



## SABANA INDUSTRIAL REAL ESTATE INVESTMENT TRUST

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

### ANNOUNCEMENT

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#### INVITATION TO THE SIAS – SABANA INDUSTRIAL REIT DIALOGUE SESSION

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Sabana Real Estate Investment Management Pte. Ltd., as the Manager of Sabana Industrial Real Estate Investment Trust (“**Sabana Industrial REIT**”, and the manager of Sabana Industrial REIT, the “**Manager**”), wishes to invite all unitholders of Sabana Industrial REIT (“**Unitholders**”) to participate in the SIAS – Sabana Industrial REIT Dialogue Session to be held on **14 April 2022, Thursday, at 4:00 p.m.**

Further, we wish to draw Unitholders’ attention to a letter to the editor (the “**Letter**”) by Mr Tan Cheong Hin, Chairman and Independent Non-Executive Director of the Manager that was published in Business Times on 5 April 2022 ([“More than one side to story about concerns of director independence”](#)). This was written in response to a letter to the editor published by Business Times from Mr David Gerald, Founder, President & CEO of SIAS on 18 March 2022 ([“Quarz has a case for opposing appointment of director, but other objections not as clear-cut”](#)).

Please refer to **Appendix A** to this announcement for more details on the dialogue session and **Appendix B** for a copy of Mr Tan Cheong Hin’s Letter.

By Order of the Board

Sabana Real Estate Investment Management Pte. Ltd.

(Company Registration Number No: 201005493K, Capital Markets Services Licence No: CMS100169) As Manager of Sabana Industrial Real Estate Investment Trust

Han Yong Lee (Donald)

Chief Executive Officer

5 April 2022

#### For enquiries, please contact:

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Sabana Industrial REIT Unitholders Only

# Virtual Dialogue Session



14 April 2022, Thursday



4.00pm - 5.00pm SGT

[Register Now](#)

SIAS invites Unitholders of Sabana Industrial REIT to a virtual dialogue session with the Board and management to discuss the REIT's FY 2021 financial performance, growth plans for 2022 and beyond, and resolutions for its upcoming AGM.

## BOARD AND MANAGEMENT

## SIAS MODERATOR



**Mr Tan Cheong Hin**  
Chairman



**Mr Donald Han**  
Chief Executive Officer



**Mr David Gerald**  
Founder, President and CEO



## Registration closes on 11 April 2022, Monday, 5.00 pm

Registration will be accepted on a first-come, first-served basis as limited slots are available. Only verified Sabana Industrial REIT Unitholders will receive a confirmation email with a unique login link for the event at least one (1) day prior to the event date.

[Register Now](#)

This event is organised and moderated by:



*We ask thoroughly researched questions to listed companies on behalf of retail investors. These sessions are organised to help retail investors understand more about the changes and updates in their investments.*

## Appendix B

### More than one side to story over concerns of director independence

We thank Mr David Gerald for his recent op-ed to The Business Times - [“Quarz has a case for opposing appointment of director, but other objections not as clear-cut”](#).

As Mr Gerald rightly noted, and we agree, it is crucial for investors to consider all points of view as well as their own financial goals and situations in deciding how they would like to vote at the upcoming Annual General Meeting for Sabana Industrial REIT (“**Sabana**”).

In that regard, on behalf of the Board of Sabana, I would like to share more clarity to some of the points Mr Gerald raised in relation to Mr Chan Wai Kheong’s appointment as an Independent Director of the REIT. Indeed, we are grateful that Mr Gerald and his team at the Securities Investors Association (Singapore) (“**SIAS**”) had agreed to meet with us this past week so we could provide them with the necessary clarification and assurance, which I shall elaborate on below.

We understand that there have been concerns expressed by certain Unitholders about whether Mr Chan can be deemed an Independent Director of Sabana.

One argument raised has been about him receiving payment from the sale of his unitholdings in the then-Cambridge Industrial REIT (the forerunner of ESR-REIT) to ESR Cayman in 2017. We have addressed this point on several occasions, but to briefly reiterate – Sabana at that point was completely independent of ESR Cayman – it was not until 2019 that ESR Cayman became Sabana’s Sponsor. What transpired between Mr Chan and ESR Cayman was a purely financial decision made between the two parties based on the information they had at that point. In any case, how could Mr Chan have been privy in 2017 to a decision and action that ESR Cayman would only take in 2019?

It is also worth noting that Mr Chan was a Unitholder of Sabana at the point of the proposed merger with ESR-REIT in 2020. Not only that, he voted **against** the merger based on his determination of what was best for him and other Unitholders like him at that point in time.

Another important point that bears repeating is that Mr Chan was actually recommended as a Board nominee by Quarz Capital (“**Quarz**”), who began actively lobbying against his appointment barely a few weeks after he was appointed. The Sabana Board had accepted Quarz’s recommendation of Mr Chan in good faith and in a collaborative manner to take the REIT forward. As we have expressed previously, we remain deeply puzzled by this about-turn; in fact, we have sought to clarify this with Quarz on several occasions. Mr Chan has assured us he is unaware of any reasons behind this about-turn on Quarz’s part.

Having done thorough due diligence, the Board of Sabana is of the firm view that the appointment of Mr Chan is in the best interests of Unitholders and the company. His appointment would not have been proposed otherwise. His strong, independent views and commitment to doing right by Unitholders, as well as his nearly four decades of experience and leadership in the financial and

investment sector, mean that the Board found him “fit and proper” and more than well-qualified as an Independent Director.

The Board acknowledges that it has not been a smooth journey for Sabana over the past few years, but with perseverance and a disciplined execution of its Refreshed Strategy, the Manager has built firm foundations that has allowed it to turn the REIT around and deliver a robust performance in FY 2021 amid a uniquely challenging situation. We remain fully committed to the long-term interests of the REIT and all our Unitholders.

As the REIT now embarks on its next phase – to **Grow VALUE** – for Unitholders, Mr Chan’s experience in investment management, his independence and his perspectives as a minority investor in the REIT will be an additional and crucial boost in stewarding the Manager in the right direction.

Tan Cheong Hin,

Chairman and Independent Non-Executive Director, Sabana Industrial REIT

## **Sabana Industrial REIT**

Sabana Industrial REIT was listed on the SGX-ST on 26 November 2010. As at 31 December 2021, Sabana Industrial REIT has a diversified portfolio of 18 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. The total assets of the Group amount to more than S\$0.9 billion as at 31 December 2021.

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

For further information on Sabana Industrial REIT, please visit [www.sabana-reit.com](http://www.sabana-reit.com).

### **Important Notice**

The value of units in Sabana Industrial REIT (“**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, HSBC Institutional Trust Services (Singapore) Limited, as trustee of Sabana Industrial REIT, or any of their respective affiliates.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.