 years)
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	18,653.7 sq m
Gross Floor Area (GFA):	26,115.2 sq m – according to information provided
Net Lettable Area ("NLA"):	26,115.2 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 20 June 2011
Condition:	Good
Tenancy Details:	We understand the Property is fully leased to a master tenant, for a period of 5 years commencing from 15 April 2016 and expiring on 14 April 2021 The current net rent payable is S$4,578,000/-per annum reflecting a rental rate of about S$1.36 per sq ft per month over the Net Lettable Area. There is rental escalation of 5.0% per annum at the beginning of Year 3 and Year 5 The Master Tenant is responsible for all outgoings including insurance, property tax, maintenance and capital expenditure. The Landlord is responsible for structural capital expenditure works as well as lease and property management fee.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD48,000,000** **(Singapore Dollars Forty-Eight Million Only)**
Value per GFA:	SGD171 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT purposes
Property:	**70 Seletar Aerospace View, Singapore 797564**
Brief Description of Property:	A part 1/part 3-storey industrial building with ancillary office, training centre and open car parks.
Legal Description:	Lot 4694V of Mukim 20
Tenure/ Interest Valued:	Leasehold 30 years commencing 16 October 2011 (Balance of about 21.3 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Business 2 with plot ratio 1.0
Land Area:	5,321.9 sq m
Gross Floor Area (GFA):	Approximately 4,991.6sq m – according to information provided
Net Lettable Area (NLA):	Approximately 4,991.6sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit ("TOP") was issued on 22 November 2012 and the Certificate of Statutory Certification ("CSC") was issued on 14 January 2014.
Condition:	Good
Tenancy Details:	According to the information provided, the Property is fully leased to a master tenant ("Master Tenant") for a period of 28.9 years commencing 22 November 2012 and 15 October 2041. The rent payable comprises 2 components, namely Component A - a fixed rent with annual escalation of 1.5%; and Component B, the prevailing posted JTC land rent multiplied by the land area. Component A is currently at a rate of S$1.45 psfpm on GFA. Component B will pass through to the landlord to JTC, the head lessor. The Master Tenant is responsible for outgoings such as maintenance of its NLA. The Landlord is responsible for property tax, lease and property management fee.
Methods of Valuation:	Discounted Cash Flow Analysis and Capitalization Approach
Market Value as at 30 June 2020:	**SGD9,600,000** **(Singapore Dollars Nine Million and Six Hundred Thousand Only)**
Value per GFA:	SGD179 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**28 Senoko Drive, Singapore 758214**
Brief Description of Property:	The subject property comprises a single-storey factory-cum-warehouse with mezzanine level and a 4-storey ancillary office
Legal Description:	Lot 1677X of Mukim 13
Tenure/ Interest Valued:	Leasehold 30 years from 16 December 2009 (balance lease term of about 19.5 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	20,070.9 sq m
Gross Floor Area (GFA):	14,803.0 sq m – according to information provided
Net Lettable Area ("NLA"):	14,803.0 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 6 October 1994 and 20 October 1998 respectively
Condition:	Fairly good
Tenancy Details:	According to the information provided, the building is leased to a master tenant, master tenant, for a period of 15 years commencing from 25 January 2007 and expiring on 24 June 2022 The current net rent payable is S$1,835,115/- per annum reflecting a rental rate of about S$0.96 per sq ft per month over the Net Lettable Area. There is rental escalation of 7.0% per annum at the beginning of Years 4/ 7/ 10/13. The Master Tenant is responsible for maintenance and capital expenditure. The Landlord is responsible for land rent, property tax, insurance as well as lease and property management fee.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD14,200,000** **(Singapore Dollars Fourteen Million and Two Hundred Thousand Only)**
Value per GFA:	SGD89 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**21B Senoko Loop, Singapore 758171**
Brief Description of Property:	The property comprises a 7-storey factory building with ancillary workers' dormitory and a 4-storey factory block
Legal Description:	Lot 2573A of Mukim 13
Tenure/ Interest Valued:	Leasehold 30 + 30 years from 1 February 1993 (balance lease term of about 32.6 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	7,454.6 sq m
Gross Floor Area (GFA):	18,192.5 sq m – according to information provided
Net Lettable Area ("NLA"):	18,192.5 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 15 July 2015
Condition:	Good
Tenancy Details:	According to the information provided, the building is leased to a master tenant, for a period of 3 years commencing from 30 October 2018 and expiring on 29 October 2021 The current net rent payable is S$1,953,000/- per annum reflecting a rental rate of about S$0.83 per sq ft per month over the Net Lettable Area. There is rental escalation of 5.0% per annum at the beginning of each year. The Master Tenant is responsible for maintenance and capital expenditure. The Landlord is responsible for land rent, property tax, insurance as well as lease and property management fee.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD26,900,000** **(Singapore Dollars Twenty-Six Million and Nine Hundred Thousand Only)**
Value per GFA:	SGD137 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT purposes
Property:	**19 Tai Seng Avenue, Singapore 534054**
Brief Description of Property:	A 7-storey industrial building with multi-storey car park on the 2nd, 3rd and 4th storey and loading / unloading bays on the 1st storey.
Legal Description:	Lot 6557W of Mukim 23
Tenure/ Interest Valued:	Leasehold 30 years commencing 11 September 2007 with further term of 30 years (Balance of about 47.2 years)
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited
Master Plan (2019 Edition):	Business 2 with plot ratio 2.5
Land Area:	4,479.9.0 sq m
Gross Floor Area (GFA):	Approximately 11,200 sq m - according to information provided
Net Lettable Area (NLA):	Approximately 8,697 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 30 May 2011 and Certificate of Statutory Completion ("CSC") on 15 November 2011.
Condition:	Good
Tenancy Details:	The Property is multi-tenanted and according to tenancy schedule as at 13 May 2020 provided, the gross passing rental is at $2.71 psfpm and the occupancy was around 27.0%. The Landlord is responsible for all lease and property management matters, capital expenditure and property outgoings.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalization Approach and Comparison Method
Market Value as at 30 June 2020:	**SGD45,800,000** **(Singapore Dollars Forty-Five Million and Eight Hundred Thousand Only)**
Value per GFA:	SGD380 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT purposes
Property:	**29 Tai Seng Street, Singapore 534120**
Brief Description of Property:	A 5-storey light industrial building with a basement car park and loading/ unloading bay on the 1st storey.
Legal Description:	Lot 6507C of Mukim 23
Tenure/ Interest Valued:	Leasehold 30 years commencing 1 May 2007 with further term of 30 years (Balance of about 46.8 years)
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited
Master Plan (2019 Edition):	Business 2 with plot ratio 2.5
Land Area:	3,165.4 sq m
Gross Floor Area (GFA):	Approximately 7,903.3sq m – according to information provided
Net Lettable Area (NLA):	Approximately 7,903.3sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit ("TOP") was issued on 17 February 2009 and the Certificate of Statutory Certification ("CSC") was issued on 8 February 2010.
Condition:	Good
Tenancy Details:	According to the information provided, the Property is fully leased to a master tenant ("Master Tenant") for a period of 10 years commencing 21 November 2014 and expiring on 20 November 2024. The rent payable is the sum of two components, namely Component A (fixed rent with annual escalation of 2.00%) and Component B (JTC's posted land rent multiplied by the land area of the Property). The current total rent payable reflected a rental rate of about S$2.15 psfpm on GFA. The Master Tenant is responsible for outgoings including property tax, maintenance and capital expenditure. The Landlord is responsible for lease and property management fee.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalization Approach and Comparison Method
Market Value as at 30 June 2020:	**SGD34,500,000** **(Singapore Dollars Thirty-Four Million and Five Hundred Thousand Only)**
Value per GFA:	SGD406 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	For proposed merger of Sabana REIT and ESR-REIT
Property:	**1 Third Lok Yang Road and 4 Fourth Lok Yang Road, Singapore 627996/629701**
Brief Description of Property:	The property comprises a part 2/part 1-storey warehouse with a mezzanine and a 4-storey ancillary office building.
Legal Description:	Lot 1842L of Mukim 6
Tenure/ Interest Valued:	Leasehold for 30 years from 16 December 2001 (balance lease term of about 11.5 years)
Registered Proprietor:	The Property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	12,431.6 sq m
Gross Floor Area (GFA):	10,601.3 sq m – according to information provided
Net Lettable Area (NLA):	10,601.3 sq m – according to information provided
Year of Completion/ Date of Certificate of Fitness/ Statutory Completion:	The Certificate of Fitness was issued in 1977 and the Certificate of Statutory Completion was issued on 23 March 2011.
Condition:	Fairly good.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 25 July 2016 and expiring on 24 July 2021. The initial rent is S$1,150,241.85 with a rental escalation of $0.0346 per sq ft per month in Year 3. The current net rent payable is S$1,197,620.88 per annum, reflecting a rental rate of about S$0.87 per sq ft per month over the Net Lettable Area. The Master Tenant is responsible for property maintenance, property tax, land rent and insurance. The Landlord shall pay the capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD10,800,000** **(Singapore Dollars Ten Million and Eight Hundred Thousand Only)**
Value per GFA:	SGD95 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	For proposed merger of Sabana REIT and ESR-REIT
Property:	**31 Tuas Avenue 11, Singapore 639105**
Brief Description of Property:	The property comprises a purpose-built single-storey warehouse with 5-storey office block
Legal Description:	Lot 2227K of Mukim 7
Tenure/ Interest Valued:	Leasehold for 30 years from 1 April 1994 with a further term of 30 years (balance lease term of about 33.8 years)
Registered Proprietor:	The Property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	6,612.4 sq m
Gross Floor Area (GFA):	7,021.5 sq m – according to information provided
Net Lettable Area (NLA):	7,021.5 sq m – according to information provided
Year of Completion/ Date of Temporary Occupation Permit:	The Temporary Occupation Permit was issued on 4 November 1998.
Condition:	Good.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 15 September 2018 and expiring on 14 September 2023. The initial rent is S$634,861.08 with a rental escalation of 5.00% in Year 3 and Year 5. The current net rent payable is S$634,861.08 per annum, reflecting a rental rate of about S$0.70 per sq ft per month over the Net Lettable Area. The Master Tenant is responsible for property maintenance and insurance. The Landlord shall pay the property tax, land rent and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD12,100,000** **(Singapore Dollars Twelve Million and One Hundred Thousand Only)**
Value per GFA:	SGD160 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	For proposed merger of Sabana REIT and ESR-REIT
Property:	**81 Tuas Bay Drive, Mauser Singapore, Singapore 637308**
Brief Description of Property:	The property comprises a purpose-built 2-storey factory/ warehouse building with ramp-up driveway
Legal Description:	Lot 3965L of Mukim 7
Tenure/ Interest Valued:	Leasehold for 60 years from 19 July 2006 (balance lease term of about 46.1 years)
Registered Proprietor:	The Property is held in trust by Perpetual (Asia) Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.0
Land Area:	10,000.0 sq m
Gross Floor Area (GFA):	9,993.3 sq m – according to information provided
Net Lettable Area (NLA):	9,993.3 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion/ Temporary Occupation Permit:	The Certificate of Statutory Completion was issued on 14 June 2012 and the Temporary Occupation Permit was issued on 8 February 2017.
Condition:	Good.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 1 June 2019 and expiring on 31 May 2024. The initial rent is S$1,944,810.00 with a rental escalation of 5.00% in Year 3 and Year 5. The current net rent payable is S$1,944,810.00 per annum, reflecting a rental rate of about S$1.51 per sq ft per month over the Net Lettable Area. The Master Tenant is responsible for property maintenance and insurance. The Landlord shall pay the property tax and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD28,100,000** **(Singapore Dollars Twenty-Eight Million and One Hundred Thousand Only)**
Value per GFA:	SGD261 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	For proposed merger of Sabana REIT and ESR-REIT
Property:	**60 Tuas South Street 1, Singapore 639925**
Brief Description of Property:	The property comprises a purpose-built 4-storey industry development with ancillary office
Legal Description:	Lot 2987A of Mukim 7
Tenure/ Interest Valued:	Leasehold for 30 years from 16 March 2005 (balance lease term of about 14.7 years)
Registered Proprietor:	The Property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	3,990.3 sq m
Gross Floor Area (GFA):	4,150.4 sq m – according to information provided
Net Lettable Area (NLA):	4,150.4 sq m – according to information provided
Year of Completion/ Date of Temporary Occupation Permit:	The Temporary Occupation Permit was issued on 27 February 2008.
Condition:	Good.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 31 May 2017 and expiring on 30 May 2029. The initial rent is S$485,039.66 with a rental escalation of 5.00% in Year 3, 5, 7, 9 and 11. The current net rent payable is S$509,291.64 per annum, reflecting a rental rate of about S$0.95 per sq ft per month over the Net Lettable Area. The Master Tenant is responsible for property maintenance and insurance. The Landlord shall pay the property tax, land rent and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD4,400,000** **(Singapore Dollars Four Million and Four Hundred Thousand Only)**
Value per GFA:	SGD98 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	For proposed merger of Sabana REIT and ESR-REIT
Property:	**79 Tuas South Street 5, Singapore 637604**
Brief Description of Property:	The property comprises a purpose-built 4-storey factory with ancillary office
Legal Description:	Lot 3512A of Mukim 7
Tenure/ Interest Valued:	Leasehold for 30 years from 1 February 2000 with a further term of 30 years (balance lease term of about 39.6 years)
Registered Proprietor:	The Property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 1.4
Land Area:	6,313.2 sq m
Gross Floor Area (GFA):	6,312.0 sq m – according to information provided
Net Lettable Area (NLA):	6,312.0 sq m – according to information provided
Year of Completion/ Date of Temporary Occupation Permit:	The Temporary Occupation Permit was issued on 21 October 2002.
Condition:	Fairly good.
Tenancy Details:	According to the information provided, the Property is master leased to the tenant starting from 15 November 2019 and expiring on 14 November 2022. The annual rent is S$600,000.00, reflecting a rental rate of about S$0.74 per sq ft per month over the NLA. The Master Tenant is responsible for property maintenance and insurance. The Landlord shall pay the property tax, land rent and capital expenditure of a structural nature.
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD10,800,000** **(Singapore Dollars Ten Million and Eight Hundred Thousand Only)**
Value per GFA:	SGD159 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	For proposed merger of Sabana REIT and ESR-REIT
Property:	**9 Tuas View Crescent, Singapore 637612**
Brief Description of Property:	The property comprises a purpose-built 3-storey factory with ancillary office and workshop
Legal Description:	Lot 3466P of Mukim 7
Tenure/ Interest Valued:	Leasehold for 30 years from 16 July 1998 with a further term of 30 years (balance lease term of about 38.0 years)
Registered Proprietor:	The Property is held in trust by RBC Investor Services Trust Singapore Limited
Master Plan (2019 Edition):	Zoned “Business 2” use with plot ratio 1.4
Land Area:	6,633.4 sq m
Gross Floor Area (GFA):	6,650.1 sq m – according to information provided
Net Lettable Area (NLA):	6,650.1 sq m – according to information provided
Year of Completion/ Date of Temporary Occupation Permit:	The Temporary Occupation Permit was issued on 27 April 2001.
Condition:	Fairly good and well maintained.
Tenancy Details:	Vacant
Methods of Valuation:	Discounted Cash Flow Analysis | Capitalisation Approach | Comparison Method.
Market Value as at 30 June 2020:	**SGD10,000,000** **(Singapore Dollars Ten Million Only)**
Value per GFA:	SGD140 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**11 Ubi Road 1, Singapore 408723**
Brief Description of Property:	The subject property comprises a part 2/ part 7-storey industrial building with open courtyard and basement car park.
Legal Description:	Lots 5085T and 6392X of Mukim 23
Tenure/ Interest Valued:	Leasehold for 30 years from 1 September 1995 with a further term of 30 years (balance lease term of about 35.2 years)
Registered Proprietor:	The property is held in trust by Perpetual (Asia) Limited.
Master Plan (2019 Edition):	Zoned "Business 1" use with plot ratio 2.5
Land Area:	9,591.1 sq m (combined total)
Gross Floor Area (GFA):	23,509.9 sq m – according to information provided
Net Lettable Area ("NLA"):	23,509.9 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 13 November 1997. The Certificate of Statutory Completion (CSC) was issued on 24 June 1998.
Condition:	Good
Tenancy Details:	The Property is master leased to Meiban Investment Pte Ltd for a period of 10 years commencing from 24 November 2015 and expiring on 23 November 2025. The current net rent payable is S$7,141,983 per annum, reflecting a rental rate of about S$2.35 psfpm on GFA. The rent is is subject to escalation of 1.50% per annum from Year 3 onwards. Meiban Investment Pte Ltd is also the appointed Integrated Facilities Manager (IFM) of the Property during the corresponding duration of lease. The IFM is responsible for operating expenses, marketing expenses, property tax, insurance and capital expenditure for a Property Upkeep Fee, currently at S$867,913 per annum. The fee is subject to an annual escalation of 1.50% from the third year until the end of the 10 year lease period. The Landlord is responsible for capital expenditure (structural) as well as property and lease management fee.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD83,000,000/-** **(Singapore Dollars Eighty Three Million Only)**
Value per GFA:	SGD328 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**21 & 23 Ubi Road 1, Singapore 408724/ 408725**
Brief Description of Property:	The subject property comprises a 6-storey high-specification industrial building with basement car park and a 3-storey workers' dormitory.
Legal Description:	Lot 5097V of Mukim 23
Tenure/ Interest Valued:	Leasehold for 30 years from 1 February 1997 with a further term of 30 years (balance lease term of about 36.6 years)
Registered Proprietor:	The property is held in trust by RBC Investor Services Trust Singapore Limited.
Master Plan (2019 Edition):	Zoned "Business 1" use with plot ratio 2.5
Land Area:	7,538.5 sq m
Gross Floor Area (GFA):	18,838.0 sq m – according to information provided
Net Lettable Area ("NLA"):	13,754.8 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permit (TOP) was issued on 21 December 1999.
Condition:	Good
Tenancy Details:	The Property is multi-tenanted and according to tenancy information provided, the gross passing rental is around $2.34 psfpm and the occupancy is around 86.9%. We understand from the Landlord that active lease management is in place for the vacant space within the Property. The Landlord is responsible for all property outgoings and lease and property management fees. The WALE by NLA is around 1.06 years.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD36,500,000/-** **(Singapore Dollars Thirty Six Million and Five Hundred Thousand Only)**
Value per GFA:	SGD180 per square foot

VALUATION CERTIFICATE

Date of Valuation:	30 June 2020
Valuation Purpose:	Proposed merger of Sabana REIT and ESR-REIT
Property:	**48 Pandan Road, Singapore 609289**
Brief Description of Property:	The subject property comprises a 6-storey ramp-up warehouse & logistics building with ancillary office and rooftop lorry parking as well as other ancillary facilities including a dormitory and canteen.
Legal Description:	Lot 9115K of Mukim 5
Tenure/ Interest Valued:	Leasehold for 24 years and 4 months from 1 July 2019 (balance lease term of about 23.3 years)
Registered Lessee:	PTC Logistics Hub LLP [1]
Master Plan (2019 Edition):	Zoned "Business 2" use with plot ratio 2.5
Land Area:	40,632.9 sq m
Gross Floor Area (GFA):	101,581.7 sq m – according to information provided
Net Lettable Area ("NLA"):	93,793.0 sq m – according to information provided
Year of Completion/ Date of Certificate of Statutory Completion:	The Temporary Occupation Permits (TOP) were issued on 20 May 2016 for Phase 1 and 31 May 2018 for Phase 2. The Certificate of Statutory Completion (CSC) was granted on 23 November 2018.
Condition:	Good
Tenancy Details:	The Property is master leased for a period of 10 years commencing from 7 August 2019 and expiring on 6 August 2029. The current net rent payable is S$15,264,827 per annum, reflecting a rental rate of about S$1.26 psfpm on NLA. The rent is is subject to escalation of 1.5% per annum from Year 2 of the master lease term. The master tenant is responsible for operating expenses, property tax and land rent during the master lease term. The Landlord is responsible for capital expenditure as well as property and lease management fee.
Methods of Valuation:	Discounted Cash Flow Analysis, Capitalisation Approach and Comparison Method.
Market Value as at 30 June 2020:	**SGD215,000,000/-** **(Singapore Dollars Two Hundred and Fifteen Million Only)**
Value per GFA:	SGD197 per square foot

[1] According to our title search and information provided to us.

APPENDIX L — ESR-REIT WARRANTIES

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Sabana Manager from the date of this Scheme Document up until the Effective Date.

The ESR-REIT Manager and the ESR-REIT Trustee severally (and neither jointly nor jointly and severally) represent and warrant to the Sabana Manager and the Sabana Trustee as at the date of the Implementation Agreement and as at the Record Date that:

1. ESR-REIT

1.1 Incorporation

(a) ESR-REIT has been duly constituted and is validly existing as a real estate investment trust under the laws of Singapore pursuant to the ESR-REIT Trust Deed.

(b) Each of the ESR-REIT Subsidiaries has been duly organised and is validly existing as a legal entity under the laws of the jurisdiction in which it is organised.

(c) The ESR-REIT Trustee holds, directly or indirectly, the equity interest in each member of the ESR-REIT Group, and holds such equity interest on trust for the benefit of the ESR-REIT Unitholders in accordance with the ESR-REIT Trust Deed, but otherwise free from any Encumbrances. The ESR-REIT Trustee does not hold any equity interest in any entity other than the entities in the ESR-REIT Group.

(d) All the issued shares of the ESR-REIT Subsidiaries have been duly authorised and validly issued, are fully paid-up and rank pari passu in all respects with each other.

(e) Save for the ESR-REIT Subsidiaries, no member of the ESR-REIT Group:

(i) is the holder or beneficial owner of, or has agreed to acquire, any share or loan capital of any other company (whether incorporated in Singapore or elsewhere); or

(ii) has any branch, agency, division, establishment or operations outside the jurisdiction in which it is incorporated.

1.2 ESR-REIT Units

(a) All the issued ESR-REIT Units have been duly authorised and validly issued, are fully paid-up and rank *pari passu* in all respects with each other. As at the date of this Agreement, ESR-REIT has issued an aggregate of 3,530,945,472 ESR-REIT Units.

(b) All the issued ESR-REIT Units are listed on the Main Board of SGX-ST and will continue to be so listed at the Record Date and there are no circumstances whereby such listing may be cancelled or revoked.

(c) Except as may be affected by actions contemplated, required or permitted by this Agreement, and other than the allotment and issue of ESR-REIT Units (i) to the ESR-REIT Manager and the ESR-REIT Property Manager as payment of their fees in accordance with the provisions of the ESR-REIT Trust Deed and the Property Management Agreement respectively; or (ii) pursuant to its Distribution Reinvestment Plan, no options, warrants or other rights to purchase, agreements or other obligations of ESR-REIT to issue, or rights to convert any obligations into or exchange any securities for, ESR-REIT Units or ownership interests in ESR-REIT Units are outstanding.

1.3 Consideration Units

(a) All the Consideration Units will, when issued, be duly authorised and validly issued, and be fully paid-up and rank *pari passu* in all respects with the existing ESR-REIT Units as at the date of their issue.

(b) All the Consideration Units shall be issued no later than seven (7) Business Days from the Effective Date.

(c) The Consideration Units shall be issued at the Consideration Unit Issue Price.

(d) The Consideration Units shall be issued free from all and any Encumbrances and restrictions or transfers and no person has or shall have any rights of pre-emption over the Consideration Units.

2. FULL DISCLOSURE

All information contained in this Agreement, the ESR-REIT Due Diligence Information and the ESR-REIT Disclosure Letter was, when given, and is, at the date hereof, true and accurate in all material respects and not misleading and none of the above information contains any untrue statement of fact or omits to state a fact necessary to make the statement contained therein, in light of the circumstances under which they are made, not misleading provided always that no warranty or representation shall be given by the ESR-REIT Trustee or the ESR-REIT Manager in relation to any forecast, estimate, projection or forward-looking statement which has been made by or on behalf of the ESR-REIT Group and/or the ESR-REIT Manager. As at the date of this Agreement, the ESR-REIT Manager and the ESR-REIT Trustee are not aware of any facts or matters or circumstances which renders or will render any such information untrue, inaccurate or misleading in any material respect. All material information relating to the ESR-REIT Group has been announced on SGXNET in compliance with its continuous disclosure requirements.

3. POWER

The ESR-REIT Manager and the ESR-REIT Trustee have the corporate power to enter into, deliver and perform their obligations under this Agreement and to carry out the transactions contemplated by this Agreement.

4. AUTHORITY

Save for the approvals contemplated by Clause 3, the ESR-REIT Manager and the ESR-REIT Trustee have taken all necessary corporate actions and obtained all necessary corporate approvals to authorise entry into this Agreement and to carry out the transactions contemplated by this Agreement.

5. BINDING OBLIGATION

The ESR-REIT Manager's and the ESR-REIT Trustee's obligations under this Agreement are valid, legally binding and enforceable in accordance with its terms.

6. NO BREACH

6.1 Neither the execution and delivery, nor performance by the ESR-REIT Manager or the ESR-REIT Trustee nor any transaction contemplated under this Agreement will:

(a) conflict with or constitute a default under or result in a breach of any provision of the ESR-REIT Trust Deed or the constitutive documents of the ESR-REIT Manager, the ESR-REIT Trustee or any member of the ESR-REIT Group;

(b) conflict with or constitute a default under or result in a breach of any order, writ, injunction or decree of any Governmental Authority applicable to the ESR-REIT Manager, the ESR-REIT Trustee or any member of the ESR-REIT Group or their respective assets; or

(c) conflict with or constitute a default under or result in a breach of any agreement or instrument to which any of the ESR-REIT Manager, the ESR-REIT Trustee or the ESR-REIT Group is a party, or any loan to or mortgage created by any member of the ESR-REIT Group, or relieve any other party to a contract with any member of the ESR-REIT Group of its obligations under such contract, or entitle such party to terminate or modify such contract, whether summarily or by notice, or result in the creation of any Encumbrance under any agreement, licence or other instrument, or result in a breach of any law, rule, regulation, ordinance, order, judgment or decree of any court, Governmental Authority or regulatory body to which any of the ESR-REIT Manager, the ESR-REIT Trustee or any member of the ESR-REIT Group is a party or by which any of the ESR-REIT Manager, the ESR-REIT Trustee or any member of the ESR-REIT Group or any of their respective assets is bound.

6.2 Save for the approvals contemplated by Clause 3:

(a) all authorisations from, and notices or filings with, any Governmental Authority or other authority; and

(b) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties),

that are necessary to (i) enable the ESR-REIT Manager, the ESR-REIT Trustee and the ESR-REIT Group to lawfully enter into, exercise its rights and perform and comply with their obligations under this Agreement, and (ii) ensure that those obligations are valid and legally binding have been obtained, made, taken, fulfilled and done (as the case may be) and are in full force and effect and all conditions of each such authorisation have been complied with.

7. CONTRACTS

7.1 Debts, Contracts and Arrangements with Connected Persons etc.

There is no interested person transaction (as defined in the Listing Manual) between any member of the ESR-REIT Group and an interested person (as defined in the Listing Manual) of ESR-REIT which is of a value of 3% or more of the latest audited net tangible assets of the ESR-REIT Group on a consolidated basis.

7.2 Contracts

(a) No member of the ESR-REIT Group is, or has been, a party to any contract or transaction which (i) is outside the ordinary and usual course of business, (ii) is not on an arm's length basis, or (iii) is of a loss-making nature that would result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole.

(b) No member of the ESR-REIT Group:

(i) is, or has agreed to become a party to any agreement or arrangement which restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;

(ii) is, or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association; or

(iii) is, or has agreed to become, a party to any material agreement or arrangement for participating with others in any business, sharing commissions or other income.

(c) All the contracts and all leases, tenancies, licences, concessions and agreements (breach of which will have a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole) and any amendments or waivers with respect thereto to which any member of the ESR-REIT Group is a party (the "**ESR-REIT Material Contracts**") are valid, binding and enforceable obligations of the relevant member of the ESR-REIT Group, and so far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, all other parties thereto, and the terms thereof have been complied with in all material respects by the relevant member of the ESR-REIT Group, and, so far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, all other parties thereto. So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, there are no circumstances that give rise to any material breach of the terms, and no grounds for rescission, avoidance or repudiation, of any of such ESR-REIT Material Contracts and no notice of termination or of intention to terminate has been received in respect of any thereof.

(d) Tenants

(i) The loss of any single Occupier of any member of the ESR-REIT Group would not result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole.

(ii) There has been no communication in writing by any Major Occupier which would indicate that such Major Occupier intends to (A) terminate its current lease; or (B) vacate its leased premises at the expiration of its current lease, whether or not in connection with the execution or completion of this Agreement, and no agreement exists with a Major Occupier with respect to any of the foregoing.

(iii) So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, no Major Occupier is insolvent or has been declared insolvent, and no action or request is pending or threatened to declare it insolvent, wind it up or to make it subject to any proceeding contemplated by any applicable insolvency law.

8. ACCOUNTS

8.1 Financial Statements

(a) The ESR-REIT Financial Statements have been properly drawn in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" and all applicable law so as to give a true and fair view of the financial position of the ESR-REIT Group as at 31 December 2019, and the total return, distributable income, movements in ESR-REIT Unitholders' funds and cash flows of the ESR-REIT Group for the year ended on that date are in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and the provisions of the ESR-REIT Trust Deed.

(b) The ESR-REIT 1H2020 Financial Statements were prepared using the same accounting policies and methods of computation with those applied in the ESR-REIT Financial Statements and are fair and not misleading and do not materially misstate the assets and liabilities of the ESR-REIT Group as at the relevant balance sheet date or the profits and losses of the ESR-REIT Group for the period then ended.

8.2 Changes since 31 December 2019

Since 31 December 2019:

(a) the businesses of the ESR-REIT Group have been carried on solely in the ordinary and usual course, without any material interruption or alteration in its nature, scope or manner, and so as to maintain the same as a going concern;

(b) there has been no change in the accounting policies and principles adopted for the preparation of the ESR-REIT Financial Statements or the ESR-REIT 1H2020 Financial Statements;

(c) the ESR-REIT Group has not entered into any transaction or assumed or incurred any liabilities (including contingent liabilities) or made any payment or given any guarantee, indemnity or suretyship not provided for in the ESR-REIT Financial Statements or the ESR-REIT 1H2020 Financial Statements otherwise than in the ordinary and usual course of carrying on its business;

(d) the ESR-REIT Group's profits have not been affected to a material extent by changes or inconsistencies in accounting treatment, by any non-recurring items of income or expenditure, by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms;

(e) it has not entered into any unusual, long term and onerous commitments and contracts that would have a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole;

(f) no member of the ESR-REIT Group has entered into or proposed to enter into any capital commitments other than in the ordinary course of business; and

(g) save for the ESR-REIT Permitted Distributions, no dividend or other distribution has been declared, made or paid to the ESR-REIT Unitholders.

8.3 Absence of Undisclosed Liabilities

There are no material liabilities (including contingent liabilities) of the ESR-REIT Group which are outstanding on the part of each member of the ESR-REIT Group, other than (a) liabilities disclosed or adequately provided for in the ESR-REIT Financial Statements or the ESR-REIT 1H2020 Financial Statements; (b) liabilities disclosed elsewhere in this Agreement; (c) liabilities incurred after 31 December 2019 in the ordinary and usual course of business which have not had and could not reasonably be expected to have a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole; or (d) as disclosed in public announcements made by the ESR-REIT Manager on SGXNET up till the date of this Agreement.

8.4 Trade and Other Receivables

So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, the receivables, including any accrued revenue which may have been stated in the ESR-REIT Financial Statements or the ESR-REIT 1H2020 Financial Statements, are stated at figures not exceeding the amounts which could, in the circumstances existing at the date of the ESR-REIT Financial Statements or the ESR-REIT 1H2020 Financial Statements (as the case may be), reasonably be expected to be realised in the ordinary and usual course of business of the ESR-REIT Group. No new adverse events have occurred that would give doubt as to the ability to realise all current receivables (other than trade receivables) in the ordinary and usual course of business and in the case of trade receivables, after taking into account any provision for bad and doubtful debts made in the ESR-REIT Financial Statements and the ESR-REIT 1H2020 Financial Statements.

9. LEGAL MATTERS

9.1 Compliance with Laws

(a) Each member of the ESR-REIT Group has carried on and is carrying on its business and operations (including the ESR-REIT Real Properties) in accordance with its constitutional documents and in accordance with all applicable laws and regulations (including the Listing Manual and the Property Funds Appendix) in Singapore. As at the date of this Agreement, no complaints have been received from any third party with regard to any breach of such laws and regulations by any member of the ESR-REIT Group.

(b) There have not been and there are no breaches by any member of the ESR-REIT Group of its constitutional documents.

9.2 Licences and Consents

(a) All material statutory, municipal and other licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals and authorities necessary for the carrying on of the businesses and operations of the ESR-REIT Group and the ESR-REIT Real Properties have been obtained, are in full force and effect and all conditions applicable to such licences have been and are being complied with in all material respects, unless the failure to obtain such licences does not have a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole.

(b) As far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, there is no investigation, enquiry or proceeding outstanding which is likely to result in the suspension, cancellation, modification or revocation of any of the above mentioned licences, nor has any member of the ESR-REIT Group received, any notice of such investigations, enquiries or proceedings. So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, none of the above mentioned licences is likely to be suspended, cancelled, refused, modified or revoked (whether as a result of entering into this Agreement, consummating the Merger, the Scheme or otherwise).

9.3 Litigation, Arbitration or Investigation

(a) No litigation, arbitration or administrative proceeding is current or pending or, so far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, threatened, to restrain the entry into, exercise of their rights under and/or performance or enforcement of or compliance with their obligations under this Agreement.

(b) No claim, litigation, arbitration or administrative proceeding is current or pending or, so far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, threatened against any member of the ESR-REIT Group or in respect of the ESR-REIT Real Properties which has or could result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole.

(c) As at the date of this Agreement, the ESR-REIT Trustee and the ESR-REIT Manager have not received any notice of any investigation or enquiry by, any court, tribunal, arbitrator, Governmental Authority or regulatory body outstanding or anticipated against any member of the ESR-REIT Group or in respect of the ESR-REIT Real Properties.

9.4 Insolvency

(a) No order has been made or application presented or resolution passed for the winding-up or administration of any member of the ESR-REIT Group, nor, as far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, are there any grounds on which any person would be entitled to have any member of the ESR-REIT Group wound-up or placed in administration.

(b) No application has been presented for an order for the appointment of a judicial manager (or other similar order) to be made in relation to any member of the ESR-REIT Group, nor has any such order been made.

(c) The ESR-REIT Trustee and the ESR-REIT Manager have not received any notification of the appointment of any person as, nor as far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, has any person become entitled to appoint, a receiver or receiver and manager or other similar officer over any member of the ESR-REIT Group's business or assets or any part of them.

(d) No composition in satisfaction of the debts of any member of the ESR-REIT Group, or scheme of arrangement of its affairs, or compromise or arrangement between it and its creditors and/or members or any class of its creditors and/or members, has been proposed to the ESR-REIT Trustee or the ESR-REIT Manager, sanctioned or approved.

(e) No distress, distraint, charging order, garnishee order, execution or other process has been levied or applied for in respect of the whole or any part of any of the property, assets and/or undertaking of any member of the ESR-REIT Group.

(f) None of the members of the ESR-REIT Group has ceased trading or stopped payment to its creditors and as far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, there are no grounds on which any member of the ESR-REIT Group could be found to be unable to pay its debts within the meaning of Section 254(1)(e) of the Companies Act (Chapter 50 of Singapore).

(g) As far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, no event has occurred causing, or which upon intervention or notice by any third party may cause, any floating charge created by any member of the ESR-REIT Group to crystallise or any charge created by it to become enforceable, nor has any such crystallisation occurred or is such enforcement in process.

10. TAXATION MATTERS

10.1 Returns and Information

(a) All returns, computations, notices and information which are or have been required to be made, given or delivered by any member of the ESR-REIT Group for any Taxation purpose (i) have been made, given or delivered within the requisite periods or within permitted extensions of such periods; (ii) are up-to-date, complete and accurate in all material respects and made on a proper basis; and (iii) none of them is the subject of any dispute with any Taxation Authority.

(b) All Taxes assessed or imposed by any Taxation Authority which have been assessed upon any member of the ESR-REIT Group and which are due and payable on or before the Record Date have been paid and were paid on or before the relevant due date for payment or will be paid before the relevant due date for payment.

10.2 Tax Claims

(a) Since 31 December 2019, no single Tax Claim exceeding S$250,000 has been made against any member of the ESR-REIT Group:

(i) in respect of or arising from any transaction effected or deemed to have been effected on or before the date of this Agreement when this Warranty in paragraph 10.2(a)(i) is made on the date of this Agreement, and up to the Record Date when this Warranty in paragraph 10.2(a)(i) is made on the Record Date; or

(ii) by reference to any income, profits or gains earned, accrued or received on or before the date of this Agreement when this Warranty in paragraph 10.2(a)(ii) is made on the date of this Agreement, and up to the Record Date when this Warranty in paragraph 10.2(a)(ii) is made on the Record Date,

except:

(A) to the extent that Taxation was paid, provided for or accrued in respect thereof in the ESR-REIT Financial Statements;

(B) to the extent that such Tax Claim arises as a result only of any provision or reserve in respect thereof being insufficient by reason of any increase in rates of Taxation made after the date of the ESR-REIT Financial Statements with retrospective effect; or

(C) to the extent that such Tax Claim arises as a result only of any provision or reserve in respect thereof being insufficient by reason of any reassessment or revaluation by the Taxation Authority in respect of any of the ESR-REIT Real Properties.

10.3 Tax Incentives and Clearances

(a) Each member of the ESR-REIT Group has complied with all the conditions subject to which Tax incentives and preferential Tax treatment have been granted to such member of the ESR-REIT Group. All the Tax incentives and preferential Tax treatment enjoyed by the ESR-REIT Group as at the date of this Agreement will not, as far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, be affected, varied, withdrawn or revoked as a result of the Scheme.

(b) So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, no relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to any member of the ESR-REIT Group which could be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act or omission by any member of the ESR-REIT Group.

(c) No member of the ESR-REIT Group has done or omitted to do anything since any application for any concession, consent or clearance from any Taxation Authority that was made which might reasonably be expected to cause such concession, consent or clearance to be or become invalid, or to be withdrawn by the relevant Taxation Authorities.

(d) Each of the ESR-REIT Trustee and the ESR-REIT Manager has not taken or omitted to take any action that will cause such consent or clearance to be or become invalid, or to be withdrawn by the relevant Taxation Authorities.

10.4 Tax Audits

(a) There is no external investigation by any Taxation Authority in process or, so far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, pending with respect to any Tax returns of any member of the ESR-REIT Group, other than queries raised by a Taxation Authority in its usual review of such Tax returns by a member of the ESR-REIT Group.

(b) There are no ongoing or, so far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, anticipated Taxation disputes involving or against any member of the ESR-REIT Group.

10.5 Residence

Each member of the ESR-REIT Group has been resident for Tax purposes in its country of incorporation and nowhere else at all times since its incorporation.

10.6 Finance Leases

Save as disclosed in the ESR-REIT Financial Statements, no member of the ESR-REIT Group is or has been the lessor or the lessee under any material finance lease of an asset. For the purposes of this paragraph, "**finance lease**" means any arrangements for the leasing of an asset which fall to be treated in accordance with normal accounting practice (based on the lease accounting standards applicable to the preparation of the ESR-REIT Financial Statements) as a finance lease or loan.

11. THE ESR-REIT REAL PROPERTIES

11.1 Ownership of the ESR-REIT Real Properties

The ESR-REIT Real Properties comprise all of the real property owned, occupied or otherwise used in connection with the business of the ESR-REIT Trustee (as trustee of ESR-REIT) or in which the ESR-REIT Trustee (as trustee of ESR-REIT) has an interest.

11.2 Title

In respect of each ESR-REIT Real Property:

(a) (save in respect of (i) the ESR-REIT Real Property known as 7000 Ang Mo Kio Avenue 5 of which 7000 AMK LLP is the sole legal and beneficial owner and the ESR-REIT Trustee (as trustee of ESR-REIT) is a partner with majority participation interest in 7000 AMK LLP; and (ii) the ESR-REIT Real Property known as 48 Pandan Road of which JTC is the legal owner and PTC Logistics Hub LLP is the sole beneficial owner and the ESR-REIT Trustee (as trustee of ESR-REIT) is a partner with 49% participation interest in PTC Logistics Hub LLP) the ESR-REIT Trustee (as trustee of ESR-REIT) and ESR-REIT are the sole legal and beneficial owners of, and have good and marketable title to, the whole of the ESR-REIT Real Property free from Encumbrances, save for (i) applicable pre-emption and consent requirements that are required to be complied with in the event of a sale and subject to the terms of the Head Lease; and (ii) Encumbrances under applicable debt financing;

(b) the Head Lease is valid and subsisting and there is no (i) subsisting breach or any non-observance of any covenant, condition or agreement contained in the Head Lease on the part of either the Head Lessor or the ESR-REIT Trustee; or (ii) threatened action, dispute, claims or demands against the ESR-REIT Trustee under or in connection with the Head Lease;

(c) the ESR-REIT Trustee has not received any notice from the Head Lessor stating that the ESR-REIT Trustee is in breach of a term of the Head Lease or that the Head Lease has been terminated;

(d) no written notice of acquisition or written notice of intended acquisition of the ESR-REIT Real Property or any part thereof has been served on the ESR-REIT Trustee by any Governmental Authority which will result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole; and

(e) full *ad valorem* stamp duties arising from or in connection with the Head Lease and/or the transfer of the ESR-REIT Real Property to the ESR-REIT Trustee, have been paid or will by the date of completion of the Merger be paid.

11.3 Planning

In respect of each ESR-REIT Real Property, insofar as the ESR-REIT Manager and the ESR-REIT Trustee are aware:

(a) no development at or use of the ESR-REIT Real Property has been undertaken in breach of the planning legislation or any applicable laws or regulations, by-laws, orders, consents or permissions made or given thereunder;

(b) there is no pending planning application, planning appeal or other planning proceeding in respect of the ESR-REIT Real Property, except as set out in the ESR-REIT Capex Plan;

(c) there is no outstanding government or statutory notice relating to the ESR-REIT Real Property or any business carried on thereat or the uses thereof which would result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole; and

(d) there are no outstanding notices, complaints or requirements issued to the ESR-REIT Trustee and/or the ESR-REIT Manager by any Governmental Authority in respect of the ESR-REIT Real Property or any part thereof and there is no pending or threatened proceeding or action by any Governmental Authority to modify the zoning, classification of or the present use of the ESR-REIT Real Property or any part thereof which would result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole.

11.4 Agreements

(a) No binding offer, commitment or contract has been made by the ESR-REIT Trustee and/or the ESR-REIT Manager to or with any third party to sell or dispose any ESR-REIT Real Property (or any part thereof) and no option, right of first refusal or pre-emptive right has been granted by the ESR-REIT Trustee and/or the ESR-REIT Manager to any third party for the sale of any ESR-REIT Real Property (or any part thereof).

(b) No binding offer, commitment or contract has been made by the ESR-REIT Trustee and/or the ESR-REIT Manager to or with any third party to acquire any interests in real property or trust beneficiary interests or similar indirect interests in real property.

(c) In respect of each ESR-REIT Real Property, each of the ESR-REIT Trustee and/or the ESR-REIT Manager has not entered into any agreement with any adjoining owner or Governmental Authority undertaking construction, maintenance, repair or payment of obligations in relation to any facilities or building works or any adjoining properties, the cost and expense of which would in aggregate exceed a sum of S$10,000 per month.

11.5 State and Condition of Property

So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, in respect of each ESR-REIT Real Property:

(a) the ESR-REIT Real Property is structurally sound and in good and substantial repair (fair wear and tear excepted) and the ESR-REIT Manager and the ESR-REIT Trustee are not aware of any structural, latent or other material defects affecting the ESR-REIT Real Property which would result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole;

(b) no structural settlement, flooding, subsidence or other material defect of any kind affects or has affected the ESR-REIT Real Property which would result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole; and

(c) there is no encroachment affecting the ESR-REIT Real Property and the ESR-REIT Real Property is not encroaching on any other adjoining property which would result in a material adverse effect on the business, operations, assets and/or financial condition of the ESR-REIT Group taken as a whole.

11.6 Alterations and Additions

In respect of each ESR-REIT Real Property:

(a) the development of the ESR-REIT Real Property (i) has met the minimum required gross plot ratio and (ii) does not exceed the maximum permissible gross plot ratio for the ESR-REIT Real Property permitted under the Head Lease(s) (where applicable)

and by the Governmental Authorities. All development charges and differential premium (if any) payable in order to secure or obtain for the ESR-REIT Real Property the benefit of such maximum allowable gross plot ratio have been fully paid as at the date of this Agreement; and

(b) all Certificates of Statutory Completion in respect of the ESR-REIT Real Property and (where required) all additions and alterations carried out to the ESR-REIT Real Property have been issued.

11.7 Occupation Agreements

(a) (i) No Major Occupier is entitled to terminate any Major Occupation Agreement prior to the contractual expiry date stipulated in the Major Occupation Agreement.

(ii) Save with the prior written consent of the Sabana Manager (such consent not to be unreasonably withheld or delayed) or with respect to (A) capital expenditure arising in the ordinary course of business where the cost and expense of each individual capital expenditure item does not exceed S$200,000 or all of such items do not in aggregate exceed the sum of S$1,000,000; (B) capital expenditure set out in the ESR-REIT Capex Plan provided that the costs and expenses of the relevant capital expenditure items do not exceed the respective amounts set out in the ESR-REIT Capex Plan; or (C) the 19 Tai Seng Avenue AEI provided always that the total costs and expenses of such asset enhancement initiative works do not exceed S$9,000,000, the ESR-REIT Trustee is not liable to carry out or bear the cost and expenses (whether incurred by the ESR-REIT Trustee or the relevant Occupier) of any capital expenditure item in relation to the ESR-REIT Real Properties.

(iii) As at the date of this Agreement, the ESR-REIT Trustee and/or the ESR-REIT Manager have not received any written notice of non-renewal by a Major Occupier pursuant to the terms of the Major Occupation Agreements that has not been disclosed.

(b) Each of the ESR-REIT Trustee and/or the ESR-REIT Manager has not received any notice of termination from any Occupier and each of the ESR-REIT Trustee and/or the ESR-REIT Manager has not received any written notice alleging that any of the Occupation Agreements or any bank guarantee or corporate guarantee (or other form of security) furnished in respect thereof is not valid and subsisting.

(c) There are no causes or grounds for any Occupier to lawfully terminate any Occupation Agreement.

(d) There are no rights of set-off or claims against the ESR-REIT Trustee, which are outstanding, in respect of the rent, licence fees, service charge and other moneys payable by an Occupier from time to time under the Occupation Agreements entered into with such Occupier.

(e) So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, full *ad valorem* stamp duties have been paid or will by the date of completion of the Merger be paid on the Occupation Agreements.

(f) Save with the prior written consent of the Sabana Manager (such consent not to be unreasonably withheld or delayed) or with respect to (A) capital expenditure arising in the ordinary course of business where the cost and expense of each individual capital expenditure item does not exceed S$200,000 or all of such items do not in aggregate

exceed the sum of S$1,000,000; (B) capital expenditure set out in the ESR-REIT Capex Plan provided that the costs and expenses of the relevant capital expenditure items do not exceed the respective amounts set out in the ESR-REIT Capex Plan; or (C) the 19 Tai Seng Avenue AEI provided always that the total costs and expenses of such asset enhancement initiative works do not exceed S$9,000,000:

(i) each of the ESR-REIT Trustee and/or the ESR-REIT Manager has not given any undertakings or made any representations in relation to any future development of the ESR-REIT Real Properties; and

(ii) there are no outstanding payments required to be made by the ESR-REIT Trustee in relation to any building or development (including additions and alterations) works carried out in respect of all the ESR-REIT Real Properties (or any part thereof).

(g) The ESR-REIT Trustee has collected in full the security deposits (whether in cash or by way of banker's guarantees) that are required to be provided by each of the Occupiers pursuant to the relevant Occupation Agreement in which such Occupier is a party. The ESR-REIT Trustee has not made any deductions from the security deposits paid under all the Occupation Agreements entered into with Occupiers.

12. ASSETS (OTHER THAN ESR-REIT REAL PROPERTIES)

12.1 All assets of the ESR-REIT Group (excluding the ESR-REIT Real Properties), including all debts due to each member of the ESR-REIT Group which are included in the ESR-REIT 1H2020 Financial Statements were at 30 June 2020, the absolute property of such member of the ESR-REIT Group and (save for those subsequently disposed of or realised in the ordinary and usual course of business) all such assets and debts which have subsequently been acquired or arisen are the absolute property of such member of the ESR-REIT Group, and are free from Encumbrance, save for Encumbrances under applicable debt financing.

12.2 All such assets are, where capable of possession, in the possession of or under the control of the relevant member of the ESR-REIT Group or the relevant member of the ESR-REIT Group is entitled to take possession or control of such assets.

12.3 Each ESR-REIT Plant and Equipment owned or held by the ESR-REIT Trustee or which have otherwise been represented as being the property of and due to the ESR-REIT Trustee are legally and beneficially owned by the ESR-REIT Trustee (as trustee of ESR-REIT) and are free from Encumbrance, save for Encumbrances under applicable debt financing.

12.4 The ESR-REIT Trustee and ESR-REIT have good title to all the ESR-REIT Plant and Equipment owned by it.

12.5 So far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, all the ESR-REIT Plant and Equipment which are used or required to be used are in good and safe repair and condition and are regularly and properly maintained, in satisfactory working order and suitable for the purposes for which they are used and intended, and none is in need of renewal or replacement.

13. INSURANCE

All the material assets of each of the members of the ESR-REIT Group (including the ESR-REIT Real Properties) which are capable of being insured have at all material times been adequately insured against fire and other risks normally insured against by companies carrying on similar businesses or owning assets of a similar nature. In respect of all such insurance and indemnity policies:

(a) all premiums have been duly paid to date;

(b) all the current policies are valid and enforceable and, as far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, are not void or voidable; and

(c) no material claims above S$100,000 have been made and are outstanding or in dispute, and so far as the ESR-REIT Manager and the ESR-REIT Trustee are aware, no fact or circumstance exists which might give rise to such claim under any of the policies.

14. INTELLECTUAL PROPERTY RIGHTS

14.1 Ownership etc.

In all material respects, all Intellectual Property Rights (whether registered or not) and all pending applications thereof which have been and are being used for the business of the ESR-REIT Group are (or, where appropriate in the case of pending applications, will be):

(a) legally and beneficially owned by the relevant member of the ESR-REIT Group or lawfully used with the consent of the owner under a licence; and

(b) as far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, not being infringed or attacked or opposed by any person.

14.2 Intellectual Property Rights

Each member of the ESR-REIT Group has complied in all material respects with the following:

(a) all Intellectual Property Rights required for the business of any member of the ESR-REIT Group are vested in or validly granted to such member of the ESR-REIT Group and are not subject to any limit as to time or any other limitation, right of termination or restriction and all renewal fees and steps required for their maintenance or protection have been paid and taken;

(b) all Intellectual Property Rights owned, used by or otherwise required for the business of any member of the ESR-REIT Group is in the possession of such member of the ESR-REIT Group;

(c) no member of the ESR-REIT Group has granted or is obliged to grant any licence, sub-licence or assignment in respect of any Intellectual Property Rights owned, used by or otherwise required for the business of such member of the ESR-REIT Group other than to its employees or those of the other members of the ESR-REIT Group for the purpose of carrying on its business;

(d) no member of the ESR-REIT Group nor any party with which it has contracted is in breach of any licence, sub-licence or assignment granted to or by it in respect of any Intellectual Property Rights owned, used by or otherwise required for the business of such member of the ESR-REIT Group or is to be made available to it; and

(e) as far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, there is no, nor has there been at any time, any unauthorised use or infringement by any person of any of the Intellectual Property Rights owned, used by or otherwise required for the business of any member of the ESR-REIT Group.

14.3 Process

As far as the ESR-REIT Trustee and the ESR-REIT Manager are aware, the processes employed in the businesses conducted by each member of the ESR-REIT Group and the products and services dealt in by each member of the ESR-REIT Group do and did not use, embody or infringe any Intellectual Property Rights of third parties (other than those belonging to or licensed to such member of the ESR-REIT Group) and no claims of infringement of any such rights or interests have been made by any third party.

15. EMPLOYEES

None of the members of the ESR-REIT Group has any employees.

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APPENDIX M — SABANA WARRANTIES

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Sabana Manager from the date of this Scheme Document up until the Effective Date.

The Sabana Manager and the Sabana Trustee severally (and neither jointly nor jointly and severally) represent and warrant to the ESR-REIT Manager and the ESR-REIT Trustee as at the date of the Implementation Agreement and as at the Record Date that:

1. SABANA REIT

1.1 Incorporation

(a) Sabana REIT has been duly constituted and is validly existing as a real estate investment trust under the laws of Singapore pursuant to the Sabana Trust Deed.

(b) The Sabana Subsidiary has been duly organised and is validly existing as a legal entity under the laws of the jurisdiction in which it is organised.

(c) The Sabana Trustee holds, directly or indirectly, the equity interest in the Sabana Subsidiary, and holds such equity interest on trust for the benefit of the Sabana Unitholders in accordance with the Sabana Trust Deed, but otherwise free from any Encumbrances. The Sabana Trustee does not hold any equity interest in any entity other than the Sabana Subsidiary.

(d) All the issued shares of the Sabana Subsidiary have been duly authorised and validly issued, are fully paid-up and rank pari passu in all respects with each other.

(e) Save for the Sabana Subsidiary, no member of the Sabana Group:

(i) is the holder or beneficial owner of, or has agreed to acquire, any share or loan capital of any other company (whether incorporated in Singapore or elsewhere); or

(ii) has any branch, agency, division, establishment or operations outside the jurisdiction in which it is incorporated.

1.2 Sabana Units

(a) All the issued Sabana Units have been duly authorised and validly issued, are fully paid-up and rank pari passu in all respects with each other. As at the date of this Agreement, Sabana REIT has issued an aggregate of 1,053,083,530 Sabana Units.

(b) All the issued Sabana Units are listed on the Main Board of SGX-ST and will continue to be so listed at the Record Date and there are no circumstances whereby such listing may be cancelled or revoked.

(c) No options, warrants or other rights to purchase, agreements or other obligations of Sabana REIT to issue, or rights to convert any obligations into or exchange any securities for, Sabana Units or ownership interests in Sabana Units are outstanding.

2. FULL DISCLOSURE

All information contained in this Agreement, the Sabana Due Diligence Information and the Sabana Disclosure Letter was, when given, and is, at the date hereof, true and accurate in all material respects and not misleading and none of the above information contains any untrue statement of fact or omits to state a fact necessary to make the statement contained therein, in light of the circumstances under which they are made, not misleading provided always that no warranty or representation shall be given by the Sabana Trustee or the Sabana Manager in relation to any forecast, estimate, projection or forward-looking statement which has been made by or on behalf of the Sabana Group and/or the Sabana Manager. As at the date of this Agreement, the Sabana Manager and the Sabana Trustee are not aware of any facts or matters or circumstances which renders or will render any such information untrue, inaccurate or misleading in any material respect. All material information relating to the Sabana Group has been announced on SGXNET in compliance with its continuous disclosure requirements.

3. POWER

The Sabana Manager and the Sabana Trustee have the corporate power to enter into, deliver and perform their obligations under this Agreement and to carry out the transactions contemplated by this Agreement.

4. AUTHORITY

Save for the approvals contemplated by Clause 3, the Sabana Manager and the Sabana Trustee have taken all necessary corporate actions and obtained all necessary corporate approvals to authorise entry into this Agreement and to carry out the transactions contemplated by this Agreement.

5. BINDING OBLIGATION

The Sabana Manager's and the Sabana Trustee's obligations under this Agreement are valid, legally binding and enforceable in accordance with its terms.

6. NO BREACH

6.1 Neither the execution and delivery, nor performance by the Sabana Manager and the Sabana Trustee nor any transaction contemplated under this Agreement will:

(a) conflict with or constitute a default under or result in a breach of any provision of the Sabana Trust Deed or the constitutive documents of the Sabana Manager, the Sabana Trustee or any member of the Sabana Group;

(b) conflict with or constitute a default under or result in a breach of any order, writ, injunction or decree of any Governmental Authority applicable to the Sabana Manager, the Sabana Trustee or any member of the Sabana Group or their respective assets; or

(c) conflict with or constitute a default under or result in a breach of any agreement or instrument to which any of the Sabana Manager, the Sabana Trustee or the Sabana Group is a party, or any loan to or mortgage created by any member of the Sabana Group, or relieve any other party to a contract with any member of the Sabana Group of its obligations under such contract, or entitle such party to terminate or modify such contract, whether summarily or by notice, or result in the creation of any Encumbrance under any agreement, licence or other instrument, or result in a breach of any law, rule, regulation, ordinance, order, judgment or decree of any court, Governmental Authority or regulatory body to which any of the Sabana Manager, the Sabana Trustee or any member of the Sabana Group is a party or by which any of the Sabana Manager, the Sabana Trustee or any member of the Sabana Group or any of their respective assets is bound.

6.2 Save for the approvals contemplated by Clause 3:

(a) all authorisations from, and notices or filings with, any Governmental Authority or other authority; and

(b) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties),

that are necessary to (i) enable the Sabana Manager, the Sabana Trustee and the Sabana Group to lawfully enter into, exercise its rights and perform and comply with their obligations under this Agreement; and (ii) ensure that those obligations are valid and legally binding have been obtained, made, taken, fulfilled and done (as the case may be) and are in full force and effect and all conditions of each such authorisation have been complied with.

7. CONTRACTS

7.1 Debts, Contracts and Arrangements with Connected Persons etc.

There is no interested person transaction (as defined in the Listing Manual) between any member of the Sabana Group and an interested person (as defined in the Listing Manual) of Sabana REIT which is of a value of 3% or more of the latest audited net tangible assets of the Sabana Group on a consolidated basis.

7.2 Contracts

(a) No member of the Sabana Group is, or has been, a party to any contract or transaction which (i) is outside the ordinary and usual course of business; (ii) is not on an arm's length basis; or (iii) is of a loss-making nature that would result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole.

(b) No member of the Sabana Group:

(i) is, or has agreed to become a party to any agreement or arrangement which restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;

(ii) is, or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association; or

(iii) is, or has agreed to become, a party to any material agreement or arrangement for participating with others in any business, sharing commissions or other income.

(c) All the contracts and all leases, tenancies, licences, concessions and agreements (breach of which will have a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole) and any amendments or waivers with respect thereto to which any member of the Sabana Group is a party (the "**Sabana Material Contracts**") are valid, binding and enforceable obligations of the relevant member of the Sabana Group, and so far as the Sabana Manager and the Sabana Trustee are aware, all other parties thereto, and the terms thereof have been complied with in all material respects by the relevant member of the Sabana Group, and, so far as the Sabana Manager and the Sabana Trustee are aware, all other parties thereto. So far as the Sabana Manager and the Sabana Trustee are aware, there are no circumstances that give rise to any material breach of the terms, and no grounds for rescission, avoidance or repudiation, of any of such Sabana Material Contracts and no notice of termination or of intention to terminate has been received in respect of any thereof.

(d) Tenants

(i) The loss of any single Occupier of any member of the Sabana Group would not result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole.

(ii) There has been no communication in writing by any Major Occupier which would indicate that such Major Occupier intends to (A) terminate its current lease; or (B) vacate its leased premises at the expiration of its current lease, whether or not in connection with the execution or completion of this Agreement, and no agreement exists with a Major Occupier with respect to any of the foregoing.

(iii) So far as the Sabana Manager and the Sabana Trustee are aware, no Major Occupier is insolvent or has been declared insolvent, and no action or request is pending or threatened to declare it insolvent, wind it up or to make it subject to any proceeding contemplated by any applicable insolvency law.

8. ACCOUNTS

8.1 Financial Statements

(a) The Sabana Financial Statements have been properly drawn in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" and all applicable law so as to give a true and fair view of the financial position of the Sabana Group as at 31 December 2019, and the total return, distributable income, movements in Sabana Unitholders' funds and cash flows of the Sabana Group for the year ended on that date are in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and the provisions of the Sabana Trust Deed.

(b) The Sabana 1H2020 Financial Statements were prepared using the same accounting policies and methods of computation with those applied in the Sabana Financial Statements and are fair and not misleading and do not materially misstate the assets and liabilities of the Sabana Group as at the relevant balance sheet date or the profits and losses of the Sabana Group for the period then ended.

8.2 Changes since 31 December 2019

Since 31 December 2019:

(a) the businesses of the Sabana Group have been carried on solely in the ordinary and usual course, without any material interruption or alteration in its nature, scope or manner, and so as to maintain the same as a going concern;

(b) there has been no change in the accounting policies and principles adopted for the preparation of the Sabana Financial Statements or the Sabana 1H2020 Financial Statements;

(c) the Sabana Group has not entered into any transaction or assumed or incurred any liabilities (including contingent liabilities) or made any payment or given any guarantee, indemnity or suretyship not provided for in the Sabana Financial Statements or the Sabana 1H2020 Financial Statements otherwise than in the ordinary and usual course of carrying on its business;

(d) the Sabana Group's profits have not been affected to a material extent by changes or inconsistencies in accounting treatment, by any non-recurring items of income or expenditure, by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms;

(e) it has not entered into any unusual, long term and onerous commitments and contracts that would have a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole;

(f) no member of the Sabana Group has entered into or proposed to enter into any capital commitments other than in the ordinary course of business; and

(g) save for the Sabana Permitted Distributions, no dividend or other distribution has been declared, made or paid to the Sabana Unitholders.

8.3 Absence of Undisclosed Liabilities

There are no material liabilities (including contingent liabilities) of the Sabana Group which are outstanding on the part of each member of the Sabana Group, other than (a) liabilities disclosed or adequately provided for in the Sabana Financial Statements or the Sabana 1H2020 Financial Statements; (b) liabilities disclosed elsewhere in this Agreement; (c) liabilities incurred after 31 December 2019 in the ordinary and usual course of business which have not had and could not reasonably be expected to have a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole; or (d) as disclosed in public announcements made by the Sabana Manager on SGXNET up till the date of this Agreement.

8.4 Trade and Other Receivables

So far as the Sabana Manager and the Sabana Trustee are aware, the receivables, including any accrued revenue which may have been stated in the Sabana Financial Statements or the Sabana 1H2020 Financial Statements, are stated at figures not exceeding the amounts which could, in the circumstances existing at the date of the Sabana Financial Statements or the Sabana 1H2020 Financial Statements (as the case may be), reasonably be expected to be realised in the ordinary and usual course of business of the Sabana Group. No new adverse events have occurred that would give doubt as to the ability to realise all current receivables (other than trade receivables) in the ordinary and usual course of business and in the case of trade receivables, after taking into account any provision for bad and doubtful debts made in the Sabana Financial Statements and the Sabana 1H2020 Financial Statements.

9. LEGAL MATTERS

9.1 Compliance with Laws

(a) Each member of the Sabana Group has carried on and is carrying on its business and operations (including the Sabana Real Properties) in accordance with its constitutional documents and in accordance with all applicable laws and regulations (including the Listing Manual and the Property Funds Appendix) in Singapore. As at the date of this Agreement, no complaints have been received from any third party with regard to any breach of such laws and regulations by any member of the Sabana Group.

(b) There have not been and there are no breaches by any member of the Sabana Group of its constitutional documents.

9.2 Licences and Consents

(a) All material statutory, municipal and other licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals and authorities necessary for the carrying on of the businesses and operations of the Sabana Group and the Sabana Real Properties have been obtained, are in full force and effect and all conditions applicable to such licences have been and are being complied with in all material respects, unless the failure to obtain such licences does not have a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole.

(b) As far as the Sabana Manager and the Sabana Trustee are aware, there is no investigation, enquiry or proceeding outstanding which is likely to result in the suspension, cancellation, modification or revocation of any of the above mentioned licences, nor has any member of the Sabana Group received, any notice of such investigations, enquiries or proceedings. So far as the Sabana Manager and the Sabana Trustee are aware, none of the above mentioned licences is likely to be suspended, cancelled, refused, modified or revoked (whether as a result of entering into this Agreement, consummating the Merger, the Scheme or otherwise).

9.3 Litigation, Arbitration or Investigation

(a) No litigation, arbitration or administrative proceeding is current or pending or, so far as the Sabana Manager and the Sabana Trustee are aware, threatened, to restrain the entry into, exercise of their rights under and/or performance or enforcement of or compliance with their obligations under this Agreement.

(b) No claim, litigation, arbitration or administrative proceeding is current or pending or, so far as the Sabana Manager and the Sabana Trustee are aware, threatened against any member of the Sabana Group or in respect of the Sabana Real Properties, which has or could result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole.

(c) As at the date of this Agreement, the Sabana Trustee and the Sabana Manager have not received any notice of any investigation or enquiry by, any court, tribunal, arbitrator, Governmental Authority or regulatory body outstanding or anticipated against any member of the Sabana Group or in respect of the Sabana Real Properties.

9.4 Insolvency

(a) No order has been made or application presented or resolution passed for the winding-up or administration of any member of the Sabana Group, nor, as far as the Sabana Trustee and the Sabana Manager are aware, are there any grounds on which any person would be entitled to have any member of the Sabana Group wound-up or placed in administration.

(b) No application has been presented for an order for the appointment of a judicial manager (or other similar order) to be made in relation to any member of the Sabana Group, nor has any such order been made.

(c) The Sabana Trustee and the Sabana Manager have not received any notification of the appointment of any person as, nor as far as the Sabana Trustee and the Sabana Manager are aware, has any person become entitled to appoint, a receiver or receiver and manager or other similar officer over any member of the Sabana Group's business or assets or any part of them.

(d) No composition in satisfaction of the debts of any member of the Sabana Group, or scheme of arrangement of its affairs, or compromise or arrangement between it and its creditors and/or members or any class of its creditors and/or members, has been proposed to the Sabana Trustee or the Sabana Manager, sanctioned or approved.

(e) No distress, distraint, charging order, garnishee order, execution or other process has been levied or applied for in respect of the whole or any part of any of the property, assets and/or undertaking of any member of the Sabana Group.

(f) None of the members of the Sabana Group has ceased trading or stopped payment to its creditors and as far as the Sabana Trustee and the Sabana Manager are aware, there are no grounds on which any member of the Sabana Group could be found to be unable to pay its debts within the meaning of Section 254(1)(e) of the Companies Act (Chapter 50 of Singapore).

(g) As far as the Sabana Trustee and the Sabana Manager are aware, no event has occurred causing, or which upon intervention or notice by any third party may cause, any floating charge created by any member of the Sabana Group to crystallise or any charge created by it to become enforceable, nor has any such crystallisation occurred or is such enforcement in process.

10. TAXATION MATTERS

10.1 Returns and Information

(a) All returns, computations, notices and information which are or have been required to be made, given or delivered by any member of the Sabana Group for any Taxation purpose (i) have been made, given or delivered within the requisite periods or within permitted extensions of such periods; (ii) are up-to-date, complete and accurate in all material respects and made on a proper basis; and (iii) none of them is the subject of any dispute with any Taxation Authority.

(b) All Taxes assessed or imposed by any Taxation Authority which have been assessed upon any member of the Sabana Group and which are due and payable on or before the Record Date have been paid and were paid on or before the relevant due date for payment or will be paid before the relevant due date for payment.

10.2 Tax Claims

(a) Since 31 December 2019, no single Tax Claim exceeding S$250,000 has been made against any member of the Sabana Group:

(i) in respect of or arising from any transaction effected or deemed to have been effected on or before the date of this Agreement when this Warranty in paragraph 10.2(a)(i) is made on the date of this Agreement, and up to the Record Date when this Warranty in paragraph 10.2(a)(i) is made on the Record Date; or

(ii) by reference to any income, profits or gains earned, accrued or received on or before the date of this Agreement when this Warranty in paragraph 10.2(a)(ii) is made on the date of this Agreement, and up to the Record Date when this Warranty in paragraph 10.2(a)(ii) is made on the Record Date,

except:

(A) to the extent that Taxation was paid, provided for or accrued in respect thereof in the Sabana Financial Statements;

(B) to the extent that such Tax Claim arises as a result only of any provision or reserve in respect thereof being insufficient by reason of any increase in rates of Taxation made after the date of the Sabana Financial Statements with retrospective effect; or

(C) to the extent that such Tax Claim arises as a result only of any provision or reserve in respect thereof being insufficient by reason of any reassessment or revaluation by the Taxation Authority in respect of any of the Sabana Real Properties.

10.3 Tax Incentives and Clearances

(a) Each member of the Sabana Group has complied with all the conditions subject to which Tax incentives and preferential Tax treatment have been granted to such member of the Sabana Group. All the Tax incentives and preferential Tax treatment enjoyed by the Sabana Group as at the date of this Agreement will not, as far as the Sabana Manager and the Sabana Trustee are aware, be affected, varied, withdrawn or revoked as a result of the Scheme.

(b) So far as the Sabana Manager and the Sabana Trustee are aware, no relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to any member of the Sabana Group which could be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act or omission by any member of the Sabana Group.

(c) No member of the Sabana Group has done or omitted to do anything since any application for any concession, consent or clearance from any Taxation Authority that was made which might reasonably be expected to cause such concession, consent or clearance to be or become invalid, or to be withdrawn by the relevant Taxation Authorities.

(d) Each of the Sabana Trustee and the Sabana Manager has not taken or omitted to take any action that will cause such consent or clearance to be or become invalid, or to be withdrawn by the relevant Taxation Authorities.

10.4 Tax Audits

(a) There is no external investigation by any Taxation Authority in process or, so far as the Sabana Manager and the Sabana Trustee are aware, pending with respect to any Tax returns of any member of the Sabana Group, other than queries raised by a Taxation Authority in its usual review of such Tax returns by a member of the Sabana Group.

(b) There are no ongoing or, so far as the Sabana Manager and the Sabana Trustee are aware, anticipated Taxation disputes involving or against any member of the Sabana Group.

10.5 Residence

Each member of the Sabana Group has been resident for Tax purposes in its country of incorporation and nowhere else at all times since its incorporation.

10.6 Finance Leases

Save as disclosed in the Sabana Financial Statements, no member of the Sabana Group is or has been the lessor or the lessee under any material finance lease of an asset. For the purposes of this paragraph, "**finance lease**" means any arrangements for the leasing of an asset which fall to be treated in accordance with normal accounting practice (based on the lease accounting standards applicable to the preparation of the Sabana Financial Statements) as a finance lease or loan.

11. THE SABANA REAL PROPERTIES

11.1 Ownership of the Sabana Real Properties

The Sabana Real Properties comprise all of the real property owned, occupied or otherwise used in connection with the business of the Sabana Trustee (as trustee of Sabana REIT) or in which the Sabana Trustee (as trustee of Sabana REIT) has an interest.

11.2 Title

In respect of each Sabana Real Property:

(a) the Sabana Trustee (as trustee of Sabana REIT) and Sabana REIT are sole legal and beneficial owners of, and have good and marketable title to, the whole of the Sabana Real Property free from Encumbrances save for (i) applicable pre-emption and consent requirements that are required to be complied with in the event of a sale and subject to the terms of the Head Lease; and (ii) Encumbrances set out under the Sabana Existing Debt Facilities;

(b) the Head Lease is valid and subsisting and there is no (i) subsisting breach or any non-observance of any covenant, condition or agreement contained in the Head Lease on the part of either the Head Lessor or the Sabana Trustee; or (ii) threatened action, dispute, claims or demands against the Sabana Trustee under or in connection with the Head Lease;

(c) the Sabana Trustee has not received any notice from the Head Lessor stating that the Sabana Trustee is in breach of a term of the Head Lease or that the Head Lease has been terminated;

(d) no written notice of acquisition or written notice of intended acquisition of the Sabana Real Property or any part thereof has been served on the Sabana Trustee by any Governmental Authority which will result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole; and

(e) full ad valorem stamp duties arising from or in connection with the Head Lease and/or the transfer of the Sabana Real Property to the Sabana Trustee, have been paid or will by the date of completion of the Merger be paid.

11.3 Planning

In respect of each Sabana Real Property, so far as the Sabana Manager and the Sabana Trustee are aware:

(a) no development at or use of the Sabana Real Property has been undertaken in breach of the planning legislation or any applicable laws or regulations, by-laws, orders, consents or permissions made or given thereunder;

(b) there is no pending planning application, planning appeal or other planning proceeding in respect of the Sabana Real Property, except as set out in the Sabana Capex Plan;

(c) there is no outstanding government or statutory notice relating to the Sabana Real Property or any business carried on thereat or the uses thereof which would result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole; and

(d) there are no outstanding notices, complaints or requirements issued to the Sabana Trustee and/or the Sabana Manager by any Governmental Authority in respect of the Sabana Real Property or any part thereof and there is no pending or threatened proceeding or action by any Governmental Authority to modify the zoning, classification of or the present use of the Sabana Real Property or any part thereof which would result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole.

11.4 Agreements

(a) No binding offer, commitment or contract has been made by the Sabana Trustee and/or the Sabana Manager to or with any third party to sell or dispose any Sabana Real Property (or any part thereof) and no option, right of first refusal or pre-emptive right has been granted by the Sabana Trustee and/or the Sabana Manager to any third party for the sale of any Sabana Real Property (or any part thereof).

(b) No binding offer, commitment or contract has been made by the Sabana Trustee and/or the Sabana Manager to or with any third party to acquire any interests in real property or trust beneficiary interests or similar indirect interests in real property.

(c) In respect of each Sabana Real Property, each of the Sabana Trustee and/or the Sabana Manager has not entered into any agreement with any adjoining owner or Governmental Authority undertaking construction, maintenance, repair or payment of obligations in relation to any facilities or building works or any adjoining properties, the cost and expense of which would in aggregate exceed a sum of S$10,000 per month.

11.5 State and Condition of Property

So far as the Sabana Manager and the Sabana Trustee are aware, in respect of each Sabana Real Property:

(a) the Sabana Real Property is structurally sound and in good and substantial repair (fair wear and tear excepted), and the Sabana Manager and the Sabana Trustee are not aware of any structural, latent or other material defects affecting the Sabana Real Property which would result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole;

(b) no structural settlement, flooding, subsidence or other material defect of any kind affects or has affected the Sabana Real Property which would result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole; and

(c) there is no encroachment affecting the Sabana Real Property and the Sabana Real Property is not encroaching on any other adjoining property which would result in a material adverse effect on the business, operations, assets and/or financial condition of the Sabana Group taken as a whole.

11.6 Alterations and Additions

In respect of each Sabana Real Property:

(a) the development of the Sabana Real Property (i) has met the minimum required gross plot ratio; and (ii) does not exceed the maximum permissible gross plot ratio for the Sabana Real Property permitted under the Head Lease(s) (where applicable) and by the Governmental Authorities. All development charges and differential premium (if any) payable in order to secure or obtain for the Sabana Real Property the benefit of such maximum allowable gross plot ratio have been fully paid as at the date of this Agreement; and

(b) all Certificates of Statutory Completion in respect of the Sabana Real Property and (where required) all additions and alterations carried out to the Sabana Real Property have been issued.

11.7 Occupation Agreements

(a) (i) No Major Occupier is entitled to terminate any Major Occupation Agreement prior to the contractual expiry date stipulated in the Major Occupation Agreement.

(ii) Save with the prior written consent of the ESR-REIT Manager (such consent not to be unreasonably withheld or delayed) or with respect to (A) capital expenditure arising in the ordinary course of business where the cost and expense of each individual capital expenditure item does not exceed S$200,000 or all of such items do not in aggregate exceed the sum of S$1,000,000; (B) capital expenditure set out in the Sabana Capex Plan provided that the costs and expenses of the relevant capital expenditure items do not exceed the respective amounts set out in the Sabana Capex Plan; or (C) the Lorong Chuan AEI provided always that the total costs and expenses of such asset enhancement initiative works do not exceed S$21,500,000, the Sabana Trustee is not liable to carry out or bear the cost and expenses (whether incurred by the Sabana Trustee or the relevant Occupier) of any capital expenditure item in relation to the Sabana Real Properties.

(iii) As at the date of this Agreement, the Sabana Trustee and/or the Sabana Manager have not received any written notice of non-renewal by a Major Occupier pursuant to the terms of the Major Occupation Agreements that has not been disclosed.

(b) Each of the Sabana Trustee and/or the Sabana Manager has not received any notice of termination from any Occupier and each of the Sabana Trustee and/or the Sabana Manager has not received any written notice alleging that any of the Occupation Agreements or any bank guarantee or corporate guarantee (or other form of security) furnished in respect thereof is not valid and subsisting.

(c) There are no causes or grounds for any Occupier to lawfully terminate any Occupation Agreement.

(d) There are no rights of set-off or claims against the Sabana Trustee, which are outstanding, in respect of the rent, licence fees, service charge and other moneys payable by an Occupier from time to time under the Occupation Agreements entered into with such Occupier.

(e) So far as the Sabana Manager and the Sabana Trustee are aware, full ad valorem stamp duties have been paid or will by the date of completion of the Merger be paid on the Occupation Agreements.

(f) Save with the prior written consent of the ESR-REIT Manager (such consent not to be unreasonably withheld or delayed) or with respect to (A) capital expenditure arising in the ordinary course of business where the cost and expense of each individual capital expenditure item does not exceed S$200,000 or all of such items do not in aggregate exceed the sum of S$1,000,000; (B) capital expenditure set out in the Sabana Capex Plan provided that the costs and expenses of the relevant capital expenditure items do not exceed the respective amounts set out in the Sabana Capex Plan; or (C) the Lorong Chuan AEI provided always that the total costs and expenses of such asset enhancement initiative works do not exceed S$21,500,000,

(i) each of the Sabana Trustee and/or the Sabana Manager has not given any undertakings or made any representations in relation to any future development of the Sabana Real Properties; and

(ii) there are no outstanding payments required to be made by the Sabana Trustee in relation to any building or development (including additions and alterations) works carried out in respect of all the Sabana Real Properties (or any part thereof).

(g) The Sabana Trustee has collected in full the security deposits (whether in cash or by way of banker's guarantees) that are required to be provided by each of the Occupiers pursuant to the relevant Occupation Agreement in which such Occupier is a party. The Sabana Trustee has not made any deductions from the security deposits paid under all the Occupation Agreements entered into with Occupiers.

12. ASSETS (OTHER THAN SABANA REAL PROPERTIES)

12.1 All assets of the Sabana Group (excluding the Sabana Real Properties), including all debts due to each member of the Sabana Group which are included in the Sabana 1H2020 Financial Statements were at 30 June 2020, the absolute property of such member of the Sabana Group and (save for those subsequently disposed of or realised in the ordinary and usual course of business) all such assets and debts which have subsequently been acquired or arisen are the absolute property of such member of the Sabana Group, and are free from Encumbrance, save for Encumbrances under applicable debt financing.

12.2 All such assets are, where capable of possession, in the possession of or under the control of the relevant member of the Sabana Group or the relevant member of the Sabana Group is entitled to take possession or control of such assets.

12.3 Each Sabana Plant and Equipment owned or held by the Sabana Trustee or which have otherwise been represented as being the property of and due to the Sabana Trustee are legally and beneficially owned by the Sabana Trustee (as trustee of Sabana REIT) and are free from Encumbrance, save for Encumbrances under applicable debt financing.

12.4 The Sabana Trustee and Sabana REIT have good title to all the Sabana Plant and Equipment owned by it.

12.5 So far as the Sabana Manager and the Sabana Trustee are aware, all the Sabana Plant and Equipment which are used or required to be used are in good and safe repair and condition and are regularly and properly maintained, in satisfactory working order and suitable for the purposes for which they are used and intended, and none is in need of renewal or replacement.

13. INSURANCE

All the material assets of each of the members of the Sabana Group (including the Sabana Real Properties) which are capable of being insured have at all material times been adequately insured against fire and other risks normally insured against by companies carrying on similar businesses or owning assets of a similar nature. In respect of all such insurance and indemnity policies:

(a) all premiums have been duly paid to date;

(b) all the current policies are valid and enforceable and, as far as the Sabana Trustee and the Sabana Manager are aware, are not void or voidable; and

(c) no material claims above S$100,000 have been made and are outstanding or in dispute, and so far as the Sabana Manager and the Sabana Trustee are aware, no fact or circumstance exists which might give rise to such claim under any of the policies.

14. INTELLECTUAL PROPERTY RIGHTS

14.1 Ownership etc.

In all material respects, all Intellectual Property Rights (whether registered or not) and all pending applications thereof which have been and are being used for the business of the Sabana Group are (or, where appropriate in the case of pending applications, will be):

(a) legally and beneficially owned by the relevant member of the Sabana Group or lawfully used with the consent of the owner under a licence; and

(b) as far as the Sabana Trustee and the Sabana Manager are aware, not being infringed or attacked or opposed by any person.

14.2 Intellectual Property Rights

Each member of the Sabana Group has complied in all material respects with the following:

(a) all Intellectual Property Rights required for the business of any member of the Sabana Group are vested in or validly granted to such member of the Sabana Group and are not subject to any limit as to time or any other limitation, right of termination or restriction and all renewal fees and steps required for their maintenance or protection have been paid and taken;

(b) all Intellectual Property Rights owned, used by or otherwise required for the business of any member of the Sabana Group is in the possession of such member of the Sabana Group;

(c) no member of the Sabana Group has granted or is obliged to grant any licence, sub-licence or assignment in respect of any Intellectual Property Rights owned, used by or otherwise required for the business of such member of the Sabana Group other than to its employees or those of the other members of the Sabana Group for the purpose of carrying on its business;

(d) no member of the Sabana Group nor any party with which it has contracted is in breach of any licence, sub-licence or assignment granted to or by it in respect of any Intellectual Property Rights owned, used by or otherwise required for the business of such member of the Sabana Group or is to be made available to it; and

(e) as far as the Sabana Trustee and the Sabana Manager are aware, there is no, nor has there been at any time, any unauthorised use or infringement by any person of any of the Intellectual Property Rights owned, used by or otherwise required for the business of any member of the Sabana Group.

14.3 Process

As far as the Sabana Trustee and the Sabana Manager are aware, the processes employed in the businesses conducted by each member of the Sabana Group and the products and services dealt in by each member of the Sabana Group do and did not use, embody or infringe any Intellectual Property Rights of third parties (other than those belonging to or licensed to such member of the Sabana Group) and no claims of infringement of any such rights or interests have been made by any third party.

15. EMPLOYEES

None of the members of the Sabana Group has any employees.

APPENDIX N — PRESCRIBED OCCURRENCES

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Sabana Manager from the date of this Scheme Document up until the Effective Date.

For the purpose of this Scheme Document, "**Prescribed Occurrence**", in relation to the Sabana Group and the ESR-REIT Group, as the case may be, means any of the following:

(a) Securities Buy-back:

(i) Sabana REIT (or the Sabana Subsidiary) entering into a Sabana Units or securities buy-back agreement or resolving to approve the terms of a Sabana Units or securities buy-back agreement under the Sabana Trust Deed and/or the relevant securities legislation; and/or

(ii) ESR-REIT (or any ESR-REIT Subsidiary) entering into an ESR-REIT Units or securities buy-back agreement or resolving to approve the terms of an ESR-REIT Units or securities buy-back agreement under the ESR-REIT Trust Deed and/or the relevant securities legislation;

(b) Allotment of Units/Shares:

(i) Sabana REIT (or the Sabana Subsidiary) making an allotment of, or granting an option to subscribe for, any Sabana Units, shares of any entity within the Sabana Group, securities convertible into Sabana Units or shares of any company within the Sabana Group, or agreeing to make such an allotment or to grant such an option or convertible security, or doing any of the foregoing with respect to the securities of Sabana REIT or shares of any company within the Sabana Group; and/or

(ii) ESR-REIT (or any ESR-REIT Subsidiary) making an allotment of, or granting an option to subscribe for, any ESR-REIT Units, shares of any entity within the ESR-REIT Group, securities convertible into ESR-REIT Units or shares of any company within the ESR-REIT Group, or agreeing to make such an allotment or to grant such an option or convertible security, or doing any of the foregoing with respect to the securities of ESR-REIT or shares of any company within the ESR-REIT Group, other than the allotment and issue by ESR-REIT of new ESR-REIT Units (A) to the ESR-REIT Manager and the ESR-REIT Property Manager as payment of their fees in accordance with the provisions of the ESR-REIT Trust Deed and the Property Management Agreement respectively; (B) pursuant to its Distribution Reinvestment Plan; and/or (C) as Consideration Units or as otherwise contemplated under this Agreement;

(c) Conversion of Sabana Units/ESR-REIT Units:

(i) Sabana REIT converting, sub-dividing or consolidating all or any of its Sabana Units into a larger or smaller number of units; and/or

(ii) ESR-REIT converting, sub-dividing or consolidating all or any of its ESR-REIT Units into a larger or smaller number of units;

(d) Amendment of Trust Deeds:

(i) the Sabana Manager making any amendment to the Sabana Trust Deed, other than the Sabana Trust Deed Amendments; and/or

(ii) the ESR-REIT Manager making any amendment to the ESR-REIT Trust Deed;

(e) Issuance of Debt Securities: the Sabana Group or the ESR-REIT Group issuing, or agreeing to issue, convertible notes or other debt securities;

(f) Distributions:

(i) the Sabana Manager declaring, making or paying any distributions to the Sabana Unitholders, except for any distribution which has been declared or which Sabana REIT is under a contractual obligation to pay but has not been paid prior to the date of this Agreement and the Sabana Permitted Distributions; and/or

(ii) the ESR-REIT Manager declaring, making or paying any distributions to the ESR-REIT Unitholders, except for any distribution which has been declared or which ESR-REIT is under a contractual obligation to pay but has not been paid prior to the date of this Agreement and the ESR-REIT Permitted Distributions;

(g) Injunctions: an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Merger or any part thereof by any member of the ESR-REIT Group, any member of the Sabana Group, the Sabana Manager, the ESR-REIT Manager, the ESR-REIT Trustee and/or the Sabana Trustee;

(h) Cessation of Business: Sabana REIT (or the Sabana Subsidiary) or ESR-REIT (or any ESR-REIT Subsidiary) ceases or threatens to cease for any reason to carry on business in the usual and ordinary course;

(i) Investigations and Proceedings: if any entity within the Sabana Group or ESR-REIT Group or the Sabana Manager or the ESR-REIT Manager or any of their respective directors (in their capacity as directors of the relevant entity) is the subject of any formal and material governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding;

(j) Resolution for Winding Up: resolving that Sabana REIT (or any entity within the Sabana Group) or ESR-REIT (or any entity within the ESR-REIT Group) be wound up;

(k) Order of Court for Winding Up: the making of an order by a court of competent jurisdiction for the winding up of Sabana REIT (or any entity within the Sabana Group) or ESR-REIT (or any entity within the ESR-REIT Group);

(l) Appointment of Liquidator and Judicial Manager: the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or other similar officer of Sabana REIT (or any entity within the Sabana Group) or ESR-REIT (or any entity within the ESR-REIT Group);

(m) Composition: Sabana REIT (or any entity within the Sabana Group) or ESR-REIT (or any entity within the ESR-REIT Group) entering into any arrangement or general assignment or composition for the benefit of its creditors generally;

(n) Appointment of Receiver: the appointment of a receiver or a receiver and manager, in relation to the property or assets of Sabana REIT (or any entity within the Sabana Group) or ESR-REIT (or any entity within the ESR-REIT Group);

(o) Insolvency: Sabana REIT (or any entity within the Sabana Group) or ESR-REIT (or any entity within the ESR-REIT Group) becoming or being deemed by law or a court to be insolvent or stops or suspends or defaults on, or threatens to stop or suspend or default on, payment of its debts or otherwise triggers an event of default under the terms of its debts;

(p) Suspension or delisting from the SGX-ST: Sabana REIT or ESR-REIT being suspended by the SGX-ST or removed from the Main Board of the SGX-ST; or

(q) Analogous Event: any event occurs which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing events.

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APPENDIX O — MANNER OF CONVENING SCHEME MEETING

The manner of convening the Scheme Meeting as ordered by the Court under the Scheme Meeting Court Order is set out below:

1. The Sabana Manager and the Sabana Trustee shall be at liberty to convene the Scheme Meeting by electronic means in a manner consistent with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 at a date and time to be determined by the Sabana Manager and the Sabana Trustee.

2. The notice convening the Scheme Meeting ("**Notice**"), together with a copy of the Scheme Document, shall be provided to Sabana Unitholders at least 21 clear days (not inclusive of the day on which the Notice is served and of the day of the Scheme Meeting) before the date of the Scheme Meeting in the following manner:

   (a) in the case of Sabana Unitholders whose Sabana Units are not deposited with CDP, by ordinary post to or left at Sabana Unitholder's address as appearing in the Register of Sabana Unitholders or in the case of joint Sabana Unitholders, to the joint Sabana Unitholder whose name stands first in the Register of Sabana Unitholders; and

   (b) in the case of Sabana Unitholders whose Sabana Units are deposited with CDP, by ordinary post to or left at the Sabana Unitholder's address as appearing in the Depository Register, or in the case of joint depositors, to the joint depositor whose name stands first as appearing in the Depository Register,

   save that, where there are potential restrictions on sending the Notice and/or the Scheme Document to any overseas jurisdiction, the Sabana Manager and the Sabana Trustee need not send the Scheme Document to Sabana Unitholders in such overseas jurisdiction.

3. The Notice be advertised in the "The Straits Times" and the "Lianhe Zaobao" in Singapore, stating the place at which and the manner in which the Scheme Document may be obtained, at least 21 clear days before the date of the Scheme Meeting.

4. Further and/or in addition to Paragraphs 2 and 3 above, an electronic copy of the Scheme Document shall be made available at the website of the SGX-ST at least 21 clear days before the date of the Scheme Meeting. A Sabana Unitholder in an overseas jurisdiction may also write in to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at its registered office at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 or contact the Unit Registrar at +65 6536 5355, to request for the Scheme Document to be sent to an address in Singapore by ordinary post up to three (3) Market Days prior to the date of the Scheme Meeting at such Sabana Unitholder's own risk.

5. Any accidental omission to give any Sabana Unitholder notice of the Scheme Meeting or the non-receipt of such notice by any Sabana Unitholder shall not invalidate the proceedings at the Scheme Meeting, unless ordered by the Court.

6. Subject to any restrictions under law or set by any relevant regulatory authority, each Sabana Unitholder is entitled to attend (via electronic means), submit questions in advance and by no later than 72 hours before the Scheme Meeting and vote at the Scheme Meeting by proxy and, unless the Court orders otherwise:

   (i) shall be entitled to appoint only one proxy to vote at the Scheme Meeting; and

   (ii) may only cast all the votes it uses at the Scheme Meeting in one way.

7. Proxy forms must be completed, signed and deposited with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

   (i) if submitted by post, be lodged at the office of the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

   (ii) if submitted electronically, be submitted via the electronic mail address stated in the Notice,

   in either case, not less than 72 hours before the time appointed for the Scheme Meeting.

8. Save where expressly provided, the provisions of the Sabana Trust Deed in relation to meetings of Sabana Unitholders may be applied in respect of the Scheme Meeting as appropriate at the discretion of the Chairman of the Scheme Meeting.

9. The Sabana Manager and the Sabana Trustee propose that Mr Tan Cheong Hin, a director of the board of directors of the Sabana Manager, or failing him, any other director of the Sabana Manager, be appointed to act as Chairman of the Scheme Meeting and be directed to report the voting results of the Scheme Meeting to the Court as soon as possible after the Scheme Meeting.

10. The Chairman of the Scheme Meeting shall be at liberty to adjourn the Scheme Meeting for such period as he shall deem appropriate.

APPENDIX P — THE SCHEME

SCHEME OF ARRANGEMENT
Under Order 80 of the Rules of Court (Cap. 322, R5, 2014 Rev Ed)

In the matter of

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)

Between

1. **SABANA REAL ESTATE INVESTMENT MANAGEMENT PTE. LTD. (in its capacity as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)** (Company Registration Number: 201005493K)

2. **HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED (in its capacity as trustee of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)** (Company Registration Number: 194900022R)

And

THE SABANA UNITHOLDERS
(as defined herein)

And

ESR FUNDS MANAGEMENT (S) LIMITED
(in its capacity as manager of ESR-REIT) (Company Registration Number: 200512804G)

And

RBC INVESTOR SERVICES TRUST SINGAPORE LIMITED
(in its capacity as trustee of ESR-REIT) (Company Registration Number: 199504677Z)

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DEFINITIONS

1.1 In this Scheme (as defined below), the following definitions shall apply throughout unless the context otherwise requires:

"**Business Day**"	:	A day (excluding Saturdays, Sundays and gazetted public holidays) on which commercial banks are open for business in Singapore
"**Books Closure Date**"	:	The date to be announced (before the Effective Date) by the Sabana Manager on which the Register of Sabana Unitholders will be closed in order to determine the entitlements of Sabana Unitholders in respect of the Scheme
"**CDP**"	:	The Central Depository (Pte) Limited
"**Code**"	:	The Singapore Code on Take-overs and Mergers
"**Conditions**"	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Long-Stop Date for the Scheme to be implemented and which are reproduced in Paragraph 2.8(a) of the Letter to Sabana Unitholders
"**Consideration Units**"	:	0.940 new ESR-REIT Units with respect to each Sabana Unit
"**Court**"	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
"**Effective Date**"	:	The date on which the Scheme becomes effective in accordance with its terms, and which date shall, in any event, be no later than the Long-Stop Date
"**Encumbrances**"	:	Any liens, equities, mortgages, charges, encumbrances, security interests, hypothecations, powers of sale, rights to acquire, options, restrictions, rights of first refusal, easements, pledges, title retention, trust arrangement, hire purchase, judgment, preferential right, rights of pre-emption and other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing
"**Entitled Sabana Unitholders**"	:	Sabana Unitholders as at 5.00 p.m. on the Books Closure Date
"**ESR-REIT Manager**"	:	ESR Funds Management (S) Limited, as manager of ESR-REIT

"**ESR-REIT Permitted Distributions**"	:	(a) the unpaid distribution income that has been announced and retained by the ESR-REIT Manager in respect of the period from 1 January 2020 to 31 March 2020; and (b) the distributions declared, paid or made by the ESR-REIT Manager to the ESR-REIT Unitholders in the ordinary course of business, in respect of the period from 1 April 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the ESR-REIT Unitholders in respect of the period from the day following the latest completed financial quarter of ESR-REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date). For the avoidance of doubt, "**ESR-REIT Permitted Distributions**" shall not include distributions declared, paid or made by the ESR-REIT Manager to the ESR-REIT Unitholders in respect of (i) proceeds received in connection with the sale of any of the ESR-REIT Properties; and/or (ii) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which has not been distributed to ESR-REIT Unitholders prior to the date of the Implementation Agreement
"**ESR-REIT Trust Deed**"	:	The Deed of Trust constituting ESR-REIT entered into between the ESR-REIT Trustee and the ESR-REIT Manager dated 31 March 2006, as may be amended, supplemented or varied from time to time
"**ESR-REIT Trustee**"	:	RBC Investor Services Trust Singapore Limited, in its capacity as trustee of ESR-REIT
"**ESR-REIT Unit**"	:	An issued and outstanding unit in ESR-REIT
"**ESR-REIT Unitholders**"	:	The holders of ESR-REIT Units from time to time, and each an "**ESR-REIT Unitholder**"
"**Implementation Agreement**"	:	The implementation agreement dated 16 July 2020 entered into between the Sabana Trustee, the Sabana Manager, the ESR-REIT Trustee and the ESR-REIT Manager, whereby the Parties agreed to effect the Merger by way of the Scheme upon the terms and subject to the conditions therein, including the Conditions, the Scheme Consideration and other terms as set out in this Scheme Document
"**Joint Announcement**"	:	The joint announcement by the ESR-REIT Manager and the Sabana Manager of the Merger and the Scheme, released on 16 July 2020
"**Joint Announcement Date**"	:	16 July 2020, being the date of the Joint Announcement

"**Long-Stop Date**"	:	31 December 2020 (or such other date as the Parties may agree in writing)
"**Market Day**"	:	A day on which the SGX-ST is open for the trading of securities
"**Merger**"	:	The proposed merger of Sabana REIT and ESR-REIT through the acquisition by the ESR-REIT Trustee of all the Sabana Units pursuant to the Scheme in consideration for the Scheme Consideration
"**NAV**"	:	Net asset value
"**Parties**"	:	The ESR-REIT Trustee, the ESR-REIT Manager, the Sabana Trustee and the Sabana Manager, and "**Party**" means any one of them
"**Register of Sabana Unitholders**"	:	The register showing all Sabana Unitholders at any one time
"**Record Date**"	:	The date falling on the Business Day immediately preceding the Effective Date
"**Rules of Court**"	:	The Rules of Court, Chapter 322, R 5 of Singapore
"**S$**" or "**SGD**" and cents	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
"**Sabana REIT**"	:	Sabana Shari'ah Compliant Industrial Real Estate Investment Trust
"**Sabana Manager**"	:	Sabana Real Estate Investment Management Pte. Ltd., in its capacity as manager of Sabana REIT
"**Sabana Permitted Distributions**"	:	The distributions declared, paid or made by the Sabana Manager to the Sabana Unitholders in the ordinary course of business, in respect of the period from 1 January 2020 up to the day immediately before the Effective Date (including any clean-up distribution to the Sabana Unitholders in respect of the period from the day following the latest completed financial half-year of Sabana REIT preceding the Effective Date for which a distribution has been made, up to the day immediately before the Effective Date). For the avoidance of doubt, "**Sabana Permitted Distributions**" shall not include distributions declared, paid or made by the Sabana Manager to the Sabana Unitholders in respect of (i) proceeds received in connection with the sale of any of the Sabana Properties; and/or (ii) gains arising from disposals of investment properties prior to the date of the Implementation Agreement and which has not been distributed to Sabana Unitholders prior to the date of the Implementation Agreement

"**Sabana Trust Deed**"	:	The Deed of Trust dated 29 October 2010 constituting Sabana REIT, as may be amended, supplemented or varied from time to time
"**Sabana Trustee**"	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Sabana REIT
"**Sabana Unit**"	:	An issued and outstanding unit in Sabana REIT
"**Sabana Unitholders**"	:	The holders of Sabana Units from time to time, and each a "**Sabana Unitholder**"
"**Scheme**"	:	The trust scheme of arrangement by which all of the Sabana Units are to be transferred to the ESR-REIT Trustee substantially on the terms and conditions set out in the Implementation Agreement
"**Scheme Consideration**"	:	With respect to each issued and outstanding Sabana Unit as at the Books Closure Date, the Consideration Units
"**Scheme Court Order**"	:	The order of the Court sanctioning the Scheme under Order 80 of the Rules of Court
"**Scheme Settlement Date**"	:	The date falling not later than seven Business Days after the Effective Date
"**Securities Account**"	:	The relevant securities account maintained by a depositor with CDP but does not include a securities sub-account
"**SFA**"	:	Securities and Futures Act (Chapter 289 of Singapore)
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Unit Registrar**"	:	Boardroom Corporate & Advisory Services Pte. Ltd., with its registered office at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, the unit registrar of Sabana REIT
"**VWAP**"	:	Volume weighted average price

1.2 The terms "**depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

1.3 The headings in this Scheme are inserted for convenience only and shall be ignored in construing this Scheme.

1.4 Words importing the singular only shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

1.5 Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the SFA or the Code or any modification thereof and used in this Scheme shall, where applicable, have the same meaning assigned to it under the SFA or the Code or any modification thereof, as the case may be, unless otherwise provided.

1.6 Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.

1.7 Any reference to a time of day and date in this Scheme shall be a reference to Singapore time of day and date respectively, unless otherwise specified.

2. PREAMBLE

2.1 Sabana REIT is a real estate investment trust constituted on 29 October 2010 in the Republic of Singapore under the Sabana Trust Deed and has been listed on the Main Board of the SGX-ST since 26 November 2010. Sabana REIT is managed by the Sabana Manager.

2.2 ESR-REIT is a real estate investment trust constituted in the Republic of Singapore under the ESR-REIT Trust Deed and has been listed on the Main Board of the SGX-ST since 25 July 2006. ESR-REIT is managed by the ESR-REIT Manager.

2.3 On 16 July 2020, the respective boards of directors of the Sabana Manager and the ESR-REIT Manager jointly announced the Merger, which shall be effected through the acquisition by ESR-REIT of all the Sabana Units held by Sabana Unitholders by way of a trust scheme of arrangement in compliance with the Code.

2.4 The ESR-REIT Trustee, the ESR-REIT Manager, the Sabana Trustee, and the Sabana Manager have entered into the Implementation Agreement which sets out the terms and conditions on which this Scheme will be implemented, and their respective rights and obligations with respect to this Scheme.

2.5 The main purpose of this Scheme is to give effect to the Merger.

2.6 The Sabana Manager has agreed to appear by legal counsel at the hearing of the application to sanction this Scheme, and to consent thereto, and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary and desirable to be executed or done by it for the purpose of giving effect to this Scheme.

3. CONDITIONS AND EFFECTIVENESS OF THIS SCHEME

This Scheme is conditional upon each condition precedent set out in Clause 3.1 of the Implementation Agreement (as reproduced in paragraph 2.8(a) of the Letter to Sabana Unitholders) being satisfied or, where applicable, waived in accordance with the terms of the Implementation Agreement.

4. TERMS OF THIS SCHEME

4.1 The Scheme is proposed to be effected in accordance with the Code and the Sabana Trust Deed, subject to the terms and conditions of the Implementation Agreement. Upon the Scheme becoming effective and binding in accordance with its terms, all the Sabana Units will be transferred to the ESR-REIT Trustee fully paid, free from all Encumbrances, and together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the Sabana Manager on or after the Joint Announcement Date (except for the Sabana Permitted Distributions) such that on the Scheme Settlement Date, the ESR-REIT Trustee shall hold 100% of the Sabana Units.

4.2 The Sabana Manager and the ESR-REIT Manager shall be entitled to declare, make or pay the Sabana Permitted Distributions and the ESR-REIT Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration. The Sabana Unitholders shall have the right to receive and retain the Sabana Permitted Distributions declared and made in addition to the Scheme Consideration.

4.3 For the purpose of giving effect to this Scheme as provided for in Paragraph 4.1 of this Scheme, the Sabana Manager and the ESR-REIT Manager will (subject to the Conditions having been satisfied or, as the case may be, waived in accordance with the Implementation Agreement) take the necessary steps to render this Scheme effective and binding, and the following will be implemented:

(a) the Sabana Units will be transferred to the ESR-REIT Trustee as follows:

(i) in the case of Entitled Sabana Unitholders (not being depositors), the Sabana Manager shall authorise any person to execute or effect on behalf of all such Entitled Sabana Unitholders an instrument or instruction of transfer of all the Sabana Units held by such Entitled Sabana Unitholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Sabana Unitholder; and

(ii) in the case of the Entitled Sabana Unitholders (being depositors), the Sabana Manager shall instruct CDP, for and on behalf of such Entitled Sabana Unitholders, to debit, not later than seven Business Days after the Effective Date, all of the Sabana Units standing to the credit of the Securities Accounts of such Entitled Sabana Unitholders and credit all of such Sabana Units to the Securities Accounts of the ESR-REIT Trustee;

(b) from the Effective Date, all existing confirmation notes relating to the Sabana Units held by the Entitled Sabana Unitholders (not being depositors) will cease to be evidence of title of the Sabana Units represented thereby;

(c) the Entitled Sabana Unitholders (not being depositors) are required to forward their existing confirmation notes relating to their Sabana Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven Business Days after the Effective Date for cancellation; and

(d) the ESR-REIT Trustee and the ESR-REIT Manager shall, not later than seven Business Days after the Effective Date, and against the transfer of the Sabana Units set out in Paragraph 4.3(a) above, make payment of the Scheme Consideration to the Entitled Sabana Unitholders in the manner set out in Paragraph 5 below.

5. SCHEME CONSIDERATION

5.1 Pursuant to the Implementation Agreement, each of the ESR-REIT Trustee and the ESR-REIT Manager will, following the Scheme becoming effective in accordance with its terms, pay or procure the payment of a consideration (the "**Scheme Consideration**") for each Sabana Unit held by each of the Sabana Unitholders as at the Books Closure Date in accordance with the terms and conditions of the Implementation Agreement, which shall be satisfied by the allotment and issuance of 0.940 new ESR-REIT Units (the "**Consideration Units**"), such Consideration Units to be credited as fully paid. No fractions of a Consideration Unit shall be allotted and issued to any Sabana Unitholder and fractional entitlements shall be disregarded in the calculation of the Consideration Units to be allotted and issued to any Sabana Unitholder pursuant to the Scheme.

5.2 The Consideration Units shall:

(a) when issued, be duly authorised, validly issued and fully paid-up and shall rank *pari passu* in all respects with the existing ESR-REIT Units as at the date of their issue;

(b) be issued at the Consideration Unit Issue Price (being the VWAP of the ESR-REIT Units for the one (1) month period ending on and including the last trading day prior to the Effective Date) (and for the avoidance of doubt, not at the Reference Price);

(c) be issued no later than seven Business Days from the Effective Date; and

(d) be issued free from any and all Encumbrances and restrictions on transfers and no person shall have any rights of pre-emption over any Consideration Unit.

For the avoidance of doubt:

(i) the Consideration Units will be issued with all rights, benefits and entitlements attaching on and from the date of their issue (and not as at the Joint Announcement Date), including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the ESR-REIT Manager on or after the date of their issue (and not on or after the Joint Announcement Date); and

(ii) the Consideration Units will not be entitled to the ESR-REIT Permitted Distributions.

5.3 The Scheme Consideration, including the exchange ratio of 0.940x, was determined based on commercial negotiations between the ESR-REIT Manager and the Sabana Manager. Factors taken into account in arriving at the Scheme Consideration by determining the exchange ratio include (without limitation): (a) the transaction rationale in respect of the Merger for each REIT; (b) the prevailing and historical relative market prices of the ESR-REIT Units and Sabana Units over the last two (2) years prior to the Joint Announcement Date; (c) the NAVs of each of ESR-REIT and Sabana REIT; (d) the market value of the respective property portfolios (see Paragraphs 10.1 and 10.2 of the Letter to Sabana Unitholders); (e) relevant precedent trust scheme transactions in Singapore; (f) the prevailing and historical price to NAV per unit of each REIT over the last two (2) years prior to the Joint Announcement Date; (g) the prevailing and historical distribution yield of each REIT over the last two (2) years prior to the Joint Announcement Date; (h) the market capitalisation and trading liquidity of each REIT; (i) the capital structure, debt costs and tenor of each REIT; and (j) the resulting pro forma financial impact of the Merger on ESR-REIT and Sabana REIT.

5.4 By way of illustration, if the Scheme becomes effective in accordance with its terms, a Sabana Unitholder will receive 94 Consideration Units for every 100 Sabana Units held by it as at the Books Closure Date.

5.5 Based on the illustrative issue price of $0.401 per Consideration Unit ("**Reference Price**")[1], the implied aggregate Scheme Consideration is approximately S$396.9 million, derived by multiplying the aggregate of 1,053,083,530 Sabana Units in issue as at the Joint Announcement Date by the gross exchange ratio of 0.940x and by the Reference Price.

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[1] The Reference Price is determined based on the one-month VWAP of the ESR-REIT Units ending on and including the last trading day one (1) week prior to the Joint Announcement Date, being the 30 calendar day period from 10 June 2020 up to and including 9 July 2020. The one-month VWAP calculation was agreed between the parties through commercial negotiations to be a better representation of the value of ESR-REIT Units given that it takes into account both trading volume and price over a period of time. The implied Scheme Consideration of S$0.377 per Sabana Unit is derived from the gross exchange ratio of 0.940x and the Reference Price of S$0.401.

5.6 The Consideration Units

(a) The ESR-REIT Trustee shall, not later than seven Business Days after the Effective Date, and against the transfer of the Sabana Units set out in Paragraph 4.3(a):

(i) Entitled Sabana Unitholders whose Sabana Units are not deposited with CDP

Deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Sabana Unitholder (not being a depositor) by sending to such Entitled Sabana Unitholder the same by ordinary post at his address as appearing in the Register of Sabana Unitholders at the close of business on the Books Closure Date at the sole risk of such Entitled Sabana Unitholder, or in the case of joint Entitled Sabana Unitholders, to the first named Entitled Sabana Unitholder by ordinary post at his address as appearing in the Register of Sabana Unitholders at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Sabana Unitholders; and

(ii) Entitled Sabana Unitholders whose Sabana Units are deposited with CDP

Deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Sabana Unitholder (being a depositor) by sending the same to CDP. CDP shall send to such Entitled Sabana Unitholder a statement showing the number of Consideration Units credited to his Securities Account, by ordinary post at his address (such address as appearing in the Depository Register on the date that such statement is generated) at the sole risk of such Entitled Sabana Unitholder, or in the case of joint Entitled Sabana Unitholders, to the first named Entitled Sabana Unitholder by ordinary post at his address as appearing in the Depository Register on the date that such statement is generated, at the sole risk of such joint Entitled Sabana Unitholders.

(b) All mandates or other instructions given by any Entitled Sabana Unitholder relating to the payment of distributions by Sabana REIT or relating to notices, annual report or other communications in force on the Record Date shall, unless and until specifically revoked in writing, be deemed on and from the Effective Date to be an effective mandate or, as the case may be, an effective instruction in respect of his corresponding holding of Consideration Units.

5.7 The delivery of confirmation notes in accordance with this Paragraph 5 shall be deemed as a good discharge to ESR-REIT, the ESR-REIT Manager, the ESR-REIT Trustee and CDP of the Consideration Units represented thereby. Entitled Sabana Unitholders should note that no further action is required in relation to the Scheme Consideration by any of ESR-REIT, the ESR-REIT Manager, the ESR-REIT Trustee, Sabana REIT, the Sabana Manager, the Sabana Trustee and CDP upon delivery of confirmation notes in accordance with this Paragraph 5.

5.8 From the Effective Date, each existing confirmation note representing a former holding of Sabana Units by the Entitled Sabana Unitholders (not being depositors) will cease to be evidence of title of the Sabana Units represented thereby. The Entitled Sabana Unitholders (not being depositors) shall forward their existing confirmation notes relating to their Sabana Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven Business Days after the Effective Date for cancellation.

6. EFFECTIVE DATE

6.1 The Scheme will become effective upon the written notification to the Monetary Authority of Singapore of the grant of Scheme Court Order, which shall be effected by or on behalf of the ESR-REIT Manager:

(a) on a date to be mutually agreed in writing between the ESR-REIT Manager and the Sabana Manager, being a date within 25 Business Days from the date that the last of the Conditions set out in Paragraphs 2.8(a)(i), 2.8(a)(ii), 2.8(a)(iii), 2.8(a)(iv) and 2.8(a)(v) of the Letter to Sabana Unitholders is satisfied in accordance with the terms of the Implementation Agreement; and

(b) provided that the rest of the Conditions set out in Paragraphs 2.8(a) of the Letter to Sabana Unitholders are satisfied or waived on the Record Date, as the case may be, in accordance with the terms of the Implementation Agreement.

6.2 Unless this Scheme shall have become effective and binding as aforesaid on or before the Long-Stop Date, this Scheme shall lapse.

6.3 The Sabana Manager, the Sabana Trustee, the ESR-REIT Manager and the ESR-REIT Trustee may jointly consent, for and on behalf of all concerned, to any modification of, or amendment to, this Scheme or to any condition which the Court may think fit to approve or impose.

6.4 In the event that this Scheme does not become effective and binding for any reason, the expenses and costs incurred by the Sabana Manager in connection with this Scheme will be paid out of the assets of Sabana REIT.

7. PROPER LAW AND JURISDICTION

7.1 This Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore.

7.2 Sabana REIT, the Sabana Manager, the Sabana Trustee, ESR-REIT, the ESR-REIT Trustee, the ESR-REIT Manager and Sabana Unitholders hereby irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

8. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (CHAPTER 53B OF SINGAPORE)

A person who is not a party to this Scheme has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term or provision of this Scheme.

9. CAPACITY AND LIABILITY OF THE SABANA TRUSTEE

9.1 Notwithstanding any provision to the contrary in this Scheme (for which this Clause shall always prevail), the Parties agree and acknowledge that HSBC Institutional Trust Services (Singapore) Limited has entered into this Scheme solely in its capacity as trustee of Sabana REIT and not in its personal capacity and all references to the Sabana Trustee in this Scheme shall be construed accordingly. As such, notwithstanding any provision to the contrary in this Scheme, HSBC Institutional Trust Services (Singapore) Limited has assumed all obligations under this Scheme solely in its capacity as trustee of Sabana REIT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given or to be given by the Sabana Trustee under this Scheme is given by HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee of Sabana REIT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent

and/or delegate is limited to the assets of or held on trust for Sabana REIT over which HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee of Sabana REIT has recourse and shall not extend to any personal assets of HSBC Institutional Trust Services (Singapore) Limited or any assets held by HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee of any other trust. Any obligation, matter, act, action or thing required to be done, performed, or undertaken or any covenant, representation, warranty or undertaking given by the Sabana Trustee under this Scheme shall only be in connection with the matters relating to Sabana REIT and shall not extend to the obligations of HSBC Institutional Trust Services (Singapore) Limited in respect of any other trust or real estate investment trust of which it is a trustee.

9.2 Notwithstanding any provision to the contrary in this Scheme, the Parties hereby acknowledge and agree that the obligations of the Sabana Trustee under this Scheme shall be solely the corporate obligations of HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee of Sabana REIT, and that the Parties shall not have any recourse against the shareholders, directors, officers or employees of HSBC Institutional Trust Services (Singapore) Limited for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of this Scheme.

9.3 For the avoidance of doubt, any legal action or proceedings commenced against the Sabana Trustee whether in Singapore or elsewhere pursuant to this Scheme shall be brought against HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee of Sabana REIT and not in its personal capacity.

9.4 The provisions of this Clause 9 shall survive the termination or rescission of this Scheme and shall apply, *mutatis mutandis*, to any notice, certificate or other document which the Sabana Trustee issues under or pursuant to this Scheme, as if expressly set out therein.

Dated this 12th day of November 2020

NOTICE OF EXTRAORDINARY GENERAL MEETING



SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 29 October 2010 (as amended))

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** of the holders of Sabana Units (the "**Sabana Unitholders**") of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**") will be held by electronic means on **4 December 2020**, at **2.00 p.m.** for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution. All capitalised terms used in this Notice which are not otherwise defined herein shall bear the meanings ascribed to them in the scheme document dated 12 November 2020 issued by the Sabana Manager to Sabana Unitholders (the "**Scheme Document**"):

SABANA TRUST DEED AMENDMENTS RESOLUTION (EXTRAORDINARY RESOLUTION)

That:

(a) approval be and is hereby given to amend the trust deed dated 29 October 2010 constituting Sabana REIT (as amended) (the "**Sabana Trust Deed**"), with the proposed amendments to the Sabana Trust Deed (the "**Sabana Trust Deed Amendments**") as described and set out in Appendix G to the Scheme Document; and

(b) Sabana Real Estate Investment Management Pte. Ltd. (as manager of Sabana REIT) (the "**Sabana Manager**"), any director of the Sabana Manager ("**Director**"), and HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Sabana REIT (the "**Sabana Trustee**") be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Sabana Manager, such Director or as the case may be, the Sabana Trustee, may consider expedient or necessary or in the interests of Sabana REIT to give effect to the Sabana Trust Deed Amendments.

BY ORDER OF THE BOARD

Sabana Real Estate Investment Management Pte. Ltd.
(Company Registration No. 201005493K, Capital Markets Services Licence No. CMS 100169)
as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust

Cho Form Po
Company Secretary

Singapore
12 November 2020

Important Notice from the Sabana Manager

The Extraordinary General Meeting is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold units in Sabana REIT ("Sabana Units") through a relevant intermediary (as defined herein) will not be able to physically attend the Extraordinary General Meeting in person.** Alternative arrangements relating to attendance at the Extraordinary General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Extraordinary General Meeting in advance of the Extraordinary General Meeting, addressing of such substantial and relevant questions and voting by appointing the Chairman of the Extraordinary General Meeting as proxy at the Extraordinary General Meeting, are set out below. Any reference to a time of day is made by reference to Singapore time.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary, will be able to observe and/or listen to the Extraordinary General Meeting proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers. In order to do so, Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary must pre-register via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** from **12 November 2020** to **1 December 2020, 2.30 p.m.** to enable the Sabana Manager to verify their status as Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary.

Following the verification, all authenticated Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries will receive an email, which will contain user ID and password details as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the Extraordinary General Meeting proceedings, by **2.30 p.m.** on **Thursday, 3 December 2020**. Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary who do not receive an email by **2.30 p.m.** on **3 December 2020** but have registered by the deadline on **1 December 2020** should contact the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at (65) 6536 5355 during office hours.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries are encouraged to raise their questions (if any) as early as possible in advance of the Extraordinary General Meeting, as they will not be able to raise questions live at the Extraordinary General Meeting. All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries are strongly encouraged to submit any relevant questions they have in respect of the Extraordinary General Meeting via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** or by post to the Unit Registrar as early as possible from **12 November 2020** to no later than **2.30 p.m.** on **1 December 2020**.

Printed copies of this Notice of Extraordinary General Meeting, along with the Proxy Form A (EGM), will be sent to Sabana Unitholders. In addition, this Notice of Extraordinary General Meeting and the Proxy Form A (EGM) will be made available to Sabana Unitholders by electronic means via publication on Sabana REIT's website at **http://sabana.listedcompany.com/agm-egm.html**, and will also be made available on the SGX website at **https://www.sgx.com/securities/company-announcements**.

Sabana Unitholders can also scan the QR Code below to access the Proxy Form A (EGM).

Sabana Unitholders may obtain printed copies of the Scheme Document by completing and returning the request form accompanying the Notices and Proxy Forms to the Sabana Manager by no later than **5.00 p.m.** on **Monday, 23 November 2020**. A printed copy of the Scheme Document will be sent to the address in Singapore specified by the Sabana Unitholder at his/her own risk.

An Overseas Sabana Unitholder may write in to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his/her own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

Electronic copies of the Scheme Document (enclosing the Notice of the Extraordinary General Meeting and the Notice of the Scheme Meeting), the Proxy Form A (EGM) and the Proxy Form B (Scheme Meeting) are also available on the website of the SGX-ST at **https://www.sgx.com/securities/company-announcements** and on the website of Sabana REIT at **http://sabana.listedcompany.com/agm-egm.html**. A Sabana Unitholder will need an internet browser and PDF reader to view these documents on the websites of the SGX-ST and Sabana REIT.

Notes:

(1) All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries may submit questions related to the resolutions to be tabled for approval at the Extraordinary General Meeting to the Chairman of the Extraordinary General Meeting, in advance of the Extraordinary General Meeting. In order to do so, their questions must be submitted in the following manner by **2.30 p.m.** on **1 December 2020**:

(a) if submitted electronically, be submitted via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm**; or

(b) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries who submit questions via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** or by post to the Unit Registrar must provide the following information:

(i) the full name;

(ii) the NRIC/FIN/Passport/Company's Registration number;

(iii) the address; and

(iv) the manner in which he/she/it holds the Sabana Units (e.g., via CDP, CPF or SRS).

The Sabana Manager will respond to all substantial and relevant questions submitted in advance of the Extraordinary General Meeting in the manner as set out in this Notice by publishing the responses to the substantial and relevant questions on Sabana REIT's website and on SGXNET prior to the Extraordinary General Meeting or by addressing such substantial and relevant questions during the Extraordinary General Meeting. The Sabana Manager will publish the minutes of the Extraordinary General Meeting on Sabana REIT's website and on SGXNET, and the minutes will include the responses to the substantial and relevant questions which are addressed during the Extraordinary General Meeting.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries will not be able to raise questions during the Extraordinary General Meeting. All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries are strongly encouraged to submit any relevant questions they have in respect of the Extraordinary General Meeting via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** or by post to the Unit Registrar as early as possible from **12 November 2020** to no later than **2.30 p.m.** on **1 December 2020**.

(2) If a Sabana Unitholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the Extraordinary General Meeting, he/she/it must appoint the Chairman of the Extraordinary General Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Extraordinary General Meeting. The Proxy Form A (EGM) is available on Sabana REIT's website at **http://sabana.listedcompany.com/agm-egm.html** and on the SGX website at **https://www.sgx.com/securities/company-announcements**. Printed copies of the Proxy Form A (EGM) will also be sent to Sabana Unitholders.

In appointing the Chairman of the Extraordinary General Meeting as proxy, a Sabana Unitholder must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Extraordinary General Meeting as proxy for that resolution will be treated as invalid.

(3) The Proxy Form A (EGM) must be submitted to the Sabana Manager c/o the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

(a) if submitted electronically, be submitted via email to **sabana-meetings@boardroomlimited.com**; or

(b) if submitted by post, be lodged at the office of the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623,

in either case, by **2.00 p.m.** on **1 December 2020**, being 72 hours before the time fixed for the Extraordinary General Meeting.

A Sabana Unitholder who wishes to submit a Proxy Form A (EGM) must first download, complete and sign the Proxy Form A (EGM), before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the COVID-19 situation which may make it difficult for Sabana Unitholders to submit the completed Proxy Form A (EGM) by post, Sabana Unitholders are strongly encouraged to submit the completed Proxy Form A (EGM) electronically via email.

(4) The Sabana Manager's Chairman, Mr Tan Cheong Hin, or failing him, any director of the Sabana Manager, shall act as Chairman of the Extraordinary General Meeting.

(5) Persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries who wish to vote at the Extraordinary General Meeting should not use the Proxy Form A (EGM) and should instead approach their respective relevant intermediary as soon as possible to specify voting instructions.

CPFIS Investors and SRS Investors who wish to vote at the Extraordinary General Meeting should approach their respective CPF Agent Banks or SRS Agent Banks as soon as possible by **5.00 p.m.** on **24 November 2020**, being at least seven (7) Business Days before the date of the Extraordinary General Meeting (**4 December 2020**).

"**relevant intermediary**" means:

(a) a banking corporation licensed under the Banking Act (Chapter 19 of Singapore) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Sabana Units in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289 of Singapore) who holds Sabana Units in that capacity; or

(c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Chapter 36 of Singapore), in respect of Sabana Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Sabana Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

(6) The Chairman of the Extraordinary General Meeting, as proxy, need not be a Sabana Unitholder.

Due to the evolving COVID-19 situation in Singapore, the Sabana Manager may be required to change the arrangements for the Extraordinary General Meeting at short notice. Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary should check Sabana REIT's website at http://sabana.listedcompany.com/agm-egm.html for the latest updates on the status of the Extraordinary General Meeting.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the Extraordinary General Meeting as proxy to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a Sabana Unitholder consents to the collection, use and disclosure of his/her personal data by the Sabana Manager and the Sabana Trustee (or their agents) for the purpose of the processing and administration by the Sabana Manager and the Sabana Trustee (or their agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Sabana Manager and the Sabana Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

NOTICE OF SCHEME MEETING

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OS 881/2020

In the Matter of Order 80 of the Rules of Court (Cap. 322, R5, 2014 Rev Ed)

And

In the Matter of 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)

1. **SABANA REAL ESTATE INVESTMENT MANAGEMENT PTE. LTD. (in its capacity as manager of SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST)** (Singapore UEN No. 201005493K)

2. **HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED (in its capacity as trustee of SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST)** (Singapore UEN No. 201005493K)

... Applicants

TRUST SCHEME OF ARRANGEMENT

Between

Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)

HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)

And

Sabana Unitholders (as defined herein)

And

ESR Funds Management (S) Limited
(in its capacity as manager of ESR-REIT)

RBC Investor Services Trust Singapore Limited
(in its capacity as trustee of ESR-REIT

NOTICE IS HEREBY GIVEN that by an Order of Court made in the above matter, the High Court of the Republic of Singapore (the "**Court**") has directed a meeting (the "**Scheme Meeting**") of unitholders ("**Sabana Unitholders**") of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**") to be convened. Such Scheme Meeting shall be convened and held by way of electronic means on Friday, **4 December 2020** at **2.30 p.m.** (Singapore Time) (or as soon thereafter following the conclusion of the Extraordinary General Meeting, whichever is later), for the purpose of considering and, if thought fit, passing the following resolution (all capitalised terms used in this Notice which are not otherwise defined herein shall bear the meanings ascribed to them in the scheme document dated 12 November 2020 issued by the Sabana Manager to Sabana Unitholders (the "**Scheme Document**")):

THE SCHEME RESOLUTION

That:

(a) subject to and contingent upon the passing of the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting, the trust scheme of arrangement dated 12 November 2020 proposed to be made in accordance with the Sabana Trust Deed (as amended pursuant to the Sabana Trust Deed Amendments Resolution at the Extraordinary General Meeting) and in compliance with the Code, between (i) the Sabana Manager, (ii) the Sabana Trustee, (iii) Sabana Unitholders, (iv) the ESR-REIT Manager and (v) the ESR-REIT Trustee, a copy of which has been circulated with the Notice convening this Scheme Meeting, be and is hereby approved; and

(b) the Sabana Manager and the Sabana Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Sabana Manager and/or the Sabana Trustee may consider expedient or necessary or in the interests of Sabana REIT to give effect to the Scheme.

Important Notice from the Sabana Manager

The Scheme Meeting is being convened, and will be held, by electronic means pursuant to the order of the Court dated 21 September 2020 convening the Scheme Meeting ("**Order of the Court**") adopting the arrangements set out in the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold units in Sabana REIT ("Sabana Units") through a relevant intermediary (as defined herein) will not be able to physically attend the Scheme Meeting in person.** Alternative arrangements relating to attendance at the Scheme Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Scheme Meeting in advance of the Scheme Meeting, addressing of such substantial and relevant questions and voting by appointing the Chairman of the Scheme Meeting as proxy at the Scheme Meeting, are set out below. Any reference to a time of day is made by reference to Singapore time.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary will be able to observe and/or listen to the Scheme Meeting proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers. In order to do so, Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary must pre-register via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** from **12 November 2020** to **1 December 2020, 2.30 p.m.** to enable the Sabana Manager to verify their status as Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary.

Important Notice from the Sabana Manager

Following the verification, all authenticated Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries will receive an email, which will contain user ID and password details as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the Scheme Meeting proceedings, by **2.30 p.m.** on **Thursday, 3 December 2020**. Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary who do not receive an email by **2.30 p.m.** on **3 December 2020** but have registered by the deadline on **1 December 2020** should contact the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at (65) 6536 5355 during office hours.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries are encouraged to raise their questions (if any) as early as possible in advance of the Scheme Meeting, as they will not be able to raise questions live at the Scheme Meeting. All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries are strongly encouraged to submit any relevant questions they have in respect of the Scheme Meeting via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** or by post to the Unit Registrar as early as possible from **12 November 2020** to no later than **2.30 p.m.** on **1 December 2020**, being 72 hours before the time fixed for the Scheme Meeting.

Printed copies of this Notice of Scheme Meeting, along with the Proxy Form B (Scheme Meeting), will be sent to Sabana Unitholders. In addition, this Notice of Scheme Meeting and the Proxy Form B (Scheme Meeting) will be made available to Sabana Unitholders by electronic means via publication on Sabana REIT's website at **http://sabana.listedcompany.com/agm-egm.html**, and will also be made available on the SGX website at **https://www.sgx.com/securities/company-announcements**.

Sabana Unitholders can also scan the QR Code below to access the Proxy Form B (Scheme Meeting).

Sabana Unitholders may obtain printed copies of the Scheme Document by completing and returning the request form accompanying the Notices and Proxy Forms to the Sabana Manager by no later than **5.00 p.m.** on **Monday, 23 November 2020**. A printed copy of the Scheme Document will be sent to the address in Singapore specified by the Sabana Unitholder at his/her own risk.

An Overseas Sabana Unitholder may write in to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his/her own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

Electronic copies of the Scheme Document (enclosing the Notice of the Extraordinary General Meeting and the Notice of the Scheme Meeting), the Proxy Form A (EGM) and the Proxy Form B (Scheme Meeting) are also available on the website of the SGX-ST at **https://www.sgx.com/securities/company-announcements** and on the website of Sabana REIT at **http://sabana.listedcompany.com/agm-egm.html**. A Sabana Unitholder will need an internet browser and PDF reader to view these documents on the websites of the SGX-ST and Sabana REIT.

Notes:

(1) A copy of the said Scheme is incorporated in the Scheme Document of which this Notice forms part.

(2) The Court has, by the Order of the Court, granted liberty to convene and hold the Scheme Meeting by way of electronic means.

(3) All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries may submit questions related to the resolutions to be tabled for approval at the Scheme Meeting to the Chairman of the Scheme Meeting, in advance of the Scheme Meeting. In order to do so, their questions must be submitted in the following manner by **2.30 p.m.** on **1 December 2020**:

   (a) if submitted electronically, be submitted via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm**; or

   (b) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries who submit questions via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** or by post to the Unit Registrar must provide the following information:

(i) the full name;

(ii) the NRIC/FIN/Passport/Company's Registration Number;

(iii) the address; and

(iv) the manner in which he/she/it holds the Sabana Units (e.g., via CDP, CPF or SRS).

The Sabana Manager will respond to all substantial and relevant questions submitted in advance of the Scheme Meeting in the manner as set out in this Notice by publishing the responses to the substantial and relevant questions on Sabana REIT's website and on SGXNET prior to the Scheme Meeting or by addressing such substantial and relevant questions during the Scheme Meeting. The Sabana Manager will publish the minutes of the Scheme Meeting on Sabana REIT's website and on SGXNET, and the minutes will include the responses to the substantial and relevant questions which are addressed during the Scheme Meeting.

All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries will not be able to raise questions during the Scheme Meeting. All Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries are strongly encouraged to submit any relevant questions they have in respect of the Scheme Meeting via Sabana REIT's pre-registration website at **http://smartagm.sg/sreitegmsm** or by post to the Unit Registrar as early as possible from **12 November 2020** to no later than **2.30 p.m.** on **1 December 2020**, being 72 hours before the time fixed for the Scheme Meeting.

(4) If a Sabana Unitholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the Scheme Meeting, he/she/it must appoint the Chairman of the Scheme Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting, PROVIDED THAT if the Sabana Unitholder is a depositor, the Sabana Manager shall be entitled and bound to reject any Proxy Form B (Scheme Meeting) lodged if the Sabana Unitholder, being the appointor, is not shown to have any Sabana Units entered against the Sabana Unitholder's name in the Depository Register as at 72 hours before the time of the Scheme Meeting, as certified by CDP to the Sabana Manager. The Proxy Form B (Scheme Meeting) is available on the website of the SGX-ST at **https://www.sgx.com/securities/company-announcements** and on the website of Sabana REIT at **http://sabana.listedcompany.com/agm-egm.html**. Printed copies of the Proxy Form B (Scheme Meeting) will also be sent to Sabana Unitholders.

In appointing the Chairman of the Scheme Meeting as proxy, a Sabana Unitholder must give specific instructions as to voting, or abstentions from voting, in respect of the Scheme Resolution in the form of Proxy Form B (Scheme Meeting), failing which the appointment of the Chairman of the Scheme Meeting as proxy for the Scheme Resolution will be treated as invalid.

(5) A Sabana Unitholder may only cast all the votes it uses at the Scheme Meeting in **one way**.

(6) The Proxy Form B (Scheme Meeting) must be submitted to Sabana Manager c/o the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

(a) if submitted electronically, be submitted via email to **sabana-meetings@boardroomlimited.com**; or

(b) if submitted by post, be lodged at the office of the Unit Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623,

in either case, by **2.30 p.m.** on **1 December 2020**, being 72 hours before the time fixed for the Scheme Meeting.

A Sabana Unitholder who wishes to submit a Proxy Form B (Scheme Meeting) must first download, complete and sign the Proxy Form B (Scheme Meeting), before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the COVID-19 situation which may make it difficult for Sabana Unitholders to submit the completed Proxy Form B (Scheme Meeting) by post, Sabana Unitholders are strongly encouraged to submit the completed Proxy Form B (Scheme Meeting) electronically via email.

(7) A Sabana Unitholder voting by appointing the Chairman of the Scheme Meeting as proxy shall be included in the count of Sabana Unitholders present and voting at the Scheme Meeting as if that Sabana Unitholder was voting in person. The votes of the Chairman of the Scheme Meeting shall be counted as the votes of the number of appointing Sabana Unitholders.

(8) Pursuant to the Order of Court, Mr Tan Cheong Hin, or failing him, any director of the Sabana Manager, shall act as Chairman of the Scheme Meeting and the Court has further directed the Chairman of the Scheme Meeting to report the results thereof to the Court.

(9) The said Scheme will be subject to, *inter alia*, the subsequent approval of the Court.

(10) Persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through relevant intermediaries who wish to vote at the Scheme Meeting should not use the Proxy Form B (Scheme Meeting) and should instead approach their respective relevant intermediary as soon as possible to specify voting instructions.

CPFIS Investors and SRS Investors who wish to vote at the Scheme Meeting should approach their respective CPF Agent Banks or SRS Agent Banks as soon as possible by **5.00 p.m.** on **24 November 2020**, being at least seven (7) Business Days before the date of the Scheme Meeting (**4 December 2020**).

"**relevant intermediary**" means:

(a) a banking corporation licensed under the Banking Act (Chapter 19 of Singapore) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Sabana Units in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289 of Singapore) who holds Sabana Units in that capacity; or

(c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Chapter 36 of Singapore), in respect of Sabana Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Sabana Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

(11) The Chairman of the Scheme Meeting, as proxy, need not be a Sabana Unitholder.

Due to the evolving COVID-19 situation in Singapore, the Sabana Manager may be required to change the arrangements for the Scheme Meeting at short notice. Sabana Unitholders and persons (including CPFIS Investors and SRS Investors) who hold Sabana Units through a relevant intermediary should check Sabana REIT's website at http://sabana.listedcompany.com/agm-egm.html for the latest updates on the status of the Scheme Meeting.

Personal Data Privacy:

By submitting an instrument to appoint the Chairman of the Scheme Meeting as proxy to attend, speak and vote at the Scheme Meeting and/or any adjournment thereof, a Sabana Unitholder consents to the collection, use and disclosure of the Sabana Unitholder's personal data by Sabana REIT, the Sabana Trustee or the Sabana Manager (or their respective agents) for the purpose of processing and administration by Sabana REIT, the Sabana Trustee or the Sabana Manager (or their respective agents) of the appointment of the Chairman of the Scheme Meeting as proxy for the Scheme Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Scheme Meeting (including any adjournment thereof), and in order for Sabana REIT, the Sabana Trustee or the Sabana Manager (or their respective agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

Dated this 12th day of November 2020

By Order of the Court

Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)
151 Lorong Chuan
#02-03 New Tech Park
Singapore 556741

HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust)
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #48-01
Singapore 018983

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