



SASSEUR REIT

First Listed Outlet REIT in Asia

KGI Securities - Investor Webinar

15 July 2020

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DBS Bank Ltd. was the sole financial adviser and issue manager for the initial public offering of Sasseur REIT (the "**Offering**"). DBS Bank Ltd. and Bank of China Limited, Singapore Branch were the joint global coordinators to the Offering. DBS Bank Ltd., Bank of China Limited, Singapore Branch, China International Capital Corporation (Singapore) Pte. Limited, Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited, Haitong International Securities (Singapore) Pte. Ltd. and Maybank Kim Eng Securities Pte. Ltd. were the joint bookrunners and underwriters to the Offering.

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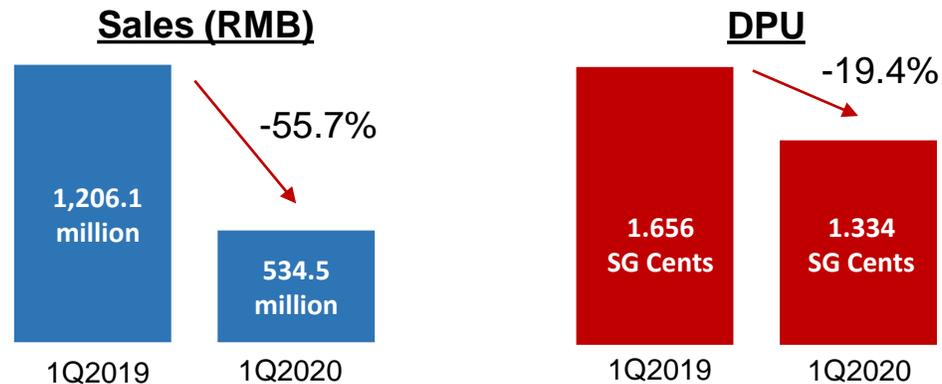
COVID-19 Update



Despite the disruptions caused by COVID-19, Sasseur REIT has responded responsibly and proactively



Our unique Entrusted Management Agreement (EMA) Model has proven beneficial for Unitholders in this challenging environment



Key Highlights

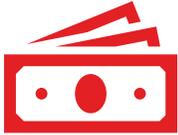


SASSEUR (KUNMING) OUTLETS

1Q 2020 Key Highlights



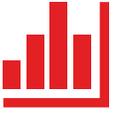
Annualised DPU yield 9.1% based on closing price \$0.590 as at 31 March 2020

 EMA Rental Income¹	 Distributable Income	 Distribution Per Unit	 NAV Per Unit
RMB127.2 million	S\$16.0 million	1.334 SG Cents	92.58 SG Cents
↓ 17.1% y-o-y	↓ 18.7% y-o-y	↓ 19.4% y-o-y	↑ 15.7% vs IPO

1. Excluding straight-line accounting adjustment

1Q 2020 Operational Performance



 EMA Fixed Component (RMB)¹ +3.9% vs 1Q 2019	 Outlet Sales RMB 534.5 million 55.7% decline vs 1Q 2019	 Aggregate Leverage 28.5% FY 2019: 27.8%
 EMA Variable Component (RMB) -54.8% vs 1Q 2019	 Weighted Average Lease Expiry² 2.9 years	 Occupancy 94.8%

1. Include additional Hefei shop units acquired in May 2019.
2. Weighted average lease expiry by net lettable area.

Financial Results



SASSEUR (CHONGQING) OUTLETS

1Q 2020 EMA Rental Income Decrease 18.2% y-o-y



	1Q 2020	1Q 2019	Change %
Fixed Component (RMB mil)	102.4	98.5	+3.9
Variable Component (RMB mil)	24.8	54.8	-54.8
EMA Rental Income ¹ (RMB mil)	127.2	153.3	-17.1
Exchange Rate ² (RMB/S\$)	5.0339	4.9665	+1.4
EMA Rental Income ¹ (S\$ mil)	25.3	30.9	-18.2
Distributable Income (S\$ mil)	16.0	19.7	-18.7
DPU (S cents)	1.334	1.656	-19.4

1. Excluding straight-line accounting adjustment
2. Using the average SGD:RMB rate for the period

Healthy Balance Sheet



S\$ mil	Actual 31 Mar 2020	Actual 31 Dec 2019
Investment properties	1,652.5	1,587.2
Cash and short-term deposits	73.6	154.7
Other assets	37.3	28.5
Total Assets	1,763.5	1,770.4
Loans and borrowings	490.3	478.6
Other liabilities	161.0	222.7
Total Liabilities	651.3	701.3
Net Assets	1,112.2	1,069.2
NAV per unit (cents) ¹	92.58	89.20
Aggregate Leverage	28.5%	27.8%

1. Based on units in issue and issuable of 1,201,377,552 and 1,198,678,588 as at 31 March 2020 and 31 December 2019 respectively.

Capital Management



SASSEUR (HEFEI) OUTLETS

Prudent Capital Management



	 Aggregate Leverage	 Average Debt Maturity	 Interest Coverage Ratio	 Weighted Average Cost of Debt
1Q 2020	28.5%	2.49 years	4.7 times	4.3% p.a.
FY 2019	27.8%	2.73 years	4.8 times	4.4% p.a.

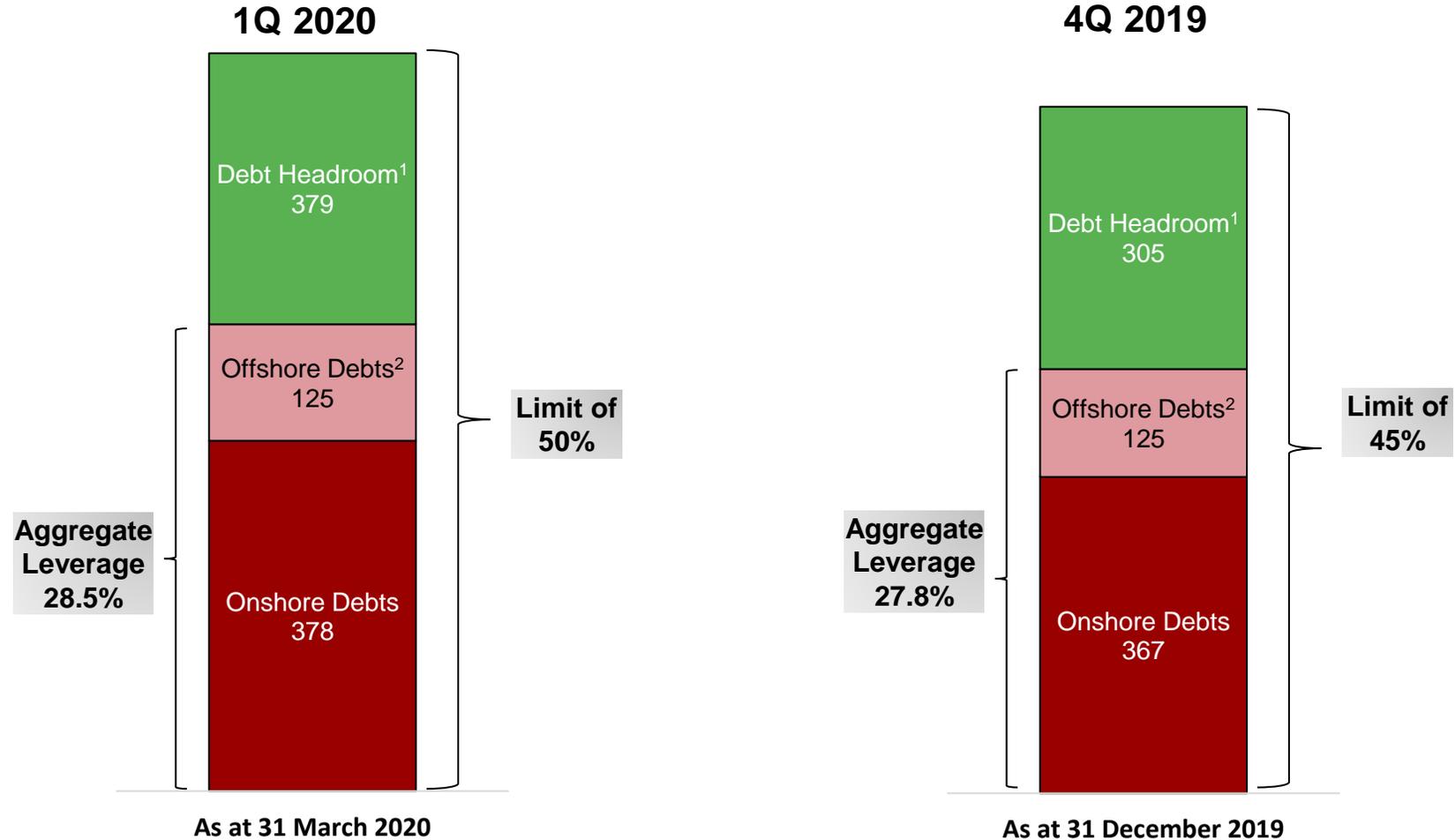
Loan Facilities	Onshore	Offshore
Currency	RMB	SGD
Outstanding Quantum²	~SGD 378 million (RMB 1.88 billion)	SGD 125 million (~RMB 0.62 billion)
Maturity	March 2023	March 2021
Floating Rate	PBOC benchmark 1-5 years lending rate	Singapore SOR ¹

1. 50% of offshore loan is hedged
2. As at 31 March 2020 based on SGD to RMB exchange rate of 4.9724.

Prudent Capital Management



Debt Facilities (SGD million)



1. Debt headroom is computed based on corresponding periods' deposited property value or total assets value

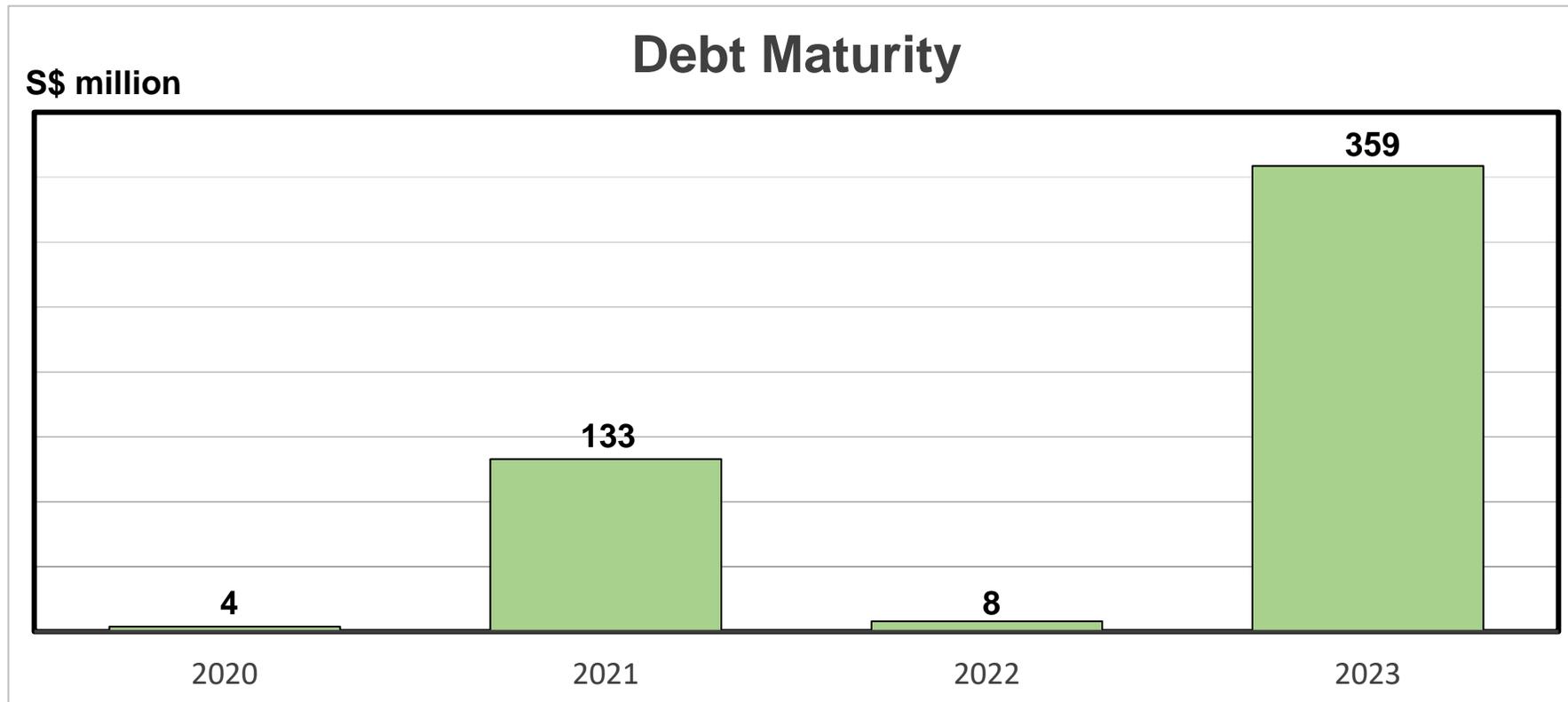
2. 50% of Offshore Loan is hedged

Note: All calculations are done according to the SGD to RMB exchange rate of 5.1739 as at 31 December 2019 and 4.9724 as at 31 March 2020

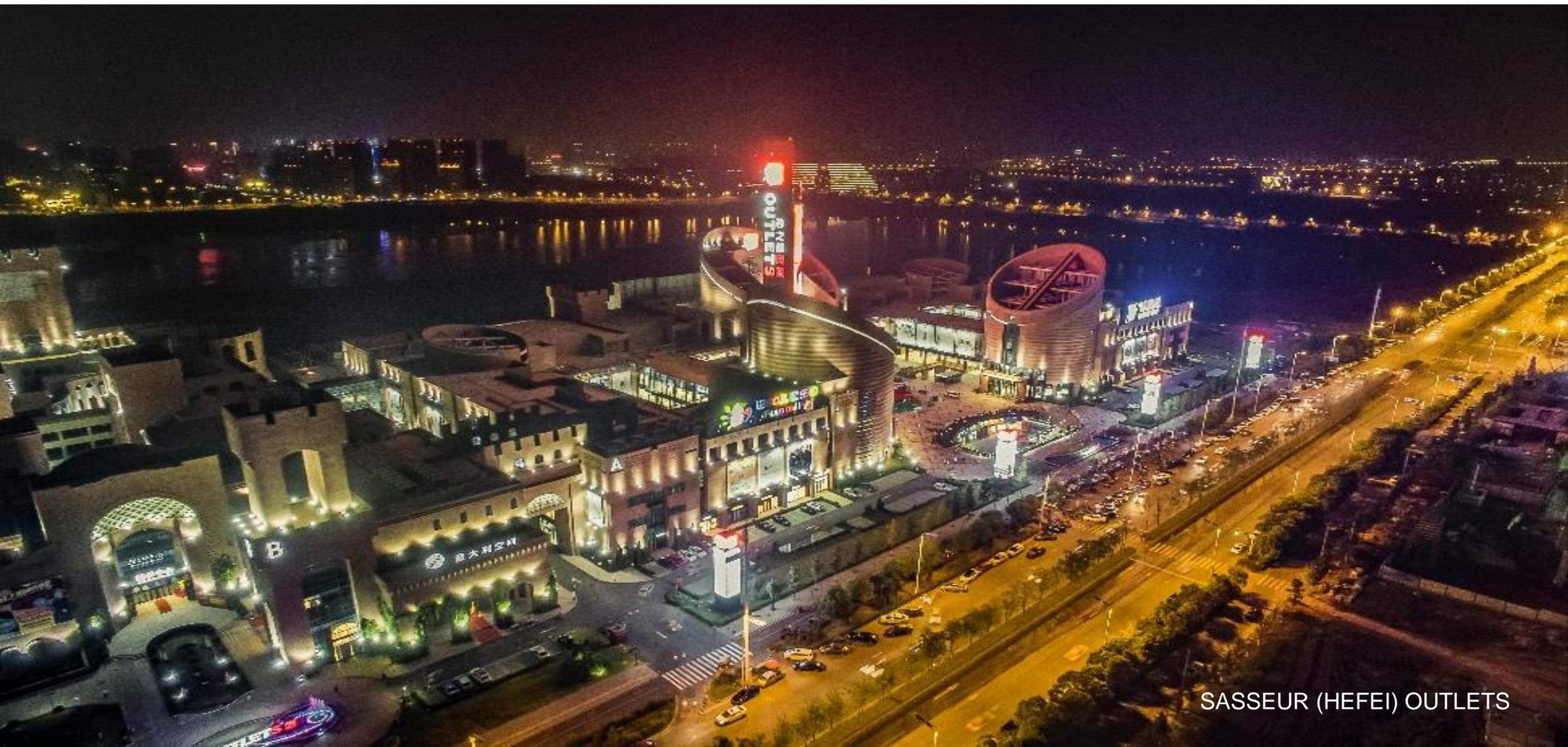
Debt Maturity Profile



**Weighted average debt maturity is 2.49 year
Refinancing discussion in progress**



Portfolio Update



SASSEUR (HEFEI) OUTLETS

Portfolio Summary

Portfolio

Valuation* : 8,212 mil

NLA : 312,844 sqm

Occupancy ^ : 94.8%



Hefei Outlet Mall
Valuation : 2,795 mil
NLA : 144,583 sqm
Occupancy : 95.5%



Bishan Outlet Mall
Valuation : 824 mil
NLA : 47,308 sqm
Occupancy : 86.5%



Kunming Outlet Mall
Valuation : 1,620 mil
NLA : 70,067 sqm
Occupancy : 96.0%



Chongqing Outlet Mall
Valuation : 2,973 mil
NLA : 50,885 sqm
Occupancy : 100%

*Based on independent valuation as at 31 Dec 19 by JLL (RMB million).

^Occupancy for 1Q 2020

1Q 2020 Outlets Summary

1Q 2020 Total Outlet Sales Decreased 55.7%

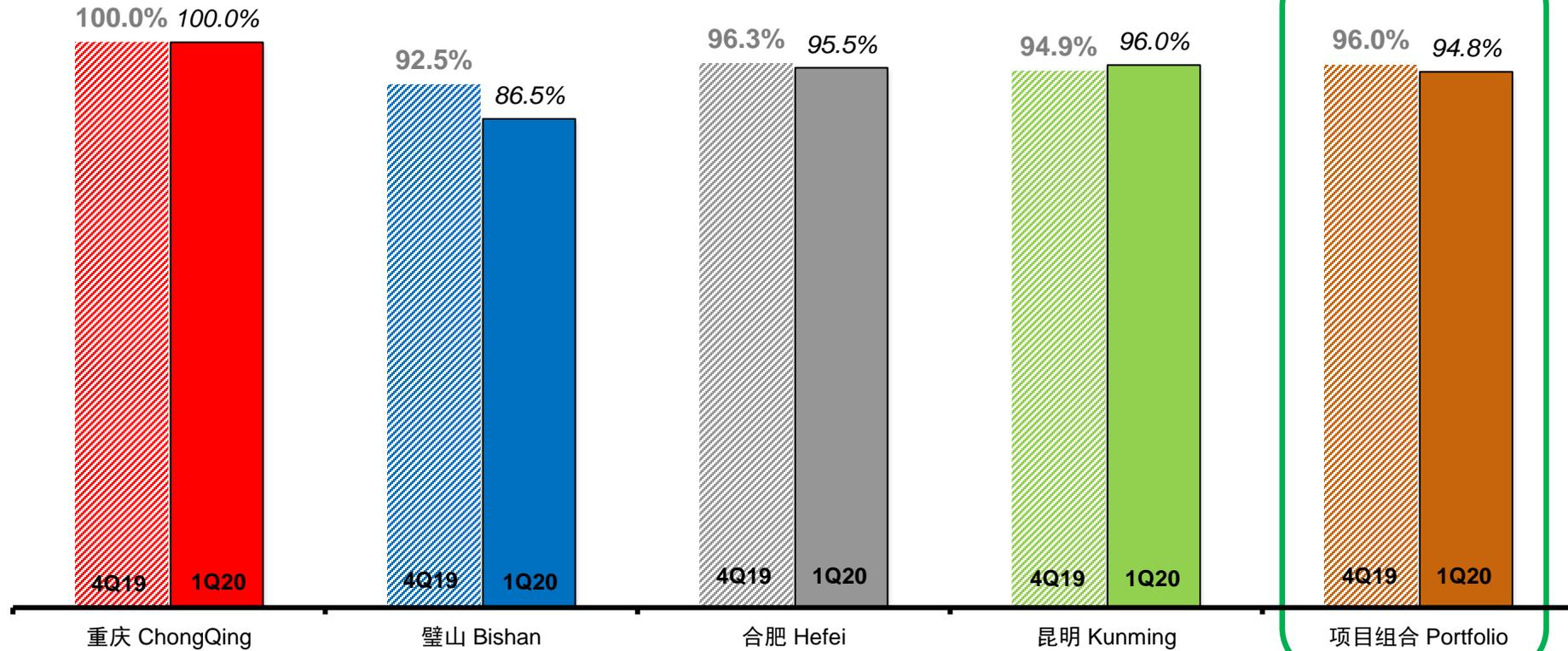
Outlets	NLA (sqm)	Occupancy (%)	1Q 2020 ¹ Sales (RMB'mil)	1Q 2020 vs 1Q 2019 ² Change (%)
Chongqing	50,885	100.0	232.5	-61.8
Bishan	47,308	86.5	51.9	-58.4
Hefei	144,583	95.5	128.4	-47.2
Kunming	70,067	96.0	121.8	-46.8
Portfolio	312,844	94.8	534.5	-55.7

1. 1Q 2020: 01 Jan 2020 – 31 Mar 2020
2. 1Q 2019: 01 Jan 2019 – 31 Mar 2019

Portfolio Occupancy (1Q 2020 vs 4Q 2019)



4 Outlets Malls enjoy high stable occupancy

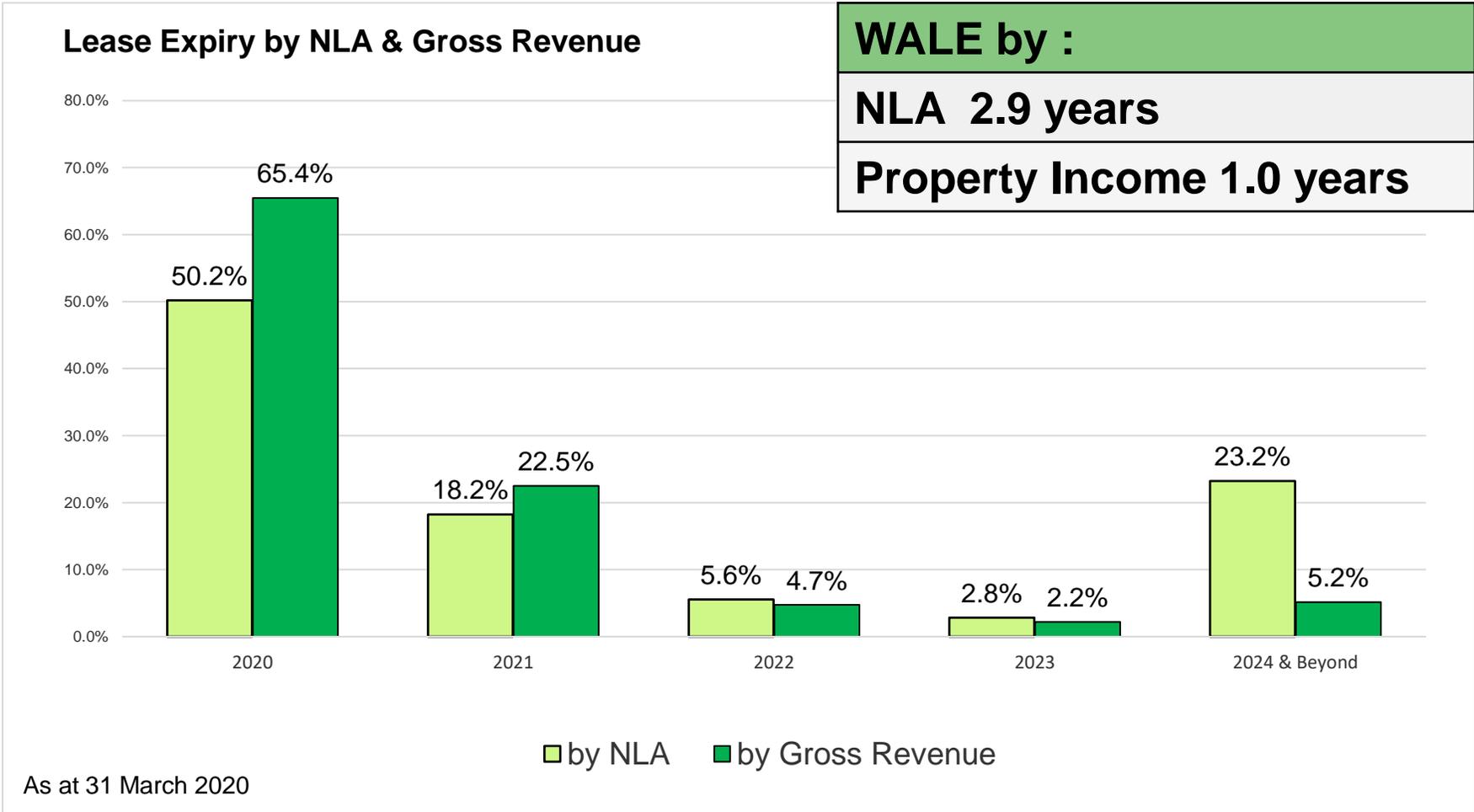


1Q 2020 vs 4Q 2019

Weighted Average Lease Expiry (WALE)



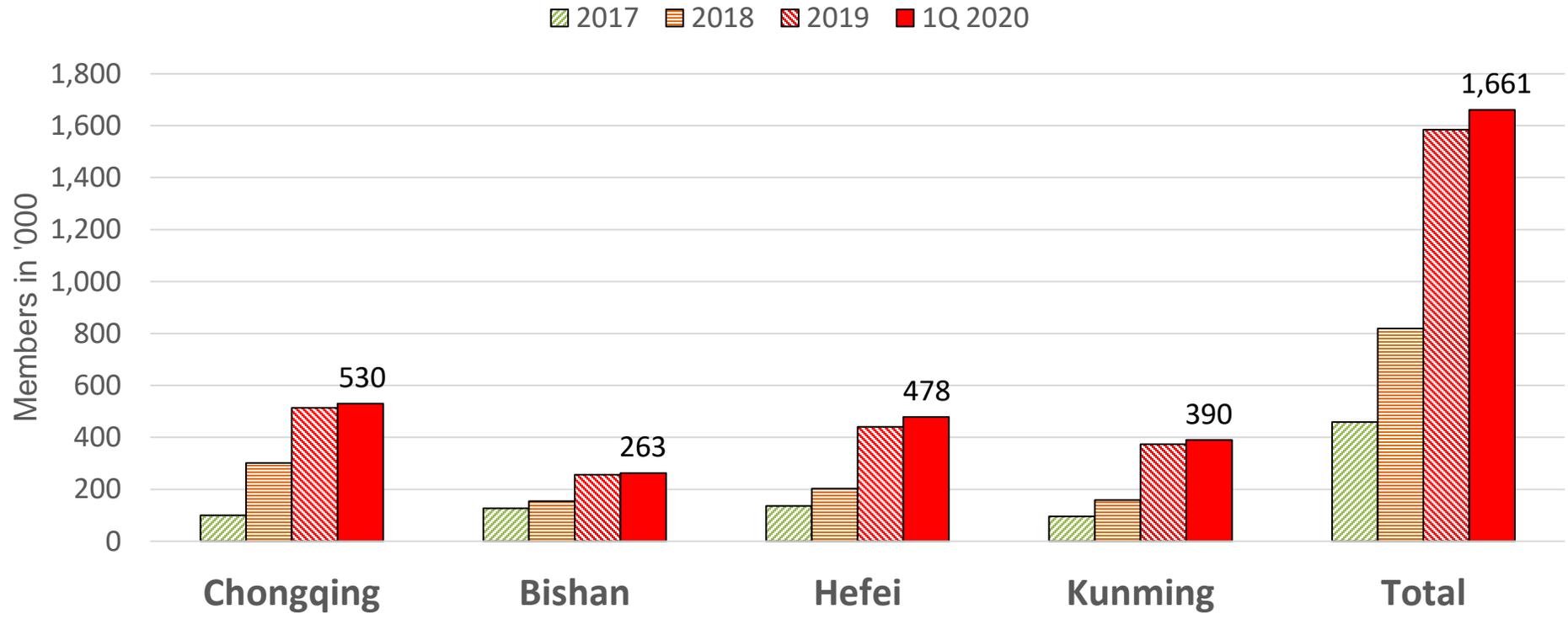
Deliberate short lease to optimise tenant mix



VIP Members - Growth by Outlets



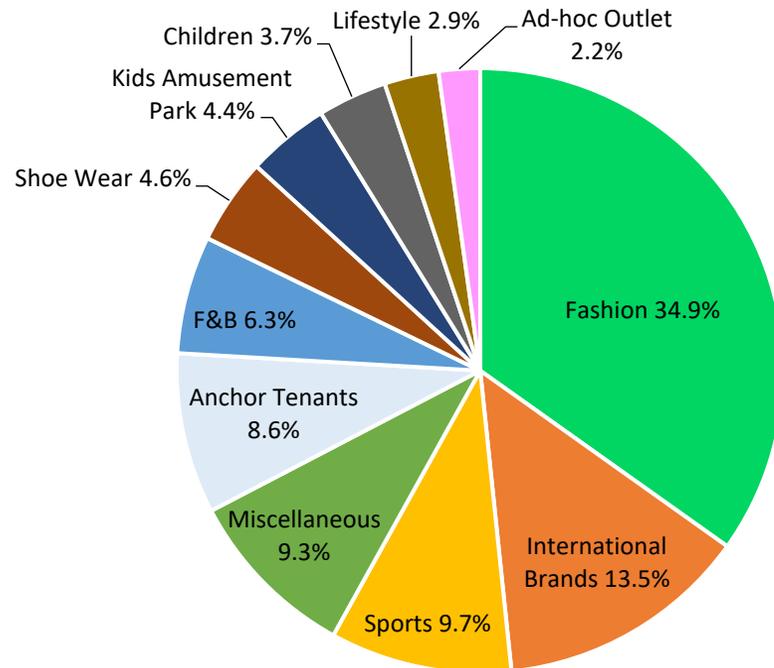
Total VIP members increased 4.8% in 1Q 2020 to reach 1.66 million



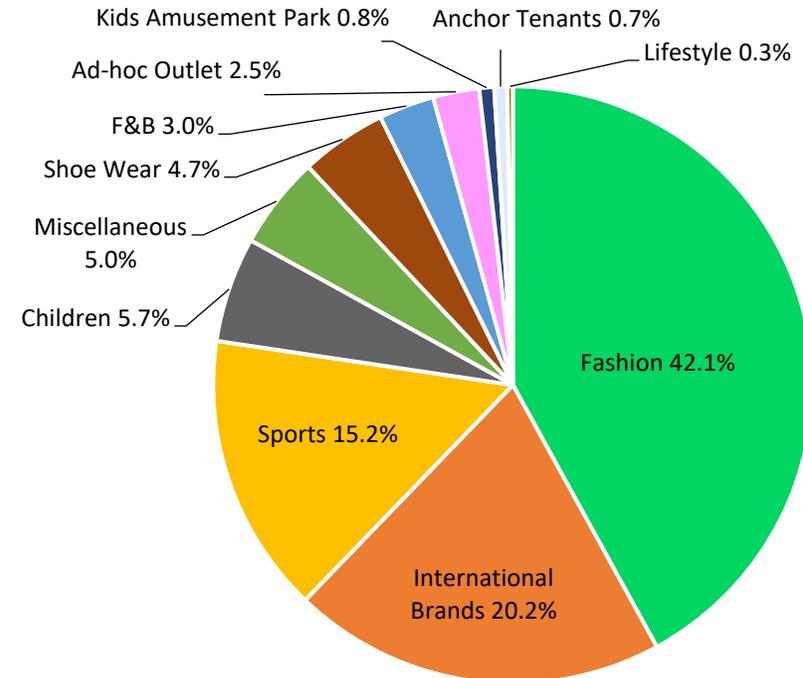
Well Diversified Trade Mix



Breakdown of NLA¹ by Trade Mix



Breakdown of Revenue² by Trade Sector



Fashion, Sports and International Brands

58.0%

77.4%

1. As percentage of the portfolio's net lettable areas as at 31 March 2020

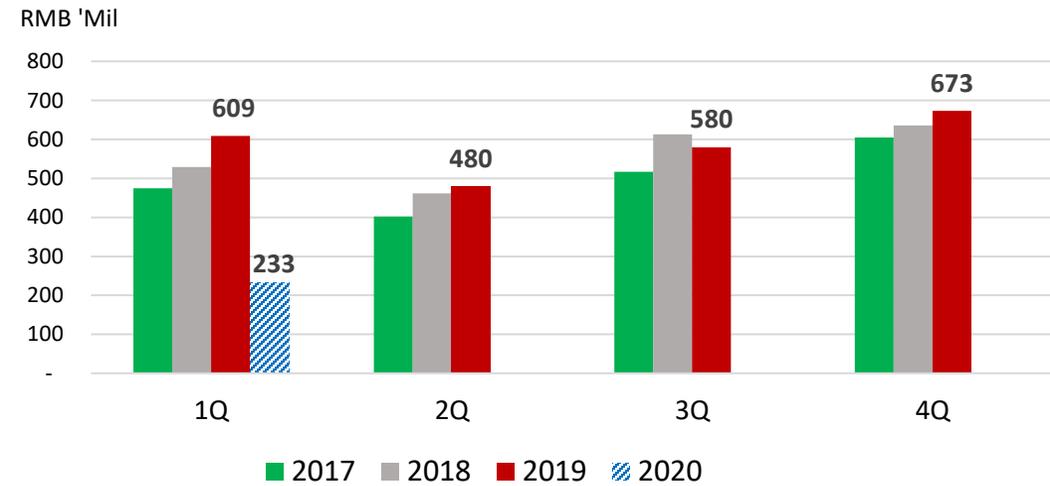
2. As percentage of the portfolio's gross revenue as at 31 March 2020

Chongqing Outlets

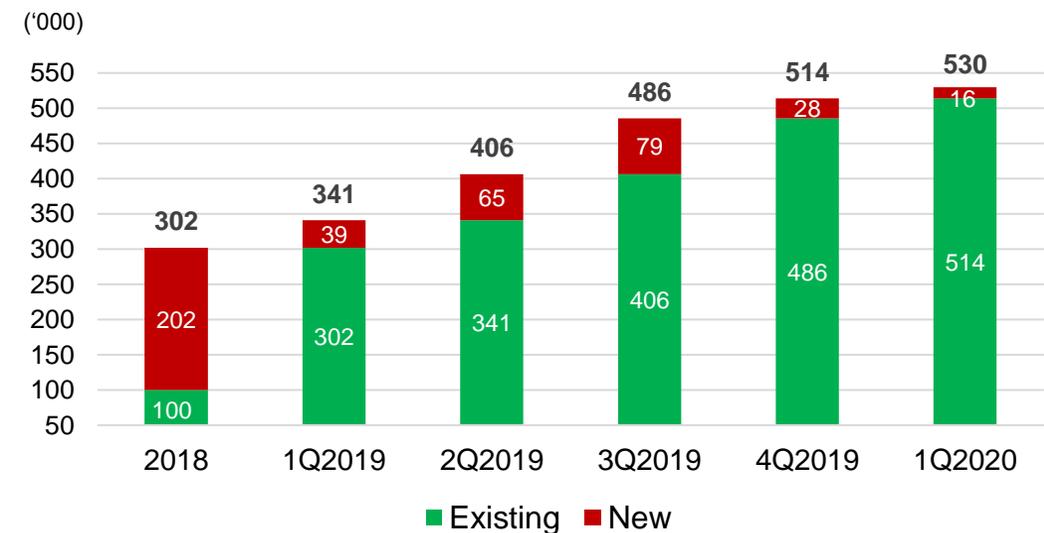


Year Commenced Operations	Sep 2008
GFA (sqm)	73,373
NLA (sqm)	50,885
Occupancy Rate (% , 31 Mar 20)	100
No. of Tenants (31 Mar 20)	406
Top Brands/Tenants	Nike, Adidas, +39 Space, Coach
Car Park Lots	500
Valuation (RMB mil, 31 Dec 19)	2,973

Sales



Outlet Members



AEI - Chongqing Outlets



New Mall Concept

Bringing nostalgia to visitors through retro concept, invoking the Chongqing memory of late 1980s. The mall design will also take reference from 2 cultural pillars:

码头江湖文化, 陪都抗战文化

Asset Enhancement Initiative

- Reposition as a lifestyle and shopping destination for both locals & tourists
- Aesthetic and landscaping enhancement to create nostalgic feel for shoppers
- To commence in May and complete by 1Q 2021

September Anniversary Sale Event

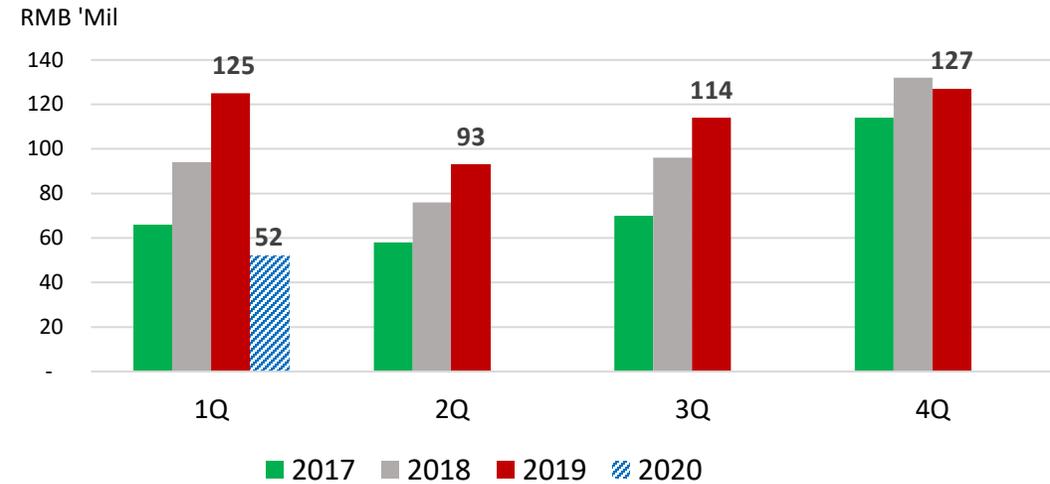


Bishan Outlets

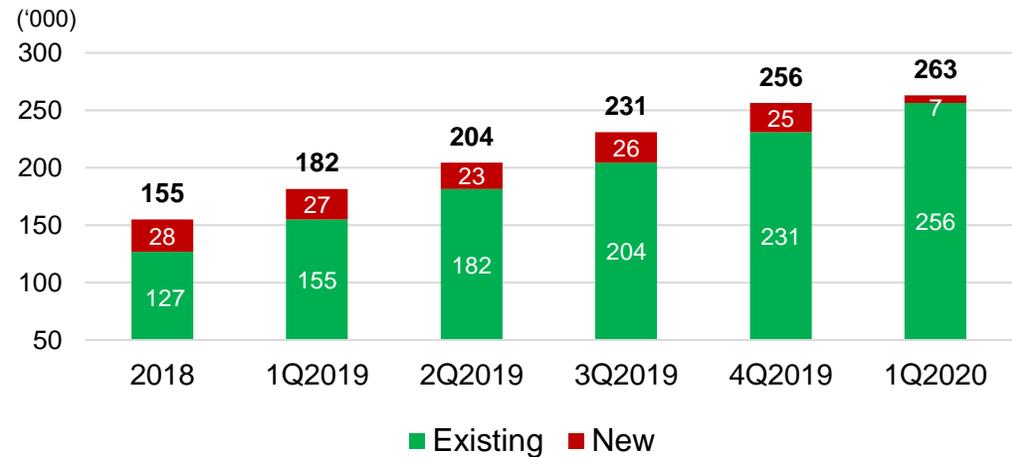


Year Commenced Operations	Oct 2014
GFA (sqm)	68,791
NLA (sqm)	47,308
Occupancy Rate (% , 31 Mar 20)	86.5
No. of Tenants (31 Mar 20)	186
Top Brands/Tenants	Adidas, Nike, Puma, +39 Space
Car Park Lots	400
Valuation (RMB mil, 31 Dec 19)	824

Sales



Outlet Members

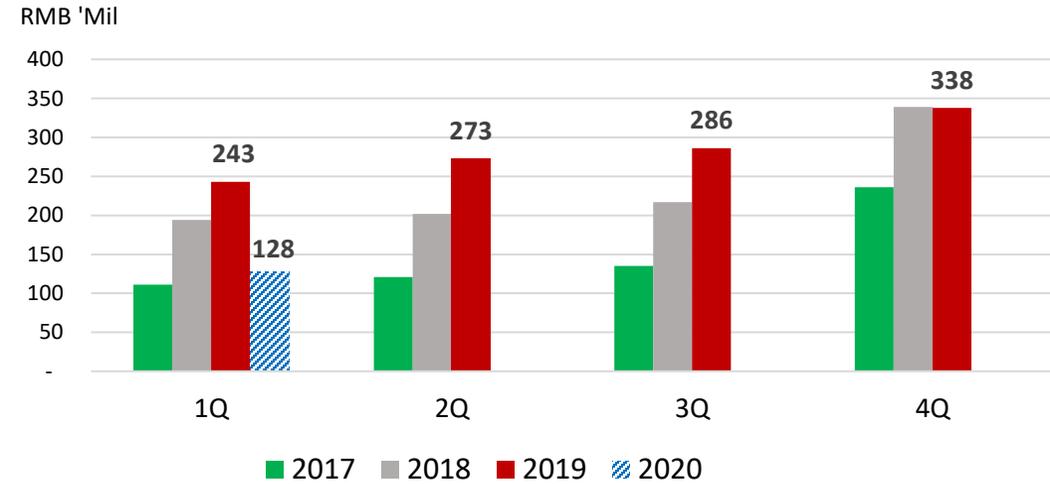


Hefei Outlets

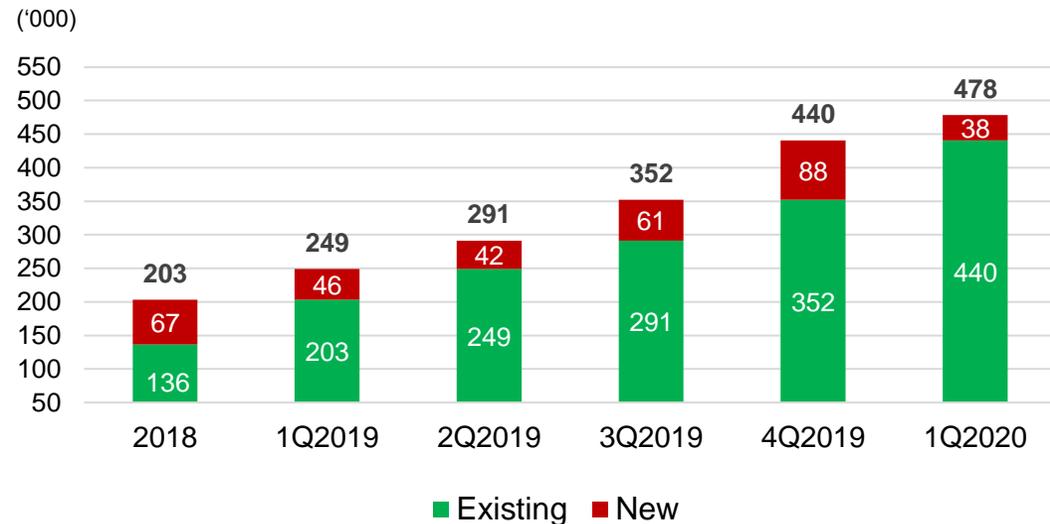


Year Commenced Operations	May 2016
GFA (sqm)	147,316
NLA (sqm)	144,583
Occupancy Rate (% , 31 Mar 20)	95.5
No. of Tenants (31 Mar 20)	310
Top Brands/Tenants	Adidas, Coach, Nike, Fila, Skechers
Car Park Lots	1,566
Valuation (RMB mil, 31 Dec 19)	2,795

Sales



Outlet Members



AEI - Hefei Outlets



Creating Synergy Between Block A & B



Conversion of driveway to walkway



Block B : Conversion to Sports Theme

Asset Enhancement Initiative

- Repositioning of Block B into sports theme
- Space maximization and conversion of pedestrian walkway to enhance shoppers' flow between Block A & B
- To commence in June and complete by 4Q 2020

Engaging Shoppers with Art Commerce



Baby Heroes



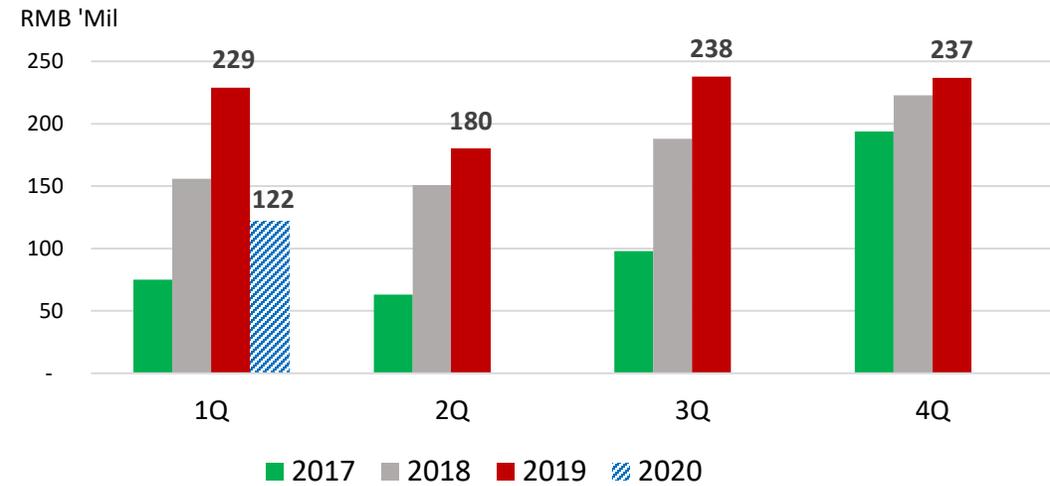
Indoor Zoo (interior)

Kunming Outlets

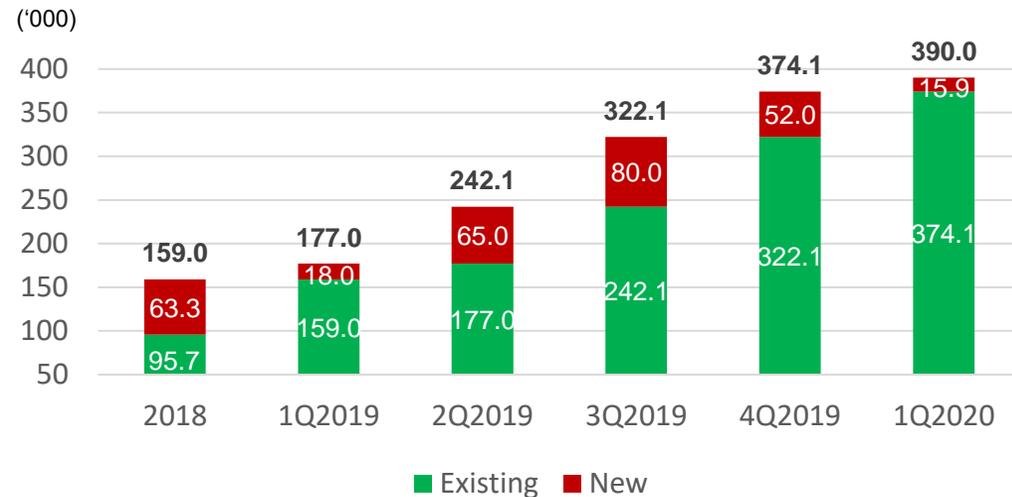


Year Commenced Operations	Dec 2016
GFA (sqm)	88,257
NLA (sqm)	70,067
Occupancy Rate (% , 31 Mar 20)	96.0
No. of Tenants (31 Mar 20)	224
Top Brands/Tenants	Nike, Adidas, Fila, +39 Space, Chow Tai Fook
Car Park Lots	2,000
Valuation (RMB mil, 31 Dec 19)	1,620

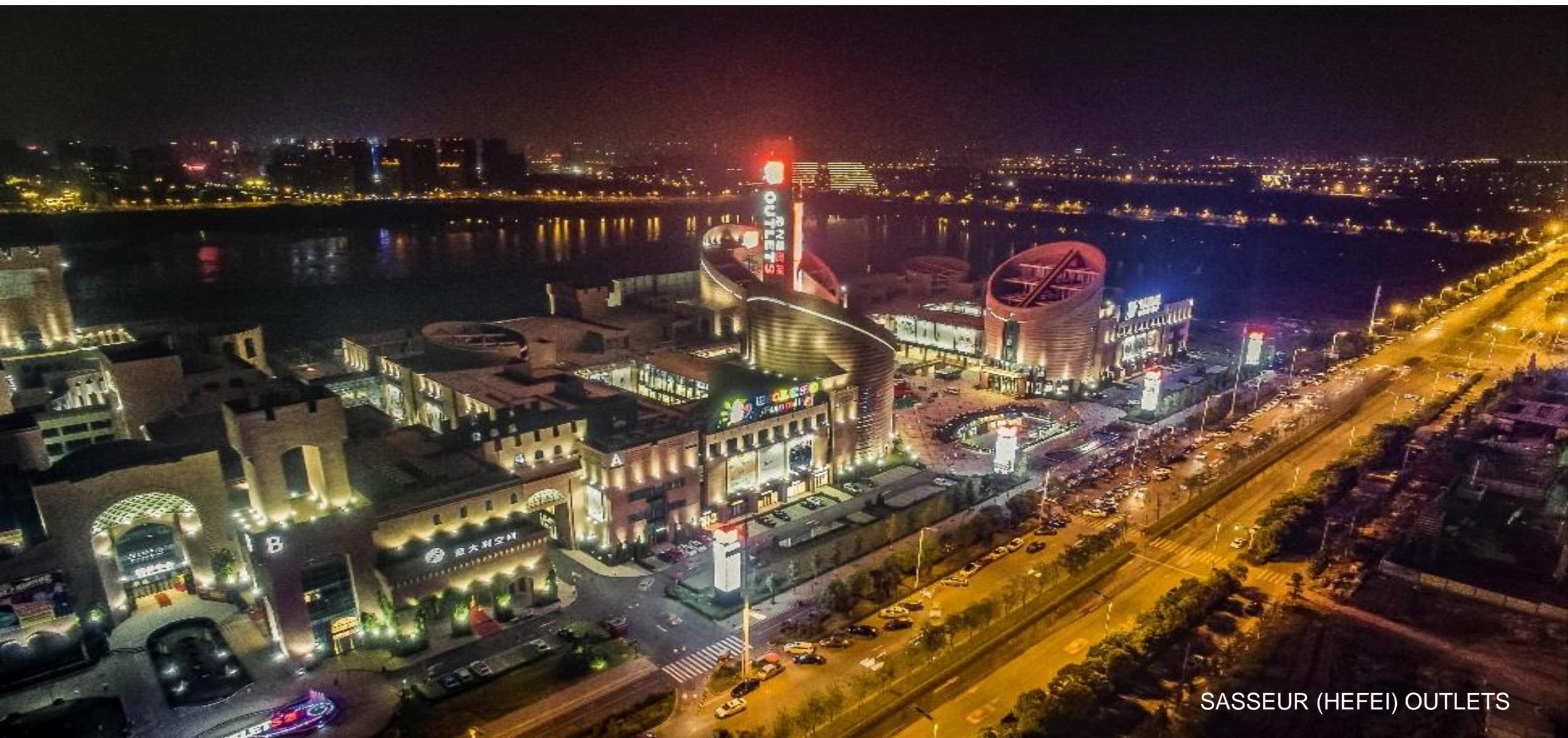
Sales



Outlet Members



Navigating COVID-19



SASSEUR (HEFEI) OUTLETS

Navigating COVID-19

- From 26 Jan: temporarily closed outlets for about 7 weeks to prevent the spread of COVID-19.
- Swiftly established digital platform to allow customers to shop online.

× 奥莱精选 ...

奥莱精选 团购

02-10 16:00:00 抢购中

02-11 12:00:00 抢购中

沙驰女士包包 (深蓝色)

¥ 623 ¥990 已抢0件/剩余2

立即抢

沙驰女士包包 (杏色)

¥ 623 ¥990 已抢0件/剩余2

立即抢

沙驰女士包包 (黑色)

¥ 623 ¥990 已抢0件

立即抢

沙驰女士包包

¥ 686 ¥1090 已抢0件/剩余5

在线客服 立即抢



Navigating COVID-19

- Complement sales through digital platform such as WeChat and Tik Tok
- Attract customers through social media advertisement and promotion



March 2020 Reopening of Sasseur Outlets



Outlet	Reopen Date	Days of Closure
Chongqing	15 March	49
Bishan	15 March	49
Hefei	13 March	46
Kunming	11 March	44



Sales Increased on Reopening Day versus Last Year



数字充分证明，砂之船奥莱始终是消费者喜爱的购物场所！

Kunming 11 Mar	Hefei 13 Mar	Chongqing 15 Mar	Bishan 15 Mar
+171%	+57%	+131%	+228%

Spring Sale

Outlet	1 st Day Reopening Sale (RMB Million)	1 st Day Spring Sale (RMB Million)	Comparison
Chongqing	5.65	25.76	456%
Bishan	1.92	5.46	284%
Hefei	2.00	9.93	497%
Kunming	1.90	6.01	316%
Total	11.47	47.16	411%



Navigating COVID-19

- China controlled the spread of COVID-19 through strict movement control in 1Q 2020
- 2Q 2020 saw ramp up in business and social activities, customers are gradually resuming shopping and entertainment activities
- We see long-term growth of outlet industry intact as the fundamental demand for value-for-money branded products remains strong.



A full carpark during Qingming Festival Sale in April 2020 at Sasseur (Kunming) Outlets.



Reopening Day at Sasseur (Hefei) Outlets in March 2020.



Managing crowds during sales events.

Spring Sale

Return of shoppers at Sasseur Outlets



Potential Pipelines



- All acquisitions must be yield accretive
- Reduce concentration risk, explore other parts of the World
- Pipeline Properties increased from 3 to 9

ROFR Properties

	Xi'an	Guiyang
Opening Date	Sep 2017	Dec 2017
GFA (sqm)	141,708	193,520
Car Park Lots	c.2,000	c.1,000



Opening Soon

Pipeline Properties

	Nanjing	Hangzhou	Changchun	Changsha	Lanzhou	Xiamen	Yangzhou	Shanghai	Shenzhen
Opening Date	May 2015	Jun 2011	Sep 2017	Dec 2018	Dec 2019	Sep 2020	Sep 2020	~3Q2021	~2022
GFA (sqm)	149,875	45,873	172,128	210,600	~100,000	~75,000	~85,000	~109,000	~150,000
Car Park Lots	c.8,000	c.5,000	c.4,000	c.2,084	c.2,500	c.2,000	c.1,200	c.2,500	c.2,200

Investment Merits



SASSEUR (KUNMING) OUTLETS

Key Milestone and Awards



FTSE EPRA NAREIT Global Emerging Market Index Inclusion¹

1

**Best IPO in Singapore
2018**

By: The Asset Asian (Triple A) Awards
2018

2

**Most Promising REIT in
Asia**

By: Fortune Times REITs Pinnacle
Awards 2018

3

**Gold Award Retail REITs
(Singapore)**

(less than USD 1 billion market cap)
By: 2018 Asia Pacific Best of Breeds
REITs

4

**Best REIT Deal in
Southeast Asia 2018**

By: Alpha Southeast Asia 12th Annual
Best Deal & Solution Awards 2018

5

**REIT Company of The
Year – Singapore 2019**

By: International Investor Magazine

6

- Best Retail REIT (Platinum)
- Best CEO (Platinum)
- Best Investor Relations (Gold)
By: 6th Asia Pacific REITs Awards 2019

1. Since 23 December 2019.

Investment Merits



1

Market Leadership: Sasseur Group is the one of the largest operator of outlet malls in China, with 11 malls and over 12 years of operating experience

2

Unique Art-Commerce Business Model: Aligns interests of tenants, unitholders and entrusted managers, with potential to share upside

3

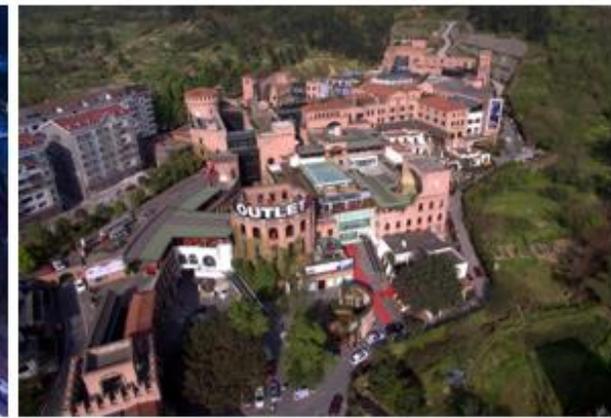
Outperformance: Exceeding 2019 DPU projection by 4.7%

4

Top Performing China S-REIT FY2019: Total Return 52% as per SGX report

5

Strong Partnerships: Longstanding business relationships with leading premium international and local retail brands



Thank You

For enquiries, please contact:

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