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VOLUNTARY CONDITIONAL CASH PARTIAL OFFER

by

RHT CAPITAL PTE. LTD.
(Company Registration No.: 201109968H)
(Incorporated in the Republic of Singapore)

for and on behalf of

VOLARE GROUP AG
(Company Registration No.: CHE-102.607.834)
(Incorporated in the Swiss Confederation)

To acquire ten percent (10.0%) of the issued units in the capital of

SABANA INDUSTRIAL REAL ESTATE INVESTMENT TRUST
(Company Registration No. 201005493K)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Volare Group AG or any party acting in concert with it

OFFER ANNOUNCEMENT

1. INTRODUCTION

RHT Capital Pte. Ltd. ("**RHTC**") wishes to announce, for and on behalf of Volare Group AG ("**Offeror**"), that the Offeror will make a voluntary conditional cash partial offer for ten percent (10.0%) of the issued units ("**Units**") in the Units of Sabana Industrial Real Estate Investment Trust ("**Sabana Industrial REIT"** or **"Offeree**"), other than those already owned, controlled or agreed to be acquired by the Offeror or any party acting in concert with it ("**Partial Offer**").

2. THE PARTIAL OFFER TERMS

2.1 The Offeror will make the Partial Offer in accordance with Rule 16.2 of the Singapore Code on Take-overs and Mergers ("**Code**"), on the following basis:

(a) **Offer Price.** The Partial Offer is made for **S$0.465** in cash in respect of each Offer Unit ("**Offer Price**").

(b) **Relevant Unitholders.** The Partial Offer will be extended to all unitholders of the Offeree (other than the Offeror and parties acting in concert with it) ("**Relevant Unitholder**") on the record date to be determined, which will fall on the 14th day before the First Closing Date (as defined below) of the Partial Offer (or if such day falls on a non-business day, on the immediately following business day) ("**Record Date**").

(c) **Offer Units.** The Offer Units comprise 109,612,132 Units ("**Offer Units**"), representing ten percent (10.0%) of the 1,096,121,325 Units in issue as at the date of this Announcement ("**Announcement Date**").

Each Relevant Unitholder will be entitled to accept the Partial Offer in respect of ten percent (10.0%) of the Units (for example, 100 Units for every 1,000 Units) held by him as at the Record Date, fractional entitlements to be disregarded ("**Relevant Percentage Offer Units**"). A Relevant Unitholder may accept the Partial Offer in respect of all or any part of his Relevant Percentage Offer Units.

Each Relevant Unitholder may, in addition, tender Units that are in excess of the number of his Relevant Percentage Offer Units ("**Excess Units**") for acceptance under the Partial Offer in the event that any one or more Relevant Unitholders do not accept their full entitlement of their respective Relevant Percentage Offer Units.

Under the terms of the Partial Offer, the Offeror is permitted to acquire only the Offer Units and is not permitted to acquire any additional Units which may be tendered for acceptance under the Partial Offer. Where the aggregate number of the Units accepted and the Excess Units tendered by the Relevant Unitholders exceed the number of the Offer Units, the Excess Units tendered will be accepted up to the number of Offer Units on a pro-rata basis (but in a manner which minimises the number of new odd-lot unitholdings as the Offeror may in its absolute discretion deem fit in the interest of the Offeror), provided that the Partial Offer becomes unconditional in all respects from such acceptance.

(d) **First Closing Date.** The Partial Offer will remain open for acceptance by the Relevant Unitholders for a period of not less than twenty-eight (28) days from the date of despatch of the Offer Document (as defined below) ("**First Closing Date**"). Details of the First Closing Date will be announced in due course.

(e) **Settlement.** Subject to the Partial Offer becoming unconditional in all respects, settlement of the consideration for the Offer Units acquired by the Offeror will be made within seven (7) business days of the closing date of the Partial Offer, being the First Closing Date or such other later date as may be announced from time to time by or on behalf of the Offeror.

2.2 As at the Announcement Date, based on the latest information available to the Offeror, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights, in the Offeree.

2.3 The Offer Units will be acquired fully-paid and free from all liens, equities, mortgages, charges, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever and together with all rights, benefits and entitlements attached thereto as at the Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) which may be announced, declared, made or paid thereon by the Offeree on or after the Announcement Date, together with all interest accrued thereon. Accordingly, in the event the Partial Offer turns unconditional and:

(a) if the settlement date in respect of the Offer Units accepted pursuant to the Partial Offer falls on or before the books closure date for the determination of entitlement to any such dividend ("**Books Closure Date**"), the Offeror will pay the Relevant Unitholder the Partial Offer Price for each Offer Unit; and

(b) if the settlement date in respect of the Offer Units accepted pursuant to the Partial Offer falls after the Books Closure Date, the Offeror will reduce the Offer Price by the amount of the dividend.

2.4 **Resultant Unitholding.** Assuming that the Partial Offer is successful, and no new Units are issued between the Announcement Date and the close of the Partial Offer, the acquisition of the Offer Units pursuant to the Partial Offer, when taken together with the Offeror's Units, will result in the Offeror holding 169,105,358 Units representing approximately 15.4% of the total issued Units of the Offeree as at the Announcement Date.

2.5 **Securities Industries Council Approval.** On 12 December 2022, the Securities Industries Council ("**SIC**") granted its consent to the making of the Partial Offer in accordance with Rule 16.1 and Rule 16.2 of the Code subject to the following conditions:

(a) arrangements are made with Singapore Exchange Securities Trading Limited ("**SGX-ST**") prior to the posting of the Offer Document to provide a temporary trading counter to trade odd-lots in the Units after the close of the Partial Offer. Such counter should be open for a reasonable period of time, which in any case should not be shorter than one (1) month;

(b) the Partial Offer is made to all Relevant Unitholders of the class and arrangements are made for those Relevant Unitholders who wish to accept in full for the Relevant Percentage Offer Units of their holdings. Units tendered in excess of this percentage should be accepted by the Offeror from each Relevant Unitholder in the same proportion as the number tendered, to the extent necessary to enable the Offeror to obtain the total number of Offer Units for which the Offeror has offered. The Offeror should arrange its acceptance procedure to minimise the number of new odd-lot unitholdings;

(c) an appropriate Partial Offer is made for outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights. In addition, the Partial Offer to Relevant Unitholders must be extended to holders of newly issued Units arising from the exercise of such instruments, subscription rights or options during the offer period;

(d) when a Partial Offer is made for an entity with more than one class of Units, a comparable offer is made for each other class;

(e) the precise number of Units, percentage or proportion offered is stated, and the Partial Offer may not be declared unconditional as to acceptances unless acceptances are received for not less than that number, percentage or proportion; and

(f) the Offeror will promptly make enquiries of all other persons acting or presumed to be acting in concert with the Offeror on the disclosure of holdings and dealings required under Rule 3.5 of the Code ("**Relevant Disclosures**"). If the aggregate number of Units owned, controlled or agreed to be acquired by such other parties acting or presumed to be acting in concert with the Offeror represents 0.5% or more of the total number of issued units in the Offeree, the Offeror will promptly announce such holdings.

3. THE PARTIAL OFFER CONDITIONS

3.1 The Partial Offer will be conditional upon the following ("**Offer Conditions**"):

(a) **Minimum Acceptance**. The Offeror having received, by the closing date of the Partial Offer, valid acceptances and/or tenders in respect of not less than 109,612,132 Units, representing ten percent (10.0%) of the Units in issue of the Offeree;

(b) **No Material Transaction**. No announcement, agreement, arrangement, memorandum of understanding and/or statement of intention (whether or not legally binding) relating to any Material Transaction (as defined below) shall have been released, entered into and/or completed or consummated prior to the close of the Partial Offer.

For these purposes, a "**Material Transaction**" means a transaction or proposed transaction involving:

(i) any member of the Offeree or any of its subsidiaries (collectively, "**Offeree Group**") or any associated company of the Offeree ("**Offeree Affiliate**"), or to which any member of the Offeree Group or any Offeree Affiliate is a party which has a consideration or value (whether in cash or otherwise) equal to or greater than 20.0% of the unaudited net asset value of the Offeree Group as of 30 June 2022; or

(ii) any issue of Units or securities which carry voting rights in the Offeree, or are convertible into Units or securities which carry voting rights in the Offeree, or rights to subscribe for or options in respect of such securities; or

(iii) a recommendation, declaration or payment by any member of the Offeree Group or any Offeree Affiliate of dividends or other distributions (including, without limitation, interim dividends),

whether such transaction (i) involves an acquisition, disposal, takeover offer, scheme of arrangement or reconstruction, merger, consolidation or other combination, dual-listed companies structure, joint venture, strategic alliance or otherwise; or (ii) involves a single transaction or a number of related transactions and whether at one time or over a period of time;

(c) **No Material Adverse Change**. Since 30 June 2022:

(i) there being no material adverse change in the assets, business, financial condition, profits, liabilities, prospects or results of operations of the Offeree Group taken as a whole; or

(ii) there being no litigation, winding up (whether initiated by creditors or otherwise), arbitration, prosecution or other legal proceedings having been instituted, announced or threatened by or against or remaining outstanding against any member of the Offeree Group or any Offeree Affiliate which could have a material adverse effect on the Offeree Group taken as a whole;

in each case so as to cause or to be likely to cause either the net assets or the net profit after tax of the Offeree Group to be decreased by more than 5.0%;

(d) **No Winding-Up**. The Offeree shall not have authorised, recommended, proposed or entered into an agreement, agreement in principle or arrangement or understanding with respect to any liquidation, winding up, dissolution, merger, consolidation, release or relinquishment of any material contractual right, any material change in the Offeree's Units, or other right of the Offeree or any event having an analogous effect and not in the ordinary course of business; and

(e) **Continued Listing**. No suspension (other than a trading halt at the request of the Offeree) by the SGX-ST of trading of Units on the SGX-ST and no removal of the Offeree by the SGX-ST from its official list.

3.2 The Partial Offer will not become or be capable of being declared unconditional in all respects unless all the above Offer Conditions are satisfied or waived prior to the close of the Partial Offer, and except for Offer Condition 3.1(a) above, the Offeror will not invoke any condition that will cause the Partial Offer to lapse, unless (i) the circumstances which give rise to the right to invoke the condition are of material significance to the Offeror in the context of the Partial Offer, and (ii) prior consent is obtained from the SIC.

4. FINANCIAL EVALUATION OF THE PARTIAL OFFER

4.1 In arriving at the Offer Price, the Offeror took into account, *inter alia*, the premiums offered by the Offer Price over various prices at which the Units were trading on the SGX-ST during certain periods, as detailed below:

	Period	Volume Weighted Average Price (VWAP) per Unit (S$) [(1)]	Premium/(Discount) of Offer Price to VWAP per Unit [(2)]
(i)	At the Announcement Date	0.425	9.4%
(ii)	30 market days prior to the Announcement Date	0.428	8.6%
(iii)	60 market days prior to the Announcement Date	0.424	9.7%
(iv)	180 market days prior to the Announcement Date	0.435	6.9%

Notes:

(1) The figures set out in paragraph 4.1 are based on data extracted from Bloomberg on 20 January 2023.
(2) Figures rounded to the nearest one decimal place.

4.2 Further information on the financial aspects of the Partial Offer will be set out in the Offer Document (as defined below) to be despatched to the Relevant Unitholders in due course.

5. INFORMATION ON THE OFFEROR

5.1 The Offeror is a company incorporated in Switzerland on 07 October 1975. The Offeror presently holds 59,493,226 Units in the Offeree, representing approximately 5.4% of the issued Units in the Offeree. The Offeror has several lines of business undertaken by various subsidiaries as elaborated in this paragraph. The Offeror via its subsidiary Oel-Pool AG is one of Switzerland's leading suppliers of fossil fuels. Oel-Pool AG and its subsidiary Moveri AG operate over 700 petrol stations under various brands. Another of the Offeror's subsidiaries, Soft Car Wash AG and its subsidiaries, provide vehicle care, both with self-service jet machines and car washes. Further business lines include wood production and trade, furniture manufacturing, trading with bituminous material, construction services, road repair services, as well as investments in real estate and real estate companies. The Offeror's investment arm holds a further portfolio of companies in different industries from food manufacturing to Information Technology ("**IT**") services.

5.2 The Offeror's board of directors comprise of: (i) Daniel Sieber (Director and President of the Board of Directors), (ii) Duttwiler Konrad (Director), (iii) Ramon Werner (Director), and (iv) El Kamel, Nora (Director), (collectively, "**Directors**").

6. INFORMATION ON THE OFFEREE

6.1 By way of background, Sabana Industrial REIT is managed by Sabana Real Estate Investment Management Pte. Ltd. ("**REIT Manager**") 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.

6.2 Sabana Industrial REIT (formerly known as Sabana Shari'ah Compliant Industrial REIT) is listed on the SGX-ST on 26 November 2010. The total assets of the Group amount to more than SGD$0.9 billion as at 31 December 2021.

6.3 Based on publicly available information as at the Announcement Date, the board of directors of the REIT Manager comprise:

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

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

(c) Ms. Lee Kia Jong Elaine (Independent Non-Executive Director),

(collectively, "**Board**".)

6.4 Based on the latest information available to the Offeror:

(a) the Offeree has an issued capital comprising 1,096,121,325 Units, and

(b) its substantial unitholders are:

(i) the Offeror which holds 59,493,226 Units, representing approximately 5.4% of the issued Units of the Offeree;

(ii) Quarz Capital ASIA (Singapore) Pte. Ltd which has a deemed interest in 142,531,628 Units representing approximately 13.0% of the issued Units of the Offeree; and

(iii) ESR Cayman Limited which holds 12,524,228 Units and has a deemed interest in 214,299,143 Units, representing approximately 1.2% and 20.0% of the issued Units of the Offeree respectively.

7. RATIONALE FOR THE PARTIAL OFFER

7.1 **Investment in the Offeree.**

The Partial Offer by the Offeror is for investment purpose as the Offeror wishes to diversify its business lines away from fossil fuels and increasingly build up its real estate portfolio. In this regard, the Partial Offer, if successful, would enable the Offeror to increase its direct holdings in the Offeree.

The Offeror believes that the Offeree faces a challenging interest rate environment with Real Estate Investment Trust generally having declining yields. However, the Partial Offer reflects the Offeror's view that while the current business and economic outlook present a number of challenges, there is inherent long-term value in the Offeree's Units.

7.2 **Fluctuation in Prices of Units in the Offeree.**

Based on the Offeror's knowledge and observation, the Offeree's Units are thinly traded. As such, by making the Partial Offer, it would be expedient for the Offeror to build up a meaningful stake of Offer Units in a single corporate action. In addition, due to the low liquidity in the public market, the Offeror is of the view that it would not be able to acquire such Units from the open market efficiently. Furthermore, as insufficient liquidity also prevents larger Relevant Unitholders from selling, the Partial Offer will provide attractive exit liquidity to the Relevant Unitholders. As such, the Partial Offer presents a good opportunity for the public Relevant Unitholders to monetise their holdings or part of their holdings if they so wish while continuing to participate in the future financial performance of the Units as it will remain publicly traded following the Partial Offer.

8. DISCLOSURE OF UNITHOLDINGS AND DEALINGS

8.1 As at the Announcement Date, (i) the Offeror and its shareholders, (ii) the Directors of the Offeror and the wholly-owned subsidiaries of the Offeror, and (iii) the Financial Adviser (each, a "**Relevant Person**"), collectively own, control or agreed to be acquired by the Offeror an aggregate of 59,493,226 Units representing approximately 5.4% of the Units in issue of the Offeree as set out below:

	Direct Interest		**Deemed Interest**	
Name	**No. of Units**	**%**	**No. of Units**	**%**
Volare Group AG	59,493,226	5.4	-	-

8.2 Save as disclosed in this Announcement, as at the Announcement date, none of the Relevant Persons:

(a) owns, controls or has agreed to acquire any (i) Units; (ii) securities which carry voting rights in the Offeree; or (iii) convertible securities, warrants, options or derivatives in respect of the Units or securities which carry voting rights in the Offeree (collectively, "**Offeree Securities**");

All references to "**derivative**" include any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities.

(b) has dealt for value in any Offeree Securities during the three (3)-month period immediately preceding the Announcement Date ("**Relevant Period**");

(c) has not granted a security interest in any Units to another person, whether through a charge, pledge or otherwise;

(d) has not borrowed any Units from another person (excluding borrowed securities which have been on-lent or sold); or

(e) has not lent any Units to another person.

8.3 As at the Announcement Date, save as disclosed in Appendix 1, none of the Offeror and the parties acting in concert with it has dealt for value in any (i) Units (ii) securities which carry voting rights in the Offeree; (iii) securities which are convertible into Units or securities which carry voting rights in the Offeree; or (iv) rights to subscribe for, or options in respect of, such Units or securities, in the Relevant Period.

8.4 As at the Announcement Date, none of the Offeror and the parties acting in concert with it has received any irrevocable undertaking from any holder of Offer Units to accept or reject the Partial Offer.

8.5 In the interests of confidentiality, the Offeror has not made enquiries in respect of other parties who may be deemed to be acting in concert with the Offeror in connection with the Partial Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course subsequently and in the Offer Document (as defined below).

9. CONFIRMATION OF FINANCIAL RESOURCES

RHTC, as the financial adviser to the Offeror in connection with the Partial Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Partial Offer by the Relevant Unitholders at the Offer Price.

10. OFFER DOCUMENT

A formal document which sets out the terms and conditions of the Partial Offer and enclosing the appropriate form(s) of acceptance of the Partial Offer ("**Offer Document**"), will be despatched to the Relevant Unitholders not earlier than 14 and not later than 21 days from the date of this Announcement.

11. OVERSEAS JURISDICTIONS

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable laws. The Partial Offer will be made solely on the basis of the Offer Document and the form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Partial Offer, including details on how the Partial Offer may be accepted.

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions in which this Announcement is released, published or distributed, should inform themselves about and observe such restrictions.

12. OVERSEAS UNITHOLDERS

The Partial Offer will be made pursuant to the Offer Document and the appropriate form(s) of acceptance accompanying the Offer Document. The availability of the Partial Offer to Relevant Unitholders whose addresses are outside Singapore as shown in the register of members of the Offeree, and as the case may be, in the records of The Central Depository (Pte) Limited ("**Overseas Unitholders**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Unitholders should inform themselves about and observe any applicable legal requirements. Further details in relation to Overseas Unitholders will be contained in the Offer Document.

13. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Announcement), have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and the Directors accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Offeree Group), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by
RHT CAPITAL PTE. LTD.

For and on behalf of
VOLARE GROUP AG

21 January 2023

Any inquiries relating to this Announcement or the Partial Offer should be directed during office hours to RHT Capital Pte. Ltd. at (65) 6381 6966 or by email to project.valor@rhtgoc.com.

IMPORTANT NOTICE

All statements other than statements of historical facts included in this Announcement 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", "targets" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's 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. Relevant Unitholders and investors should not place undue reliance on such forward-looking statements, and none of the Offeror and RHTC undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

APPENDIX 1

DETAILS OF DEALINGS IN OFFEREE SECURITIES BY RELEVANT PERSONS DURING THE RELEVANT PERIOD

Name	Date of Transaction	No. of Units bought	Price per Unit (S$)
Volare Group AG	21 October 2022	500,000	0.390815
		200,000	0.390000
		153,800	0.390000
	25 October 2022	125,500	0.395000