

Sabana Industrial Real Estate Investment Trust
and its subsidiaries

**(Constituted in the Republic of Singapore pursuant to a trust deed
dated 29 October 2010 (as amended))**

Interim Financial Information
31 December 2024

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Statement of Financial Position
As at 31 December 2024**

	Note	Group		Trust	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Investment properties	4	992,929	979,987	992,929	979,987
Subsidiaries	5	–	–	*	*
Derivative assets	6	–	1,210	–	1,210
Total non-current assets		992,929	981,197	992,929	981,197
Current assets					
Trade and other receivables		12,459	7,384	12,459	7,384
Derivative assets	6	707	1,445	707	1,445
Cash and cash equivalents		18,482	16,065	18,482	16,065
Total current assets		31,648	24,894	31,648	24,894
Total assets		1,024,577	1,006,091	1,024,577	1,006,091
Current liabilities					
Trade and other payables		18,577	23,218	18,586	23,226
Tax payable		584	556	584	556
Borrowings	7	8,000	104,541	8,000	104,541
Derivative liabilities	6	117	–	117	–
Lease liabilities		1,963	1,812	1,963	1,813
Total current liabilities		29,241	130,127	29,250	130,136
Non-current liabilities					
Trade and other payables		14,088	14,322	14,088	14,322
Borrowings	7	340,994	210,829	340,994	210,829
Derivative liabilities	6	288	–	288	–
Lease liabilities		75,066	74,275	75,066	74,275
Total non-current liabilities		430,436	299,426	430,436	299,426
Total liabilities		459,677	429,553	459,686	429,562
Net assets		564,900	576,538	564,891	576,529
Represented by:					
Unitholders' funds		564,900	576,538	564,891	576,529
Units in issue ('000)	8	1,125,055	1,111,788	1,125,055	1,111,788
Net asset value ("NAV") and net tangible asset ("NTA") per unit (S\$)		0.50	0.52	0.50	0.52

* Less than \$1,000

Approval by:

Tan Cheong Hin
Chairman

21 January 2025

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Consolidated Statement of Total Return
Half year ended and year ended 31 December 2024

		<-----Group----->			
		1 July 2024 to 31 December 2024	1 July 2023 to 31 December 2023	1 January 2024 to 31 December 2024	1 January 2023 to 31 December 2023
Note		\$'000	\$'000	\$'000	\$'000
	Gross revenue	58,143	56,598	113,308	111,875
9	Property expenses	(27,856)	(28,792)	(55,856)	(56,901)
	Net property income	30,287	27,806	57,452	54,974
	Finance income	74	88	148	155
	Finance costs	(9,074)	(6,982)	(17,862)	(13,382)
	Finance costs relating to lease liabilities	(1,619)	(1,608)	(3,241)	(3,231)
10	Net finance costs	(10,619)	(8,502)	(20,955)	(16,458)
	Manager's fees	(2,408)	(2,314)	(4,749)	(4,557)
	Trustee's fees	(192)	(184)	(379)	(364)
	Donation	(1)	(1)	(1)	(1)
11	Other trust expenses	(3,017)	(4,810)	(7,768)	(5,680)
	Net income	14,050	11,995	23,600	27,914
	Net change in fair value of financial derivatives	(1,896)	(4,184)	(2,306)	(5,724)
	Net change in fair value of investment properties	(11,498)	943	(9,339)	(3,562)
	Total return for the period/year before tax and distribution	656	8,754	11,955	18,628
12	Tax expense	(309)	(556)	(584)	(556)
	Total return for the period/year after tax and before distribution	347	8,198	11,371	18,072
	Earnings per Unit (cents)				
13	Basic	0.03	0.74	1.01	1.64
13	Diluted	0.03	0.74	1.01	1.64

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Consolidated Distribution Statement
Half year ended and year ended 31 December 2024**

	<-----Group----->			
	1 July 2024 to 31 December 2024 \$'000	1 July 2023 to 31 December 2023 \$'000	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Amount available for distribution to Unitholders at beginning of the period/year	16,403	17,944	15,539	16,128
Amount retained for working capital	(1,279)	–	(3,994)	–
Amount available for distribution to Unitholders at beginning of the period/year after retention	15,124	17,944	11,545	16,128
Total return for the period/year before tax and before distribution	656	8,754	11,955	18,628
Non-tax deductible/ (chargeable) items:				
Amortisation of transaction costs	1,516	735	2,940	1,449
Trustee's fees	192	184	379	364
Net change in fair value of financial derivatives	1,896	4,184	2,306	5,724
Net change in fair value of investment properties	11,498	(943)	9,339	3,562
Effects of recognising rental income on a straight-line basis over the lease term	(1,038)	(181)	(332)	(79)
Finance costs relating to lease liabilities	1,619	1,608	3,241	3,231
Land rent expenses	(2,814)	(2,486)	(5,097)	(4,966)
Other items	5,419	4,040	10,853	5,801
Net effect of non-tax deductible items	18,288	7,141	23,629	15,086
Income available for distribution to Unitholders for the period/year before tax	18,944	15,895	35,584	33,714
Tax expense	(309)	(556)	(584)	(556)
Income available for distribution to Unitholders for the period/year after tax	18,635	15,339	35,000	33,158
Total amount available for distribution to Unitholders for the period/year	33,759	33,283	46,545	49,286

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Consolidated Distribution Statement (cont'd)
Half year ended and year ended 31 December 2024**

	<-----Group----->			
	1 July 2024 to 31 December 2024 \$'000	1 July 2023 to 31 December 2023 \$'000	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Distribution of 1.46 cents per Unit for the period 1 July 2022 to 31 December 2022	-	-	-	(16,003)
Distribution of 1.61 cents per Unit for the period 1 January 2023 to 30 June 2023	-	(17,744)	-	(17,744)
Distribution of 1.15 cents per Unit for the period 1 July 2023 to 31 December 2023	-	-	(12,786)	-
Distribution of 1.34 cents per Unit for the period 1 January 2024 to 30 June 2024	(15,076)	-	(15,076)	-
	(15,076)	(17,744)	(27,862)	(33,747)
Amount available for distribution to Unitholders at end of the period/year*	18,683	15,539	18,683	15,539
Amount retained for working capital	1,849	3,271	3,403	3,271
Number of Units entitled to distributions ('000) (Note 8)	1,125,055	1,111,788	1,125,055	1,111,788
Distribution per Unit (cents)	1.52	1.15	2.86	2.76

* 13,266,912 Units (2023: 15,667,005 Units) amounting to approximately \$4,880,000 (2023: \$6,427,000) were issued by the Trust as part payment of distributions in respect of period from 1 July 2023 to 31 December 2023 (2023: 1 July 2022 to 30 June 2023), pursuant to the Distribution Reinvestment Plan.

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Statement of Movement in Unitholders' Fund
Year ended 31 December 2024**

	Group		Trust	
	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Balance at beginning of the period/year	576,538	585,787	576,529	585,778
Operations				
Total return after tax and before distribution	11,371	18,072	11,371	18,072
Unitholders' transactions				
Distributions declared to Unitholders	(27,862)	(33,748)	(27,862)	(33,748)
Unit issued through Distribution Reinvestment Plan	4,880	6,427	4,880	6,427
Equity issue costs pursuant to: Distribution Reinvestment Plan	(27)	–	(27)	–
Net decrease in net assets resulting from Unitholders' transactions	(23,009)	(27,321)	(23,009)	(27,321)
Unitholders' funds at end of the period/year	564,900	576,538	564,891	576,529

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Consolidated Portfolio Statement

As at 31 December 2024

Group

Description of property	Type	Leasehold term ⁽¹⁾ (years)	Remaining lease term ⁽²⁾ (years)	Location	Committed occupancy rate as at		Carrying amount as at		% of net assets attributable to Unitholders as at	
					31 December 2024 %	31 December 2023 %	31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 %	31 December 2023 %
New Tech Park	High-tech industrial	45	31	151 Lorong Chuan	82	78	361,700	362,700	64.0	62.9
8 Commonwealth Lane	High-tech industrial	53	34	8 Commonwealth Lane	76	82	54,700	54,300	9.7	9.4
Frontech Centre	High-tech industrial	99	36	15 Jalan Kilang Barat	97	89	22,500	22,500	4.0	3.9
1 Tuas Avenue 4	High-tech industrial	51	22	1 Tuas Avenue 4	64	–	24,100	21,000	4.3	3.6
BTC Centre	High-tech industrial	50	32	23 Serangoon North Avenue 5	66	66	42,300	42,200	7.5	7.3
508 Chai Chee Lane	High-tech industrial	59	35	508 Chai Chee Lane	99	99	71,000	68,000	12.6	11.8
33, 33A & 35 Penjuru Lane	Chemical warehouse & logistics	61	24	33, 33A & 35 Penjuru Lane	74	100	42,000	42,000	7.4	7.3
18 Gul Drive	Chemical warehouse & logistics	33	14	18 Gul Drive	100	100	19,000	19,000	3.4	3.3
Penjuru Logistics Hub	Warehouse & logistics	30	8	34 Penjuru Lane	99	94	29,000	29,900	5.1	5.2
Freight Links Express Logistcentre	Warehouse & logistics	60	30	51 Penjuru Road	93	93	31,300	31,000	5.5	5.4
26 Loyang Drive	Warehouse & logistics	48	29	26 Loyang Drive	100	100	27,600	26,900	4.9	4.7
<i>Balance carried forward</i>							725,200	719,500	128.4	124.8

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Consolidated Portfolio Statement (cont'd)

As at 31 December 2024

Group

Description of property	Type	Leasehold term ⁽¹⁾ (years)	Remaining lease term ⁽²⁾ (years)	Location	Committed occupancy rate as at		Carrying amount as at		% of net assets attributable to Unitholders as at		
					31 December 2024 %	31 December 2023 %	31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 %	31 December 2023 %	
<i>Balance brought forward</i>								725,200	719,500	128.4	124.8
3A Joo Koon Circle	Warehouse & logistics	60	23	3A Joo Koon Circle	96	96	36,500	34,400	6.5	6.0	
2 Toh Tuck Link	Warehouse & logistics	60	32	2 Toh Tuck Link	77	76	30,200	31,300	5.3	5.4	
10 Changi South Street 2	Warehouse & logistics	57	27	10 Changi South Street 2	100	100	46,900	37,900	8.3	6.6	
123 Genting Lane	General industrial	60	17	123 Genting Lane	100	98	17,400	17,200	3.1	3.0	
30 & 32 Tuas Avenue 8	General industrial	60	32	30 & 32 Tuas Avenue 8	–	100	23,600	28,900	4.2	5.0	
39 Ubi Road 1	General industrial	60	27	39 Ubi Road 1	99	99	19,200	19,100	3.4	3.3	
21 Joo Koon Crescent	General industrial	60	29	21 Joo Koon Crescent	100	100	16,900	15,600	3.0	2.7	
Investment properties – Fair value							915,900	903,900	162.2	156.8	
Investment properties – Right-of-use assets							77,029	76,087	13.6	13.2	
Total investment properties							992,929	979,987	175.8	170.0	
Other assets and liabilities							(428,029)	(403,449)	(75.8)	(70.0)	
Net assets attributable to Unitholders' Funds							564,900	576,538	100.0	100.0	

(1) Includes the period covered by the relevant options to renew.

(2) Remaining lease term includes option lease term.

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Consolidated Portfolio Statement (cont'd)

As at 31 December 2024

	Carrying values as at	
	31 December 2024	31 December 2023
	\$'000	\$'000
As disclosed in the Statements of Financial Position:		
Investment properties – non-current	992,929	979,987

The carrying amount of the investment properties as at 31 December 2024 were based on full independent valuations undertaken by Jones Lang LaSalle Property Consultants Pte Ltd and CBRE Pte Ltd (31 December 2023: Full independent valuations undertaken by Cushman & Wakefield VHS Pte Ltd. and Savills Valuation And Professional Services (S) Pte Ltd.). Valuations are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers at least once a year, in accordance with the Code on Collective Investment schemes issued by the Monetary Authority of Singapore.

The independent valuers have appropriate professional qualifications and recent experiences in the locations and category of the properties being valued. The valuations for these properties were based on the direct comparison method, capitalisation approach and discounted cashflow analysis in arriving at the open market value as at the reporting date. Refer to Note 4 for the key assumptions used to determine the fair value of these investment properties and the net change in fair value of the portfolio. The Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Consolidated statement of Cash Flows
For the year ended 31 December 2024**

	Group	
	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Cash flows from operating activities		
Total return for the year before tax and distribution	11,955	18,628
Adjustments for:		
Net change in fair value of financial derivatives	2,306	5,724
Net change in fair value of investment properties	9,339	3,562
Net finance costs	20,955	16,458
	<u>44,555</u>	<u>44,372</u>
Change in trade and other receivables	(4,936)	(2,182)
Change in trade and other payables	(4,161)	2,139
	<u>35,458</u>	<u>44,329</u>
Cash generated from operations	88	155
Interest on late payment of rent received		
Net cash from operating activities	<u>35,546</u>	<u>44,484</u>
Cash flows from investing activities		
Capital expenditure on investment properties	(13,755)	(16,700)
Payment of upfront land premium	(7,979)	–
Interest income received	60	–
Net cash used in investing activities	<u>(21,674)</u>	<u>(16,700)</u>
Cash flows from financing activities		
Proceeds from borrowings	233,000	33,000
Repayment of borrowings	(198,000)	(8,000)
Transaction costs paid	(2,949)	–
Payment of lease liabilities	(1,856)	(1,736)
Finance costs relating to lease liabilities	(3,241)	(3,231)
Finance costs paid	(15,400)	(12,440)
Distributions paid	(23,009)	(27,321)
Net cash used in financing activities	<u>(11,455)</u>	<u>(19,728)</u>
Net increase in cash and cash equivalents	2,417	8,056
Cash and cash equivalents at beginning of the year	16,065	8,009
Cash and cash equivalents at end of the year	<u>18,482</u>	<u>16,065</u>

Significant non-cash transactions

13,266,912 Units (2023: 15,667,005 Units) amounting to approximately \$4,880,000 (2023: \$6,427,000) were issued by the Trust as part payment of distributions in respect of period from 1 July 2023 to 31 December 2023 (2023: 1 July 2022 to 30 June 2023), pursuant to the Distribution Reinvestment Plan.

The accompanying notes form an integral part of this interim financial information.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information Half year ended and year ended 31 December 2024

1. General

Sabana Industrial Real Estate Investment Trust (the “Trust”) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 29 October 2010 (as amended by the First Supplemental Deed dated 2 December 2010, the First Amending and Restating Deed dated 24 February 2016, the Second Amending and Restating Deed dated 24 March 2016, the Second Supplemental Deed dated 6 May 2019, the Third Amending and Restating Deed dated 7 April 2020 and the Third Supplemental Deed dated 21 October 2021) (collectively, the “Trust Deed”) between Sabana Real Estate Investment Management Pte. Ltd. (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust held by it or through its subsidiaries (collectively, the “Group”) in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

The Trust was a dormant private trust from the date of constitution until its acquisition of properties on 26 November 2010. It was formally admitted to the Official List of Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 26 November 2010 and was included in the Central Provident Fund (“CPF”) Investment Scheme on 26 November 2010.

The Financial Information of the Group as at and for the year ended 31 December 2024 comprises the Trust and its subsidiaries (together referred to as the “Group” and individually as “Group entities”).

The principal activity of the Trust is to invest in income producing real estate used for industrial purposes in Asia, as well as real estate-related assets. The principal activities of the subsidiaries are set out on Note 5 of the Financial Information.

The Trust relinquished its Shari’ah compliance designation with effect on 21 October 2021.

2. Material accounting policy information

2.1 *Basis of preparation*

The Financial Information has been prepared in accordance with provisions of the Statement of Recommended Accounting Practice (“RAP”) 7 “Reporting Framework for Investment Funds” applicable to interim financial information issued by the Institute of Singapore Chartered Accountants. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards (“FRS”).

The Financial Information does not contain all of the information required for full annual financial statements.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information Half year ended and year ended 31 December 2024

2. Material accounting policy information (cont'd)

2.1 Basis of preparation (cont'd)

The Financial Information is prepared on a historical cost basis, except for investment properties and financial instruments which are stated at fair value.

The Financial Information is presented in Singapore dollars which is the Trust's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The preparation of financial information in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Information are described in Notes 4 and 17 to the Financial Information.

The accounting policies applied by the Group in this Financial Information are the same as those applied by the Group in its audited financial statements for the year ended 31 December 2023, apart from the adoption of the new or amended standards which are effective from 1 January 2024.

2.2 Going concern

As at 31 December 2024, the Group is in a net current assets of \$2.4 million (31 December 2023: net current liabilities of \$105.2 million). The Financial Information has been prepared on a going concern basis on the assumption that the Group will be able to meet its funding requirements to enable continuation of its operations for the next twelve months.

As described in Note 17, there is a material uncertainty that may cast significant doubt on the ability of the Group and the Trust to continue as a going concern depending on the outcome of the internalisation process.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024**

4. Investment properties

	31 December 2024		
	Fair value \$'000	ROU assets \$'000	Total \$'000
Group and Trust			
Balance at beginning of the year	903,900	76,087	979,987
Capital expenditure	11,026	–	11,026
Straight-line adjustments in accordance with FRS 116	332	–	332
Net change in fair value of investment properties	(7,483)	(1,856)	(9,339)
Remeasurement of ROU assets	–	2,798	2,798
Capitalisation of leasing commission	617	–	617
Amortisation of leasing commission	(471)	–	(471)
Payment of upfront land premium	7,979	–	7,979
Balance at end of the year	915,900	77,029	992,929

	31 December 2023		
	Fair value \$'000	ROU assets \$'000	Total \$'000
Group and Trust			
Balance at beginning of the year	885,700	76,479	962,179
Capital expenditure	19,409	–	19,409
Straight-line adjustments in accordance with FRS 116	79	–	79
Net change in fair value of investment properties	(1,826)	(1,736)	(3,562)
Remeasurement of ROU assets	–	1,344	1,344
Capitalisation of leasing commission	1,173	–	1,173
Amortisation of leasing commission	(635)	–	(635)
Balance at end of the year	903,900	76,087	979,987

Details of the investment properties are shown in the Consolidated Portfolio Statement.

Security

As at 31 December 2024, all investment properties of the Group and the Trust are subject to a negative pledge in connection with the borrowing facilities. (31 December 2023: all investment properties of the Group and the Trust are subject to a negative pledge in connection with the borrowing facilities.)

4. Investment properties (cont'd)

Measurement of fair value

Investment properties are stated at fair value based on valuations performed by independent professional 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.

In determining the fair value, the valuers have used valuation techniques which involve certain estimates. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions. The valuation reports are prepared in accordance with recognised appraisal and valuation standards. The estimates underlying the valuation techniques in the next financial year may differ from current estimates, which may result in valuations that may be materially different from the valuations as at reporting date.

The valuers have considered the capitalisation approach, discounted cash flow and direct comparison methods, and/or residual method, in arriving at the open market value as at the reporting date. The capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates. The income stream used is adjusted to market rentals currently being achieved within comparable investment properties and recent leasing transactions achieved within the investment properties. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return ("Discount Rate") to arrive at the market value. The discounted cash flow method requires the valuer to assume a rental growth rate indicative of market and the selection of a Discount Rate consistent with current market requirements. The direct comparison method considered transacted price of comparable properties. The residual method involves the estimation of the gross development value and development costs to completion to arrive at the market value.

The Group's investment properties are carried at fair value based on Level 3 of the fair value hierarchy as inputs are unobservable.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024**

4. Investment properties (cont'd)

Measurement of fair value (cont'd)

The following table shows the key unobservable inputs used in the valuation models for investment properties and investment properties held for divestment:

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investment properties	<ul style="list-style-type: none"> • Capitalisation rates from 5.50% to 6.50% (2023: 5.50% to 6.25%) • Discount rates at 7.25% to 8.25% (2023: 7.25% to 7.50%) • Terminal yield rates from 5.75% to 6.75% (2023: 5.75% to 6.25%) • Vacancy assumption rates from 1.00% to 5.00% (2023: 0.00% to 9.70%) • Rental growth rates from 1.39% to 3.00% (2023: 1.95% to 9.96%) • Estimated gross development value of Nil (31 December 2023: \$31.9 million) and related costs of Nil (31 December 2023: \$18.0 million) for a certain property 	<p>The estimated fair value of investment properties would increase/(decrease) if:</p> <ul style="list-style-type: none"> • the capitalisation rates were lower/(higher); or • the discount rates were lower/(higher); or • the terminal yield rates were lower/(higher); or • the vacancy assumption rates were lower/(higher); or • the rental growth rates were higher/(lower); or • the estimated gross development value were higher/(lower) and related costs were lower/(higher) for a certain property.

The direct comparison method considered transacted prices of comparable properties. The estimated fair value of investment properties would increase/(decrease) when the transacted prices of comparable properties are higher/(lower).

The residual method considered the gross development value and development cost to complete for the property. The estimated fair value of the investment property would increase/(decrease) when the gross development value and the development cost to completion are higher/(lower).

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024**

5. Subsidiaries

	Trust	
	31 December 2024 \$'000	31 December 2023 \$'000
Equity investments at cost	*	*

* Less than \$1,000

Details of the subsidiaries of the Group are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held by the Group	
			31 December 2024	31 December 2023
Sabana Sukuk Pte. Ltd. ⁽¹⁾	Provision of treasury services	Singapore	100%	100%
SabNewCo Pte. Ltd.	Property fund management (including REIT management and direct property fund management)	Singapore	100%	–

⁽¹⁾ Audited by EY LLP Singapore.

6. Derivative financial instruments

	Group		Trust	
	31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
Non-current assets				
Interest rate swaps at fair value through Statement of Total Return	–	1,210	–	1,210
Current assets				
Interest rate swaps at fair value through Statement of Total Return	707	1,445	707	1,445
Non-current liabilities				
Interest rate swaps at fair value through Statement of Total Return	(288)	–	(288)	–
Current liabilities				
Interest rate swaps at fair value through Statement of Total Return	(117)	–	(117)	–

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024

6. Derivative financial instruments (cont'd)

	Group		Trust	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000
Total derivative financial instruments	302	2,655	302	2,655
Derivative financial instruments as a percentage of net assets	0.05%	0.46%	0.05%	0.46%

The Group uses interest rate swaps to manage its exposure to interest rate movements on its floating rate bearing loan facilities by swapping the interest rates on a proportion of these term loans from floating rates to fixed rates.

Interest rate swaps with a total notional amount of \$160.0 million (31 December 2023: \$242.5 million) had been entered into at the reporting date to provide fixed rate funding for terms of up to 3 years (31 December 2023: up to 3 years).

7. Borrowings

Note	Group		Trust	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000
Unsecured borrowings				
Unsecured Term Loan Facility ⁽¹⁾ (a)	–	100,000	–	100,000
Unsecured Revolving Loan Facility ⁽¹⁾ (b)	8,000	5,000	8,000	5,000
Less: Unamortised capitalised transaction costs	–	(459)	–	(459)
Total current borrowings	8,000	104,541	8,000	104,541
Unsecured borrowings				
Unsecured Term Loan Facility ⁽¹⁾ (a)	175,000	193,000	175,000	193,000
Unsecured Revolving Loan Facility ⁽¹⁾ (b)	70,000	20,000	70,000	20,000
Guaranteed Bond Facility (c)	100,000	–	100,000	–
Less: Unamortised capitalised transaction costs	(4,006)	(2,171)	(4,006)	(2,171)
Total non-current borrowings	340,994	210,829	340,994	210,829
Total borrowings	348,994	315,370	348,994	315,370

7. Borrowings (cont'd)

⁽¹⁾ All the borrowings have a nominal interest rate of Singapore Overnight Rate Average + Margin (31 December 2023: a nominal interest rate of Singapore Overnight Rate Average + Margin).

(a) Unsecured Term Loan Facility

As of 31 December 2024, the outstanding unsecured Term Loan Facility consisted of:

- (i) 4-year term loan facilities of \$50.0 million maturing in March 2026.
- (ii) 5-year term loan facilities of \$50.0 million maturing in March 2027.
- (iii) 4-year term loan facilities of \$75.0 million maturing in May 2028.

As of 31 December 2023, the outstanding unsecured Term Loan Facility consisted of:

- (i) 3-year term loan facilities of \$100.0 million maturing in October 2024.
- (ii) 4-year term loan facilities of \$75.0 million maturing in October 2025.
- (iii) 4-year term loan facilities of \$18.0 million maturing in November 2025.
- (iv) 4-year term loan facilities of \$50.0 million maturing in March 2026.
- (v) 5-year term loan facilities of \$50.0 million maturing in March 2027.

(b) Unsecured Revolving Loan Facility

As of 31 December 2024, the outstanding unsecured Revolving Loan Facility consisted of:

- (i) 4-year revolving loan facilities of \$8.0 million maturing in October 2025.
- (ii) 4-year revolving loan facilities of \$25.0 million maturing in March 2026.
- (iii) 5-year revolving loan facilities of \$20.0 million maturing in March 2027.
- (iv) 4-year revolving loan facilities of \$25.0 million maturing in May 2028.

As of 31 December 2023, the outstanding unsecured Revolving Loan Facility consisted of:

- (i) 3-year revolving loan facilities of \$5.0 million maturing in October 2024.
- (ii) 4-year revolving loan facilities of \$20.0 million maturing in March 2026.

(c) Guaranteed Bond Facility

On 25 June 2024, \$100.0 million guaranteed bonds at a coupon rate of 4.15% due in June 2029 were issued to refinance the existing loan facilities. The guaranteed bonds amounting to \$100.0 million are unconditionally and irrevocably guaranteed by the Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank. The interests of the bonds are payable half-yearly in arrears. The bonds are listed on the Singapore Exchange Securities Trading Limited.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information Half year ended and year ended 31 December 2024

7. Borrowings (cont'd)

(d) Unutilised Loan Facilities

As of 31 December 2024, the outstanding unsecured Revolving Loan Facility consisted of:

- (i) 4-year revolving facility of \$17.0 million maturing in October 2025.
- (ii) 5-year revolving facility of \$5.0 million maturing in March 2027.

As of 31 December 2023, the Group has access to the following unutilised revolving loan facilities consisting of:

- (i) 3-year revolving facility of \$20.0 million maturing in October 2024.
- (ii) 3-year revolving facility of \$20.0 million maturing in November 2024.
- (iii) 4-year revolving facility of \$25.0 million maturing in October 2025.
- (iv) 4-year revolving facility of \$5.0 million maturing in March 2026.
- (v) 5-year revolving facility of \$25.0 million maturing in March 2027.

8. Units in issue and to be issued

	Group and Trust	
	31 December 2024	31 December 2023
	'000	'000
Units in issue:		
At beginning of the year	1,111,788	1,096,121
Units issued:		
- Distribution Reinvestment Plan	13,267	15,667
Total issued Units at the end of the year	1,125,055	1,111,788

9. Property expenses

Included in property expenses is a net write off of impairment loss of \$38,000 on trade receivables for the period (1 July 2023 to 31 December 2023: \$1,340,000) and \$1,203,000 of impairment loss for the year (1 January 2023 to 31 December 2023: \$1,387,000).

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024

10. Net finance cost

	<-----Group----->			
	1 July 2024 to 31 December 2024 \$'000	1 July 2023 to 31 December 2023 \$'000	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Finance income				
Interest income from fixed deposit	56	–	60	–
Interest on late payment of rent	18	88	88	155
	74	88	148	155
Finance costs:				
Term loan facility	4,552	8,327	12,288	16,303
Revolving loan facility	2,110	600	3,391	1,029
Bond facility	2,092	–	2,160	–
Lease liabilities	1,619	1,608	3,241	3,231
Interest rate swaps	(1,209)	(2,711)	(3,004)	(5,017)
Amortisation of transaction costs	1,529	766	3,027	1,067
Finance expenses	10,693	8,590	21,103	16,613
Net financing costs	10,619	8,502	20,955	16,458

11. Other trust expenses

Included in other trust expenses are:

	<-----Group----->			
	1 July 2024 to 31 December 2024 \$'000	1 July 2023 to 31 December 2023 \$'000	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Audit fees	158	111	288	221
Non-audit fees	26	32	50	65
Valuation fees	55	50	105	100
Professional fees	203	(297)	392	215
Other expenses ⁽¹⁾	2,575	4,914	6,933	5,079
	3,017	4,810	7,768	5,680

⁽¹⁾ Other expenses comprised of expenses incurred and accrued for the period from 1 January 2024 to 31 December 2024, in respect of implementation of the resolutions passed at the extraordinary general meeting of Sabana Industrial REIT held on 7 August 2023 to effect the internalisation, amounting to \$6,751,000. (1 January 2023 to 31 December 2023: \$4,643,000)

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024**

12. Tax expense

	<-----Group----->			
	1 July 2024 to 31 December 2024 \$'000	1 July 2023 to 31 December 2023 \$'000	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Tax expense				
Current period/year ⁽¹⁾	309	556	584	556
Reconciliation of effective tax rate				
Total return for the period/year before taxation and distribution	656	8,754	11,955	18,628
Tax calculated using Singapore tax rate of 17% (31 December 2023: 17%)	112	1,488	2,032	3,167
Non-tax deductible items	3,588	1,637	4,884	3,409
Tax exempt income	(479)	(423)	(867)	(844)
Tax transparency	(2,912)	(2,146)	(5,465)	(5,176)
	309	556	584	556

⁽¹⁾ Under the tax transparency treatment, the Trustee is not subject to income tax on the taxable income of the Trust to the extent of the amount distributed provided the Trust distributes at least 90% of the taxable income for the relevant financial year. The taxable income that is not distributed by the Trust for the relevant financial year is subject to income tax at the prevailing rate (currently 17%). The income tax, amounting to \$578,000, therefore represents the income tax payable on the taxable income for the year ended 31 December 2024 that is not distributed by the Trust, i.e., 10% of the taxable income for the year ended 31 December 2024. The remaining income tax, amounting to \$6,000, relates to the income tax payable accounted for the income generated from the solar project, which are taxable under the tax transparency treatment.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024**

13. Earning per unit

Basic and diluted earnings per Unit is based on:

	<-----Group----->			
	1 July 2024 to 31 December 2024 '000	1 July 2023 to 31 December 2023 '000	1 January 2024 to 31 December 2024 '000	1 January 2023 to 31 December 2023 '000
Total return for the period/year after taxation and before distribution	347	8,198	11,371	18,072
Number of Units				
Weighted average number of Units	1,125,055	1,107,862	1,122,191	1,103,627
Earnings per unit (cents)	0.03	0.74	1.01	1.64

The diluted earnings per Unit is the same as the basic earnings per Unit for the Group as there are no EPU dilutive financial instruments.

14. Related parties

In the normal course of its business, the Group and the Trust carried out transactions with related parties on terms agreed between the parties. During the financial period/year, in addition to those disclosed elsewhere in the financial information, there were the following significant related party transactions:

	<-----Group and Trust----->			
	1 July 2024 to 31 December 2024 \$'000	1 July 2023 to 31 December 2023 \$'000	1 January 2024 to 31 December 2024 \$'000	1 January 2023 to 31 December 2023 \$'000
Manager's fees and reimbursables paid/payable to the Manager	2,408	2,314	4,749	4,557
Property/lease management fees and reimbursables paid/payable to the Property Manager	1,710	1,675	3,376	3,319
Trustee fees paid/payable to the Trustee	192	184	379	364

Notes to the Interim Financial Information
Half year ended and year ended 31 December 2024

15. Significant areas of estimation uncertainty and critical judgements in applying accounting policies

Other than as disclosed elsewhere in this Financial Information, the significant areas of estimation uncertainty and critical judgements in applying the entity's accounting policies are set out below:

(i) *Derivatives*

The fair value of interest rate swaps is based on broker quotes at the reporting date. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take into account of the credit risk of the Group, and counterparties when appropriate.

(ii) *Borrowings*

The fair values of the fixed rate and floating rate borrowings are estimated using the discounted cash flow technique. Future cash flows are based on management's best estimates and the discount rate is based on a market-related rate for a similar instrument at the reporting date.

The carrying amounts of floating rate borrowings which are repriced within 3 months from the reporting date approximate their fair values.

(iii) *Going Concern*

In assessing the appropriateness of the going concern assumption, management has considered the consequences of various events and conditions (please refer to note 2.2 and 17), and exercised judgement which includes legal and regulatory requirements, conditions and timing for triggering of the loan review event in determining whether they create a material uncertainty that casts significant doubt upon the Group and Trust ability to continue as a going concern.

16. Financial ratios

	Group	
	31 December 2024	31 December 2023
	%	%
Ratio of expenses to weighted average net assets ⁽¹⁾		
- including performance component of Manager's fees	2.25	1.83
- excluding performance component of Manager's fees	2.25	1.83

⁽¹⁾ The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses, finance costs and income tax expense.

17. Extraordinary General Meeting

At the extraordinary general meeting of Sabana Industrial REIT (“**EGM**”) held on 7 August 2023, unitholders of Sabana Industrial REIT (“**Unitholders**”) had voted to, among others, direct HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Sabana Industrial REIT (the “**Trustee**”), to remove Sabana Real Estate Investment Management Pte. Ltd. (“**SREIM**”) as the manager of Sabana Industrial REIT as soon as practicable and to “effect the internalisation of the REIT management function by incorporating a subsidiary wholly owned by the Trustee and appointing such a subsidiary to act as the manager of Sabana Industrial REIT” (the “**Internalisation Resolutions**”).

In furtherance of the Internalisation Resolutions, the Trustee has since (amongst others):

- (i) received the approval of Unitholders for certain proposed amendments to the trust deed constituting Sabana Industrial REIT to facilitate the proposed internalisation pursuant to an EGM held on 6 August 2024;
- (ii) submitted the capital markets services licence application for the new internalised manager of Sabana Industrial REIT (the “**New Internalised Manager**”) to the Monetary Authority of Singapore (the “**CMS Licence Application**”); and
- (iii) received the approval of Unitholders in respect of director candidates to be appointed and/or endorsed as directors of the board of the New Internalised Manager, subject to the requisite approvals of the Monetary Authority of Singapore having been obtained.

The Trustee has also issued various statements to Unitholders (the “**Trustee Statements**”) where the Trustee has provided updates to Unitholders in relation to the implementation of the Internalisation Resolutions, including but not limited to:

- (a) the outcome of the originating application (in HC/OA 19/2024) under Order 32 of the Rules of Court 2021 of Singapore;
- (b) the dismissal of the appeal (in AD/CA 37/2024) by the ESR Entities¹ in the Appellate Division of the High Court of Singapore;
- (c) the workstreams concerning the status and progress of the CMS Licence Application; and
- (d) the identification of personnel for the New Internalised Manager (i.e. a suitable board of directors and qualified management personnel).

The Trustee has stated in the Trustee Statements that it will continue to provide further updates and engage with Unitholders in respect of material developments. All updates from the Trustee (including the Trustee Statements) are and will be made available via SGXNet.

Given the inherent uncertainties involved in the internalisation process, while the Trustee has, by way of the Trustee Statements, provided certain updates on the costs incurred in connection with the implementation of the internalisation process, it is not possible for the Trustee to provide a projection or estimate on the total cost of internalisation, which is still ongoing. Nothing in these financial statements should be construed as a statement or forecast by the Trustee of the cost of internalisation.

¹ The “**ESR Entities**” refer to ESR Group Limited, E-Shang Jupiter Cayman Limited and E-Shang Infinity Cayman Limited collectively.

17. **Extraordinary General Meeting (cont'd)**

Additionally, the Manager refers to its announcement dated 17 January 2025 ("**17 January Announcement**") in relation to the requisition by certain unitholders of Sabana Industrial REIT requesting the Manager to convene an extraordinary general meeting of Sabana Industrial REIT to consider certain resolutions. As mentioned in the 17 January Announcement, the Manager is considering this requisition notice, consulting with the Trustee and seeking legal advice and that further announcements will be made on SGXNET in due course.

The Manager would like to draw attention to the potential financial implication to Sabana Industrial REIT arising from the implementation of the Internalisation Resolutions. Once the removal of SREIM as manager of Sabana Industrial REIT is effected, it would trigger the removal of manager clause that constitutes a review event under Sabana Industrial REIT's existing financing arrangements of unsecured loans with various lenders (the "**Unsecured Facility Agreements**") and the facility agreement (the "**SBLC Facility Agreement**") for the issue by the lenders thereunder of an irrevocable standby letter of credit in favour of Credit Guarantee & Investment Facility ("**CGIF**"), as guarantor for Sabana Industrial REIT's five year senior unsecured sustainability-linked guaranteed bonds due in 2029 (the "**Bonds**") (collectively, the Unsecured Facility Agreements and the SBLC Facility Agreement shall be referred to as the "**Existing Facilities**"). If triggered, this may result in mandatory prepayment by Sabana Industrial REIT of its outstanding loans and interest under the Existing Facilities if no satisfactory agreement is reached with the lenders, within a period of not more than 30 days (or such longer period as the lenders of Sabana Industrial REIT may agree), following the review event, and/or the imposition by CGIF of additional conditions as part of its agreement to provide its guarantee for the Bonds. Unitholders should note that there could therefore be serious consequences for Sabana Industrial REIT and its Unitholders arising from its Existing Facilities and/or the Bonds if the Manager is removed.

In this regard, as mentioned in the Interim Financial Information for the period from 1 January 2023 to 30 June 2023 announced on 19 July 2023, the Manager had previously written to the relevant lenders at the material time to seek a waiver from the abovementioned review event under Sabana Industrial REIT's then existing loan financing arrangements, in the event that SREIM is removed as the manager of Sabana Industrial REIT. However, the lenders had then replied that they were unable to grant the relevant waivers at that juncture. The Manager and the Trustee will continue to engage with the lenders following the passing of the Resolutions and will update Unitholders as and when there are material developments.

Other Information Required by Listing Rule Appendix 7.2

- 1 (a)(i) Statement of Total Return and Distribution Statement (FY 2024 vs FY 2023)**
- Please refer to page 2, 3 and 4 of the Interim Financial Information.
- (b)(i) Statement of Financial position, together with comparatives as at the end of the immediate preceding financial year**
- Please refer to page 1 of the Interim Financial Information.
- (b)(ii) Aggregate amount of borrowings and debt securities**
- Please refer to page 16, Note 7 of the Interim Financial Information.
- (c) Statement of Cash Flows**
- Please refer to page 9 of the Interim Financial Information.
- (d)(i) Statement of Movements in Unitholders' Funds**
- Please refer to page 5 of the Interim Financial Information.
- (d)(ii) Details of any changes in the Units**
- Please refer to page 18, Note 8 of the Interim Financial Information.
- (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**
- Not applicable.
- 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 the 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

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 2023.

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

Not applicable.

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

Please refer to page 2 and 4 of the Interim Financial Information.

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

Please refer to Appendix 1.

8. Review of performance of the Group

Please refer to Appendix 2.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Manager has not disclosed any financial forecast to the market. However, as indicated in the previous interim business update dated 18 October 2024, the Manager will continue its focus on executing its growth plan through active asset management and progressing on asset enhancement initiatives.

10. A commentary at the date of the announcement of 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 operating period and the next 12 months

Based on advance estimates by the Ministry of Trade and Industry (“MTI”), the Singapore’s economy grew at a slower pace in the fourth quarter of the year, growing 4.3% y-o-y compared with 5.4% growth in the preceding quarter. For the whole of 2024, the economy grew by 4.0%¹. In December 2024, non-oil domestic exports (“Nodx”) rose 9.0% from a year ago, extending a 3.4% increase in November, attributed to the increase in both electronics and non-electronics

¹ “Singapore’s GDP Grew by 4.3 Per Cent in the Fourth Quarter of 2024 and by 4.0 Per Cent in 2024”, Ministry of Trade and Industry Singapore, 2 January 2025.

exports². Meanwhile, the Monetary Authority of Singapore forecasts that the Singapore economy will expand at close to its potential rate in 2025. However, there is significant uncertainty around the economic outlook, reflecting continuing risks in the external environment³.

According to Savills Research, there will be a surge in pipeline supply in 2025, with almost 40% increase from the four-year average historical completion of industrial space. With more warehouse and business park spaces coming on stream next year, it will put further pressure on the occupancy and rents⁴. Similarly, Cushman & Wakefield indicated significant incoming business park supply in 2024 and 2025 will continue to exert pressure on suburban business park rents⁵. In addition, Cushman & Wakefield anticipates steady growth for most industrial submarkets of around 2-3% y-o-y in 2025⁶. High-tech factory vacancy rates are also expected to decline further with demand expected to pick up given lower interest rates and a flight to quality⁶.

The REIT's performance in 2025 is expected to be challenging amid the pressures of rising costs, exacerbated by the prospect of interest rate staying at current levels as the US Federal Reserve hold rates for an extended period, and geopolitical conflicts that in turn are expected to impact both the global and Singapore economy. With internalisation of the REIT management function ongoing, the REIT's performance is expected to be impacted by additional costs incurred and to be incurred in connection with the internalisation. The REIT is also on track of becoming one of Singapore's first carbon neutral industrial REITs by 2040 following the completion of solar panel installations across a majority of the multi-tenanted properties.

11. Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Period of distribution : Distribution for 1 July 2024 to 31 December 2024

Distribution Type	Distribution Rate (cents)
Taxable Income	1.52
Tax Exempt Income	–
Capital	–
Total	1.52

² "Singapore's External Trade – December 2024", Enterprise Singapore, 17 January 2025.

³ "MAS Monetary Policy Statement – October 2024", Monetary Authority of Singapore – 14 October 2024.

⁴ "Market in minutes, Industrial" Savills Research – 22 November 2024.

⁵ "Marketbeat Singapore Industrial Q3 2024" Cushman & Wakefield – 9 October 2024.

⁶ "Singapore Market Outlook 2025" Cushman & Wakefield – December 2024.

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

Period of distribution : Distribution for 1 July 2023 to 31 December 2023

Distribution Type	Distribution Rate (cents)
Taxable Income	1.15
Tax Exempt Income	–
Capital	–
Total	1.15

(c) Tax rate : Taxable income

These distributions are made out of Sabana Industrial REIT 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 Industrial REIT.

(d) Book closure date: 31 January 2025

(e) Date payable : 28 February 2025

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 on a half-yearly basis at the discretion of the Manager, having regards to funding requirements and other capital management considerations.

14. 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.

Please refer to Appendix 3.

15. 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 Appendix 2 for the review of the actual performance.

16. Breakdown of sales as follows:

	Group		
	YTD		Fav / (Unfav)
	31/12/24	31/12/23	
	S\$'000	S\$'000	%
(a) Gross revenue reported for first half year	55,165	55,277	(0.2)
(b) Total return after tax before distribution for first half year	11,024	9,874	11.6
(c) Gross revenue reported for second half year	58,143	56,598	2.7
(d) Total return after tax before distribution for second half year	347	8,198	(95.8)

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

	Group	
	YTD	
	31/12/24	31/12/23
	S\$'000	S\$'000
In respect of the half year from:		
1 July 2024 - 31 December 2024 ^(a)	17,101	-
1 January 2024 - 30 June 2024	15,076	-
1 July 2023 - 31 December 2023	-	12,786
1 January 2023 - 30 June 2023	-	17,744
	32,177	30,530

Note:

- (a) The distribution for the half year from 1 July 2024 to 31 December 2024 is payable in February 2025.

18. General mandate for Interested Person Transactions

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

19. Confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager of the Trust (the “Manager”) which may render the unaudited Interim Financial Information of the Group and Trust (comprising the statement of financial position as at 31 December 2024, statement of total return & distribution statements, statement of cash flows and statement of movements in Unitholders’ funds for the full-year ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

20. Procured Undertakings By the Board and Executive Officers to Rule 720(1)

The Manager of Sabana Industrial 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.

21. 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 Industrial Real Estate Investment Trust**

Tan Cheong Hin
Director

Wong Heng Tew
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 Industrial Real Estate Investment Trust

21 January 2025

Appendix 1

	Group		Trust	
	As at 31/12/2024	As at 31/12/2023	As at 31/12/2024	As at 31/12/2023
Net asset value (“NAV”) and net tangible asset (“NTA”) per unit (S\$) ^(a)	0.50	0.52	0.50	0.52

Note:

- (a) The number of units used to compute NAV per unit and NTA per unit is 1,125,055,242 (31 December 2023: 1,111,788,330).

Appendix 2

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

2H 2024 vs 2H 2023

<u>Statement of Total Return</u>	Group		
	2H 2024	2H 2023	Fav / (Unfav)
	S\$'000	S\$'000	%
Gross revenue	58,143	56,598	2.7
Property expenses	(27,856)	(28,792)	3.3
Net property income ^(a)	30,287	27,806	8.9
Finance income ^(b)	74	88	(15.9)
Finance costs ^(c)	(9,074)	(6,982)	(30.0)
Finance costs relating to lease liabilities	(1,619)	(1,608)	(0.7)
Net finance costs	(10,619)	(8,502)	(24.9)
Manager's fees	(2,408)	(2,314)	(4.1)
Trustee's fees	(192)	(184)	(4.3)
Donation	(1)	(1)	–
Other trust expenses ^(d)	(3,017)	(4,810)	37.3
Net income	14,050	11,995	17.1
Net change in fair value of financial derivatives ^(e)	(1,896)	(4,184)	n.m
Net change in fair value of investment properties ^(f)	(11,498)	943	n.m
Total return for the period before taxation	656	8,754	n.m
Tax expense ^(g)	(309)	(556)	n.m
Total return for the period after taxation	347	8,198	n.m
Distribution adjustments	18,288	7,141	n.m
Total income available for distribution to Unitholders for the period before tax ^(h)	18,944	15,895	19.2
Total income available for distribution to Unitholders for the period after tax	18,635	15,339	21.5
Total distribution amount declared to Unitholders for the period ⁽ⁱ⁾	17,101	12,786	33.7

n.m denotes “not meaningful”

* Less than S\$1,000

Notes:

- (a) Net property income for 2H 2024 increased by 8.9% mainly due to the uplift of positive rental reversions across the portfolio as overall occupancy rate remained stable.
- (b) Lower finance income mainly due to lower charges on late payment of rent to the tenants.
- (c) Finance costs increased by 30.0% mainly due to the increase in overall interest rates and higher total borrowings.
- (d) Other trust expenses decreased mainly due to lower internalisation expenses incurred.
- (e) The net change in fair value of financial derivatives relates to the fair value change of the interest rate swaps recognised.
- (f) The net change in fair value of investment properties mainly relates to the adjustments in ROU assets and the valuation movement based on the independent valuations of the properties undertaken by the Independent Valuers as at the reporting date.
- (g) Under the tax transparency treatment, the Trustee is not subject to income tax on the taxable income of the Trust to the extent of the amount distributed provided the Trust distributes at least 90% of the taxable income for the relevant financial year. The taxable income that is not distributed by the Trust for the relevant financial year is subject to income tax at the prevailing rate (currently 17%).
- (h) Income available for distribution before tax increased by 19.2% mainly due to higher net property income recorded.
- (i) The Trust's distribution policy is to distribute at least 90.0% of its distributable income to Unitholders. For FY 2024, 10% of total income available for distribution retained for prudent capital management in view of additional costs incurred and to be incurred in connection with the internalisation.

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

FY 2024 vs FY 2023

<u>Statement of Total Return</u>	Group		
	FY 2024	FY 2023	Fav / (Unfav)
	S\$'000	S\$'000	%
Gross revenue	113,308	111,875	1.3
Property expenses	(55,856)	(56,901)	1.8
Net property income ^(a)	57,452	54,974	4.5
Finance income ^(b)	148	155	(4.5)
Finance costs ^(c)	(17,862)	(13,382)	(33.5)
Finance costs relating to lease liabilities	(3,241)	(3,231)	(0.3)
Net finance costs	(20,955)	(16,458)	(27.3)
Manager's fees	(4,749)	(4,557)	(4.2)
Trustee's fees	(379)	(364)	(4.1)
Donation	(1)	(1)	–
Other trust expenses ^(d)	(7,768)	(5,680)	(36.8)
Net income	23,600	27,914	(15.5)
Net change in fair value of financial derivatives ^(e)	(2,306)	(5,724)	n.m
Net change in fair value of investment properties ^(f)	(9,339)	(3,562)	n.m
Total return for the period before taxation	11,955	18,628	n.m
Tax expense ^(g)	(584)	(556)	n.m
Total return for the period after taxation	11,371	18,072	n.m
Distribution adjustments	23,629	15,086	n.m
Total income available for distribution to Unitholders for the period before tax ^(h)	35,584	33,714	5.5
Total income available for distribution to Unitholders for the period after tax	35,000	33,158	5.6
Total distribution amount declared to Unitholders for the period ⁽ⁱ⁾	32,177	30,530	5.4

n.m denotes “not meaningful”

* Less than S\$1,000

Notes:

- (a) Net property income for FY 2024 increased by 4.5% mainly due to the uplift of positive rental reversions across the portfolio as overall occupancy rate remained stable.
- (b) Lower finance income mainly due to lower charges on late payment of rent to the tenants.
- (c) Finance costs increased by 33.5% mainly due to increase in overall interest rates, higher total borrowings and higher amortisation of upfront fees due to the refinancing exercise during the year.
- (d) Other trust expenses increased mainly due to higher internalisation expenses incurred.
- (e) The net change in fair value of financial derivatives relates to the fair value change of the interest rate swaps recognised.
- (f) The net change in fair value of investment properties mainly relates to the adjustments in ROU assets and the valuation movement based on the independent valuations of the properties undertaken by the Independent Valuers as at the reporting date.
- (g) Under the tax transparency treatment, the Trustee is not subject to income tax on the taxable income of the Trust to the extent of the amount distributed provided the Trust distributes at least 90% of the taxable income for the relevant financial year. The taxable income that is not distributed by the Trust for the relevant financial year is subject to income tax at the prevailing rate (currently 17%).
- (h) Income available for distribution before tax increased by 5.5% mainly due to higher net property income recorded.
- (i) The Trust's distribution policy is to distribute at least 90.0% of its distributable income to Unitholders. For FY 2024, 10% of total income available for distribution retained for prudent capital management in view of additional costs incurred and to be incurred in connection with the internalisation.

Appendix 3

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 /
	31/12/24	31/12/23	(Unfav)
	S\$'000	S\$'000	%
High-tech Industrial	79,088	76,835	2.9
Chemical Warehouse & Logistics	4,594	5,575	(17.6)
Warehouse & Logistics	22,028	21,136	4.2
General Industrial	7,598	8,329	(8.8)
	113,308	111,875	1.3

Total net property income by property types	Group		
	YTD		Fav /
	31/12/24	31/12/23	(Unfav)
	S\$'000	S\$'000	%
High-tech Industrial	34,719	30,415	14.2
Chemical Warehouse & Logistics	2,330	3,523	(33.9)
Warehouse & Logistics	15,184	14,772	2.8
General Industrial	5,219	6,264	(16.7)
	57,452	54,974	4.5



**Building a better
working world**

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(in its capacity as Manager of
Sabana Industrial Real Estate Investment Trust)
151 Lorong Chuan
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Singapore 556741

21 January 2025

**Sabana Industrial Real Estate Investment Trust and its subsidiaries
Review of Interim Financial Information**

Dear Sirs

Introduction

We have reviewed the accompanying Interim Financial Information of Sabana Industrial Real Estate Investment Trust (the “Trust”) and its subsidiaries (the “Group”) for the half-year and the year ended 31 December 2024 as set up on pages 1 to 24. The Interim Financial Information comprises the following:

- Statements of financial position of the Group and the Trust as at 31 December 2024;
- Consolidated portfolio statement of the Group as at 31 December 2024;
- Consolidated statement of total return of the Group for the half-year and the year ended 31 December 2024;
- Consolidated distribution statement of the Group for the half-year and the year ended 31 December 2024;
- Statements of movements in unitholders’ funds of the Group and the Trust for the year ended 31 December 2024;
- Consolidated statement of cash flows of the Group for the year ended 31 December 2024; and
- Notes to the above Interim Financial Information.

The Management of Sabana Real Estate Investment Pte. Ltd. (the “Manager” of the Trust), is responsible for the preparation and fair presentation of this Interim Financial Information in accordance with the recommendations 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 this 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 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 does not present fairly, the financial position and portfolio holdings of the Group and the Trust as at 31 December 2024, and the total return, distributable income, movements in unitholders' funds and cash flows of the Group and the movements in unitholders' funds of the Trust for the half-year and the year ended 31 December 2023 in all material respects, in accordance with the recommendations of RAP 7 relevant to Interim Financial Information issued by the Institute of Singapore Chartered Accountants.

Emphasis of matter

We draw attention to Note 2.2 of the interim financial statements which highlights events and conditions relating to the ongoing internalisation exercise which could cause potential financial implication to the Group and Trust. Specifically, as stated in Note 17, if the internalisation exercise triggers a review event under existing financing arrangements of totally unsecured loans with various lenders and under the facility agreement, it could result in mandatory prepayment of the Group's outstanding borrowings and interest if no satisfactory agreement is reached with the lenders. These factors indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Group and the Trust to continue as a going concern.

In the event that the Group and the Trust are unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Trust may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. No adjustments have been made in the financial statements in respect of this.

Our conclusion is not qualified in respect of this matter.



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.

Yours faithfully,

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

21 January 2025