



Sasseur (Hefei) Outlets



UOB Kay Hian Investor Presentation

7 September 2022

Disclaimer



Not for release, publication or distribution in or into the United States, Canada, Japan or the People's Republic of China.

This presentation shall be read in conjunction with Sasseur REIT's financial results announcement dated 12 August 2022 published on SGXNet.

This presentation is for information only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Sasseur REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. The value of the units in 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, Sasseur Asset Management Pte. Ltd. (as Manager of Sasseur REIT) (the "**Manager**"), DBS Trustee Limited, as trustee of Sasseur REIT, Sasseur Cayman Holding Limited, as 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. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that unitholders of Sasseur REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Sasseur REIT is not necessarily indicative of the future performance of Sasseur REIT.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. These forward-looking statements speak only as at the date of this presentation. No assurance can be given that future events will occur, that projections will be achieved, or that assumptions are correct. Representative example of these factors include (without limitation) general industry and economic conditions, interest rate trends, costs of capital and capital availability, competition from similar developments, shifts in expected levels of rental revenue, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements which are based on the current view of management on future events.

Unless otherwise stated, all references to currencies are in Singapore dollars and cents, as the case may be.



Sasseur (Kunming) Outlets

Contents

About Sasseur Group & Sasseur REIT

1H 2022 Key Highlights

Financial Review

Capital Management

Portfolio Performance

Looking Forward

About Sasseur Group & Sasseur REIT

Sasseur (Chongqing Liangjiang) Outlets

Strong Sponsor – Sasseur Group

Founded by Chairman Vito Xu



Introduction to Sasseur Group

- Founded in 1989, Sasseur Group is one of the leading premium outlet groups in China that focuses on the development and operation of retail outlet malls
- Sasseur Group manages 14 outlets (including 4 owned by Sasseur REIT) in China, with another 5 upcoming outlets
- Leveraging on the founder's passion for art and culture in its design, offering a unique lifestyle experience for Sasseur outlets' customers

Founder and Chairman: Vito Xu



- Vito Xu is founder and chairman of Sasseur Group with a wealth of experience in the fashion industry
- In 1992, he entered the clothing industry and created his own women's fashion wear line – [砂之船] "Sasseur"
- Recipient of numerous prestigious awards including "Asia's Top Entrepreneur 2019" by Fortune Times
- Co-founded Sasseur brand with his spouse, Yang Xue



Yang Xue, co-founder of Sasseur Outlets, was awarded 'Most Stylish Figure of the Year' in 2020 by Yaok Institute

Strong Sponsor – Sasseur Group

30 years' experience focusing on outlet operations in China



2001
Built headquarters in
Bishan, Chongqing



2010
Sasseur Group invited to
open outlet in Hangzhou,
kicking off expansion to
other tier 2 cities in China



2018
Public listing of
Sasseur REIT on
the Singapore
Exchange

1989 - 1999

- Distributor for international brands
- Started high-end women's Sasseur brand

2008

Commencement of
operations of 1st Sasseur
outlet, Chongqing Liangjiang;
generated sales of over
RMB 450m in 1st year

2012

Sasseur Chongqing
Liangjiang achieved
industry-leading sales
of RMB 1.2b in 4th year

2021

Opened 14th
Sasseur outlet in
Suzhou



Strong Sponsor – Sasseur Group

Excellence in outlet operations



A leading operator in China's outlet industry

- 6 outlets achieved sales of >RMB 1b each in 2021
- Boasts more than 3,500 international and local brands
- More than 8m VIP members across all outlets

Oct 2021: Opening of Latest Outlet in Suzhou

Sasseur Group welcomed its latest outlet in Suzhou, which spreads across 120,000 sqm and offers more than 600 brands



Sasseur (Suzhou Bay) Outlets



Outlets' 2021 Sales revenues

> RMB 2.0b



Sasseur (Chongqing Liangjiang) Outlets*

> RMB 2.0b



Sasseur (Nanjing) Outlets

> RMB 2.0b



Sasseur (Xi'an) Outlets^

> RMB 1.0b



Sasseur (Changsha) Outlets

> RMB 1.0b



Sasseur (Changchun) Outlets

> RMB 1.0b



Sasseur (Guiyang) Outlets^

* Owned by Sasseur REIT

^ Right of First Refusal assets for Sasseur REIT

Source: All figures above extracted from Sasseur Group's FY2021 performance figures

Sasseur Group – Leader in the Outlet Industry

Multiple industry awards and accolades



2021 Influential Commercial Real Estate Enterprise (Top 30)

2022 Van Sound Club Annual Awards

2021 Influential Commercial Real Estate Business Leader: President of Sasseur Group, Xu Jun

2022 Van Sound Club Annual Awards

Sasseur Group clinched 25 awards, including

- 2021 China Outlets RMB 2 billion Club: Chongqing Liangjiang Outlets
- 2021 China Outlets RMB 1 billion Club: Hefei Outlets
- Top 20 Influential Outlets: Chongqing Liangjiang Outlets

2022 China Outlets Leader Summit



Sasseur Group: Highly Recognised Enterprise

- 2021 China Top 500 Service Enterprise (283th place)
- 2021 Chongqing Top 100 Service Enterprise (14th place)
- 2021 Chongqing Top 100 Enterprise (32nd place)
- 2021 Retail & Commercial Real Estate Enterprise Top 100 (37th place)
- 2021 Outstanding Commercial Real Estate Operator
- China Top 100 Retail Enterprises in 2021 (43rd place)
 - > One of the 48 companies within the RMB 10b club

Sasseur Group Tapping on a Sunrise Industry

Deep knowledge and wide brand network



China's Outlets – A Sunrise Industry



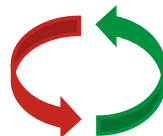
Fast-growing outlet sector projected to become world's largest by 2030¹



Growing middle-class population and spending power



Exposure to high-growth tier-2 Chinese cities



Sasseur Group – Leading Outlet Operator



Leading privately-owned outlet operator



Deep understanding of local retail markets and strong relationships with diverse retail brands



Unique “Art-commerce” business model with “Super Outlet” concept

1. Source: China Insights Consultancy, 2018.

Competitive Landscape

Sasseur Group: A privately-owned outlet specialist with deep understanding of the local market



Leading Private Outlet Specialist in China

Outlet operators	Operator category	Number of outlets
Sasseur Group 砂之船集团	Local Private Outlet Specialist	14
Beijing Capital Grand 首创	Real Estate Company	14
Shanshan 杉杉	Conglomerate	12
Wangfujing SCITECH 王府井赛特	Real Estate Company	15
Bailian 百联	SOE Retail Group	8
RDM	International Outlet Specialist	6

Source: Company websites, outletsCN.com

Benefits of a Private Outlet Specialist

Different Types of Outlet Operators in China

 Applicable
 Not applicable

	Operational Experience	Brand Resources	Understanding of Local Market	Financial Strength
Local Private Outlet Specialists				
SOE Retail Groups				
Real Estate Companies				
International Outlet Specialists				

Outlet's Competitive Edge Against Other Retail Models

Unique value proposition to brand owners and consumers



	Outlet	Departmental Store	Shopping Mall	Online Platform
Product Mix	Middle to high-end brands	Middle to high-end brands	Middle to high-end brands	Low priced products
Pricing Strategy	Large Discounts	Normal	Normal	Low
Consumer Experience	✓	✗ (small area with compact layout)	✓	✗ (no in-store shopping experience)
Location	Suburbs	City Centre	City Centre	-
Segment	Middle Class	Mass Market	Mass Market	Mass Market
Authenticity	✓	✓	✓	Possibility of counterfeit goods



Why are outlets generally not impacted by e-commerce?

- Product mix – per transaction via online platform ~ RMB200 vs per transaction at the outlet malls ~ RMB800/1000 => minimal product overlap
- Economics – online sales of outlet brands incur ~ 20% commission vs 10-16% commission at the outlets
- Authenticity – 10X penalty / reward for selling by merchants / reporting by customers, of fake goods ensure no fake goods at outlets

Sasseur REIT: First Outlet REIT Listed in Asia

Exposure to China's fast-growing outlet mall sector



Stock & Portfolio Information

As at 30 Jun 2022

Stock code	CRPU (SGX)
Date listed	28 March 2018
Total issued units	1,225,173,776
Unit price	S\$0.78
Net asset value per unit	S\$0.96
Market capitalisation	S\$956m
Average daily trading volume ¹	S\$1.8m
Portfolio valuation ²	RMB 8.5b (S\$1.8b)



Chongqing Bishan

Chongqing
Liangjiang

Hefei

Kunming

1. Based on average daily trading volume of 2,374,736 units for the period 1 Jan 2022 to 30 Jun 2022.
2. Based on independent valuation as at 31 Dec 2021 by Savills Real Estate Valuation (Beijing) Limited.

Portfolio Snapshot¹



Outlets	Chongqing Liangjiang	Chongqing Bishan	Hefei	Kunming
Year of Commenced Operations	2008	2014	2016	2016
GFA (sqm) ²	73,373	68,791	147,316	88,257
NLA (sqm) ²	50,885	44,706	144,583	70,067
Occupancy Rate (%) ³	100%	89.3%	96.5%	97.7%
Number of Tenants	394	209	339	233
Top Brands/Tenants (by sales)	NIKE, +39	NIKE, Adidas	NIKE, Coach	NIKE, Adidas
Valuation (RMB mil, 31 Dec 21)	3,121	838	2,883	1,655
% of Portfolio Valuation	36.7%	9.9%	33.9%	19.5%

1. As at 30 Jun 2022, unless otherwise stated.

2. Figures are rounded to the nearest whole numbers.

3. Occupancy is calculated based on average of the last day's occupancy of each month in the second quarter of 2022.

Sasseur Group's Unique “Super Outlet” Business Model

Positioning the outlets as a lifestyle destination for the whole family



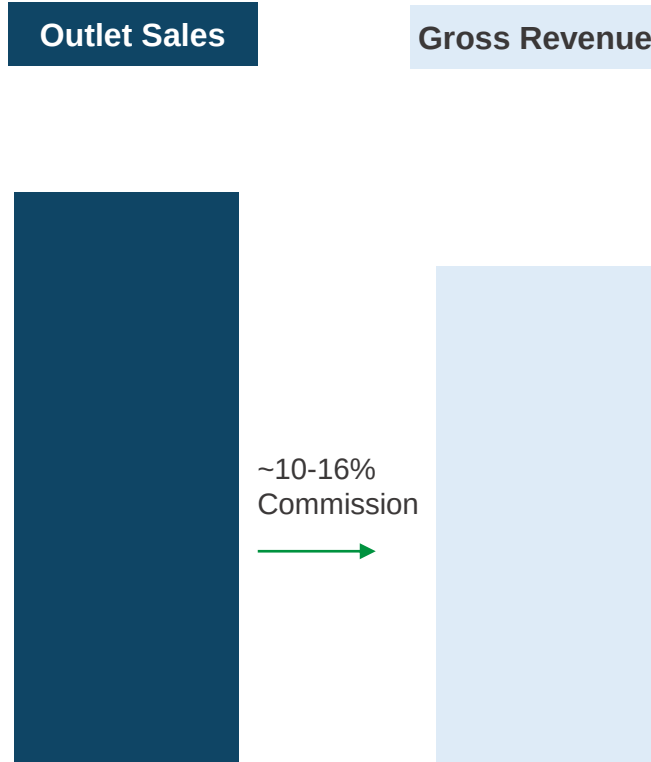
- Sasseur Group's “Super Outlet” Formula: $A \times (1 + N) \times DT$
- “1” represents the outlet mall business platform and “N” reflects the various lifestyle options offered in each of the outlet malls
- Unique lifestyle experience based on a combination of art in the design and decoration of its outlet malls, and as a one-stop shopping and lifestyle experience, provides resilience against competition from e-commerce



Entrusted Management Agreement (EMA) Model

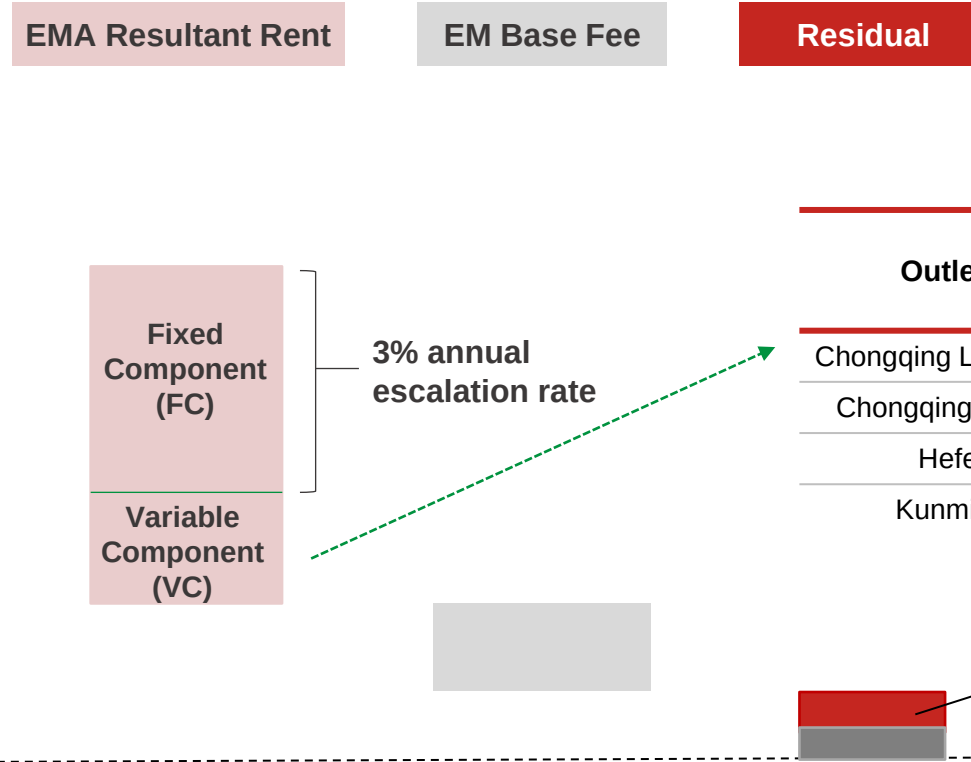


Business Model



- Gross Revenue (GR) = Total rental receivable + Income from permissible investments

REIT Income Model



Outlets	Variable Component (% of Sales)
Chongqing Liangjiang	4.0%
Chongqing Bishan	4.5%
Hefei	5.5%
Kunming	5.0%

- EMA Resultant Rent ("RR") comprises FC and VC
- REIT paid EMA Resultant Rent before EM Base Fee
- VC is pegged to the Sales of the Outlet
- EM Base Fee: Up to 30% of GR to the Entrusted Manager
- EM Performance Fee:
 - > $60\% \times (GR - RR - EM \text{ Base Fee})$
- Payment to REIT:
 - > $40\% \times (GR - RR - EM \text{ Base Fee})$

Aligning the interests of the Entrusted Manager, REIT Manager and Unitholders

Sasseur REIT's Latest Awards and Achievements

Recognition for outstanding performance in corporate governance and investor relations



Corporate Governance

 **Singapore Corporate Awards 2020/2021**
Corporate Excellence and Resilience Award

 **Securities Investors Association (Singapore) Choice Awards 2021**
Singapore Corporate Governance Award Runner-up (REITs & Business Trusts)

 **Governance Index for Trusts 2021 (GIFT 2021)**
Improved to 20th place from 34th

 **Global Good Governance Award™ 2021**
Best Governed and Transparent Company (Gold)

 **Singapore Governance and Transparency Index (SGTI) 2022**
Improved score to 88.0 points from 86.9

Investor Relations

 **IR Magazine - South East Asia 2021**
Certificate for Excellence in Investor Relations

 **Global Good Governance Award™ 2021**
Best Corporate Communications & Investor Relations (Gold)



1H 2022 Key Highlights



1H 2022 Key Highlights

Stable performance, despite COVID-19 outbreaks



Financials

S\$63.5m

EMA Rental Income¹
+1.6% year-on-year

S\$45.1m

Distributable Income
-0.7% year-on-year

3.410 cents

Distribution Per Unit²
+ 1.1% year-on-year
1Q 2022: 1.822 cents (distributed)
2Q 2022: 1.588 cents



Capital Management

4.5% p.a.

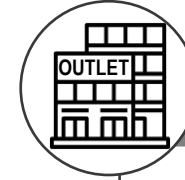
Weighted Average Cost of Debt
Vs 31 Dec 2021: 4.4% p.a.

26.5%

Aggregate Leverage
Vs 31 Dec 2021: 26.1%

5.0x

Interest Coverage Ratio
Vs 31 Dec 2021: 5.1x



Portfolio

RMB 1,871.0m

Total Outlet Sales
-7.7% year-on-year

96.0%

Portfolio Occupancy³
Up from 95.4% in 1Q 2022

2.5 years

Weighted Average Lease Expiry
by net lettable area
Vs 1Q 2022: 2.6 years

1. Excluding straight-line accounting adjustments.

2. Represent Distribution Per Unit after retention for working capital purposes.

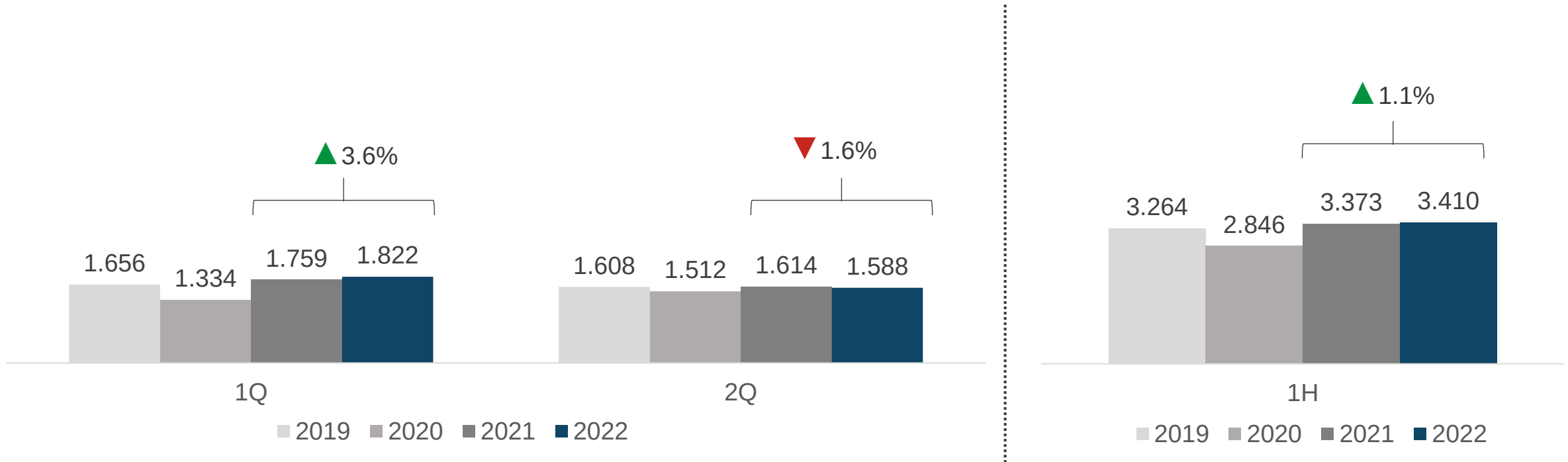
3. Portfolio occupancy rate for 2Q 2022. Occupancy is calculated based on average of the last day's occupancy of each month in the quarter.

DPU Profile

Highest 1H 2022 DPU in 4 Years



Distribution per Unit (DPU), cents



- Retail seasonality

- > Sales performance for first quarter (1Q) typically better than second quarter (2Q), with larger-scale events such as Chinese New Year sales taking place in 1Q



Financial Review

1H 2022 DPU Higher Year-on-Year

DPU growth, despite decline in EMA rental



- 1H 2022 EMA Rental Income (RMB) ▼ 0.5% year-on-year (YoY)
 - > Mainly due to ▼ 8.3% YoY in 1H 2022 variable component income which was affected by COVID-19 lockdowns that impeded inter-city movements from mid-Mar to end-May 2022
- The decline in variable component income was cushioned by ▲ 3.0% YoY higher fixed component income in the EMA model¹

	2Q 2022	2Q 2021	Variance %	1H 2022	1H 2021	Variance %
Sales (RMB m)	774.8	889.5	(12.9)	1,871.0	2,026.1	(7.7)
EMA rental income (RMB m) ²	143.4	145.8	(1.6)	301.8	303.2	(0.5)
- Fixed component (RMB m)	108.6	105.5	3.0	217.2	210.9	3.0
- Variable component (RMB m)	34.8	40.3	(13.9)	84.6	92.3	(8.3)
EMA rental income (S\$ m) ^{2,3}	29.7	30.2	(1.7)	63.5	62.5	1.6
Distributable income to Unitholders (S\$ m)	20.3	21.7	(6.5)	45.1	45.4	(0.7)
Amount retained (S\$ m)	(0.9)	(2.2)	59.1	(3.3)	(4.5)	26.3
DPU (S cents)	1.588	1.614	(1.6)	3.410	3.373	1.1

1. More details on the Entrusted Management Agreement (EMA) model on slide 15.

2. Exclude straight-line accounting adjustments.

3. Average S\$:RMB rate of 1:4.8219 for 2Q 2022, 1:4.8302 for 2Q 2021, 1:4.7535 for 1H 2022 and 1:4.8516 for 1H 2021.

2Q and 1H 2022 Distributable Income

1H 2022 Distributable Income Dipped Marginally



- Mainly attributable to
 - > S\$1.3m higher tax expense due to the absence of reversals of over-provision of income tax in the previous periods which was incurred in 1H 2021
 - > S\$0.3m higher finance costs due to higher interest rates on unhedged portion of offshore loans for 1H 2022 as compared to 1H 2021

S\$ m	2Q 2022	2Q 2021	Variance %	1H 2022	1H 2021	Variance %
EMA rental income	29.7	30.2	(1.7)	63.5	62.5	1.6
Trust expenses	(0.4)	(0.6)	38.0	(0.8)	(1.1)	32.5
Finance costs	(4.6)	(4.4)	(4.4)	(9.1)	(8.8)	(3.5)
Other expenses ¹	(0.3)	(0.2)	(21.8)	(0.2)	(0.2)	4.4
Tax expenses	(4.1)	(3.3)	(26.1)	(8.3)	(7.0)	(18.3)
Distributable income to Unitholders	20.3	21.7	(6.5)	45.1	45.4	(0.7)
Less: Amount retained	(0.9)	(2.2)	59.1	(3.3)	(4.5)	26.3
Amount to be distributed to Unitholders	19.4	19.5	(0.5)	41.8	40.9	2.2

1. Other expenses include realised exchange differences as well as finance income.

Distribution Details

Record date on 12 Sep 2022; payment date on 27 Sep 2022



Distribution period

1 Apr to 30 Jun 2022

Distribution per Unit

1.588 S cents¹

Notice of Record Date	12 Aug 2022
Ex-dividend date	9 Sep 2022
Record date	12 Sep 2022
Payment date	27 Sep 2022

¹. Distribution Per Unit after retention of S\$0.9 million.

Capital Management



Sasseur (Chongqing Liangjiang) Outlets

Robust Balance Sheet

Stable net asset value



- Net asset value (NAV) per unit as at 30 Jun 2022 ▼ 3.0%
 - > Due to the weakening of RMB against S\$ by 2.1% as compared to 31 Dec 2021

S\$ m	As at 30 Jun 2022	As at 31 Dec 2021	Variance	Variance %
Investment properties	1,766.5	1,801.0	(34.5)	(1.9)
Cash and short-term deposits ¹	136.7	159.8	(23.1)	(14.5)
Total assets	1,926.6	1,989.8	(63.2)	(3.2)
Loans and borrowings	505.5	510.6	(5.1)	(1.0)
Total liabilities	751.3	780.6	(29.3)	(3.8)
Net assets	1,175.3	1,209.2	(33.9)	(2.8)
NAV per Unit (S\$) ²	0.96	0.99	(0.03)	(3.0)

1. Includes S\$77.0 million as at 30 Jun 2022 (31 Dec 2021: S\$102.0 million) relating to sales proceeds collected from outlets' customers on behalf of tenants.

2. Based on units in issue and to be issued of 1,227,847,440 and 1,222,205,028 as at 30 Jun 2022 and 31 Dec 2021 respectively.

Prudent Capital Management

Low gearing; healthy interest coverage ratio



26.5%

Low
aggregate
leverage



S\$904.7m

Sizeable
debt
headroom



5.0x
Healthy
interest
coverage
ratio



71.6%
of Borrowings
pegged to

- ① stable interest rate³
- ② hedged to fixed interest rate



	As at 30 Jun 2022	As at 31 Dec 2021
Gross borrowings	S\$510.9m	S\$518.6m
Aggregate leverage	26.5%	26.1%
Average debt maturity	0.7 years	1.2 years
Debt headroom ^{1,2}	S\$904.7m	S\$952.0m
Available undrawn facilities	S\$8.0m	S\$8.0m
Weighted average cost of debt per year	4.5%	4.4%
Interest coverage ratio	5.0 times	5.1 times

- 1. Debt headroom is computed based on total assets and assumes a corresponding increase in total assets with new debts raised.
- 2. Based on MAS' prescribed leverage limit of 50.0%.
- 3. Stable rate refers to China's 5-year Loan Prime Rate.

Well-balanced Debt Profile

Equal mix of onshore and offshore loans



	Onshore loans	Offshore loans	
Amount outstanding, as at 30 Jun 2022 ¹	RMB 1.3b (~S\$ 269.1m)	S\$ 214.0m	US\$20.0m (~S\$ 27.9m)
Maturity	March 2023		
Lending rate	China's 5-year Loan Prime Rate (LPR)	Swap Offer Rate	US\$ London Interbank Offered Rate
	Stable rate	40% hedged to fixed rate 60% floating rate	

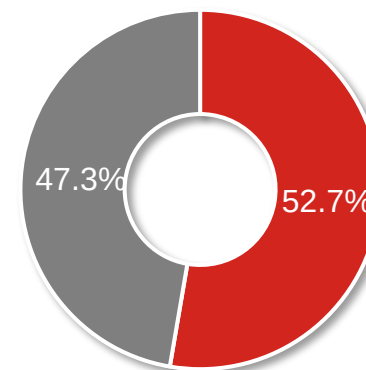
71.6%²

of borrowings pegged to

① Stable interest rate

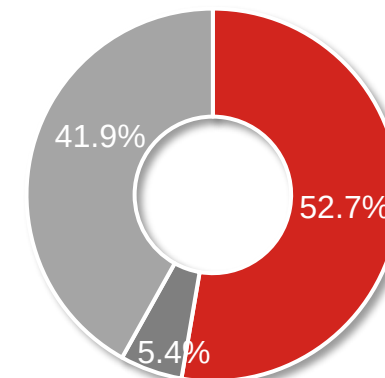
② Hedged to fixed interest rate

Funding sources



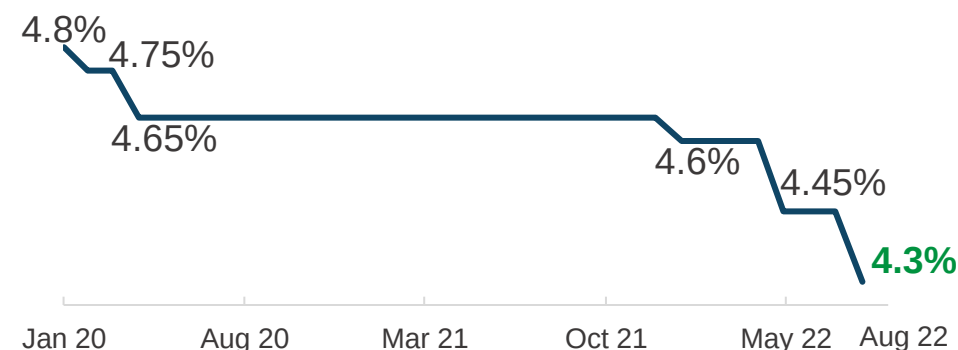
■ Onshore loans
■ Offshore loans

Debt currency profile



■ RMB Loan
■ US\$ Loan
■ S\$ Loan

China's 5-year LPR (per annum) trending lower³



1. Based on S\$:RMB and US\$:S\$ exchange rates of 4.8170 and 1.3933 as at 30 Jun 2022 respectively.

2. Based on summation of 52.7% onshore loan proportion's 'Stable Rate' and 18.9% 'Hedged to Fixed Rate' (derived from 40% of 47.3% offshore loan proportion)

3. Source: tradingeconomics.com.

Refinancing On Track to Be Completed by End-2022

Targeting a well-staggered debt profile over time



A deal is in the works with a group of regional banks with presence in Singapore and Hong Kong/China

- Banks are in their various stages of approval process
- Banks include existing as well as new lenders to the REIT and Sasseur Group

Diversifying
current debt
profile

1

Forging banking relationships with a **larger base of lenders** including existing and new lenders

2

Total loan profile to be **split into two separate loans**;
New facilities will comprise **different tenors** with **different lending rates**

3

Lending banks encouraged to participate in both onshore loan and offshore loan components, so as to provide **better alignment of interests between banks and REIT**

Portfolio Performance

Sasseur (Chongqing Bishan) Outlets



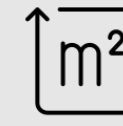
Quality Portfolio

Outlets located in high-growth cities with large populations



Number of outlets

4



Net lettable area (NLA)

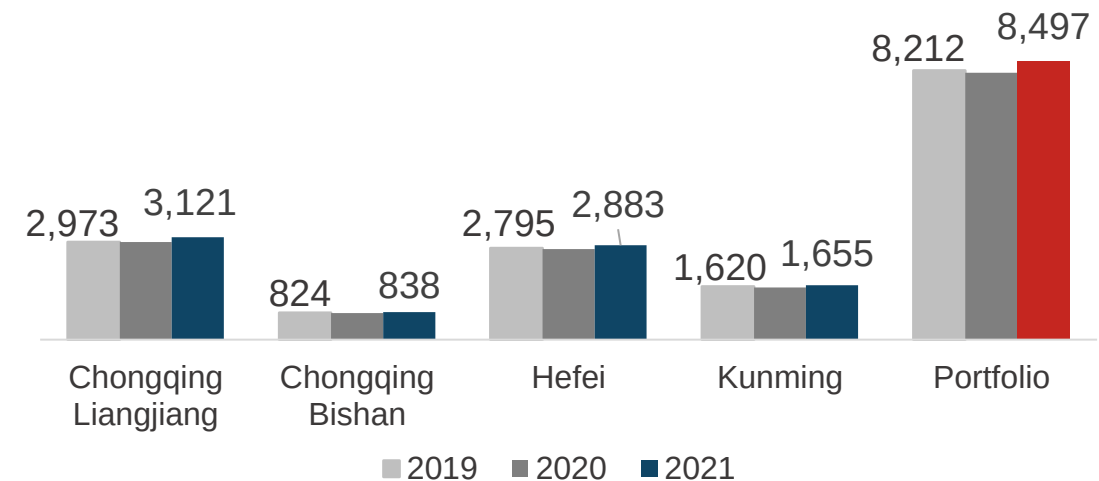
310,242 sqm



Portfolio valuation¹

RMB 8.5b (S\$1.8b)

Valuations (RMB m) as at 31 Dec



1. Based on independent valuation as at 31 Dec 2021 by Savills Real Estate Valuation (Beijing) Limited.

2Q 2022 Outlet Sales Dampened by COVID Restrictions

YoY rebound in sales in month of Jun 2022



RMB m	Contribution ¹ %	2Q 2022	2Q 2021	YoY Variance %	1Q 2022	QoQ Variance %
Chongqing Liangjiang	55.7%	431.7	470.9	-8.3%	566.1	-23.7%
Chongqing Bishan	10.2%	79.3	77.6	+2.3%	108.4	-26.8%
Hefei	19.0%	146.8	199.1	-26.3%	244.0	-39.8%
Kunming	15.1%	117.0	141.9	-17.6%	177.7	-34.2%
Portfolio	100.0%	774.8	889.5	-12.9%	1,096.2	-29.3%

- Year-on-Year (YoY) decrease, except Bishan Outlets, due to
 - > COVID-19 outbreaks across China from mid-Mar to end-May
 - > Reduced shopper traffic due to inter-city travel restrictions
 - > Consumer sentiments were dampened by worsening pandemic
 - > Impact most visible for Hefei Outlet due to its proximity to Shanghai
- Sales ▲4.0% YoY for month of Jun 2022, reversing YoY declines seen for months of Apr and May 2022
- Quarter-on-Quarter (QoQ) decrease due to
 - > Cyclical seasonality; 1Q's sales performance typically better than 2Q, with bigger events such as Chinese New Year sales
 - > Large-scale COVID-19 outbreaks started in mid-Mar, which affected a relatively shorter time period in 1Q as compared with 2Q, where 2 full months (Apr & May) of sales were affected

1. Based on 2Q 2022 sales contribution.

1H 2022 Outlet Sales Weighed Down by 2Q 2022 Sales

Chongqing Liangjiang and Bishan Outlets' 1H 2022 sales show resilience



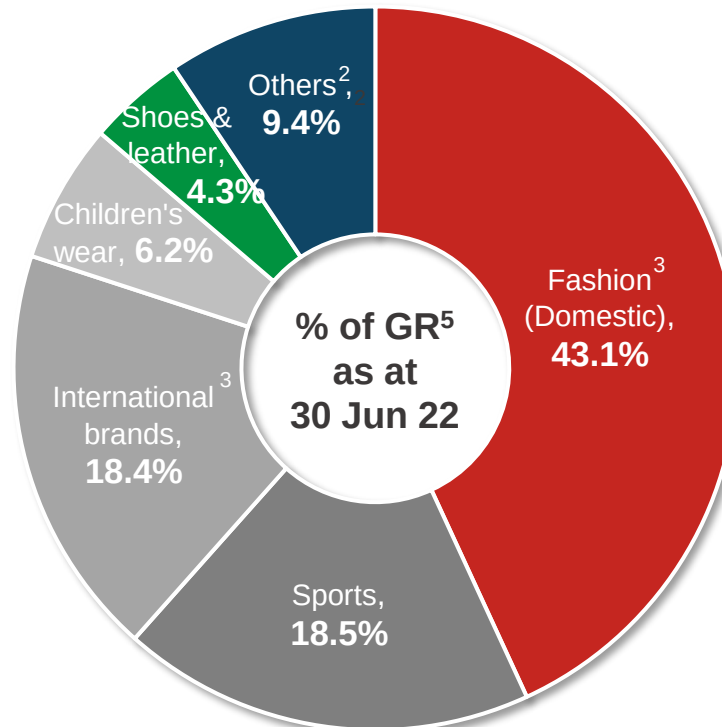
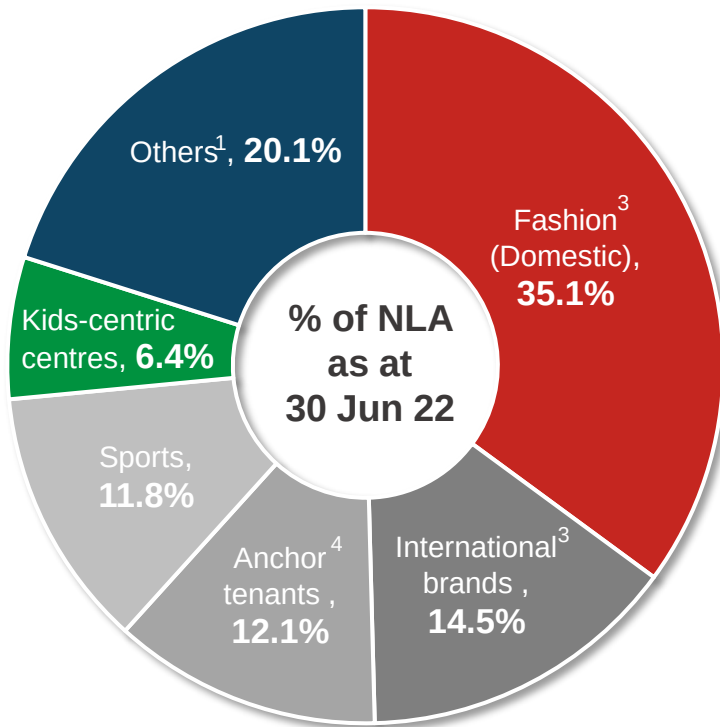
RMB m	Contribution ¹ %	1H 2022	1H 2021	YoY Variance %
Chongqing Liangjiang	53.3%	997.8	1,031.5	-3.3%
Chongqing Bishan	10.0%	187.7	188.9	-0.6%
Hefei	20.9%	390.8	443.2	-11.8%
Kunming	15.8%	294.6	362.6	-18.7%
Portfolio	100.0%	1,871.0	2,026.1	-7.7%

- Liangjiang and Bishan Outlets' sales relatively resilient, despite COVID-19 outbreaks across China from mid-Mar to end-May
- Sales for Hefei and Kunming Outlets more affected by inter-city travel restrictions
 - > Hefei Outlet, mainly due to its proximity to Shanghai
 - > Kunming Outlet, mainly due to larger exposure to tourists from other domestic cities

1. Based on 1H 2022 sales contribution.

Diversified Trade Mix

Approximately 15% of portfolio's gross revenue contributed by top 10 tenants



Top 10 tenants contribute

15.2%

of the portfolio's gross revenue⁵

No single tenant accounts for

>5%

of the portfolio's gross revenue⁵

Retail trends: 2Q 2022 vs 1Q 2022

• Fashion (Domestic)

- > Proportion by NLA had slight increase of 0.5 percentage points; contribution towards gross revenue fell by 2.2 percentage points
- > Due to fashion's seasonality, lower priced summer wear was sold in 2Q as compared to 1Q when higher priced winter apparel was sold

1. 'Others' comprises Food & beverage (6.1%), Children's wear (4.6%), Shoes & leather (4.4%), Lifestyle & entertainment (2.6%), Accessories (2.1%) and Ad-hoc (0.4%); 'Ad-hoc' refers to temporary leases.

2. 'Others' comprises Food & beverage (3.2%), Accessories (2.7%), Anchor tenants (1.2%), Kids-centric centres (1.1%), Lifestyle & entertainment (0.9%) and Ad-hoc (0.2%).

3. 'Fashion' comprises domestic fashion brands; excludes international fashion brands. 'International brands' comprises only Fashion and Accessories international brands.

4. 'Anchor tenants' are fixed rental leases, such as cinema, hotels and gym.

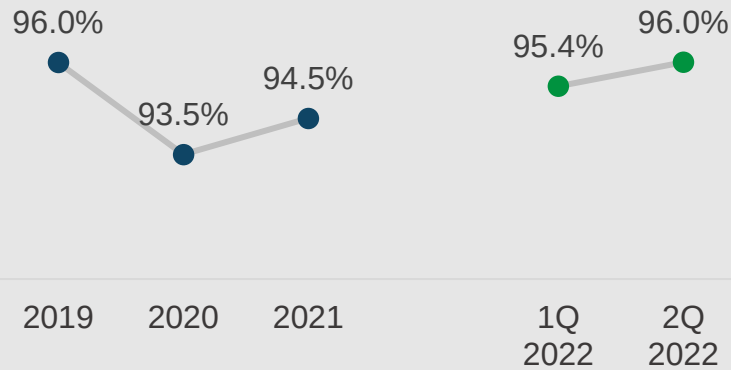
5. GR refers to Gross Revenue which is calculated based on average monthly gross revenue for period Jan-Jun 2022.

Portfolio Occupancy Returns to Pre-COVID Level

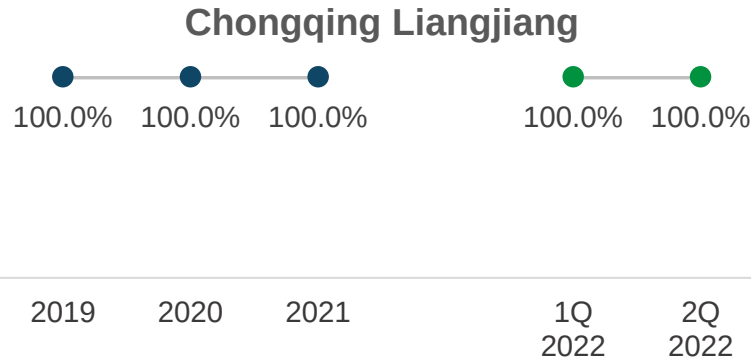
Improvement due to active leasing and completed AElS



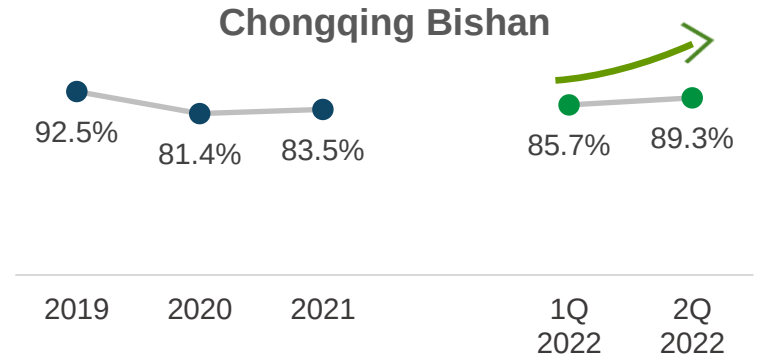
Portfolio's stable occupancy^{1,2}



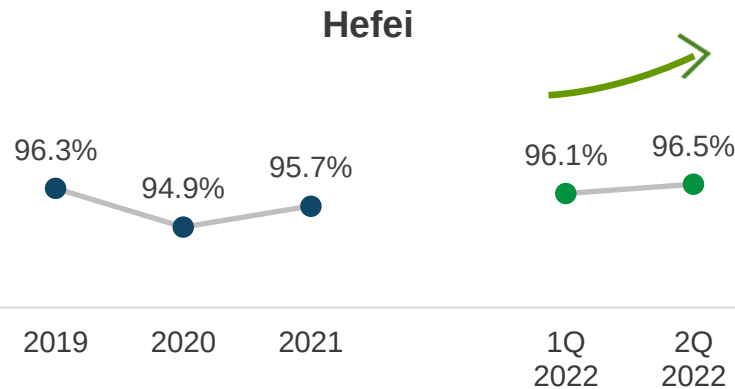
Despite the challenging operating environment, portfolio occupancy reached pre-COVID-19 level in FY2019 — mainly due to completed asset enhancement initiatives (AEIs) at Bishan Outlets, as well as proactive leasing strategies.



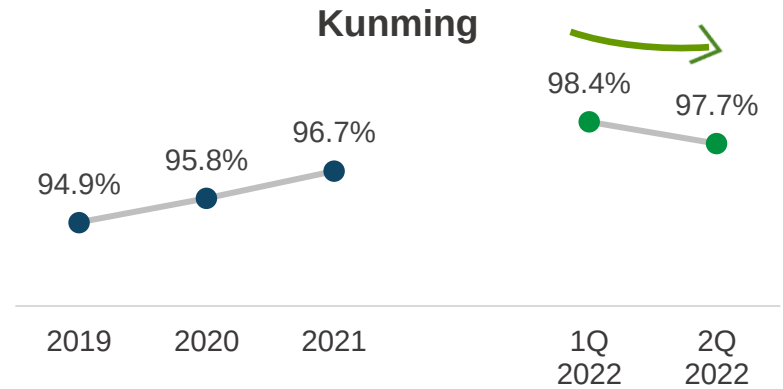
Occupancy remains at 100%



Strong growth in occupancy, edging close to 90%, demonstrating results of active leasing & AEI.



Stable and slight increase in occupancy observed in Hefei Outlets on the back of active leasing efforts.



Travel restrictions affected Kunming, a tourism city. Existing leases remain stable, nonetheless.

1. For 1Q 2022 and 2Q 2022, occupancy is calculated based on average of the last day's occupancy of each month for each quarter.

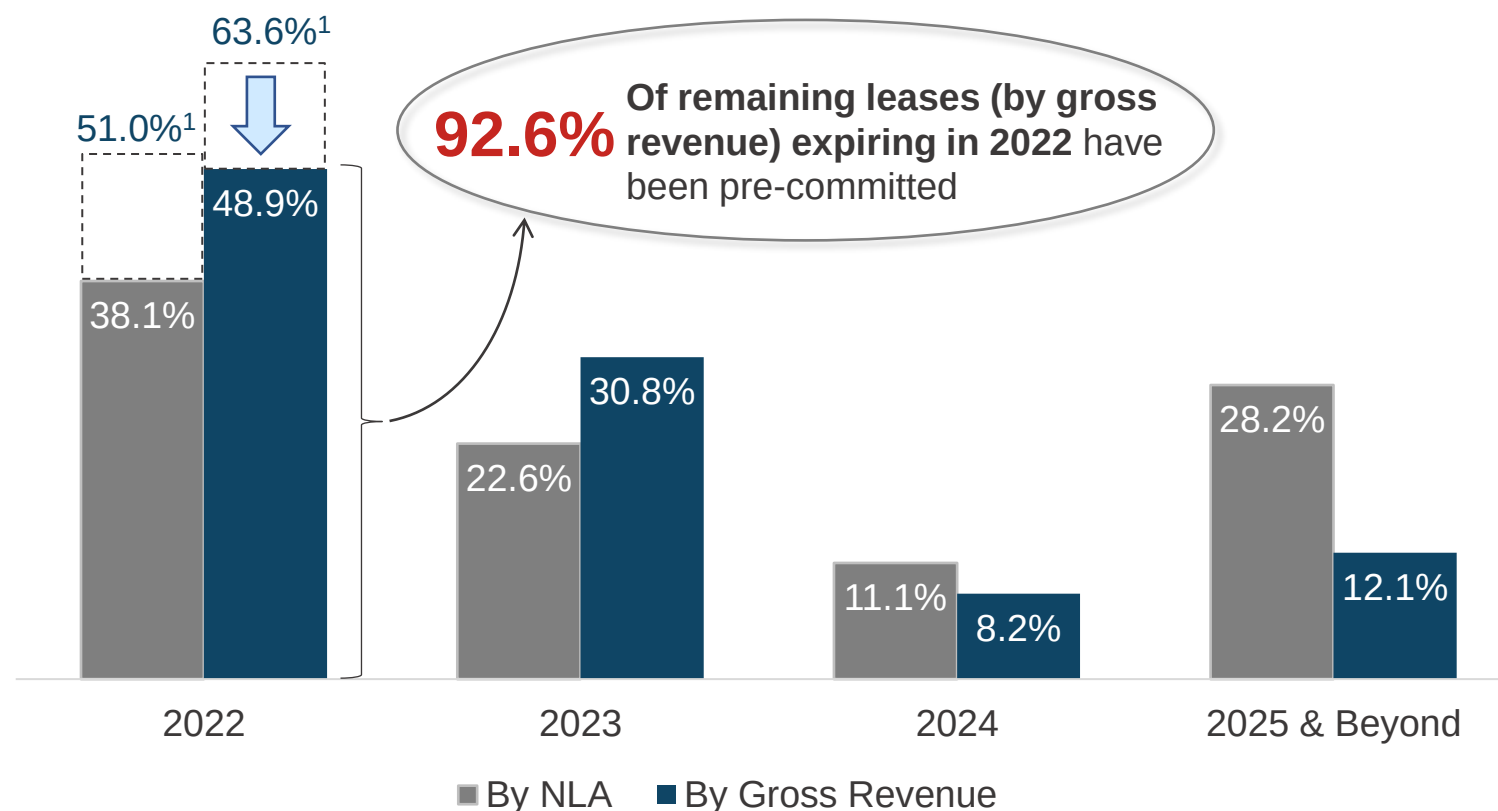
2. For the financial years of 2019, 2020 and 2021, occupancy is calculated based on average of the last day's occupancy of each month in the fourth quarter of the year.

Weighted Average Lease Expiry (WALE)

Bulk of remaining leases by gross revenue expiring in 2022 already pre-committed



Lease Expiry Profile
As at 30 Jun 2022



WALE (years)

2.5

By Net Lettable Area

1.1

By Gross Revenue

Deliberate short leases to optimise tenant mix

- Adapting to fast-changing consumer preferences in China
- Provides flexibility to replace non-performing tenants with new successful brands

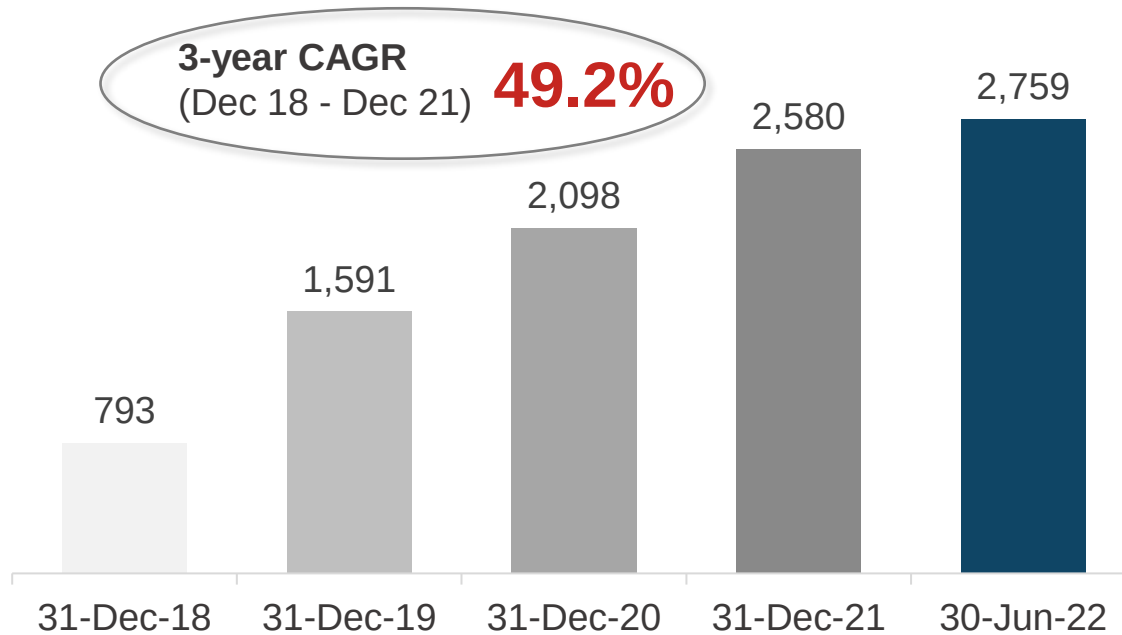
1. As at 31 Dec 2021.

Growing Number of VIP Members

VIP membership is an important driver for outlet sales



Number of VIP Members in Portfolio ('000)

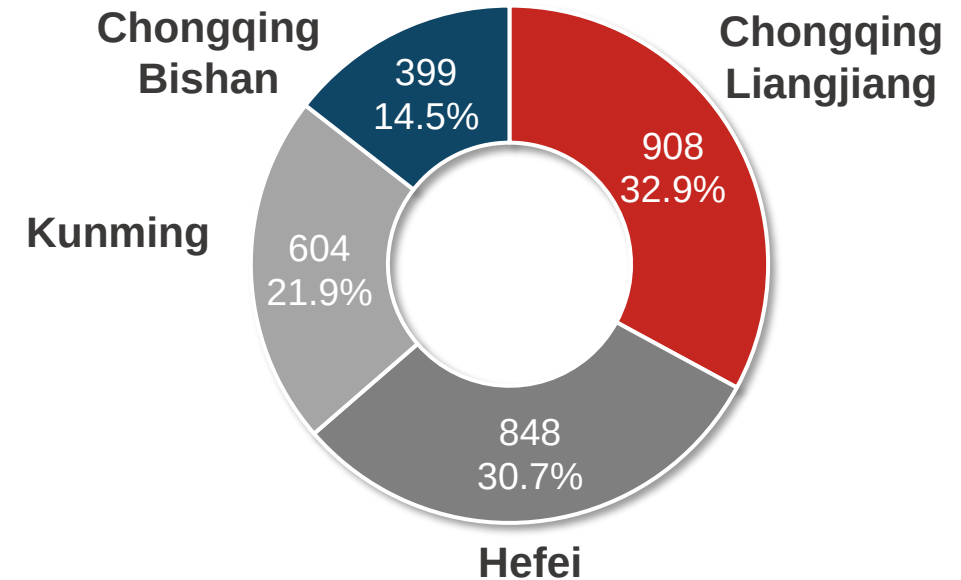


- Number of VIP members, as at 30 Jun 2022

> ▲ 19.3% YoY, ▲ 3.0% QoQ

Total VIP Members by Outlets ('000)

As at 30 Jun 2022



>60% contribution
to the portfolio's
1H 2022 outlet sales

Exciting New Brands in 2Q 2022

Curating more lifestyle elements in tenant mix



HOOK (Real-Life Counter-Strike) at Bishan



New AUM store at Hefei



New WMF store at Liangjiang



FILA expansion at Kunming

New Sports Brands 运动品牌



New Fashion Brands 服饰品牌



New F&B Brands 餐饮品牌

Fresh fruit
& Chinese tea

茶百道 鲜果 & 中国茶



半天妖
青花椒烤鱼

2Q 2022 Promotional Activities

Drawing shoppers through vibrant thematic events



5.20 Super Promotion 超级品类日 (20 May 2022)



Mid-Year Sales 年中庆 (10 – 19 Jun 2022)



Omni-channel Outreach Events to Engage Shoppers

Supporting tenants by tapping on latest trends



Live-streaming across all Outlets



Skechers promotion via live-streaming



NIKE promotional video



Presence on popular lifestyle shopping platform

Promoting Sustainable Living at Our Outlets

Building a community around sustainability



Kids-only Flea Market

Sasseur (Kunming) Outlets

Approximately 60 of our VIP members and their children participated as vendors at the flea market where they manned booths at the market; the children peddled their used clothes, toys and other belongings or exchanged them for recyclables at other booths



“Stay Trendy, Stay Active” Fitness Week

Sasseur (Hefei) Outlets

Exclusive collaboration with local sports brand, PEAK, to organise a week of activities to promote an active lifestyle at the outlet



Looking Forward

Sasseur (Hefei) Outlets



Slight Expansion in China's Economy in 2Q 2022

Signs of recovery for retail sales in month of Jun 2022



- **Muted growth on the back of COVID-19 lockdowns in major cities**

- > GDP¹: 2Q 2022 ▲ 0.4% YoY; 1H 2022 ▲ 2.5% YoY
- > The World Bank has projected China's real GDP growth to slow to 4.3% in 2022¹



- **Signs of recovery for retail sales in Jun 2022, amidst easing COVID restrictions and macroeconomic policy support**

- > Retail sales of consumer goods^{2,3}
 - > Jun 2022: ▲ 3.1% YoY (versus Apr 2022: ▼ 11.1% YoY and May 2022: ▼ 6.7% YoY)
 - > 1H 2022: ▼ 0.7% YoY



- **Disposable incomes up in 1H 2022, despite lockdowns**

- > Disposable income per capita³: ▲ 4.7% YoY in 1H 2022

1. The World Bank, "China Economic Update, Jun 2022.

2. Source: National Bureau of Statistics of China, 15 Jul 2022.

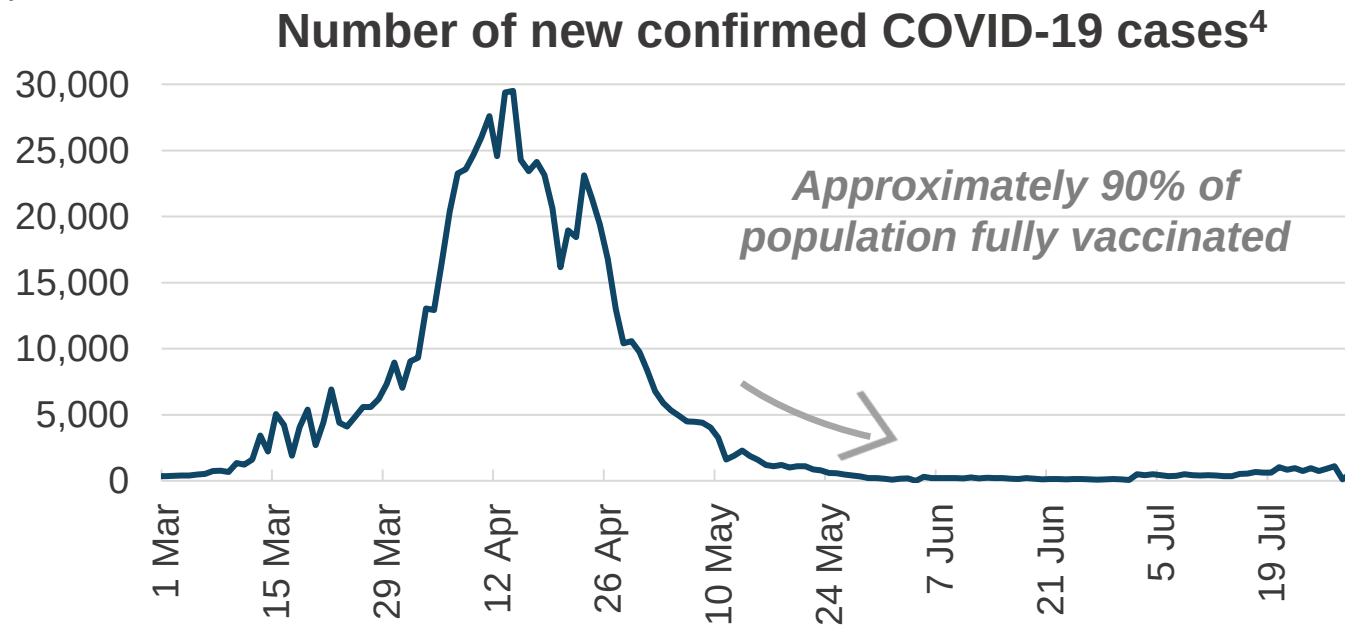
3. Source: National Bureau of Statistics of China, 18 Jul 2022.

Uncertain Operating Climate in the Short-term

Government's zero-COVID strategy presents an uncertainty



- Government reaffirmed its dynamic zero-COVID strategy¹; risks of further lockdowns remain
- Intensifying policy efforts to boost domestic consumption and investment
 - > Implementing policy package of 33 measures² to strengthen development of its 'dual circulation' strategy
 - > Economic priorities for the second half of 2022 would be to boost demand and enhance credit support to businesses¹
 - > Seeking to boost inter-city travel by no longer indicating in digital travel passes whether a person has recently visited cities with high risk of COVID-19 exposure³



1. China Daily, "[China sets out economic priorities for 2nd half](#)", 28 Jul 2022.

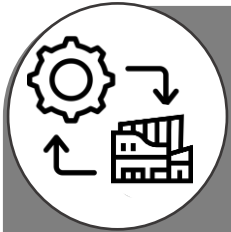
2. China's State Council, "Policy measure package to stabilize the economy", 31 May 2022.

3. South China Morning Post, "[China relaxes intercity travel restrictions by removing indication of Covid-19 risk on digital passes](#)", 29 Jun 2022.

4. Our World in Data, 26 Jul 2022.

Key Management Focus

Building resilience for next growth phase



Proactive Asset Management

- ▶ Adopt active and flexible approach to optimise tenant mix
- ▶ Accelerate digitalisation efforts to capture sales and mindshare
- ▶ Recruit more new VIP members and enhance current loyalty benefits
- ▶ Continue to roll out interactive and exciting thematic events



Prudent Capital Management

- ▶ Aim to complete debt refinancing exercise by end-2022
- ▶ Maintain robust balance sheet and prudent level of aggregate leverage



Acquisition-led Growth

- ▶ Target cities in China with large population base and attractive growth potential
- ▶ Acquisition priority: Xi'an and Guiyang Outlets; granted Right of First Refusal (ROFR) from Sponsor

Gearing Up for Outlets' Biggest Sales Event in Sep

Strategies to boost sales for Mega Anniversary event



- 1 “Super” is the theme for this year’s celebration; “Super” is equivalent to quality products with attractive discounts
- 2 24-hour shopping on 1st day of Anniversary sales with exclusive discounts for VIP members
- 3 Creating a party-like atmosphere with events like TikTok dance competition, fashion shows, kids activities, flash-sales and atrium sales activities

2021 Anniversary Sales (Event photos & media teasers)



Chongqing Liangjiang



Hefei



Chongqing Bishan



Kunming

Upcoming 2022 Anniversary Sales (Media teasers)



Teaser advertisements: Hefei [on left] and Kunming [on right]

Sponsor's Growing Footprint and Brand Reach

Sasseur REIT leveraging full sponsor support



Sasseur Group (57.25% stake in Sasseur REIT¹)

30 years' experience focusing on outlet operations in China

14 operating outlets in China², with another **5** upcoming outlets



Sponsor's upcoming outlets

	Fuzhou	Nanjing II	Shijiazhuang	Shanghai	Wulumuqi
Opening Date (Tentative)	Oct 2022	Oct 2022	May 2023	Dec 2023	May 2024
GFA (sqm)	~190,000	~100,000	~83,000	~109,000	~126,000
Car Park Lots	c.2,800	c. 1,100	c. 3,500	c.2,500	c.2,000

Sasseur REIT's acquisition pipeline

- Acquisition priority: Xi'an and Guiyang Outlets, granted Right of First Refusal (ROFR) from Sponsor
- Assets in the pipeline: 3rd party owned assets which Sasseur Group has ROFR to acquire from the owners

1. As at 30 Jun 2022.

2. Including the 4 outlets owned by Sasseur REIT.

Thank You

For enquiries, please contact:
Ms Jeanette Pang, Investor Relations

✉ jeanettepang@sasseurreit.com

☎ (65) 6360 0290

📍 **Sasseur Asset Management Pte. Ltd.**
7 Temasek Boulevard, #06-05,
Suntec Tower One, Singapore 038987

