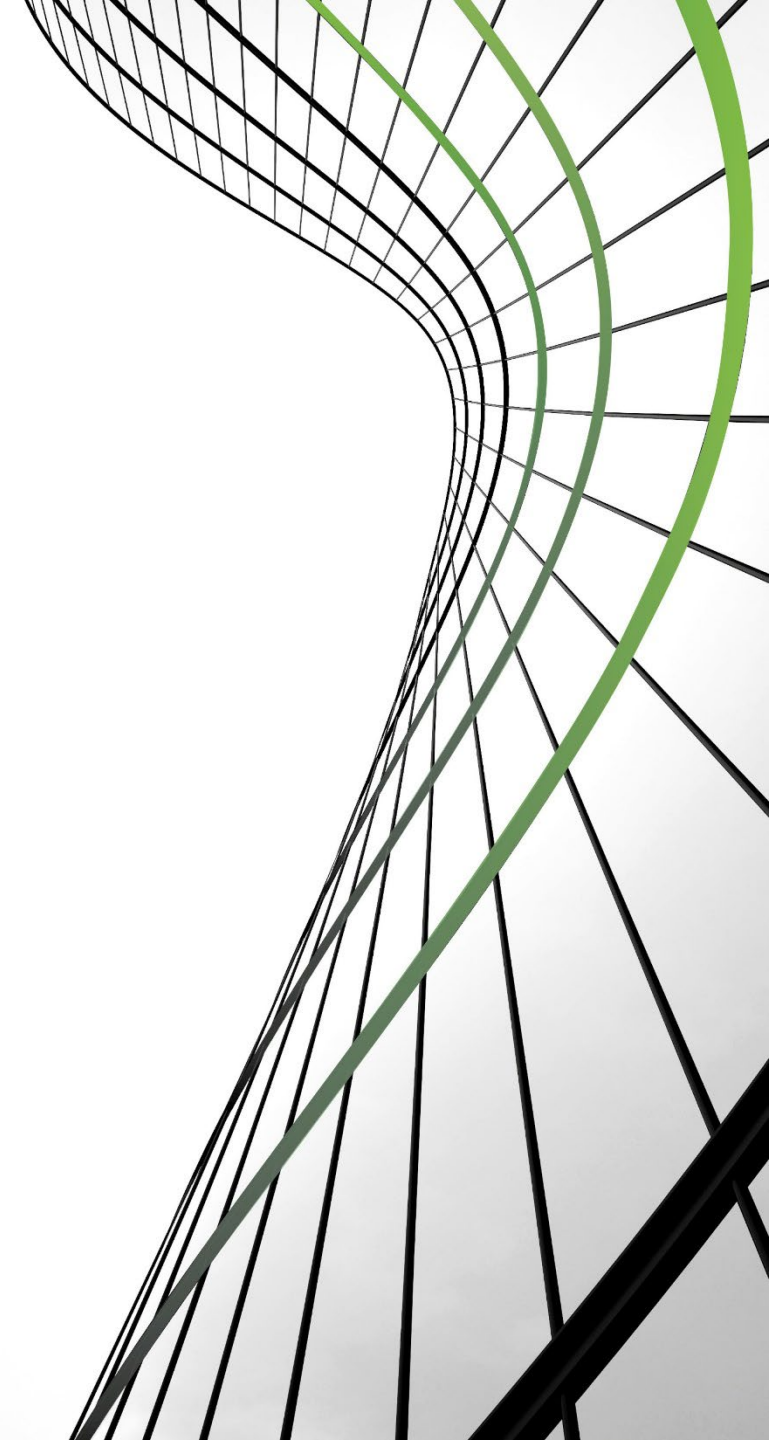




DELIVERING ON STRATEGY

**11th Annual
General Meeting**

26 April 2022



Disclaimer

This presentation shall be read in conjunction with the financial information of Sabana Industrial Real Estate Investment Trust (“Sabana Industrial REIT” or the “REIT”) for the full financial year from 1 January 2021 to 31 December 2021 (“FY 2021”) and the published 1Q Interim Business Update for FY 2022.

This presentation 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 presentation between the listed amounts and total thereof are due to rounding.

Content

- 01 Key Highlights
- 02 Moving to ***Grow VALUE***
- 03 Market Outlook



Key Highlights

Savory Thai

NTP+

DUTCH COLONY
Coffee Co.

WE ARE OPEN
NTP+

The Social Alley

Delivering Refreshed Strategy; Pivoting to *Grow VALUE*

- Delivering Refreshed Strategy
 - Robust performance for FY 2021
 - ❖ Completion of AEI at New Tech Park with new NTP+ mall – a disciplined execution
 - Ongoing resilience in 1Q 2022
- Removal of Shari’ah compliance
- Resumed Distribution Reinvestment Plan
- Strengthened capital management with multiple major refinancing exercises to convert all loans to unsecured. Current portfolio is 100% unencumbered
- Pivoting to ***Grow VALUE*** phase of Refreshed Strategy; Targeting to upsize portfolio to more than \$1 billion in 3-5 years
- Thank Unitholders for support that is starting to bear fruit; Seeking mandate and confidence to embark decisively on next phase of growth at this AGM

FY 2021 at a Glance: Robust performance

For the year ended 31 December 2021

Financial Performance



Gross Revenue
\$81.9m
+14.2% y-o-y

Net Property Income
\$52.0m
+16.4% y-o-y

Total Amount Available for
Distribution
\$32.5m
+11.7% y-o-y

Distribution per Unit
3.05 cents
+10.5% y-o-y

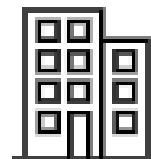
Capital Management



Aggregate Leverage¹
35.0%
31 Dec 2020: 33.5%

Average All-In Financing Cost
3.1%
31 Dec 2020: 3.1%

Portfolio Management



Portfolio Occupancy
85.4%
31 Dec 2020: 76.5%

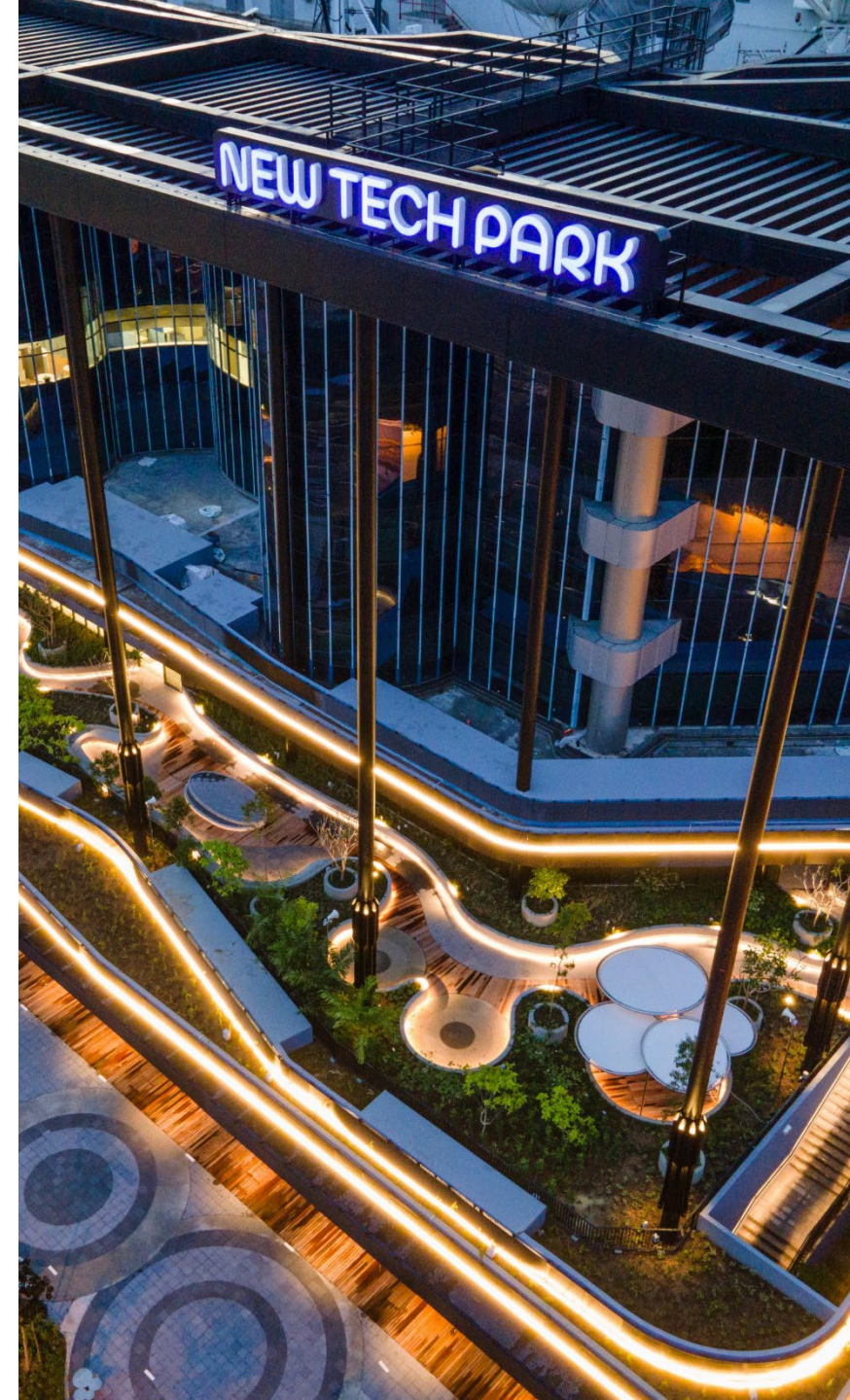
Rental Reversion
10.5%
31 Dec 2020: 0.9%

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

Milestone completion of NTP+ underscores a disciplined execution

Competitive bidding process

- Nine construction firms were recommended by an external project consultant team to participate, of which six pre-qualified contractors were invited to the next round of site inspection and invited to bid via a formal tender process
- The three lowest bidders were selected for final interview and the successful contractor was recommended by the project consultant team based on the lowest fee quote



Attractive key features

- Comprises about 43,000 sq ft of commercial gross floor area; additional bonus floor area comprising ground floor open plaza, lush landscape and second floor open deck to provide more outdoor circulation space to shoppers, increasing total construction floor area to about 90,000 sq ft
- Constructed fifteen 25-metre high columns to support extended roof trellis to give New Tech Park (NTP) a contemporary “cutting-edge” exterior

Key outcomes

- Final development cost came below \$20 million
- Completion of NTP+ mall attracted new, diverse tenant mix including from the F&B and retail sectors, bringing greater vibrancy to surrounding area

NTP's valuation saw a gain of 9.9% or \$32 million from \$323.0 million as at 31 December 2019 to \$355.0 million as at 31 December 2021



Key Quarterly Highlights

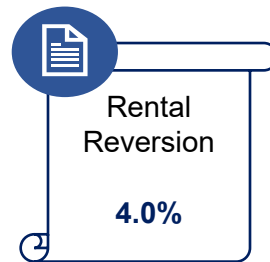
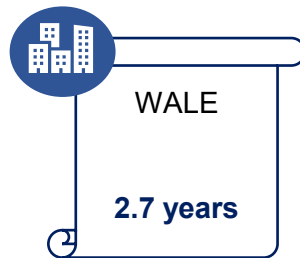
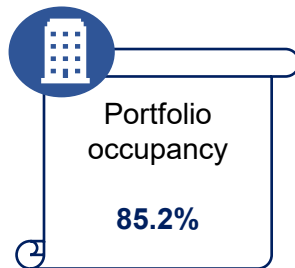
Portfolio Management

- Portfolio occupancy sits at a healthy 85.2%. Excluding 1 Tuas Avenue 4, which is marked for redevelopment, occupancy would have been 88.2%
- Signed 11,786 sq ft of new leases
- Renewed 208,633 sq ft of leases with a positive rental reversion of 4.0%; this is the 8th quarter in the past 9 quarters where positive reversion was achieved
- Of the 2022 lease expiries, 44.1% has been renewed. No master lease expiring until 2023
- Proactively engaging key tenants with leases expiring in 2023 to secure their medium and long-term leasing solutions within our portfolio
- 30 & 32 Tuas Avenue 8 is under advance lease negotiation/lease documentation with a new master tenant

Capital Management

- Secured \$150 million sustainability-linked loan to support the REIT's focus on environmental, social and governance ("ESG") as part of its next phase of growth; Interest rates on the loan will be reduced should the REIT meet pre-determined energy and water intensity targets
- With above facility in place and prior multiple major refinancing exercises to convert all loans to unsecured, current portfolio is 100% unencumbered
- Application of the REIT's Distribution Reinvestment Plan for 2H 2021 gave Unitholders the opportunity to participate in the longer-term growth of the REIT, and strengthened the REIT's working capital reserves, conserved cash from operations, and increased its financial flexibility

Portfolio and Operational Updates as at 31 March 2022

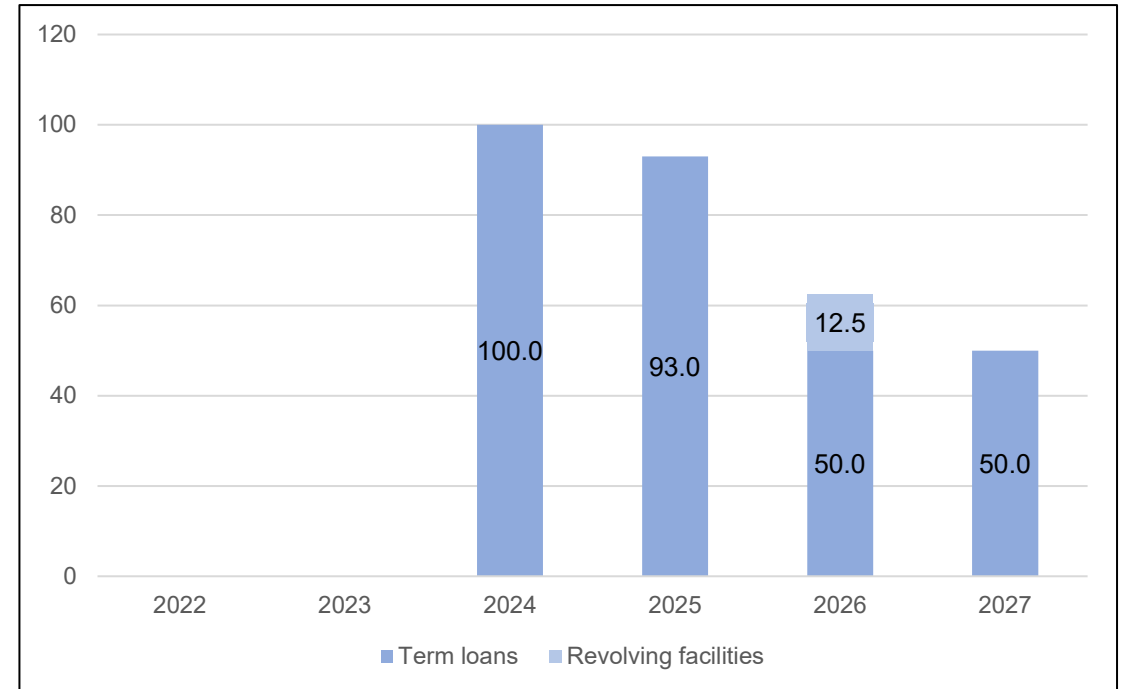


Capital Management

Key Credit Metrics

| | As at 31 March 2022 | As at 31 December 2021 |
|---|--------------------------------|---------------------------|
| Total borrowings | \$305.5m ⁽¹⁾ | \$315.5m |
| - Term loans | \$293.0m | \$315.5m |
| - Revolving Facilities | \$12.5m | - |
| Aggregate leverage⁽²⁾ | 34.8% | 35.0% |
| Proportion of total borrowings on fixed rates | 72.8% | 66.6% |
| Weighted average fixed debt expiry | 2.7 years | 2.4 years |
| Average all-in financing cost | 3.07% | 3.14% |
| Interest coverage ratio ⁽³⁾ | 4.1x | 4.4x |
| Weighted average tenor of borrowings | 3.5 years | 2.9 years |
| Debt Headroom⁽⁴⁾ | \$133.4m | \$107.7m |
| Unencumbered assets | 100% | 63% |

Maturities of total outstanding borrowings of \$305.5 million

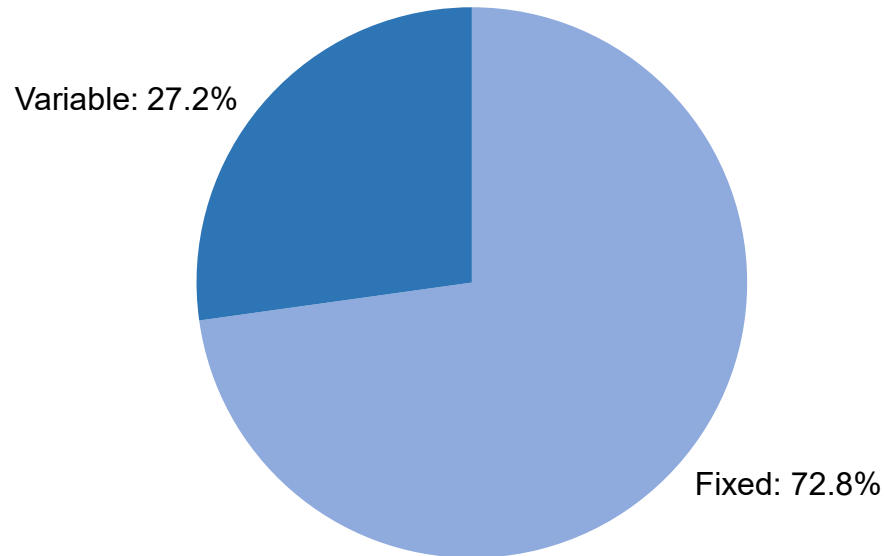


Notes:

- (1) Borrowings have reduced due to the repayment using the cash flow generated from operations and Distribution Reinvestment Plan.
- (2) Ratio of total borrowings & deferred payment over deposited property as defined in the Property Funds Appendix of the Code on Collective Investment Schemes.
- (3) Based on the interest coverage ratio definition in Appendix 6 of the Code on Collective Investment Schemes (last revised on 28 December 2021).
- (4) On the basis of an aggregate leverage limit of 50.0% pursuant to the Property Funds Appendix, inclusive of undrawn facilities of \$107.5m (31 December 2021: \$95.9m).

Prudent Interest Rate Risk Management

- 72.8% of borrowings are on fixed rates with an average term of 2.7 years
- Every potential 20 bps increase in interest rates may result in \$0.16m decrease in distributable income or 0.02 cents on DPU⁽¹⁾ per annum



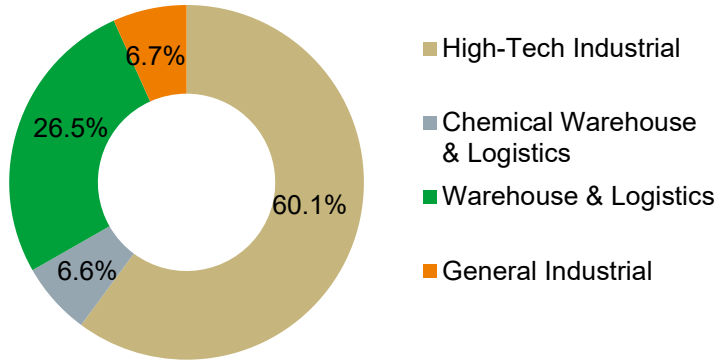
| Change in interest rates | Impact on Distribution (\$m) | Impact on DPU (cents) ⁽¹⁾ | Impact on DPU % |
|--------------------------|------------------------------|--------------------------------------|-----------------|
| + 20 bps | (0.16) | (0.02) | (0.5%) |
| + 40 bps | (0.33) | (0.03) | (1.0%) |
| + 60 bps | (0.50) | (0.05) | (1.5%) |
| + 80 bps | (0.66) | (0.06) | (2.0%) |
| + 100 bps | (0.83) | (0.08) | (2.5%) |

Notes:

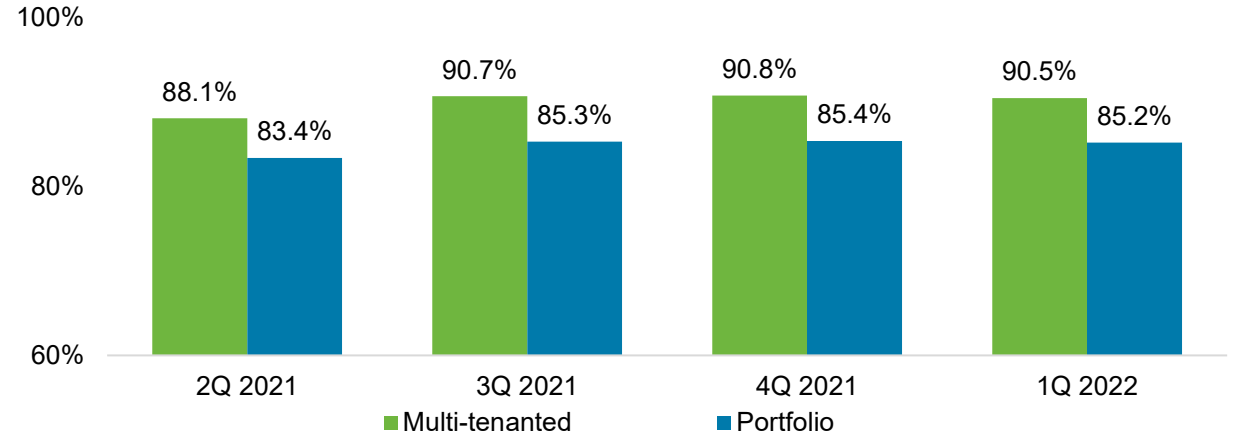
(1) Based on 1,069,950,268 units as at 31 December 2021.

Portfolio Performance as at 31 March 2022

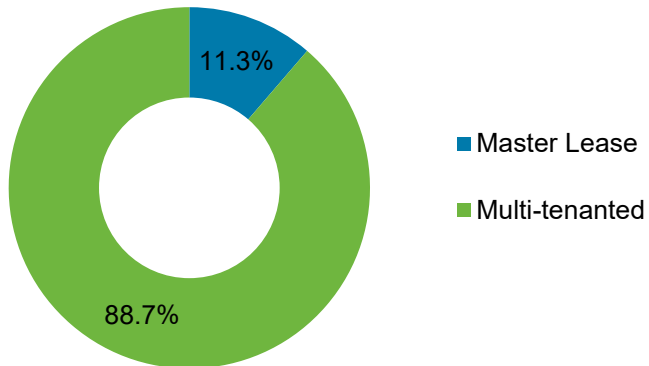
Breakdown of Asset Types
By Gross Rental Income



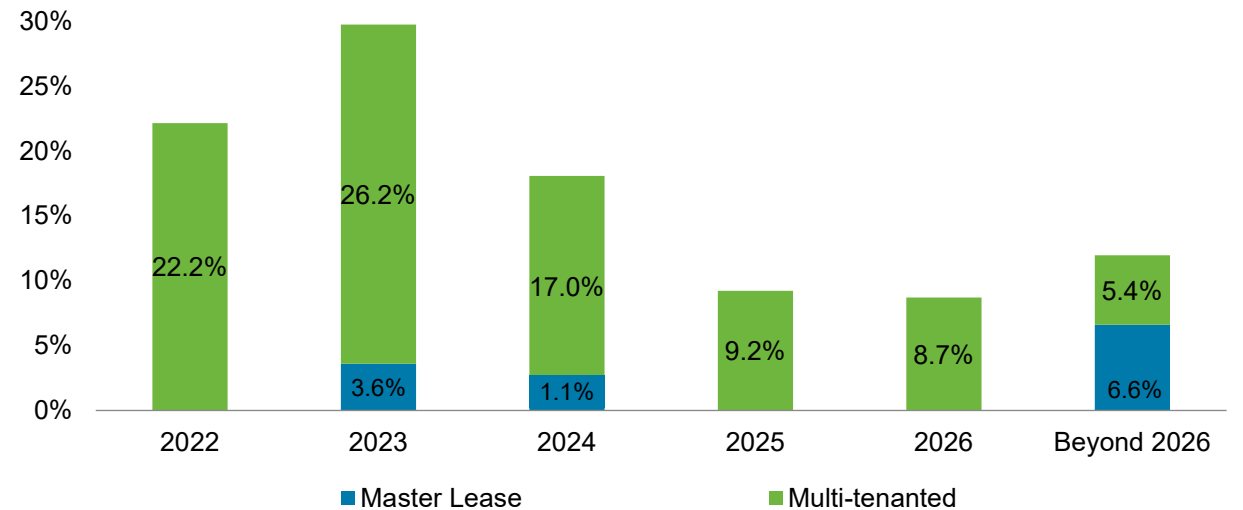
Occupancy Rates



Breakdown of Master-leased and Multi-tenanted Properties
By Gross Rental Income

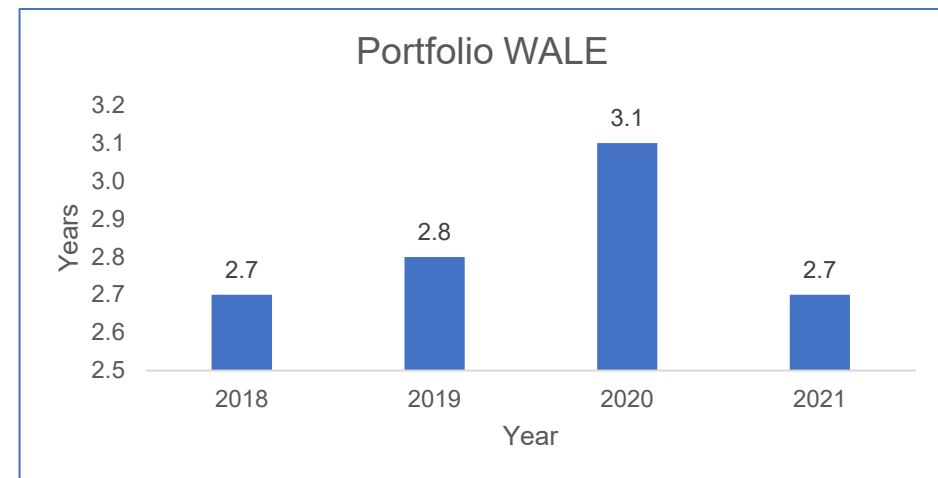
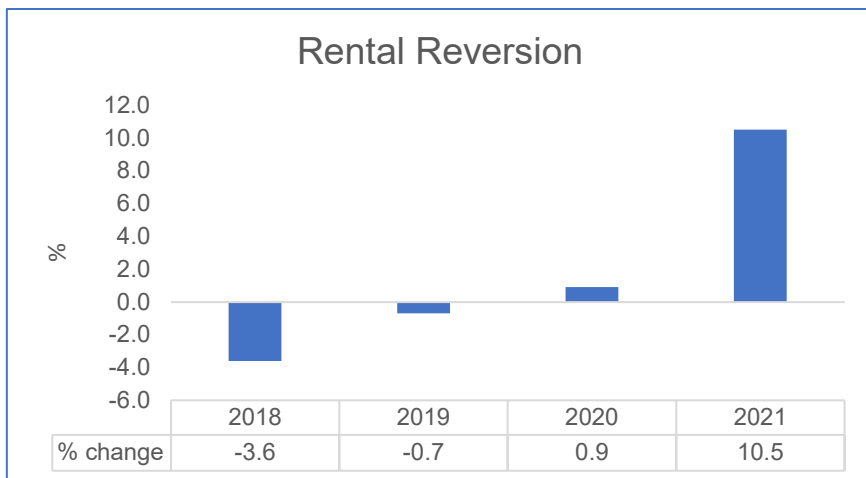
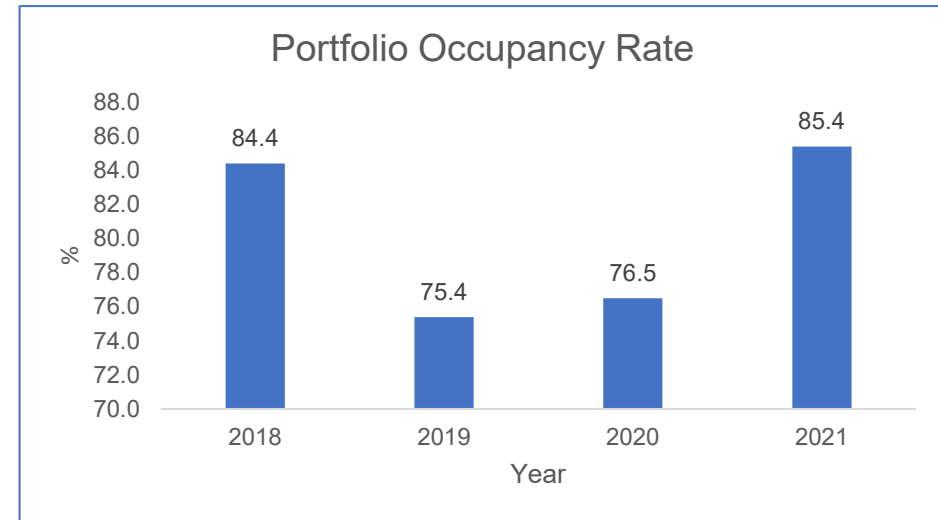
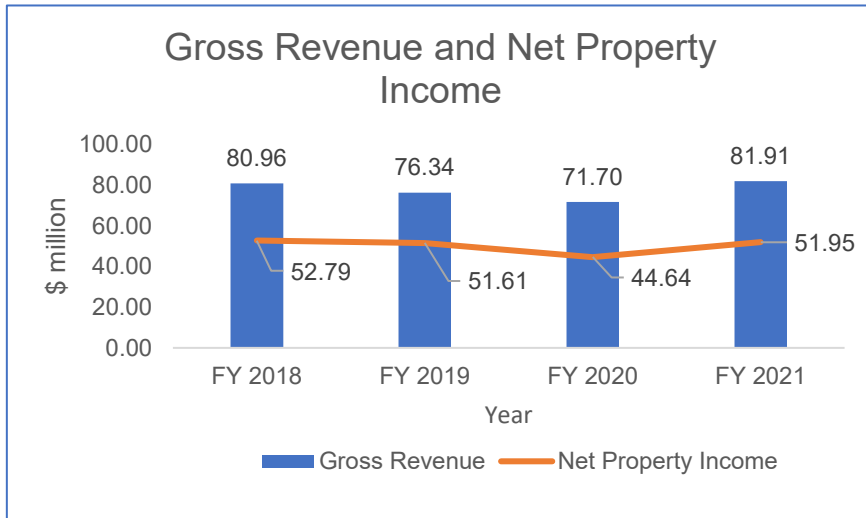


Lease Expiry by Gross Rental Income



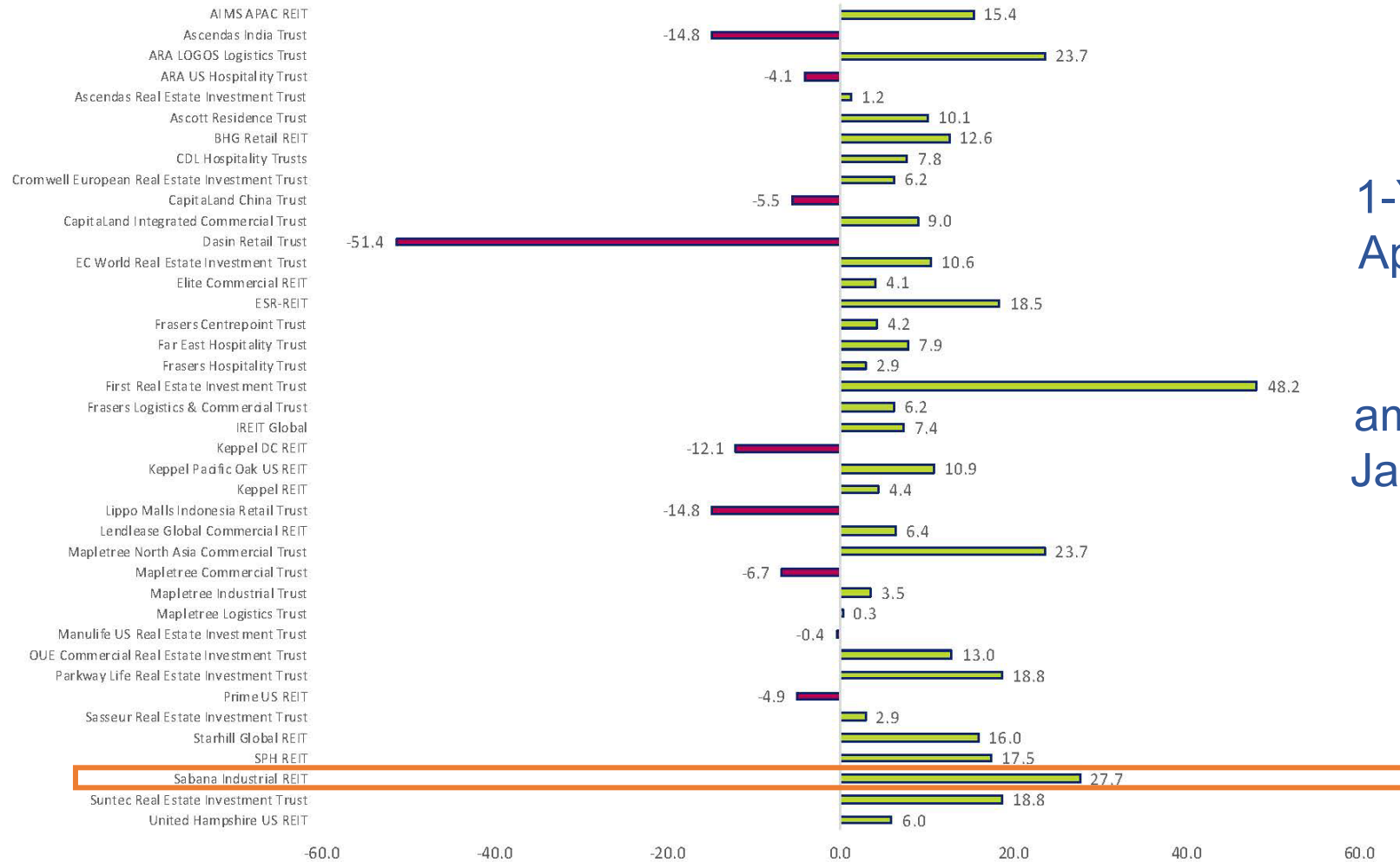
Report Card: 2018-2021

Proactive asset management and selective asset rejuvenation underpinned robust performance, **with significant improvements in portfolio occupancy and rental reversion levels**



Strong market performance

It has the second highest total returns over a one-year period from April 2021 to March 2022 among all S-REITs



+27.7%

1-Year Total Returns from April 2021 to March 2022

Highest Total Returns among industrial REITs from January 2022 to March 2022


Building sustained engagement with investment community and Unitholders

Senior management engaged retail investors through various virtual conferences to enable the investment community to gain a better understanding of the REIT. These conferences include:

- March 2021: Phillip Securities' webinar 2021
- May 2021: Singapore REITS Symposium 2021
- July 2021 : SIAS - SGX Corporate Connect Webinar
- October 2021: ShareInvestor's CEO Interview series
- March 2022: Phillip Securities' webinar 2022
- April 2022: SIAS-Sabana Virtual Dialogue Session for Unitholders

SIAS invites Unitholders of Sabana Industrial REIT to a virtual dialogue session with the Board and management to discuss the REIT's FY 2021 financial performance, growth plans for 2022 and beyond, and resolutions for its upcoming AGM.

BOARD AND MANAGEMENT **SIAS MODERATOR**



Mr Tan Cheong Hin
Chairman

Mr Donald Han
Chief Executive Officer

Mr David Gerald
Founder, President and CEO

SIAS-Sabana Virtual Dialogue Session

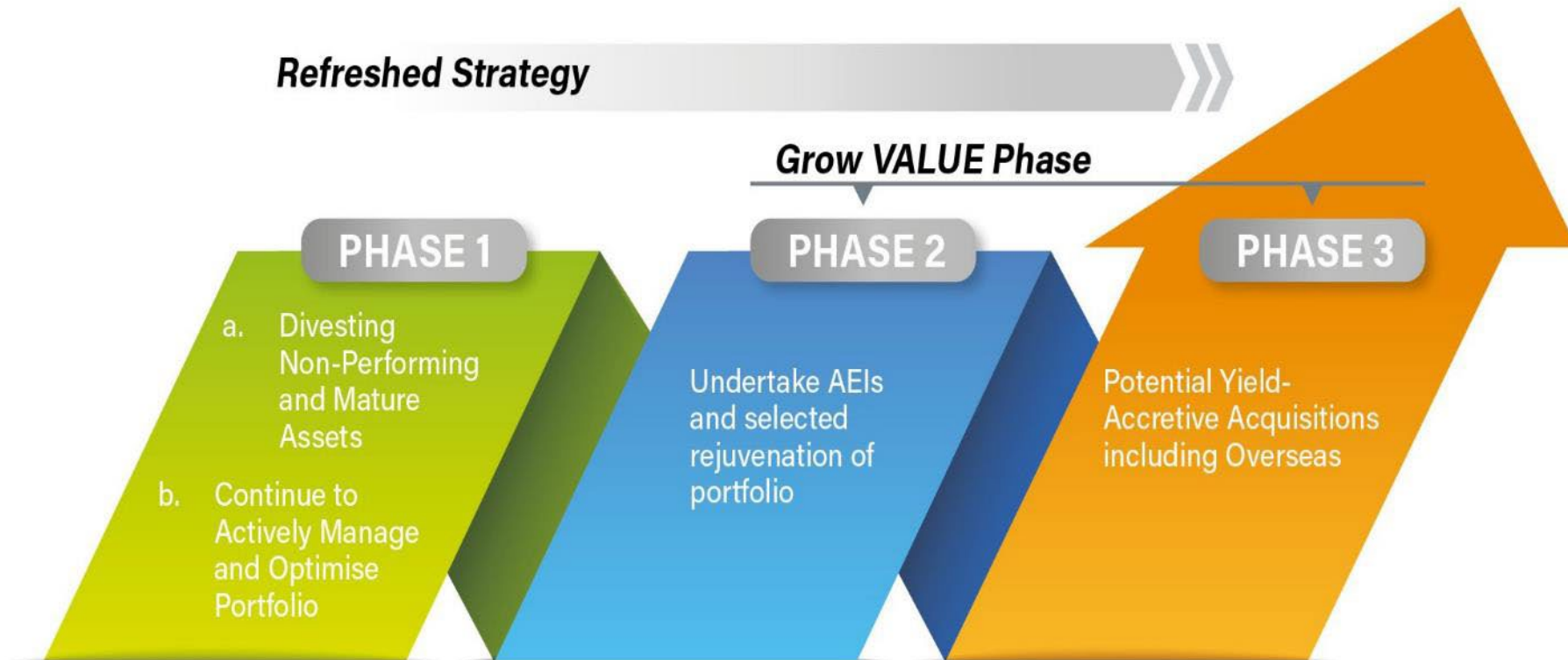


ShareInvestor's CEO Interview Series



**Moving to
*Grow VALUE***

Entering the Grow VALUE phase of our Refreshed Strategy



All underpinned by

- Prudent Capital and Risk Management
- Ongoing Cost Rationalisation

Our strategic priorities for 2022 and beyond



VALUE

Building on **Value**, taking advantage of market opportunities with an eye on macro-economic challenges



ACCRETIVE

Pursuing **Accretive** acquisitions and executing AEs



LEVERAGE

Optimising **Leverage** and capital structure



UPSIZED PORTFOLIO

Upsizing portfolio by retaining and attracting expansionary tenants from growth sectors including e-commerce, logistics, healthcare, electronics and technology



ESG

Advancing **ESG** in our goals and investing with sustainability agenda

Targeting to achieve upsized portfolio valuation of more than \$1 billion in three to five years

Future-proofing our portfolio to Grow VALUE

Selected AEI to enhance assets



1 Tuas Avenue 4

- Targeting second major AEI at **1 Tuas Ave 4** to be carried out in phases for up to approximately 350,000 sq ft in gross floor area; An Expression of Interest for a Build-to-Suit project was conducted in early 2022 and architects have since been invited to present design concepts, floor efficiency plan and costs; Concurrently holding discussions with prospective tenants, including building for a multi-tenancy concept



New Tech Park

- Activation of Phase 3 AEI at **New Tech Park** to maximise plot ratio of 2.5 (additional Business 1 space circa 200,000 sq ft of gross floor area). Outline Planning Application was submitted in February 2022

Sustained progress in portfolio rejuvenation



39 Ubi Road 1

- Started phased upgrading of remaining seven ground floor passenger lift lobbies (B to H) at **New Tech Park**, scheduled for completion in 3Q 2022; phased refurbishment of restrooms
- Refreshing the external façades at **39 Ubi Road 1** and **2 Toh Tuck Link**
- Lift modernisation works at **2 Toh Tuck Link**

Explore acquisitions if accretive opportunities arise

- Explore yield accretive opportunities should they arise; to focus on Singapore over the near term
- Longer term, could access overseas opportunities
- All acquisitions will be managed prudently

Delivering on our ESG focus



508 Chai Chee Lane

- Commencing energy audit for buildings with high power consumption trend; Starting with **508 Chai Chee Lane** with the objective of improving its energy efficiency. Similar initiatives will be rolled out to **New Tech Park**
- Engaging consultants to **review entire portfolio** to identify forward-looking options such as deployment of solar energy and electric vehicle charging stations

Continued proactive lease management



30 & 32 Tuas Avenue 8

- Progressing with lease documentation with prospective master tenant at **30 & 32 Tuas Avenue 8**

A photograph of a modern multi-story building with a glass facade and a parking area with a guardhouse. The building has a prominent glass section on the right side. In the foreground, there is a parking lot with a guardhouse on the right and a road with a white arrow pointing left. The sky is blue with some clouds. The text "Market Outlook" is overlaid on the left side of the image.

Market Outlook

Singapore Industrial Market Outlook

Sabana Industrial REIT is well-placed to manage volatility and capture opportunities in the industrial property sector by executing the *Grow VALUE* phase of its Refreshed Strategy

- Knight Frank noted that some 21.1 million sf of GFA of new industrial space is projected to come on stream across 2022, comprising 42.6% of the total stock set to be completed from Q4 2021 to 2025 ⁽¹⁾.
- Though a delay in construction could lead to a supply peak in 2022, occupancy is forecasted to remain elevated, CBRE said.⁽²⁾
- Meanwhile, Cushman & Wakefield expects to see a slew of redevelopments to meet the needs of quality and higher specifications' demand. Against this backdrop, it noted that occupancy rates of factory space could come under pressure in 2022 due to substantial upcoming supply in the pipeline. While newer and higher spec developments that are able to better meet evolving end-user requirements would lead growth, older warehouse stock would however likely see stagnant rates.⁽³⁾
- Amid rising environmental concerns, more investors will place their ESG agenda at the forefront of investment decision-making efforts. ⁽⁴⁾

Sources:

- (1) "Singapore Research Industrial Q4 2021". Knight Frank. 12 January 2022.
- (2) "Singapore Figures Q4 2021". CBRE. 14 January 2022.
- (3) "Industrial Marketbeat Report". Cushman & Wakefield. 7 January 2022.
- (4) "Singapore Q4 2021". Edmund Tie. Retrieved 18 January 2022.



DELIVERING ON STRATEGY

More information can be found on the Sabana Industrial REIT corporate website and on SGXNet

