



15 October 2024

Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as manager of Sabana Industrial Real Estate Investment Trust ("Sabana Industrial REIT")) (the "Manager")
151 Lorong Chuan, #02-03
New Tech Park
Singapore 556741

Attention: Mr Donald Han, Chief Executive Officer

Dear Sirs

UPDATE TO UNITHOLDERS OF SABANA INDUSTRIAL REIT FROM HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED (IN ITS CAPACITY AS TRUSTEE OF SABANA INDUSTRIAL REIT) (THE "TRUSTEE") – 15 OCTOBER 2024

1. We refer to:
 - (a) the various statements released by the Trustee to date (collectively, the "**Trustee's Statements**"); and
 - (b) the Manager's announcements dated 3 September 2024, 15 September 2024, 18 September 2024, 19 September 2024, 26 September 2024, 2 October 2024, 7 October 2024 and 10 October 2024 in respect of the correspondence between the Trustee and certain Unitholders of Sabana Industrial REIT (the "**Requisitionists**") who have requisitioned for an extraordinary general meeting ("**EGM**") to consider certain resolutions pursuant to a requisition notice dated 12 August 2024.
2. In this regard, the Trustee wishes to provide the following update to all Unitholders as set out in the Appendix to this letter. Terms defined in the Trustee's Statements and earlier correspondence with the Requisitionists shall, unless the context otherwise requires, have the same meanings when used in this letter.
3. Please publish this letter as an announcement via SGXNet.

Yours faithfully

For and on behalf of
HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Sabana Industrial Real Estate Investment Trust)

RAHUL DESOUSA
Authorised Signatory

APPENDIX

Trustee's Update to Unitholders of Sabana Industrial REIT

1. Ahead of the upcoming EGM, the Trustee would like to provide Unitholders with the following updates.

A. Updates on the Indicative Internalisation Timeline

2. The Trustee wishes to update Unitholders on the progress made in respect of the key Internalisation workstreams. Please refer to **Annex A** below for the updated indicative timeline for Internalisation ("**Indicative Internalisation Timeline**"), prepared based on information known to date. This Indicative Internalisation Timeline remains subject to change from time-to-time and is being reviewed by the Trustee on an ongoing basis with input from its advisers.
3. A main dependency for the progress of the overall Indicative Internalisation timeline is the attracting and hiring of key management for the New Internalised Manager (which the capital markets services ("**CMS**") licence approval is contingent upon). In this regard, the uncertainty associated with Sabana Industrial REIT has not been helpful to the Trustee's extended and ongoing efforts to fill the Chief Executive Officer and key management roles for the New Internalised Manager. Amongst others, and as explained in the response to Questions 4 to 6 of the Responses to Substantial and Relevant Questions from Unitholders dated 13 October 2024 ("**EGM FAQs**"), the introduction of a further slate of director candidates for Unitholders' consideration at a late stage in the CMS licence application and the uncertainty in respect of the likely composition of the intended board of the New Internalised Manager has resulted in some potential management candidates expressing caution and a preference to await the outcome of the EGM and board composition.
4. As the Trustee believes that it is in the interests of all Unitholders for the Internalisation to be effected in an orderly, compliant and well-considered manner and as smoothly as possible, the Trustee will continue to focus resources on the implementation of the Internalisation. The Trustee is committed to progressing the Internalisation expeditiously and to the extent it is able to in view of the ongoing developments.

B. Requisitionists' Conditions in relation to Directors' Fees

5. In relation to the Requisitionists' calls to the Independently Identified Director Candidates to accept certain "*conditions*" (as set out in the Requisitionists' letters to the Trustee dated 18 September 2024 and 1 October 2024), the Trustee has conveyed the request to the Independently Identified Director Candidates. The Independently Identified Director Candidates views are as follows:
 - (a) The candidates agree that the process for determining directors' fees should proceed through the nominating and remuneration committee of the board of directors.
 - (b) Such determination of directors' fees should take into account market benchmarks.

C. Update on the Background Checks and Assessments on Requisitionists' Candidates

6. The Trustee had in previous letters to the Requisitionists, for the reasons stated therein, requested that the Requisitionists' Candidates provide their written consent to background checks and assessments to be conducted by an independent third-party service provider (being the same background checks and assessment which the Independently Identified Director Candidates had undergone).
7. The Requisitionists have on 9 October 2024 provided modified versions of the consent forms requested along with certain other information pertaining to the Requisitionists' Candidates. The modified consent forms have been provided to the independent third-party service provider for its consideration.
 - (a) The background checks and assessments will be commenced and progressed if the third-party service provider is amenable to accepting the modified consent forms.
 - (b) Alternatively, if the third-party service provider does not accept the modified consent forms, the background checks and assessments on the Requisitionists Candidates cannot proceed.

In this regard, it should be noted that the Trustee is not a service provider of such background screening services and in any case is not a selected service provider of the Ministry of Manpower in this regard. The Trustee will therefore proceed to forward the additional information provided by the Requisitionists' Candidates on to the regulator for its consideration.

8. The Trustee has also sought further clarifications in respect of certain non-material discrepancies in the information provided by certain Requisitionists' Candidates in their forms submitted to the Monetary Authority of Singapore ("**MAS**") for the purposes of the CMS licence application. The relevant Requisitionists' Candidates have provided clarifications on the identified discrepancies and the Trustee will share these clarifications with the MAS.
9. The Trustee will continue to keep Unitholders updated on any material developments relating to the background checks and assessments conducted on the Requisitionists' Candidates as well as the overall progress of the CMS licence application.
10. The Trustee will continue to provide further updates and engage with Unitholders in respect of material developments. All updates from the Trustee will be in the form of announcements via SGXNet.
11. In addition to the communication channels established by the Manager for Sabana Industrial REIT, Unitholders may direct their enquiries to sabana.trustee@hsbc.com.sg.



ANNEXA: Indicative Internalisation Timeline

Reference Key:
● Completed ● In Progress ● Not Started

Activity:	Status:	Workplan				Comments:
		Q2 2024	Q3 2024	Q4 2024	Q1 2025*	
1. Appointment of Professional Advisers	●					
2. Seek ESR's views in relation to Resolution 1 passed at the 8 March 2024 EGM	●					
3. Establish entity for New Internalised Manager	●					
4. Establish personnel for New Internalised Manager	●					As explained, some potential management candidates are expressing caution and a preference to await the outcome of the EGM and board composition. The Trustee will continue to progress this workstream after the results of the EGM are known.
5. Establish functionality for New Internalised Manager	●					
6. Establish budget and operating plan for New Internalised Manager	●					A draft of the budget and operating plan has been created and will be presented to the new board of directors and senior management following their appointment (subject to the MAS approval) and the commencement of their employment with the New Internalised Manager. Regulatory approval will be required for business plans of the New Internalised Manager.
7. Review applicable regulations	●					
8. Establish Trust Deed amendments	●					
9. Order 32 application	●					
10. Unitholder communications	●					The Trustee will continue to provide updates to Unitholders in respect of material developments. All updates from the Trustee will be in the form of announcements via SGXNet.
11. Licensing and applications	●					The capital markets services licence application and director Forms 11 for the 6 candidates proposed by the Requisitionists and the 3 candidates proposed by the Trustee have been submitted to the MAS for review and approval.

HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard, Marina Bay Financial Centre, Tower 2, #48-01, Singapore 018983
Company Registration No : 194900022R

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Activity:	Status:	Workplan				Comments:
		Q2 2024	Q3 2024	Q4 2024	Q1 2025*	
12. Extraordinary general meeting(s) to implement and effect Internalisation						An EGM is scheduled on 18 October 2024 for Unitholders to decide on appointment of directors of the New Internalised Manager (subject to the MAS approval).
13. Transition and operationalisation						

* The Indicative Internalisation Timeline above sets out in blue the workstreams which may continue into Q1 2025 and beyond due to external dependencies described in the EGM FAQs.