



SABANA INDUSTRIAL REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 29 October 2010 under the laws of the Republic of Singapore)

ANNOUNCEMENT

ASSET VALUATION

1. INTRODUCTION

Pursuant to Rule 703 of the SGX-ST Listing Manual, Sabana Real Estate Investment Management Pte. Ltd. (the “**Manager**”), the manager of Sabana Industrial Real Estate Investment Trust (“**Sabana Industrial REIT**”), wishes to announce that it has obtained new independent valuations for the 18 properties owned by Sabana Industrial REIT (the “**Properties**”) as at 31 December 2022.

2. VALUATION DETAILS

2.1. The valuations were conducted by Cushman & Wakefield VHS Pte Ltd¹ (“**C&W**”) and Savills Valuation and Professional Services (S) Pte Ltd² (“**Savills**”, and collectively with C&W, the “**Independent Valuers**”). The details are as follows:

No.	Property	Valuer	Valuation as at 31 December 2022 (\$'000)
	<u>High-tech Industrial</u>		
1	151 Lorong Chuan	Savills	\$362,700
2	8 Commonwealth Lane	Savills	\$54,700
3	15 Jalan Kilang Barat	Savills	\$22,700
4	1 Tuas Avenue 4 ³	Savills	\$9,000
5	23 Serangoon North Avenue 5	C&W	\$42,200
6	508 Chai Chee Lane	C&W	\$67,000
	<u>Chemical Warehouse & Logistics</u>		
7	33 & 35 Penjuru Lane	C&W	\$41,600
8	18 Gul Drive	C&W	\$19,000
	<u>Warehouse & Logistics</u>		
9	34 Penjuru Lane	C&W	\$29,500
10	51 Penjuru Road	Savills	\$30,500
11	26 Loyang Drive	C&W	\$26,200
12	3A Joo Koon Circle	C&W	\$33,900
13	2 Toh Tuck Link	C&W	\$30,500
14	10 Changi South Street 2	Savills	\$37,400

¹ The address of Cushman & Wakefield VHS Pte Ltd is 88 Market Street, #47-01 CapitaSpring, Singapore 048948.

² The address of Savills Valuation And Professional Services (S) Pte Ltd is 30 Cecil Street, #20-03 Prudential Tower, Singapore 049712.

³ The property is undergoing asset enhancement initiative.

No.	Property	Valuer	Valuation as at 31 December 2022 (S\$'000)
	<u>General Industrial</u>		
15	123 Genting Lane	C&W	\$16,500
16	30 & 32 Tuas Avenue 8	Savills	\$28,900
17	39 Ubi Road 1	C&W	\$18,200
18	21 Joo Koon Crescent	Savills	\$15,200
	Total		\$885,700

- 2.2. The Properties are stated at fair value based on valuations performed by the Independent Valuers having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and willing seller in an arm's length transaction wherein the parties had each acted knowledgeably prudently and without compulsion. The Independent Valuers have considered the capitalisation approach and discounted cash flow and/or direct comparison methods in arriving at the open market value as at the reporting date.
- 2.3. Under Rule 26.3 of the Singapore Code on Take-overs and Mergers, the Manager is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the Properties were to be sold at the amount of the valuation. Sabana Industrial REIT holds its properties for long-term investment purposes. Accordingly, the Manager is of the view that the Properties have been acquired on capital account and any gain on any hypothetical disposal of the Properties will not be subject to tax. The potential tax liabilities that may be incurred by Sabana Industrial REIT on the hypothetical sale of the Properties on an "as is" basis is therefore zero.
- 2.4. Copies of the valuation reports are available for inspection, with prior appointment, during normal business hours at the registered office of the Manager at 151 Lorong Chuan #02-03 New Tech Park, Singapore 556741, for a period of three months commencing from the date of this Announcement.
- 2.5. Each of the Independent Valuers has given and has not withdrawn its written consent to the publication of the valuation undertaken by such Independent Valuer as set out in this Announcement.

3. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Manager (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this announcement misleading. The directors of the Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Manager has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

By Order of the Board
Sabana Real Estate Investment Management Pte. Ltd.
(Company registration no: 201005493K) (Capital markets services licence no: CMS100169)
As Manager of Sabana Industrial Real Estate Investment Trust

Han Yong Lee (Donald)
Chief Executive Officer
30 January 2023

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Sabana Industrial REIT

Sabana Industrial REIT was listed on the SGX-ST on 26 November 2010. As at 31 December 2022, Sabana Industrial REIT has a diversified portfolio of 18 quality properties in Singapore, in the high-tech industrial, warehouse and logistics, chemical warehouse and logistics, as well as general industrial sectors. The total assets of the Group amount to more than S\$0.9 billion as at 31 December 2022. Sabana Industrial REIT is a constituent of the SGX S-REIT Index, MSCI Singapore Micro Cap Index, and FTSE ST Singapore Shariah Index.

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

For further information on Sabana Industrial REIT, please visit www.sabana-reit.com.

Important Notice

The value of units in Sabana Industrial 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 Industrial 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.