

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
For the financial period from 1 January 2025 to 31 March 2025

“Rule 705(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “Listing Manual”) states that an issuer must announce the financial statements for each of the first three quarters of its financial year immediately after the figures are available, but in any event not later than 45 days after the quarter end if its auditors have stated that a material uncertainty relating to going concern exists in the issuer’s latest financial statements. Rule 705(2A) of the Listing Manual further stipulates that the issuer will have a grace period of one year to comply with the requirement under Rule 705(2), such grace period commencing on the date on which the condition in Rule 705(2) is met. An issuer must continue to comply with Rule 705(2) for so long as any condition in Rule 705(2) is met.

In this regard, the REIT is required to announce its unaudited financial results on a quarterly basis as its auditors had stated that a material uncertainty related to going concern exists in the REIT’s financial statements for the year ended 31 December 2023. This material uncertainty related to going concern remains in the audit report for the REIT’s financial statements for the year ended 31 December 2024, which states “We draw attention to Note 2.5 of the 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 25, if the internalisation exercise triggers a review event under existing financing arrangements, it could result in mandatory prepayment of the Group’s outstanding loans 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.”

Accordingly, the REIT is required to comply with the quarterly reporting requirement with effect from 1Q 2025.”

Sabana Industrial Real Estate Investment Trust and its subsidiaries

**Statement of Financial Position
As at 31 March 2025**

		Group		Trust	
	Note	31 March 2025 \$'000	31 December 2024 \$'000	31 March 2025 \$'000	31 December 2024 \$'000
Non-current assets					
Investment properties	4	994,540	992,929	994,540	992,929
Subsidiaries	5	—	—	*	*
Total non-current assets		994,540	992,929	994,540	992,929
Current assets					
Trade and other receivables		12,710	12,459	12,710	12,459
Derivative assets	6	373	707	373	707
Cash and cash equivalents		19,451	18,482	19,451	18,482
Total current assets		32,534	31,648	32,534	31,648
Total assets		1,027,074	1,024,577	1,027,074	1,024,577
Current liabilities					
Trade and other payables		24,161	18,577	24,173	18,586
Tax payable		8	584	8	584
Borrowings	7	82,691	8,000	82,691	8,000
Derivative liabilities	6	258	117	258	117
Lease liabilities		2,008	1,963	2,008	1,963
Total current liabilities		109,126	29,241	109,138	29,250
Non-current liabilities					
Trade and other payables		14,880	14,088	14,880	14,088
Borrowings	7	271,616	340,994	271,616	340,994
Derivative liabilities	6	480	288	480	288
Lease liabilities		75,752	75,066	75,752	75,066
Total non-current liabilities		362,728	430,436	362,728	430,436
Total liabilities		471,854	459,677	471,866	459,686
Net assets		555,220	564,900	555,208	564,891
Represented by: Unitholders' funds		555,220	564,900	555,208	564,891
Units in issue ('000)	8	1,125,055	1,125,055	1,125,055	1,125,055
Net asset value ("NAV") and net tangible asset ("NTA") per unit (\$)		0.49	0.50	0.49	0.50

* Less than \$1,000

Approval by:

Tan Cheong Hin
Chairman

15 April 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
For the financial period from 1 January 2025 to 31 March 2025

		Group	
	Note	1 January 2025 to 31 March 2025 \$'000	1 January 2024 to 31 March 2024 \$'000
Gross revenue		29,106	27,825
Property expenses	9	(13,064)	(14,679)
Net property income		16,042	13,146
Finance income		45	64
Finance costs		(4,398)	(3,962)
Finance costs relating to lease liabilities		(818)	(811)
Net finance costs	10	(5,171)	(4,709)
Manager's fees		(1,171)	(1,166)
Trustee's fees		(94)	(93)
Other trust expenses	11	(845)	(2,645)
Net income		8,761	4,533
Net change in fair value of financial derivatives		(637)	334
Net change in fair value of investment properties		(695)	(452)
Total return for the period before tax and distribution		7,429	4,415
Tax expense	12	(8)	–
Total return for the period after tax and before distribution		7,421	4,415
Earnings per Unit (cents)			
Basic	13	0.66	0.39
Diluted	13	0.66	0.39

* Less than \$1,000

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

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Consolidated Distribution Statement

For the financial period from 1 January 2025 to 31 March 2025

	Group	
	1 January 2025 to 31 March 2025 \$'000	1 January 2024 to 31 March 2024 \$'000
Amount available for distribution to Unitholders at beginning of the period	18,683	15,539
Amount retained for working capital ⁽¹⁾	(1,546)	(2,715)
Amount available for distribution to Unitholders at beginning of the period after retention	17,137	12,824
Total return for the period before tax and before distribution	7,429	4,415
Non-tax deductible / (chargeable) items:		
Trustee's fees	94	93
Net change in fair value of financial derivatives	637	(334)
Net change in fair value of investment properties	695	452
Effects of recognising rental income on a straight-line basis over the lease term	(207)	273
Finance costs relating to lease liabilities	818	811
Land rent expenses	(1,306)	(1,213)
Other items	1,569	3,147
Net effect of non-tax deductible items	2,300	3,229
Income available for distribution to Unitholders for the period before tax	9,729	7,644
Tax expense	(8)	–
Income available for distribution to Unitholders for the period after tax	9,721	7,644
Total amount available for distribution to Unitholders for the period	26,858	20,468
Distribution of 1.15 cents per Unit for the period 1 July 2023 to 31 December 2023 ⁽²⁾	–	(12,786)
Distribution of 1.52 cents per Unit for the period 1 July 2024 to 31 December 2024	(17,101)	–
	(17,101)	(12,786)
Amount available for distribution to Unitholders at end of the period	9,757	7,682
Number of Units entitled to distributions ('000) (Note 8)	1,125,055	1,125,055
Distribution per Unit (cents)	0.86	0.68

(1) An amount of approximately \$2,715,000, after tax deductions, has been retained for working capital and pertains to distributions for the period from 1 July 2023 to 31 December 2023. Additionally, approximately \$1,546,000, after tax deductions, is retained for working capital and pertains to distributions for the period from 1 July 2024 to 31 December 2024.

(2) 13,266,912 Units amounting to approximately \$4,880,000 were issued by the Trust as part payment of distributions in respect of period from 1 July 2023 to 31 December 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
For the financial period from 1 January 2025 to 31 March 2025

	Group		Trust	
	1 January 2025 to 31 March 2025 \$'000	1 January 2024 to 31 March 2024 \$'000	1 January 2025 to 31 March 2025 \$'000	1 January 2024 to 31 March 2024 \$'000
Balance at beginning of the period	564,900	576,538	564,891	576,529
Operations				
Total return after tax and before distribution	7,421	4,415	7,418	4,415
Unitholders' transactions	572,321	580,953	572,309	580,944
Distributions declared to Unitholders	(17,101)	(12,786)	(17,101)	(12,786)
Unit issued through Distribution Reinvestment Plan	–	4,880	–	4,880
Net decrease in net assets resulting from Unitholders' transactions	(17,101)	(7,906)	(17,101)	(7,906)
Unitholders' funds at end of the period	555,220	573,047	555,208	573,038

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 March 2025**

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 March 2025 %	31 December 2024 %	31 March 2025 \$'000	31 December 2024 \$'000	31 March 2025 %	31 December 2024 %
New Tech Park	High-tech industrial	45	31	151 Lorong Chuan, Singapore 556741	85	82	362,053	361,700	65.2	64.0
8 Commonwealth Lane	High-tech industrial	53	34	8 Commonwealth Lane, Singapore 149555	73	76	54,782	54,700	9.9	9.7
Frontech Centre	High-tech industrial	99	36	15 Jalan Kilang Barat, Singapore 159357	100	97	22,540	22,500	4.1	4.0
1 Tuas Avenue 4	High-tech industrial	51.3	22	1 Tuas Avenue 4, Singapore 639382	64	64	24,363	24,100	4.4	4.3
BTC Centre	High-tech industrial	50	32	23 Serangoon North Avenue 5, Singapore 554530	73	66	42,318	42,300	7.6	7.5
508 Chai Chee Lane	High-tech industrial	59	35	508 Chai Chee Lane, Singapore 469032	99	99	71,123	71,000	12.8	12.6
33, 33A & 35 Penjuru Lane	Chemical warehouse & logistics	61	24	33, 33A & 35 Penjuru Lane, Singapore 609200/609758/609202	86	74	41,990	42,000	7.6	7.4
18 Gul Drive	Chemical warehouse & logistics	33	13	18 Gul Drive, Singapore 629468	100	100	19,000	19,000	3.4	3.4
Penjuru Logistics Hub	Warehouse & logistics	30	7	34 Penjuru Lane, Singapore 609201	99	99	28,989	29,000	5.2	5.1
Freight Links Express Logisticentre	Warehouse & logistics	60	30	51 Penjuru Road, Singapore 609143	93	93	31,297	31,300	5.6	5.5
26 Loyang Drive	Warehouse & logistics	48	29	26 Loyang Drive, Singapore 508970	100	100	27,600	27,600	5.0	4.9
<i>Balance carried forward</i>							726,055	725,200	130.8	128.4

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 March 2025

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 March 2025	31 December 2024	31 March 2025	31 December 2024	31 March 2025	31 December 2024
					%	%	\$'000	\$'000	%	%
Balance brought forward							726,055	725,200	130.8	128.4
3A Joo Koon Circle	Warehouse & logistics	60	22	3A Joo Koon Circle, Singapore 629033	96	96	36,500	36,500	6.6	6.5
2 Toh Tuck Link	Warehouse & logistics	60	32	2 Toh Tuck Link, Singapore 596225	74	77	30,200	30,200	5.4	5.3
10 Changi South Street 2	Warehouse & logistics	57	27	10 Changi South Street 2, Singapore 486596	100	100	46,932	46,900	8.5	8.3
123 Genting Lane	General industrial	60	16	123 Genting Lane, Singapore 349574	100	100	17,404	17,400	3.1	3.1
30 & 32 Tuas Avenue 8	General industrial	60	31	30 & 32 Tuas Avenue 8, Singapore 639246/639247	–	–	23,591	23,600	4.2	4.2
39 Ubi Road 1	General industrial	60	27	39 Ubi Road 1, Singapore 408695	99	99	19,198	19,200	3.5	3.4
21 Joo Koon Crescent	General industrial	60	29	21 Joo Koon Crescent, Singapore 629026	100	100	16,900	16,900	3.0	3.0
Investment properties – Fair value							916,780	915,900	165.1	162.2
Investment properties – Right-of-use assets							77,760	77,029	14.0	13.6
Total investment properties							994,540	992,929	179.1	175.8
Other assets and liabilities							(439,320)	(428,029)	(79.1)	(75.8)
Net assets attributable to Unitholders' Funds							555,220	564,900	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 March 2025

	Carrying values as at	
	31 March 2025	31 December 2024
	\$'000	\$'000
As disclosed in the Statements of Financial Position:		
Investment properties – non-current	994,540	992,929

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. 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 carrying amount of the investment properties as at 31 March 2025 were based on the independent valuations as at 31 December 2024, taking into account capitalised expenditures, tenant improvements, leasing costs and amortisation of right-of-use asset recognised during the three-month period.

Management has assessed that the inputs and assumptions used by the valuers in the valuation techniques for their valuation as at 31 December 2024, such as occupancy rate, cashflows, capitalisation rate and discount rate, remains appropriate and reflect the current market conditions for the three-month period ended 31 March 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 Cash Flows

For the financial period from 1 January 2025 to 31 March 2025

	Group	
	1 January 2025 to 31 March 2025 \$'000	1 January 2024 to 31 March 2024 \$'000
Cash flows from operating activities		
Total return for the period before tax and distribution	7,429	4,415
Adjustments for:		
Net change in fair value of financial derivatives	637	(334)
Net change in fair value of investment properties	695	452
Net finance costs	5,171	4,709
	13,932	9,242
Change in trade and other receivables	(306)	2,339
Change in trade and other payables	3,182	(6,518)
	16,808	5,063
Cash generated from operations	8	61
Interest on late payment of rent received		
Net cash from operating activities	16,816	5,124
Cash flows from investing activities		
Capital expenditure on investment properties	(636)	(1,247)
Interest income received	37	3
Net cash used in investing activities	(599)	(1,244)
Cash flows from financing activities		
Proceeds from borrowings	5,000	15,000
Payment of lease liabilities	(488)	(452)
Finance costs relating to lease liabilities	(818)	(811)
Finance costs paid	(2,831)	(4,104)
Distributions paid	(16,111)	(7,906)
Net cash (used in)/from financing activities	(15,248)	1,727
Net increase in cash and cash equivalents	969	5,607
Cash and cash equivalents at beginning of the period	18,482	16,065
Cash and cash equivalents at end of the period	19,451	21,672

Significant non-cash transactions

13,266,912 Units amounting to approximately \$4,880,000 were issued by the Trust as part payment of distributions in respect of period from 1 July 2023 to 31 December 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

For the financial period from 1 January 2025 to 31 March 2025

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 subsidiary (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 31 March 2025 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.

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.

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.

2. Material accounting policy information (cont'd)

2.1 Basis of preparation (cont'd)

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 15 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 2024, apart from the adoption of the new or amended standards which are effective from 1 January 2025.

2.2 Going concern

As at 31 March 2025, the Group and the Trust is in a net current liabilities of \$76.6 million and \$76.6 million respectively. (31 December 2024: net current assets of \$2.4 million and \$2.4 million respectively). These net current liabilities position is primarily due to the maturing loan of \$75.0 million, which is set to expire in March 2026. The Group is currently in discussions with its bankers to explore options for extending or refinancing the loan facilities. The Group's financial position remains adequate and given the moderate gearing ratio and 100% unencumbered portfolio, the Manager believes that the Group will be able to meet its funding requirements when the loan becomes due.

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 of the Manager ("Internalisation"), coupled with loan refinancing which is due in March 2026.

Notwithstanding the above, the Financial Information has been prepared on a going concern basis as the Manager believes that the Group will be able to meet its funding requirements to enable continuation of its operations for the next twelve months.

In assessing the appropriateness of the going concern assumption, management has considered the consequences of various events and conditions (please refer to Note 17) and the loan refinancing which is due in March 2026, and exercised judgement which includes legal and regulatory requirements, conditions and timing for triggering of the loan review event and the ability of the Group to meet its funding requirements in determining whether they create a material uncertainty that casts significant doubt upon the Group and Trust ability to continue as a going concern.

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

For the financial period from 1 January 2025 to 31 March 2025

4. Investment properties

	31 March 2025			31 December 2024
	Fair value	ROU assets	Total	Total
	\$'000	\$'000	\$'000	\$'000
Group and Trust				
Balance at beginning of the year	915,900	77,029	992,929	979,987
Capital expenditure	703	–	703	11,026
Straight-line adjustments in accordance with FRS 116	207	–	207	332
Net change in fair value of investment properties	(207)	(488)	(695)	(9,339)
Remeasurement of ROU assets	–	1,219	1,219	2,798
Capitalisation of leasing commission	329	–	329	617
Amortisation of leasing commission	(152)	–	(152)	(471)
Payment of upfront land premium	–	–	–	7,979
Balance at end of the period	916,780	77,760	994,540	992,929

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

Security

As at 31 March 2025, all investment properties of the Group and the Trust are subject to a negative pledge in connection with the borrowing facilities. (31 December 2024: all investment properties of the Group and the Trust are subject to a negative pledge in connection with the borrowing facilities).

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.

Notes to the Interim Financial Information
For the financial period from 1 January 2025 to 31 March 2025

4. Investment properties (cont'd)

Measurement of fair value (cont'd)

The valuers have considered the capitalisation approach, discounted cash flow and direct comparison methods 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 prices of comparable properties.

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

Fair value hierarchy

The table below analyses investment properties carried at fair value. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical investment properties that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the investment properties, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: unobservable inputs for the investment properties.

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

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investment properties		The estimated fair value of investment properties would increase/(decrease) if:
	<ul style="list-style-type: none"> • Capitalisation rates from 5.50% to 6.50% (2024: 5.50% to 6.50%) 	<ul style="list-style-type: none"> • the capitalisation rates were lower/(higher); or
	<ul style="list-style-type: none"> • Discount rate of 7.25% to 8.25% (2024: 7.25% to 8.25%) 	<ul style="list-style-type: none"> • the discount rates were lower/(higher); or
	<ul style="list-style-type: none"> • Terminal yield rates from 5.75% to 6.75% (2024: 5.75% to 6.75%) 	<ul style="list-style-type: none"> • the terminal yield rates were lower/(higher); or
	<ul style="list-style-type: none"> • Vacancy assumption rates from 1.00% to 5.00% (2024: 1.00% to 5.00%) 	<ul style="list-style-type: none"> • the vacancy assumption rates were lower/(higher); or
	<ul style="list-style-type: none"> • Rental growth rates from 1.39% to 3.00% (2024: 1.39% to 3.00%) 	<ul style="list-style-type: none"> • the rental growth rates were higher/(lower); or

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).

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information

For the financial period from 1 January 2025 to 31 March 2025

5. Subsidiaries

	Trust	
	31 March 2025 \$'000	31 December 2024 \$'000
Equity investments at cost	*	*

* Less than \$1,000

Details of the subsidiaries of the Group are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity interest held by the Group	
			31 March 2025	31 December 2024
Sabana Sukuk Pte. Ltd. ⁽¹⁾	Provision of treasury services	Singapore	100%	100%
SabNewCo Pte. Ltd. ⁽²⁾	Property fund management (including REIT management and direct property fund management)	Singapore	100%	100%

⁽¹⁾ Audited by EY LLP Singapore.

⁽²⁾ Exempted from audit.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information

For the financial period from 1 January 2025 to 31 March 2025

6. Derivative financial instruments

	Group		Trust	
	31 March 2025 \$'000	31 December 2024 \$'000	31 March 2025 \$'000	31 December 2024 \$'000
Current assets				
Interest rate swaps at fair value through Statement of Total Return	373	707	373	707
Non-current liabilities				
Interest rate swaps at fair value through Statements of Total Return	(480)	(288)	(480)	(288)
Current liabilities				
Interest rate swaps at fair value through Statements of Total Return	(258)	(117)	(258)	(117)
Total derivative financial instruments	(365)	302	(365)	302
Derivative financial instruments as a percentage of net assets	(0.07%)	0.05%	(0.07%)	0.05%

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 2024: \$160.0 million) had been entered into at the reporting date to provide fixed rate funding for terms of up to 3 years (31 December 2024: up to 3 years).

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information

For the financial period from 1 January 2025 to 31 March 2025

7. Borrowings

	Note	Group		Trust	
		31 March 2025 \$'000	31 December 2024 \$'000	31 March 2025 \$'000	31 December 2024 \$'000
Unsecured Term Loan Facility ⁽¹⁾	(a)	50,000	–	50,000	–
Unsecured Revolving Loan Facility ⁽¹⁾	(b)	33,000	8,000	33,000	8,000
Less: Unamortised capitalised transaction costs		(309)	–	(309)	–
Total current borrowings		82,691	8,000	82,691	8,000
Unsecured Term Loan Facility ⁽¹⁾	(a)	125,000	175,000	125,000	175,000
Unsecured Revolving Loan Facility ⁽¹⁾	(b)	50,000	70,000	50,000	70,000
Guaranteed Bond Facility	(c)	100,000	100,000	100,000	100,000
Less: Unamortised capitalised transaction costs		(3,384)	(4,006)	(3,384)	(4,006)
Total non-current borrowings		271,616	340,994	271,616	340,994
Total borrowings		354,307	348,994	354,307	348,994

⁽¹⁾ All the borrowings have a nominal interest rate of Singapore Overnight Rate Average + Margin (31 December 2024: a nominal interest rate of Singapore Overnight Rate Average + Margin)

(a) Unsecured Term Loan Facility

As of 31 March 2025, 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 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.

7. Borrowings (cont'd)

(b) Unsecured Revolving Loan Facility

As of 31 March 2025, 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 \$25.0 million maturing in March 2027.
- (iv) 4-year revolving loan facilities of \$25.0 million maturing in May 2028.

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.

(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.

(d) Unutilised Loan Facilities

As of 31 March 2025, the outstanding unsecured Revolving Loan Facility consisted of:

- (i) 4-year revolving facility of \$17.0 million maturing in October 2025.

As of 31 December 2024, the Group has access to the following unutilised revolving loan facilities consisting 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.

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information

For the financial period from 1 January 2025 to 31 March 2025

8. Units in issue and to be issued

	Group and Trust	
	31 March 2025	31 December 2024
	'000	'000
Units in issue:		
At beginning of the period/year	1,125,055	1,111,788
Units issued:		
- Distribution Reinvestment Plan	—	13,267
Total issued Units at the end of the period/year	1,125,055	1,125,055

9. Property expenses

Included in property expenses is a net write off of impairment loss of \$83,000 on trade receivables (1 January 2024 to 31 March 2024: net write off of impairment loss of \$1,160,000) for the period.

10. Net finance cost

	Group	
	1 January 2025 to 31 March 2025	1 January 2024 to 31 March 2024
	\$'000	\$'000
Finance income		
Interest income from fixed deposit	37	3
Interest on late payment of rent	8	61
	45	64
Finance costs:		
Term loan facility	1,914	3,946
Revolving loan facility	942	503
Bond facility	1,023	—
Interest rate swaps	(71)	(869)
Amortisation of transaction costs	590	382
	4,398	3,962
Finance costs relating to lease liabilities	818	811
	5,216	4,773
Net financing costs	5,171	4,709

Sabana Industrial Real Estate Investment Trust and its subsidiaries

Notes to the Interim Financial Information

For the financial period from 1 January 2025 to 31 March 2025

11. Other trust expenses

Included in other trust expenses are:

	Group	
	1 January 2025 to 31 March 2025	1 January 2024 to 31 March 2024
	\$'000	\$'000
Audit fees	105	56
Non-audit fees	13	12
Valuation fees	25	25
Professional fees	154	65
Other expenses ⁽¹⁾	548	2,487
	845	2,645

⁽¹⁾ Other expenses comprised of expenses incurred and accrued for the period from 1 January 2025 to 31 March 2025, 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 \$490,000. (1 January 2024 to 31 March 2024: \$2,397,000)

12. Tax expense

	Group	
	1 January 2025 to 31 March 2025	1 January 2024 to 31 March 2024
	\$'000	\$'000
Tax expense		
Current period ⁽¹⁾	8	—
Reconciliation of effective tax rate		
Total return for the period before taxation and distribution	7,429	4,415
Tax calculated using Singapore tax rate of 17% (31 December 2024: 17%)	1,263	751
Non-tax deductible items	613	755
Tax exempt income	(222)	(206)
Tax transparency	(1,646)	(1,300)
	8	—

⁽¹⁾ The income tax, amounting to \$8,000, 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****For the financial period from 1 January 2025 to 31 March 2025**

13. Earning per unit

Basic and diluted earnings per Unit is based on:

	Group	
	1 January 2025 to 31 March 2025	1 January 2024 to 31 March 2024
	'000	'000
Total return for the period after taxation and before distribution	7,421	4,415
Number of Units		
Weighted average number of Units	1,125,055	1,113,537

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, in addition to those disclosed elsewhere in the financial information, there were the following significant related party transactions:

	Group and Trust	
	1 January 2025 to 31 March 2025	1 January 2024 to 31 March 2024
	\$'000	\$'000
Manager's fees and reimbursables paid/payable to the Manager	1,171	1,166
Property/lease management fees and reimbursables paid/payable to the Property Manager	866	836
Trustee fees paid/payable to the Trustee	94	93

Notes to the Interim Financial Information
For the financial period from 1 January 2025 to 31 March 2025

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 March 2025	31 December 2024
	%	%
Ratio of expenses to weighted average net assets ⁽¹⁾		
- including performance component of Manager's fees	1.53	2.25
- excluding performance component of Manager's fees	1.53	2.25

⁽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 therefore 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)**

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 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.

Extraordinary General Meeting – Price Discovery Process and Sale

Separately, the Manager would like to highlight that, pursuant to a EGM requisition notice received by the Manager from certain Unitholders holding an aggregate of not less than 10% unitholding in Sabana Industrial REIT on 26 February 2025, a Notice of EGM dated 26 March 2025 has been issued by the Manager to convene an EGM in relation to, among others, certain resolutions directing the Trustee to commence and undertake a price discovery process with a view to achieving a possible sale of all or majority of the assets of Sabana Industrial REIT (the "**Price Discovery and Sale Resolutions**"). The EGM will be held on 22 April 2025 and the Manager will update Unitholders on the results of the EGM on SGXNet.

Other Information Required by Listing Rule Appendix 7.2

1 (a)(i) Statement of Total Return and Distribution Statement (1Q 2025 vs 1Q 2024)

Please refer to page 2 and 3 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 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 4 of the Interim Financial Information.

(d)(ii) Details of any changes in the Units

Please refer to page 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 2024.

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, 3 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.

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

Outlook

On 14 April 2025, the Ministry of Trade and Industry (“MTI”) downgraded Singapore’s growth forecast to “0.0 to 2.0 per cent” from “1.0 to 3.0 per cent” on concerns that the sweeping tariffs introduced by the US, and the ongoing US-China tariff war could weigh significantly on global trade and global economic growth. MTI’s assessment is that the external demand outlook for Singapore for the rest of the year has weakened significantly¹.

According to Savills Research in a 3 February 2025 report, the outlook for 2025 is expected to be buffeted by headwinds. Coupled with further escalations in geopolitical conflicts, trade tensions among major economies such as Trump 2.0 tariffs, and a possible reignition of inflation, economic growth is expected to soften². In its 4 February 2025 report, Cushman & Wakefield indicated that a higher supply for single-user factories, warehouses and business parks in 2025 is likely to temper rental growth³.

Looking ahead, the REIT’s performance in 2025 is expected to be challenged by unprecedented economic uncertainties arising from the disruptions in global trade and significant costs pressures from the potential imposition of US tariffs. The Manager is closely monitoring these developments and assessing their impact on the broader market and the REIT’s operations, while constantly engaging the REIT’s tenants. The internalisation of the REIT management function is also expected to be impacted by additional costs incurred and to be incurred in connection with the internalisation, further weighing on the REIT’s performance.

The Manager’s priority in 2025 is to optimise its portfolio occupancy while mitigating rising operational costs and stabilising service charges so as to attract or retain cost-conscious tenants. To this end, our efforts are supported by the successful implementation of our solar initiatives completed last year, with the REIT expected to reap its first full year savings this year from the installation of these solar panels. The Manager will also attempt to initiate early tenant engagement to 12 months prior to lease expiries, up from the current six to nine months. At the same time, as we seek to attract new tenants, we will be cognisant of keeping the rents of our quality properties competitive and nimble to market changes.

¹ “Singapore’s GDP grew by 3.8 per cent in the first quarter of 2025. MTI downgrades Singapore’s GDP growth forecast for 2025 to “0.0 to 2.0 per cent”, the Ministry of Trade and Industry, 14 April 2025.

² Market in minutes, Industrial” Savills Research – 3 February 2025.

³ “Marketbeat Singapore Industrial Q4 2024” Cushman and Wakefield – 4 February 2025.

11. Distributions

(a) Current financial period

Any distributions declared for the current financial period? No

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? No

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

Not applicable for current period.

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. General mandate for Interested Person Transactions

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

15. 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 March 2025, statement of total return & distribution statements, statement of cash flows and statement of movements in Unitholders’ funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

16. 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.

**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

15 April 2025

Appendix 1

	Group		Trust	
	As at 31/3/2025	As at 31/12/2024	As at 31/3/2025	As at 31/12/2024
Net asset value (“NAV”) and net tangible asset (“NTA”) per unit (S\$) ^(a)	0.49	0.50	0.49	0.50

Note:

- (a) The number of units used to compute NAV per unit and NTA per unit is 1,125,055,242 (31 December 2024: 1,125,055,242).

Appendix 2

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

1Q 2025 vs 1Q 2024

<u>Statement of Total Return</u>	Group		
	1Q 2025	1Q 2024	Fav / (Unfav)
	S\$'000	S\$'000	%
Gross revenue	29,106	27,825	4.6
Property expenses	(13,064)	(14,679)	11.0
Net property income ^(a)	16,042	13,146	22.0
Finance income	45	64	(29.7)
Finance costs ^(b)	(4,398)	(3,962)	(11.0)
Finance costs relating to lease liabilities	(818)	(811)	(0.9)
Net finance costs	(5,171)	(4,709)	(9.8)
Manager's fees	(1,171)	(1,166)	(0.4)
Trustee's fees	(94)	(93)	(1.1)
Other trust expenses ^(c)	(845)	(2,645)	68.1
Net income	8,761	4,533	93.3
Net change in fair value of financial derivatives ^(d)	(637)	334	n.m
Net change in fair value of investment properties ^(e)	(695)	(452)	n.m
Total return for the period before taxation	7,429	4,415	68.3
Tax expense	(8)	—	n.m
Total return for the period after taxation	7,421	4,415	68.1
Distribution adjustments	2,300	3,229	n.m
Total income available for distribution to Unitholders for the period before tax ^(f)	9,729	7,644	27.3
Total income available for distribution to Unitholders for the period after tax	9,721	7,644	27.2

n.m denotes “not meaningful”

Notes:

- (a) Net property income for 1Q 2025 increased by 22.0% mainly attributed by higher gross revenue and lower overall property expenses.
- (b) Finance costs increased by 11.0% mainly due to the increase in overall interest rates and higher total borrowings.
- (c) Other trust expenses decreased mainly due to lower internalisation expenses incurred.
- (d) The net change in fair value of financial derivatives relates to the fair value change of the interest rate swaps recognised.
- (e) 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.
- (f) Income available for distribution before tax increased by 27.3% mainly due to higher net property income recorded.



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

15 April 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 three-months ended 31 March 2025 as set up on pages 1 to 22. The Interim Financial Information comprises the following:

- Statements of financial position of the Group and the Trust as at 31 March 2025;
- Consolidated portfolio statement of the Group as at 31 March 2025;
- Consolidated statement of total return of the Group for the three-month period ended 31 March 2025;
- Consolidated distribution statement of the Group for the three-month period ended 31 March 2025;
- Statements of movements in unitholders’ funds of the Group and the Trust for the three-month period ended 31 March 2025;
- Consolidated statement of cash flows of the Group for the three-month period ended 31 March 2025; and
- Notes to the above Interim Financial Information.

The Management of Sabana Real Estate Investment Management Pte. Ltd. (the “Manager” of the Trust), is responsible for the preparation and 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 March 2025, 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 three-months ended 31 March 2025 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 Information which indicates that the Group and Trust current liabilities exceeded their current assets by \$76.6 million and \$76.6 million respectively as at 31 March 2025. Note 2.2 also 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. The ability of the Group and the Trust to continue as going concerns is subject to obtaining an extension or refinancing of loan facilities with the banks. 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 Interim Financial Information in respect of this.

Our conclusion is not qualified in respect of this matter.



**Shape the future
with confidence**

The Board of Directors
Sabana Real Estate Investment Management Pte. Ltd.
(in its capacity as Manager of Sabana Industrial Real
Estate Investment Trust)

Page 3

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, appearing to read 'Ernst & Young LLP'.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

15 April 2025