SABANA SHARI'AH COMPLIANT INDUSTRIAL REAL ESTATE INVESTMENT TRUST
(A real estate investment trust constituted on 29 October 2010 under the laws of the Republic of Singapore)

INTERESTED PERSON TRANSACTIONS
ENTRY INTO MASTER LEASES WITH SPONSOR

Introduction

The board of directors ("Board") of Sabana Real Estate Investment Management Pte. Ltd., as manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust (the "**Manager**" and "**Sabana REIT**" respectively), refers to the announcements dated 24 November 2015 and 6 April 2016 relating to the master leases (the "**Existing Master Leases**") entered into by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana REIT) (the "**Trustee**") with each of the master lessees referred to below (the "**Master Lessees**") over the following properties (the "**Properties**"):

	Properties	**Master Lessees**
1.	51 Penjuru Road, Singapore 609143	Freight Links Express Logisticentre Pte Ltd
2.	33 & 35 Penjuru Lane, Singapore 609200/609202	Freight Links Express Logisticpark Pte Ltd
3.	18 Gul Drive, Singapore 629468	Crystal Freight Services Distripark Pte Ltd

The Board is pleased to announce that the Trustee has on 17 November 2016 entered into three master leases (collectively, the "**Master Leases**") for a one (1) year term with each of the Master Lessees in respect of the corresponding Properties, following an exercise of the option to renew in accordance with the relevant terms of the Existing Master Leases and parties' agreement on the respective rental rates for the relevant term under the relevant Master Leases.

This announcement is released by the Manager on a voluntary basis.

Details of the Master Lessees

Each of the Master Lessees, namely Freight Links Express Logisticentre Pte Ltd, Freight Links Express Logisticpark Pte Ltd and Crystal Freight Services Distripark Pte Ltd, are subsidiaries of Vibrant Group Limited (the "**Sponsor**"). As the Sponsor is a controlling shareholder of the Manager, each of the Master Lessees will be considered, for the purpose of the Master Leases, to be an "interested person" under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") and an "interested party" pursuant to Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**") respectively of Sabana REIT.

Accordingly, the entry into the Master Leases will constitute "interested person transactions" under Chapter 9 of the Listing Manual and "interested party transactions" under Paragraph 5 of the Property Funds Appendix.

Details of the Master Leases

The lease term for each of the three Master Leases will be for one year, commencing on 26 November 2016 and expiring on 25 November 2017, with four (4) successive options to renew for a one (1) year term each. The

aggregate rental for the three Master Leases, which are on triple-net basis, amounts to approximately S$10.1 million.

Prior to the finalisation of the terms of the Master Leases, Knight Frank Pte Ltd ("**Independent Valuer**") was commissioned by the Manager to provide an independent assessment on the fair market rental rates of the Properties. The Independent Valuer had, on 11 November 2016, issued its independent market report on the fair market rental rates for the Properties (the "**Independent Market Report**"). The respective rental rate of each of the Master Leases is within the rental rates certified by the Independent Valuer in the Independent Market Report.

Under each of the Master Leases, there remain four (4) successive options to renew for a one (1) year term each and is subject to the parties agreeing on the rental rate for each renewal term. Each of the aforementioned options to renew stipulates that notwithstanding an exercise of the same, Sabana REIT as landlord remains entitled, pursuant to that option to renew, to look for potential tenants for the relevant Property while negotiations in respect of the renewal term are ongoing with that Master Lessee.

Rationale for the Master Leases

The Master Lessees are incumbent master lessees of the Properties. Having considered the prevailing market conditions, Singapore's economic performance and attributes of the Properties as well as the Independent Market Report, the Manager is of the view that the agreed rental rate for each of the Properties is in line with the prevailing market rents for similar properties in similar locations, and the entry into the Master Leases will provide continuing, predictable and stable cash flow and revenue to Sabana REIT.

Value of the Interested Person Transactions

Under Chapter 9 of the Listing Manual, where Sabana REIT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000, with the same interested person during the same financial year) is equal to or exceeds 3% of Sabana REIT's latest audited net tangible assets ("NTA"), Sabana REIT must make an immediate announcement. Sabana REIT should also announce the transaction immediately under the Property Funds Appendix if the transaction (either in itself or when aggregated with the value of other transactions with the same interested person during the current financial year) is equal to or greater than 3% of Sabana REIT's net asset value ("NAV").

The aggregate transaction value of the Master Leases is approximately S$10.1 million.

As at the date of this announcement, the aggregate transaction value of the Master Leases together with the other transactions entered into with the Sponsor and its subsidiaries ("**Sponsor Group**") in the current financial year is approximately S$10.1 million.

Based on the latest audited NTA of approximately S$653.7 million of Sabana REIT for the financial year ended 31 December 2015 and the latest audited NAV of approximately S$653.7 million of Sabana REIT for the financial year ended 31 December 2015, (a) the aggregate transaction value of the Master Leases represents less than 3% of the latest audited NTA and NAV of Sabana REIT as at 31 December 2015; and (b) the aggregate value of all transactions entered into with the Sponsor Group in the current financial year (including the Master Leases)

represents less than 3% of the latest audited NTA and NAV of Sabana REIT as at 31 December 2015. Therefore, this announcement is being released by the Manager on a voluntary basis.

Statement of the Audit Committee

The Audit Committee of the Manager has reviewed and approved the entry into the Master Leases with the Sponsor Group. The Audit Committee is of the view that the Master Leases are on normal commercial terms and are not prejudicial to the interests of Sabana REIT and its minority Unitholders.

Interests of Directors and Controlling Unitholders

A Non-Executive Director of the Manager, Mr Henry Chua, is currently the Executive Director and Chief Corporate Development Officer of the Sponsor. Mr Chua also holds the position of Executive Director in a number of other subsidiaries of the Sponsor.

Based on information available to the Manager as at date of this announcement, save as disclosed in this announcement, none of its Directors (other than in his capacity as a Director or unitholder in Sabana REIT) has any interest, direct or indirect, in the Master Leases. As at the date of this announcement, Sabana REIT does not have any controlling Unitholders.

By Order of the Board
Sabana Real Estate Investment Management Pte. Ltd.
(Company registration number 201005493K)
As Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust

Kevin Xayaraj
Chief Executive Officer and Executive Director
17 November 2016

Sabana REIT

Sabana REIT was listed on Singapore Exchange Securities Trading Limited on 26 November 2010. It was established principally to invest in income-producing real estate used for industrial purposes, as well as real estate-related assets, in line with Shari'ah investment principles. Sabana REIT currently has a diversified portfolio of 21 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. Its total assets amount to approximately S$1.1 billion.

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

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

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

Important Notice

This announcement is for information only and does not constitute an offer, invitation or solicitation of securities in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

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

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that unitholders of Sabana REIT 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.

This announcement is not an offer or sale of any Units in the United States. No Units have been or will be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act.

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