



Case Study – Sabana REIT S\$80 million convertible *sukuk-al-ijara*

Gregory Man

3 April 2013

C L I F F O R D
C H A N C E

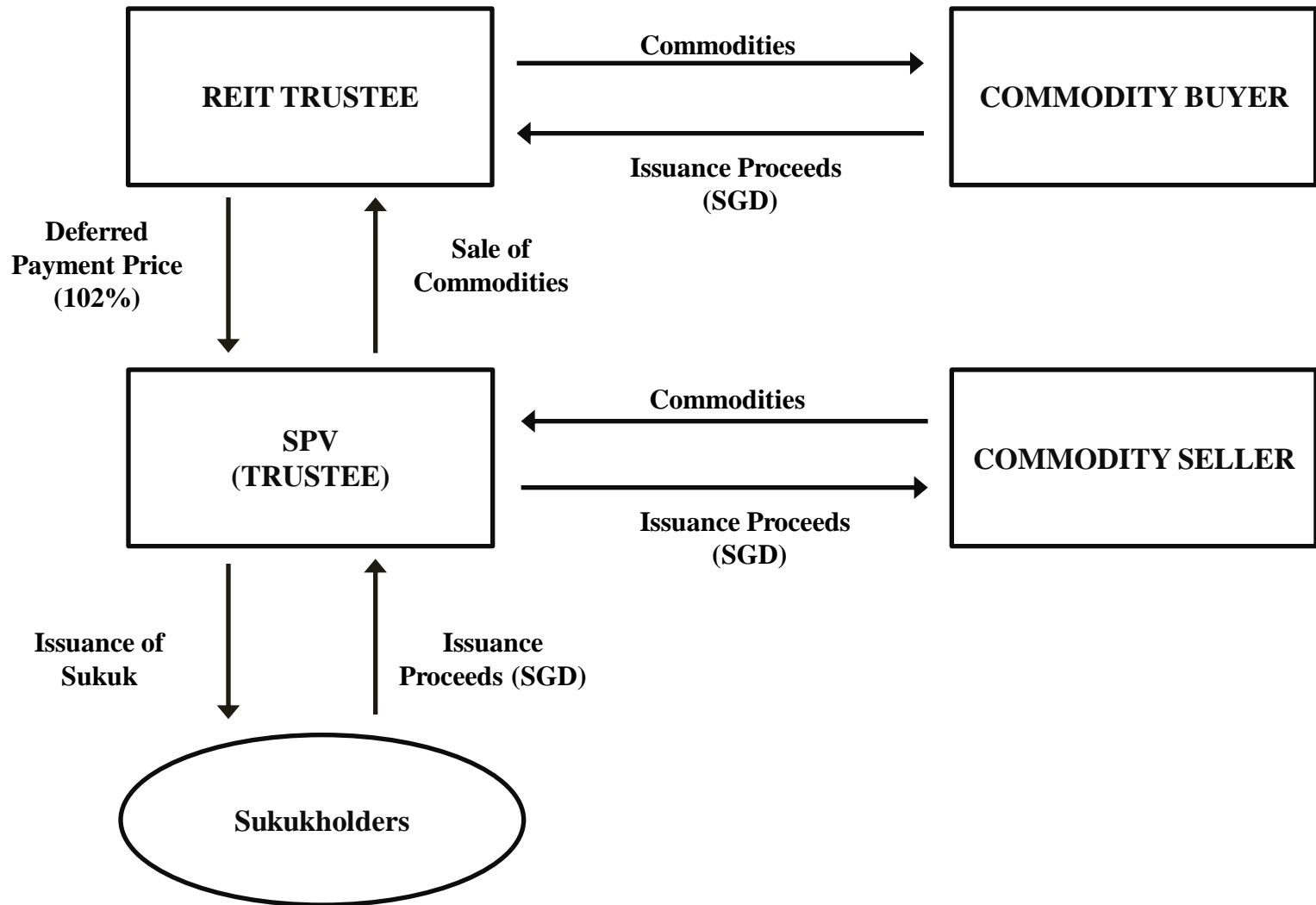
IFN Roadshow - Singapore



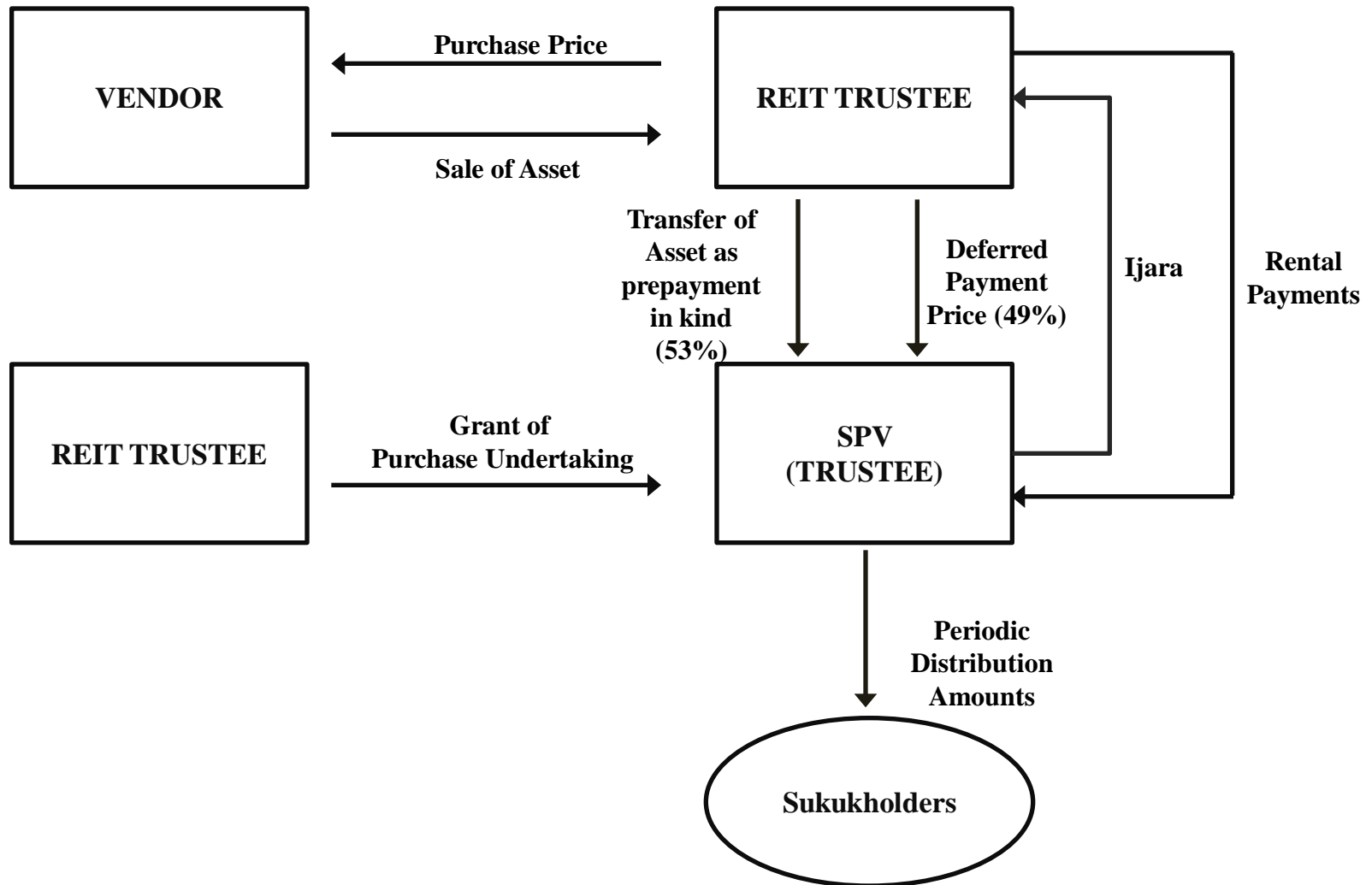
Structural challenges

- Sabana REIT needed issuance proceeds to acquire the asset – acquisition funding structure
- Requirement for sufficient asset tangibility to make sukuk tradable at an amount other than par
- Risk that asset may ultimately not be acquired – redemption at a premium
- Sufficiently flexible structure to allow for investors to convert at different times and on a regular basis
- Requirement to include other commercial features of a convertible bond

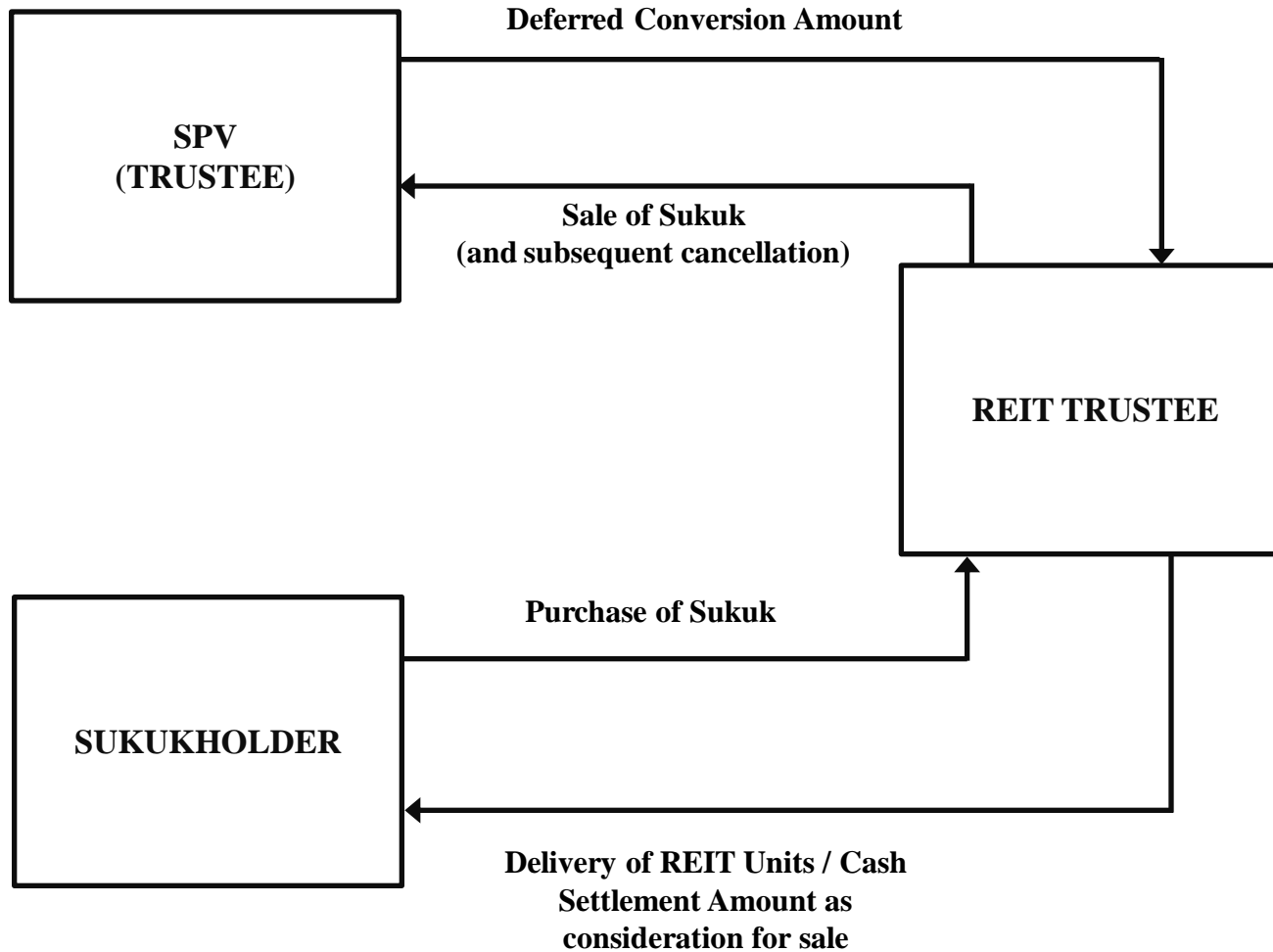
Closing Date



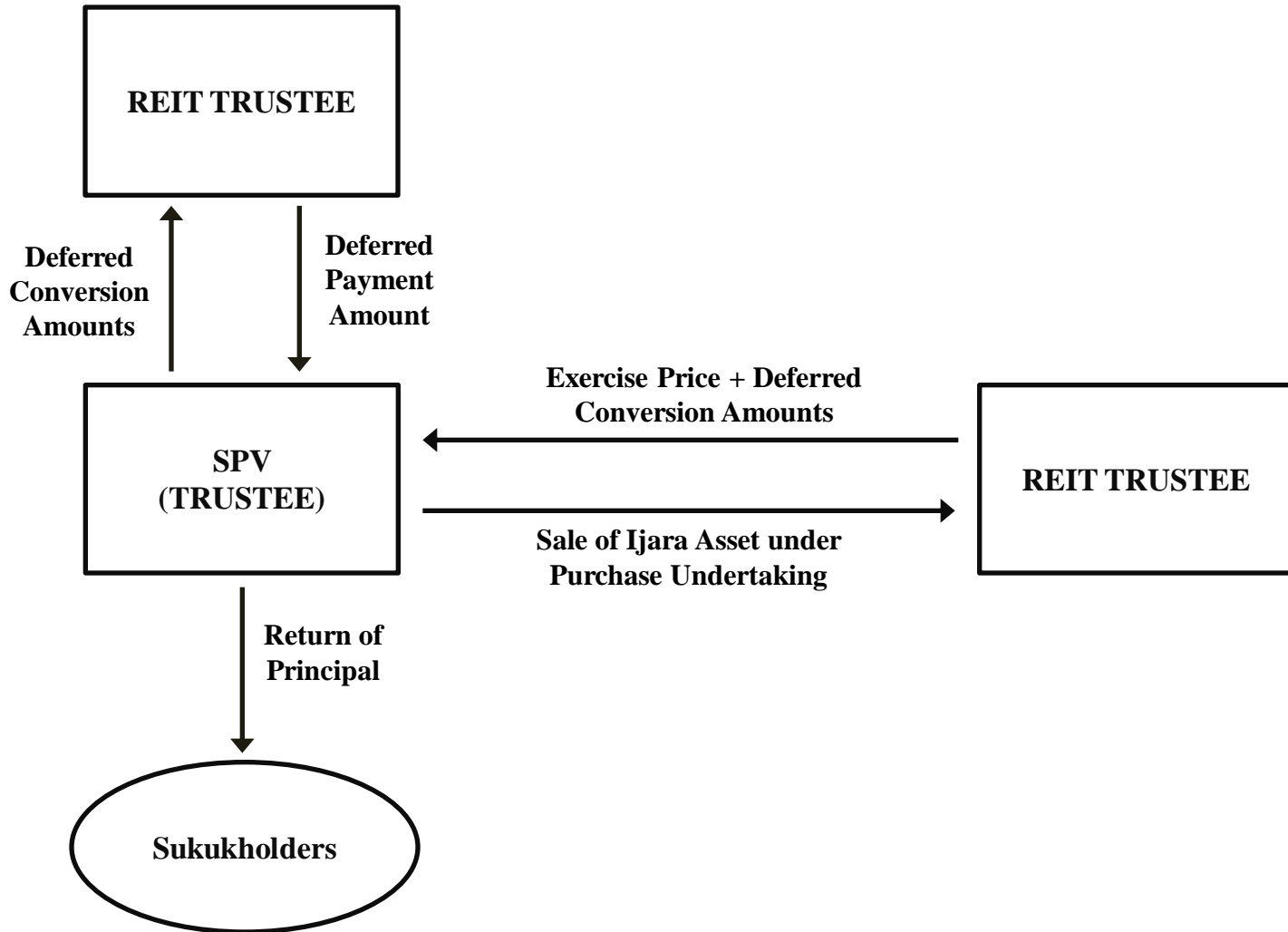
Asset Substitution Date



Conversion Date



Dissolution Date



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