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

TERMINATION OF THE PROPOSED ACQUISITION OF 47 CHANGI SOUTH AVENUE 2, SINGAPORE 486148

9 May 2017 – Further to the announcement dated 15 December 2016, Sabana Real Estate Investment Management Pte. Ltd., as the Manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana REIT**"), wishes to announce that following the extraordinary general meeting of Sabana REIT on 28 April 2017, the Board of Directors ("**Board**") has re-evaluated the proposed acquisition of 47 Changi South Avenue 2, Singapore 486148 by Sabana REIT.

While the Board maintains its view that the proposed acquisition would have been beneficial to the long-term interests of Sabana REIT and its unitholders, in light of the continuing feedback from unitholders about the proposed acquisition, Sabana REIT and Freight Links Properties Pte Ltd, a subsidiary of the sponsor of Sabana REIT (the "**Vendor**") have agreed to terminate the put and call option agreement entered into for the proposed acquisition (the "**Option Agreement**").

In this regard, HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Sabana REIT (the "**Trustee**")) and the Vendor have today entered into a termination agreement (the "**Termination Agreement**") pursuant to which the Option Agreement will be terminated with effect from 9 May 2017. Upon the execution of the Termination Agreement, the option fee of S$230,000 (together with GST thereon) paid by Sabana REIT on the execution of the Option Agreement shall be refunded in full to Sabana REIT, free of interest. The respective obligations and liabilities of the Vendor and the Trustee under the Option Agreement shall thereafter cease (except for obligations in respect of confidentiality set out in the Option Agreement) and neither party shall have any claims whatsoever against the other party.

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

Kevin Xayaraj
Chief Executive Officer and Executive Director
9 May 2017

ABOUT SABANA REIT

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

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

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

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

Important Notice

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

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.