



SASSEUR REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 30 October 2017
under the laws of the Republic of Singapore)

RESPONSE TO QUERY RAISED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

*Unless otherwise defined herein, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the annual report for the financial year ended 31 December 2019 published by Sasseur Real Estate Investment Trust ("**Sasseur REIT**") on 2 June 2020 ("**Annual Report**").*

The board of directors (the "**Board**") of Sasseur Asset Management Pte. Ltd. (the "**Company**" or "**Manager**"), as manager of Sasseur REIT refers to the Annual Report and wishes to respond to the query raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") as follows:

SGX-ST's Query:

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "**Code**"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 2.2 of the Code as independent directors do not make up a majority of the Board where your Chairman is not independent, and there were no explanations were provided for in your FY2019 annual report for the reason for deviation and how it is consistent with the intent of Principle 2 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

The Company's response:

The Company has a Lead Independent Director as the Non-Executive Chairman is not an Independent Director. As disclosed on page 106 of the Annual Report, the principal responsibilities of the Lead Independent Director are to act as Chairman of the Board when matters concerning the Chairman are to be considered, and to be available to the Board and Unitholders for communication of Unitholders' concerns when other channels of communication through the Chairman or CEO are inappropriate or inadequate, as well as for leading all deliberations on feedback regarding performance of the CEO and any interested party transactions.

The Board would like to clarify that whilst the Independent Directors do not make up a majority of the Board where the Non-Executive Chairman is not independent, the Board has reviewed the independence of the Independent Directors and believes that they have demonstrated a strong character of independence, are able to provide objective advice and insights to the Board and Management, and are obliged to act honestly and consider the best interests of the Manager, Sasseur REIT and its Unitholders at all times. The Board has always discussed important issues robustly and has always been able to reach a consensus on the votes without having to rely on any majority vote to decide nor having an individual or small group of individuals dominate the Board's decision-making process.

As disclosed on page 105 of the Annual Report, as the Company does not have any Executive Directors, all Non-Executive and Non-Independent Directors and the Independent Directors contribute to the Board process by monitoring and reviewing Management's performance against goals and

objectives. The views and opinions of the Independent Directors and the Non-Executive and Non-Independent Directors provide alternative perspectives to Sasseur REIT's business and enable the Board to make informed and balanced decisions. This also enables the Board to interact and work with Management to help shape the strategic process.

When reviewing Management's proposals or decisions, the Independent Directors bring their objective independent judgement to bear on business activities and transactions involving conflicts of interest and other complexities.

Also, as disclosed on page 105 of the Annual Report, the current Board comprises individuals who are business leaders and professionals with financial, legal, real estate and investment backgrounds. Together, the Board as a group provides an appropriate balance and diversity of skills with core competencies such as industry knowledge, business and management experience, age, gender (1 female Director), strategic planning and customer-based experience, and ethnicity. Their varied backgrounds enable Management to benefit from their diverse expertise and experience to further the interests of Sasseur REIT. Each Director brings to the Board skills, experience, insights and sound judgement which, together with his or her strategic networking relationships, serve to further the interests of Sasseur REIT. Profiles of the Directors are provided on pages 46 to 49 of the Annual Report.

In view of the above, the Board believes that the practices the Company have adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition.

The Board is happy to announce that one of the Non-Executive and Non-Independent Directors will be stepping down from the Board in the second half of 2020. Accordingly, the Company will be in compliance with Provision 2.2 of the Code after the abovementioned resignation as Independent Directors will then make up a majority of the Board.

By Order of the Board
Sasseur Asset Management Pte. Ltd.
(Company registration no. 201707259N)
(as Manager of Sasseur Real Estate Investment Trust)

Anthony Ang Meng Huat
Chief Executive Officer
12 June 2020

The value of the units of Sasseur REIT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited, as trustee of Sasseur REIT, Sasseur Cayman Holding Limited, as the sponsor of Sasseur REIT or any of their respective affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (the "Unitholders") have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.