

SERT'S PROPOSED INTERNALISATION

A 5.9% DPS UPLIFT?

The headline is compelling. The transaction has more layers.

What is SERT really buying?

Why did Alpha take a different path?

And whose economics change when the manager moves in-house?

5.9% is an illustrative pro forma scenario, not future distribution guidance.

WHAT SERT IS PROPOSING TO BUY

An operating business, not just its REIT manager

ACQUISITION SCOPE

The two managers

REIT manager + business trust trustee-manager

European operating platform

Logistics and light-industrial management teams

Third-party business

Client management contracts + related minority co-investments

TRANSACTION ECONOMICS

Up to €114m

Managers + operating platform

€80m

Sponsor subscription

40m new securities at €2 each

Up to €34m

Cash portion

Plus up to €8.4m for co-investments

Key point

SERT acquires costs and third-party revenue along with management control.

Proposed transaction · Subject to approvals and final terms

TWO ROUTES TO INTERNAL MANAGEMENT

Alpha replaced its manager; SERT proposes to acquire its manager and platform

ALPHA INTEGRATED REIT

Unitholder-led replacement

Aug 2023 Vote to remove external manager

Oct 2025 New manager takes over

~26 months from vote to completion
S\$12.22m cumulative process costs to Jun 2025

SERT

Negotiated acquisition

28 Sep 2026 Proposal announced

Sponsor willing to sell

Approvals and completion still pending

The distinction

Alpha built a replacement; SERT holders must assess the business they are buying.

Sources: Alpha trustee statements; SERT 28 Sep 2026 proposal.

WHAT HAS ALPHA GAINED SO FAR?

Early results after the October 2025 management transition

DISTRIBUTIONS

2H 2025

1.83¢

+20.4% year on year

1H 2026

2.03¢

+19.4% year on year

PRICE-ONLY REFERENCE

S\$0.455

23 Oct 2025

S\$0.485

2 Oct 2026

About +7%; excludes distributions

Interpretation

Internalisation cost savings helped DPU, alongside leasing, occupancy and rents.

The price and DPU changes cannot be attributed solely to internalisation.

Sources: Alpha FY2025 and 1H2026 results; SGX price references. Rounded figures.

WHERE DOES THE €10.1M BENEFIT COME FROM?

SERT's illustrative annual pro forma calculation

FY2025 fees retained inside SERT	+€26.4m
Estimated FY2027 staff + overhead	-€23.8m
Fee savings after operating costs	≈€2.6m
Estimated FY2027 third-party revenue	+€11.0m
Estimated tax on third-party revenue	-€1.8m
Estimated financing costs	-€1.8m
PRO FORMA NET DISTRIBUTION BENEFIT	€10.1m

Source: SERT 28 Sep 2026 announcement. Rounded components may not sum exactly; not guidance.

HOW DOES THAT AFFECT DPS?

Illustrative FY2025 pro forma scenarios; after cases include 40m new securities

BEFORE 13.39¢ FY2025 DPS	NO REQUIRED CONSENTS 13.80¢ after proposal +3.1%	ALL REQUIRED CONSENTS 14.18¢ after proposal +5.9%
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The key dependency

Third-party contract consents materially affect the full 5.9% illustration.

Source: SERT 28 Sep 2026 announcement. Scenarios are pro forma illustrations, not DPS guidance.

ARE THIRD-PARTY EARNINGS DURABLE?

An existing business; the remaining contract economics need scrutiny

11

management mandates

~€820m

assets under management

€11m

estimated FY2027 revenue

THE QUESTIONS BEHIND THE REVENUE

01 Consents

What share has client approval to transfer?

02 Remaining terms

When do the largest mandates expire?

03 Concentration

How much revenue depends on a few clients?

Source: SERT proposal and 30 Sep 2026 FAQ. €11m is an estimate, not guaranteed revenue.

HOW DID PLATFORM EBIT MORE THAN DOUBLE?

Revenue fell, but estimated operating costs fell further

	2024 HISTORICAL	FORWARD 12 MONTHS to Sep 2027	
Revenue	~€44.9m	~€37.4m	-€7.5m
Operating costs	~€39.0m	~€24.1m	-€14.9m
Operating EBIT	~€5.9m	~€13.3m	+€7.4m

TEST: Can the smaller cost base and remaining revenue both be sustained?

Source: SERT 30 Sep 2026 FAQ. Forward EBIT is a valuation estimate, not reported profit.

IS SERT PAYING A FAIR PRICE?

Two purchase-price measures answer different questions

BDO preliminary midpoint enterprise value

€133.2m

CONTRACTUAL PRICE

€114m

14.4% below valuation midpoint

“EFFECTIVE” COMPARISON

€94m

29.4% below valuation midpoint
€114m less €20m implied issue premium

The €94m is an economic comparison, not the contractual amount payable.

Co-investments (up to €8.4m) and transaction expenses are separate.

Source: SERT 28 Sep 2026 proposal. Full-consent case; valuation is preliminary.

WHY WOULD THE SPONSOR SELL?

A coherent strategic rationale, alongside related-party incentives

01 Strategy

SWI is shifting capital toward digital infrastructure.
>80% of capital allocated there, according to SWI.

02 Realisation

SWI receives consideration for the platform.
It also transfers a staff-intensive European business.

03 Continuing upside

SWI takes a larger interest in SERT.
New securities carry a 12-month lock-up.

Investor test Does the acquired income justify the price and future sponsor dealings?

Sources: SERT proposal; SWI digital-infrastructure strategy. Motives are an analytical inference.

AIONX: A SEPARATE SPONSOR-LINKED EXPOSURE

Two investments with different return profiles

EQUITY

€50m

Exposure to AiOnX's future value

Fair-value gains are unrealised

MANDATORY CONVERTIBLE LOAN

€50m

7.25% annual cash coupon

Paid semi-annually; IR confirms receipt has begun

What to distinguish

Reported 1H2026 DPS contribution: ~€2m

The first coupon was due after June; future project value remains uncertain.

Sources: SERT 1H2026 results and AiOnX loan terms; subsequent coupon receipt confirmed by IR.

THE DIVIDEND UNCLE'S TAKE

Constructive on the structure; conviction rests on acquired earnings

WHAT LOOKS PROMISING

Own management economics

Existing third-party business

Sponsor subscribes at €2

WHAT NEEDS PROOF

Like-for-like EBIT bridge

Mandate duration + consents

Fair price and ongoing fees

The central question

After paying for the platform, how much dependable income reaches existing securityholders over time?

Research view as at 6 Oct 2026 · Proposed transaction; pending circular and approvals.