

1Q 2020 Interim Business Update



CEO's Message



As the COVID-19 pandemic continues to unfold, Sabana REIT stands united with our tenants and with Singapore.

For 1Q 2020, we have delivered positive rental reversions and overall occupancy has improved. We also saw encouraging progress on our asset enhancement initiative ("AEI") at New Tech Park; having received pre-commitment or are in advanced negotiations for about 70.0% of net lettable area for Phase 1 of the AEI.

With the stringent implementation of the "circuit-breaker" measures starting from April 2020, companies especially SMEs could come under more pressure, which may in turn affect our performance.

Sabana REIT will continue to take a proactive approach to navigate the choppy waters ahead while delivering longer-term value. We are listening to and working closely with our tenants to support them, including passing on to eligible tenants, the full property tax rebate made available to us. We will also proactively provide tenants with the leasing solutions they need in these unprecedented times.

Having refreshed several of our properties in the last 12 months, we will continue to identify properties which require refurbishments or AEIs. Moving forward, our focus remains on engaging renewal tenants well ahead of lease expiries and keeping a market competitive pricing for our properties to attract new tenants.

~Mr. Donald Han, CEO of Sabana REIT Manager



Key Quarterly Highlights



Secured new anchor tenant for 56.0% of net lettable space at 3A Joo Koon Circle.



30.0% property tax rebate to be passed on fully to eligible tenants.

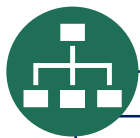


26.4% of Phase 1 of retail space at New Tech Park pre-committed.

Portfolio and Operational Updates



Portfolio
occupancy
77.0%



WALE
2.9 years



Rental
Reversion
(portfolio)
6.2%



New
Leases
**149,521
sq ft**



Renewed
Leases
**161,437
sq ft**

Capital Management

Capital Management Update

As at 31 March 2020	
Borrowings (S\$ million)	280.8
Weighted average debt expiry (years)	2.0
Average all-in financing costs (%)	3.7
Aggregate leverage ⁽¹⁾ (%)	31.5
Proportion of borrowings on fixed rates (%)	71.2
Profit cover ⁽²⁾ (times)	4.1
Undrawn committed loan facilities available (S\$ million)	33.2

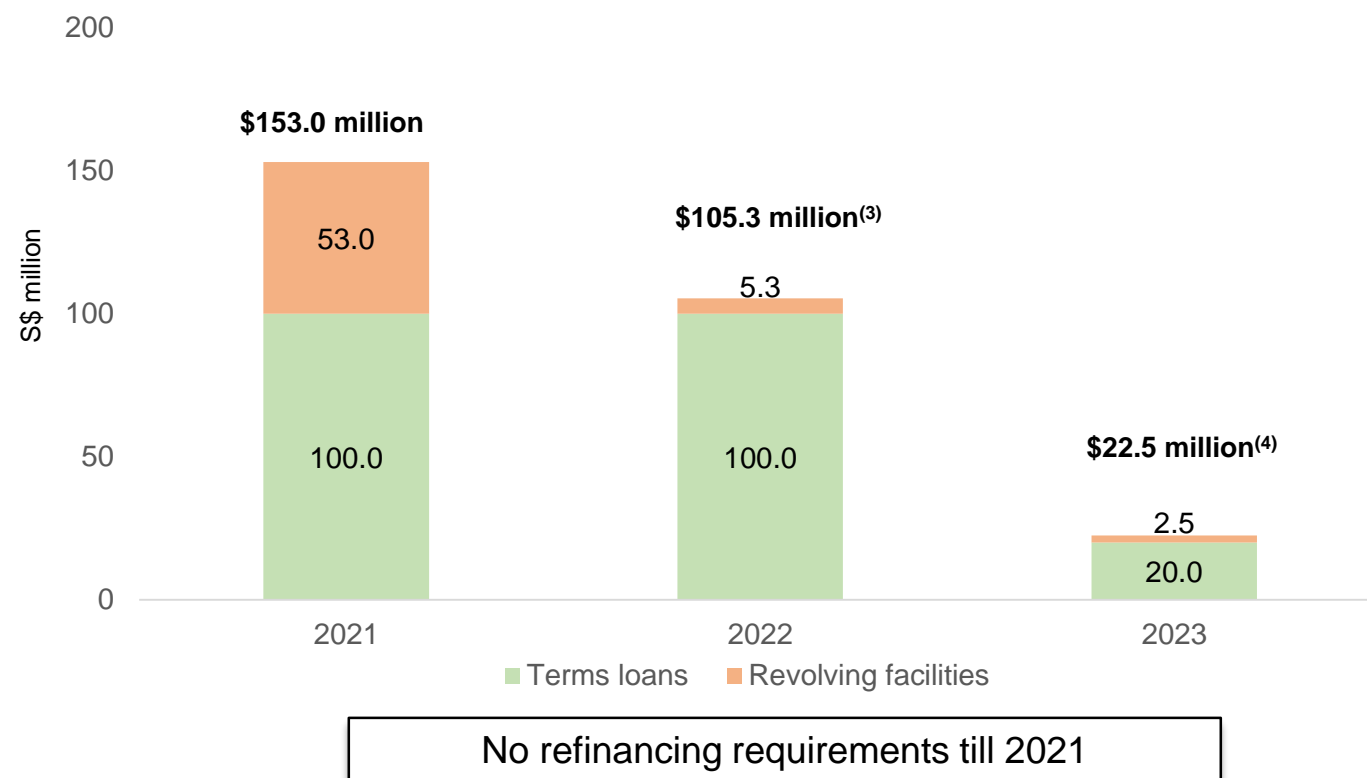
⁽¹⁾ Ratio of total borrowings and deferred payment over deposited property as defined in the Property Funds Appendix of the Code on Collective Investment Schemes.

⁽²⁾ Ratio of net property income over profit expense (excluding effects of FRS 116, amortisation of transaction costs, finance costs relating to lease liabilities and other fees).

⁽³⁾ Excludes both S\$14.0 million of undrawn Term loans and S\$1.7 million undrawn Revolving facility maturing in November 2022.

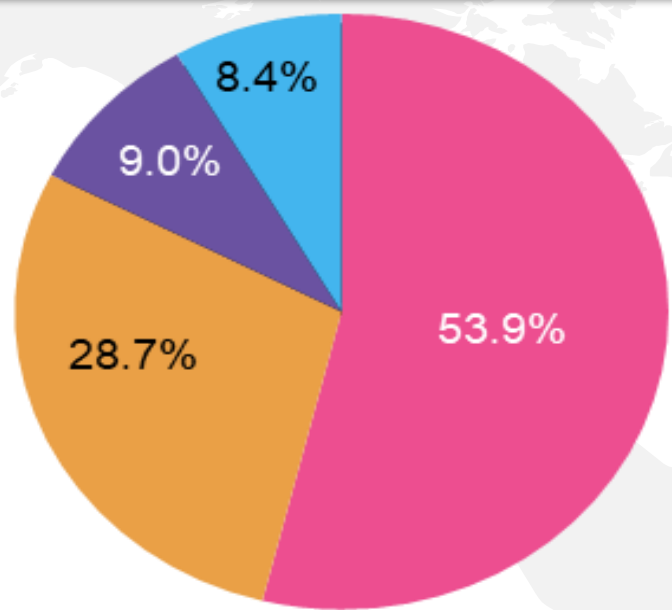
⁽⁴⁾ Excludes S\$17.5 million undrawn Revolving facility maturing in November 2023.

Debt maturity profile as at 31 March 2020



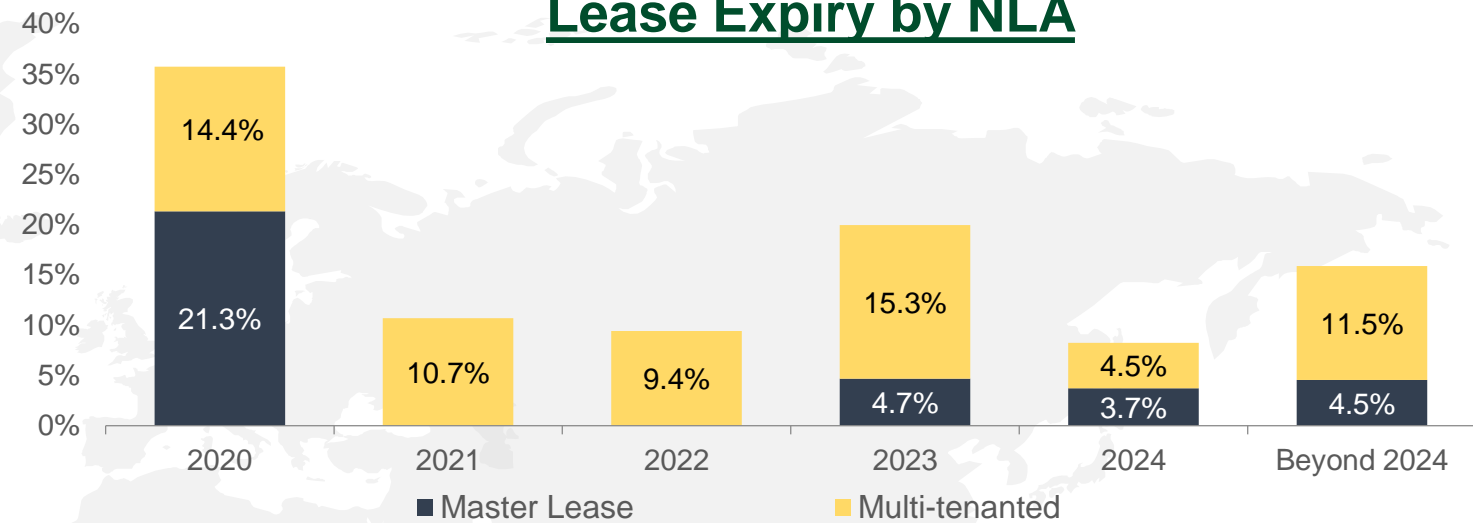
Portfolio Performance

Asset Breakdown by Net Lettable Area (“NLA”)

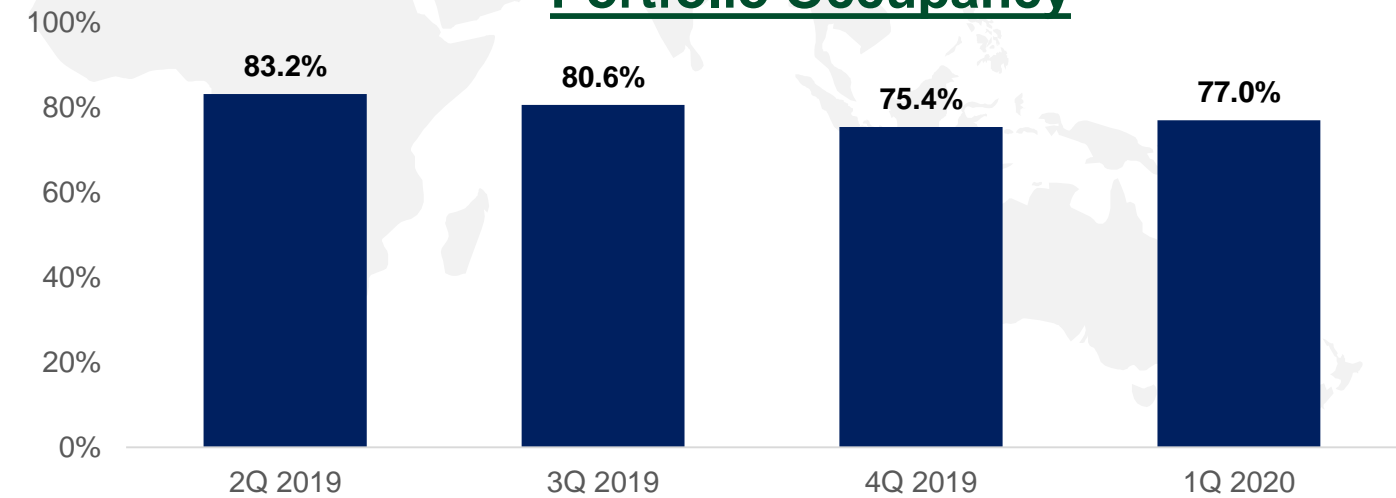


- High-tech Industrial
- Chemical Warehouse & Logistics
- Warehouse & Logistics
- General Industrial

Lease Expiry by NLA



Portfolio Occupancy



Other Corporate Updates

Progress of AEI at New Tech Park

Phase 1 of AEI

- TOP originally slated for 2Q 2020; now targeted for 3Q 2020.
- Delay due to the COVID-19 pandemic which has disrupted regional construction labour and building materials supply.
- In addition, the “circuit-breaker” measures enacted by the Singapore Government which took effect on 7 April meant all non-essential services including site construction works had to be suspended.

New Tech Park Retail Marketing Update

- Approximately 7,733 sf or 26.4% of Phase 1 food and beverage (“F&B”) space has been pre-committed.
- Another 12,740 sf or 43.5% consisting of F&B, supermarket, gym, convenience store and educational spaces are in advanced negotiations.
- Marketing efforts are ongoing in full observance of “circuit-breaker” measures.

Impact of COVID 19 on operations

- Since the start of COVID-19, the Manager has been closely monitoring government advisories and putting in extra effort to implement necessary preventive measures across all our properties in a timely manner.
- Sabana REIT is committed to passing on its property tax rebates in full to all eligible tenants.
- **Cashflow:** Expect some tenants to claim relief from rent payment under the COVID-19 (Temporary Measures) Act. The impact is likely to be felt from 2Q 2020 onwards.
- **Operations:** Our properties are still accessible and full building services remain available with all preventive and social distancing measures in place.

Changes to half-yearly reporting and distribution basis

- Sabana REIT has adopted half-yearly reporting (in accordance with the recent listing rule change) and distribution payment with effect from 1Q 2020.
- For FY 2020, the next financial results announcement and distribution payment will be for the half-year period ending 30 June 2020.

Change of name for Audit Committee

- With effect from 22 April 2020, the Audit Committee of the Manager will be renamed the Audit and Risk Committee (**ARC**) to better reflect its current responsibilities.

Contact Us



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