
**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT
FOR FOURTH QUARTER FROM 1 OCTOBER 2019 TO 31 DECEMBER 2019 AND FULL YEAR FROM 1
JANUARY 2019 TO 31 DECEMBER 2019**

INTRODUCTION

Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("**Sabana Shari'ah Compliant REIT**" or "**Trust**") is a real estate investment trust constituted on 29 October 2010 (as amended) under the laws of Singapore by the Trust Deed entered between Sabana Real Estate Investment Management Pte. Ltd. as the manager (the "**Manager**") and HSBC Institutional Trust Services (Singapore) Limited as the trustee (the "**Trustee**") of Sabana Shari'ah Compliant REIT.

Following the divestment of the property located at 9 Tai Seng Drive for a sale consideration of S\$99.6 million on 10 January 2019, the portfolio of Sabana Shari'ah Compliant REIT as at the reporting date comprises 18 industrial properties located across Singapore. The properties are:

1. 151 Lorong Chuan, New Tech Park, Singapore 556741
2. 8 Commonwealth Lane, Singapore 149555
3. 15 Jalan Kilang Barat, Frontech Centre, Singapore 159357
4. 33 & 35 Penjuru Lane, Freight Links Express Logisticpark, Singapore 609200/609202
5. 18 Gul Drive, Singapore 629468
6. 1 Tuas Avenue 4, Singapore 639382
7. 34 Penjuru Lane, Penjuru Logistics Hub, Singapore 609201
8. 51 Penjuru Road, Freight Links Express Logisticcentre, Singapore 609143
9. 26 Loyang Drive, Singapore 508970
10. 123 Genting Lane, Yenom Industrial Building, Singapore 349574
11. 30 & 32 Tuas Avenue 8, Singapore 639246/639247
12. 3A Joo Koon Circle, Singapore 629033
13. 2 Toh Tuck Link, Singapore 596225
14. 21 Joo Koon Crescent, Singapore 629026
15. 39 Ubi Road 1, Singapore 408695
16. 23 Serangoon North Avenue 5, BTC Centre, Singapore 554530
17. 508 Chai Chee Lane, Singapore 469032
18. 10 Changi South Street 2, Singapore 486596

In March 2019, Sabana Shari'ah Compliant REIT obtained a new Revolving Murabahah Facility of S\$23.0 million to be used for general investments and corporate funding purposes.

In April 2019, the Group fully redeemed the S\$100.0 million 4.25 per cent. Trust Certificates that was issued in October 2014.

In November 2019, Sabana Shari'ah Compliant REIT obtained new Commodity Murabaha Facilities of S\$161.0 million ("**New CMF**") to refinance the S\$30.0 million Term CMF C which matured in November 2019, S\$90.0 million Term CMF B and S\$18.0 million Revolving CMF D, both ahead of their maturities in February 2020, collectively under the existing Commodity Murabaha Facilities ("**Existing CMF**") and new Murabaha Facilities of S\$21.0 million to finance asset enhancement initiative works in relation to 151 Lorong Chuan ("**AEI**").

The financial information of Sabana Shari'ah Compliant REIT and its subsidiary ("**Sabana Group**" or "**Group**") for the fourth quarter and full year ended 31 December 2019 and their comparative period as set out in this announcement have been extracted from the interim financial information for the period from 1 January 2019 to 31 December 2019 which has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

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SUMMARY OF RESULTS FOR SABANA GROUP

	Group					
	Quarter		Fav / (Unfav)	YTD		Fav / (Unfav)
	4Q 2019	4Q 2018		31/12/19	31/12/18	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	19,444	20,023	(2.9)	76,338	80,961	(5.7)
Net property income	13,006	13,001	-	51,612	52,790	(2.2)
Total distribution amount declared to Unitholders for the period/year	8,080	7,436	8.7	30,743	33,391	(7.9)
- from operations	8,080	7,436	8.7	29,500	33,391	(11.7)
- from capital gains	-	-	-	1,243 ^(b)	-	n.m
Distribution per unit ("DPU") (cents) ^(a)	0.77	0.71	8.5	2.92	3.18	(8.2)
- from operations	0.77	0.71	8.5	2.80	3.18	(11.9)
- from capital gains	-	-	-	0.12 ^(b)	-	n.m

n.m denotes "not meaningful"

Note:

- (a) Please refer to Item 6 on Page 13 for the DPU computation.
- (b) Distribution of approximately S\$1.24 million from capital gains, arising from the divestment of properties from prior periods, in 1Q 2019 only.

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1 (a)(i) Statement of Total Return and Distribution Statement (4Q 2019 vs 4Q 2018 and Current Year to Date ("YTD") vs Prior YTD)

Statements of Total Return	Group					
	Quarter		Fav / (Unfav)	YTD		Fav / (Unfav)
	4Q 2019	4Q 2018		31/12/19	31/12/18	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue ^(a)	19,444	20,023	(2.9)	76,338	80,961	(5.7)
Property expenses ^(b)	(6,438)	(7,022)	8.3	(24,726)	(28,171)	12.2
Net property income	13,006	13,001	-	51,612	52,790	(2.2)
Finance income	11	9	22.2	229	154	48.7
Finance costs	(3,169)	(3,796)	16.5	(12,739)	(15,149)	15.9
Finance costs relating to lease liabilities	(839)	-	n.m	(3,358)	-	n.m
Net finance costs ^(c)	(3,997)	(3,787)	(5.5)	(15,868)	(14,995)	(5.8)
Manager's fees	(1,125)	(1,247)	9.8	(4,495)	(4,568)	1.6
Trustee's fees	(90)	(96)	6.3	(360)	(385)	6.5
Donation of non-Shari'ah compliant income ^(d)	*	(3)	n.m	(5)	(48)	89.6
Other trust expenses	(198)	(210)	5.7	(1,036)	(901)	(15.0)
Net income	7,596	7,658	(0.8)	29,848	31,893	(6.4)
Net change in fair value of financial derivatives ^(e)	(89)	(262)	66.0	(535)	363	(247.4)
Net change in fair value of investment properties ^(f)	2,402	50,958	(95.3)	(7,885)	34,675	(122.7)
(Loss)/gain on divestment of investment properties ^(g)	-	-	n.m	(773)	754	(202.5)
Total return for the period/year before taxation	9,909	58,354	(83.0)	20,655	67,685	(69.5)
Tax expense ^(h)	*	*	-	*	*	-
Total return for the period/year after taxation	9,909	58,354	(83.0)	20,655	67,685	(69.5)

Distribution Statements	Group					
	Quarter		Fav / (Unfav)	YTD		Fav / (Unfav)
	4Q 2019	4Q 2018		31/12/19	31/12/18	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return for the period/year after taxation	9,909	58,354	(83.0)	20,655	67,685	(69.5)
Non-tax (chargeable)/deductible items:						
Amortisation of transaction costs ⁽ⁱ⁾	513	256	100.4	1,422	1,217	16.8
Trustee's fees	90	96	(6.3)	360	385	(6.5)
Donation of non-Shari'ah compliant income	*	3	n.m	5	48	(89.6)
Net change in fair value of financial derivatives	89	262	(66.0)	535	(363)	247.4
Net change in fair value of investment properties	(2,402)	(50,958)	95.3	7,885	(34,675)	122.7
Loss/(gain) on divestment of investment properties	-	-	-	773	(754)	202.5
Effects of recognising rental income on a straight line basis over the lease term	(341)	(580)	41.2	(1,042)	(460)	(126.5)
Finance costs relating to lease liabilities	839	-	n.m	3,358	-	n.m
Land rent expenses	(1,198)	-	n.m	(4,764)	-	n.m
Other items	100	3	n.m	313	308	1.6
Net effect of non-tax (chargeable)/deductible for the period/year	(2,310)	(50,918)	95.5	8,845	(34,294)	125.8
Income available for distribution to Unitholders for the period/year	7,599	7,436	2.2	29,500	33,391	(11.7)
Capital gains	-	-	-	1,243	-	n.m
Total amount available for distribution to Unitholders for the period/year	7,599	7,436	2.2	30,743	33,391	(7.9)
Total distribution amount declared to Unitholders for the period/year ⁽ⁱ⁾	8,080	7,436	8.7	30,743	33,391	(7.9)

n.m denotes "not meaningful"

* Less than S\$1,000

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Notes:

- (a) Gross revenue comprises rental and other operating income from the properties.
- (b) Property expenses comprise:
- (i) service, repairs, maintenance and insurances;
 - (ii) property and lease management fees;
 - (iii) applicable property tax and utilities expenses (2018: property tax, land rent and utilities expenses) related to properties not under triple-net master lease agreements;
 - (iv) marketing and lease administrative expenses; and
 - (v) other reimbursable expenses payable to the Property Manager.
- (c) Included in net finance costs are the following:

	Group					Fav / (Unfav) %
	Quarter		Fav / (Unfav) %	YTD		
	4Q 2019	4Q 2018		31/12/19	31/12/18	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income:						
- Finance income from fixed deposits	4	3	33.3	196	9	n.m
- Ta'widh (compensation on late payment of rent)	7	6	16.7	33	145	(77.2)
	11	9	22.2	229	154	48.7
Finance costs:						
- Commodity Murabaha Facilities	(1,182)	(1,245)	5.1	(4,955)	(4,548)	(8.9)
- Murabahah Facilities	(1,106)	(916)	(20.7)	(4,175)	(2,942)	(41.9)
- Profit rate swaps	(50)	14	(457.1)	227	(217)	204.6
- Trust Certificates	-	(1,071)	n.m	(1,083)	(5,019)	78.4
- Term Loan Facility	(285)	(289)	1.4	(1,198)	(1,076)	(11.3)
- Amortisation of transaction costs	(513)	(256)	(100.4)	(1,422)	(1,217)	(16.8)
- Brokerage and agent fees	(33)	(33)	-	(133)	(130)	(2.3)
	(3,169)	(3,796)	16.5	(12,739)	(15,149)	15.9
Finance costs relating to lease liabilities ^(k)	(839)	-	n.m	(3,358)	-	n.m
	(4,008)	(3,796)	(5.6)	(16,097)	(15,149)	(6.3)
Net finance costs	(3,997)	(3,787)	(5.5)	(15,868)	(14,995)	(5.8)

n.m denotes "not meaningful"

* Less than S\$1,000

- (d) This relates to the net income which was subjected to the cleansing process and was approved by the Independent Shari'ah Committee to be and donated to the following beneficiary:

Current YTD

- Brighthill Evergreen Home (1Q 2019); and
- SG Enable Ltd – Mediacorp Enable Fund (3Q 2019 & 4Q 2019).

There was no donation of non-Shari'ah compliant income for 2Q 2019.

Prior YTD

- Singapore Kadayanallur Muslim League (1Q 2018);
- SG Enable – Today Enable Fund (2Q 2018 & 3Q 2018); and
- National Youth Achievement Award Council (NYAAC) (4Q 2018).

- (e) Net change in fair value of financial derivatives in 4Q 2019 and Current YTD relates to the change in the fair value of the profit rate swaps based on broker quotes recognised between the last quarter and at the reporting date and YTD respectively. These items are non-tax deductible and have no impact on income available for distribution.

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- (f) Net change in fair value of the investment properties in 4Q 2019 and Current YTD mainly relates to the revaluation movement based on the independent valuations of the properties undertaken by the independent valuers Cushman & Wakefield VHS Pte Ltd, Savills Valuation and Professional Services (S) Pte Ltd and Suntec Real Estate Consultants Pte Ltd ("**2019 Independent Valuers**") as at 31 December 2019 and the adjustments in right-of-use ("**ROU**") assets in relation to the land leases with Jurong Town Council ("**JTC**") included in investment properties as at 31 December 2019, in accordance with FRS 116 Leases ("**FRS 116**") which was adopted on 1 January 2019.

Please refer to Item 5(i) on Page 12 for further details on FRS 116.

Net change in fair value of the investment properties in 4Q 2018 and Prior YTD mainly relates to the revaluation movements based on the sales consideration of 9 Tai Seng Drive and the independent valuations of the other properties undertaken by the independent valuers Knight Frank Pte Ltd, Edmund Tie & Company (SEA) Pte Ltd and Suntec Real Estate Consultants Pte Ltd ("**2018 Independent Valuers**") as at 31 December 2018.

These items are non-tax deductible and have no impact on income available for distribution.

- (g) Loss on divestment of investment properties in Current YTD relates to additional transaction related costs incurred in the divestment of 9 Tai Seng Drive in 1Q 2019.

Gain on divestment of investment properties in Prior YTD relates to the gain on divestment of 6 Woodlands Loop after deducting the applicable agent commission and other professional fees and expenses in 1Q 2018.

These items are non-tax deductible and have no impact on income available for distribution.

- (h) This pertains to the tax expense of a subsidiary of the Trust.
- (i) This represents the amortisation of upfront fees and legal fees pertaining to the Existing CMF, New CMF, Murabahah Facilities, Term Loan Facility and Trust Certificates. These items are non-tax deductible and have no impact on income available for distribution.
- (j) The Trust's distribution policy is to distribute at least 90.0% of its distributable income to Unitholders. For 4Q 2019, the remaining 5.5% distributable income amounting to approximately S\$0.5 million (DPU: 0.05 cents) withheld from 3Q 2019 distribution will be distributed together with the full quarter of 4Q 2019 distribution.
- (k) This pertains to the finance cost on the lease liabilities in 4Q 2019 and Current YTD upon the adoption of FRS 116.

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1 (b)(i) Statements of financial position, together with comparatives as at the end of the immediate preceding financial year

Statements of Financial Position	Group			Trust		
	31/12/19	31/12/18	Change	31/12/19	31/12/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Non-current assets						
Investment properties ^(a)	949,241	869,200	9.2	949,241	869,200	9.2
Subsidiary ^(b)	-	-	-	*	*	-
Total non-current assets	949,241	869,200	9.2	949,241	869,200	9.2
Current assets						
Investment properties held for divestment ^(a)	14,888	110,550	(86.5)	14,888	110,550	(86.5)
Derivative assets ^(c)	-	240	n.m	-	240	n.m
Trade and other receivables ^(d)	3,419	2,204	55.1	3,417	2,202	55.2
Cash and cash equivalents ^(e)	4,099	7,215	(43.2)	4,099	7,215	(43.2)
Total current assets	22,406	120,209	(81.4)	22,404	120,207	(81.4)
Total assets	971,647	989,409	(1.8)	971,645	989,407	(1.8)
Current liabilities						
Trade and other payables ^(f)	14,992	14,354	4.4	14,999	14,361	4.4
Borrowings ^(g)	56,500	172,767	(67.3)	56,500	172,767	(67.3)
Derivative liabilities ^(c)	240	-	n.m	240	-	n.m
Lease liabilities ^(h)	6,278	-	n.m	6,278	-	n.m
Total current liabilities	78,010	187,121	(58.3)	78,017	187,128	(58.3)
Non-current liabilities						
Trade and other payables ^(f)	6,290	8,726	(27.9)	6,290	8,726	(27.9)
Borrowings ^(g)	218,684	188,942	15.7	218,684	188,942	15.7
Derivative liabilities ^(c)	197	142	38.7	197	142	38.7
Lease liabilities ^(h)	73,451	-	n.m	73,451	-	n.m
Total non-current liabilities	298,622	197,810	51.0	298,622	197,810	51.0
Total liabilities	376,632	384,931	(2.2)	376,639	384,938	(2.2)
Net assets	595,015	604,478	(1.6)	595,006	604,469	(1.6)
Represented by:						
Unitholders' funds ⁽ⁱ⁾	595,015	604,478	(1.6)	595,006	604,469	(1.6)

n.m denotes "not meaningful"
* Less than S\$1,000

Notes:

- (a) The decrease in investment properties mainly due to the divestment of 9 Tai Seng Drive for S\$99.6 million in January 2019 and the net revaluation loss of properties amounting to S\$6.5 million partially offset by the net recognition of a total of approximately S\$80.8 million adjustments for properties and ROU assets in relation to FRS 116 (including the movement in ROU assets of S\$1.4 million) and the capital expenditure on the properties of S\$9.7 million which includes the ongoing AEI.

As at the reporting date, only 1 Tuas Avenue 4 (2018: 9 Tai Seng Drive and 1 Tuas Avenue 4) is classified as an investment property held for divestment as the divestment is planned within the next 12 months from the reporting date.

- (b) This relates to the cost of investment in Sabana Sukuk Pte. Ltd. ("**SSPL**"), a wholly-owned subsidiary of the Trust.

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- (c) The derivative financial instruments as at 31 December 2019 relates to profit rate swap contracts with a total notional amount of S\$100.0 million entered into to hedge against profit rate fluctuation on the floating borrowing rates. As at 31 December 2019, approximately 36.2% of the Group's borrowings were hedged with profit rate swap. The changes in fair value were mainly due to the revaluation of the profit rate swap contracts in accordance with FRS 109.
- (d) This relates to trade receivables, prepayments, deposits, and other receivables. The increase is mainly due to higher outstanding trade receivables from certain tenants.
- (e) This relates to bank balances and Shari'ah compliant deposits held with Islamic financial institutions. Please refer to the Statement of Cash Flows under Item 1(c) on Page 10 for further details in the movement of cash and cash equivalents.
- (f) This relates to trade payables, security deposits, rental received in advance, retention sums and accruals and provisions. The lower non-current and current trade and other payables from 31 December 2018 are mainly due to the refunds of security deposits and retention sums to tenants and vendors.
- (g) The movements in current and non-current borrowings are mainly due to:
 - (i) net drawdown of S\$13.5 million of revolving facilities during Current YTD; and
 - (ii) repayment of the S\$100.0 million Trust Certificates Series II in April 2019 largely from the divestment proceeds of 9 Tai Seng Drive.

Please refer to the Item 1(b)(ii) on Page 8 for further details on borrowings.

As at 31 December 2019, the Group's current liabilities exceeded its current assets by S\$55.6 million (31 December 2018: S\$66.9 million). The net current liabilities can be financed by the Group's undrawn committed facilities and certain unencumbered properties that can be tapped on for financing.

- (h) This relates to the discounted future land rent payments on certain properties of the Group. These lease liabilities were recognised upon the adoption of FRS 116 on 1 January 2019. Please refer to Item 5(i) on Page 12 for further details on FRS 116.
- (i) Please refer to the Statements of Movements in Unitholders' Funds under Item (1)(d)(i) on Page 11 for details.

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1 (b)(ii) Aggregate amount of borrowings and debt securities

	Group	
	31/12/19	31/12/18
	S\$'000	S\$'000
Secured borrowings		
Amount repayable within one year:		
Term Existing CMF ^(a)	-	30,000
Revolving Existing CMF ^(a)	-	13,000
Revolving New CMF ^(a)	3,500	-
Revolving Murabahah Facilities ^(b)	53,000	30,000
Less: Unamortised capitalised transaction costs	-	(167)
	56,500	72,833
Amount repayable after one year:		
Term Existing CMF ^(a)	-	90,000
Term New CMF ^(a)	120,000	-
Term Murabahah Facility ^(b)	70,000	70,000
Term Loan Facility ^(c)	30,000	30,000
Less: Unamortised capitalised transaction costs	(1,316)	(1,058)
	218,684	188,942
Total secured borrowings	275,184	261,775
Unsecured borrowings		
Amount repayable within one year:		
Trust Certificates ^(d)	-	100,000
Less: Unamortised capitalised transaction costs	-	(66)
	-	99,934
Total unsecured borrowings	-	99,934
Total borrowings	275,184	361,709

Details of borrowings, debt securities and collaterals

Secured borrowings

(a) Commodity Murabaha Facilities

In November 2019, Sabana Group refinanced the Existing CMF (comprising the Term Existing CMF C matured in November 2019 and Term Existing CMF B and Revolving Existing CMF D, both maturing in February 2020), with New CMF of S\$161.0 million.

New CMF comprises:

- (i) 3-year Term New CMF A of S\$30.0 million maturing in November 2022;
- (ii) 3-year Term New CMF B of S\$70.0 million maturing in November 2022;
- (iii) 4-year Term New CMF C of S\$20.0 million maturing in November 2023;
- (iv) 4-year Revolving New CMF D of S\$20.0 million maturing in November 2023;
- (v) 3-year Term New CMF E of S\$14.0 million maturing in November 2022 (to fund AEI); and
- (vi) 3-year Revolving New CMF F of S\$7.0 million maturing in November 2022 (to fund AEI).

As at 31 December 2019, a total of S\$123.5 million, consisting of S\$120.0 million Term New CMF A to C and S\$3.5 million of Revolving New CMF D, was drawn on the Commodity Murabaha Facilities.

The CMF are secured by, *inter alia*:

- (1) A first ranking legal mortgage over 3 (2018: 3) investment properties ("**Securitized Properties**"), (or, where title to or lease relating to the Securitized Properties has not been issued, an assignment of building agreement or agreement for lease (as the case may be) coupled with a mortgage in escrow);
- (2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Securitized Properties; and
- (3) A fixed and floating charge over the other assets of Sabana Shari'ah Compliant REIT relating to the Securitized Properties.

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(b) Murabahah Facilities

The Murabahah Facilities consisted of:

- (i) 3-year Term Murabahah Facility of S\$70.0 million maturing in March 2021; and
- (ii) The Revolving Murabahah Facilities of S\$53.0 million maturing in March 2021.

The facilities were fully drawn down as at 31 December 2019.

The Murabahah Facilities were secured by, *inter alia*:

- (1) A first ranking legal mortgage over 7 (2018: 5) investment properties ("**Murabahah Secured Properties**");
- (2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Murabahah Secured Properties; and
- (3) A fixed and floating charge over the other assets of Sabana Shari'ah Compliant REIT relating to the Murabahah Secured Properties.

(c) Term Loan Facility

As at the reporting date, the Term Loan Facility of S\$30.0 million maturing in December 2021 was outstanding and secured by, *inter alia*:

- (1) A first ranking legal mortgage over 3 (2018: 3) investment properties ("**Term Loan Facility Secured Properties**"); and
- (2) Assignment of insurances, assignment of proceeds and assignment of Property Management Agreements relating to the Term Loan Facility Secured Properties.

Unsecured borrowings

(d) Trust Certificates

The S\$100.0 million 4.25 per cent. Trust Certificates were fully redeemed in April 2019.

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1 (c) Statement of Cash Flows

Statement of Cash Flows	Group			
	Quarter		YTD	
	4Q 2019	4Q 2018	31/12/19	31/12/18
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Total return for the period/year after taxation and before distribution	9,909	58,354	20,655	67,685
Adjustments for:				
Net change in fair value of financial derivatives	89	262	535	(363)
Net change in fair value of investment properties	(2,402)	(50,958)	7,885	(34,675)
Loss/(gain) on divestment of investment properties	-	-	773	(754)
Net finance costs	3,997	3,787	15,868	14,995
	11,593	11,445	45,716	46,888
Change in trade and other receivables	586	(322)	(1,078)	464
Change in trade and other payables	(711)	(74)	(5,274)	(4,828)
Cash generated from operations	11,468	11,049	39,364	42,524
Ta'widh (compensation on late payment of rent) received	7	6	33	145
Net cash from operating activities	11,475	11,055	39,397	42,669
Cash flows from investing activities				
Capital expenditure on investment properties	(3,305)	(1,062)	(6,458)	(2,215)
Proceeds from divestment of investment properties	-	-	99,600	13,800
Payment for divestment costs	-	-	(773)	-
Profit income received	4	3	196	9
Net cash (used in)/from investing activities	(3,301)	(1,059)	92,565	11,594
Cash flows from financing activities				
Proceeds from borrowings	125,500	2,000	177,000	131,000
Repayment of borrowings	(120,000)	-	(263,500)	(135,500)
Transaction costs paid	(1,317)	-	(1,584)	(814)
Payment of lease liabilities	(359)	-	(1,406)	-
Finance cost relating to lease liabilities	(839)	-	(3,358)	-
Finance costs paid	(2,709)	(4,557)	(12,112)	(14,663)
Distributions paid	(8,214)	(8,109)	(30,118)	(34,752)
Net cash used in financing activities	(7,938)	(10,666)	(135,078)	(54,729)
Net increase/(decrease) in cash and cash equivalents	236	(670)	(3,116)	(466)
Cash and cash equivalents at beginning of the period/year	3,863	7,885	7,215	7,681
Cash and cash equivalents at end of the period/year	4,099	7,215	4,099	7,215

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1 (d)(i) Statements of Movements in Unitholders' Funds

Statements of Movements in Unitholders' Funds	Group			
	Quarter		YTD	
	4Q 2019	4Q 2018	31/12/19	31/12/18
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at beginning of the period/year	593,320	554,233	604,478	571,545
Operations				
Total return for the period/year after taxation	9,909	58,354	20,655	67,685
	603,229	612,587	625,133	639,230
Unitholders' transactions				
Distributions to Unitholders	(8,214)	(8,109)	(30,118)	(34,752)
Net decrease in net assets resulting from Unitholders' transactions	(8,214)	(8,109)	(30,118)	(34,752)
Unitholders' funds at end of the period/year	595,015	604,478	595,015	604,478

Statements of Movements in Unitholders' Funds	Trust			
	Quarter		YTD	
	4Q 2019	4Q 2018	31/12/19	31/12/18
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at beginning of the period/year	593,311	554,225	604,469	571,532
Operations				
Total return for the period/year after taxation	9,909	58,353	20,655	67,689
	603,220	612,578	625,124	639,221
Unitholders' transactions				
Distributions to Unitholders	(8,214)	(8,109)	(30,118)	(34,752)
Net decrease in net assets resulting from Unitholders' transactions	(8,214)	(8,109)	(30,118)	(34,752)
Unitholders' funds at end of the period/year	595,006	604,469	595,006	604,469

1 (d)(ii) Details of any changes in the units

	Group and Trust			
	Quarter		YTD	
	4Q 2019	4Q 2018	31/12/19	31/12/18
Units in issue:				
Units in issue at beginning and end of the period/year	1,053,083,530	1,053,083,530	1,053,083,530	1,053,083,530

1 (d)(iii) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

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2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited but have been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410 *“Review of Interim Financial Information Performed by the Independent Auditor of the Entity”*.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please see attached review report.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted new Financial Reporting Standards in Singapore (“FRSs”) and interpretations effective for the financial period beginning 1 January 2019 as follows:

(i) FRS 116 Leases

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (“ROU”) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. FRS 116 replaces existing lease accounting guidance, including FRS 17 Leases, INT FRS 104 Determining whether an Arrangement contains a Lease, INT FRS 15 Operating Leases – Incentives and INT FRS 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Group has adopted FRS 116 with a date of initial application of 1 January 2019, using the modified retrospective approach. The Group has applied the practical expedient to grandfather the definition of a lease on transition which means that all contracts entered into before 1 January 2019 and identified as leases in accordance with FRS 17 and INT FRS 104.

The Group has measured the lease liabilities by applying a single discount rate to their portfolio of leases. Furthermore, the Group has applied the practical expedient to recognise amounts of ROU assets equal to their lease liabilities at 1 January 2019. For lease contracts that contain the option to renew, the Group are expected to use hindsight in determining the lease term. The Group has their existing operating lease arrangements to be recognised as ROU assets with corresponding lease liabilities under FRS 116. Lease payments that are increased every year to reflect market rentals, and those that are based on changes in local price index, are included in the measurement of lease liabilities as at date of initial application.

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6. **Earnings per unit (“EPU”) and Distribution per unit (“DPU”) of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Earnings per unit

	Group			
	Quarter		YTD	
	4Q 2019	4Q 2018	31/12/19	31/12/18
<u>Basic and Diluted EPU</u>				
Weighted average number of units in issue	1,053,083,530	1,053,083,530	1,053,083,530	1,053,083,530
Earnings per unit for the period/year based on the weighted average number of units in issue (cents) ^{(a)(b)}	0.94	5.54	1.96	6.43

Notes:

- (a) The EPU calculation uses the total return for the period/year after taxation and before distribution, and the weighted average number of units outstanding during the period/year.
- (b) The diluted EPU were the same as the basic EPU for the Group as there are no EPU dilutive financial instruments.

Distribution per unit

	Group and Trust			
	Quarter		YTD	
	4Q 2019	4Q 2018	31/12/19	31/12/18
Number of units issued at end of period/year entitled to distribution	1,053,083,530	1,053,083,530	1,053,083,530	1,053,083,530
Distribution per unit for the period/year based on the total number of units entitled to distribution (cents)	0.77	0.71	2.92	3.18

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7. Net asset value per unit and net tangible asset per unit based on units issued at the end of the financial period and immediately preceding financial year

	Group		Trust	
	As at 31/12/19	As at 31/12/18	As at 31/12/19	As at 31/12/18
Net asset value ("NAV") and net tangible asset ("NTA") per unit (S\$) ^(a)	0.57	0.57	0.57	0.57

Note:

- (a) The number of units used to compute NAV per unit and NTA per unit is 1,053,083,530 (31 December 2018: 1,053,083,530).

8. Review of the Performance of the Group for the current financial period reported on

4Q 2019 vs 4Q 2018

Statement of Total Return	Group		
	4Q 2019	4Q 2018	Fav / (Unfav)
	S\$'000	S\$'000	%
Gross revenue	19,444	20,023	(2.9)
Property expenses	(6,438)	(7,022)	8.3
Net property income ^(a)	13,006	13,001	-
Finance income	11	9	22.2
Finance costs ^(b)	(3,169)	(3,796)	16.5
Finance costs relating to lease liabilities ^(c)	(839)	-	n.m
Net finance costs	(3,997)	(3,787)	(5.5)
Manager's fees ^(d)	(1,125)	(1,247)	9.8
Trustee's fees ^(e)	(90)	(96)	6.3
Donation of non-Shari'ah compliant income	*	(3)	n.m
Other trust expenses ^(f)	(198)	(210)	5.7
Net income	7,596	7,658	(0.8)
Net change in fair value of financial derivatives ^(g)	(89)	(262)	66.0
Net change in fair value of investment properties ^(h)	2,402	50,958	(95.3)
Total return for the period before taxation and distribution	9,909	58,354	(83.0)
Tax expense	*	*	-
Total return for the period before distribution	9,909	58,354	(83.0)
Distribution adjustments ⁽ⁱ⁾	(2,310)	(50,918)	95.5
Income available for distribution to Unitholders for the period ^(j)	7,599	7,436	2.2
Total distribution amount declared to Unitholders for the period ^(k)	8,080	7,436	8.7

n.m denotes "not meaningful"

*Less than S\$1,000

Notes:

- (a) Net property income for 4Q 2019 increased marginally compared to 4Q 2018 mainly due to:
- (i) higher contribution from 508 Chai Chee Lane, 23 Serangoon North Avenue 5, 8 Commonwealth Lane and 2 Toh Tuck Link due to improved occupancies in 4Q 2019 over 4Q 2018;
 - (ii) increase in rental contribution from 21 Joo Koon Crescent due to the commencement of its master lease in 4Q 2019;
 - (iii) absence of land rent expense due to the adoption of FRS 116 by the Group on 1 January 2019;
 - (iv) partially offset by lower net property income from 9 Tai Seng Drive due to its divestment in 1Q 2019;
 - (v) lower contribution from 3A Joo Koon Circle whose master lease expired in 4Q 2019 and certain properties due to lower average occupancies in 4Q 2019.

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- (b) Finance costs decreased by 16.5% mainly due to lower profit expense after the repayment of S\$100.0 million Trust Certificates Series II in April 2019.
- (c) This pertains to the finance cost on the lease liabilities in 4Q 2019 upon the adoption of FRS 116 in current financial year.
- (d) Manager's fees decreased by 9.8% mainly due to lower total assets, excluding the effects of the ROU assets upon adoption of FRS 116, in 4Q 2019 over 4Q 2018, resulted from the divestment of 9 Tai Seng Drive, which these fees are based on.
- (e) Trustee's fees decreased by 6.3% mainly due to lower total assets, excluding the effects of the ROU assets upon adoption of FRS 116, in 4Q 2019 over 4Q 2018, resulted from the divestment of 9 Tai Seng Drive, which these fees are based on.
- (f) Other trust expenses decreased by 5.7% mainly due to lower other non-tax deductible professional fees in 4Q 2019 over 4Q 2018.
- (g) The net change in fair value of financial derivatives relates to the fair value change of the profit rate swaps recognised between the last quarter and the reporting date.
- (h) The net change in fair value of investment properties in 4Q 2019 mainly relates to the adjustments in ROU assets and the valuation movement based on the independent valuations of the properties undertaken by the 2019 Independent Valuers as at 31 December 2019. The ROU assets arose from the Group's adoption of FRS 116 in current financial year.

The net change in fair value of investment properties in 4Q 2018 mainly relates to the valuation movements based on the sales consideration of 9 Tai Seng Drive and the independent valuations of the other properties undertaken by the 2018 Independent Valuers as at 31 December 2018.
- (i) Distribution adjustments decreased by 95.5% mainly due to:
 - (i) lower non-tax chargeable effects of the item stated in (h);
 - (ii) lower non-tax chargeable effects of recognising rental income on a straight-line basis over the lease term; and
 - (iii) partially offset by higher amortisation of transaction costs of borrowings in 4Q 2019 over 4Q 2018.
- (j) Amount available for distribution increased by 2.2% mainly due to:
 - (ii) lower non-tax chargeable effects of recognising rental income on a straight-line basis over the lease term; and
 - (iii) lower finance cost in 4Q 2019 over 4Q 2018 as stated in (b) above.
- (k) The Trust's distribution policy is to distribute at least 90.0% of its distributable income to Unitholders. For 4Q 2019, the remaining 5.5% distributable income amounting to approximately S\$0.5 million (DPU: 0.05 cents) withheld from 3Q 2019 distribution will be distributed together with the full quarter of 4Q 2019 distribution.

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Current YTD vs Prior YTD

Statement of Total Return	Group		
	YTD		Fav / (Unfav)
	31/12/19	31/12/18	(Unfav)
	S\$'000	S\$'000	%
Gross revenue	76,338	80,961	(5.7)
Property expenses	(24,726)	(28,171)	12.2
Net property income ^(a)	51,612	52,790	(2.2)
Finance income	229	154	48.7
Finance costs ^(b)	(12,739)	(15,149)	15.9
Finance costs relating to lease liabilities ^(c)	(3,358)	-	NM
Net finance costs	(15,868)	(14,995)	(5.8)
Manager's fees ^(d)	(4,495)	(4,568)	1.6
Trustee's fees ^(e)	(360)	(385)	6.5
Donation of non-Shari'ah compliant income ^(f)	(5)	(48)	89.6
Other trust expenses ^(g)	(1,036)	(901)	(15.0)
Net income	29,848	31,893	(6.4)
Net change in fair value of financial derivatives ^(h)	(535)	363	(247.4)
Net change in fair value of investment properties ⁽ⁱ⁾	(7,885)	34,675	(122.7)
(Loss)/gain of divestment on investment properties ^(j)	(773)	754	(202.5)
Total return for the year before taxation and distribution	20,655	67,685	(69.5)
Tax expense	*	*	-
Total return for the year before distribution	20,655	67,685	(69.5)
Distribution adjustments ^(k)	8,845	(34,294)	125.8
Income available for distribution to Unitholders for the year	29,500	33,391	(11.7)
Capital gains	1,243	-	NM
Total amount available for distribution to Unitholders for the year ^(l)	30,743	33,391	(7.9)
Total distribution amount declared to Unitholders for the year	30,743	33,391	(7.9)

NM denotes "not meaningful"
*Less than S\$1,000

Notes:

- (a) Net property income decreased by 2.2% mainly due to:
- (i) lower contribution from 9 Tai Seng Drive due to its divestment in 1Q 2019;
 - (ii) lower contribution from 3A Joo Koon Circle whose master lease expired in 4Q 2019 and certain properties due to lower average occupancies in Current YTD;
 - (iii) lower contribution from 21 Joo Koon Crescent due to expiry of previous master lease in 3Q 2018 and the new master lease only commencing in November 2019;
 - (iv) partially offset by higher contribution from 508 Chai Chee Lane, 23 Serangoon North Avenue 5, 8 Commonwealth Lane and 2 Toh Tuck Link due to improved occupancies in Current YTD;
 - (v) one-off recovery of revenue relating to prior usage of common area from tenants of 151 Lorong Chuan and 2 Toh Tuck Link in 3Q 2019; and
 - (vi) absence of land rent expense due to the adoption of FRS 116 by the Group on 1 January 2019.
- (b) Finance costs decreased by 15.9% mainly due to lower profit expense after the repayment of S\$100.0 million Trust Certificates Series II on 3 April 2019.
- (c) This pertains to the finance cost on lease liabilities in Current YTD upon the adoption of FRS 116 on 1 January 2019.
- (d) Manager's fees decreased by 1.6% mainly due to lower total assets, excluding the effects of the ROU assets upon adoption of FRS 116, in Current YTD over Prior YTD following the divestment of 9 Tai Seng Drive upon which these fees are based on.
- (e) Trustee's fees decreased by 6.5% mainly due to lower total assets, excluding the effects of the ROU assets upon adoption of FRS 116, in Current YTD over Prior YTD following the divestment of 9 Tai Seng Drive upon which these fees are based on.
- (f) Donation of non-Shari'ah compliant income decreased by 89.6% mainly due to lower income generated from non-core activities subjected to cleansing in Current YTD over Prior YTD.

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- (g) Other trust expenses increased by 15.0% mainly due to:
- (i) absence of a one-time writeback of previously accrued non-tax deductible legal, professional and advisory fees in 1Q 2018 relating to the then strategic review exercise incurred in 4Q 2017; and
 - (ii) higher other non-tax deductible professional fees in Current YTD over Prior YTD.
- (h) The net change in fair value of financial derivatives relates to the fair value change of the profit rate swaps recognised during Current YTD and Prior YTD.
- (i) The net change in fair value of investment properties in Current YTD mainly relates the revaluation movement based on the independent valuations of the properties undertaken by the 2019 Independent Valuers as at 31 December 2019 and the adjustments in ROU assets during Current YTD. The ROU assets arose from the Group's adoption of FRS 116 on 1 January 2019.
- The net change in fair value of investment properties in Prior YTD mainly relates to the revaluation movements based on the sales consideration of 9 Tai Seng Drive and the independent valuations of the other properties undertaken by the 2018 Independent Valuers as at 31 December 2018.
- (j) Loss on divestment of investment properties in Current YTD mainly relates to additional transaction related costs incurred in the divestment of 9 Tai Seng Drive in 1Q 2019.
- Gain on divestment of investment properties in Prior YTD relates to the gain on divestment of 6 Woodlands Loop after deducting the applicable agent commission and other professional fees and expenses.
- (k) Distribution adjustments increased by 125.8% mainly due to:
- (i) higher amortisation of transaction costs of borrowings in Current YTD over Prior YTD;
 - (ii) higher non-tax deductible effects of the items in Current YTD over Prior YTD as stated in (h) and (i); and
 - (iii) partially offset by higher non-tax chargeable effects of recognising rental income on a straight-line basis over the lease term.
- (l) Amount available for distribution decreased by 7.9% mainly due to:
- (i) lower net property income in Current YTD over Prior YTD;
 - (ii) higher non-tax chargeable effects of recognising rental income on a straight-line basis over the lease term;
 - (iii) partially offset by lower finance cost as stated in (b) above; and
 - (iv) capital gains distribution of approximately S\$1.24 million in 1Q 2019.

9. Variance between forecast and the actual results

The Manager has not disclosed any financial forecast to the market. However, as indicated in the previous quarter's announcement dated 24 October 2019, the Manager will continue its focus on executing its growth plan through active asset management and progressing on asset enhancement initiatives ("AEI").

10. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

In 2019, the Singapore economy grew by 0.7%⁽¹⁾. This was the slowest expansion in a decade since the global financial crisis in 2009⁽²⁾. According to Ministry of Trade & Industry ("MTI"), Singapore's Gross Domestic Product ("GDP") is projected to expand 0.5% to 2.5% in 2020⁽³⁾.

Overall rent reversion for 2020 is likely to remain negative, with JTC Corporation data showing continued oversupply and island-wide vacancy, and industrial rents rising slightly by 0.1% y-o-y as at 4Q 2019⁽⁴⁾.

Industrial rents are likely to stay flat in 2020, with the market expected to stay segmented and demand of high-specification spaces expected to grow, fuelled by multinational companies (MNCs) setting up regional service centres and R&D hubs in Singapore, as well as the growth of high-value industries such as Biomedical Manufacturing, Medical Technology and Information & Communications clusters⁽⁵⁾.

According to Knight Frank, the supply of industrial spaces is likely to be moderated as the government continues to monitor the sector closely⁽⁵⁾.

Warehouse rents are expected to be more resilient, supported by the tight supply pipeline while the factory market remains two-tiered, with assets of higher specifications performing better in terms of rental values and occupancy rates⁽⁶⁾. Likewise, JLL expects logistics/warehouse rents and capital values to hold relatively steady in 2020, barring any unforeseen external shocks⁽⁷⁾.

Amid challenging market conditions, the Manager continues to focus on active lease and asset management and progressing on AEIs, as it executes its Refreshed Strategy.

Sources:

- (1) "Singapore's GDP Grew by 0.8 Per Cent in the Fourth Quarter of 2019". Ministry of Trade & Industry. 2 January 2020.
- (2) "Decade-low growth in 2019 clouds 2020 forecasts for Singapore GDP". The Business Times. 3 January 2020.
- (3) "MTI Forecasts GDP to Grow by "0.5 to 1.0 Per Cent" in 2019 and "0.5 to 2.5 Per Cent" in 2020". Ministry of Trade & Industry. 21 November 2019.
- (4) "Quarterly Market Report Industrial Properties Fourth Quarter 2019". JTC. 23 January 2020
- (5) "Q4 2019 Industrial Market Snapshot". Knight Frank. 9 January 2020.
- (6) "Singapore MarketView Q4 2019". CBRE. 17 January 2020.
- (7) "Singapore Property Market Monitor Q4 2019". JLL. 16 January 2020.

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11. Distributions

(a) Current financial period

Any distribution declared for the current period: Yes

Name of distribution: Distribution for the fourth quarter ended 31 December 2019

Distribution Type: Taxable income

Distribution Rate: Taxable income – 0.77 cents per unit

Par value of units: Not meaningful

Tax rate: **Taxable Income**

These distributions are made out of Sabana Shari'ah Compliant REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership will be taxed at the level of these individuals at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Sabana Shari'ah Compliant REIT.

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the previous corresponding period: Yes

Name of distribution: Distribution for the fourth quarter ended 31 December 2018

Distribution Type: Taxable Income

Distribution Rate: Taxable Income – 0.71 cents per unit

Par value of units: Not meaningful

Tax rate: **Taxable Income**

These distributions are made out of Sabana Shari'ah Compliant REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership will be taxed at the level of these individuals at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Sabana Shari'ah Compliant REIT.

(c) Date Payable: 27 February 2020

(d) Books Closure Date: 3 February 2020

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12. If no distribution has been declared/ (recommended), a statement to that effect

Not applicable.

13. Distribution policy

The distribution policy is to distribute at least 90.0% of its distributable income to Unitholders at the discretion of the Manager, having regards to funding requirements and other capital management considerations.

14. General mandate relating to interested person transactions

The Trust has not obtained a general mandate from Unitholders for interested person transactions.

15. Procured Undertakings By The Board and Executive Officers to Rule 720(1)

The Manager of Sabana Shari'ah Compliant REIT confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediate preceding year.**

Total gross revenue by property types	Group		
	YTD		Fav / (Unfav)
	31/12/19	31/12/18	
	S\$'000	S\$'000	%
High-tech Industrial	40,872	45,276	(9.7)
Chemical Warehouse & Logistics	6,598	5,892	12.0
Warehouse & Logistics	22,167	21,230	4.4
General Industrial	6,701	8,563	(21.7)
	76,338	80,961	(5.7)

Total net property income by property types	Group		
	YTD		Fav / (Unfav)
	31/12/19	31/12/18	
	S\$'000	S\$'000	%
High-tech Industrial	22,925	24,816	(7.6)
Chemical Warehouse & Logistics	6,389	5,586	14.4
Warehouse & Logistics	17,864	16,236	10.0
General Industrial	4,434	6,152	(27.9)
	51,612	52,790	(2.2)

17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Section 8 for the review of the actual performance.

18. **Breakdown of sales as follows:**

	Group		
	YTD		Fav / (Unfav)
	31/12/19	31/12/18	
	S\$'000	S\$'000	%
(a) Gross revenue reported for first half year	36,729	41,083	(10.6)
(b) Total return after tax before distribution for first half year	2,430	14,219	(82.9)
(c) Gross revenue reported for second half year	39,609	39,878	(0.7)
(d) Total return after tax before distribution for second half year	18,225	53,466	(65.9)

SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR FOURTH QUARTER FROM 1 OCTOBER 2019 TO 31 DECEMBER 2019 AND FULL YEAR FROM 1 JANUARY 2019 TO 31 DECEMBER 2019

19. A breakdown of the total annual distribution for the latest full year and its previous full year:

	Group	
	YTD	
	31/12/19	31/12/18
	S\$'000	S\$'000
In respect of the quarter from:		
1 October 2019 - 31 December 2019 ^(a)	8,080	-
1 July 2019 - 30 September 2019	8,214	-
1 April 2019 - 30 June 2019	6,528	-
1 January 2019 - 31 March 2019	7,898	-
1 October 2018 - 31 December 2018	-	7,478
1 July 2018 - 30 September 2018	-	8,109
1 April 2018 - 30 June 2018	-	8,635
1 January 2018 - 31 March 2018	-	9,267
	30,720	33,489

Note:

(a) The distribution for the quarter from 1 October 2019 to 31 December 2019 is payable by February 2020.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Sabana Real Estate Investment Management Pte. Ltd. (the "Company"), being the Manager of the Trust, confirms that there is no person occupying a managerial position in the Company, the Trust or any of the Trust's subsidiary, who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial unitholder of the Trust.

**On behalf of the Board of Directors of
Sabana Real Estate Investment Management Pte. Ltd.
(Company registration number 201005493K)
as Manager of Sabana Shari'ah Compliant Real Estate Investment Trust**

Tan Cheong Hin
Director

Kelvin Tan
Director

By Order of the Board
Cho Form Po
Company Secretary
Sabana Real Estate Investment Management Pte. Ltd.
(Company registration number 201005493K)
as Manager of Sabana Shari'ah Compliant Real Estate Investment Trust

23 January 2020

**SABANA SHARI'AH COMPLIANT REIT FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT
FOR FOURTH QUARTER FROM 1 OCTOBER 2019 TO 31 DECEMBER 2019 AND FULL YEAR FROM 1
JANUARY 2019 TO 31 DECEMBER 2019**

This release may contain forward-looking statements that involve 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and 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 current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.



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The Board of Directors
Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as Manager of Sabana Shari'ah
Compliant Industrial Real Estate Investment Trust)
151 Lorong Chuan
#02-03 New Tech Park
Singapore 556741

23 January 2020

Dear Sirs

Sabana Shari'ah Compliant Industrial Real Estate Investment Trust Review of Interim Financial Information

Introduction

We have reviewed the accompanying Interim Financial Information of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust (the "Trust") and its subsidiary (collectively the "Group") for the quarter and the year ended 31 December 2019. The Interim Financial Information comprise the following:

- Statements of financial position of the Group and the Trust as at 31 December 2019;
- Consolidated portfolio statement of the Group as at 31 December 2019;
- Consolidated statements of total return of the Group for the quarter and the year ended 31 December 2019;
- Consolidated distribution statements of the Group for the quarter and the year ended 31 December 2019;
- Statements of movements in unitholders' funds of the Group and the Trust for the year ended 31 December 2019;
- Consolidated statement of cash flows of the Group for the year ended 31 December 2019; and
- Certain explanatory notes to the above Interim Financial Information.

The management of Sabana Real Estate Investment Management Pte. Ltd. (the "Manager" of the Trust) is responsible for the preparation and presentation of the Interim Financial Information in accordance with the provisions of the Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Unit Trusts* relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on the Interim Financial Information based on our review.



Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the provisions of RAP 7 relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants.

Restriction of Use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust in meeting the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited's Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its Interim Financial Information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

KPMG LLP

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore