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)

TERMINATION OF THE PROPOSED ACQUISITION OF 72 EUNOS AVENUE 7, SINGAPORE 409570 – LAPSE OF PUT AND CALL OPTION AGREEMENT

21 July 2017 – Further to the announcement dated 8 December 2016, Sabana Real Estate Investment Management Pte. Ltd., as the manager (the "**Manager**") of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**"), wishes to announce that the put and call option agreement entered into by HSBC Institutional Trust Services (Singapore) Limited (as trustee of Sabana REIT) (the "**Trustee**") and the vendor, Singapore Handicrafts Pte Ltd (the "**Vendor**") for the proposed acquisition of the property located at 72 Eunos Avenue 7, Singapore 409570 (the "**Option Agreement**") had ceased and determined on 20 July 2017.

Under the terms of the Option Agreement, certain conditions precedent (as previously disclosed) were to be fulfilled by 20 July 2017 (the "**Target Date**") to enable the completion of the acquisition. As the conditions precedent were not fulfilled by the Target Date, in accordance with Clause 8.2 of the Option Agreement, the Option Agreement had ceased and determined on the Target Date. In this regard, the Manager through its solicitors has informed the Vendor via their solicitors that Sabana REIT would not be proceeding with the acquisition.

Upon cessation of the Option Agreement, the Vendor shall refund S$214,000 (which is the amount of option fee, together with GST, paid by Sabana REIT on the execution of the Option Agreement) to Sabana REIT, free of interest. The respective obligations and liabilities of the Vendor and the Trustee under the Option Agreement had ceased (except for obligations in respect of confidentiality set out in the Option Agreement) and neither party shall have any claims whatsoever against the other party.

By Order of the Board
Sabana Real Estate Investment Management Pte. Ltd.
(Company registration number 201005493K)
As Manager of Sabana REIT

Kevin Xayaraj
Chief Executive Officer and Executive Director
21 July 2017

ABOUT SABANA REIT

Sabana REIT was listed on Singapore Exchange Securities Trading Limited on 26 November 2010. It was established principally to invest in income-producing real estate used for industrial purposes, as well as real estate-related assets, in line with Shari'ah investment principles. Sabana REIT currently has a diversified portfolio of 21 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. Its total assets amount to approximately S$1.0 billion.

Sabana REIT is listed in several indices within the SGX S-REIT Index, Morgan Stanley Capital International, Inc (MSCI) Index, the Global Property Research (GPR) index, FTSE index and S&P Dow Jones Indices.

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

For further information on Sabana REIT, please visit http://www.sabana-reit.com.

Important Notice

The value of units in Sabana 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 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.