

CIRCULAR DATED 22 FEBRUARY 2024

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you have sold or transferred all your units (“Units”) in Sabana Industrial Real Estate Investment Trust (“**Sabana Industrial REIT**”), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting (the “**Notice of EGM**”) and the accompanying Proxy Form in this Circular, 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.

This Circular has not been examined or approved by Singapore Exchange Securities Trading Limited (the “SGX-ST”). The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.



SABANA 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.
(Company Registration No. 201005493K)

CIRCULAR TO UNITHOLDERS IN RELATION TO THE RESOLUTIONS PROPOSED IN THE REQUISITION LETTER (AS DEFINED HEREIN)

IMPORTANT DATES AND TIMES FOR UNITHOLDERS

Last date and time for lodgement of Proxy Forms	:	5 March 2024 at 10.30 a.m.
Date and time of the Extraordinary General Meeting (“ EGM ”) ⁽¹⁾	:	8 March 2024 at 10.30 a.m.
Place of EGM ⁽¹⁾	:	Hope@New Tech Park, 151 Lorong Chuan, #02-06 (Lobby F) Singapore 556741

Note:

- (1) The EGM will be held in a wholly physical format. **There will be no option for unitholders of Sabana Industrial REIT to participate virtually.** (See paragraph 4 of the Letter to Unitholders and the Notice of EGM for further details.)

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IMPORTANT NOTICE

Unitholders should review this Circular carefully. The risks described in this Circular relating to the Requisition are by no means exhaustive or comprehensive, and there may be other risks in addition to those identified in this Circular which are not known to the Manager (as defined herein), or which may not be material now but which may turn out to be material in the future. Additional risks, whether known or unknown, may in the future have an impact on the implementation of the Resolution(s) or the business, financial condition, operations and prospects of Sabana Industrial REIT.

The value of 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 or any of its 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 the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. 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.

The past performance of Sabana Industrial REIT is not indicative of the future performance of Sabana Industrial REIT. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager.

This Circular 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 other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 the Manager's current view on future events.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of EGM and the accompanying Proxy Form, 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.

Unless otherwise expressly specified in this Circular, all information in this Circular is as at 20 February 2024, being the latest practicable date prior to the printing of this Circular (the "**Latest Practicable Date**").



SABANA 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.

(Company Registration No. 201005493K)

Directors of the Manager

Mr Tan Cheong Hin
(Chairman and Independent Non-Executive Director)
Mr Wong Heng Tew
(Independent Non-Executive Director)
Ms Lee Kia Jong Elaine (Mrs Elaine Lim)
(Non-Independent Non-Executive Director)

Registered Office

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

22 February 2024

To: Unitholders of Sabana Industrial REIT

Dear Sir/Madam

1. INTRODUCTION

1.1 Background

On 12 January 2024, Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Industrial REIT) (the “**Manager**”), announced that it had received a letter (the “**Jan Requisition Letter**”) from several unitholders of Sabana Industrial REIT (having an aggregate unitholding in Sabana Industrial REIT of more than 10%) (the “**Requisitionists**”), requesting the Manager to convene an extraordinary general meeting of Sabana Industrial REIT to consider certain resolutions, details of which are contained in the copy of the Jan Requisition Letter as set out in Appendix A of this Circular. The Jan Requisition Letter was deposited at the registered office of the Manager on 11 January 2024. On 8 February 2024, the Manager announced that it had received a letter from the Requisitionists (the “**Requisitionists 7 Feb Letter**”). The Requisitionists 7 Feb Letter requested to withdraw resolutions 1 and 2 contained in the Jan Requisition Letter, and also to make certain modifications to resolutions 4, 5 and 12 contained in the Jan Requisition Letter, details of which are set out in the copy of the Requisitionists 7 Feb Letter in Appendix E of this Circular. The Requisitionists 7 Feb Letter was deposited at the registered office of the Manager on 7 February 2024.

On 19 February 2024, a letter from the Requisitionists dated 16 February 2024 (the “**Requisitionists 16 Feb Letter**”, and the Jan Requisition Letter as supplemented by the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter, the “**Requisition Letter**”) was deposited at the registered office of the Manager. The Requisitionists 16 Feb Letter requested to make certain modifications to resolutions 3, 4, 5, 8, 9, 10 and 11 contained in the Jan Requisition Letter, details of which are set out in the copy of the Requisitionists 16 Feb Letter in Schedule II of this Circular.

The Resolutions (as defined herein) proposed by the Requisitionists in their requisition for an extraordinary general meeting to be convened by the Manager pursuant to the Requisition Letter are set out in paragraph 1.3 of this Circular and in the Notice of EGM set out in Appendix G.

As at the Latest Practicable Date, the Requisitionists consist of 10 Unitholders who collectively hold approximately 13.93% of the total issued units of Sabana Industrial REIT, of which Quarz Capital ASIA (Singapore) Pte. Ltd. holds 13.89% while the remaining nine individual Unitholders collectively hold 0.04%.

Unitholders should also note that since the Jan Requisition Letter, HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Industrial REIT) (the “Trustee”) has issued various statements including the Trustee Statements (as defined herein) which contained:

- the Trustee’s update on the Internalisation Process (as defined herein),
- the Trustee’s responses to and clarifications sought by the Trustee from the Requisitionists in relation to the resolutions contained in the Jan Requisition Letter and the Requisitionists 7 Feb Letter,
- the Requisitionists’ letter to the Trustee dated 29 January 2024 responding to the letter issued by the Trustee to the Requisitionists on 24 January 2024 (“**Requisitionists 29 Jan Response to Trustee**”), and
- the Trustee’s views on the EGM, the Resolutions and the potential uncertainty and issues associated with the implementation of the Resolutions, if passed, including in the Trustee 20 Feb Statement (as defined herein and contained in Schedule I of this Circular),

all of which were announced on SGXNet. These statements are set out in the chronology of key events in Section 1.2 of this Letter to Unitholders below.

UNITHOLDERS SHOULD READ CAREFULLY THE TRUSTEE 20 FEB STATEMENT AS CONTAINED IN SCHEDULE I OF THIS CIRCULAR, INCLUDING THE APPENDIX AND ANNEX CONTAINED THEREIN, IN ITS ENTIRETY FOR DETAILS OF THE TRUSTEE’S VIEWS IN RESPECT OF EACH OF THE RESOLUTIONS AND THE TRUSTEE’S PROPOSED ACTIONS IN RELATION TO EACH RESOLUTION, IF PASSED.

The Manager assumes no responsibility for any of the contents of the Jan Requisition Letter, the Requisitionists 7 Feb Letter, the Requisitionists 16 Feb Letter, the Trustee Statements, the Trustee 14 Feb Letter to Requisitionists (as defined herein) or any other statements issued by any other party including the Requisitionists or the Trustee, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Jan Requisition Letter, the Requisitionists 7 Feb Letter, the Requisitionists 16 Feb Letter, the Trustee Statements, the Trustee 14 Feb Letter to Requisitionists or any other statements issued by any other party including the Requisitionists or the Trustee. The views expressed in the Jan Requisition Letter, the Requisitionists 7 Feb Letter, the Requisitionists 16 Feb Letter, the Trustee Statements, the Trustee 14 Feb Letter to Requisitionists or any other statements issued by any other party including the Requisitionists or the Trustee, should not be construed in any way as representing the views of the Manager.

Unitholders should note that the information in this Circular is based on the information available as of the Latest Practicable Date.

1.2 Chronology of Key Events

The following sets out a chronology of key events that took place since the extraordinary general meeting of Unitholders held on 7 August 2023 up to the Latest Practicable Date:

2023 Extraordinary General Meeting

- on 7 August 2023, the Manager convened an extraordinary general meeting of unitholders (the “**2023 EGM**”) and the resolutions were passed at that meeting to remove the Manager as manager of Sabana Industrial REIT and to internalise¹ the REIT management function;

Internalisation Process and Trustee’s Statements

- on 8 August 2023, the Trustee issued a statement notifying its acknowledgment of resolutions passed at the 2023 EGM, its intention to proceed to identify and appoint professional advisers to advise it on the implementation of the resolutions contained in the circular dated 21 July 2023, including the holding of further extraordinary general meetings of Unitholders (“**Further EGMs**”) to seek Unitholders’ approval on, among other things, the necessary and specific amendments to the trust deed dated 29 October 2010 constituting Sabana Industrial REIT (the “**Trust Deed**”) by way of extraordinary resolution(s), and stated that the Manager is expected to serve as interim manager until a replacement internal manager is appointed;
- on 29 August 2023, the Trustee issued a statement to Unitholders on its appointment of FTI Consulting (Singapore) Limited as its professional adviser for the implementation of resolutions passed at the 2023 EGM, and updates to the Internalisation Process;
- on 4 October 2023, the Trustee issued a statement to Unitholders on its appointment of Messrs Rajah & Tann Singapore LLP as its legal adviser and provided updates on the Internalisation Process;
- on 7 November 2023, the Trustee issued a statement to Unitholders on its appointment of KPMG Services Pte. Ltd. as the tax adviser, its intention to appoint an executive search firm to advise it on recruitment matters for the Internalisation Process, and answered frequently-asked-questions posed by Unitholders;
- on 5 December 2023, Sabana Growth Internalization Committee (“**SGIC**”), a committee set up by several Unitholders, including Quarz Capital ASIA (Singapore) Pte. Ltd., issued an open letter addressed to regulatory authorities (the “**SGIC Letter**”);
- on 6 December 2023 the Trustee issued an announcement on its receipt of the SGIC Letter and response to the SGIC Letter;
- on 15 December 2023, the Trustee issued an update to Unitholders on its appointment of a change management adviser, and its progress on the Internalisation Process;

¹ Pursuant to the resolutions passed at the 2023 EGM, the Trustee is directed by Unitholders to remove Sabana Real Estate Investment Management Pte. Ltd. and to effect the internalisation of the REIT management function by incorporating a subsidiary wholly owned by the Trustee and appointing such a subsidiary to act as the manager of Sabana Industrial REIT (the “**Internalisation Process**”).

First Requisition Notice

- on 22 December 2023, the Manager issued an announcement of its receipt of a requisition notice (the “**First Requisition Notice**”) from SGIC, requesting the Manager to convene an extraordinary general meeting of Sabana Industrial REIT to consider certain resolutions;
- on 8 January 2024, the Manager issued a response to the First Requisition Notice noting that it would not convene an extraordinary general meeting pursuant to the First Requisition Notice as the Manager had not been able to verify SGIC as a Unitholder and it did not have the records of the First Requisition Notice being deposited at its registered office;

The Trustee 9 Jan Statement

- on 9 January 2024, the Trustee issued a statement (the “**Trustee 9 Jan Statement**”) to update Unitholders on the Internalisation Process. It states that the Trustee has substantially identified the proposed amendments to the Trust Deed required to provide for an internalised management structure and to implement the resolutions passed at the 2023 EGM. The Trustee also updated Unitholders that it has filed an originating application with the High Court of Singapore under Order 32 of the Rules of Court 2021 of Singapore (the “**Order 32 Application**”) to seek, among others, certain declarations concerning the Internalisation Process.

A copy of the Trustee 9 Jan Statement is set out in its entirety in Appendix B of this Circular. The Manager assumes no responsibility for any of the contents of the Trustee 9 Jan Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 9 Jan Statement;

The Jan Requisition Letter

- on 12 January 2024, the Manager announced its receipt of the Jan Requisition Letter from the Requisitionists which had been deposited at its registered office on 11 January 2024;
- on 23 January 2024, the Trustee issued a statement to Unitholders (the “**Trustee 23 Jan Statement**”) in which the Trustee provided Unitholders with more information on the costs of the Internalisation Process incurred up to 31 December 2023, as well as updates on the advancement of other workstreams pertaining to the Internalisation Process;
- on 30 January 2024, the Trustee issued a statement to Unitholders (the “**Trustee 30 Jan Statement**”) providing further update to Unitholders on the status of the Internalisation Process, as well as enclosing (i) the Trustee’s letter to the Requisitionists dated 24 January 2024 (the “**Trustee 24 Jan Letter to Requisitionists**”) seeking clarifications on resolutions 3, 5, 9, 10, 11 and 12 as set out in the Jan Requisition Letter and responses to resolutions 1, 2, 4, 6, 7 and 8 as set out in the Jan Requisition Letter; and (ii) the Requisitionists 29 Jan Response to Trustee responding to the Trustee’s requests for clarifications on resolutions 3, 5, 9, 10, 11 and 12 as set out in the Jan Requisition Letter and providing certain responses to the Trustee 24 Jan Letter to Requisitionists.

Copies of the Trustee 23 Jan Statement and Trustee 30 Jan Statement (and the documents annexed thereto, including the Requisitionists 29 Jan Response to Trustee) are set out in their entirety in Appendix C and Appendix D of this Circular respectively. The Manager assumes no responsibility for any of the contents of the Trustee 23 Jan Statement and the Trustee 30 Jan Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 23 Jan Statement and the Trustee 30 Jan Statement;

- on 1 February 2024, the Manager announced that it had verified the unitholdings of the Requisitionists and stated its intention to convene the EGM pursuant to the Jan Requisition Letter for the purposes of considering the resolutions proposed in the Jan Requisition Letter;

The Requisitionists 7 Feb Letter

- on 8 February 2024, the Manager announced its receipt of the Requisitionists 7 Feb Letter from the Requisitionists which had been deposited at its registered office on 7 February 2024. In the Requisitionists 7 Feb Letter, the Requisitionists withdrew resolutions 1 and 2 contained in the Jan Requisition Letter and made modifications to resolutions 4, 5 and 12 contained in the Jan Requisition Letter.

A copy of the Requisitionists 7 Feb Letter is set out in its entirety in Appendix E of this Circular. The Manager assumes no responsibility for any of the contents of the Requisitionists 7 Feb Letter, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Requisitionists 7 Feb Letter. The views expressed in the Requisitionists 7 Feb Letter should not be construed in any way as representing the views of Sabana Industrial REIT or the Manager;

The Trustee 14 Feb Letter to Requisitionists and the Requisitionists 16 Feb Letter

- on 14 February 2024, the Manager received a letter from the Trustee addressed to the Requisitionists dated 14 February 2024 (the “**Trustee 14 Feb Letter to Requisitionists**”) seeking further clarifications on resolutions 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 as set out in the Jan Requisition Letter (and as amended by the Requisitionists 7 Feb Letter) and proposing, for the consideration of the Requisitionists, certain amendments to resolutions 3, 4, 5 and 11 as set out in the Jan Requisition Letter, and the reasons for the amendments;
- on 19 February 2024, the Manager received, at its registered office, the Requisitionists 16 Feb Letter responding to the Trustee’s requests for clarifications on resolutions 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 as set out in the Jan Requisition Letter and making modifications to resolutions 3, 4, 5, 8, 9, 10 and 11 contained in the Jan Requisition Letter;
- on 20 February 2024, the Manager announced its receipt of the Trustee 14 Feb Letter to Requisitionists and the Requisitionists 16 Feb Letter.

A copy of the Trustee 14 Feb Letter to Requisitionists is set out in its entirety in Appendix F of this Circular. The Manager assumes no responsibility for any of the contents of the Trustee 14 Feb Letter to Requisitionists, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 14 Feb Letter to Requisitionists.

A copy of the Requisitionists 16 Feb Letter is set out in its entirety in Schedule II of this Circular. The Manager assumes no responsibility for any of the contents of the Requisitionists 16 Feb Letter, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Requisitionists 16 Feb Letter. The views expressed in the Requisitionists 16 Feb Letter should not be construed in any way as representing the views of Sabana Industrial REIT or the Manager;

The Trustee 20 Feb Statement

- on 20 February 2024, the Trustee issued a statement to Unitholders (the “**Trustee 20 Feb Statement**” and together with the Trustee 9 Jan Statement, the Trustee 23 Jan Statement and the Trustee 30 Jan Statement, the “**Trustee Statements**”) to provide Unitholders with further updates on the status of the Internalisation Process and the Trustee’s views on the EGM, the Resolutions and the potential uncertainty and issues associated with the implementation of the Resolutions, if passed.

A copy of the Trustee 20 Feb Statement is set out in its entirety in Schedule I of this Circular. The Manager assumes no responsibility for any of the contents of the Trustee 20 Feb Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 20 Feb Statement.

1.3 Purpose of this Circular

The Manager is convening the EGM pursuant to the Requisition Letter in accordance with its duty to do so under the Trust Deed and to discharge its statutory duty under paragraph 4.2 of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**Property Funds Appendix**”) read with Section 176 of the Companies Act 1967.

The EGM will be held at Hope@New Tech Park, 151 Lorong Chuan, #02-06 (Lobby F) Singapore 556741 on 8 March 2024 at 10.30 a.m. for Unitholders to consider the following resolutions proposed in the Requisition Letter, details of which are contained in the Notice of EGM set out on pages G-1 to G-5 of this Circular.

The Resolutions below reflect the resolutions proposed by the Requisitionists pursuant to the Requisition Letter.

Resolution 1 (Ordinary Resolution²): That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject: (1) any proposal to acquire the existing REIT Manager (fully functioning REIT Manager with the necessary licenses, personnel, assets and an undertaking from the direct and indirect owners to fully support internalisation) directly or indirectly for a maximum all-in offer price exceeding S\$10,000,000 and any such transaction post one month of this resolution, and (2) any proposal to acquire any assets (including the employment contracts) of the existing Manager at any price.

² “**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 Unitholders convened in accordance with the provisions of the Trust Deed.

**Resolution 2
(Ordinary Resolution):** That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all unitholders of Sabana Industrial REIT with a written update on the internalisation process every month, including without limitation, the costs incurred for advisors, consultants, etc.

**Resolution 3
(Ordinary Resolution):** That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within two weeks of this resolution, to form a committee (“**Internalisation Committee**”) consisting of Mr. Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, and the Internalisation Committee, in their capacity as the authorised representative of all unitholders, shall be consulted by the Trustee and supervise the implementation of internalisation.

Please refer to pages II-11 to II-13 of Schedule II of this Circular for the Curriculum Vitae of the committee candidates proposed under Resolution 3. Please also refer to the Trustee Statements and the Trustee 14 Feb Letter on certain concerns which the Trustee has raised in relation to this Resolution.³

**Resolution 4
(Ordinary Resolution):** That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the Trust Deed, the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalisation; and (b) the Trustee’s opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect internalisation may adversely affect the interests of the Manager and its sponsor[s], whether directly or indirectly, given that internalisation would affect the fee income of the Manager and its sponsor[s].

³ For example, paragraphs 7(c) and 7(d) of the Trustee 14 Feb Letter (as set out on page F-7 of Appendix F of this Circular) noted the following concerns, as extracted below:

“(c) It is unclear as to the legal basis for the suggested “supervisory” role of the Internalization Committee in the current regulatory framework applicable to the Sabana Industrial REIT, under trust law or the Trust Deed. Even if the Internalization Committee is approved by Unitholders, the Trustee will continue to be the party that is obliged to discharge its duties (as prescribed by the Trust Deed, statute and trust law) in implementing the internalisation. The Trustee may be unable to act upon directions or instructions from the Internalization Committee which conflict with its discharge of duties...”

(d) The Trustee is not at liberty to disclose material information to select Unitholders under the Listing Manual and as a matter of securities law, and does not intend to do so unless the Requisitionists can provide clear proposals to address concerns of information asymmetry and potential leakage...”

- Resolution 5
(Ordinary Resolution):** That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalisation of the REIT management function, “does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders” according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.
- Resolution 6
(Ordinary Resolution):** That the Trustee be directed to ensure that it and its advisors undertake their best endeavours to (1) implement the internalisation process without any amendments to the Trust Deed; (2) ensure that any proposed amendments to the Trust Deed are absolutely necessary to effect internalisation; (3) seek any necessary waivers from the regulators to implement internalisation; and (4) if any amendments to the Trust Deed referred to in Resolution 5 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.
- Resolution 7
(Ordinary Resolution):** That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up and no amendment to the Trust Deed is required.
- Resolution 8
(Ordinary Resolution):** That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder’s right to approve any change of control in the internal manager in the management agreement with the internal manager and no amendment to the Trust Deed is required.
- Resolution 9
(Ordinary Resolution):** That in view that the Trustee has indicated in its statement of 7 November 2023 that “it is and will remain, neutral and independent of the Manager”, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose, to the extent permitted by law, a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7 August 2023, together with a summary of the matters discussed.

**Resolution 10
(Ordinary Resolution):**

That if the Trust Deed is proposed to be amended in connection with the internalisation, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation, guidance and/or directions from the MAS, the SGX-ST and the High Court of Singapore in the Trustee's ongoing application in HC/OA 19/2024 on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) whether they ought to be permitted to vote in relation to any such resolution to amend the Trust Deed for the aforesaid or any other reason.

(Collectively, the "**Resolutions**").

The purpose of this Circular is to provide Unitholders with relevant information relating to the Resolutions.

1.3.1 The Trustee has filed an Order 32 Application with the High Court of Singapore

Unitholders should note that the Trustee has announced in the Trustee 9 Jan Statement that it has filed an Order 32 Application to seek, among other things, the following prayers:

- (a) a declaration that amendments to the Trust Deed are required to implement the resolutions approved at the extraordinary general meeting of the Unitholders held on 7 August 2023;
- (b) a declaration that the Trustee's power under Clause 28.2.1 of the Trust Deed to certify that amendments to the Trust Deed do not materially prejudice the interests of the Unitholders and do not operate to release to any material extent the Trustee or Manager from any responsibility to the Unitholders, is in the nature of a discretion rather than an obligation;
- (c) a declaration that the Trustee is at liberty to convene an extraordinary general meeting of the Unitholders in accordance with the requirements of the Trust Deed and the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore to consider the Proposed Trust Deed Amendments (as defined in Appendix B of this Circular);
- (d) liberty to apply to Court for further directions in the event an extraordinary general meeting is convened;
- (e) costs for the Order 32 Application to be provided for; and
- (f) such further or other relief as the Court deems fit.

The Trustee has added Quarz Capital ASIA (Singapore) Pte. Ltd. as a defendant to the Order 32 Application. In the Trustee 9 Jan Statement, the Trustee has stated that any other Unitholder who wishes to be joined as a party to the Order 32 Application is requested to consult their own legal advisors on making the necessary application to the Court and inform the Trustee's solicitors of its intention to do so.

A copy of the Trustee 9 Jan Statement is set out in its entirety in Appendix B of this Circular. The Manager assumes no responsibility for any of the contents of the Trustee 9 Jan Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 9 Jan Statement.

1.3.2 The Trustee has issued statements to Unitholders

In the Trustee 23 Jan Statement, the Trustee provided Unitholders with more information on the costs of the Internalisation Process incurred up to 31 December 2023, as well as updates on the advancement of other workstreams pertaining to the Internalisation Process.

In the Trustee 30 Jan Statement, the Trustee provided further updates to Unitholders on the status of the Internalisation Process, as well as enclosed (i) the Trustee 24 Jan Letter to Requisitionists seeking clarifications on resolutions 3, 5, 9, 10, 11 and 12 as set out in the Jan Requisition Letter and responses to resolutions 1, 2, 4, 6, 7 and 8 as set out in the Jan Requisition Letter; and (ii) the Requisitionists 29 Jan Response to Trustee responding to the Trustee's requests for clarifications on resolutions 3, 5, 9, 10, 11 and 12 as set out in the Jan Requisition Letter and providing certain responses to the Trustee 24 Jan Letter to Requisitionists. Unitholders are advised to refer to the Trustee 30 Jan Statement for more information.

In the Trustee 20 Feb Statement, the Trustee further updated Unitholders on the status of the Internalisation Process and the Trustee's views on the EGM, the Resolutions and the potential uncertainty and issues associated with the implementation of the Resolutions, if passed.

In particular, the Manager notes that the Trustee 20 Feb Statement had highlighted, among others, the Trustee's views on the EGM, the Resolutions and the potential uncertainty and issues associated with the implementation of the Resolutions, if passed. The Manager notes that the Trustee has also set out in paragraph 4 of the Appendix to the Trustee 20 Feb Statement as contained in Schedule I of this Circular a summary of its specific concerns in relation to each Resolution, as extracted below:

"4. The Trustee sets out below and in the Annex its specific concerns with each Requisitioned Resolution. In summary, the Trustee is of the opinion that certain Requisitioned Resolutions (taking into account the proposed amendments and withdrawals by the Requisitionists):

- (a) are confusing and contradict and/or are inconsistent with the Unitholders' resolutions as passed at the extraordinary general meeting held on 7 August 2023 ("7 August 2023 EGM") – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 1, 7 and 8 set out in the Annex below;***
- (b) are not actionable or without clear basis and will present challenges and uncertainty in implementation, if passed – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 3 to 6 set out in the Annex below;***

- (c) may place Sabana Industrial REIT potentially in breach of legal considerations– please see the Trustee’s concerns on and (if passed) the Trustee’s proposed actions in relation to Requisitioned Resolution 9 set out in the Annex below; and/or*
- (d) are premature, unnecessary and/or likely to incur delay and further costs in respect of the internalisation – please see the Trustee’s concerns on and (if passed) the Trustee’s proposed actions in relation to Requisitioned Resolutions 1, 3, 4, 5, 6 and 10 set out in the Annex below.”*

Unitholders should read carefully the Trustee 20 Feb Statement, including the Appendix and Annex contained therein, in its entirety for details of the Trustee’s views in respect of each of the Resolutions and the Trustee’s proposed actions in relation to each Resolution, if passed.

Copies of the Trustee 23 Jan Statement, the Trustee 30 Jan Statement and the Trustee 20 Feb Statement are set out in their entirety in Appendix C, Appendix D and Schedule I of this Circular respectively. The Manager assumes no responsibility for any of the contents of the Trustee 23 Jan Statement, the Trustee 30 Jan Statement and the Trustee 20 Feb Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 23 Jan Statement, the Trustee 30 Jan Statement and the Trustee 20 Feb Statement.

UNITHOLDERS ARE ADVISED TO READ CAREFULLY THIS CIRCULAR IN ITS ENTIRETY AND CONSIDER, IN PARTICULAR, THE TRUSTEE’S VIEWS ON THE EGM, THE RESOLUTIONS AND THE POTENTIAL UNCERTAINTY AND ISSUES ASSOCIATED WITH THE IMPLEMENTATION OF THE RESOLUTIONS, IF PASSED, AS SET OUT IN THE TRUSTEE 20 FEB STATEMENT IN SCHEDULE I OF THIS CIRCULAR, BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST EACH OF THE RESOLUTIONS AS ELABORATED IN THE NOTICE OF EGM.

2. THE PROPOSED RESOLUTIONS

In the Jan Requisition Letter, the Requisitionists 29 Jan Response to Trustee, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter, the Requisitionists have provided reasons for the Resolutions proposed by them. Unitholders may refer to the Jan Requisition Letter, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter for more details on their rationale for the Requisition.

Copies of the Jan Requisition Letter, the Requisitionists 29 Jan Response to Trustee, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter are set out in their entirety in Appendix A, Appendix D, Appendix E and Schedule II of this Circular respectively. The Manager assumes no responsibility for any of the contents of the Jan Requisition Letter, the Requisitionists 29 Jan Response to Trustee, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Jan Requisition Letter, the Requisitionists 29 Jan Response to Trustee, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter. The views expressed in the Jan Requisition Letter, the Requisitionists 29 Jan Response to Trustee, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter should not be construed in any way as representing the views of Sabana Industrial REIT or the Manager.

The Manager notes the Trustee's various responses to the Resolutions as set out in the Trustee Statements (in particular, the Trustee 20 Feb Statement as contained in Schedule I of this Circular) and the Trustee 14 Feb Letter to Requisitionists contained in Appendix F of this Circular.

In particular, the Manager notes that the Trustee 20 Feb Statement as contained in Schedule I of this Circular had highlighted, among others, the Trustee's views on the EGM, the Resolutions and the potential uncertainty and issues associated with the implementation of the Resolutions, if passed. The Manager notes that the Trustee has also set out in paragraph 4 of the Appendix to the Trustee 20 Feb Statement a summary of its specific concerns in relation to each Resolution, as extracted below:

"4. The Trustee sets out below and in the Annex its specific concerns with each Requisitioned Resolution. In summary, the Trustee is of the opinion that certain Requisitioned Resolutions (taking into account the proposed amendments and withdrawals by the Requisitionists):

- (a) are confusing and contradict and/or are inconsistent with the Unitholders' resolutions as passed at the extraordinary general meeting held on 7 August 2023 ("7 August 2023 EGM") – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 1, 7 and 8 set out in the Annex below;***
- (b) are not actionable or without clear basis and will present challenges and uncertainty in implementation, if passed – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 3 to 6 set out in the Annex below;***
- (c) may place Sabana Industrial REIT potentially in breach of legal considerations– please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolution 9 set out in the Annex below; and/or***
- (d) are premature, unnecessary and/or likely to incur delay and further costs in respect of the internalisation – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 1, 3, 4, 5, 6 and 10 set out in the Annex below."***

Unitholders should read carefully the Trustee 20 Feb Statement, including the Appendix and Annex contained therein, in its entirety for details of the Trustee's views in respect of each of the Resolutions and the Trustee's proposed actions in relation to each Resolution, if passed.

The Manager assumes no responsibility for any of the contents of the Trustee Statements and the Trustee 14 Feb Letter to Requisitionists, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee Statements and the Trustee 14 Feb Letter to Requisitionists.

The Manager would urge Unitholders to evaluate carefully each Resolution proposed by the Requisitionists by taking into consideration all relevant facts contained in this Circular, including the rationale put forth by the Requisitionists as set out in the Jan Requisition Letter, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter, the various updates on the Internalisation Process as well as responses issued and clarifications sought from the Requisitionists by the Trustee as set out in the Trustee Statements,

including the Trustee 30 Jan Statement which, among others, contained (i) the Trustee 24 Jan Letter to Requisitionists seeking clarifications on resolutions 3, 5, 9, 10, 11 and 12 as set out in the Jan Requisition Letter and responses to resolutions 1, 2, 4, 6, 7 and 8 as set out in the Jan Requisition Letter; and (ii) the Requisitionists 29 Jan Response to Trustee responding to the Trustee's requests for clarifications on resolutions 3, 5, 9, 10, 11 and 12 as set out in the Jan Requisition Letter and providing certain responses to the Trustee 24 Jan Letter to Requisitionists, and the Trustee 20 Feb Statement setting out the Trustee's views on the EGM, the Resolutions and the potential uncertainty and issues associated with the implementation of the Resolutions, if passed.

Unitholders should also consider the impact (if any) which the outcome of the Order 32 Application may have on the Resolutions.

Copies of the Trustee Statements (and the documents annexed thereto) and the Trustee 14 Feb Letter to Requisitionists are set out in their entirety respectively in Appendices B, C, D, Schedule I and Appendix F of this Circular. Unitholders are advised to read carefully the Trustee Statements (in particular, the Trustee 20 Feb Statement as contained in Schedule I of this Circular) and the Trustee 14 Feb Letter to Requisitionists as contained in Appendix F of this Circular in their entirety.

If any Unitholders are in any doubt as to the action they should take, they are advised to seek their own independent advice.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

Mr Tan Cheong Hin is the Chairman and Independent Non-Executive Director of the Manager. Mr Wong Heng Tew is an Independent Non-Executive Director of the Manager. Ms Lee Kia Jong Elaine (Mrs Elaine Lim) is a Non-Independent Non-Executive Director of the Manager.

Based on the Register of Directors' Unitholdings maintained by the Manager, none of the Directors currently holds any interest (direct or deemed) in the Units as at the Latest Practicable Date.

Based on the information available to the Manager as at the Latest Practicable Date, the Substantial Unitholders of Sabana Industrial REIT and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total No. of Units held	%(¹)
	No. of Units	%(¹)	No. of Units	%(¹)		
ESR Group ⁽²⁾	12,973,315	1.17	221,983,366	19.97	234,956,681	21.14
Volare Group AG	176,466,646	15.87	–	–	176,466,646	15.87
Quarz Capital ASIA (Singapore) Pte. Ltd.	–	–	154,450,145	13.89	154,450,145	13.89

Notes:

- (1) The percentage is based on 1,111,788,330 Units in issue as at the Latest Practicable Date.
- (2) In addition to its direct interest in 12,973,315 Units held as at the Latest Practicable Date, ESR Group is deemed to be interested in 221,983,366 Units directly held by its indirect wholly-owned subsidiary e-Shang Infinity Cayman Limited as at the Latest Practicable Date. e-Shang Infinity Cayman Limited, a company established in the Cayman Islands, is a wholly-owned subsidiary of e-Shang Jupiter Cayman Limited ("ES Jupiter"), a company established in the Cayman Islands. ES Jupiter, a company established in the Cayman Islands, is in turn a 100% owned subsidiary of ESR Group, a company established in the Cayman Islands.

4. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Hope@New Tech Park, 151 Lorong Chuan, #02-06 (Lobby F) Singapore 556741 on 8 March 2024 at 10.30 a.m., for the purpose of considering and, if thought fit, passing the resolutions set out in the Notice of EGM, which is set out on pages G-1 to G-5 of this Circular.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited (“CDP”) as at 72 hours before the time fixed for the EGM.

5. NO ABSTENTION FROM VOTING

No Unitholders are required to abstain from voting on the Resolutions at the EGM.

6. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders will find enclosed in this Circular the Notice of EGM and a Proxy Form.

If a Unitholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the office of Boardroom Corporate & Advisory Services Pte. Ltd. (the “Unit Registrar”) at 1 Harbourfront Avenue #14-07 Keppel Bay Tower, Singapore 098632, not later than 5 March 2024 at 10.30 a.m., being 72 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Unitholder will not prevent him from attending and voting in person at the EGM if he so wishes.

Persons who have an interest in the approval of the Resolutions must decline to accept appointment as proxies for any Unitholder unless the Unitholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of such Resolution. If a Unitholder wishes to appoint any of the Directors as his/her proxy/proxies for the EGM, he/she should give specific instructions in his/her Proxy Form as to the manner in which his/her vote is to be cast in respect of the Resolutions.

7. DIRECTORS’ RESPONSIBILITY STATEMENT

Save for the information and documents provided to Sabana Industrial REIT and the Manager by the Requisitionists (including the Jan Requisition Letter, the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter) and the Trustee (including the Trustee 14 Feb Letter to Requisitionists and the Trustee Statements containing, among others, the Trustee 24 Jan Letter to Requisitionists and the Requisitionists 29 Jan Response to Trustee), the Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Requisition, and the Directors are not aware of any material facts the omission of which would make any statement in this Circular (save for the information and documents provided to the Manager by the Requisitionists and the Trustee) misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

The Manager assumes no responsibility for any of the contents of the Jan Requisition Letter, the Requisitionists 7 Feb Letter, the Requisitionists 29 Jan Response to Trustee and the Requisitionists 16 Feb Letter, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Jan Requisition Letter, the Requisitionists 7 Feb Letter, the Requisitionists 29 Jan Response to Trustee and the Requisitionists 16 Feb Letter. The views expressed in the Jan Requisition Letter, the Requisitionists 7 Feb Letter, the Requisitionists 29 Jan Response to Trustee and the Requisitionists 16 Feb Letter should not be construed in any way as representing the views of Sabana Industrial REIT or the Manager.

The Manager assumes no responsibility for any of the contents of the Trustee 14 Feb Letter to Requisitionists and the Trustee Statements, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 14 Feb Letter to Requisitionists and the Trustee Statements. The views expressed in the Trustee 14 Feb Letter to Requisitionists and the Trustee Statements should not be construed in any way as representing the views of the Manager.

Yours faithfully

Sabana Real Estate Investment Management Pte. Ltd.
(as manager of Sabana Industrial Real Estate Investment Trust)
(Company Registration Number: 201005493K)

Mr Tan Cheong Hin
Chairman and Independent Non-Executive Director

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Unitholders dated 22 February 2024
“Directors”	:	The directors of the Manager
“EGM”	:	The Extraordinary General Meeting of Unitholders to be held at Hope@New Tech Park, 151 Lorong Chuan, #02-06 (Lobby F) Singapore 556741 on 8 March 2024 at 10.30 a.m., to approve the matters set out in the Notice of EGM on pages G-1 to G-5 of this Circular
“First Requisition Notice”	:	The requisition notice from SGIC requesting the Manager to convene an extraordinary general meeting to consider certain resolutions
“Further EGMs”	:	Subsequent extraordinary general meetings of Unitholders which may be convened from time to time
“High Court”	:	The General Division of the High Court of the Republic of Singapore
“Internalisation Process”	:	The internalisation of the REIT management function by incorporating a subsidiary wholly owned by the Trustee and appointing such a subsidiary to act as the manager of Sabana Industrial REIT
“Internal Manager”	:	The wholly-owned subsidiary of the Trustee to be incorporated in order to replace the Manager to act as the manager of Sabana Industrial REIT
“Jan Requisition Letter”	:	The letter of requisition deposited at registered office of the Manager by the Requisitionists on 11 January 2024
“Latest Practicable Date”	:	20 February 2024, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST
“Manager”	:	Sabana Real Estate Investment Management Pte. Ltd., in its capacity as manager of Sabana Industrial REIT
“Notice of EGM”	:	Notice of Extraordinary General Meeting set out on pages G-1 to G-5 of this Circular
“Order 32 Application”	:	The originating application filed by the Trustee on 9 January 2024 with the High Court of Singapore under Order 32 of the Rules of Court 2021 of Singapore

“Ordinary Resolution”	:	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 Unitholders convened in accordance with the provisions of the Trust Deed
“Property Funds Appendix”	:	Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore
“REIT”	:	Real estate investment trust
“Requisition”	:	The request put forth by the Requisitionists to the Manager for the holding of an extraordinary general meeting to consider the proposals set out in the Requisition Letter
“Requisitionists”	:	The 10 Unitholders who collectively hold approximately 13.93% of the total issued units of Sabana Industrial REIT, of which Quarz Capital ASIA (Singapore) Pte. Ltd. holds 13.89% while the remaining nine individual Unitholders collectively hold 0.04%, who requested the Manager to convene an extraordinary general meeting of Sabana Industrial REIT to consider certain resolutions pursuant to the Requisition Letter
“Requisition Letter”	:	The Jan Requisition Letter as supplemented by the Requisitionists 7 Feb Letter and the Requisitionists 16 Feb Letter
“Requisitionists 29 Jan Response to Trustee”	:	The Requisitionists’ letter to the Trustee dated 29 January 2024 responding to the letter issued by the Trustee to the Requisitionists on 24 January 2024
“Requisitionists 7 Feb Letter”	:	The letter dated 7 February 2024 received by the Manager from the Requisitionists requesting to withdraw and/or modify some of the resolutions proposed in the Jan Requisition Letter
“Requisitionists 16 Feb Letter”	:	The Requisitionists’ letter to the Trustee dated 16 February 2024 responding to the letter issued by the Trustee to the Requisitionists on 14 February 2024
“Resolutions”	:	The resolutions as set out in the Notice of EGM
“Sabana Industrial REIT”	:	Sabana Industrial Real Estate Investment Trust
“SGIC”	:	Sabana Growth Internalization Committee
“SGIC Letter”	:	The open letter issued by SGIC on 5 December 2023 addressed to regulatory authorities
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Trust Deed”	:	The trust deed dated 29 October 2010 constituting Sabana Industrial REIT (as amended, varied, or supplemented from time to time)

“Trustee 9 Jan Statement”	:	The statement issued to Unitholders by the Trustee on 9 January 2024
“Trustee 23 Jan Statement”	:	The statement issued to Unitholders by the Trustee on 23 January 2024
“Trustee 24 Jan Letter to Requisitionists”	:	The Trustee’s letter to the Requisitionists dated 24 January 2024
“Trustee 30 Jan Statement”	:	The statement issued to Unitholders by the Trustee on 30 January 2024, containing, among others, the Trustee 24 Jan Letter to Requisitionists and the Requisitionists 29 Jan Response to Trustee
“Trustee 14 Feb Letter to Requisitionists”	:	The Trustee’s letter to the Requisitionists dated 14 February 2024
“Trustee 20 Feb Statement”	:	The statement issued to Unitholders by the Trustee on 20 Feb 2024
“Trustee Statements”	:	Collectively, the Trustee 9 Jan Statement, Trustee 23 Jan Statement, Trustee 30 Jan Statement and Trustee 20 Feb Statement
“Unit”	:	A unit representing an undivided interest in Sabana Industrial REIT
“Unit Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Unitholder”	:	The registered holder for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “Unitholder” shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore.

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

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

TRUSTEE 20 FEB STATEMENT

The Manager assumes no responsibility for any of the contents of the Trustee 20 Feb Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 20 Feb Statement.



20 February 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

STATEMENT BY HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED (IN ITS CAPACITY AS TRUSTEE OF SABANA INDUSTRIAL REIT) (THE "TRUSTEE") IN RELATION TO THE REQUISITIONED RESOLUTIONS (AS DEFINED BELOW)

1. We refer to:
 - (a) the requisition notice ("**Requisition Notice**") from certain unitholders ("**Unitholders**") of Sabana Industrial REIT ("**Requisitionists**") dated 10 January 2024 to the Manager to convene an extraordinary general meeting and table certain resolutions (the resolutions, as withdrawn and modified by the Requisitionists from time to time, the "**Requisitioned Resolutions**") to the Unitholders;
 - (b) the Trustee's Statement dated 30 January 2024 to Unitholders ("**Trustee's 30 January 2024 Statement**"), in relation to, amongst others, the Trustee's letter to the Requisitionists dated 24 January 2024 ("**Trustee's 24 January 2024 Letter**") seeking specific clarifications and explaining the Trustee's concerns in respect of the Requisitioned Resolutions, the Requisitionists' response to the Trustee's 24 January 2024 Letter ("**Requisitionists' 29 January 2024 Letter**") and the Trustee's further views on certain key matters referred to in the Requisitionists' 29 January 2024 Letter (collectively, the statements and correspondence referred to in (b) being the "**Earlier Correspondence**");
 - (c) the Manager's announcement dated 1 February 2024, stating that it intends to convene an extraordinary general meeting ("**Proposed EGM**") pursuant to the Requisition Notice; and
 - (d) the Manager's announcement dated 8 February 2024, in relation to the Requisitionists' letter dated 7 February 2024 in response to the Trustee's 30 January 2024 Statement, withdrawing and modifying certain Requisitioned Resolutions.
2. The Appendix to this letter contains the Trustee's statement (the "**Trustee's Statement on the Proposed EGM**") to all Unitholders in relation to its views on the Proposed EGM, the Requisitioned Resolutions and the potential uncertainty and issues associated with the implementation of the Requisitioned Resolutions, if passed.
3. Please publish this letter as an announcement via SGXNet and to the extent that the circular in relation to the Proposed EGM has yet to be despatched to Unitholders, include the Trustee's Statement on the Proposed EGM in the circular.

HSBC Institutional Trust Services (Singapore) Limited
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Company Registration No : 194900022R

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4. The Trustee urges Unitholders to carefully consider all the information that has been publicly disclosed in respect of the Requisitioned Resolutions, in making their decisions at the Proposed EGM, including the Trustee's Statement on the Proposed EGM.

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 STATEMENT TO UNITHOLDERS OF SABANA INDUSTRIAL REIT IN RELATION TO THE PROPOSED EGM

HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Industrial REIT) (the "**Trustee**") refers to the Manager's announcement dated 1 February 2024, stating that it intends to convene the Proposed EGM to table the Requisitioned Resolutions. The Trustee notes that, further to the Manager's announcement, there have been further amendments to the Requisitioned Resolutions proposed by the Requisitionists, and the Trustee's views herein are based on the latest version communicated to the Trustee.

Trustee's Views on the Proposed EGM and Requisitioned Resolutions

1. The Trustee's view is that it would not be beneficial to the progress of the internalisation, at this juncture, for the Proposed EGM to be convened or for the Requisitioned Resolutions to be tabled and passed. In fact, the Trustee considers that certain Requisitioned Resolutions, if passed, may be counter-productive to the overall implementation of the internalisation.
2. Given the substantial work which has already been done on the internalisation and that the Trustee already intends to convene an extraordinary general meeting (the "**Implementation EGM**") when all the material workstreams of the internalisation are ready for Unitholders' consideration in a holistic manner, the Trustee **urges Unitholders to carefully consider these matters (together with all the information that has been publicly disclosed) in making their decisions at the Proposed EGM.**
3. The Trustee had repeatedly explained its concerns in relation to the Requisitioned Resolutions, in correspondence with the Requisitionists (in the Earlier Correspondence as well as further correspondence).¹ The Trustee had invited the Requisitionists as appropriate to:
 - (a) clarify and provide material, meaningful information and explanation to the Unitholders to facilitate their decision-making at the Proposed EGM;
 - (b) amend certain of the Requisitioned Resolutions; and/or
 - (c) withdraw certain of the Requisitioned Resolutions.Whilst the Trustee notes and appreciates that the Requisitionists have taken some steps to address the above, many of the Trustee's concerns remain unaddressed.
4. The Trustee sets out below and in the Annex its specific concerns with each Requisitioned Resolution. In summary, the Trustee is of the opinion that certain Requisitioned Resolutions (taking into account the proposed amendments and withdrawals by the Requisitionists):
 - (a) are confusing and contradict and/or are inconsistent with the Unitholders' resolutions as passed at the extraordinary general meeting held on 7 August 2023 ("**7 August 2023 EGM**") – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 1, 7 and 8 set out in the Annex below;
 - (b) are not actionable or without clear basis and will present challenges and uncertainty in implementation, if passed – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 3 to 6 set out in the Annex below;

¹ Copies of the correspondence with the Requisitionists in relation to the Requisition Notice will be made available to Unitholders for inspection (by appointment) during regular business hours at the registered office of the Trustee upon request by email to the following email address: sabana.trustee@hsbc.com.sg.

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- (c) may place Sabana Industrial REIT potentially in breach of legal considerations– please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolution 9 set out in the Annex below; and/or
 - (d) are premature, unnecessary and/or likely to incur delay and further costs in respect of the internalisation – please see the Trustee's concerns on and (if passed) the Trustee's proposed actions in relation to Requisitioned Resolutions 1, 3, 4, 5, 6 and 10 set out in the Annex below.
5. The Trustee further notes that considerable time and resources have already been spent resolving ambiguities in and disagreements over the scope and effect of certain resolutions passed at the 7 August 2023 EGM, including necessitating a court application on the issue of amendments required to the trust deed constituting Sabana Industrial REIT ("**Trust Deed**") to effect the internalisation. **The Trustee urges Unitholders to consider if it would be in their interests for ambiguities and uncertainties surrounding the internalisation to be repeated or exacerbated by yet another set of Requisitioned Resolutions.**
 6. The Trustee wishes to highlight that if the Requisitioned Resolutions are passed, their overall effect – of unclear mandates, uncertainty, changes in direction, undermining work done so far and potential conflicts with legal and regulatory considerations – may necessitate the Trustee having to consider other appropriate next steps, if the Trustee arrives at a view that it is not able to properly implement the Requisitioned Resolutions (or any of such Requisitioned Resolutions) or that its work on the implementation cannot be discharged within the ambit of its duties and the applicable legal or regulatory confines.
 7. The Trustee hopes that Unitholders can appreciate that the Trustee has been committed to serving Unitholders' interests by seeing the internalisation through to an orderly and compliant completion and should be allowed to focus on progressing the substantive work of internalisation. Distractions are counter-productive and only serve to undermine the Trustee's efforts and progress.

Trustee's Intended Workplan and Chronology

8. As previously explained, the Trustee continues to work diligently, to progress all relevant workstreams to effect the internalisation. These workstreams are interdependent, nuanced and should not be over-simplified.
9. The Trustee intends to convene the Implementation EGM when all the material workstreams of the internalisation are ready for Unitholders' consideration in a holistic manner. Unitholders will have ample opportunity, at the time of the Implementation EGM, to debate, consider and approve, if appropriate, a complete internalisation plan that is capable of implementation. This will include, amongst others, material matters arising from the internal manager needing to be a regulated capital markets services licence holder and the resulting regulatory compliance, restrictions and funding implications for Sabana Industrial REIT and its Unitholders, which were not considered in the resolutions passed at the 7 August 2023 EGM.
10. As previously mentioned in various public update statements from the Trustee, the process of internalisation is expected to take at least 12 months and potentially significantly longer, and the Trustee strongly disagrees with any suggestion of delay on its part.
11. The Trustee would also remind Unitholders that it has consistently and categorically stated its position in respect of any required amendments to the Trust Deed to effect the internalisation. Given the differences in views and impact on Unitholders' interests as a whole, the Trustee has already applied for guidance from the courts of Singapore (the "**Court**") under Order 32 of the Rules of Court 2021 of Singapore (the "**Order 32 Application**") and a court hearing on this application is pending (the "**O32 Hearing**").
12. The Proposed EGM is now being convened and expected to be held before the O32 Hearing and the Implementation EGM. The Requisitioned Resolutions, if passed, will not help resolve or obviate the need for the ongoing work in respect of the O32 Hearing and the Implementation EGM.

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Instead, they will add uncertainty, conflict and confusion. The Trustee fails to see how this can be a desirable outcome for the efficient and orderly implementation of the internalisation as expeditiously as possible.

Conclusion

13. The Trustee would like to urge Unitholders to carefully consider the Requisitioned Resolutions, taking into account the foregoing.
14. As the Trustee continues to navigate through the internalisation process, the Trustee remains committed to protecting the best interests of Unitholders and supporting the long-term success of Sabana Industrial REIT. The Trustee is dedicated to carrying out the mandate from Unitholders at the 7 August 2023 EGM to the best of its ability, in an orderly and well-considered manner, despite various exigencies and inter-dependencies that have surfaced, including the Requisition Notice.
15. The uncertainties outlined in this statement are not exhaustive or comprehensive and Unitholders should carefully consider all the information that has been publicly disclosed in respect of the Requisitioned Resolutions, in making their decisions at the Proposed EGM, including this statement.
16. 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.

Important Information

Unitholders are advised to read this statement carefully. Unitholders should consider carefully the information contained in this statement before voting on the Requisitioned Resolutions. The risks described in this statement are by no means exhaustive or comprehensive, and there may be other risks in addition to those in this statement which are not known to the Trustee, or which may not be material now but may turn out to be material in the future. Additional risks, whether known or unknown, may in the future have an impact on the implementation of the Requisitioned Resolutions or the business, financial condition, operations and prospects of Sabana Industrial REIT.

The Trustee wishes to emphasise that there is no certainty or assurance as at the date of this statement that any discussion or prospects to implement the Requisitioned Resolutions will be successfully concluded or any definitive agreements or arrangements in relation to any matters set out in this statement will materialise or be entered into. The Trustee does not hold a capital markets services licence for real estate investment trust management. Before voting on the Requisitioned Resolutions, Unitholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

ANNEX

Trustee's Specific Response to each of the Requisitioned Resolutions and Potential Issues Associated with the Implementation of the Requisitioned Resolutions

The Trustee sets out below the latest version of the Requisitioned Resolutions as proposed by the Requisitionists and elaborates on (i) its views in respect of each of them; and (ii) the Trustee's proposed actions in relation to each Requisitioned Resolution, if passed.

(a) Requisitioned Resolution 1

RESOLUTION 1: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that Unitholders reject: (1) any proposal to acquire the existing REIT Manager (fully functioning REIT Manager with the necessary licenses, personnel, assets and an undertaking from the direct and indirect owners to fully support internalization) directly or indirectly for a maximum all-in offer price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction post 1 month of this resolution, and (2) any proposal to acquire any assets (including the employment contracts) of the existing Manager at any price.

Trustee's Views

- (i) As explained by the Trustee to the Requisitionists:
- (1) Resolutions 1 and 2 passed at the 7 August 2023 EGM (the "**Earlier Resolutions**") do not allow an acquisition of the shares of the Manager. Resolution 1 had expressly approved the removal of the Manager and Resolution 2(a) directed the Trustee to incorporate a new wholly-owned subsidiary to act as the internal manager instead.
 - (2) The combined effect of the Earlier Resolutions is clear, being to remove the existing Manager and create a new subsidiary of the Trustee to act as the new internal manager.
 - (3) On that basis, the Trustee had in the last several months proceeded with substantive work in respect of the incorporation of the new internal manager entity and the necessary groundwork for the licensing and capitalisation of such entity.
 - (4) The acquisition of the shares of the removed Manager is not contemplated by the Earlier Resolutions, and the Trustee has not been working towards that.
 - (5) The Requisitionists now belatedly, in direct contradiction to the Earlier Resolutions, suggest that the Trustee can in fact acquire the existing Manager (which has been removed by Earlier Resolution 1) and pay up to S\$10,000,000 for it.
 - (6) By contrast, the Earlier Resolutions directed the Trustee to consider the retention of Sabana Industrial REIT's existing staff in order to maintain the continuity of operations. These existing staff remain in the employ of the existing Manager and hiring them for the new internal manager will entail the transfer of their employment to the new internal manager. The Trustee has been working on this as a possible option for the staffing, stability and continuity of the internalised operations.
 - (7) The Requisitionists have failed to explain the logic of paying up to \$10 million for a removed Manager (including its employees) but nothing for a direct transfer of these same employees, and how the Requisitionists expect that this can be achieved without any fee to be paid to the Manager at all when these same employees continue to be employed by the existing Manager until further notice.

- (ii) Unitholders should also seriously consider the effect of the mixed messages between the Earlier Resolutions and Requisitioned Resolution 1 on staff retention / recruitment, stability and continuity of operations for Sabana Industrial REIT whether through the interim Manager or the new internal manager.

Trustee's Proposed Actions

(iii) **If Requisitioned Resolution 1 is passed:**

- (1) **the Trustee will need to cease all discussions in relation to any acquisition of the assets (including employees) of the Manager, as directed by Requisitioned Resolution 1;**
- (2) **in relation to an acquisition of the shares of the Manager, the Trustee will need to:**
 - (A) **engage with the regulators to explore the feasibility of the acquisition of shares in the Manager and internalising the current Manager, as this would be in direct contradiction with Unitholders' directions to remove the Manager at the 7 August 2023 EGM; and**
 - (B) **subject to regulatory concerns being resolved, engage in discussions with the shareholder of the interim Manager to explore an acquisition of the shares of the Manager for up to the maximum prescribed price; and**
- (3) **the Trustee will need to concurrently consider other options to establish a functional internal manager.**

The Trustee cautions that there is no certainty that any of these options will ultimately be feasible or will materialise. There will likely be delay and additional costs for these additional proposals (which have been belatedly introduced by the Requisitionists at this stage) to be explored.

(b) Requisitioned Resolution 2

RESOLUTION 2: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all Sabana unitholders with a written update on the internalization process every month, including without limitation, the costs incurred for advisors, consultants etc.

Trustee's Views

- (i) Requisitioned Resolution 2 is not necessary, as the Trustee already provides updates as and when there are material developments, approximately once a month. The current frequency and content of updates are designed to support the execution of the internalisation while balancing the interest of Unitholders to receive material updates in a timely manner.²

Trustee's Proposed Actions

- (ii) **If Requisitioned Resolution 2 is passed, the Trustee has no objections in-principle to complying with this direction.**

² See further paragraph 9 of the Trustee's 24 January 2024 Letter.

(c) Requisitioned Resolution 3

RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee ("Internalization Committee") consisting of Mr. Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, and the Internalization Committee, in their capacity as the authorised representative of all unitholders, shall be consulted by the Trustee and supervise the implementation of Internalization.

Trustee's Views

- (i) The Trustee has serious concerns about the implementation of Requisitioned Resolution 3, if passed. It is inappropriate for a professional licensed trustee with strict regulatory obligations to be "supervised" by non-licensed, non-regulated persons.
- (ii) Despite the Trustee's requests for clarifications, the Requisitionists have not adequately explained the terms of reference of the proposed Internalization Committee and the basis for the "supervisory" role of the Internalization Committee in the current regulatory framework applicable to the Sabana Industrial REIT, under law or the Trust Deed. This introduces more room for disagreements and delay to the internalisation, if Requisitioned Resolution 3 is to be passed.
- (iii) The Trustee has a duty of care to all Unitholders and must act in the best interest of all Unitholders, as prescribed by the Trust Deed, statute and law.
- (iv) The Internalization Committee and the proposed committee members, who are themselves Unitholders, are not subject to the same regulatory obligations or duties as the Trustee. It is also unclear how the Internalization Committee will be similarly accountable and responsible to all Unitholders.
- (v) Even if the Internalization Committee is approved by Unitholders, the Trustee will continue to be the party that is obliged to discharge its duties (as prescribed by the Trust Deed, statute and law) in implementing the internalisation.
- (vi) Accordingly, even if Requisitioned Resolution 3 is passed, the Trustee will need to exercise independent judgment and act within the contours of its duties and obligations, in considering the views expressed by the Internalization Committee, just as how the Trustee already does so in considering the views from all other Unitholders (including the Requisitionists).
- (vii) The Trustee may be unable to act upon directions or instructions from the Internalization Committee which conflict with its discharge of duties and/or would be an abrogation of the Trustee's powers and duties.

Trustee's Proposed Actions

- (viii) **If Requisitioned Resolution 3 is passed:**
 - (1) **The Trustee will need to establish the Internalization Committee with an appropriate set of terms of reference and receive the committee's views.**
 - (2) **The Trustee remains the party to implement the internalisation, the Trustee cannot simply give effect to the committee's views.**

- (3) **The Trustee will need to assess the committee's views independently, and subject to its legal duties to all Unitholders (including engaging with regulators where appropriate or required) in the same way as the Trustee does currently when public and private correspondence is received from the Unitholders expressing views.**
- (4) **Unitholders should note that in the event that there are directions, views or instructions from the Internalization Committee which conflict with the discharge of Trustee's duties and/or would be an abrogation of the Trustee's powers and duties, the Trustee may have to convene further extraordinary general meetings or make further applications to Court to resolve any key differences of opinions and interpretation of law as appropriate.**

Further costs and delay may be unavoidable in such circumstances.

- (d) Requisitioned Resolutions 4, 5 and 6

RESOLUTION 4: That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the Trust Deed, the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalization; and (b) the Trustee's opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) [sic] necessary to effect internalization may adversely affect the interests of the Manager and its sponsors, whether directly or indirectly, given that internalization would affect the fee income of the Manager and its sponsors.

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalization of the REIT management function, "*does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders*" according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.

RESOLUTION 6: That the Trustee be directed to ensure that it and its advisors undertake their best endeavors to (1) implement the Internalization process without any amendments to the Trust Deed; (2) ensure that any proposed amendments to the Trust Deed are absolutely necessary to effect Internalization; (3) seek any necessary waivers from the regulators to implement Internalization; and (4) if any amendments to the Trust Deed referred to in Resolution 5 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.

Trustee's Views

- (i) The Trustee has repeatedly and categorically stated its position in respect of the need for (a) amendments to the Trust Deed to effect the internalisation; and (b) such amendments to be approved by Unitholders by special resolution, which have formed the basis of the Trustee's Order 32 Application, namely:
 - (1) the proposed amendments to the Trust Deed ("**Proposed Trust Deed Amendments**") as identified by the Trustee are necessary to effect the internalisation, but it cannot be said with certainty that they will not materially prejudice the interests of Unitholders;

- (2) in respect of Requisitioned Resolution 6, the Trustee reiterates its view that the Trustee's power under Clause 28.2.1 of the Trust Deed is in the nature of a discretion and not an obligation; and
 - (3) accordingly, the Trustee will not be providing a certification in respect of the Proposed Trust Deed Amendments, which should be subject to Unitholders' due consideration and approval at an extraordinary general meeting.
- (ii) The Trustee is not obliged to and cannot be directed to undertake something which, in the exercise of its judgment and powers as Trustee, it does not consider to be in the best interests of the Unitholders.

Trustee's Proposed Actions

- (iii) **If Requisitioned Resolutions 4 to 6 are passed, in view of the lack of clarity on how these Requisitioned Resolutions will interplay with the Order 32 Application, these Requisitioned Resolutions will not be appropriate or actionable at this juncture before the Court provides guidance and clarity on the issues under the Order 32 Application. The Trustee may also need to seek further guidance from the Court in relation to the implementation of these Requisitioned Resolutions. This will result in delay and likely additional costs in the implementation of the internalisation.**

- (e) Requisitioned Resolutions 7 and 8

RESOLUTION 7: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up and no amendment to the Trust Deed is required.

RESOLUTION 8: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder's right to approve any change of control in the internal manager in the management agreement with the internal manager and no amendment to the Trust Deed is required.

Trustee's Views

- (i) Earlier Resolutions 2(d), (e) and (f) passed at the 7 August 2023 EGM have expressly directed the Trustee to amend the Trust Deed to provide for the matters contemplated in Requisitioned Resolutions 7 and 8. On this basis, the Trustee had in the last several months proceeded with substantive work to consider and formulate the necessary Proposed Trust Deed Amendments, as well as address potential regulatory implications via consultations with regulators.
- (ii) The Requisitionists now belatedly, in direct contradiction to the Earlier Resolutions, suggest that the provisions will not be incorporated into the Trust Deed but in the internal manager's constitution and "management agreement", despite the Trustee's concerns as to the lack of enforceability by and/or against Unitholders in such a scenario as expressed in Earlier Correspondence.³
- (iii) The Trustee reiterates its existing positions on the subject matters of Requisitioned Resolutions 7 and 8,⁴ namely that these governance provisions are necessary to be included as part of the Proposed Trust Deed Amendments to be binding on and for the benefit of all Unitholders.

³ See, for e.g., paragraph 3 of the Trustee's 24 January 2024 Letter and paragraph 9(c)(i)(3) of the Trustee's 30 January 2024 Statement.

⁴ See further Paragraph 3(b)(i) of Trustee's 24 January 2024 Letter.

Trustee's Proposed Actions

- (iv) **If Requisitioned Resolutions 7 and 8 are passed, in view of the lack of clarity on how these Requisitioned Resolutions will interplay with the Order 32 Application, these Requisitioned Resolutions will not be appropriate or actionable at this juncture before the Court provides guidance and clarity on the issues under the Order 32 Application. The Trustee may also need to seek further guidance from the Court in relation to the implementation of these Requisitioned Resolutions. This will result in delay and likely additional costs in the implementation of the internalisation.**

(f) **Requisitioned Resolution 9**

RESOLUTION 9: That in view that the Trustee has indicated in its statement of 7 November 2023 that *"it is and will remain, neutral and independent of the Manager"*, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose, to the extent permitted by law, a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed.

Trustee's Views

- (i) This resolution appears to be aimed at questioning the Trustee's neutrality and independence and requiring proof thereof. The Trustee strongly disputes any suggestions that the Trustee is not neutral or independent but in the interests of moving forward had indicated that it is agreeable to this resolution subject to appropriate safeguards for Sabana Industrial REIT.
- (ii) The Trustee wishes to highlight that information sought to be disclosed under Requisitioned Resolution 9 is subject to existing confidentiality restrictions between the Trustee and the Manager and its owner and related parties. The Trustee had suggested to the Requisitionists that as is usual and fair, information disclosure should only be to the extent permitted by law and confidentiality obligations. The Trustee notes that the Requisitionists have rejected the Trustee's proposed amendments to Requisitioned Resolution 9 to provide for the latter.

Trustee's Proposed Actions

- (iii) **If Requisitioned Resolution 9 is passed, the Trustee will seek consent from relevant counterparties for the disclosure of the requested information and work with the relevant counterparties to provide an update which is in compliance with the confidentiality obligations.**

If the relevant counterparties do not consent to the disclosure of such information, the Trustee, in implementing Requisitioned Resolution 9, may cause Sabana Industrial REIT to be in breach of those confidentiality obligations. In that scenario, should a successful claim be made by the relevant counterparties, the Trustee wishes to highlight to Unitholders that any remedies and compensation for such breach will need to be indemnified out of Sabana Industrial REIT's assets, in accordance with the provisions of the Trust Deed.

(g) Requisitioned Resolution 10

RESOLUTION 10: That if the Trust Deed is proposed to be amended in connection with the internalization, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation, guidance and/or directions from the Monetary Authority of Singapore (MAS), the Singapore Exchange Securities Trading Limited ("SGX RegCo") and the High Court of Singapore in the Trustee's ongoing application in HC/OA 19/2024 on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) whether they ought to be permitted to vote in relation to any such resolution to amend the Trust Deed for the aforesaid or any other reason.

Trustee's Proposed Actions

- (i) **If Requisitioned Resolution 10 is passed:**
- (1) **the Trustee will take further steps to write to the MAS and/or the SGX RegCo to seek their respective views on the issue of whether the Manager and its shareholders and related parties are entitled to vote on the Proposed Trust Deed Amendments ("Voting Issue"); and**
 - (2) **subject to obtaining clarity on the existing prayers in the Order 32 Application as to whether an extraordinary general meeting is required to consider the Proposed Trust Deed Amendments and/or further directions from the Court, the Trustee is prepared to take further steps to place the Voting Issue before the Court.**

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REQUISITIONISTS 16 FEB LETTER

The Manager assumes no responsibility for any of the contents of the Requisitionists 16 Feb Letter, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Requisitionists 16 Feb Letter. The views expressed in the Requisitionists 16 Feb Letter should not be construed in any way as representing the views of Sabana Industrial REIT or the Manager.



Date: Friday 16th February 2024

Attention: HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as Trustee of Sabana Industrial REIT
10 Marina Boulevard
48-01 Marina Bay Financial Centre
Singapore 018983

Dear Mr Desousa and Ms Liao,

Clarifications and Amendments of Requisition Notice Dated 10 January 2024 in
Response to Trustee's Request for Clarifications and Amendments Dated 14
February 2024

1. The unitholders of Sabana Real Estate Investment Trust ("**Sabana Industrial REIT**") ("**Unitholders**") refer to the Trustee's letter dated 14 February 2024 ("**Trustee's 14 February 2024 Letter**").
2. The Unitholders are highly disappointed that Trustee has again not provided any real response to Unitholders' letters dated 29 January 2024 and 7 February 2024.
3. Since 21 August 2023 (and in our letter to MAS, SGX RegCo and Ministry of Finance dated 5 December 2023), the Unitholders have clearly and repeatedly said that the Internalization will fail if the Trustee maintains its position that:
 - a. the Trust Deed needs to be amended; and
 - b. the Trustee will not be providing the certification under Clause 28.2 of the Trust Deed, despite the fact that the internalization of the Sabana Industrial REIT ("**Internalization**") clearly confers value to Unitholders and the fact that under the Trust Deed, the Trustee ought to work towards effecting the Unitholders' decision to implement the Internalization passed by Unitholders at the 7 August 2023 EGM.
4. This is because if the matter is put to a vote at the EGM, it is clear that the Sabana Real Estate Investment Management Pte. Ltd (in its capacity as manager of the Sabana Industrial REIT) ("**Manager**"), the shareholders of the Manager, and other related parties will block any resolutions to amend the Trust Deed for Internalization. The Trustee has remained silent on whether the Manager, its shareholders and other related parties ought to be allowed to vote.
5. Unitholders invite the Trustee to state its position on what it intends to do in the event that the Manager, its shareholders and other related parties vote against the Trustee's proposed



amendments to the Trust Deed, given that there has already been a clear direction by a majority of Unitholders to Internalize.

6. The Unitholders also note that the Trustee has already spent a substantial S\$3.2 million of Unitholders' monies in 2H2023 on the Internalization process.
7. To this end, the Unitholders are deeply dissatisfied with the Trustee's position on Internalization and the Trustee's apparent lack of clarity and progress vis-à-vis the Internalization despite spending a substantial amount of Unitholders' monies.
8. That said, the Unitholders reiterate their strong interest in working together with the Trustee to ensure the successful implementation of the Internalization.
9. It is for this reason that the Unitholders have requisitioned this EGM.
10. In the Unitholders' view, this EGM will help provide clarity and direction to the Trustee as to the intentions of the Unitholders. This will in turn result in time and cost savings for the Unitholders by way of minimising the issues and need for further EGMs.
11. In response to the Trustee's 14 February 2024 Letter, which requested the Requisitionists to modify and/or withdraw some of the resolutions (individually, "**Requisitioned Resolution**", collectively, "**Requisitioned Resolutions**"), the Requisitionists have modified the Requisition Notice submitted on 10 January 2024 ("**Requisitionists' Proposed Amendments**").
12. The Requisitionists highlight that these modifications are done with the intention of providing clarity to the Trustee as regards the Unitholders' views on the Internalization process. The substance of the Requisitioned Resolutions remain unchanged. In this connection, the Requisitionists would be grateful if the EGM can be conducted without further changes to the existing timeline. This will lead to time and costs savings, which are ultimately beneficial to all Unitholders.
13. Please find the **Requisitionists' Proposed Amendments** below. For ease of reference, we have maintained the numbering of the original Requisitioned Resolutions and have also set out the Trustee's version of the Requisitioned Resolutions as set out in the Trustee's 14 February 2024 Letter ("**Trustee's Proposed Amendments**").

Trustee's Proposed Amendments

RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject any proposal to acquire the **assets of the existing REIT Manager for the purposes of resourcing the internal manager and for the benefit of Sabana Industrial REIT**, directly or indirectly for a maximum all-in offer



price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction **shall not be entered into** post 1 month of this resolution.

Requisitionists' Amendments

RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that Unitholders **reject: (1) any proposal to acquire the existing REIT Manager (fully functioning REIT Manager with the necessary licenses, personnel, assets and an undertaking from the direct and indirect owners to fully support internalization) directly or indirectly for a maximum all-in offer price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction post 1 month of this resolution, and (2) any proposal to acquire any assets (including the employment contracts) of the existing Manager at any price.**

14. In the Requisition Letter on dated 7 June 2023, it is clearly stated that:

"Once Unitholders cease all payment of fees to Sabana's External Manager, it is very likely that the External Manager will have to terminate most of its employees. This is as 100% of all revenue and profits of the External Manager are contributed by Sabana REIT and Unitholders.

The new Internal Manager welcomes all management and staffs who prioritise the interest of and are aligned with Unitholders to join the refreshed team.

We look forward to the new Internal Manager hiring the best and the brightest from this strong talent pool, complemented by hires from the old External Manager, so that it is best placed to achieve the goal of increasing DPU and unit price".

15. Nothing in Resolutions 1 and 2 passed at the 7 August 2023 EGM provides any explicit direction to the Trustee to purchase assets or employment contracts of the existing REIT Manager.
16. As such, if the Trustee has been negotiating with the indirect or direct owner of the REIT Manager to purchase its assets (including employment contract), this has neither been sanctioned nor approved by Unitholders.
17. To further remove any doubt, the Unitholders have amended Requisitioned Resolution 3 to provide further clarity to the Trustee on the matter of acquiring assets from the Manager. Until Requisitioned Resolution 3 is voted on, the Trustee should stop all discussion on asset acquisition (including employment contracts) from the Manager. Please table the resolution with the latest amendments.



Trustee's Proposed Amendments

RESOLUTION 4: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all Sabana unitholders with a written update on the internalization process every ~~2 weeks~~ month, including without limitation, the costs incurred for advisors, consultants ~~and any deviations or delays from the proposed Implementation Timeline for internalization,~~ etc.

Requisitionists' Amendments

NIL

18. Unitholders are agreeable to the Trustee's proposed amendment to Requisitioned Resolution 4. Please table the resolution.

Trustee's Proposed Amendments

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee ("Internalization Committee") ~~comprising of at least 5 individuals to oversee the internalization process according to the Implementation Timeline, of which at least 2 individuals shall be proposed by the Sabana Growth Internalization Committee (SGIC) and the remaining 3 individuals shall be proposed, appointed and/or removed by majority vote of the unitholders, consisting of Mr. Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, who, subject to the entry by the committee members into confidentiality and dealing restriction undertakings and applicable law, shall be entitled to be consulted by the Trustee, to the extent reasonable, practicable and permitted in the Trustee's discretion, as to their views on the implementation of the Internalisation. who shall be consulted by the Trustee and supervise the implementation of Internalization as unitholder representatives.~~

Requisitionists' Amendments

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee ("Internalization Committee") consisting of Mr. Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, ~~and the Internalization Committee, in their capacity as the authorised representative of all unitholders,~~ shall be consulted by the Trustee and supervise the implementation of Internalization.



19. We repeat that the direction to the Trustee to effect Internalization is provided for by Unitholders in the 7 August 2023 EGM.
20. In the same way, Requisitioned Resolution 5 will be tabled and voted on by the Unitholders. If Requisitioned Resolution 5 is passed, the Internalization Committee will be empowered and have the mandate to represent all Unitholders in consultations with the Trustee and in the supervision of the Internalization. For the avoidance of doubt, this means that the Internalization Committee is the authorised representative of all Unitholders.
21. Requisitioned Resolution 5 also signifies that the Unitholders permit the selective disclosure of information to the Internalization Committee to facilitate the Internalization process.
22. Schedule 1, Clause 23 of the Trust Deed clearly states that *“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. As the Trustee itself has conceded, nothing in the Trust Deed or regulatory framework applicable to the Sabana Industrial REIT states that the Internalization Committee and its members cannot assume a supervisory role and be consulted by the Trustee in the Internalization process.
24. Further, nowhere in the Trust Deed is it stated that the Trustee cannot act upon the directions and instructions of the Internalization Committee and its members if this is voted in by Unitholders.
25. If the Requisitioned Resolution 5 is voted through, this will mean that Unitholders have expressed their clear intention to have the Internalization Committee be consulted by the Trustee and supervise the implementation of the Internalization.
26. Again, the Trustee has not identified what *‘discretion expressly conferred on the Trustee’* that it wishes to exercise under Clause 2.9.2 of the Trust Deed
27. Requisitioned Resolution 5 is also tabled due to the challenges the Trustee has claimed to have encountered in the implementation of the Internalization (despite more than 40 REIT managers being set up in Singapore in a timely and cost-effective manner) and the substantial amount of Unitholders’ monies which the Trustee has spent in the process. If Unitholders are to pass Requisitioned Resolution 5, this would clearly mean that Unitholders strongly believe and want to empower the Internalization Committee to support and supervise the Internalization process.



28. The Unitholders retain Requisitioned Resolution 5. Any potential dealing restrictions can be put in place, if strictly necessary, after the Internalization Committee and its members are voted in. Please table the resolution with the latest amendments.

<p><u>Trustee's Proposed Amendments</u></p> <p>NIL</p>
<p><u>Requisitionists' Amendments</u></p> <p>RESOLUTION 6: That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the Trust Deed, the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect Internalization; and (b) the Trustee's opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect Internalization may adversely affect the interests of the Manager and its sponsors, whether directly or indirectly, given that Internalization would affect the fee income of the Manager and its sponsors.</p> <p>RESOLUTION 7: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect Internalization of the REIT management function, "<i>does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders</i>" according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.</p> <p>RESOLUTION 8: That the Trustee be directed to ensure that it and its advisors undertake their best endeavors to (1) implement the Internalization process without any amendments to the Trust Deed; (2) ensure that any proposed amendments to the Trust Deed are absolutely necessary to effect Internalization; (3) seek any necessary waivers from the regulators to implement Internalization; and (4) if any amendments to the Trust Deed referred to in Resolution 7 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.</p>

29. The Unitholders disagree with the Trustee view that Requisitioned Resolutions 6, 7 and 8 are not meaningful.



30. The Unitholders have consistently reiterated that while the Trustee has discretion under Clause 28.2 of the Trust Deed, this discretion must be exercised bearing in mind the beneficiaries' intentions and the parameters set out under Clause 28.2.
31. The Unitholders strongly believe that the outcome of the EGM, based on the democratic rights of Unitholders to exercise their rights to vote, may provide clarification to the Court in the Order 32 Application on Unitholders' position on Internalization.
32. As such Unitholders will not amend Requisitioned Resolutions 6 and 7. Please table the resolutions.
33. Requisitioned Resolution 8 is amended to ensure that the Trustee is directed to ensure that Trustee and its advisors undertake to implement the Internalization without any amendments to the Trust Deed to the best of their ability, and to amend the Trust Deed only if it is absolutely necessary to effect Internalization.
34. The Unitholders have repeated many times that the Trustee should execute the Internalization in a manner which results in the least obstacles possible to Unitholders.
35. The passing of Requisitioned Resolution 8 will further confirm Unitholders' position on this. Please table the resolution with the latest amendments.

<p><u>Trustee's Proposed Amendments</u></p> <p>NIL</p>
<p><u>Requisitionists' Amendments</u></p> <p>RESOLUTION 9: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable Unitholders to appoint, vote in, remove, and re-elect directors in the constitution of the internal manager to be set up and no amendment to the Trust Deed is required.</p> <p>RESOLUTION 10: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder's right to approve any change of control in the internal manager in the management agreement with the internal manager and no amendment to the Trust Deed is required.</p>

36. As mentioned in our letter dated 29 January 2024, Requisitioned Resolutions 9 and 10, if passed by Unitholders, shall supersede Resolutions 2(d) to 2(f) passed at the 7 August 2023 EGM.



37. We have amended Requisitioned Resolutions 9 and 10 to provide more clarity that unitholders would like to have their governance and unitholders' rights implemented in a certain manner.
38. It bears mentioning that Croesus Retail trust, in its Internalization process, has also incorporated these governance rights in a similar manner.
39. To this end, if Requisitioned Resolutions 9 and 10 are passed by the Unitholders, the Trustee should respect the wishes of the Unitholders as to how they would like their governance and Unitholders' rights to be implemented. Please table the resolutions with the latest amendments.

Trustee's Proposed Amendments

RESOLUTION 11: That in view that the Trustee has indicated in its statement of 7 November 2023 that "*it is and will remain, neutral and independent of the Manager*", the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose, **to the extent permitted by law and confidentiality obligations**, a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed.

Requisitionists' Amendments

RESOLUTION 11: That in view that the Trustee has indicated in its statement of 7 November 2023 that "*it is and will remain, neutral and independent of the Manager*", the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose, **to the extent permitted by law**, a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed.

40. We repeat that the direction given to the Trustee to effect Internalization is provided for by Unitholders in the 7 August 2023 EGM. The Trustee has, on behalf of the Unitholders, undertaken discussions on the Internalization process with the owner, beneficiaries, and/or the related parties of the Manager. It is thus clear that the Unitholders, as owners of the REIT are, by extension, related parties and should also be privy to these discussions on Internalization.
41. In the same way as Unitholders are entitled to regular updates from the Manager (semi-annual and annual reports) regarding their investment, the Unitholders are entitled to all information about the status of the Internalization. In other words, Unitholders are by nature



a necessary party to any discussions on Internalization, and no information should be withheld from them.

42. If the Trustee has signed any confidentiality agreement with these parties even though it is clear that the Unitholders and the Sabana Industrial REIT are clearly parties to any discussions on the Internalization process between the Trustee and the owners, beneficiaries, and/or the related parties of the Manager, it is also clear that the Trustee should solely bear all cost and the consequence of breaching any confidentiality agreement it has signed with the other parties without passing these costs to the Unitholders. Please table the resolution with the latest amendments.

<u>Trustee's Proposed Amendments</u>
RESOLUTION 12: NIL
<u>Requisitionists' Amendments</u>
RESOLUTION 12: NIL
<u>Proposed Resolution with no Amendments</u>
RESOLUTION 12: That if the Trust Deed is proposed to be amended in connection with the internalization, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation, guidance and/or directions from the Monetary Authority of Singapore (MAS), the Singapore Exchange Securities Trading Limited ("SGX RegCo") and the High Court of Singapore in the Trustee's ongoing application in HC/OA 19/2024 on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) whether they ought to be permitted to vote in relation to any such resolution to amend the Trust Deed for the aforesaid or any other reason.

43. As explained above, all critical questions on the implementation of the Internalization process should be answered first before more Unitholders' monies are spent by the Trustee in effecting the same.
44. The Unitholders have on multiple occasions requested that the Trustee confirm its position on whether the Manager, its shareholders and/or the related parties of the Manager and/or shareholders can vote in any resolutions to amend the Trust Deed, notwithstanding the fact that these parties are interested parties and/or are parties in a position of conflict of interest. That the Trustee answer this question is critical to the success or failure of Internalization.
45. This is because the Manager, its shareholders and/or the related parties of the Manager and/or shareholders are clearly against Internalization. Internalization will directly impact



these parties' fee income from and the value of the Manager. In this regard, the Manager, its shareholders and/or the related parties of the Manager and/or shareholders will likely vote against any resolutions to amend the Trust Deed for the purposes of effecting Internalization (where the Trustee is of the view that such amendments are absolutely necessary for the purposes of effecting Internalization).

46. By having clear guidance from the regulators and the court on the above, the Unitholders will be able to better understand how to proceed with the Internalization process before more Unitholders' monies are expended by the Trustee on the same.
47. The Unitholders will retain and table Resolution 12 such that if the resolution is passed, unitholders propose to work together with the Trustee and/or their solicitors on the precise phrasing of any court application.
48. In addition, at paragraph 11(b) of the Trustee's 14 February 2024 Letter, the Trustee states that it may not be in the interest of the Unitholders "as a whole" to "*utilise and expend trust resources to consider the Voting Issue*". With respect, the additional costs of applying for one additional Court order is insignificant compared to the overall costs of the Trustee's Order 32 Application. Please table Resolution 12.
49. Please find the profile of the proposed committee members: Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath

Mr. Imran Chng Pia Ser

Mr. Imran Chng Pia Ser was Account Director at UEMS Solutions Pte. Ltd., a leading Integrated Facilities Management Company in Singapore, and previously worked as a Portfolio Director at JLL Property Consultancy. He was also the Vice-President/Deputy GM at CPG Facilities Management.

Mr. Chng graduated with Bachelor of Science (Real Estate) from the National University of Singapore.

Mr. Chng is an accomplished property and facilities management professional with over 21 years of experience managing large-scale residential, industrial and retail properties with a strong financial background.

Mr. Lim Hock Chuan

Mr. Lim Hock Chuan worked as Senior Engineering Manager at RWDC, a startup company in bio-degradable plastic, from 2020 until 2023. He previously was Electrical & Control Engineering Manager at Mckeeson Consultants Pte. Ltd., with postings in Brazil and



Malaysia. Prior to that, Mr. Lim was in charge of several engineering projects at Emerson Process Management Asia Pacific and M.E.I. Project Engineers.

Mr. Lim has an Advanced Diploma in Control & Instrumentation from Singapore Polytechnic and a Diploma in Engineering & Communication Engineering from Singapore Polytechnic.

Mr. Lim has more than 20 years of experience in the project management of large scale, high value and highly complex projects

Mr. Havard Chi Cher Pan

Mr. Havard Chi Cher Pan is the Head of Research at Quarz Capital ASIA, a value investment firm that invests in undervalued equities across Developed Asia. Prior to that, he was a Portfolio Manager at Bellevue Group in Switzerland.

Mr. Chi graduated with a Master of Arts in Banking and Finance from the University of St.Gallen in Switzerland and has a Bachelor of Science in Economics from the National University of Singapore.

Mr. Chi has more than 10 years of experience in finance and macroeconomics as well as real estate investing, especially Singapore, Japan and Australian REITs.

Mr. Low Chin Yee

Mr. Low Chin Yee has over 20 years' experience in finance and investing. He has been working since 2009 as a trading representative for CGSI Securities Pte. Ltd and previously worked in Institutional Sales for JM Sassoon Securities Pte. Ltd.

Mr. Low was also one of the requisitionists at the Sabana Industrial REIT EGM in 2017.

Mr Low graduated with a degree in Accountancy from the National University of Singapore.

Mr. Jan Frederic Moermann

Mr. Jan Frederic Moermann is the Founder and Chief Investment Officer of Quarz Capital ASIA (Singapore), a value oriented and research-driven asset manager.

Mr. Moermann graduated with a M.A. in Banking and Finance from the University of St.Gallen.

Mr. Moermann has more than 15 years of investing experience including in real estate investing, especially in Singapore, Japan and Australian REITs.



Mr. Saha Anshuman Manabendranath

Mr. Saha Anshuman Manabendranath worked as Vice President (Business Development) at Pan Asia Resources in Singapore, a company focusing on IT consulting, IT solutions and management consulting.

Mr. Saha previously was Regional Sales Manager (APAC) at ATS Global, an independent solution provider for smart digital transformation.

Mr. Saha graduated with a B.E. in Chemical Engineering from the Maharaja Sayajirao University of Baroda

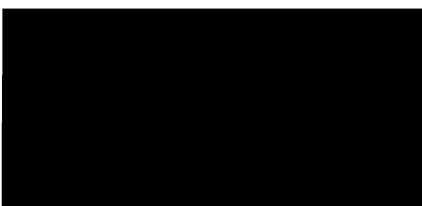
Yours Sincerely,

Requisitionists of the EGM

Members of Sabana Growth Internalization Committee (SGIC)



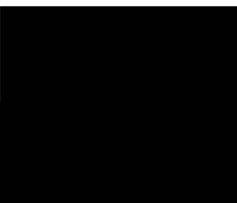
Name of Unitholder: Quarz Capital ASIA (Singapore) Pte. Ltd



Jan Frederic Moermann

Chief Investment Officer

Quarz Capital ASIA (Singapore) Pte. Ltd



Havard Chi

Unitholder and Head of Research

Quarz Capital ASIA (Singapore) Pte. Ltd



Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

Signature: [REDACTED]



Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

Signature: [REDACTED]



Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

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Identity Card No: [REDACTED]

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Full Name of Unitholder: [REDACTED]

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Signature: [REDACTED]

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JAN REQUISITION LETTER

The Manager assumes no responsibility for any of the contents of the Jan Requisition Letter, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Jan Requisition Letter. The views expressed in the Jan Requisition Letter should not be construed in any way as representing the views of Sabana Industrial REIT or the Manager.

Unitholders should refer to and note the clarifications sought and questions raised by the Trustee and the Requisitionists 29 Jan Response to Trustee set out in the Trustee 30 Jan Statement as contained in Appendix D, as well as the clarifications sought and questions raised by the Trustee and the Requisitionists 16 Feb Letter as contained in Schedule II.



Date: Wednesday 10 Jan 2024

Attention: The Board of Directors

Sabana Real Estate Investment Management Pte. Ltd.
(As Manager of Sabana Industrial REIT)
151 Lorong Chuan
2-03 New Tech Park
Singapore 556741

Dear Sirs,

**RE: REQUISITION TO CONVENE AN EXTRAORDINARY GENERAL MEETING
PURSUANT TO PARA 4.1(b) OF APPENDIX 6 OF THE CODE ON COLLECTIVE
INVESTMENT SCHEMES**

1. We are unitholders holding more than 10% of the total units of SGX-listed Sabana Industrial Trust (“**Sabana REIT**”, “**Sabana**” or “**Trust**”) managed by Sabana Real Estate Investment Pte Ltd (“**Sabana REIT Manager**”, “**SREI**”, “**Manager**” or “**Sabana Manager**”) and are hereby giving notice of requisition to convene an Extraordinary General Meeting (“**EGM**”) and table the following resolutions to unitholders for the purposes of passing the following resolutions:

ORDINARY RESOLUTIONS

RESOLVED:

RESOLUTION 1: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider, and if thought fit, to adopt the proposed implementation timeline for the setting up of a new internal manager and the internalization process as set out in the Annex (the “**Implementation Timeline**”) with or without modifications, and to provide the reasons and basis for any modifications of the proposed Implementation Timeline.

RESOLUTION 2: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to ensure that the Implementation Timeline shall concurrently be carried out without delay, notwithstanding any consideration of, or ongoing negotiation for, any potential acquisition of the existing REIT Manager.

RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject any proposal to acquire the existing REIT Manager directly or indirectly for a maximum all-in offer price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction post 1 month of this resolution.

RESOLUTION 4: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all Sabana unitholders with a written update on the internalization process every 2 weeks, including without limitation, the costs



incurred for advisors, consultants and any deviations or delays from the proposed Implementation Timeline for internalization, etc.

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee (“**Internalization Committee**”) comprising of at least 5 individuals to oversee the internalization process according to the Implementation Timeline, of which at least 2 individuals shall be proposed by the Sabana Growth Internalization Committee (SGIC) and the remaining 3 individuals shall be proposed, appointed and/or removed by majority vote of the unitholders.

RESOLUTION 6: That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the Trust Deed, the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalization; and (b) the Trustee’s opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect internalization may adversely affect the interests of the Manager and its sponsors, whether directly or indirectly, given that internalization would affect the fee income of the Manager and its sponsors.

RESOLUTION 7: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalization of the REIT management function, “*does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders*” according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.

RESOLUTION 8: That if any amendments to the Trust Deed referred to in Resolution 7 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.

RESOLUTION 9: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up.

RESOLUTION 10: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder’s right to approve any change of control in the internal manager in the management agreement with the internal manager.

RESOLUTION 11: That in view that the Trustee has indicated in its statement of 7 November 2023 that “*it is and will remain, neutral and independent of the Manager*”, the Trustee of



Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed.

RESOLUTION 12: That if the Trust Deed is proposed to be amended in connection with the internalization, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation and guidance from the Monetary Authority of Singapore (MAS) and the Singapore Exchange Securities Trading Limited ("**SGX RegCo**") on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) consequently, whether they are permitted to vote in relation to such resolution to amend the Trust Deed, and if so, that the fundamental pillar of investor protection, which is to remove the manager and internalize the management function, does not exist.

2. We reiterate that Sabana unitholders' landslide vote for Resolution 2 at the extraordinary general meeting held on 7 August 2023 ("**Last EGM**") has provided HSBC Institutional Trust Services (Singapore) Limited (the "**Trustee**") with an unequivocal mandate to execute, amongst other things, the internalization of the Manager (the "**Internalization**") as fast and efficiently as possible to safeguard the interests of all unitholders. This is also in line with the Trustee's key fiduciary duty to act in the best interest of unitholders and be independent of the manager according to Chapter 2 of the Code on Collective Investment Schemes ("**Code**") issued by the Monetary Authority of Singapore (the "**MAS**") pursuant to section 321 of the Securities and Futures Act 2001 of Singapore ("**SFA**").
3. Sabana unitholders are highly dissatisfied and concerned about the Trustee's lack of progress on the internalization, which was voted in almost five months ago. Unitholders are also highly concerned about and completely disagree with the Trustee's interpretation of the Trust Deed, which potentially jeopardizes the internalization process.
4. The rationale for the EGM requisition is provided for in the Sabana unitholders' letter to MAS and SGX RegCo dated 5 December 2023 below:

To: Tan Boon Gin
Chief Executive Officer

Singapore Exchange Regulation
11 North Buona Vista Drive
06-07 The Metropolis Tower 2
Singapore 138580

Mr Ravi Menon
Managing Director



Ms Ho Hern Shin
Deputy Managing Director

Mr Lim Tuang Lee
Assistant Managing Director
Monetary Authority of Singapore
10 Shenton Way MAS Building
Singapore 079117

Mr Lawrence Wong
Minister for Finance

Ms Indranee Rajah
Second Minister for Finance

Ms Tan Ching Yee
Permanent Secretary

Ministry of Finance
55 Newton Road
Singapore 307987

5 December 2023

Dear Ms Ho, Ms Rajah, Ms Tan, Mr Lim, Mr Menon, Mr Tan, and Mr Wong,

1. The Sabana Growth Internalization Committee (“**SGIC**”) comprises of Sabana Industrial REIT’s (“**Sabana REIT**” or “**Sabana**”) unitholders, who have come together to support the internalization of Sabana’s manager (the “**Internalization**”) to improve corporate governance and unitholders’ rights.
2. **Unitholders of Sabana REIT urgently seek guidance from MAS and SGX RegCo on the 2 key questions below:**
 - **Is Sabana’s Trustee wrong in its interpretation of the Trust Deed and its position on how to proceed with internalization?**
 - **Should the sponsor and its concert/related parties be prohibited from voting on a resolution to amend the Trust Deed to effect internalization as they are interested in the matter as it would directly affect their own fee income?**
3. If MAS and SGX RegCo answer “**YES**” to either or both the questions, both MAS and SGX RegCo affirm the fundamental key pillar of unitholder protection and their strong and continued commitment to corporate governance, accountability, and unitholder protection. This would further increase the confidence of investors in investing in Singapore’s capital market.



4. If MAS and SGX RegCo answer “**NO**” to both questions, the regulators essentially confirm that in practice, the removal of the manager and internalization of the REIT management function is impossible in the entire S-REIT sector and the fundamental key pillar of unitholder protection does not exist.
5. This is as all the Trust Deeds of S-REITs are structured similarly to that of Sabana REIT.
6. About 80% of sponsors and their concert/related parties hold ~21% or more unitholdings in the S-REITs they manage. If the sponsor and their concert parties are permitted to vote in an extraordinary resolution to amend the Trust Deed to effect internalization (if any) despite them being interested in the matter as it would directly impact their fee income, it is clear that they would vote against this resolution.
7. Due to the impossibly high threshold to pass this resolution if they vote (requires more than 80% of all remaining unitholders to both turn up and vote for the resolutions), this will mean that the removal of the external manager by unitholders and Internalization is effectively impossible. There is essentially no fundamental pillar of protection for unitholders.
8. If this is so, it will send a shocking signal to all investors: External managers of S-REITs are fully “entrenched” however bad their performance is, with zero accountability and no recourse for unitholders. This will represent a severe regression in corporate governance standards and unitholder protection in S-REITs to a level which is substantially below international norms and will consequently make the entire sector ‘uninvestable’.
9. As such, unitholders urgently seek answers and guidance from MAS and SGX RegCo on the above. With every day of delay, the regulators are prolonging the continued wastage of unitholders’ monies and erosion of investors’ returns. This is as the Trustee continues to spend unitholders’ monies to engage numerous advisors with zero clarity from MAS and SGX RegCo on whether internalization is possible in practice (which will require a “Yes” answer from the regulators to either or both of the questions above). This situation is highly detrimental to Sabana unitholders’ interests and the Singapore REIT market overall.
10. Unitholders urge MAS and SGX RegCo to exercise their supervisory powers and provide firm and positive guidance to market participants to safeguard and uphold international standards of investor protection, corporate governance and accountability of managers. This is necessary and urgently needed to avoid setting a severe and negative precedent in the Singapore REIT market.
11. In the subsequent sections, we provide further details on the background and circumstances surrounding this critical issue facing Sabana unitholders.

Background regarding the Internalization



12. The SGIC was set up following the **successful and overwhelming vote of unitholders of Sabana in favor of removing the external manager and internalizing the REIT management function** (“**Resolution 2**”) in two resolutions tabled at an extraordinary general meeting held on 7 August 2023 (“**EGM**”). Other than the internalization of the manager, part 2 iv), v) and vi) of Resolution 2 also increase corporate governance through specific governance rights for unitholders, including providing for unitholders the right to vote in, remove and re-elect directors and the right to approve any change of control in the internal manager (the “**Specific Governance Rights**”).
13. Nearly 90% of all unitholders (excluding the sponsor who owns the external manager and its concert parties), voted for Internalization at the EGM. This is an unequivocal mandate for the Trustee, whose main fiduciary duty is to act in the best interest of unitholders and to be independent of the manager (which would also include its sponsor), to execute the Internalization as fast, efficiently and with as little hurdles as possible in the best interest of all unitholders.

Trustee’s Statement on 7 November 2023

14. However, in the statement by Sabana’s Trustee, HSBC Institutional Trust Services (Singapore) Limited (“**Trustee**”) released on 7 November 2023 (the “**Trustee’s Statement**”), the Trustee stated, amongst other things, that:
- a. certain amendments to the Sabana REIT Trust Deed as amended and restated as of 6 May 2019 (“**Trust Deed**”) are necessary to effect the Internalization (“**Trust Deed Amendments**”);
 - b. the Trust Deed Amendments are subject to an extraordinary resolution of unitholders, unless the Trustee provides a **certification** in relation to the Trust Deed Amendments pursuant to Clause 28.2.1 of the Trust Deed (“**Certification**”) or paragraph 3.2(f) of Chapter 3 of the Code on Collective Investment Schemes (“**CIS Code**”); and
 - c. the Trustee is now of the view that it would not be appropriate for it to provide the Certification; and therefore, the Trust Deed may not be amended (and consequently, the Internalization may not be implemented) without the sanction of an extraordinary resolution of the unitholders.
15. Unitholders totally disagree and are highly concerned with the Trustee’s position. The position of the Trustee, as set out in the Trustee’s Statement and summarized above, will not only have a serious and negative impact on the interest of Sabana unitholders, but will also completely remove investor protection and recourse, resulting in serious and negative implications on the ‘investability’ of the whole Singapore REIT sector.

Purpose of this letter:



16. The purpose of this letter is to seek MAS and SGX RegCo's guidance on the critical issues below:
- A. that, contrary to the Trustee's Statement, the Internalization and the implementation of the Specific Governance Rights do not necessitate any Trust Deed Amendments;
 - B. that, even if Trust Deed Amendments are necessary, the conditions for the Trustee to provide the Certification are met as the internalization is not prejudicial to the interest of unitholders;
 - C. that, even if an extraordinary resolution of the unitholders is required for the Trust Deed Amendments, the sponsor and its concert/related parties are prohibited to vote on a resolution concerning any Trust Deed Amendments for the purposes of effecting Internalization. The clear reason is their inherent conflict of interest as their fee income is directly affected by the outcome.
17. **Specifically, Sabana unitholders seek answers from MAS and SGX RegCo on the 2 key questions below:**
- **Is Sabana Trustee wrong in its interpretation of the Trust Deed and its position on how to proceed with internalization?**
 - **Should the sponsor and its concert/related parties be prohibited from voting on a resolution to amend the Trust Deed to effect internalization as they are interested in the matter as it would directly affect their own fee income?**

INTERNALIZATION AS A FUNDAMENTAL PILLAR OF UNITHOLDER PROTECTION

18. Most of Sabana REIT's more than 10,000 unitholders (including SGIC committee members) are Singaporeans and retirees who have invested their retirement savings including CPF savings in Sabana.
19. They, together with other investors, have invested in Sabana with the assurance that the Singapore regulators will enforce the key pillar of unitholders' protection in the Singapore REIT sector, which is the removal of the manager and internalization by a simple majority of unitholders.
20. This is also a key tenet of accountability in the REIT sector to ensure that external managers always act in the best interest of all unitholders as otherwise they can be removed, and the management function internalized.



21. Recent events in the S-REIT sector have resulted in serious investors' concerns regarding corporate governance and accountability in the REIT market. Despite only 42 listed REITs and Trusts, the last 12 S-REIT IPOs are down by an average of more than ~50%¹.
22. Just a few weeks ago, concerns over the external manager and corporate governance issues led unitholders of Dasin Retail Trust (with more than 1,000 unitholders) to requisition an EGM to remove the external Manager and internalize the management function. Its unit price is down more than 90% since its IPO.
23. Eagle Hospitality Trust which raised US\$566 million (S\$770million) of proceeds, saw its unit price collapse by 100% and its units suspended less than 10 months after its IPO. The sponsor of Manulife US REIT attempted to divest its manager after the unit price of the REIT collapsed by ~65%. Its unit price has almost gone to zero.
24. With an increasing number of severely underperforming S-REITs, which can be partly attributed to their external managers, it is very likely that more unitholders will continue to push for internalization to protect their interests.
25. As a reference, while Singapore has only one internally managed Trust currently (NetLink Trust, which has substantially outperformed the entire sector, Croesus Retail Trust was taken private at a premium of 23% to NAV), more than ~90% of all REITs and Trusts in the US and Australia are internally managed due to the obviously stronger corporate governance, accountability, and alignment of interest with unitholders.
26. Strong enforcement of this key pillar of investor protection is therefore critical to solidify Singapore's reputation as a global financial center and increase investors' confidence in investing in our local stock market. This will in turn drive a deeper pool of investors and liquidity and result in a more attractive and vibrant stock market.
27. Ms Rajah said, "Poor corporate governance not only impacts businesses adversely but can cause great hardship to employees and their families if salaries cannot be paid, or worse, jobs are lost. Financial losses are easy to quantify, but what is less quantifiable, yet undeniable, is the suffering caused to individuals and the destruction of trust and the damage to society²".
28. Mr Ravi Menon said, "without trust in the capital markets, investment to support growth and enterprise will diminish. Investors' perception of risk will be high, and they will demand high returns or much collateral, thereby raising the cost of capital for business³".

¹ Data from Bloomberg

² Address by Ms Indraneel Rajah, Minister in the Prime Minister's Office, Second Minister for Finance and National Development, at Singapore Institute of Directors 25th Anniversary Gala Dinner on 30 November 2023

³ "Doing Well, Doing Right, Doing Good" - Opening Address by Mr Ravi Menon, Managing Director, Monetary Authority of Singapore, at SIAS Corporate Governance Conference on 6 November 2023



29. Unitholders have serious concerns and completely disagree with the Trustee's interpretations of the Trust Deed and position on Internalization. The Trustee's position will potentially result in the complete failure of the Internalization process and effectively undermine MAS' often affirmed key pillar of investor protection, which is the removal of the manager and internalization.

(A) THE IMPLEMENTATION OF THE INTERNALIZATION AND THE SPECIFIC GOVERNANCE RIGHTS DO NOT NECESSITATE ANY TRUST DEED AMENDMENTS

30. Sabana unitholders are shocked and totally disagree with the content of the Trustee's Statement regarding the necessity of the Trust Deed Amendments to effect the Internalization.
31. Unitholders and their legal advisors have extensively and on their own time and dime, reviewed the Trust Deed and concluded that there is no need for the Trust Deed to be amended to effect the Internalization for the detailed reasons set out below.

Multiple avenues to implement Internalization:

32. **First**, some of the internalizations effected in other REIT markets, include:
- stapling of the new securities of the manager, which is set up as a separate entity, to units of the REIT. Effectively, this means that shares of the internal manager are issued to unitholders directly in proportion to their unitholdings in the REIT.
 - having the trustee hold the shares of the internal manager for the benefit of unitholders in proportion to such unitholders' respective percentage of units held in the REIT.
33. The above measures as well as other alternatives can be executed by the Trustee without affecting the structure and set-up of Sabana REIT and without changes to the Trust Deed.
34. **Second**, it is also clear that the existing provisions of Sabana's Trust Deed are built to accommodate an Internal Manager and an External Manager, without the need for any amendments:
- The Sabana REIT Trust Deed does not distinguish between an External or Internal Manager and hence does not preclude the possibility of an Internal Manager. Clause 1.1 of the Trust Deed explicitly states that "Manager" means "Sabana Real Estate Investment Management Pte. Ltd. and its successors as manager of the Trust".
 - Other provisions of the Trust Deed are similarly capable of applying to a situation where there is an Internal Manager instead of an External Manager. For example, Clause 15 of



the Trust Deed expressly provides the (internalized) manager with discretion to receive a lower fee as stipulated in the Trust Deed, as evidenced by the following extracts from the Trust Deed:

Clause 15.1.1 Base Fee: "The Manager shall be entitled to alter the rate of the Base Fee to some percentage smaller than the prevailing rate by notice to the Trustee in writing..."

Clause 15.1.2 Performance Fee: "For so long as the Trust is Listed, the Manager shall be entitled to receive for its own account from the Deposited Property in arrears a fee equal to a rate of 0.5% per annum (or such lower percentage as may be determined by the Manager in its absolute discretion) of Net Property Income..."

15.2.1 Acquisition Fee and Divestment Fee

*15.2.1 i) an acquisition fee ("**Acquisition Fee**") at the rate of 1.0% (or such lower percentage as may be determined by the Manager in its absolute discretion) ...*

*15.2.1ii) a divestment fee ("**Divestment Fee**") at the rate of 0.5% (or such lower percentage as may be determined by the Manager in its absolute discretion)..."*

35. As such, any changes to the fees for the Internal Manager do not require the amendment of the Trust Deed.

Example: Internalization by Croesus Retail Trust without any extraordinary resolution

36. The Trustee's claim in the Trustee Statement that the internalization of Croesus Retail Trust required an extraordinary resolution to amend the Trust Deed to implement the internalization is wrong and misleading.
37. On 30 June 2016, unitholders of Croesus Retail Trust voted in an Ordinary Resolution (simple majority vote) to internalize the external manager. The Sponsor and its concert parties of the manager had to abstain from the vote as they were considered related parties, whose income are directly affected by the vote.
38. The internalization was fully completed on 31 Aug 2016, when the transaction to purchase the manager was completed. Croesus functioned with an internal manager. No extraordinary resolutions for amendments to the Trust Deed were necessary to effect the internalization.
39. The extraordinary resolution to amend the Trust Deed on 27 Oct 2016 was not relevant to the internalization as it had already been completed before. As the circular dated 5 October 2016 states, the amendments were to allow unitholders to appoint more than 2 proxies at meeting of unitholders, extend the cut-off timing for submission of proxy forms, update for meetings to be carried out by way of poll, compliance with Personal Data Protection, compliance with applicable law and regulation and so on.
40. One of the amendments was to enable Croesus to lend money and guarantee the obligation of the internal manager. This was due to the management's preference and choice to operate



the internal manager in a certain way. As clearly stated above, Internalization has already been completed before this amendment. The internal manager was already fully functioning and did not require the passing of the amendment. Given the limited scope of the internal manager of Sabana and the fact that it will operate on a cost recovery basis (sending bills to be paid by the REIT), there is clearly no need for such amendment above.

41. In fact, the Internalization of Croesus by an ordinary resolution also incorporated the rights of unitholders' to vote in, remove and appoint directors to the internal manager. This again confirms unitholders' repeated reiteration to the Trustee that there is no need to amend the Trust Deed to implement the right of unitholders to vote in, remove and re-elect directors to the Internal Manager.
42. The internalization of the manager of Croesus Retail Trust therefore provides another strong confirmation that there is no need for any amendment of the Trust Deed for the internalization process to be completed.

Implementation of the Specific Governance Rights

43. Additionally, as unitholders have clearly and repeatedly communicated to the Trustee, the Specific Governance Rights aimed at improving corporate governance and ensuring the protection and alignment of unitholders' interests and rights with the manager can be implemented in the manner described below without the need for any amendments to the Trust Deed.
44. **First**, unitholders' right to vote in, remove and re-elect directors can be implemented quite simply by prescribing such rights of the unitholders in the constitution of the internal manager.
45. **Second**, unitholders' right to approve any change of control in the internal manager can be achieved by simply stipulating such requirement in the new management agreement with the Internal Manager.

Trustee's rationale for Trust Deed Amendments cannot be supported

46. On the other hand, the Trustee's Statement cites the definition of 'Authorized Investments' in the Trust Deed (i.e. does not include holding of shares of an internalized manager) and Clause 16.4 of the Trust Deed (i.e. prohibition against investing monies in the securities of the manager or its related corporations) to support the Trustee's position that the current provisions of the Trust Deed does not permit Internalization as envisaged above.
47. We respectfully and strongly disagree with the Trustee's interpretations above.



- There is clearly a misinterpretation of what constitutes an “investment”. The common understanding and definition of an ‘investment’ is that it is ‘the action or process of investing money for profit’. Since the new internal manager is solely intended to manage Sabana REIT and function on a cost recovery basis only, the holding of the securities of an internalized manager by the REIT is clearly not in the nature of an “investment”. The internal manager is not intended to nor expected to generate any profits for Sabana REIT.
 - Similarly, it follows that the Trustee’s interpretation of Clause 16.4 of the Trust Deed cannot be supported as well, as the REIT is clearly not “investing” monies into the securities of the manager (i.e., with a view to profit).
48. Purely for argument’s sake, even if we accepted the Trustee’s interpretation above, the Internalization could still be effected by alternative methods which will not require any Trust Deed Amendments as envisaged by the Trustee in the Trustee’s Statement. For example, the shares of the internal manager can be distributed to unitholders in proportion to their unitholdings in the REIT. As such, there is also no need for the REIT to own the internal manager. There are also other methods to fund the manager, such as the issuance of preference shares by the internal manager to unitholders to finance the capital required for the internal manager.
49. Given the multitude of possibilities and alternative avenues to effect the Internalization, which would clearly require no amendment of the Trust Deed, unitholders are deeply troubled that the Trustee has been seemingly unable to provide efficient and effective solutions that serve the best interest of the unitholders. This is clearly unsatisfactory to unitholders given that the Trustee is availed of substantial resources funded by unitholders to support the Trustee in implementing the Internalization.

(B) EVEN IF TRUST DEED AMENDMENTS ARE NECESSARY, THE CONDITIONS FOR THE TRUSTEE TO PROVIDE THE CERTIFICATION ARE MET

50. As a starting point, Sabana’s Trustee is obligated to act in the best interest of and according to the wishes of the unitholders, and must provide its Certification for any proposed amendments to the Trust Deed (if any amendments are required at all to implement Resolution 2), where such amendments do not materially prejudice the interest of the unitholders, according to Clause 28.2.1 of the Trust Deed or paragraph 3.2(f) of Chapter 3 of the CIS Code (relevant provisions of which are reproduced below for reference).
51. Clause 3.2 f of the Code on Collective Investment Schemes, provides:
- “the manager should obtain an extraordinary resolution of participants for any modification of the trust deed unless the trustee certifies that:*
- f) the modification does not materially prejudice the interest of participants and does not release to any material extent the manager from any responsibility to the participants:*
- “...”*



52. Clause 28.2 of the Trust Deed, provides that:

"the Trustee and the manager shall be entitled by deed supplemental hereto (including by way of an amending and restating deed), subject to the prior approval of the relevant authorities if so required by then Relevant Laws, Regulations and Guidelines, to modify, alter or add to the provisions of this Deed in such manner and to such extent as they may consider expedient for any purpose PROVIDED THAT unless the Trustee shall certify in writing that in its opinion such modification, alteration or addition:

28.2.1 does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders"

No prejudice to interests of unitholders:

53. First, the Internalization was overwhelmingly voted in by unitholders. Clearly, unitholders would not have supported the Internalization unless it was in their interests to do so. It follows that if any amendments to the Trust Deed are necessary for the purposes of putting into effect the Internalization, such amendments would be in the interests of the unitholders, and not prejudicial to the interests of the unitholders.

54. Against this background, it is impossible for the Trustee to come to the conclusion that any proposed Trust Deed Amendments for the purposes of the Internalization would be prejudicial to the interests of the unitholders. To the contrary, it is obviously the case that unitholders have already determined by their votes in the EGM that Internalization is in their best interest, and by implication, that any Trust Deed Amendments required to implement the Internalization would also be in their best interest.

No release of Trustee or Manager from any responsibility to the unitholders

55. Second, there is also nothing to suggest that any Trust Deed Amendments would have the effect of releasing the Trustee or manager from any responsibility to the unitholders.

56. Therefore, it is plain to see that there is no good reason for the Trustee not to provide the Certification. In fact, it is objectively clear that both criteria (not materially prejudicing the interest of the unitholders and not operating to release to any material extent the Trustee or the manager from any responsibility to the unitholders) for providing the Certification are fulfilled. Unitholders reiterate that the Internalization clearly confers additional value and increases corporate governance and alignment of interest with unitholders. This is evident by the overwhelming vote by unitholders in favor of Internalization.

Trustee's rationale for not providing the Certification is untenable and arbitrary:

57. There appears to be no consideration at all by the Trustee on whether the necessary conditions for the Trustee to provide the Trust Deed Amendments are met in accordance with the provisions of the Trust Deed.



58. Instead, per the Trustee's Statement, the following reasons were given by the Trustee for not providing the Certification:

- the Trust Deed Amendments are being proposed to effect the Internalization, which is novel and unprecedented in the Singapore market;
- the Trust Deed Amendments are significant and they would change the structure of Sabana Industrial REIT and expand the investment mandate given to Sabana Industrial REIT;
- in the current situation, the division of roles and responsibilities between the Manager and Trustee has been disrupted because the Unitholders have already passed a Resolution for the Manager to be removed as soon as practicable, and the Manager is now essentially an out-going interim manager. At the same time, the incoming internal manager has not yet been established and licensed. This in turn leaves the Trustee as the main driver of the Trust Deed Amendments and it may not be appropriate for it to certify the very amendments that it is proposing; and
- it cannot be said with certainty that no rational Unitholder would vote against the Trust Deed Amendments.

(1) Novelty of Trust Deed Amendments is completely irrelevant and not mentioned in the Trust Deed

59. It is clear that the Trustee has the necessary duty and responsibility to discharge its duties towards the unitholders and to comply with the provisions of the Trust Deed. The novelty (or not) of the Trust Deed Amendments is completely irrelevant to whether the necessary conditions for the Trustee to provide the Certification are met.

60. As the facts show, the Trust Deed Amendments are intended for the purposes of implementing the Internalization that is unequivocally mandated by the unitholders, and it is impossible for any rational person to conclude the Trust Deed Amendments would be prejudicial to the unitholders or release the Trustee or manager from responsibility to the unitholders.

(2) 'Non-Significance' of Trust Deed Amendments

61. The Trust Deed Amendments are intended to be limited to those which are necessary for implementing the Internalization. It is difficult to see how such Trust Deed Amendments would, in the Trustee's words, "change the structure of Sabana Industrial REIT" and "expand the investment mandate given to Sabana Industrial REIT", where:

- any changes to the "structure" of Sabana REIT will be limited to what is necessary for in order to implement the Internalization; i.e. what has already been implicitly approved by the unitholders in the EGM.



- there will be no change to the “investment mandate” of Sabana REIT at all! Sabana REIT is by no means deploying its funds to acquire securities of the internal manager for the purpose of making a profit.

62. By stark comparison, the Trustee had no issues in providing certification under Clause 28.2.1 of the Trust Deed for previous amendments of the Trust Deed, where there were clearly drastic changes to the investment mandate of Sabana REIT and to the rights of unitholders:

Example: Removal of Shari’ah compliance:

63. With effect from 21 Oct 2021, the investment mandate of the Sabana REIT was fundamentally changed simply based on Clause 10.2.4 of the Trust Deed, so that the requirement for Shari’ah compliance and for Sabana REIT’s business to be managed in compliance with Shari’ah investment principles and procedures (including investing in Shari’ah compliant real estate and real estate-related assets) was removed.

64. In connection with the said change in investment mandate, the Trustee provided the certification under Clause 28.2.1 of the Trust Deed for the change of name of “Sabana Shari’ah Compliant Industrial REIT” to “Sabana Industrial REIT”, which effectively facilitated the external manager to completely change the investment mandate from being Shari’ah compliant, to not being Shari’ah compliant.

65. The above changes were made to the Trust Deed even though it is undeniably the case that ‘Shari’ah compliance’ of Sabana REIT was an important distinguishing feature for Sabana REIT, a fundamental tenet of its investment mandate and strategy, and was extensively featured in Sabana REIT’s 2010 IPO prospectus. In fact, the term ‘Shari’ah Compliant’ was mentioned more than 1900 times with extensive detailing and confirmation provided of how being ‘Shari’ah Compliant’ will be an essential and integral part of Sabana REIT and its investment mandate and strategy. A FinanceAsia article⁴ stated that the total Shari’ah-compliant demand for Sabana IPO was close to 50%, with 65% of the demand being generated out of Asia (a big chunk from Islamic interest from Malaysia) and 25% from the Middle East.

66. Against the above background, it is quite clear that there will be a substantial number of unitholders who have bought into Sabana REIT due to it being a Shari’ah compliant REIT.

67. However, quite shockingly, the Trustee did not raise any concerns in this instance about the removal of Shari’ah compliance for Sabana REIT being “novel and unprecedented”, or that the changes were “significant” and would “change the investment mandate”, or that “it cannot be said with certainty that no rational unitholders would not vote against it”.

68. Instead, the Trustee went ahead to certify the changes to the Trust Deed without any unitholder vote. It is almost certain that there are unitholders who invested in Sabana REIT due to it fulfilling the Shari'ah compliant criteria which has now been changed.

69. This plainly contradicts the reasoning that the Trustee is currently using to not certify the Trust Deed amendments for internalization despite unitholders having overwhelmingly voted for Internalization.

(3) Appropriateness for Trustee to certify the very amendments that it is proposing:

70. The Trustee claims that it cannot certify the very amendments that it is proposing to the Trust Deed since the current manager is essentially an out-going interim manager and cannot assist the Trustee in this endeavor.

71. By stating this, the Trustee seems to imply that the Manager is more important than unitholders as it claims that it must rely on the Manager and cannot proceed without having the go ahead from the manager. This is when unitholders have already overwhelmingly voted for Internalization and provided the Trustee with an unequivocal mandate to do all that is necessary to implement the Internalization.

72. The Trustee's statement is in full contradiction to its main responsibility as stipulated in Chapter 2 of the Code of Collective Investment Scheme which clearly states that the Trustee's main fiduciary duty is to act in the best interest of unitholders and to be independent of the manager (which would also include its sponsor).

73. That said, as previously mentioned, amendments to the Trust Deed are not even necessary to implement the Internalization for reasons set out earlier. Unitholders cannot help but wonder why the Trustee insists on taking the view that Trust Deed Amendments are necessary? Why does the Trustee seem to set up additional roadblocks by refusing to provide Certification and further (1) delaying implementation of the internalization and (2) incurring additional (and unnecessary) costs by requiring further unitholders' approval through extraordinary resolution in order to effect the Internalization?

74. Why does the Trustee come up with all these arbitrary rationales and additional requirements, in the face of unitholders' expressed wishes to implement the Internalization? There are clearly better alternatives which would not involve any amendments to the Trust Deed and work in the best interests of unitholders.

75. Unitholders' vote in the EGM in favour of Resolution 2 is an unmistakable confirmation of the wishes of the majority of the unitholders and a direction to the Trustee to implement the Internalization. As a fiduciary, isn't it the paramount duty of the Trustee to safeguard the interests of unitholders by using the most time and cost-efficient method to implement the Internalization?



76. Given the Trustee's statement and actions above, unitholders are highly concerned whether the Trustee is in fact acting and executing Internalization to the best interest of unitholders and seek the support of MAS and SGX RegCo to intervene in this aspect.

(4) No certainty that no rational Unitholder would vote against the Trust Deed Amendments:

77. This was something that certainly wasn't considered previously when the Trustee provided its certification so that the Trust Deed could be amended to remove Shari'ah-compliance. This was also similarly not considered in several other certifications done by the Trustee.

78. Sabana unitholders question why the Trustee is raising this as a rationale for not providing the Certification now? Why was this consideration not applicable previously in the previous exercise to remove Shari'ah-compliance as well as other certifications? Why are there seemingly different and inconsistent approaches by the Trustee?

79. Is the Trustee implying that it will only provide the Certification if there is 100% certainty that no rational unitholder would vote against the Trust Deed Amendments? Why was it not applied previously? This is an impossible threshold which the Trustee is arbitrarily setting, for which there is totally no basis at all in the Trust Deed.

(C) EVEN IF AN EXTRAORDINARY RESOLUTION OF THE UNITHOLDERS IS REQUIRED FOR THE TRUST DEED AMENDMENTS, THE SPONSOR AND ITS CONCERT/RELATED PARTIES SHOULD BE PROHIBITED TO VOTE ON A RESOLUTION CONCERNING ANY TRUST DEED AMENDMENTS FOR THE PURPOSES OF EFFECTING INTERNALIZATION DUE TO THEIR INHERENT CONFLICT OF INTEREST AS IT WILL DIRECTLY RESULT IN THE CHANGE OF ITS FEE INCOME

80. Unitholders seek MAS and SGX RegCo's guidance to confirm that the sponsor and its related parties have to abstain from voting in any extraordinary resolution to amend the Trust Deed to effect the Internalization as the amendments would directly affect the fee income of the Sponsor, which is the sole shareholder of the external manager.

81. It is very clear that the sponsor is required to abstain from such a vote as they are interested in the outcome of the vote. This has strong legal precedence in common law countries such as Singapore and Australia where sponsors are not allowed to vote in resolutions which have a direct impact on their fee income.

82. This is also similar to the sponsor having to abstain from voting in any resolutions relating to a change in fee income. When Keppel Infrastructure REIT voted to amend its fees, the sponsor and its concert parties had to abstain from the vote. When Croesus Retail Trust voted to internalize, which would affect the fee income and provide payment to the sponsor, its sponsor too abstained from the vote.



83. If the sponsor and its concert parties are allowed to vote despite them being interested and related parties, it is obvious that they would vote against any amendment of the Trust Deed for Internalization as it will directly affect the sponsor's fee income.
84. The practical implication is that so long as the sponsor has a unitholding of more than 21% in the REIT, more than 80% of all remaining unitholders must both turn up and vote for the resolution to amend the Trust Deed. This is an extraordinarily high threshold, and far exceeds the at least 75% threshold needed to pass an extraordinary resolution. This is surely not intended or desirable from a regulatory or corporate governance viewpoint. In the present case, Sabana's sponsor and its concert party have a >24% stake in the REIT. This would mean that nearly 100% of all remaining unitholders must both turn up and vote for the resolution for it to pass, which is an impossible undertaking.
85. As about 80% of sponsors and their concert parties hold more than 21% stakes in the S-REITs they manage, the option of removal of manager and Internalization as "fundamental pillar of protection" for investors is practically rendered ineffective if they are allowed to vote.

REQUEST FOR CLARITY FROM MAS AND SGX REGCO

86. Unitholders respectfully request MAS and SGX RegCo to clarify their position regarding the Trustee's Statement and the need (or not) for an amendment of the Trust Deed, and further, (if relevant) whether the sponsor and their concert parties are permitted to vote in an extraordinary resolution where they are clearly interested and related parties as it would directly affect their fee income.
87. If the sponsor and their concert parties are permitted to vote against the background and in the circumstances outlined, this will mean that removal of the external manager by unitholders and Internalization is effectively impossible - external managers are then fully "entrenched" with no recourse for unitholders.
88. If this is so, this will send a severe and negative precedent to all investors that there is no protection for unitholders in the S-REIT sector which would make the sector 'highly uninvestable' - whatever the REIT manager does, they can never be removed and internalized due to the impossibly high threshold that will never be achieved.
89. This will result in a substantially de-rating in the sector as investors will have to re-assess the increased risk due to the inferior corporate governance standards vis-à-vis other jurisdictions which allow for internalization and the protection of investors' rights.
90. Unitholders urge MAS and SGX RegCo to exercise their supervisory powers and provide firm and positive guidance to market participants to safeguard and uphold international standards of investor protection, corporate governance and accountability of managers. This is



necessary and urgently needed to avoid setting a negative precedent in the Singapore REIT market.

91. Every day of delay in implementing the Internalization results in the unnecessary wastage of unitholders' monies and erosion of investor returns as the Trustee continues to spend unitholders' monies to engage numerous and costly advisors, and with zero clarity on whether MAS and SGX RegCo allows for internalization at all. This is highly detrimental to unitholders' interests and the Singapore REIT market overall.
92. The Singapore REIT market will not exist without investors, and investors will not invest their hard earned savings and monies without clarity that there is corporate governance, investor protection and accountability.
93. Sabana unitholders appreciate and seek the prompt response of the SGX RegCo and MAS in the critical matter which also has far-reaching implications and importance for all investors in the Singapore capital markets.

Execution Timeline to Set Up Internal Manager and Submit Application for REIT Management License (The Trustee has been tasked since 7 Aug 2023 (~5 months ago) to work on the Internalization)

No.	Activity	Jan-24																															Feb-24																									
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Human Resource (HR)																																																										
1	Obtain legal confirmation from key members of current management team who want to join the Internal Manager (2 weeks); Key members -- CEO, CFO, Head of Asset Management / Compliance																																																									
2	Draft employment contracts for key management team, hiring will only be done once MAS provides approval-in-principle for the license (6 weeks)																																																									
3	Draft Employee handbook and HR policies (recruitment, employment records, salary, performance, payroll, training/development, cessation) - (6 weeks)																																																									
4	Fill vacant key management role at Internal Manager with external hires (6 weeks)																																																									
5	Shortlist directors of Internal Manager Company (4 weeks)																																																									
6	Hire Directors of Internal Manager Company (3 weeks)																																																									
Setup of Internal Manager																																																										
7	Shortlist, hire, confirm service providers (e.g. lawyers, application specialists, compliance support, tax etc.) - (3 weeks)																																																									
8	Incorporate Internal Manager company (1-2 weeks)																																																									
9	Draft necessary policies and handbooks for Internal Manager (e.g. risk management, compliance, best practice, board duties and responsibilities, remuneration, AML, whistle blowing) - (6 weeks)																																																									
10	Work on application form and documents for license and all other tasks - (7 weeks)																																																									
11	Submission of license application to MAS (mid-end February)																																																									

ANNEX

Explanatory Notes

- 1 The HR firm shall support Trustee in the 2 stage HR process - Stage 1) pre submission of license application, Stage 2) post MAS approval in principle (where the staff will be hired). We are currently at Stage 1. The license application requires the names of the individuals who will take up the key management positions in the Internal Manager.
- 2 The HR firm shall support the Trustee in confirming which key members of the current management team intends to join the Internal Manager. Key members have to sign and provide a legal confirmation that they intend to join the Internal Manager and allow their names to be used in the license application.
- 3 The HR firm shall assist the Trustee in drafting new employment contract for key management members of Internal Manager with better alignment to unitholders' interest (compensation package link to long term unit price and DPU).
- 4 The HR firm shall support the Trustee in drafting employee handbook and HR policies (recruitment, employment records, whistleblowing, salary, performance review, payroll, training/development, cessation of employment, insurance and workmen compensation etc.) as well as processes.
- 5 The HR firm shall undertake a recruitment process to fill the necessary key management positions for the new Internal Manager. The Committee can provide a number of candidates and REIT professionals who have indicated their strong interest in joining the Internal Manager and contribution to Sabana REIT.
- 6 Directors shall have representation from key unitholders who voted for the internalization to ensure broad representation from unitholders.
- 7 Directors can be onboarded initially to support the internalization process. The directors will be put up for unitholders' endorsement at Sabana's upcoming AGM.
- 8 Shortlist and hire service providers such as lawyer, license application specialist, compliance support who have prior experience in the setup of new REIT managers. As most of the service providers have already been appointed, 2 weeks should be sufficient.
- 9 Incorporation of the Internal Manager company.
- 10 Service providers shall draft all necessary policies, handbooks for the Internal Manager (e.g. risk management, compliance, best practice, board duties and responsibilities, remuneration, AML, whistle blowing).
- 11 Service providers shall complete the application forms and compile all documentation required for the submission and application for the license for REIT management.
- 12 The application shall be submitted by mid-end of February 2024 to MAS.

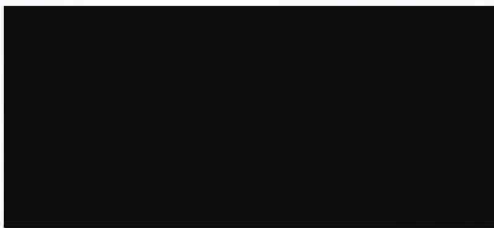


[Signature pages follow. Please use the redacted version for any public disclosure as the following Sabana unitholders have not provided permission to the manager to publish their name and details]

The requisitionists are members of the Sabana Growth Internalization Committee (SGIC)



Name of Unitholder: Quarz Capital ASIA (Singapore) Pte Ltd.



**Jan Frederic Moermann
Chief Investment Officer
Quarz Capital ASIA (Singapore) Pte. Ltd.**



**Havard Chi Cher Pan
Unitholder and Head of Research
Quarz Capital ASIA (Singapore) Pte. Ltd.**

Full Name of Unitholder:

Identity Card No:

Custodian:

Signature:





With Reference to SGIC Requisition to
Convene EGM. 10/10

Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

Signature: [REDACTED]



Full Name of Unitholder:

Identity Card No:

Custodian:

Signature:



Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

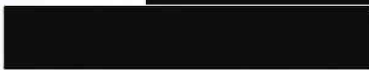
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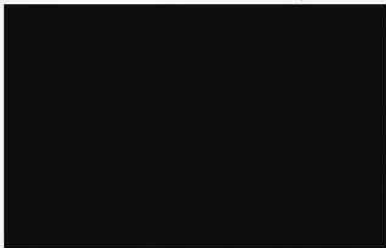
Full Name of Unitholder:



Identity Card No:



Custodian:



Signature:

Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

Signature: [REDACTED]

Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

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Full Name of Unitholder:



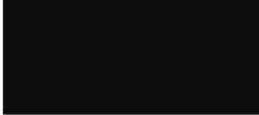
Identity Card No:



Custodian:



Signature:





With reference to requisition to convene an EGM at Sabana Industrial REIT

Full Name of Unitholder:



Identity Card No:



Custodian



Signature:



TRUSTEE 9 JAN STATEMENT

The Manager assumes no responsibility for any of the contents of the Trustee 9 Jan Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 9 Jan Statement.



9 January 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 – 9 JANUARY 2024

1. We refer to the Trustee's Statement dated 8 August 2023 in relation to the Resolutions (the "**Trustee's Announcement**") and to the Trustee's Statements dated 21 July 2023, 29 August 2023, 4 October 2023, 7 November 2023, 6 December 2023 and 15 December 2023 (collectively, the "**Trustee's Statements**"), all of which were published via SGXNet.
2. In this regard, the Trustee wishes to provide the following update to all Unitholders as set out in the Appendix to this letter.
3. Terms defined in the Trustee's Announcement and the Trustee's Statements shall, unless the context otherwise requires, have the same meanings when used in this letter.
4. 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)

A handwritten signature in blue ink, appearing to read "Rahul Desouza", with a horizontal line extending to the right.

RAHUL DESOUSA
Authorised Signatory

APPENDIX

Trustee's Update to Unitholders of Sabana Industrial REIT

1. As stated in the Trustee's Statements, the Trustee will provide further updates and engage with Unitholders as and when there are material developments.

Trust Deed Amendments and Order 32 Application

2. Further to the Trustee's Statement dated 15 December 2023, the Trustee has, with the help of its advisers, substantially identified the amendments to the Trust Deed ("**Proposed Trust Deed Amendments**") required to provide for an internalised management structure and to implement the Resolutions. A summary of the Proposed Trust Deed Amendments and the brief rationale for such amendments is set out in the Annex to this update. However, the summary does not purport to contain a final or exhaustive list of all Proposed Trust Deed Amendments required for the purposes of the internalisation, and the amendments remain subject to ongoing review of the Trustee with its advisers, as well as related workstreams including ongoing regulatory consult, as the internalisation process progresses.
3. As previously stated, having consulted its legal advisers, Rajah & Tann Singapore LLP ("**Rajah & Tann**"), the Trustee takes the view that it would not be appropriate for the Trustee to provide a certification in relation to the Proposed Trust Deed Amendments pursuant to Clause 28.2.1 of the Trust Deed or paragraph 3.2(f) of Chapter 3 of the CIS Code. The Trustee has previously provided reasons that it had considered in coming to such a view in FAQ 5 of the Trustee's Statement dated 7 November 2023 and the Annex contained in this update elaborates on some of these points with reference to the Proposed Trust Deed Amendments.
4. Taking into account the wide ranging nature of the Proposed Trust Deed Amendments and the Trustee's views that it cannot be said with certainty that the Proposed Trust Deed Amendments do not materially prejudice the interests of the Unitholders, the Trustee is, accordingly, of the view that the Proposed Trust Deed Amendments should be subject to Unitholders' due consideration and approval by way of an extraordinary resolution at an EGM to be convened in accordance with the Trust Deed and the CIS Code.
5. It would not be appropriate or in the interests of Unitholders for the Trustee to unilaterally certify or decide on these Trust Deed Amendments without allowing all Unitholders an appropriate forum, in accordance with the Trust Deed and the CIS Code, to decide on these amendments.
6. The Trustee has noted that certain Unitholders, including Quarz Capital Asia (Singapore) Pte. Ltd. ("**Quarz**") and members of the Sabana Growth Internalization Committee ("**SGIC**"), take a contrary position to the Trustee's views on the certification and the necessity of subjecting the Proposed Trust Deed Amendments to Unitholders' approval.
7. The Trustee believes that the proper consideration of these views and the approach to be taken in relation to the Proposed Trust Deed Amendments is important for all Unitholders. In connection with the foregoing, the Trustee has earlier today filed an originating application, by way of HC / OA 19/2024, with the High Court of Singapore (the "**Court**") under Order 32 of the Rules of Court 2021 of Singapore (the "**Order 32 Application**"), to seek, among other things, the following prayers:
 - (a) a declaration that amendments to the Trust Deed are required to implement the resolutions approved at the extraordinary general meeting of the Unitholders held on 7 August 2023;
 - (b) a declaration that the Trustee's power under Clause 28.2.1 of the Trust Deed to certify that amendments to the Trust Deed do not materially prejudice the interests of the Unitholders and do not operate to release to any material extent the Trustee or Manager from any responsibility to the Unitholders, is in the nature of a discretion rather than an obligation;

- (c) a declaration that the Trustee is at liberty to convene an extraordinary general meeting of the Unitholders in accordance with the requirements of the Trust Deed and the CIS Code to consider the Proposed Trust Deed Amendments;
 - (d) liberty to apply to Court for further directions in the event an extraordinary general meeting is convened;
 - (e) costs for the Order 32 Application to be provided for; and
 - (f) such further or other relief as the Court deems fit.
8. Having noted Quarz's contrary position, the Trustee has added Quarz as a party to the Order 32 Application, so that Quarz can put forward its views to the Court for consideration. Any other Unitholder who wishes to be joined as a party to the Order 32 Application is requested to consult their own legal advisors on making the necessary application to the Court, and inform the Trustee's solicitors, Rajah & Tann, of 9 Straits View #06-07, Marina One West Tower, Singapore 018937 by way of notice in writing of its intention to do so.
9. The Trustee would like to emphasise that this Order 32 Application is being made to help clarify necessary threshold issues and steps for the internalisation process and to ensure that the views of all Unitholders are properly considered in an appropriate forum. The Order 32 Application will be carried out concurrently with all other workstreams in parallel with the proposed Summary of Work Plan outlined in Annex A of the Trustee's statement dated 7 November 2023.
10. The Trustee will make the necessary announcement(s) as and when there are further developments, including when the date of the hearing for the Order 32 Application has been fixed.
11. A copy of the Order 32 Application will be made available to Unitholders for inspection (by appointment) during regular business hours at the registered office of the Trustee upon request by email to the following email address: sabana.trustee@hsbc.com.sg. For verification, Unitholders are requested to provide their name, securities account details and identification number (where applicable) in their email request.

The information contained in this announcement does not constitute legal or other professional advice. If any Unitholder is considering being joined as a party to the Order 32 Application or is in doubt as to the course of action they should take, they should seek their own independent professional advice immediately. Any such action taken and/or professional advice sought by a Unitholder in respect of the Order 32 Application (including the joining of a Unitholder as a party to the Order 32 Application) shall be at their own cost. None of the Trustee or its respective directors, officers, employees, agents or affiliates makes any recommendation as to the course of action Unitholders should take.

Requisition Notice from the SGIC

12. The Trustee notes the requisition notice dated 21 December 2023 ("**Requisition Notice**") from the SGIC requesting the Manager to convene an extraordinary general meeting to consider certain resolutions ("**Requisitioned Resolutions**"). The Trustee further notes that the Manager has on 8 January 2024 announced that it will not be convening an extraordinary general meeting pursuant to the Requisition Notice as, among other things, the requirements of the Trust Deed and of Section 176(2) of the Companies Act 1967 (applicable via paragraph 4.2 of Appendix 6 of the CIS Code) have not been complied with.
13. Notwithstanding the foregoing, as the Requisitioned Resolutions pertain to the Trustee's implementation of the internalisation process, the Trustee would like to state the following preliminary views:
- (a) to convene an extraordinary general meeting to consider the Requisitioned Resolutions at this juncture will add additional work over and above the current Work Plan. Some of the Requisitioned Resolutions will also require further clarifications and modifications,

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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and may not be actionable as proposed. Additional time and resources will be needed for this work, and at this critical juncture where the internalisation workstreams have gained increasing momentum and require significant time and attention, such additional work will divert resources, result in additional costs, likely cause distraction and may be counter-productive to ongoing efforts to implement the internalisation as expeditiously as possible; and

- (b) some of the Requisitioned Resolutions pertain to issues relating to the Proposed Trust Deed Amendments, which are the subject matter of the Order 32 Application. Accordingly, it may not be meaningful for these Requisitioned Resolutions to be tabled to Unitholders before the Court provides guidance and clarity on the prayers sought in the Order 32 Application (as set out in paragraph 7 above).
14. Having regard to the above, the Trustee believes that it would not be beneficial to the progress of the internalisation for an extraordinary general meeting to be convened or to consider the Requisitioned Resolutions at this juncture.
 15. The Trustee will provide further updates and engage with Unitholders as and when there are material developments. All updates from the Trustee will be in the form of announcements via SGXNet.
 16. 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.

Annex

Summary of the Proposed Trust Deed Amendments

S/N	Proposed Trust Deed Amendment	Rationale for Proposed Trust Deed Amendment	Why it cannot be said with certainty that the Proposed Trust Deed Amendments do not materially prejudice the interests of the Unitholders
1.	<p>Definition of "Authorised Investments" (Clause 1.1)</p> <p>Valuation of Investments (Clause 6.1)</p>	<p><u>Authorised Investments</u></p> <p>Sabana Industrial REIT, being a real estate investment trust regulated under the Code on Collective Investment Schemes ("CIS Code"), is subject to a prescribed list of permissible investments under paragraph 6 of Appendix 6 of the CIS Code, which are in turn reflected in the definition of "Authorised Investments" under the Trust Deed.</p> <p>In particular, under the CIS Code, unlisted shares in non-property related entities (such as a company providing internal REIT management functions) are not expressly set out as a class of permitted investments. Likewise, the definition of "Authorised Investments" under the Trust Deed does not clearly authorise Sabana Industrial REIT to hold unlisted shares in a company providing internal REIT management functions.</p> <p>A waiver will have to be sought from the relevant regulatory authorities from the restrictions under the CIS Code in order for the Trustee to be able to hold shares in the Internal Manager.</p> <p>Accordingly, the definition of "Authorised Investments" in the Trust Deed ought to be amended to also expressly allow Sabana Industrial REIT to hold shares in the Internal Manager and subsidiaries of the Internal Manager.</p>	<p>These amendments change the nature and complexion of the asset portfolio of Sabana Industrial REIT from one that is focused on income-generating real-estate passive holding to one that also includes holdings in a REIT management company which is licensed for real estate investment trust management under Singapore law, with substantive operations and management functions.</p> <p>This arguably constitutes a fundamental change from what Unitholders have invested into when investing in Sabana Industrial REIT prior to the extraordinary general meeting held on 7th August 2023 ("7th August 2023 EGM"), and where the proposed amendments to the Trust Deed were not fleshed out in the resolutions passed at the 7th August 2023 EGM.</p> <p>Such a structural change has a number of follow-on implications. For instance, the Internal Manager, being a capital markets services licence holder subject to the regulatory oversight by the MAS, will be subject to a prescribed set of regulatory requirements.</p> <p>For example, the Internal Manager will need to maintain a base capital of at least S\$1 million at all times and must always maintain financial resources at or above the relevant total risk</p>

S/N	Proposed Trust Deed Amendment	Rationale for Proposed Trust Deed Amendment	Why it cannot be said with certainty that the Proposed Trust Deed Amendments do not materially prejudice the interests of the Unitholders
2.	<p>Governance Structure – inclusion of new provisions on the governance structure of the Internal Manager</p> <p>(new provisions to be added)</p>	<p><u>Valuation of the Internal Manager</u></p> <p>Consequential amendments are required to Clause 6.1 of the Trust Deed to expressly provide that shares in the Internal Manager are to be similarly valued as part of Sabana Industrial REIT's portfolio.</p> <p>In an external REIT management model, the REIT manager is typically directly owned by the corporate sponsor of the REIT, and such corporate sponsor will generally have the ability to influence the REIT manager's decision-making and governance as a result of the corporate sponsor's majority ownership of the shares (directly or indirectly) in the external REIT manager, subject to relevant laws and regulations.</p> <p>In the context of the internalisation, the intention is for the shares of the Internal Manager to be held by the Trustee on trust for Unitholders. As such, it follows that Unitholders should be entitled to exercise certain key shareholder rights over the Internal Manager. This is in line with the intention for the benefit of the Internal Manager to rest with Unitholders as a whole <i>pari passu</i>, each of whom has an undivided interest in the Deposited Property in accordance with the provisions of the Trust Deed.</p>	<p>Such regulatory capital requirements and the ongoing operations of the Internal Manager will need to be funded out of REIT deposited property or borrowings. This means that REIT assets may be diverted from its primary real-estate investment purpose to fund the operations of the Internal Manager and will be exposed to risks of a going concern operating company.</p> <p>Given such structural changes and risks, it cannot be said with certainty that these amendments do not materially prejudice the interests of the Unitholders.</p> <p>The proposed amendments to include the Governance Structure in the Trust Deed introduces significant changes to the governance of the REIT manager of Sabana Industrial REIT from the existing external REIT management model.</p> <p>Subject to ongoing regulatory consult, the introduction of the Governance Structure, taken together with the Internal Manager's obligations as a regulated capital markets services licence holder, could also necessitate further amendments to require Unitholders to meet certain regulatory requirements relating to the Internal Manager, which includes, amongst others, requirements related to the change of control of regulated licence holders and disclosures of substantial interests.</p>

S/N	Proposed Trust Deed Amendment	Rationale for Proposed Trust Deed Amendment	Why it cannot be said with certainty that the Proposed Trust Deed Amendments do not materially prejudice the interests of the Unitholders
		<p>Accordingly, a governance structure ("Governance Structure") will need to be instituted such that shareholder rights over the Internal Manager may be exercised by Unitholders, in proportion to their respective unitholding in Sabana Industrial REIT. The Trustee will then give effect to Unitholders' directions at the Internal Manager level as legal owner of the Internal Manager.</p> <p>As the provisions relating to the Governance Structure are intended to confer additional rights and impose additional obligations on all Unitholders, they will have to be included in the Trust Deed in order to bind the Internal Manager, the Trustee and all Unitholders to the same. The Governance Structure cannot be solely dealt in the constitution of the Internal Manager and/or management agreement (if any) with the Internal Manager as Unitholders are not party to these agreements, and as such Unitholders will not be able to directly exercise their rights or be bound by the relevant obligations under the Governance Structure.</p> <p>Matters to be subject to Unitholders' directions under the Governance Structure include those that:</p> <p>(a) are necessitated by the resolutions passed by Unitholders at the 7th August 2023 EGM, specifically Resolutions 2(d) and (e) pertaining to the appointment, re-appointment and removal of directors; and</p> <p>(b) are otherwise matters which require an ordinary or special resolution under the Companies Act 1967 of Singapore or the Insolvency, Restructuring and</p>	<p>The Trustee is not in a position to ascertain whether such amendments would be materially prejudicial to the interests of Unitholders, and accordingly such amendments are more appropriately approved by a unitholder vote pursuant to a general meeting of unitholders.</p>

S/N	Proposed Trust Deed Amendment	Rationale for Proposed Trust Deed Amendment	Why it cannot be said with certainty that the Proposed Trust Deed Amendments do not materially prejudice the interests of the Unitholders
		<p>Dissolution Act 2018 of Singapore to be passed (for example, matters pertaining to share issuance, capital reduction, and the appointment and removal of auditors),</p> <p>in respect of which the Trustee will only exercise its voting rights in the Internal Manager in accordance with the direction provided by the Unitholders by an ordinary or special resolution to be passed at a general meeting of Unitholders (as the case may be).</p> <p>Amendments also need to be made to include a specific restriction on the disposal of shares in the Internal Manager unless it is approved by ordinary resolution of Unitholders. This is a specific amendment required pursuant to Resolution 2(f) passed at the 7th August 2023 EGM.</p>	
3.	<p>Manager's Right to Determine How Voting Rights are Exercised (Clause 13.1)</p>	<p>Please refer to #2 above in relation to the Governance Structure.</p> <p>The Trust Deed currently provides that all rights of voting conferred by any "Deposited Property" (as defined in the Trust Deed) of Sabana Industrial REIT shall be exercised in such manner as the manager of Sabana Industrial REIT may direct.</p> <p>The shares of the Internal Manager will fall within the scope of "Deposited Property" of Sabana Industrial REIT.</p> <p>However, in view of the Governance Structure, where Unitholders will be entitled to exercise certain key shareholder rights over the Internal Manager, the Trust Deed needs to be amended to carve out the Internal</p>	<p>Please refer to #2 above in relation to the Governance Structure.</p>

S/N	Proposed Trust Deed Amendment	Rationale for Proposed Trust Deed Amendment	Why it cannot be said with certainty that the Proposed Trust Deed Amendments do not materially prejudice the interests of the Unitholders
4.	<p>Manager May Require Trustee to Lend, Borrow or Raise Money (Clause 10.12)</p> <p>Certain Dealings with Related Corporations of the Manager (Clause 16.4)</p>	<p>Manager's ability to exercise voting rights in respect of itself, so that these rights will be exercised in accordance with Unitholders' directions.</p> <p>The Internal Manager is expected to be an asset light entity. In order to meet its regulatory and working capital requirements, external borrowings or funding from Sabana Industrial REIT may be required to provide the Internal Manager with the necessary funds to support its operating expenses.</p> <p>However, the existing external borrowing provisions in the Trust Deed restrict borrowing to specific purposes (i.e. to meet liabilities under Sabana Industrial REIT, funding the acquisition of real estate assets and the redemption of units), and do not allow external borrowings for the purposes of funding the operating expenses of a going concern company such as the Internal Manager.</p> <p>Furthermore, the existing provisions of the Trust Deed provide that for so long as Sabana Industrial REIT is listed, no moneys of Sabana Industrial REIT can be invested into the securities of, or lent to, its REIT manager or related corporations of the REIT manager.</p> <p>Accordingly, the Trust Deed will need to be amended to provide for flexibility to allow for (a) lending, borrowing or raising of money by Sabana Industrial REIT and/or the Internal Manager and (b) the provision of capital by Sabana Industrial REIT to the Internal Manager, in order to facilitate operations of the Internal Manager.</p> <p>In the absence of such flexibility, there is a risk that the</p>	<p>Under the Trust Deed, external borrowings are primarily intended for, among others: (a) meeting the liabilities of Sabana Industrial REIT, (b) funding the acquisition of real estate assets, and (c) the redemption of units. These activities carry a different risk profile as compared to funding an Internal Manager.</p> <p>To allow Sabana Industrial REIT to take on debt to fund the operations of a REIT management company exposes Sabana Industrial REIT to credit risks which are not ordinarily characteristic of passive real-estate investments. Given that an internalised REIT management model is untested in the Singapore market, there is currently no visibility on the viability of the Internal Manager as well as the extent of the credit and cost of financing risks that it may be exposed to.</p> <p>Accordingly, it cannot be said with certainty that the proposed amendments do not materially prejudice the interests of the Unitholders.</p>

S/N	Proposed Trust Deed Amendment	Rationale for Proposed Trust Deed Amendment	Why it cannot be said with certainty that the Proposed Trust Deed Amendments do not materially prejudice the interests of the Unitholders
		Internal Manager will face resource and operational constraints in the event it requires additional working capital but is not otherwise able to have access to the internal resources or external borrowings of Sabana Industrial REIT.	

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TRUSTEE 23 JAN STATEMENT

The Manager assumes no responsibility for any of the contents of the Trustee 23 Jan Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 23 Jan Statement.



23 January 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 – 23 JANUARY 2024

1. We refer to the Trustee's Statement dated 8 August 2023 in relation to the Resolutions (the "**Trustee's Announcement**") and to the Trustee's Statements dated 21 July 2023, 29 August 2023, 4 October 2023, 7 November 2023, 6 December 2023, 15 December 2023, and 9 January 2024 (collectively, the "**Trustee's Statements**"), all of which were published via SGXNet.
2. In this regard, the Trustee wishes to provide the following update to all Unitholders as set out in the Appendix to this letter.
3. Terms defined in the Trustee's Announcement and the Trustee's Statements shall, unless the context otherwise requires, have the same meanings when used in this letter.
4. 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)

A handwritten signature in blue ink, appearing to read "Rahul Desouza", with a horizontal line extending to the right.

RAHUL DESOUSA
Authorised Signatory

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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APPENDIX

Trustee's Update to Unitholders of Sabana Industrial REIT

1. As stated in the Trustee's Statements, the Trustee will provide further updates and engage with Unitholders as and when there are material developments.

Further Information on Costs Incurred up to 31 December 2023

2. The Trustee refers to Sabana Industrial REIT's release of its financial results for the period from 1 July 2023 to 31 December 2023 ("**2H 2023**") and for the full year from 1 January 2023 to 31 December 2023 ("**FY 2023**") on 23 January 2024 via SGXNet, where the Manager has notified Unitholders, among other things, of:
 - (a) the incurrence of approximately S\$1.37 million of expenses in connection with (and up to) the requisition of the 7 August EGM to vote on the Resolutions (prior to the Trustee's commencement of the implementation of the Internalisation process);
 - (b) the incurrence of approximately S\$3.27 million in expenses in respect of the ongoing internalisation process, since the passing of the Resolutions on 7 August 2023¹ and accrued as at 31 December 2023; and
 - (c) the decline in Sabana Industrial REITs declared distribution per unit ("**DPU**")² as 10% of FY 2023's distributable income was retained for capital management purposes in view of the additional costs incurred and to be incurred in connection with the internalisation, in addition to the decrease in distributable income mainly due to the one-off impairment loss relating to 33 & 35 Penjuru Lane.
3. In that regard, the Trustee would like to elaborate on the costs incurred since the passing of the Resolutions on 7 August 2023 and up to 31 December 2023, in connection with the implementation of the Internalisation process and the progress made across the various workstreams of the internalisation.
4. As stated in the Trustee Statement dated 7 November 2023, the issues that have been considered by the Trustee and its advisers in preparation for the establishment of the internal manager to date are interconnected and nuanced, and should not be oversimplified. As such, this precedent-setting process has required and will continue to require careful analysis and diligence on the part of the Trustee and its advisers, and costs have been incurred and will be incurred to carry out, among other things, the following:
 - (a) financial analysis of Sabana Industrial REIT's operations and costs;
 - (b) ensuring continued compliance with relevant laws and obligations;
 - (c) ongoing engagement with regulators;
 - (d) considering the impact of the internalisation from a Singapore tax perspective;
 - (e) seeking to secure the necessary regulatory licenses for the new internal manager to operate;
 - (f) an assessment of the appropriate legal structure of the new internal manager;
 - (g) identifying and appointing qualified employees and directors of the internal manager and the handling of various staffing requirements; and
 - (h) assessing funding requirements for the establishment of new internal manager and the implementation of the internalisation and for the new internal manager to commence operations.

¹ See page 9, Sabana Industrial REIT 2H 2023 and FY 2023 Financial Results presentation dated 23 January 2024 issued by Manager.

² See page 10, Sabana Industrial REIT 2H 2023 and FY 2023 Financial Results presentation dated 23 January 2024 issued by Manager.

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Company Registration No : 194900022R

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5. Such costs incurred and to be incurred are necessary to ensure that (a) the implementation of the Resolutions proceeds in a compliant and prudent manner to protect the interests of all Unitholders, and (b) a robust, compliant, and effective management structure is created to oversee the management of Sabana Industrial REIT going forward.
6. The Trustee also wishes to update Unitholders that it anticipates additional costs to be incurred in the coming months, as work for the Internalisation continues to progress.³ The Trustee also notes that additional time and resources may be needed (and additional costs may be incurred) to address any additional work over and above the current Work Plan which may arise at Unitholders' behest, having regard to the best interests of the Unitholders as a whole. As highlighted in the Trustee Statement dated 9 January 2024, an example of such additional costs which have been incurred and will be incurred are those in relation to addressing and considering the appropriateness and actionability of the resolutions put forth by the requisitioning Unitholders in the requisition notice dated 10 January 2024 to convene a separate EGM.
7. The Trustee continues to engage with the Manager on a weekly basis to oversee the ongoing operations of Sabana Industrial REIT.

Updates on Advancement of Other Workstreams for the Internalisation

8. The Trustee continues to work closely with its legal advisers, Rajah & Tann Singapore LLP ("**Rajah & Tann**"), tax advisers ("**KPMG Services**"), financial advisers ("**FTI**") and change management adviser to progress the various workstreams in relation to the implementation of the Resolutions. Material progress has been made on these workstreams and includes the following:
 - (a) The change management adviser, having made good progress in assessing the necessary staffing requirements for the new internal manager, including supporting the hiring, appointment and retention of staff, and recruitment of qualified directors where necessary. The change management adviser has shortlisted a list of potential candidates for the Board of Directors and senior executives of the new internal manager and is working with the Trustee to evaluate the right candidates for the respective roles.
 - (b) KPMG Services having completed its Tax Advisory Report regarding the Internalisation of Sabana Industrial REIT's management function, including the (i) capitalisation of a new REIT Manager, (ii) transfer of assets, (iii) ongoing taxation of new REIT Manager.
 - (c) KPMG Services having substantially progressed its study of the transfer pricing considerations for the management fees of the internal manager and the property management fees for any internal property management and leasing functions which may be undertaken.
 - (d) The Trustee and its legal advisers, Rajah & Tann, are in communications with the Monetary Authority of Singapore ("**MAS**") and Singapore Exchange Regulation ("**SGX RegCo**") on various regulatory matters pertaining to the internalisation process. This includes seeking the necessary regulatory approvals from the MAS as well as sharing updates on the progress of the internalisation process.
 - (e) the submission of the Trustee's Order 32 Application to the High Court of Singapore (the "**Court**"). As the respondent to the Order 32 Application indicated that it wishes to seek production of documents, the Court has directed that it request the documents from the Trustee, with a subsequent case conference to be held on 20 February 2024 where further directions for the conduct of the Order 32 Application will be provided.
9. The Trustee will provide further updates and engage with Unitholders as and when there are material developments. All updates from the Trustee will be in the form of announcements via SGXNet.

³ Given the inherent uncertainties [(including taking into account potential actions by interested stakeholders)] and the high level of complexity involved in the internalisation process, it is not possible for the Trustee to provide a projection or estimate on the cost of internalisation going forward at this stage.

10. 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.

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TRUSTEE 30 JAN STATEMENT

The Manager assumes no responsibility for any of the contents of the Trustee 30 Jan Statement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 30 Jan Statement.



30 January 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 – 30 JANUARY 2024

1. We refer to the Trustee's Statement dated 8 August 2023 in relation to the Resolutions (the "**Trustee's Announcement**") and to the Trustee's Statements dated 21 July 2023, 29 August 2023, 4 October 2023, 7 November 2023, 6 December 2023, 15 December 2023, 9 January 2024 and 23 January 2024 (collectively, the "**Trustee's Statements**"), all of which were published via SGXNet.
2. In this regard, the Trustee wishes to provide the following update to all Unitholders as set out in the Appendix to this letter.
3. Terms defined in the Trustee's Announcement and the Trustee's Statements shall, unless the context otherwise requires, have the same meanings when used in this letter.
4. 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)

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RAHUL DESOUSA
Authorised Signatory

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10 Marina Boulevard, Marina Bay Financial Centre, Tower 2, #48-01, Singapore 018983
Company Registration No : 194900022R

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APPENDIX

Trustee's Update to Unitholders of Sabana Industrial REIT

1. As stated in the Trustee's Statements, the Trustee will provide further updates and engage with Unitholders in respect of material developments.
2. The Trustee notes the requisition notice dated 10 January 2024 (the "**10 January 2024 Requisition Notice**") from several Unitholders (the "**Requisitionists**") to the Manager to convene an extraordinary general meeting and table certain resolutions (the "**Requisitioned Resolutions**") to Unitholders.

Updates on Summary of Work Plan and Advancement of Other Workstreams for the Internalisation

3. Further to the Trustee's Statement dated 7 November 2023, please refer to Annex A which sets out an updated summary of the Trustee's Work Plan ("**Work Plan**") based on current progress. The Work Plan may need to be adjusted, supplemented or amended as work on various workstreams and discussions progress. The Trustee will update Unitholders with material updates as and when appropriate.

Trustee's Letter to Requisitionists in respect of the Requisition Notice Dated 10 January 2024

4. The Trustee further notes that the Requisitioned Resolutions are substantially similar to the resolutions stated in the earlier requisition notice dated 21 December 2023 (the "**21 December 2023 Requisition Notice**"). In response to the 21 December 2023 Requisition Notice, the Trustee provided its preliminary views in the Trustee's Statement dated 9 January 2024 that it would not be beneficial to the progress of the internalisation for an extraordinary general meeting to be convened or to consider these resolutions at this juncture, having regard to the following:
 - (a) to do so will add additional work over and above the current Work Plan which is likely to cause distraction and may be counter-productive to ongoing efforts to implement the internalisation as expeditiously as possible;
 - (b) some of the resolutions would require further clarification and modifications, and may not be actionable as proposed; and
 - (c) some of the resolutions are the subject matter of the Order 32 Application filed by the Trustee on 9 January 2024. Accordingly, it may not be meaningful for these resolutions to be tabled to Unitholders before the Court provides guidance and clarity on the prayers sought in the Order 32 Application (as set out in paragraph 7 of the Trustee's Statement dated 9 January 2024).
5. Accordingly, in light of the 10 January 2024 Requisition Notice, the Trustee issued a letter to the Requisitionists on 24 January 2024 (the "**Letter to Requisitionists**"):
 - (a) seeking specific clarifications on certain Requisitioned Resolutions to facilitate the Trustee's understanding and assessment of the Requisitioned Resolutions and in order to, amongst others, consider the Trustee's ability to implement the Requisitioned Resolutions should they be tabled and subsequently passed at an extraordinary general meeting to be convened; and
 - (b) explaining in further detail some of the Trustee's concerns in respect of certain Requisitioned Resolutions for the Requisitionists' consideration.
6. The Trustee's concerns and clarifications sought in the Letter to Requisitionists include:
 - (a) some of the Requisitioned Resolutions seek to impose specific directions and timelines on the Trustee's implementation of the internalisation. The Trustee is actively working with its advisers to progress various workstreams for the internalisation, many of which

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are nuanced and inter-connected, and at times subject to dependencies and/or with timelines beyond the control of the Trustee. Accordingly, such Requisitioned Resolutions, even if approved by Unitholders, may not be capable of being practically implemented within the constraints of any implementation timeline; and

- (b) further clarity will be required from the Requisitionists on how some of the Requisitioned Resolutions are to be reconciled with directions given to the Trustee under the earlier resolutions passed at the extraordinary general meeting on 7 August 2023 (the "**7 August 2023 EGM**"), which have formed the basis of the significant work which the Trustee has already undertaken in its ongoing internalisation efforts. If the Manager proceeds to convene the requisitioned meeting in the absence of clarity from the Requisitionists, the Trustee may need to consider pausing certain workstreams until such clarity is obtained in the best interests of Unitholders as a whole. This may result in additional delay to the overall implementation timeline.

Further details of the Trustee's concerns and clarifications sought are set out in the Letter to Requisitionists, a copy of which is attached as Annex B.

- 7. Having regard to the issues and points of clarification identified in the Letter to Requisitionists, the Trustee invited the Requisitionists to consider withdrawing these Requisitioned Resolutions and allowing the Trustee and its advisors to concentrate resources on the core internalisation work at this critical juncture instead.

Requisitionists' Response to the Letter to Requisitionists Dated 24 January 2024

- 8. The Trustee has on the evening of 29 January 2024 received a response to its Letter to Requisitionists ("**Response Letter**"), a copy of which is attached as Annex C. The Trustee notes the contents of the Response Letter and is seeking legal advice with regard to its contents.
- 9. While the Trustee is seeking legal advice on the Response Letter, in view of the approaching statutory deadline for the convening (or otherwise) of an extraordinary general meeting to table the Requisitioned Resolutions, the Trustee's views on certain key matters referred to in the Response Letter are summarised as follows for the benefit of all Unitholders:
 - (a) The Trustee disagrees with any suggestion of wrongdoing or delay on its part. Since the 7 August 2023 EGM, the Trustee has been focused on executing Unitholders' mandate by working to ensure the implementation is orderly, well-considered and advised, in the best interests of all Unitholders. Whilst the Trustee understands the Requisitionists' focus on progress, the Trustee would like to take this opportunity to reiterate the importance of avoiding a case of "more haste, less speed", which could be detrimental to the interests of Sabana Industrial REIT and its Unitholders, if the internalisation, being an unprecedented and complex process, is effected without proper regard to compliance with applicable regulations, policy and/or the provisions of the Trust Deed.
 - (b) With reference to the various references in the Response Letter to the requisition being part of the internal democratic process of Sabana Industrial REIT:
 - (i) The Trustee would like to clarify that it respects that Unitholders are rightfully entitled to requisition meetings in accordance with the provisions of the Trust Deed.
 - (ii) Rather, the Trustee's concern is that it would not be beneficial to the progress of the internalisation for the Requisitioned Resolutions, as currently worded, to be tabled to Unitholders at this juncture, for the reasons already stated. The Trustee is concerned that more confusion, costs, delay and distraction will arise from the Requisitioned Resolutions than actual clarity and progress.
 - (iii) It is in this spirit that the Trustee had issued the Letter to Requisitionists to facilitate a better understanding and assessment of the Requisitioned Resolutions, and to invite the Requisitionists to reconsider the need to convene

an extraordinary general meeting at this juncture to table the Requisitioned Resolutions in light of the Trustee's concerns and explanations.

(c) Having considered the Requisitionists' responses in the Response Letter, the Trustee remains of its earlier view as set out in paragraph 4 above. Whilst not exhaustive, the Trustee's views on the clarifications and responses provided in the Response Letter include:

(i) in respect of the Requisitioned Resolutions on which the Trustee sought clarifications, it is still not clear to the Trustee how the Requisitionists perceive them to be implemented. For instance:

(1) for Requisitioned Resolution 3, the Trustee notes that in the Response Letter, the Requisitionists have:

(A) on one hand stated that "*Resolutions 1 and 2 passed at the 7 August 2023 EGM do not provide for the Trustee to negotiate for the acquisition of any assets (including employment contracts) from the Manager, as well as the entirety of the Manager*"; but

(B) on the other hand provided that "*Requisitioned Resolution 3 has been tabled for unitholders to vote on the maximum all-in price which Sabana unitholders will pay for the acquisition of the entire manager...*".

It is also unclear how this may be reconciled with Resolution 2(c) of the resolutions passed on the 7 August 2023 EGM which expressly directs the Trustee to consider the retention of Sabana Industrial REIT's existing staff in order to maintain the continuity of Sabana Industrial REIT's operations, especially when such existing staff remain in the employment of the Manager.

If Requisitioned Resolution 3 is tabled to Unitholders in its current form, in light of the foregoing conflicting mandates, the Trustee may need to pause and reassess its existing workstreams to establish a wholly-owned subsidiary to act as the internal manager, with a potential acquisition of existing assets (including employment contracts) of the Manager until such time when clarity is obtained as to whether Requisitioned Resolution 3 is passed;

(2) for Requisitioned Resolution 5, there is still no clarity from the Response Letter on the functions and powers of the "Internalization Committee" in overseeing the internalisation process. In the absence of such clarity, it is unclear how this is to be reconciled with other provisions under general law and the Trust Deed which regulate the Trustee's conduct of the internalisation; and

(3) for Requisitioned Resolutions 9 and 10, there is still no clarity from the Response Letter on how the Requisitionists' proposal to incorporate the relevant provisions into the constitution of the internal manager or any "management agreement" can confer binding legal rights for the benefit of all Unitholders, who will not be parties to such documents; and

(ii) In respect of the Requisitioned Resolutions where the Trustee expressed concerns as to their appropriateness or actionability, the Trustee's concerns still remain. For instance:

(1) for Requisitioned Resolutions 1, 2 and 4, while the Trustee is prepared to and has in fact been providing updates on an approximately monthly basis, additional monthly reporting/updates on any deviations or delays

from the Trustee's Work Plan and/or any other implementation timeline would be highly impracticable and in any event need to be treated in a sensitive manner as they may relate to matters which are subject to dependencies and external stakeholder engagement beyond the Trustee's control; and

- (2) for Requisitioned Resolutions 6, 7 and 8, the Trustee would like to reiterate that they are the subject matter of the Order 32 Application filed by the Trustee on 9 January 2024. The passing of the Requisitioned Resolutions and/or the indication of "*unitholders' wishes on how the internalization should be implemented*" would not assist in resolving the issues, which have arisen in the Trustee's Order 32 Application for the Court's determination. Accordingly, it would not be meaningful for these resolutions to be tabled to Unitholders before the Court provides guidance and clarity on the prayers sought in the Order 32 Application.
10. The Trustee remains committed to continuing its progress on the implementation of the internalisation and will continue to provide further updates and engage with Unitholders in respect of material developments as appropriate.
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.

Important Information

Unitholders are advised to read this statement carefully. The risks described in this statement are by no means exhaustive or comprehensive, and there may be other risks in addition to those in this statement which are not known to the Trustee, or which may not be material now but may turn out to be material in the future. Additional risks, whether known or unknown, may in the future have an impact on the implementation of the Requisitioned Resolution(s) or the business, financial condition, operations and prospects of Sabana Industrial REIT. The Trustee does not hold a capital markets services licence for real estate investment trust management. Unitholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

Annex A

Reference Key:

● Completed
 ● In Progress
 ● Not Started

Updated Summary of Work Plan		Status:
1. Appointment of Professional Advisers	Identify and appoint financial, legal, tax, and executive search professional advisers.	●
2. Establish entity for internal manager	Assess tax impact of establishing new entity.	●
	Finalise transfer pricing study to determine an arm's length management fee for the new internalised manager for Sabana Industrial REIT (" New Internalised Manager ") in accordance with Singapore transfer pricing requirements.	●
	Incorporate a corporate entity to serve as the New Internalised Manager.	●
3. Establish personnel for New Internalised Manager	Conduct search for and finalise qualified directors of the New Internalised Manager.	●
	Conduct search for, assessment of and finalise management team of the New Internalised Manager.	●
4. Establish functionality for New Internalised Manager	Conduct due diligence of Sabana Industrial REIT including its existing management structure, the current state and cost of operations and responsibilities. Identify the requirements for the new manager in an internalised management structure.	●
	Identify the assets required by the New Internalised Manager to fulfill its function.	●
	Assess commercial options to resource and build out a functioning New Internalised Manager.	●
5. Establish budget and operating plan	Develop financial analysis, operating protocols, etc. to enable the New Internalised Manager to operate as a licensed entity.	●
	Establish the cost of setup.	●
	Assessment of options for and funding of the setup of the New Internalised Manager.*	●
6. Review applicable regulations	Review and identify applicable and affected regulations in respect of the New Internalised Manager.	●
	Consider the application of the Code on Collective Investment Schemes of Singapore and the applicable provisions of the Listing Manual of the SGX-ST to the current circumstances and identify waivers/amendments required (if applicable) and engaging with regulators as appropriate.	●
7. Establish Trust Deed amendments	Identify amendments to the Trust Deed required to implement the internalisation.**	●
8. Order 32 application	File Order 32 application.	●
	Court hearing and receiving judgement.***	●
9. Unitholder communications	Continue to provide periodic updates to unitholders on material developments.	●
10. Licensing and applications	Prepare and submit the required applications for relevant licenses and authorisations.	●
11. Extraordinary general meeting(s)	Prepare for extraordinary general meeting(s) to be convened by the Trustee in relation to the Trust Deed amendments and other internalisation related matters as set out in this workplan.	●
12. Transition and operationalisation	Commence handover and transition to New Internalised Manager.	●

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* Disbursement of funds to New Internalised Manager may be subject to unitholder approval.

** The Trustee has, with the help of its advisers, substantially identified the amendments to the Trust Deed required to provide for an internalised management structure and to implement the Resolutions. A summary of the Proposed Trust Deed Amendments and the brief rationale for such amendments is set out in the Annex to the Trustee statement dated 9 January 2024. However, the summary does not purport to contain a final or exhaustive list of all Proposed Trust Deed Amendments required for the purposes of the internalisation, and the amendments remain subject to ongoing review of the Trustee with its advisers, as well as related workstreams including ongoing regulatory consult, as the internalisation process progresses.

*** Timing of this workstream is at the discretion of The High Court of Singapore.

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Annex B

Letter to Requisitionists

**Quarz Capital Asia (Singapore) Pte. Ltd. ("Quarz")
The Unitholders set out in Appendix A**

BY EMAIL ONLY

(collectively, the "**Requisitionists**")

24 January 2024

Dear Sirs,

Trustee's Requests for Clarifications on, and Responses to, the Requisitioned Resolutions in the Requisition Notice Dated 10 January 2024

A. Introduction

1. We refer to the requisition notice ("**Requisition Notice**") dated 10 January 2024 to Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Industrial Real Estate Investment Trust ("**Sabana Industrial REIT**") (the "**REIT Manager**") to convene an extraordinary general meeting and table certain resolutions (the "**Requisitioned Resolutions**") to the unitholders ("**Unitholders**") of Sabana Industrial REIT.
2. HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Industrial REIT) (the "**Trustee**") notes that the Requisitioned Resolutions pertain to the Trustee's ongoing implementation of the internalisation of Sabana Industrial REIT's management function (the "**Internalisation**") pursuant to Unitholders' resolutions passed at the extraordinary general meeting on 7 August 2023 (the "**7 August 2023 EGM**").
3. Having reviewed and considered the Requisitioned Resolutions, the Trustee would like to seek clarifications on certain Requisitioned Resolutions to facilitate the Trustee's understanding and assessment of the Requisitioned Resolutions in order to, *inter alia*, consider the Trustee's ability to implement the Requisitioned Resolutions should they be tabled and subsequently passed at an extraordinary general meeting to be convened pursuant to the Requisition Notice. Where appropriate, the Trustee also takes this opportunity to raise some of its concerns in respect of certain Requisitioned Resolutions for the Requisitionists' consideration.

B. Clarifications in respect of Requisitioned Resolutions

1. Clarifications in respect of Requisitioned Resolution 3
 - (a) Requisitioned Resolution 3 is reproduced below:

"RESOLUTION 3: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject any proposal to acquire the existing REIT Manager directly or indirectly for a maximum all-in offer price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction post 1 month of this resolution.*"
 - (b) The Trustee would like to seek the following clarifications on how Requisitioned Resolution 3 interacts with existing resolutions passed at the 7 August 2023 EGM and how it is intended to operate if adopted:
 - (i) First, with reference to the phrase "*any proposal to acquire the existing REIT Manager directly or indirectly*", the Trustee would like to clarify whether Requisitioned Resolution 3 would allow the Trustee to contemplate an acquisition of either of the shares or assets of the REIT Manager. If the

intention is for Requisitioned Resolution 3 to permit the acquisition of the shares of the REIT Manager, the Trustee would like to further clarify whether and how this may be reconciled with the following resolutions passed at the 7 August 2023 EGM:

- (1) Resolution 1, which approved the removal of the REIT Manager as manager of Sabana Industrial REIT. In particular, assuming that the shares of the REIT Manager are acquired, how do the Requisitionists envisage the REIT Manager continuing to manage Sabana Industrial REIT given that this resolution has called for its removal; and
- (2) Resolution 2(a), which directed the Trustee to incorporate a wholly-owned subsidiary to act as the internal manager.

It should be noted that, pursuant to the resolutions passed at the 7 August 2023 EGM, the Trustee has already undertaken significant work on the basis of a new entity to be established by Sabana Industrial REIT to act as the internal manager.

- (ii) Second, with reference to the phrase "post 1 month of this resolution", the Trustee would like to clarify:
 - (1) whether the intention is that the Trustee would not be allowed to enter into any transaction to acquire the REIT Manager and/or the assets of the REIT Manager after the expiry of the 1-month period from the date Requisitioned Resolution 3 is passed (regardless of the proposed price for such acquisition);
 - (2) how the 1-month period was determined; and
 - (3) how the 1-month period is to operate practically, having regard that any acquisition of the shares of the REIT Manager will require the prior approval of the Monetary Authority of Singapore pursuant to applicable statutory requirements.
- (iii) Third, the Trustee notes the reference to a maximum all-in offer price of S\$10,000,000. In this regard, the Trustee would appreciate if the Requisitionists could provide further clarity on the following:
 - (1) the basis of the S\$10,000,000 figure, including the details of any valuation analysis conducted by the Requisitionists in proposing this figure; and
 - (2) the parameters of an "all-in offer price" and whether this "all-in offer price" should take into consideration the cost incurred in respect of the Internalisation (i.e. other than the offer price proposed to acquire the existing REIT Manager).

2. Clarifications in respect of Requisitioned Resolution 5

- (a) Requisitioned Resolution 5 is reproduced below:

"RESOLUTION 5: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee ("Internalization Committee") comprising of at least 5 individuals to oversee the internalization process according to the Implementation Timeline, of which at least 2 individuals shall be proposed by the Sabana Growth Internalization Committee (SGIC) and the remaining 3 individuals shall be proposed, appointed and/or removed by majority vote of the unitholders."*

- (b) The Trustee would like to seek the following clarifications on how Requisitioned Resolution 5 is intended to operate if adopted:
- (i) First, the Trustee notes that the Internalization Committee will "oversee the internalisation process according to the Implementation Timeline". The Trustee would like to clarify the scope of the proposed powers of the Internalization Committee in exercising its oversight and how such powers can be reconciled with the following principles:
- (1) from an information disclosure perspective, the Trustee is generally not allowed to disclose material information to select groups of Unitholders to the exclusion of others, pursuant to, amongst others, paragraph 23 of Appendix 7.1 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Accordingly, the Trustee will not practically be able to provide any material information to the Internalization Committee beyond what has already been disclosed in the public domain at that point in time;
 - (2) from an oversight perspective, if it is contemplated that the Internalization Committee will be given substantive decision-making powers in respect of the Trustee's implementation of the Internalisation, such powers would potentially conflict with the general principle under the trust deed ("**Trust Deed**") constituting Sabana Industrial REIT (e.g. Clause 2.9.2) and general law that Unitholders cannot seek to control the exercise of the Trustee's discretion; and
 - (3) on a general level, and as mentioned in various public update statements, the Trustee is committed to implementing the Internalisation in the best interests of all Unitholders. In doing so, the Trustee remains open to listening to feedback from all Unitholders and endeavours to treat all Unitholders equally. The Trustee is not able to assess the capabilities and suitability of the individuals ultimately appointed to the Internalization Committee, who will not be under any legal or fiduciary obligation to act for the benefit of all Unitholders. Accordingly, the formation of an Internalization Committee with special oversight and information rights over the Internalisation potentially undermines the Trustee's commitment to serve the interests of all Unitholders and as a result may compromise the Trustee's impartiality.
- (ii) Second, the Trustee would appreciate if the Requisitionists could provide further clarity on the precise mechanisms for the appointment of Internalization Committee members, including the following:
- (1) in respect of the two individuals to be appointed by the Sabana Growth Internalization Committee ("**SGIC**"):
 - (A) whether the two individuals would be automatically appointed upon nomination by the SGIC or would still be subject to Unitholder approval by way of vote; and
 - (B) how the Trustee would be able to verify nominations, given that the Trustee has no visibility on how the SGIC is constituted;
 - (2) in respect of the remaining three individuals, how they are envisaged to be proposed, appointed and/or removed by the Unitholders; and

- (3) in the event that fewer than five individuals are proposed and/or appointed to the Internalization Committee or there are vacancies after its formation, how the Internalization Committee is intended to function.

3. Clarifications in respect of Requisitioned Resolutions 9 and 10

- (a) Requisitioned Resolutions 9 and 10 are reproduced below:

"RESOLUTION 9: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up.*

RESOLUTION 10: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder's right to approve any change of control in the internal manager in the management agreement with the internal manager."*

- (b) The Trustee would like to clarify:

- (i) whether Requisitioned Resolutions 9 and 10 are intended to direct the Trustee to incorporate the relevant provisions into the constitution of the internal manager or the "management agreement", and accordingly exclude them from the proposed amendments to the Trust Deed ("**Proposed Trust Deed Amendments**") to effect the Internalisation as further described in the Trustee's public statement dated 9 January 2024 (the "**9 January 2024 Statement**"), and if so:

- (1) how Requisitioned Resolutions 9 and 10 can be reconciled with resolutions 2(d) to 2(f) passed at the 7 August 2023 EGM, which specifically directed the Trustee to amend the provisions of the Trust Deed to provide for these matters; and

- (2) how the provisions to be incorporated into the constitution of the internal manager or any "management agreement" can be binding on or enforceable by Unitholders, given that Unitholders will not be party to such constitution or "management agreement"; and

- (ii) alternatively, whether the Requisitionists would be prepared to consider withdrawing Requisitioned Resolutions 9 and 10, if the relevant provisions are to be incorporated in the Proposed Trust Deed Amendments (whether subject to unitholder approval or otherwise, and depending on the outcome of the Trustee's application to the High Court of Singapore under Order 32 of the Rules of Court 2021 (the "**Order 32 Application**")), as disclosed in the 9 January 2024 Statement.

4. Clarifications in respect of Requisitioned Resolution 11

- (a) Requisitioned Resolution 11 is reproduced below:

"RESOLUTION 11: *That in view that the Trustee has indicated in its statement of 7 November 2023 that "it is and will remain, neutral and independent of the Manager", the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed."*

- (b) The Trustee would like to seek clarification from the Requisitionists as to whether they are prepared to withdraw Requisition Resolution 11 if, subject to existing confidentiality obligations in respect of the matters sought to be disclosed under Requisitioned Resolution 11 and the Trustee obtaining consent to such disclosure from the relevant counterparties, a summary of the Trustee's engagement with the owners of the REIT Manager in respect of the Internalisation from 7 August 2023 to date is provided in an upcoming Trustee statement.
5. Clarifications in respect of Requisitioned Resolution 12
- (a) Requisitioned Resolution 12 is reproduced below:
- "RESOLUTION 12:** *That if the Trust Deed is proposed to be amended in connection with the internalization, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation and guidance from the Monetary Authority of Singapore (MAS) and the Singapore Exchange Securities Trading Limited ("SGX RegCo") on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) consequently, whether they are permitted to vote in relation to such resolution to amend the Trust Deed, and if so, that the fundamental pillar of investor protection, which is to remove the manager and internalize the management function, does not exist."*
- (b) The Trustee would like to seek clarification from the Requisitionists as to whether they are prepared to withdraw Requisition Resolution 12, where the Trustee writes to the relevant regulatory authority(ies) to seek guidance as to whether any Unitholder is required to abstain from the voting on any resolution to approve the Proposed Trust Deed Amendments.
6. As stated above, these requests for clarifications are intended to assist the Trustee in better understanding the Requisitionists' requests and for the Trustee's overall assessment of the appropriate steps for the Trustee to take in implementing the Internalisation having regard to the best interests of the Unitholders as a whole. These requests for clarification should not be taken as indications that the Trustee agrees with or considers that these Requisitioned Resolutions are necessary, advisable, appropriate, actionable and/or in the best interests of the Unitholders as a whole at this juncture.
7. To the extent that the Requisitionists nonetheless are of the view that the abovementioned Requisitioned Resolutions are still necessary, the Trustee would appreciate if the Requisitionists could propose appropriate modifications to the abovementioned Requisitioned Resolutions to reflect the clarifications to be provided.

C. Trustee's Responses to Requisitioned Resolutions for Requisitionists' Consideration

8. Responses to Requisitioned Resolutions 1 and 2

- (a) Requisitioned Resolutions 1 and 2 are reproduced below:

"RESOLUTION 1: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider, and if thought fit, to adopt the proposed implementation timeline for the setting up of a new internal manager and the internalization process as set out in the Annex (the "Implementation Timeline") with or without modifications, and to provide the reasons and basis for any modifications of the proposed Implementation Timeline.*

RESOLUTION 2: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to ensure that the Implementation Timeline*

shall concurrently be carried out without delay, notwithstanding any consideration of, or ongoing negotiation for, any potential acquisition of the existing REIT Manager."

- (b) In the Trustee's view, the imposition of the Implementation Timeline (with or without modifications) on the Trustee's implementation of the Internalisation will not be practicable for the following reasons:
- (i) First, the Implementation Timeline was provided by the Requisitionists without full visibility of the Trustee's work plan. While some of the activities involved have been captured in the Implementation Timeline, there are others (included in the Trustee's work plan) which have not been reflected in the Implementation Timeline provided by the Requisitionists. These include, for instance, regulatory consultations on the compliance requirements of the internal manager, consideration of the financial modeling, budget and operating plan of the internal manager and tax analysis. The Trustee will provide separately for all Unitholders' reference, by way of an SGXNET announcement, an update on the Trustee's Internalisation work plan based on information known to date and the current status of each workstream.
- (ii) Further, as previously mentioned in various public update statements from the Trustee to Unitholders, the process of Internalisation is expected to take at least 12 months and potentially significantly longer. The Trustee believes that the current progress is in line with the Trustee's earlier indicative timeline.
- (c) The Trustee notes that Requisitioned Resolution 1 allows the Trustee to propose modifications to the Implementation Timeline with reasons. However, as was disclosed previously, the Trustee's work plan is necessarily indicative and subject to ongoing review and change, as many of the Internalisation workstreams are nuanced, interconnected and at times subject to dependencies beyond the control of the Trustee (for instance, ongoing regulatory consultations, availability of suitable candidates for key management and board roles, financing arrangements and potential actions by interested stakeholders etc.). In light of the fluidity and interdependency of the workstreams (and more generally the complexity and unprecedented nature of the Internalisation process), the Trustee will not be in a position to ensure that any Implementation Timeline (with or without modifications) adopted in connection with Requisitioned Resolutions 1 and 2 will be achievable.
- (d) In view of the above, the Trustee believes that Requisitioned Resolutions 1 and 2 may not be actionable even if adopted by Unitholders. The Trustee cannot commit to and accordingly should not be directed to adopt a timeline for matters which are not within its control and/or are subject to many inter-dependencies. In any event, the Trustee has already been making meaningful progress on the Trustee's work plan as disclosed in the Trustee's ongoing public updates.
- (e) Accordingly, the Trustee would like to invite the Requisitionists to consider withdrawing Requisitioned Resolutions 1 and 2.

9. Responses to Requisitioned Resolution 4

- (a) Requisitioned Resolution 4 is reproduced below:

"RESOLUTION 4: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all Sabana unitholders with a written update on the internalization process every 2 weeks, including without limitation, the costs incurred for advisors, consultants and any deviations or delays from the proposed Implementation Timeline for internalization, etc."*

- (b) The Trustee currently provides updates as and when there are material developments in the implementation of the Internalisation. As at the date of this letter, after the 7

August 2023 EGM, the Trustee has provided updates on 29 August 2023, 4 October 2023, 7 November 2023, 15 December 2023, 9 January 2024 and 23 January 2024 (approximately once a month since 4 October 2023 with two updates in January 2024). The Trustee is of the view that the current frequency and content of updates are designed to support the execution of the Internalisation while balancing the interest of Unitholders to receive material updates in a timely manner.

- (c) There is limited value in providing updates every 2 weeks due to the nature of the Internalisation, where material developments with respect to the various activities and workstreams may take longer than 2 weeks to materialise and in certain cases, must be treated in a sensitive way.
- (d) Furthermore, additional reporting/updates every 2 weeks may result in increased costs to Sabana Industrial REIT and all Unitholders as resources will have to be diverted away from core Internalisation tasks to reporting activities. This may be counter-productive to the ongoing efforts to implement the Internalisation as efficiently and expeditiously as possible.
- (e) Accordingly, the Trustee would like to invite Requisitionists to consider withdrawing Requisitioned Resolution 4, particularly as the Trustee has a demonstrated track record of providing (and intends to continue to provide) updates to Unitholders as and when there are material developments in the implementation of the Internalisation.

10. Responses to Requisitioned Resolutions 6, 7 and 8

- (a) Requisitioned Resolutions 6, 7 and 8 are reproduced below:

"RESOLUTION 6: *That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the Trust Deed, the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalization; and (b) the Trustee's opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect internalization may adversely affect the interests of the Manager and its sponsors, whether directly or indirectly, given that internalization would affect the fee income of the Manager and its sponsors.*

RESOLUTION 7: *That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalization of the REIT management function, "does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders" according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.*

RESOLUTION 8: *That if any amendments to the Trust Deed referred to in Resolution 7 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed."*

- (b) In respect of Requisitioned Resolutions 6, 7 and 8, the Trustee has already provided its views on these issues in the 9 January 2024 Statement, subject to the outcome of the Trustee's Order 32 Application.
- (c) As the prayers being sought in the Order 32 Application seek guidance on the issues highlighted by Requisitioned Resolutions 6, 7 and 8, the Trustee believes that it will not

be meaningful for these Requisitioned Resolutions to be tabled to Unitholders at this juncture before the High Court provides guidance and clarity on the prayers sought. Even if these resolutions are tabled and adopted by Unitholders, they may not be actionable if the High Court subsequently provides guidance to the contrary pursuant to the Order 32 Application. Accordingly, the Trustee would like to invite the Requisitionists to consider withdrawing Requisitioned Resolutions 6, 7 and 8 and reassess when there is clarity on the outcome of the Order 32 Application.

- (d) Notwithstanding the foregoing, the Trustee notes the view expressed by Providence Law Asia, legal counsel acting for Quarz, at the case conference for the Order 32 Application held on 23 January 2024, that the Trustee's power under Clause 28.2.1 of the Trust Deed is in the nature of a discretion and not an obligation. The Trustee would like to understand how this position can be reconciled with Resolution 8, which seeks to direct the Trustee to provide a certification in respect of the Proposed Trust Deed Amendments pursuant to Clause 28.2.1 of the Trust Deed, having regard to the general principle under the Trust Deed (e.g. Clause 2.9.2) and general law that Unitholders cannot seek to control the exercise of the Trustee's discretion.

D. Conclusion

11. The Trustee appreciates the Requisitionists' views, as expressed through the Requisition Notice and the Requisitioned Resolutions, on the uncertainties of the Internalisation. Such uncertainties are only natural in a complex and unprecedented process like the present.
12. The Trustee would like to re-assure all Unitholders that the Trustee has been and will continue to be focused on implementing the Internalisation in the interests of all Unitholders and in an expeditious manner.
13. As a professional, licensed, reputable and responsible trustee, the Trustee takes its duties to safeguard the rights and interests of Unitholders seriously. The Trustee is well-cognisant of the need to exercise all due diligence and vigilance in implementing the Internalisation and has been diligently progressing all workstreams with a view to achieving Internalisation in an orderly, prudent, compliant and expeditious manner. Whilst the Trustee understands the Requisitionists' focus on progress, the Trustee would respectfully like to raise for your kind consideration that allowing the Trustee and the advisors to concentrate resources on the Internalisation work at this critical juncture would be in the Unitholders' greater interests (and also align with the Requisitionists' focus on progress).
14. The Trustee accordingly remains of the view that, having regard to the issues and points of clarification highlighted in this letter, it would not be beneficial to the progress of the Internalisation for an extraordinary general meeting to be convened or to consider the Requisitioned Resolutions (as currently proposed) at this juncture. Rather, existing trust resources are best used towards progressing the core Internalisation workstreams.
15. In view of the time sensitivities of this matter, the Trustee looks forward to the Requisitionists' responses to the issues and points of clarification raised in this letter at your earliest convenience (with the REIT Manager, the Singapore Exchange Regulation and the Monetary Authority of Singapore in copy), and in any event no later than **12 noon on 29 January 2024**.
16. Thank you.

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

Cc: The REIT Manager
Singapore Exchange Regulation
Monetary Authority of Singapore

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

9

RESTRICTED

Appendix A

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.



Annex C

Response Letter

The Trustee assumes no responsibility for any of the contents of the Response Letter, including the accuracy, completeness or correctness of any of the information statements or opinions made or reports contained in the Response Letter. The views expressed in the Response Letter should not be construed in any way as representing the views of the Trustee.

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

RESTRICTED



29 January 2024

Dear Sirs,

**RESPONSE TO TRUSTEE'S REQUESTS FOR CLARIFICATIONS ON THE REQUISITION
NOTICE DATED 10 JANUARY 2024**

1. We refer to the Trustee's letter dated 24 January 2024 and set out our responses herein.

Clarifications in respect of Requisitioned Resolution 3 (Section B, paragraph 1)

2. First, in respect of Section B, paragraph 1(b)(i) of your letter, as we have repeatedly reiterated, Resolutions 1 and 2 passed at the 7 August 2023 EGM do not provide for the Trustee to negotiate for the acquisition of any assets (including employment contracts) from the Manager, as well as the entirety of the Manager.
3. However, the Trustee in the Trustee's Letter dated 7 November 2023 stated that *"This also requires the Trustee to engage with a wide range of stakeholders to assess various commercial options to adequately resource and build out a functioning internal management entity. This includes but is not limited to considering the feasibility of the potential acquisition of existing assets and the potential retention of existing staff of the Manager in order to maintain the continuity of Sabana Industrial REIT's operations to implement the Resolutions."*
4. We are concerned that this statement suggests the Trustee is assessing the potential acquisition of the Manager and/or its assets, despite the fact that neither option has been sanctioned by unitholders and/or the resolutions on 7 August 2023. The Trustee has not provided any clarity on which party conferred the Trustee with the direction and discretion to negotiate and consider the feasibility of the potential acquisition of existing assets of and/or the Manager on behalf of unitholders. This discretion is not provided for in the Trust Deed.
5. Accordingly, Requisitioned Resolution 3 has been tabled for unitholders to vote on the maximum all-in price which Sabana unitholders will pay for the acquisition of the entire manager in the event that the Trustee proceeds nevertheless to *"contemplate an*



acquisition of either of the shares or assets of the REIT Manager”, as you put it, without any explicit sanction by unitholders.

6. Second, with reference to Section B, paragraph 1(b)(ii) of your letter, a 1-month period has been determined to minimize any delay in Internalization. Post the expiry of the 1-month period, the intention is that the Trustee shall not be allowed to enter into any transaction to acquire the REIT Manager and/or the assets of the REIT Manager if Resolution 3 is passed by unitholders regardless of the proposed price for such acquisition.
7. For completeness, the 1-month period does not include the approval by Monetary Authority of Singapore (“**MAS**”) pursuant to applicable statutory requirement. The 1-month period is for concluding any discussions to purchase the REIT Manager, any transaction to be executed is subject to MAS approval thereafter.
8. Third, the S\$10,000,000 figure takes into account various qualitative and quantitative parameters including financial metrics and considerations such as, the fact that 100% of the REIT Manager’s revenue and profit comes from Sabana REIT; the high attrition rate of the Manager (as stated in a 23rd January 2024 Business Times article where unitholders are highly concerned whether the Trustee is fulfilling its responsibility in ensuring that the current Manager meets MAS’s obligation to be a REIT Manager and the service standards required by unitholders); and, the net asset value, earnings visibility and balance sheet.
9. The S\$10,000,000 does not take into account the costs incurred in respect of the internalization.
10. If a transaction to purchase the existing Manager for not more than S\$10,000,000 can be completed, the existing Manager will become the new Internal Manager. The transaction should include definitive terms that ensures that the seller is supportive of Internalization.
11. Ultimately, Requisitioned Resolution 3 has been tabled for Sabana unitholders to vote on whether they agree that S\$10,000,000 should be the maximum all-in offer price to directly or indirectly acquire the existing Manager. This is part of the internal democratic process of a company and by extension of a REIT where the case law is clear that the courts should be very slow to interfere.
12. If further clarifications are needed, we welcome an open dialogue with the Trustee to address any further concerns.

Clarifications in respect of Requisitioned Resolution 5 (Section B, paragraph 2)

13. First, in respect of paragraph 2(b)(i) of your letter, we note that paragraph 24 of Appendix 7.1 of the SGX-ST Listing Manual clearly states that the Exchange recognizes that there may be limited instances where selective disclosure is necessary, and in such cases, disclosure may be made on a need to know basis and subject to appropriate confidentiality restraints. If unitholders pass Requisitioned Resolution 5, this would signify that unitholders permit the selective disclosure of information to the Internalization Committee to facilitate the internalization exercise.
14. In respect of paragraph 2(b)(ii) of your letter, we disagree that there is any conflict with the general principle under the Trust Deed. In the first place, you have not identified what *“discretion expressly conferred on the Trustee”* it is that you wish to exercise under Clause 2.9.2 of the Trust Deed. We reiterate that the direction to the Trustee to effect Internalization is provided for by unitholders in the 7 August 2023 EGM. Correspondingly, it makes sense that unitholders participate in the process and share the responsibility with the Trustee in the implementation of Resolution 2. There is no conflict with the general principle under the Trust Deed.
15. Further, the Trustee has often claimed on numerous occasions that 1) it anticipates additional cost, time and resource may be needed (on 23 Jan 2024); 2) Internalization is ‘complex and unprecedented’ (even though more than 40 REIT Managers have already been set up in Singapore in a timely and cost effective manner); and 3) the division of roles and responsibilities between the Manager and Trustee have been disrupted which leaves the Trustee as the ‘main driver’.
16. Due to these challenges as claimed repeatedly by the Trustee, we strongly believe that the Internalization Committee will be able to help support and share the responsibility of Internalization with the Trustee, as well as provide the necessary oversight in the implementation of Internalization.
17. Second, the appointments from SGIC as well as all appointments/removal are subject to unitholders’ approval. The Committee can work with fewer than five individuals.
18. Ultimately, Requisitioned Resolution 5 has been tabled for Sabana unitholders to vote on whether they want to direct the Trustee to form a committee to oversee Internalization.



This is part of the internal democratic process of a company and by extension of a REIT, where the case law is clear that the courts should be very slow to interfere.

19. If further clarifications are needed, unitholders welcome an open dialogue with the Trustee.

Clarifications in respect of Requisitioned Resolutions 9 and 10 (Section B, paragraph 3)

20. In respect of Section B, paragraph 3(b)(i)(1) of your letter, Resolutions 9 and 10, if passed by unitholders, shall supersede resolutions 2(d) to 2(f) passed at the 7 August 2023 EGM.
21. Croesus Retail Trust, in its internalization process, also incorporated these governance rights in a similar manner.
22. Ultimately, Resolutions 9 and 10 are tabled for Sabana unitholders to vote on whether they would like to have their governance and unitholders' rights implemented in a certain manner. This is part of the internal democratic process of a company and by extension of a REIT, where the case law is clear that the courts should be very slow to interfere.
23. If further clarifications are needed, unitholders welcome an open dialogue with the Trustee.

Clarifications in respect of Requisitioned Resolution 11 (Section B, paragraph 4)

24. Ultimately, Resolution 11 is tabled for Sabana unitholders to vote on whether they would like to direct the Trustee to disclose a list of all correspondence, emails, letters meetings, calls, timings, and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager since 7th August 2023, together with a summary of the matters discussed. This is part of the internal democratic process of a company and by extension of a REIT, where the case law is clear that the courts should be very slow to interfere.
25. If further clarifications are needed, unitholders welcome an open dialogue with the Trustee.



Clarifications in respect of Requisitioned Resolution 12 (Section B, paragraph 5)

26. Unitholders have requested the Trustee on multiple occasions to provide its position on whether the current Manager, its shareholders and concert/related parties would be permitted to vote on any resolutions concerning the Trust Deed amendments to effect Internalization, given their clear position of conflict. This is as the proposed Trust Deed amendments to effect the internalization will directly impact the fees of the current Manager, its shareholder and concert/related parties.
27. To-date, it is puzzling that the Trustee has not responded to unitholders' repeated requests for its position given that this issue is fundamentally critical to the success or failure of Internalization. It is no secret that the Manager, its shareholders and concert/related parties are against Internalization and will, if permitted to vote at an EGM, seek to block any Trust Deed amendments. Yet we do not know if the Trustee has even bothered to seek guidance from the regulators on this critical question.
28. Unitholders are prepared to withdraw this resolution if there is clarity and certainty that the parties with vested interests, namely the Manager, its shareholders and concert/related parties will abstain from any vote with regards to any Trust Deed Amendments to effect internalization.

Responses to Section C, paragraph 8

29. First, the unitholders strongly disagree that the Trustee *"has already been making meaningful progress on the Trustee's work plan as disclosed in the Trustee's ongoing public updates"*. In fact, we are highly dissatisfied and concerned about the Trustee's lack of progress on the internalization, which was voted in close to 7 months ago. Instead of actively engaging with unitholders on the matters of internalization, the Trustee has gone ahead on its own interpretation of how the internalization should be implemented, despite unitholders' disagreement with their position.
30. With regards to the timeliness of execution, unitholders are also highly concerned that by 6 November 2023 (three months after the EGM), the Trustee had only announced the appointment of a professional advisor and a legal advisor.
31. In fact, it is even more troubling that nearly 7 months post the internalization vote, the Trustee has not provided clarity on the key question which would determine whether Internalization would succeed or fail, i.e., whether the Manager, its shareholders and



concert/related parties should abstain from voting in any resolution to amend the Trust Deed to effect Internalization.

32. As pointed out by the Trustee, unitholders have not been provided with the full visibility of the Trustee's work plan. We welcome the Trustee to provide its full work plan to the unitholders. As Resolution 1 allows the Trustee to propose modifications to the Implementation Timeline with reasons, the Trustee can and should incorporate its full work plan into the Implementation Timeline.
33. Many REIT Managers have already been set up in Singapore in a timely and cost-effective manner of less than 12 months, with some even taking lesser time. This is also the reason why unitholders have tabled Resolution 5 to support the Trustee in its efforts.
34. We are of the view that unitholders are entitled to a more exact indication of how much time the internalization will take (in the opinion of the Trustee) and that the Trustee should be able to commit to such a timeline.
35. It is due to the above that unitholders have tabled Resolutions 1 and 2 to direct the Trustee to implement the execution timeline. This is part of the internal democratic process of a company and by an extension, of a REIT which the case law is clear that the courts should be very slow to interfere.
36. If further clarifications are needed, unitholders welcome an open dialogue with the Trustee.

Responses to Section C, paragraph 9

37. We note that the Trustee has been providing almost monthly updates to the unitholders. We are agreeable to withdraw Resolution 4 **if** the Trustee commits to providing a monthly update on Internalization, including without limitation, the cost incurred for each advisor, consultant and any deviations or delays from the Implementation Timeline for internalization.
38. If further clarifications are needed, unitholders welcome an open dialogue with the Trustee.



Responses to Section C, paragraph 10

39. First, we disagree that *“it will not be meaningful for these Requisitioned Resolutions to be tabled to Unitholders at this juncture before the High Court provides guidance and clarity on the prayers sought.”* On the contrary, these resolutions will provide further clarity to the High Court as regards the unitholders’ wishes on how the internalization should be implemented.
40. In respect of the Trustee’s Order 32 Application in OA 19, we have always acknowledged that the Trustee has a discretion under Clause 28.2 of the Trust Deed. Any discretion by the Trustee, however, has to be exercised properly, bearing in mind the beneficiaries’ intentions and the parameters set out under Clause 28.2.
41. We believe that the outcome of the EGM, based on the democratic rights of unitholders to exercise their rights to vote, may provide clarification to the High Court on unitholders’ wishes.
42. Ultimately, Resolutions 6, 7 and 8 are tabled for Sabana unitholders to vote on and express their views. This is part of the internal democratic process of a company in which the Court should be very slow to interfere.
43. If further clarifications are needed, unitholders welcome an open dialogue with the Trustee.

Conclusion

44. We appreciate the Trustee’s expressed view that its trust resources are best used towards progressing Internalization. However, we remain concerned that there are still questions as to how Internalization will be implemented. Accordingly, while we are appreciative of the Trustee’s attempts to better understand our position, we would like to reiterate that the EGM is the internal democratic process in which unitholders can discuss and engage on these questions in an open dialogue. We therefore ask that the EGM proceed without any delay.
45. Thank you.

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REQUISITIONISTS 7 FEB LETTER

The Manager assumes no responsibility for any of the contents of the Requisitionists 7 Feb Letter, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Requisitionists 7 Feb Letter. The views expressed in the Requisitionists 7 Feb Letter should not be construed in any way as representing the views of Sabana Industrial REIT or the Manager.



Date: Wednesday 7th February 2024

**Attention: The Board of Directors
Sabana Real Estate Investment Management Pte. Ltd.
(As Manager of Sabana Industrial REIT)**
151 Lorong Chuan
2-03 New Tech Park
Singapore 556741

**HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Sabana Industrial REIT)**
10 Marina Boulevard
48-01 Marina Bay Financial Centre
Singapore 018983

Dear Mr Han, Board of Directors of Sabana Real Estate Investment Management Pte. Ltd., Mr Desousa and Ms Liau,

Response to Trustee's Update to Unitholders dated 30 January 2024

1. We refer to:
 - a. the Trustee's letter dated 24 January 2024, which requested for clarifications on and/or modifications or withdrawals of the Requisitioned Resolutions in the Requisition Notice dated 10 January 2024;
 - b. our reply dated 29 January 2024, in which we had offered to withdraw a number of resolutions in exchange for clarifications from the Trustee on several critical issues (see in particular paragraphs 28 and 37); and
 - c. the Trustee's update to Unitholders dated 30 January 2024 (the "**30 January 2024 Update**").
2. We are disappointed to note that the Trustee has not provided any real response to the offers in our letter dated 29 January 2024, or any of the clarifications we had requested the Trustee to provide.
3. We wish to state that we share the Trustee's desire for clarity and progress, and had requisitioned the EGM precisely *because* we are dissatisfied with and concerned about the Trustee's apparent lack of clarity or progress on Internalization.
4. We have also noted that the Trustee has incurred staggering additional costs of approximately S\$3.2 million to-date for the implementation of Internalization. In order to reduce costs and minimize the issues that will be discussed at the EGM, as well as the need for potential further EGMs on the basis of the existing Requisitioned Resolutions, we, the requisitionists, have



decided to **withdraw and/or modify** the following Requisitioned Resolutions as set out in red below. We also seek further clarifications on specific statements made by the Trustee in its 30 January 2024 Update. For ease of reference, we will maintain the numbering of the Requisitioned Resolutions despite the fact that two of them will be withdrawn.

ORDINARY RESOLUTIONS

RESOLVED:

~~**RESOLUTION 1:** That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider, and if thought fit, to adopt the proposed implementation timeline for the setting up of a new internal manager and the internalization process as set out in the Annex (the "Implementation Timeline") with or without modifications, and to provide the reasons and basis for any modifications of the proposed Implementation Timeline.~~

~~**RESOLUTION 2:** That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to ensure that the Implementation Timeline shall concurrently be carried out without delay, notwithstanding any consideration of, or ongoing negotiation for, any potential acquisition of the existing REIT Manager.~~

5. *Explanatory Statement:* We acknowledge the Trustee's statement that it will not be able to commit to the Implementation Timeline as there are too many matters not within its control and/or subject to many inter-dependencies. We further note that the Trustee has already incurred substantial fees with little progress to show for it. Accordingly, we are prepared to **withdraw** Resolutions 1 and 2.

RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject any proposal to acquire the existing REIT Manager directly or indirectly for a maximum all-in offer price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction post 1 month of this resolution.

6. *Explanatory Statement:* There are no amendments to Requisitioned Resolution 3. In this regard, we wish to seek further clarification from the Trustee regarding paragraph 9(c)(1)(B) of its 30 January 2024 Update, in which it stated that "*If Requisitioned Resolution 3 is tabled to Unitholders in its current form, in light of the foregoing conflicting mandates, the Trustee may need to pause and reassess its existing workstreams to establish a wholly-owned subsidiary to act as the internal manager, with a potential acquisition of existing assets (including employment contracts) of the Manager until such time when clarity is obtained as to whether Requisitioned Resolution 3 is passed*".



7. We seek the Trustee's clarifications on the following:
- a. Is the Trustee currently in the process of negotiations to acquire the existing assets (including employment contracts) of the External Manager from the owner of the External Manager?
 - b. If yes to the above, is the Trustee contemplating an offer price exceeding 10 million Singapore dollars (S\$10,000,000)? If so, please provide all details of these negotiations, including the total and breakdown of the offer price as well as justifications for considering such a price.
 - c. Does the offer price include an additional sum to acquire the employment contracts of existing staff of the External Manager, in addition to the salaries that they will be paid if they are to be employed by the new Internal Manager?
8. We reiterate our position in our letter dated 29 January 2024 in which we had set out our serious reservations as to the Trustee's lack of clarity regarding its plans for the potential acquisition of the assets of the External Manager.
9. For the avoidance of any doubt, our position is that Resolutions 1 and 2 passed at the 7 August 2023 EGM do not provide for the Trustee to negotiate for the acquisition of any assets (including employment contracts) from the Manager, as well as the entirety of the Manager. The 7 August 2023 EGM Resolution 2(c) specifically reads that the Trustee be directed to "*consider the retention of Sabana industrial REIT's existing staff in order to maintain the continuity of Sabana Industrial REIT's operations*". Requisitioned Resolution 3 has been tabled for unitholders to vote on the maximum all-in price which Sabana unitholders will pay for the acquisition of the entire manager in the event that the Trustee proceeds to "*contemplate an acquisition of either of the shares or assets of the REIT Manager*", without any explicit sanction by unitholders.

RESOLUTION 4: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all Sabana unitholders with a written update on the internalization process every ~~2-weeks~~ month, including without limitation, the costs incurred for advisors, consultants and any deviations or delays from the proposed Implementation Timeline for internalization, etc."

10. *Explanatory Statement:* We had proposed withdrawing this resolution if the Trustee committed instead to providing monthly updates (see paragraph 37 of our 29 January 2024 letter). As the Trustee did not respond to our offer, we have modified the frequency of the written updates from 2 weeks to once a month to take into account the Trustee's slower pace of providing written updates. Given that the Trustee is already spending approximately S\$3.2



million for Internalization, we believe that the Unitholders need to know how their monies are being spent in a timely manner. This is not an onerous task that will take time away from the Trustee.

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee (“Internalization Committee”) ~~comprising of at least 5 individuals to oversee the internalization process according to the Implementation Timeline, of which at least 2 individuals shall be proposed by the Sabana Growth Internalization Committee (SGIC) and the remaining 3 individuals shall be proposed, appointed and/or removed by majority vote of the unitholders, consisting of Mr. Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, who shall be consulted by the Trustee and supervise the implementation of Internalization as unitholder representatives.~~

11. *Explanatory Statement:* As explained in our 29 January 2024 letter, the unitholders who wish to participate actively in the process of Internalization ought to be allowed to do so. We have modified the language of the resolution to clarify the scope of the Internalization Committee’s involvement, as pointed out by the Trustee in its 30 January 2024 Update. To save time and the expense of holding another EGM, we have also removed the mechanism for the appointment of individual Committee members by directly nominating six individuals who have stepped forward to express interest in participating in the Internalization process.

RESOLUTION 6: That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the Trust Deed, the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalization; and (b) the Trustee’s opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect internalization may adversely affect the interests of the Manager and its sponsors, whether directly or indirectly, given that internalization would affect the fee income of the Manager and its sponsors.

RESOLUTION 7: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalization of the REIT management function, “*does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders*” according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.



RESOLUTION 8: That if any amendments to the Trust Deed referred to in Resolution 7 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.

RESOLUTION 9: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up.

RESOLUTION 10: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder's right to approve any change of control in the internal manager in the management agreement with the internal manager.

RESOLUTION 11: That in view that the Trustee has indicated in its statement of 7 November 2023 that "*it is and will remain, neutral and independent of the Manager*", the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed.

12. *Explanatory Statement:* We do not propose any amendments to these Requisitioned Resolutions.

RESOLUTION 12: That if the Trust Deed is proposed to be amended in connection with the internalization, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation, ~~and~~ guidance ~~and/or directions~~ from the Monetary Authority of Singapore (MAS), ~~and~~ the Singapore Exchange Securities Trading Limited ("SGX RegCo") ~~and the High Court of Singapore in the Trustee's ongoing application in HC/OA 19/2024~~ on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) ~~consequently,~~ whether they ~~ought to be~~ ~~are~~ permitted to vote in relation to ~~any~~ such resolution to amend the Trust Deed ~~for the aforesaid or any other reason and if so, that the fundamental pillar of investor protection, which is to remove the manager and internalize the management function, does not exist.~~

13. *Explanatory Statement:* We had offered to withdraw Requisitioned Resolution 12 if the Trustee provided clarity on its position as to whether the Manager, its shareholders and concert/related parties ought to abstain from any vote with regards to any Trust Deed



Amendments to effect internalization, given their strong prior statements against Internalization. Disappointingly, the Trustee has yet to provide this clarification. Accordingly, we are of the view that the Trustee ought to be directed to place this question to the Court. Given that there is an ongoing application in HC/OA 19/2024, it would save time and costs for this additional declaration to be placed before the Court together with the ongoing application.

Conclusion

14. We remain concerned that there are still questions as to how Internalization will be implemented and that the Trustee does not appear to be forthcoming with its plans and requests for clarifications on the same. Accordingly, while we are appreciative of the Trustee's attempts to better understand our position, we would like to reiterate that the EGM is the internal democratic process in which unitholders can discuss and engage on these questions in an open dialogue. We therefore ask that the EGM proceed without any delay. Thank you.



Name of Unitholder: Quarz Capital ASIA (Singapore) Pte. Ltd.



Jan Frederic Moermann

Chief Investment Officer

Quarz Capital ASIA (Singapore) Pte. Ltd.



Havard Chi Cher Pan

Unitholder and Head of Research

Quarz Capital ASIA (Singapore) Pte. Ltd.



Full Name of Unitholder:

Identity Card No:

Custodian:

Signature:





With reference to SGIC Requisition
to convene EGM. uw

Full Name of Unitholder:

Identity Card No:

Custodian:

Signature:



Full Name of Unitholder:

Identity Card No:

Custodian:

Signature:



Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

Signature: [REDACTED]



Full Name of Unitholder:

Identity Card No:

Custodian:

Signature:



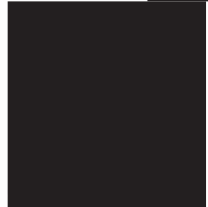
Full Name of Unitholder:



Identity Card No:



Custodian:



Signature:



Full Name of Unitholder:



Identity Card No:



Custodian:



Signature:





With reference to requisition to convene an EGM at Sabana Industrial REIT

Full Name of Unitholder: [REDACTED]

Identity Card No: [REDACTED]

Custodian: [REDACTED]

Signature: [REDACTED]



Full Name of Unitholder: [REDACTED]


Identity Card No: [REDACTED]

Custodian: [REDACTED]

Signature: [REDACTED]

Dear Sirs,

Letter of Confirmation

My name is SAHA ANSHUMAN MANABENDRANATH (NRIC No. ). I am a unitholder of Sabana Industrial REIT.

I confirm that I would like to be proposed as a member of the Internalization Committee, as specified by Resolution 5 of the requisition tabled on 10th January 2024 (modified thereafter).

Thank you.



Signature, date 6th Feb 2024

Dear Sirs,

Letter of Confirmation

My name is Low Chin Yee (NRIC No. [REDACTED]). I am a unitholder of Sabana Industrial REIT.

I confirm that I would like to be proposed as a member of the Internalization Committee, as specified by Resolution 5 of the requisition tabled on 10th January 2024 (modified thereafter).

Thank you.

[REDACTED] 6 Feb 2024
Signature, date

Dear Sirs,

Letter of Confirmation

My name is Lim Hock Chuan (NRIC No. [REDACTED])
I am a unitholder of Sabana Industrial REIT.

I confirm that I would like to be proposed as a member of the Internalization Committee, as specified by Resolution 5 of the requisition tabled on 10th January 2024 (modified thereafter).

Thank you.

[REDACTED]

6/2/2024

Signature, date

Dear Sirs,

Letter of Confirmation

My name is SMPAH CHNG PSA SER (NRIC No. [REDACTED]). I am a unitholder of Sabana Industrial REIT.

I confirm that I would like to be proposed as a member of the Internalization Committee, as specified by Resolution 5 of the requisition tabled on 10th January 2024 (modified thereafter).

Thank you.

[REDACTED]

6/2/24.

Signature, date

Dear Sirs,

Letter of Confirmation

My name is Havard Chi Cher Pan (NRIC No. [REDACTED]). I am the Head of Research of Quarz Capital ASIA (Singapore) Pte. Ltd., which is deemed to be interested in more than 10% of the total units of SGX-listed Sabana Industrial REIT.

I confirm that I would like to be proposed as a member of the Internalization Committee, as specified by Resolution 5 of the requisition tabled on 10th January 2024 (modified thereafter).

Thank you.

[REDACTED]

6/2/2024.

Signature, date

Dear Sirs,

Letter of Confirmation

My name is Jan Frederic Moermann (Passport No. [REDACTED]). I am the Chief Investment Officer of Quarz Capital ASIA (Singapore) Pte. Ltd., which is deemed to be interested in more than 10% of the total units of SGX-listed Sabana Industrial REIT.

I confirm that I would like to be proposed as a member of the Internalization Committee, as specified by Resolution 5 of the requisition tabled on 10th January 2024 (modified thereafter).

Thank you.

[REDACTED]

6 February 2024

Signature, date

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TRUSTEE 14 FEB LETTER TO REQUISITIONISTS

The Manager assumes no responsibility for any of the contents of the Trustee 14 Feb Letter to Requisitionists, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Trustee 14 Feb Letter to Requisitionists.



Quarz Capital Asia (Singapore) Pte. Ltd. ("Quarz")
The Unitholders set out in Appendix A

BY EMAIL ONLY

(collectively, the "Requisitionists")

14 February 2024

Dear Sirs,

Re: Trustee's Response to the Requisitionists' Letter Dated 7 February 2024

A. INTRODUCTION

1. We refer to:
 - (a) the Requisitionists' requisition notice ("**Requisition Notice**") dated 10 January 2024 to Sabana Real Estate Investment Management Pte. Ltd. (in its capacity as manager of Sabana Industrial Real Estate Investment Trust ("**Sabana Industrial REIT**")) (the "**Manager**") to convene an extraordinary general meeting and table certain resolutions (the "**Requisitioned Resolutions**") to the unitholders of Sabana Industrial REIT ("**Unitholders**");
 - (b) the letter from HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana Industrial REIT) (the "**Trustee**") to the Requisitionists dated 24 January 2024 ("**Trustee's 24 January 2024 Letter**"), which sought specific clarifications and explained the Trustee's concerns in respect of the Requisitioned Resolutions;
 - (c) the Requisitionists' response to the Trustee's 24 January 2024 Letter dated 29 January 2024 ("**Requisitionists' 29 January 2024 Letter**");
 - (d) the Trustee's statement dated 30 January 2024 to Unitholders ("**Trustee's 30 January 2024 Statement**"), which set out the Trustee's views on certain key matters referred to in the Requisitionists' 29 January 2024 Letter; and
 - (e) the Requisitionists' response to the Trustee's 30 January 2024 Statement ("**Requisitionists' 7 February 2024 Letter**").

For ease of reference, we have maintained the numbering of the original Requisitioned Resolutions notwithstanding the withdrawal of two Requisitioned Resolutions pursuant to the Requisitionists' 7 February 2024 Letter.

2. To summarise:
 - (a) The Trustee is of the view that there is little value and utility in convening, at this juncture, an extraordinary general meeting (the "**Proposed EGM**") to consider the Requisitioned Resolutions (as amended and withdrawn by the Requisitionists' 7 February 2024 Letter, the "**Amended Resolutions**") in their current form. The Amended Resolutions require further clarification in order for them to be actionable by the Trustee.
 - (b) The Trustee intends to convene an extraordinary general meeting when all the material workstreams of the internalisation are ready, so that Unitholders can debate, consider and approve, if appropriate, a complete internalisation plan that is capable of implementation. These workstreams include (i) regulatory clarifications/approvals/waivers; (ii) funding of the internal manager as required by regulatory requirements and operational needs; (iii) constitution of the board, senior management and staffing of the new internal manager, which will be a regulated entity

holding a capital markets services licence; and (iv) considering the viability of a potential acquisition of existing assets (including existing staff) of the Manager. Unitholders will have the opportunity, at that time, to consider and approve the key aspects of the workstreams that form part of the implementation plan for the internalisation.

- (c) In respect of certain material threshold questions which affect all Unitholders and their interests, for clarity to all parties, the Trustee has already applied for guidance from the courts of Singapore and the court process should be respected.
 - (d) In the meantime, the Trustee has been and intends to continue providing periodic and material updates so that all Unitholders can be kept informed of its progress on the various internalisation workstreams.
 - (e) Accordingly, the Trustee remains of the view that the convening of the Proposed EGM to consider the Amended Resolutions at this juncture (i) is premature; (ii) is not the best use of trust resources; and (iii) will not expedite or progress the internalisation (and may in fact contribute to delay and unnecessary expenses).
3. If the Requisitionists still intend to proceed with the Proposed EGM, further clarifications and responses to the Trustee's following queries and comments in relation to the Amended Resolutions will be necessary to ensure Unitholders can make a properly informed decision on the Amended Resolutions at the Proposed EGM. Where appropriate, the Trustee has also proposed in this letter further modifications to the Amended Resolutions to instill greater clarity in their effect, for the Requisitionists' consideration.
4. We hope to receive your prompt and substantive responses which we understand will be included in SGXNET announcements and/or the circular to Unitholders for the purposes of convening the Proposed EGM.

B. THE TRUSTEE'S VIEWS/CLARIFICATIONS SOUGHT ON THE AMENDED RESOLUTIONS

5. Requisitioned Resolution 3

<p>RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject any proposal to acquire the existing REIT Manager directly or indirectly for a maximum all-in offer price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction post 1 month of this resolution.</p>
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Clarifications from the Trustee on the Potential Asset Acquisition

- (a) The Trustee notes that the Requisitionists have stated in the Requisitionists' 29 January 2024 Letter that neither the potential acquisition of the existing Manager and/or its assets have been sanctioned and that Resolutions 1 and 2 passed at the extraordinary general meeting held on 7 August 2023 (the "**7 August 2023 EGM**") "do not provide for the Trustee to negotiate for the acquisition of any assets (including employment contracts) from the Manager, as well as the entirety of the Manager"¹.
- (b) The Requisitionists speak interchangeably of the acquisition of the Manager and the acquisition of the Manager's assets (which are different in nature and structure). This causes confusion and muddles the scope of the Trustee's remit in considering a potential acquisition of shares or assets of the Manager pursuant to Requisitioned Resolution 3 and Resolutions 1 and 2 passed at the 7 August 2023 EGM.
- (c) The Trustee sets out below its analysis in relation to the interplay of Resolutions 1 and 2 passed at the 7 August 2023 EGM with Requisitioned Resolution 3 as regards the potential acquisition of the shares versus the acquisition of the assets of the Manager for clarity:

¹ Paragraph 9 of the Requisitionists' 7 February 2024 Letter.

(i) Acquisition of the assets of the Manager. Unlike the acquisition of the Manager (as further explained below), Resolutions 1 and 2 passed at the 7 August 2023 EGM do not restrict or prevent the Trustee from acquiring the existing assets (including existing staff) of the Manager ("**Potential Asset Acquisition**") and in fact contemplate it:

- (1) Resolution 2(a) passed at the 7 August 2023 EGM directs the Trustee to effect the internalisation by incorporating a wholly-owned subsidiary to act as the internal manager. The resolution is broad enough to allow for a Potential Asset Acquisition for purposes of building out a newly incorporated internal manager. This is further supported by Resolution 2(c), which directs the Trustee to consider the retention of the Manager's existing staff.
- (2) Resolutions 2(a) and 2(c) passed at the 7 August 2023 EGM are worded in general terms with no guidance on the precise steps to be undertaken to establish a functional internal manager or to retain existing staff. As such, the Trustee necessarily needs to consider, in accordance with its duty to exercise due care, diligence and vigilance in safeguarding the interests of Unitholders, the best approach and necessary steps to achieve this. As disclosed in the Trustee's Statement dated 7 November 2023, this includes but is not limited to considering the feasibility of a Potential Asset Acquisition in order to maintain the continuity of Sabana Industrial REIT's operations to implement the resolutions passed at the 7 August 2023 EGM.
- (3) The above principles have also been alluded to by Quarz, being one of the Requisitionists, in its earlier statements issued in connection with the 7 August 2023 EGM. For instance, the following was said in Quarz's statement dated 4 July 2023, a copy of which was published on SGXNET:

"Effecting the internalization is the job of the Sabana Trustee as part of the bigger role that it has been entrusted with, namely to safeguard the interests of all unitholders. That is precisely why Resolution 2 of our Requisition Notice is phrased as such – namely, to "direct" the Trustee to carry out the various proposals that we seek as part of the internalization process, such as incorporating a wholly-owned subsidiary as the new Internal Manager, hiring and appointing qualified candidates to staff the new Internal Manager, considering the retention of Sabana REIT's existing staff for a smoother transition as well as best in class corporate governance practices and so on.

Ultimately however, it is for the Sabana Trustee to consider the best approach and necessary steps to take to carry out the internalization process in accordance with the spirit of the proposed Resolution 2 for internalization, in a manner that does not prejudice the unitholders' interests and ensures a smooth continuity of the REIT's operations." (emphasis original)

- (4) Appointing suitably qualified employees for the internal manager must necessarily include considering if current employees of the Manager or any other persons who have relevant experience and/or knowledge of Sabana Industrial REIT's operations would be appropriate candidates. This is also in line with the direction provided under Resolutions 2(a) and 2(c). Assuming that these identified individuals (whether they are existing employees of the current Manager or any other company) are suitable candidates for the new internal manager and given that termination of their existing employment may not have

occurred, then discussions with their present employer for the termination/transfer of their employment would also be logical and necessary.

- (5) Accordingly, the Trustee disagrees with the Requisitionists' view that Resolutions 1 and 2 passed at the 7 August 2023 EGM "do not provide for the Trustee to negotiate for the acquisition of any assets (including employment contracts) from the Manager"².

(ii) Acquisition of the Manager (i.e. the shares of the Manager).

- (1) Resolutions 1 and 2 passed at the 7 August 2023 EGM do not allow an acquisition of the shares of the Manager. Resolution 1 had expressly approved the removal of the Manager and Resolution 2(a) directed the Trustee to incorporate a new wholly-owned subsidiary to act as the internal manager instead.
- (2) The combined effect of Resolutions 1 and 2(a) is clear, being to remove the Manager and create a new subsidiary of the Trustee to act as the manager. The acquisition of the shares of the removed Manager is not contemplated within what the Trustee has been directed by Unitholders to do in Resolutions 1 and 2(a).
- (3) On that basis, the Trustee had proceeded with substantive work in respect of incorporation of the new internal manager entity and the necessary groundwork for the licensing and capitalisation of such entity. Acquiring the shares of the Manager (the removal of which has already been resolved by Unitholders) was not sanctioned at the 7 August 2023 EGM.
- (4) Accordingly, the Trustee also disagrees with the Requisitionists' view that if Requisitioned Resolution 3 is tabled and passed, it will allow the Trustee to contemplate an acquisition of the shares of the Manager in direct contradiction of the earlier passed Resolutions 1 and 2(a).
- (5) If the Requisitionists in fact now want this option of the acquisition of the shares in the Manager to also be considered, the proposal and Amended Resolutions will need to clearly and expressly authorise this. Absent such clear resolutions, the Trustee will continue to proceed on the basis that the Unitholders and Requisitionists do not in fact want to acquire the removed Manager which continues to serve in the interim.

Proposed Amendment to Requisitioned Resolution 3

- (d) In view of the above, to avoid causing delay in the implementation of the internalisation, on the assumption that the Requisitionists do not in fact propose for the Trustee to pursue an acquisition of the shares of the removed Manager, the Trustee would like to invite the Requisitionists to consider amending Requisitioned Resolution 3 as follows (with additions in red), to align with the scope of the mandate currently conferred by Resolutions 1 and 2 passed at the 7 August 2023 EGM:

<p>RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject any proposal to acquire the assets of the existing REIT Manager for the purposes of resourcing the internal manager and for the benefit of Sabana Industrial REIT, directly or indirectly for a maximum all-in offer price exceeding 10 million Singapore dollars (S\$10,000,000) and any such transaction shall not be entered into post 1 month of this resolution.</p>

² Paragraph 9 of the Requisitionists' 7 February 2024 Letter.

- (e) In response to paragraph 7 of the Requisitionists' 7 February 2024 Letter³, as at the date of this letter and as announced in the Trustee's 30 January 2024 Statement, the workstreams for the establishment of personnel and establishment of functionality for the internal manager are still in progress. Accordingly, while initial discussions in respect of the Potential Asset Acquisition have been initiated, no formal offers have been made by the Trustee and there is currently no certainty that the Potential Asset Acquisition will materialise.
- (f) In any event, the Trustee envisages that any proposal to proceed with any Potential Asset Acquisition will be tabled to Unitholders for approval at the intended extraordinary general meeting to be convened, as contemplated in the Trustee's Statement to Unitholders dated 21 July 2023 and outlined above.

6. Requisitioned Resolution 4

RESOLUTION 4: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all Sabana unitholders with a written update on the internalization process every ~~2-weeks~~ **month**, including without limitation, the costs incurred for advisors, consultants and any deviations or delays from the proposed Implementation Timeline for internalization, etc.

Clarifications from the Trustee

- (a) The Trustee reiterates that it currently already provides updates as and when there are material developments, approximately once a month. Therefore, Requisitioned Resolution 4 as amended is not necessary.
- (b) The Trustee rejects any suggestion of its "slower pace"⁴ of updates and reiterates its view that the current frequency and content of updates are designed to support the execution of the internalisation while balancing the interest of Unitholders to receive material updates in a timely manner.
- (c) The reference to deviations or delays from the "Implementation Timeline" is no longer relevant and is potentially confusing as Requisitioned Resolutions 1 and 2 have been withdrawn.

Proposed Amendment to Requisitioned Resolution 4

- (d) In view of the above, the Trustee invites the Requisitionists to again consider withdrawing Requisitioned Resolution 4, or, alternatively, amend it as follows (with deletions in red strikethrough):

RESOLUTION 4: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all Sabana unitholders with a written update on the internalization process every ~~2-weeks~~ **month**, including without limitation, the costs incurred for advisors, consultants ~~and any deviations or delays from the proposed Implementation Timeline for internalization,~~ etc.

7. Requisitioned Resolution 5

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee ("Internalization Committee") ~~comprising of at least 5 individuals to oversee the internalization process according to the Implementation Timeline, of which at least 2 individuals shall be proposed by the Sabana Growth Internalization Committee (SGIC) and the remaining 3 individuals shall be proposed, appointed and/or removed by majority vote of the unitholders,~~ consisting of Mr. Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman

³ Paragraph 7 of the Requisitionists' 7 February 2024 Letter sought clarifications from the Trustee on, amongst others, whether the Trustee is currently in the process of negotiating a Potential Asset Acquisition, whether an offer price is available and related details.

⁴ Paragraph 10 of the Requisitionists' 7 February 2024 Letter.

Manabendranath, who shall be consulted by the Trustee and supervise the implementation of Internalization as unitholder representatives.

Queries and Requests for Further Information from the Trustee

- (a) The Trustee notes that the Requisitionists have proposed the names of six Unitholders/Unitholder representatives to form the Internalization Committee, among others, to "support and share the responsibility of the Internalization with the Trustee, as well as provide the necessary oversight in the implementation of the Internalization"⁵. Requisitioned Resolution 5 itself provides that the Internalization Committee "shall be consulted by the Trustee and supervise the implementation of the Internalization".
- (b) The Trustee has a duty of care to all Unitholders and must act in the best interest of all Unitholders, as prescribed by the Trust Deed, statute and trust law. The Internalization Committee and the proposed committee members, who are themselves Unitholders, are not subject to the same regulatory obligations or duties as the Trustee. It is unclear how the Internalization Committee will be similarly accountable and responsible to all Unitholders. The Trustee requires clarification as to the terms of reference for the Internalization Committee, including whether the Internalization Committee, and its members, will be giving an undertaking to all Unitholders that they will act in the interests of all Unitholders.
- (c) It is unclear as to the legal basis for the suggested "supervisory" role of the Internalization Committee in the current regulatory framework applicable to the Sabana Industrial REIT, under trust law or the Trust Deed. Even if the Internalization Committee is approved by Unitholders, the Trustee will continue to be the party that is obliged to discharge its duties (as prescribed by the Trust Deed, statute and trust law) in implementing the internalisation. The Trustee may be unable to act upon directions or instructions from the Internalization Committee which conflict with its discharge of duties. Instead, further extraordinary general meetings or applications to Court to resolve any key differences of opinions and interpretation of law may be required. The Trustee requires clarification as to the terms of reference for the Internalization Committee in this context, to ensure that Requisitioned Resolution 5 does not propose a mechanism to Unitholders that has no legal basis for the discharge of its intended "supervisory" role.
- (d) The Trustee is not at liberty to disclose material information to select Unitholders under the Listing Manual and as a matter of securities law, and does not intend to do so unless the Requisitionists can provide clear proposals to address concerns of information asymmetry and potential leakage. Please confirm that if Requisitioned Resolution 5 is passed, the proposed committee members will each enter into confidentiality and dealing restriction undertakings.
- (e) Please also provide information on the profiles, experience and qualifications of the proposed committee members who are intended to be representatives of the Unitholders and their suitability for the role proposed.

Proposed Amendment to Requisitioned Resolution 5

- (f) In view of the issues highlighted above in respect of the proposed Internalization Committee's powers, mandate and suitability to act, the Trustee reiterates that it does not think that the constitution of the Internalization Committee will be helpful to progressing the internalisation. If the Requisitionists still wish to proceed with tabling Requisitioned Resolution 5 at the Proposed EGM, Trustee invites the Requisitionists to consider amending it as follows (with additions in red and deletions in red strikethrough):

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within 2 weeks of this resolution, to form a committee (~~"Internalization Committee"~~) **comprising of at least 5 individuals**

⁵ Paragraph 16 of the Requisitionists' 29 January 2024 Letter.

~~to oversee the internalization process according to the Implementation Timeline, of which at least 2 individuals shall be proposed by the Sabana Growth Internalization Committee (SGIC) and the remaining 3 individuals shall be proposed, appointed and/or removed by majority vote of the unitholders, consisting of Mr. Imran Chng Pia Ser, Mr. Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, who, subject to the entry by the committee members into confidentiality and dealing restriction undertakings and applicable law, shall be entitled to be consulted by the Trustee, to the extent reasonable, practicable and permitted in the Trustee's discretion, as to their views on the implementation of the Internalisation. , who shall be consulted by the Trustee and supervise the implementation of Internalization as unitholder representatives.~~

8. **Requisitioned Resolutions 6, 7 and 8**

RESOLUTION 6: That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the Trust Deed, the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalization; and (b) the Trustee's opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect internalization may adversely affect the interests of the Manager and its sponsors, whether directly or indirectly, given that internalization would affect the fee income of the Manager and its sponsors.

RESOLUTION 7: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalization of the REIT management function, "*does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders*" according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.

RESOLUTION 8: That if any amendments to the Trust Deed referred to in Resolution 7 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.

Clarifications from the Trustee

- (a) The Trustee notes that Requisitioned Resolutions 6, 7 and 8 are not withdrawn or modified. The Trustee refers to its earlier views in respect of these Requisitioned Resolutions, as set out in the Trustee's 24 January 2024 Letter and the Trustee's 30 January 2024 Statement and further notes that the Requisitionists' 29 January 2024 Letter and Requisitionists' 7 February 2024 Letter have failed to provide any clarity as to how such Requisitioned Resolutions will interplay with the Order 32 Application if such resolutions are passed.
- (b) In the Trustee's opinion, the passing of these Requisitioned Resolutions and/or the indication of "unitholders' wishes on how the internalisation should be implemented"⁶ would not assist in resolving the issues, which have arisen in the Trustee's Order 32 Application for the Court's determination.
- (c) The Trustee had already provided its positions on the subject matters of Requisitioned Resolutions 6, 7 and 8 in the Trustee's Statement dated 9 January 2024, which formed the basis of the Trustee's application to the High Court of Singapore (the "**Court**") under Order 32 of the Rules of Court 2021 (the "**Order 32 Application**");

⁶ Paragraph 39 of the Requisitionists' 29 January 2024 Letter.

- (i) specifically, the proposed amendments to the Trust Deed as identified by the Trustee and disclosed in the Trustee's statement dated 9 January 2024 (the "**Proposed Trust Deed Amendments**") are necessary to effect the internalisation, but it cannot be said with certainty whether they will materially prejudice the interests of Unitholders;
 - (ii) accordingly, the Trustee will not be providing a certification in respect of the Proposed Trust Deed Amendments, which will be subject to Unitholders' due consideration and approval at an extraordinary general meeting; and
 - (iii) in respect of Requisitioned Resolution 8, the Trustee reiterates its view that the Trustee's power under Clause 28.2.1 of the Trust Deed is in the nature of a discretion and not an obligation. The Trustee further notes that Quarz's legal counsel shared this view, as expressed at the case conference held on 23 January 2024, and the Requisitionists agree with this view as stated in paragraph 40 of the Requisitionists' 29 January 2024 Letter. Accordingly, Requisitioned Resolution 8, which purports to direct the Trustee in the exercise of its discretion under Clause 28.2.1, is not permitted by Clause 2.9.2 of the Trust Deed and will have no effect even if passed by Unitholders.
- (d) The Trustee, therefore, reiterates that it will not be meaningful or appropriate for these Requisitioned Resolutions to be tabled to Unitholders at this juncture before the Court provides guidance and clarity on the issues under the Order 32 Application.
 - (e) If Requisitioned Resolutions 6, 7 and 8 are still tabled and passed without clarity on the key issues raised above, the Trustee reserves its right to seek guidance from the Court in relation to the implementation of Requisitioned Resolutions 6, 7 and 8. This may result in delay and additional costs in the implementation of the internalisation.
 - (f) The passing of these resolutions pending the outcome of the Order 32 Application will add to the clamour, noise and confusion surrounding the internalisation but not help progress the actual work that needs to be done to effect the implementation of the internalisation.
 - (g) Accordingly, the Trustee would like to again request that the Requisitionists consider withdrawing Requisitioned Resolutions 6, 7 and 8 and instead await the outcome of the Order 32 Application, which will clarify these matters.

9. **Requisitioned Resolutions 9 and 10**

RESOLUTION 9: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up.

RESOLUTION 10: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder's right to approve any change of control in the internal manager in the management agreement with the internal manager.

Clarifications from the Trustee

- (a) The Trustee notes that Requisitioned Resolutions 9 and 10 are not withdrawn or modified. The Trustee further notes that the Requisitionists' 29 January 2024 Letter and the Requisitionists' 7 February 2024 Letter have failed to provide any clarity as to the rationale for seeking such resolutions in spite of the explanations provided by the Trustee as to why such governance provisions ought to be incorporated into the Trust Deed (as reproduced in sub-paragraph (d) below).
- (b) In particular, the Requisitionists have not explained why they have changed their position from Resolutions 2(d), (e) and (f) passed at the 7 August 2023 EGM, which directed the Trustee to amend the Trust Deed to provide for these matters, and why

*"they would like to have their governance and unitholders' rights implemented in a certain manner"*⁷.

- (c) For the avoidance of doubt, Requisitioned Resolution 9 is not necessary as a direction to the Trustee – there is no objection to incorporating such governance rights into the constitution. The point of difference is that in addition to the constitution of the internal manager, these governance rights should also be in the Trust Deed.
- (d) The Trustee reiterates its views that governance provisions referred to in Requisitioned Resolutions 9 and 10 to be incorporated into the constitution of the internal manager or any "management agreement" **only** (emphasis added), and not the Trust Deed, will not be binding on or enforceable by Unitholders, given that Unitholders will not be party to such constitution or "management agreement".⁸ Accordingly, the Trustee is of the view that these provisions are necessary to be included as part of the Proposed Trust Deed Amendments to implement the internalisation, for the benefit of Unitholders as a whole.
- (e) In any case, the Proposed Trust Deed Amendments relating to the governance provisions have been provided to the Court in the Order 32 Application.
- (f) In the event that these governance rights are incorporated in both the Trust Deed and the constitution/"management agreement", additional trust expenses will be incurred, at the cost of Unitholders, in preparing the additional documentation.
- (g) Accordingly, the Trustee would like to again request that the Requisitionists consider withdrawing Requisitioned Resolutions 9 and 10 and instead await the outcome of the Order 32 Application, which will clarify these matters.

10. **Requisitioned Resolution 11**

RESOLUTION 11: That in view that the Trustee has indicated in its statement of 7 November 2023 that *"it is and will remain, neutral and independent of the Manager"*, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed.

Clarifications from the Trustee

- (a) The Trustee notes that Requisitioned Resolution 11 is not withdrawn or modified.
- (b) In view of existing confidentiality obligations in respect of the matters sought to be disclosed under Requisitioned Resolution 11, if Requisitioned Resolution 11 is tabled and passed, and the relevant counterparties refuse to consent to the disclosure of such information, the Trustee, in implementing Requisitioned Resolution 11, may cause Sabana Industrial REIT to be in breach of those confidentiality obligations. In that scenario, should a successful claim be made by the relevant counterparties, the Trustee wishes to highlight to Unitholders that any remedies and compensation for such breach will need be indemnified out of Sabana Industrial REIT's assets, in accordance with the provisions of the Trust Deed.
- (c) The Trustee would also like to direct the Requisitionists to its earlier views in respect of this Requisitioned Resolution, as set out in the Trustee's 24 January 2024 Letter. In particular, the Trustee reiterates the need to obtain consent from the relevant counterparties to the existing confidentiality obligations before disclosures can be made.

Proposed Amendment to Requisitioned Resolution 11

⁷ Paragraph 22 of the Requisitionists' 29 January 2024 Letter.

⁸ Trustee's 24 January 2024 Letter and the Trustee's 30 January 2024 Statement.

- (d) If the Requisitionists remain of the view that this resolution must be put forth, our view is that the following modifications (additions in red) should be made:

RESOLUTION 11: That in view that the Trustee has indicated in its statement of 7 November 2023 that "*it is and will remain, neutral and independent of the Manager*", the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose, **to the extent permitted by law and confidentiality obligations**, a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7th August 2023, together with a summary of the matters discussed.

11. Requisitioned Resolution 12

RESOLUTION 12: That if the Trust Deed is proposed to be amended in connection with the internalization, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation, **and guidance and/or directions** from the Monetary Authority of Singapore (MAS), **and the Singapore Exchange Securities Trading Limited ("SGX RegCo") and the High Court of Singapore in the Trustee's ongoing application in HC/OA 19/2024** on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) **consequently**, whether they **ought to be are** permitted to vote in relation to **any** such resolution to amend the Trust Deed **for the aforesaid or any other reason and if so, that the fundamental pillar of investor protection, which is to remove the manager and internalize the management function, does not exist.**

Clarifications from the Trustee

- (a) The Trustee notes that the modified Requisitioned Resolution 12 seeks to direct the Trustee to seek guidance from, in addition to the SGX RegCo and the MAS, the Court as part of the Order 32 Application, on the issue of whether the Manager and its shareholders and related parties are entitled to vote on the Proposed Trust Deed Amendments ("**Voting Issue**").
- (b) It is the Trustee's current view that it would be premature for the Voting Issue to be placed before the Court in the absence of guidance from the Court in relation to the issues raised in the Order 32 Application. Unless and until there is clarity as to whether an extraordinary general meeting is required to consider the Proposed Trust Deed Amendments, it may not be in the interest of the Unitholders as a whole to utilise and expend trust resources to consider the Voting Issue.
- (c) The Trustee wishes to also remind Unitholders (including the Requisitionists) that as stated in the Trustee Statement dated 9 January 2024, the Order 32 Application has been made as certain Unitholders, including Quarz and the Requisitionists, take a contrary position to the Trustee's views on whether the Proposed Trust Deed Amendments are required to implement the resolutions passed on 7 August 2023 and the consequential need to convene an extraordinary general meeting to consider the Proposed Trust Deed Amendments.

C. CONCLUSION

12. The Trustee appreciates that the Requisitionists have considered some of the concerns put forth in the Trustee's 30 January 2024 Statement and have consequentially, issued the Requisitionists' 7 February 2024 Letter to withdraw or modify some of the Requisitioned Resolutions. Nevertheless, there are still gaps to be bridged and matters which are simply not actionable should the Requisitioned Resolutions be tabled and passed in their current form.
13. The Trustee has made its views clear as to how it envisages these Requisitioned Resolutions to work (or not work) if passed and where appropriate, has proposed further modifications or withdrawals.

14. As the Trustee continues to navigate through the complexities of the internalisation process, the Trustee remains committed to protecting the best interests of all Unitholders and supporting the long-term success of Sabana Industrial REIT. The Trustee is dedicated to carrying out the mandate from Unitholders at the 7 August 2023 EGM to the best of its ability, in an orderly and well-considered manner, despite various exigencies and inter-dependencies that have surfaced, including the Requisitioned Resolutions and the Amended Resolutions.
15. It should be noted that the Trustee strongly disagrees with any suggestions of lack of progress on its part, but rather than spending more time and trust resources debating this in correspondence, we respectfully suggest that we "agree to disagree" on this and focus on the actual internalisation work, the holistic package for which will be presented to Unitholders in due course.
16. In the interest of reaching finality on the Requisitioned Resolutions as soon as practicable before the requisitioned meeting, and to facilitate all Unitholders' understanding and decision-making on the same, the Trustee looks forward to receiving the Requisitionists' responses to the matters raised in this letter at your earliest convenience, and in any event no later than **5 pm, 16 February 2024.**
17. Thank you.

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

Cc: The Manager
Singapore Exchange Regulation
Monetary Authority of Singapore

Appendix A

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NOTICE OF EXTRAORDINARY GENERAL MEETING

SABANA 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.
(Company Registration No. 201005493K)

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“**EGM**”) of the holders of units of Sabana Industrial Real Estate Investment Trust (“**Sabana Industrial REIT**”, and the holders of units of Sabana Industrial REIT, “**Unitholders**”) will be held at Hope@New Tech Park, 151 Lorong Chuan, #02-06 (Lobby F) Singapore 556741 on Friday, 8 March 2024 at 10.30 a.m. (Singapore Time) for the purposes of considering and, if thought fit, passing the following resolutions:

(All capitalised terms used in this Notice which are not otherwise defined herein shall bear the meanings ascribed to them in the circular dated 22 February 2024 to Unitholders (the “Circular”).)

ORDINARY RESOLUTIONS

RESOLUTION 1: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject: (1) any proposal to acquire the existing REIT Manager (fully functioning REIT Manager with the necessary licenses, personnel, assets and an undertaking from the direct and indirect owners to fully support internalisation) directly or indirectly for a maximum all-in offer price exceeding S\$10,000,000 and any such transaction post one month of this resolution, and (2) any proposal to acquire any assets (including the employment contracts) of the existing Manager at any price.

RESOLUTION 2: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all unitholders of Sabana Industrial REIT with a written update on the internalisation process every month, including without limitation, the costs incurred for advisors, consultants etc.

RESOLUTION 3: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within two weeks of this resolution, to form a committee (“**Internalisation Committee**”) consisting of Mr. Imran Chng Pia Ser, Mr. Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, and the Internalisation Committee, in their capacity as the authorised representative of all unitholders, shall be consulted by the Trustee and supervise the implementation of internalisation.

RESOLUTION 4: That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the trust deed dated 29 October 2010 constituting Sabana Industrial REIT (as amended, varied, or supplemented from time to time) (the “**Trust Deed**”), the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalisation; and (b) the Trustee’s opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect internalisation may adversely affect the interests of the Manager and its sponsor[s], whether directly or indirectly, given that internalisation would affect the fee income of the Manager and its sponsor[s].

RESOLUTION 5: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalisation of the REIT management function, “does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders” according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.

RESOLUTION 6: That the Trustee be directed to ensure that it and its advisors undertake their best endeavours to (1) implement the internalisation process without any amendments to the Trust Deed; (2) ensure that any proposed amendments to the Trust Deed are absolutely necessary to effect internalisation; (3) seek any necessary waivers from the regulators to implement internalisation; and (4) if any amendments to the Trust Deed referred to in Resolution 5 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.

RESOLUTION 7: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up and no amendment to the Trust Deed is required.

RESOLUTION 8: That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder’s right to approve any change of control in the internal manager in the management agreement with the internal manager and no amendment to the Trust Deed is required.

RESOLUTION 9: That in view that the Trustee has indicated in its statement of 7 November 2023 that “it is and will remain, neutral and independent of the Manager”, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose, to the extent permitted by law, a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7 August 2023, together with a summary of the matters discussed.

RESOLUTION 10: That if the Trust Deed is proposed to be amended in connection with the internalisation, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation, guidance and/or directions from the MAS, the SGX-ST and the High Court of Singapore in the Trustee’s ongoing application in HC/OA 19/2024 on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) whether they ought to be permitted to vote in relation to any such resolution to amend the Trust Deed for the aforesaid or any other reason.

Details of the above resolutions are set out in the Circular.

By Order of the Board

Sabana Real Estate Investment Management Pte. Ltd.

(Company Registration No: 201005493K, Capital Markets Services Licence No: CMS100169)

As Manager of Sabana Industrial Real Estate Investment Trust

Cho Form Po
Company Secretary
Singapore
22 February 2024

Notes:

1. A Unitholder who is not a relevant intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead. A proxy need not be a Unitholder.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A Unitholder who is a relevant intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint more than one proxy to attend, speak and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.

“**relevant intermediary**” means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds 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 2001 of Singapore, and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act 1953 of Singapore, in respect of 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 Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The EGM will be held in a wholly physical format at Hope@New Tech Park, 151 Lorong Chuan, #02-06 (Lobby F) Singapore 556741 on Friday, 8 March 2024 at 10.30 a.m.. There will be no option for Unitholders to participate virtually.
 5. Attendees must bring their original NRIC/Passport for verification and registration on the day of the EGM.
 6. Documents and information relating to the EGM (including the Circular, this Notice of EGM, and the Proxy Form) are electronically available on Sabana Industrial REIT’s website at <https://sabana.listedcompany.com/agm-egm.html> and on SGXNET at <https://www.sgx.com/securities/company-announcements>. Alternatively, Unitholders may also access electronic copies of the documents and information relating to the EGM by scanning the QR code below.



Printed copies of the Circular will not be despatched to Unitholders, unless otherwise requested. For Unitholders’ convenience, printed copies of this Notice of EGM, the Proxy Form and the request form for Unitholders to request for a printed copy of the Circular (the “**Request Form**”) have been despatched to Unitholders. Unitholders may request for printed copies of the Circular by completing and returning the Request Form to the Manager by Wednesday, 28 February 2024. A printed copy of the Circular will then be sent to the address specified by the Unitholder at his/her/its own risk.

7. Question and answer and EGM minutes

Unitholders and persons who hold Units through a relevant intermediary (including CPFIS and SRS investors), or where applicable, their appointed proxy(ies) are strongly encouraged to submit to the Manager, questions related to the resolutions to be tabled for approval at the EGM in advance of the EGM. In order to do so, their questions must be received by the Manager no later than 10.30 a.m. on Friday, 1 March 2024. Such questions may be submitted in the following manner:

- (a) Unitholders (including CPFIS and SRS investors) may submit their questions electronically via Sabana Industrial REIT’s email to sabana-EGM2024@boardroomlimited.com, by post or by depositing at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632;

- (b) persons who hold Units through relevant intermediaries (other than CPFIS and SRS investors) may submit questions through their relevant intermediary, who in turn may submit a consolidated list of questions to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by email at sabana-EGM2024@boardroomlimited.com; or
- (c) Unitholders and persons who hold Units through a relevant intermediary (including CPFIS and SRS investors) who submit questions in advance of the EGM should provide the following information to the Manager (or, in the case of persons who hold Units through a relevant intermediary, their relevant intermediary) for verification purposes:
 - (i) your full name;
 - (ii) your address, contact number and email; and
 - (iii) the manner in which you hold Units (if you hold Units directly, please provide your NRIC/Passport No.; otherwise, please state if you hold your Units through CPFIS or SRS, or through a relevant intermediary).

Unitholders attending the EGM may also ask questions at the EGM. The Manager will endeavour to address all substantial and relevant questions (which are related to the resolutions to be tabled for approval at the EGM) submitted in advance of the EGM and received by 10.30 a.m. on Friday, 1 March 2024, by 10.30 a.m. on Sunday, 3 March 2024, being 48 hours before the closing date and time for the lodgment of Proxy Forms. The Manager will publish the responses to those questions which the Manager will not be addressing during the EGM, on Sabana Industrial REIT's website and on SGXNET prior to the EGM. Where substantially similar questions are received, the Manager will consolidate such questions and consequently not all questions may be individually addressed.

The Manager will publish the minutes of the EGM within one month after the EGM on Sabana Industrial REIT's website at <https://sabana.listedcompany.com/agm-egm.html> and on SGXNET at <https://www.sgx.com/securities/company-announcements> and the minutes will include the responses to the substantial and relevant questions received from Unitholders which are addressed during the EGM.

8. Voting, or appointing proxy(ies) to vote, at the EGM

A Unitholder who wishes to exercise his/her/its voting rights at the EGM may: (a) vote at the EGM in person or (b) appoint proxy(ies) to vote on his/her/its behalf at the EGM.

A Unitholder who wishes to submit an instrument appointing proxy(ies) must complete the accompanying Proxy Form before submitting it in the manner set out below. Printed copies of the Proxy Form have been despatched to Unitholders and the Proxy Form may also be accessed at Sabana Industrial REIT's website at <https://sabana.listedcompany.com/agm-egm.html> and on SGXNET at <https://www.sgx.com/securities/company-announcements>.

Where a Unitholder appoints proxy(ies), he/she/it may give specific instructions as to voting, or abstentions from voting, in respect of the resolutions in the Proxy Form, failing which the proxy(ies) will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the EGM.

The Proxy Form must be deposited at the office of Sabana Industrial REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

- A. if submitted by post, be lodged at the office of the Unit Registrar at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
- B. if submitted electronically, be submitted via email to sabana-EGM2024@boardroomlimited.com,

no later than **10.30 a.m. on Tuesday, 5 March 2024**, being 72 hours before the time fixed for the EGM.

Note: Please refer to the Notes to the Proxy Form for additional documentary requirements in the event the Proxy Form is signed by an attorney or duly authorised officer or executor(s) on behalf of a deceased individual's estate.

Proxy Forms can be downloaded from Sabana Industrial REIT's website at <https://sabana.listedcompany.com/agm-egm.html> and on SGXNET at <https://www.sgx.com/securities/company-announcements>. In the Proxy Form, a Unitholder should specifically direct the proxy on how he/she is to vote for, vote against, or abstain from voting on, each of the resolutions to be tabled at the EGM. All valid votes cast via proxy on each resolution will be counted. If no specific direction as to voting is given, the proxy (including the Chairman of the EGM) may vote or abstain from voting at his/her discretion.

Completion and submission of the Proxy Form shall not preclude a Unitholder from attending, speaking and voting at the EGM. Any appointment of a proxy or proxies (including the Chairman of the EGM) shall be deemed to be revoked if a Unitholder attends the EGM, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the EGM.

9. Relevant intermediaries

Persons who hold Units through relevant intermediaries, other than CPFIS and SRS investors, and who wish to participate in the EGM should contact the relevant intermediary through which they hold such Units as soon as possible. Persons who hold Units through relevant intermediaries, other than CPFIS and SRS investors, may (i) vote at the EGM if they are appointed as proxies by their respective relevant intermediaries; or (ii) specify their voting instructions to/arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

In addition, CPFIS and SRS investors may (a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) specify their voting instructions to/arrange for their votes to be submitted with their respective CPF Agent Banks or SRS Operators, and should approach their respective CPF Agent Banks or SRS Operators as soon as possible in order for the necessary arrangements to be made.

Important Notice

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Sabana Industrial REIT is not necessarily indicative of the future performance of Sabana Industrial REIT.

Personal data privacy:

By (a) submitting an instrument appointing a proxy(ies) to vote at the EGM and/or any adjournment thereof, and/or (b) submitting any question to the Manager prior to or during the EGM in accordance with this Notice of EGM, a Unitholder (including CPFIS and SRS investors):

- (i) consents to the collection, use and disclosure of the personal data of the Unitholder by the Manager and the Trustee (or their agents or service providers) for the following purposes (collectively, the “**Purposes**”):
 - (aa) the processing and administration by Sabana Industrial REIT, the Manager and/or the Trustee (or their agents) of the appointment of a proxy(ies) to vote at the EGM (including any adjournment thereof),
 - (bb) the processing of any registration for purposes of verifying the status of Unitholders, granting access to Unitholders to the EGM and providing them with any technical assistance where necessary,
 - (cc) the addressing of relevant and substantial questions received from Unitholders in advance of the EGM and, if necessary, the following up with the relevant Unitholders in relation to such questions,
 - (dd) the preparation and compilation of the attendance lists, minutes, and other documents relating to the EGM (including any adjournment thereof), and
 - (ee) in order for Sabana Industrial REIT, the Manager and/or the Trustee (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines; and
- (ii) (where the Unitholder is a relevant intermediary and discloses the personal data of a person (who holds Units through the Unitholder as relevant intermediary) to the Manager or the Trustee (or their agents or service providers))
 - (aa) warrants that the Unitholder has obtained the prior consent of such person for the collection, use and disclosure by the Manager or the Trustee (or their agents or service providers) of the personal data of such person for the Purposes and (bb) agrees to provide the Manager and the Trustee with written evidence of such prior consent upon reasonable request.

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SABANA 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.
(Company Registration No. 201005493K)

PROXY FORM
EXTRAORDINARY GENERAL MEETING
(Before completing this form, please read the notes overleaf)

NOTE: This Proxy Form may be accessed at Sabana Industrial Real Estate Investment Trust's ("Sabana Industrial REIT") website at <https://sabana.listedcompany.com/aggm-egm.html>, and will be made available on the SGXNET at <https://www.sgx.com/securities/company-announcements>.

PERSONAL DATA PRIVACY

By submitting an instrument appointing one proxy and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 22 February 2024.

IMPORTANT:

- The Extraordinary General Meeting ("EGM") is being convened and will be held in a wholly physical format. **There will be no option for unitholders of Sabana Industrial REIT ("Unitholders") to participate virtually.** In addition to printed copies of the Notice of EGM that will be sent by post to Unitholders, this Proxy Form and the Notice of EGM will also be sent to Unitholders by electronic means via publication on Sabana Industrial REIT's website at <https://sabana.listedcompany.com/aggm-egm.html> and on the SGXNET at <https://www.sgx.com/securities/company-announcements>. Please refer to the Notice of EGM for the meeting venue of the EGM.
- Arrangements relating to (a) attendance at the EGM; (b) submission of questions related to the resolution to be tabled for approval at the EGM, in advance of the EGM, or at the EGM itself, and addressing of substantial and relevant questions in advance of, or at the EGM itself; and (c) voting at the EGM by the Unitholder in person or by his/her/its duly appointed proxy(ies), are set out in the Notice of EGM.
- A Unitholder who wishes to exercise his/her/its voting rights at the EGM may: (a) vote at the EGM in person or (b) appoint proxy(ies) to vote on his/her/its behalf at the EGM.
- A relevant intermediary may appoint more than one proxy to attend, speak and vote at the EGM (please see note 3 for the definition of "relevant intermediary").
- For investors holding units in Sabana Industrial REIT ("Units") through relevant intermediaries (including CPFIS or SRS investors), this Proxy Form is **NOT VALID FOR USE** and shall be ineffective for all intents and purposes if used or purported to be used by such investors. Investors holding Units through relevant intermediaries who wish to participate/vote in the EGM should contact their respective relevant intermediary as soon as possible. CPFIS and SRS investors may (a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) specify their voting instructions to/arrange for their votes to be submitted with their respective CPF Agent Banks or SRS Operators, and should approach their respective CPF Agent Banks or SRS Operators as soon as possible in order to ensure their votes are submitted.
- Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies) to vote on the Unitholders' behalf at the EGM.**
- PLEASE READ THE NOTES TO THE PROXY FORM.**

I/We, _____ (Name) _____ (NRIC/Passport No. where applicable)

of _____ (Address)

being a Unitholder of Sabana Industrial REIT, hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Unitholdings	
			No. of Units	%

or failing him/her/them, the Chairman of the EGM, as my/our proxy/proxies to attend, to speak (as applicable) and to vote for me/us on my/our behalf at the EGM of Sabana Industrial REIT to be held at Hope@New Tech Park, 151 Lorong Chuan, #02-06 (Lobby F) Singapore 556741 on Friday, 8 March 2024 at 10.30 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolutions to be tabled at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the EGM.

No.	Resolutions	For*	Against*	Abstain*
ORDINARY RESOLUTIONS				
1.	That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be put on notice that unitholders reject: (1) any proposal to acquire the existing REIT Manager (fully functioning REIT Manager with the necessary licenses, personnel, assets and an undertaking from the direct and indirect owners to fully support internalisation) directly or indirectly for a maximum all-in offer price exceeding S\$10,000,000 and any such transaction post one month of this resolution, and (2) any proposal to acquire any assets (including the employment contracts) of the existing Manager at any price.			
2.	That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to provide all unitholders of Sabana Industrial REIT with a written update on the internalisation process every month, including without limitation, the costs incurred for advisors, consultants etc.			
3.	That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed, within two weeks of this resolution, to form a committee (" Internalisation Committee ") consisting of Mr Imran Chng Pia Ser, Mr Lim Hock Chuan, Mr. Havard Chi Cher Pan, Mr. Low Chin Yee, Mr. Jan Frederic Moermann and Mr. Saha Anshuman Manabendranath, and the Internalisation Committee, in their capacity as the authorised representative of all unitholders, shall be consulted by the Trustee and supervise the implementation of internalisation.			
4.	That should the Trustee convene an extraordinary general meeting regarding any proposed amendments to the trust deed dated 29 October 2010 constituting Sabana Industrial REIT (as amended, varied, or supplemented from time to time) (the " Trust Deed "), the Trustee be directed to state, with respect to each proposed amendment (and any consequential amendments required) to the Trust Deed (if any): (a) whether each such proposed amendment (and any consequential amendments required) are strictly necessary to effect internalisation; and (b) the Trustee's opinion, and reasons for such opinion, on whether, each such proposed amendment (and any consequential amendments required) necessary to effect internalisation may adversely affect the interests of the Manager and its sponsor[s], whether directly or indirectly, given that internalisation would affect the fee income of the Manager and its sponsor[s].			
5.	That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to consider and confirm whether any proposed amendments to the Trust Deed (if any amendment is required at all) to effect internalisation of the REIT management function, "does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders" according to Clause 28.2.1 of the Trust Deed, and if not, to provide the basis and reasons for coming to such conclusion.			
6.	That the Trustee be directed to ensure that it and its advisors undertake their best endeavours to (1) implement the internalisation process without any amendments to the Trust Deed; (2) ensure that any proposed amendments to the Trust Deed are absolutely necessary to effect internalisation; (3) seek any necessary waivers from the regulators to implement internalisation; and (4) if any amendments to the Trust Deed referred to in Resolution 5 do not materially prejudice the interests of the Holders and do not operate to release to any material extent the Trustee or the Manager from any responsibility to the Holders, the Trustee be directed to provide such certification referred to in Clause 28.2.1 of the Trust Deed.			
7.	That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate the governance rights which enable unitholders to appoint, vote in, remove and re-elect directors in the constitution of the internal manager to be set up and no amendment to the Trust Deed is required.			
8.	That the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to incorporate unitholder's right to approve any change of control in the internal manager in the management agreement with the internal manager and no amendment to the Trust Deed is required.			
9.	That in view that the Trustee has indicated in its statement of 7 November 2023 that "it is and will remain, neutral and independent of the Manager", the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to disclose, to the extent permitted by law, a list of all correspondence, emails, letters, meetings, calls, timing and dates with each owner or beneficiary (and/or their related parties) of the Sabana REIT Manager (if any) since 7 August 2023, together with a summary of the matters discussed.			
10.	That if the Trust Deed is proposed to be amended in connection with the internalisation, the Trustee of Sabana Industrial REIT, HSBC Institutional Trust Services (Singapore) Limited, be directed to immediately seek written confirmation, guidance and/or directions from the MAS, the SGX-ST and the High Court of Singapore in the Trustee's ongoing application in HC/OA 19/2024 on (a) whether the Manager and its shareholders and related parties are in a conflict of interest situation where such resolution to amend the Trust Deed, if passed, will impact their fee income from the existing Manager; and (b) whether they ought to be permitted to vote in relation to any such resolution to amend the Trust Deed for the aforesaid or any other reason.			

* Voting will be conducted by poll. If you wish for your proxy to cast all your votes "For" or "Against" a resolution, please indicate with a tick (✓) or a cross (X) in the "For" or "Against" boxes provided. Alternatively, please indicate the number of votes as appropriate. If you wish for your proxy to abstain from voting on a resolution, please indicate with a tick (✓) or a cross (X) in the "Abstain" box provided. Alternatively, please indicate the number of Units that your proxy is directed to abstain from voting.

Dated this _____ day of _____ 2024

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

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON THE REVERSE PAGE

TOTAL NUMBER OF UNITS HELD

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IMPORTANT: PLEASE READ THE NOTES TO THE PROXY FORM BELOW

Notes to the Proxy Form

1. A Unitholder who is not a relevant intermediary and entitled to attend, speak and vote at the EGM, is entitled to appoint one or two proxies to attend, speak and vote in his/her stead.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A Unitholder who is a relevant intermediary and entitled to attend, speak and vote at the EGM is entitled to appoint more than one proxy to attend, speak and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.
"relevant intermediary" means:
 - (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds 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 2001 of Singapore, and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953 of Singapore, in respect of 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 Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. A proxy need not be a Unitholder.
5. If a Unitholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it may appoint a proxy(ies) to attend, speak and vote on his/her/its behalf at the EGM. This Proxy Form may be accessed at Sabana Industrial REIT's website <https://sabana.listedcompany.com/aggm-egm.html> and on the SGXNET at <https://www.sgx.com/securities/company-announcements>. For convenience, printed copies of this Proxy Form will also be sent by post to Unitholders. Where a Unitholder appoints proxy(ies), he/she/it may give specific instructions as to voting, or abstentions from voting, in respect of the resolution in the Proxy Form, failing which the proxy(ies) will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the EGM.
Persons who have an interest in the approval of a resolution in the Proxy Form must decline to accept appointments as proxies unless the Unitholder concerned has specific instructions in his/her/its Proxy Form as to the manner in which his/her/its votes are to be cast in respect of such resolution.
6. **This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by persons who hold Units of Sabana Industrial REIT through relevant intermediaries (including CPFIS or SRS investors).** Persons who hold units of Sabana Industrial REIT through relevant intermediaries (other than CPFIS and SRS investors) who wish to participate in the EGM should approach their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made for their votes to be submitted. CPFIS and SRS investors who wish to participate in the EGM should approach their respective CPF Agent Banks or SRS Operators as soon as possible in order for the necessary arrangements to be made.
7. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of Sabana Industrial REIT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, this Proxy Form will be deemed to relate to all the Units held by the Unitholder.
8. The Proxy Form must be deposited at the office of Sabana Industrial REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:
 - A. if submitted by post, be lodged at the office of the Unit Registrar at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
 - B. if submitted electronically, be submitted via email at sabana-EGM2024@boardroomlimited.com, no later than **10.30 a.m. on Tuesday, 5 March 2024**, being 72 hours before the time fixed for the EGM.

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SABANA REAL ESTATE INVESTMENT MANAGEMENT PTE. LTD.
(As Manager of Sabana Industrial Real Estate Investment Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue #14-07
Keppel Bay Tower
Singapore 098632

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9. Completion and return of the Proxy Form shall not preclude a Unitholder from attending, speaking and voting at the EGM. Any appointment of proxy(ies) shall be deemed to be revoked if a Unitholder attends the EGM in person, and in such event, the Manager reserves the right to refuse to admit any person(s) appointed under the Proxy Form to the EGM.
10. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
11. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must (failing previous registration with the Manager), if the Proxy Form is submitted by post, be lodged with the Proxy Form, or if the Proxy Form is submitted electronically via email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.
12. Any reference to a time of day is made by reference to Singapore time.
13. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Manager.
14. All Unitholders will be bound by the outcome of the EGM regardless of whether they have attended or voted at the EGM.
15. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. There shall be no division of votes between a Unitholder who is present in person and voting at the EGM and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.
16. Completion and submission of the Proxy Form shall not preclude a Unitholder from attending, speaking and voting at the EGM. Any appointment of a proxy or proxies (including the Chairman of the EGM) shall be deemed to be revoked if a Unitholder attends the EGM, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the EGM.
17. By (a) submitting an instrument appointing a proxy(ies) to vote at the EGM and/or any adjournment thereof, and/or (b) submitting any question to the Manager prior to or during the EGM in accordance with the Notice of EGM, a Unitholder (including CPFIS and SRS investors):
 - (i) consents to the collection, use and disclosure of the personal data of the Unitholder by the Manager and the Trustee (or their agents or service providers) for the following purposes (collectively, the "Purposes"):
 - a. the processing and administration by Sabana Industrial REIT, the Manager and/or the Trustee (or their agents) of the appointment of a proxy(ies) to vote at the EGM (including any adjournment thereof),
 - b. the processing of any registration for purposes of verifying the status of Unitholders, granting access to Unitholders to the EGM and providing them with any technical assistance where necessary,
 - c. the addressing of relevant and substantial questions received from Unitholders in advance of the EGM and, if necessary, the following up with the relevant Unitholders in relation to such questions,
 - d. the preparation and compilation of the attendance lists, minutes, and other documents relating to the EGM (including any adjournment thereof), and
 - e. in order for Sabana Industrial REIT, the Manager and/or the Trustee (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines;
 - and
 - (ii) (where the Unitholder is a relevant intermediary and discloses the personal data of a person (who holds Units through the Unitholder as relevant intermediary) to the Manager or the Trustee (or their agents or service providers)) (aa) warrants that the Unitholder has obtained the prior consent of such person for the collection, use and disclosure by the Manager or the Trustee (or their agents or service providers) of the personal data of such person for the Purposes and (bb) agrees to provide the Manager and the Trustee with written evidence of such prior consent upon reasonable request.

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