



SASSEUR REIT

First Listed Outlet REIT in Asia

Financial Results for 2Q 2020

14 Aug 2020

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Contents



Section 1	Key Highlights
Section 2	Financial Results
Section 3	Capital Management
Section 4	Portfolio Update
Section 5	Investment Merits

Key Highlights

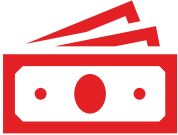





SASSEUR (KUNMING) OUTLETS

2Q 2020 Key Highlights



DPU yield 8.2% based on closing price \$0.740 as at 30 Jun 2020

 EMA Rental Income¹	 Distributable Income	 Distribution Per Unit²	 NAV Per Unit
S\$28.0 million	S\$18.2 million	1.512 SG Cents	90.30 SG Cents
↑ 10.7% q-o-q ³	↑ 13.6% q-o-q ³	↑ 13.3% q-o-q ³	↓ 2.5% q-o-q ³

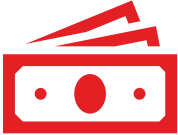



1. Excluding straight-line accounting adjustments

2. For 2Q 2020, Sasseur REIT continues to distribute 100% of the distributable income to Unitholders

3. Q-o-Q comparison refers to 2Q 2020 vs 1Q 2020

2Q 2020 Key Highlights



 EMA Rental Income¹	 Distributable Income	 Distribution Per Unit²	 NAV Per Unit
S\$28.0 million	S\$18.2 million	1.512 SG Cents	90.30 SG Cents
↓ 4.0% y-o-y ³	↓ 5.2% y-o-y ³	↓ 6.0% y-o-y ³	↑ 12.9% vs IPO







1. Excluding straight-line accounting adjustments

2. For 2Q 2020, Sasseur REIT continues to distribute 100% of the distributable income to Unitholders

3. Y-o-Y comparison refers to 2Q 2020 vs 2Q 2019

2Q 2020 Key Highlights



 <p>EMA Fixed Component +3.9% vs 2Q 2019</p>	 <p>Sales RMB 835.7 million 1Q 2020: RMB 534.5 million</p>	 <p>Aggregate Leverage 28.1% 1Q 2020: 28.5%</p>
 <p>EMA Variable Component -18.8% vs 2Q 2019</p>	 <p>Weighted Average Lease Expiry¹ 2.7 years</p>	 <p>Occupancy 93.6% 1Q 2020: 94.8%</p>

1. Weighted average lease expiry by net lettable area.

Financial Results



SASSEUR (CHONGQING) OUTLETS

2Q 2020 EMA Rental Income Increased 10.7% vs 1Q 2020



	2Q 2020	1Q 2020	Change %	2Q 2019	Change %	1H 2020	1H 2019	Change %
Fixed Component (RMB mil)	102.4	102.4	-	98.5	+3.9	204.8	197.1	+3.9
Variable Component (RMB mil)	38.5	24.8	+55.4	47.5	-18.8	63.3	102.2	-38.1
EMA Rental Income ¹ (RMB mil)	140.9	127.2	+10.8	146.0	-3.5	268.1	299.3	-10.4
EMA Rental Income ^{1, 2} (S\$ mil)	28.0	25.3	+10.7	29.1	-4.0	53.2	60.0	-11.3
Distributable Income (S\$ mil)	18.2	16.0	+13.6	19.2	-5.2	34.2	38.9	-12.1
DPU (SG cents)	1.512	1.334	+13.3	1.608	-6.0	2.846	3.264	-12.8

1. Excluding straight-line accounting adjustments

2. Using the average SGD:RMB rate for the period 2Q 2020 5.0381, 1Q 2020 5.0339, 2Q 2019 5.0094, 1H2020 5.0360 and 1H 2019 4.9880

Healthy Balance Sheet



S\$ mil	30 Jun 2020	31 Dec 2019
Investment properties	1,617.3	1,587.2
Cash and short-term deposits	119.7	154.7
Other assets	27.3	28.5
Total Assets	1,764.3	1,770.4
Loans and borrowings	483.8	478.6
Other liabilities	193.5	222.6
Total Liabilities	677.3	701.2
Net Assets	1,087.0	1,069.2
NAV per unit (cents) ¹	90.30	89.20
Aggregate Leverage	28.1%	27.8%

1. Based on units in issue and issuable of 1,203,789,210 and 1,198,678,588 as at 30 June 2020 and 31 December 2019 respectively.

Distribution Details



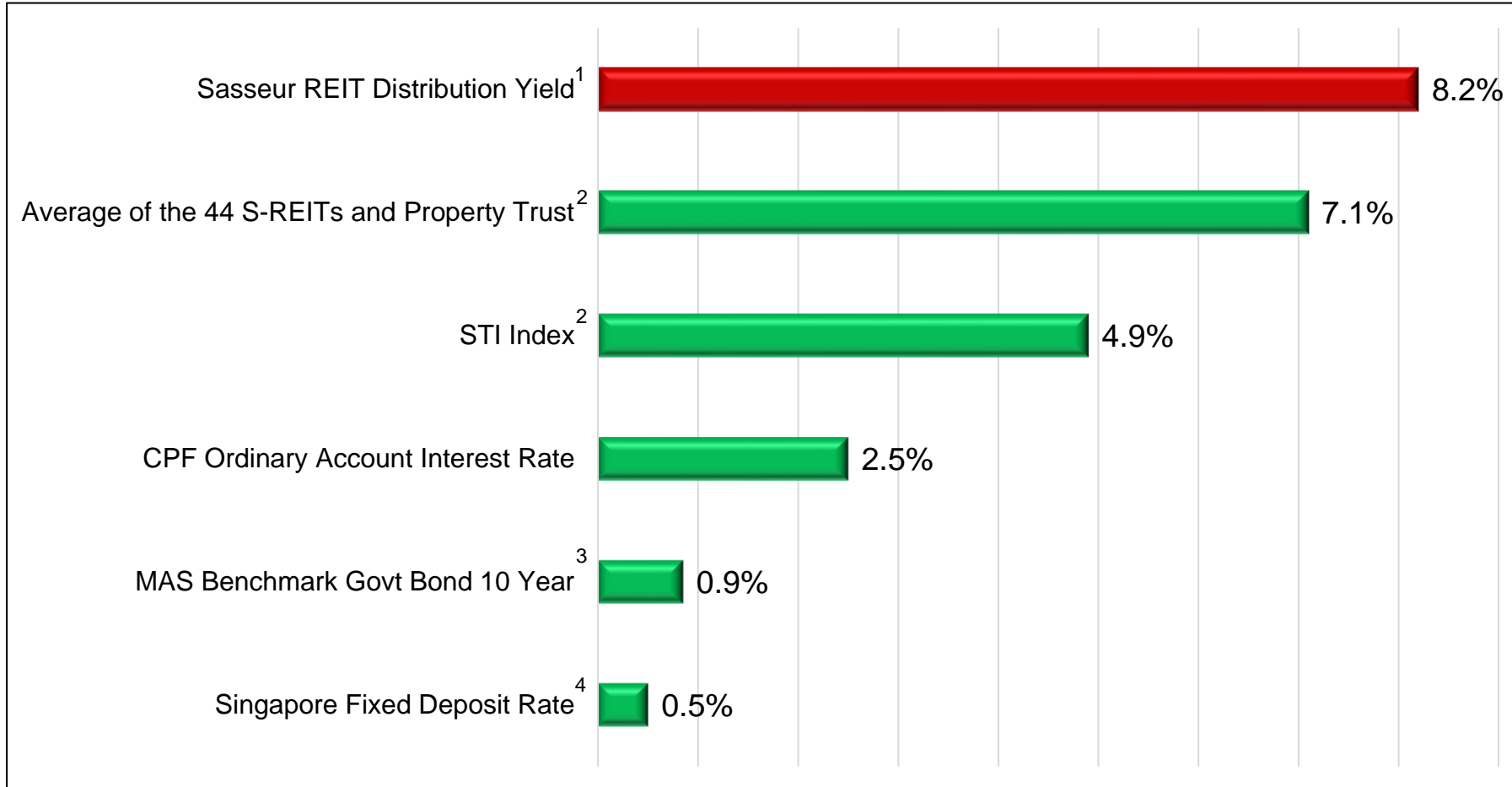
Distribution Period
Distribution Per Unit¹

1 April to 30 June 2020
1.512 Singapore cents

1. Based on 100% distribution pay-out ratio

Distribution Timetable	
Notice of Books Closure Date	14 August 2020
Ex-dividend Date	28 August 2020
Books Closure Date	31 August 2020
Distribution Payment Date	25 September 2020

Sasseur REIT Yield vs Other Asset Classes



Notes:

- 1. Distribution yield based on annualised DPU and closing price of S\$0.740 as at 30 June 2020
- 2. Based on 12M Average Dividend Yield
- 3. Based on 10 Year Yield
- 4. 12M Bank fixed deposit rates from MAS as of 30 June 2020

Source: Bloomberg, SGX, Central Provident Fund (CPF) Board, data as of 30 June 2020

Capital Management



SASSEUR (HEFEI) OUTLETS

Prudent Capital Management



	 Aggregate Leverage	 Average Debt Maturity	 Interest Coverage Ratio	 Weighted Average Cost of Debt
2Q 2020	28.1%	2.23 years	5.0 times	4.17% p.a.
4Q 2019	27.8%	2.73 years	4.8 times	4.41% p.a.

Loan Facilities	Onshore	Offshore
Currency	RMB	SGD
Outstanding Quantum ²	~SGD 370 million (RMB 1.88 billion)	SGD 125 million (~RMB 0.64 billion)
Maturity	March 2023	March 2021
Floating Rate	PBOC benchmark 1-5 years lending rate	Singapore SOR ¹

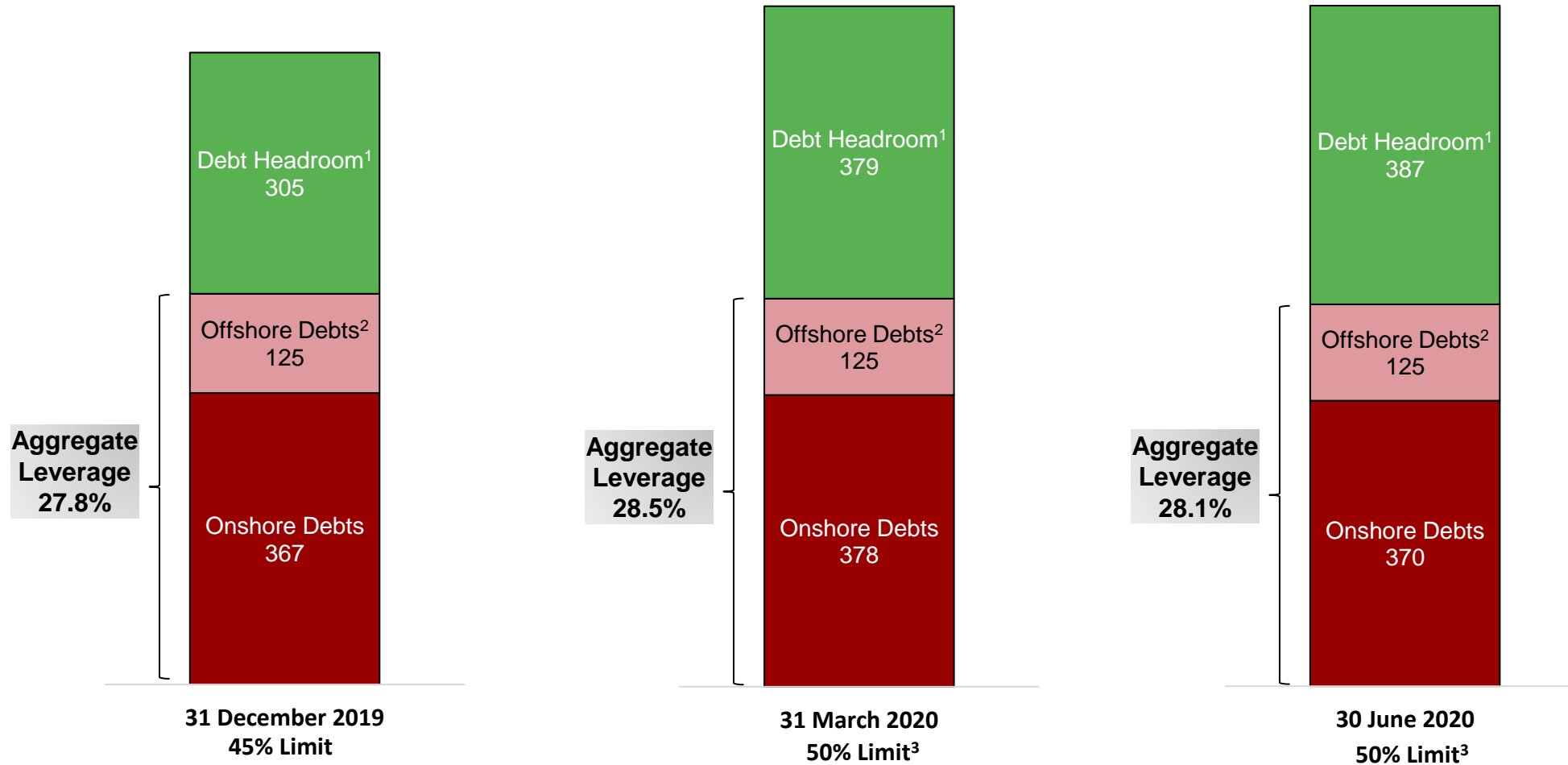
← The refinancing of loan expiring in 2021 is in its finalising stage

1. 50% of offshore loan is hedged
 2. Based on SGD to RMB exchange rate of 5.0813 as at 30 June 2020

Prudent Capital Management



Debt Facilities (SGD million)



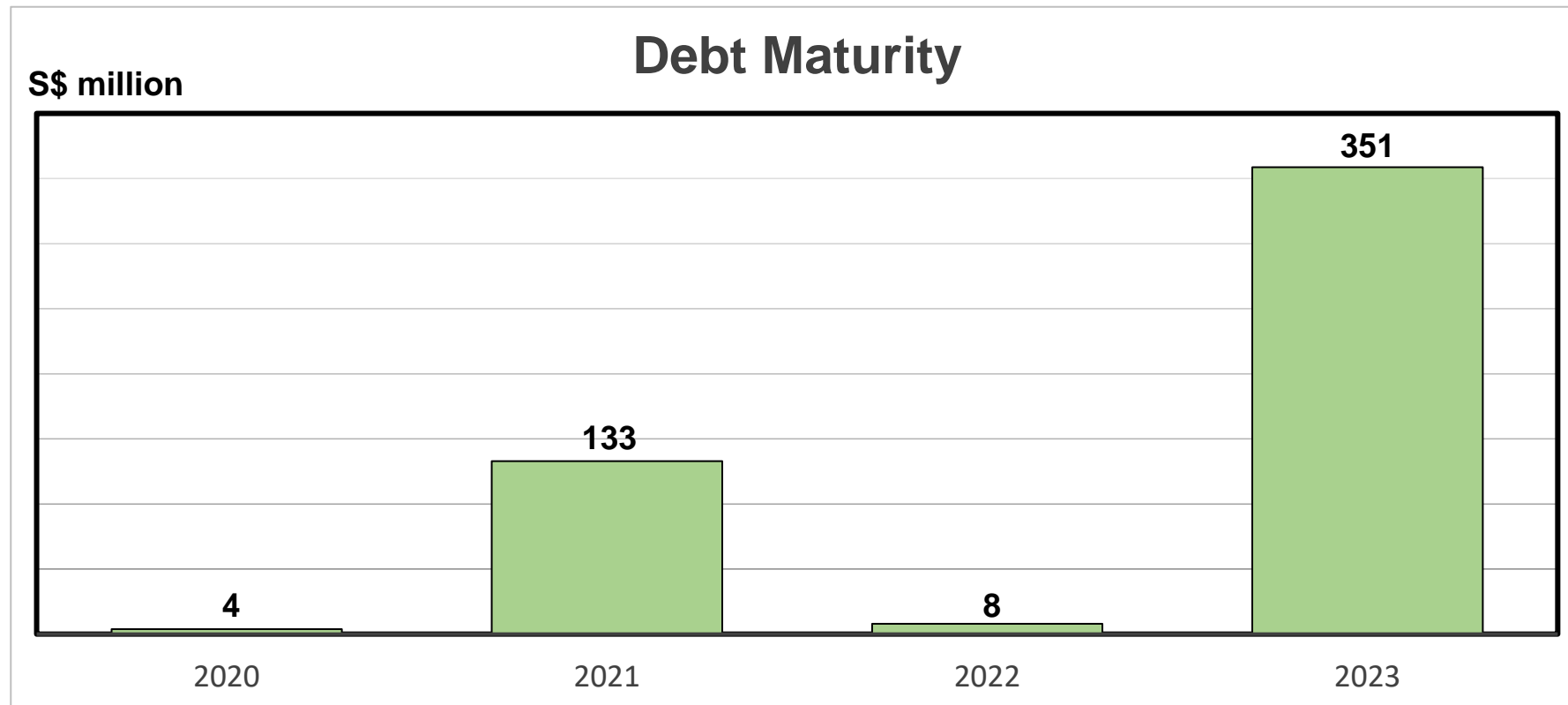
1. Debt headroom is computed based on corresponding periods' deposited property value or total assets value
2. 50% of offshore loan is hedged
3. 50% leverage limit is based on MAS's revised leverage limit

Note: All calculations are done according to the SGD to RMB exchange rate of 5.1739 as at 31 December 2019, 4.9724 at as 31 March 2020 and 5.0813 as at 30 June 2020

Debt Maturity Profile



Weighted average debt maturity is 2.23 years
The refinancing of loan expiring in 2021 is in its finalising stage



Portfolio Update



SASSEUR (HEFEI) OUTLETS

Portfolio Summary

Portfolio

Valuation* : 8,212 mil

NLA : 312,844 sqm

Occupancy ^ : 93.6%

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

^Occupancy for 2Q 2020



Hefei Outlet Mall
Valuation : 2,795 mil
NLA : 144,583 sqm
Occupancy : 94.7%



Bishan Outlet Mall
Valuation : 824 mil
NLA : 47,308 sqm
Occupancy : 84.2%



Kunming Outlet Mall
Valuation : 1,620 mil
NLA : 70,067 sqm
Occupancy : 97.3%



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

2Q 2020 Outlet Sales Summary

Significant sales improvement 56.3% as compared to 1Q 2020

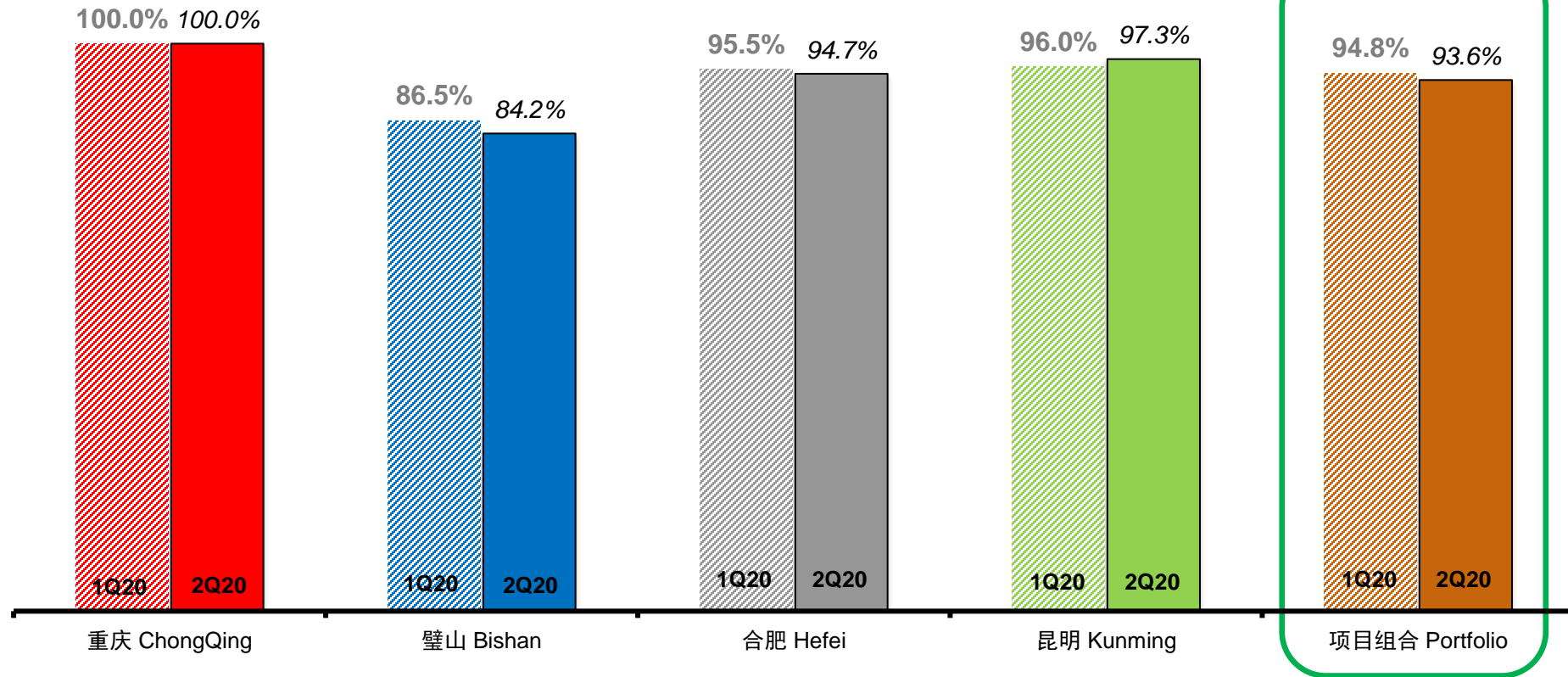
Outlets	2Q 2020 Sales (RMB'mil)	2Q 2020 vs 1Q 2020 (%)	2Q 2020 vs 2Q 2019 (%)	1Q 2020 vs 1Q 2019 (%)	1H 2020 Sales (RMB'mil)	1H 2020 vs 1H 2019 (%)
Chongqing	396.0	+70.3	-17.5	-61.8	628.4	-42.3
Bishan	78.6	+51.5	-15.7	-58.4	130.5	-40.1
Hefei	217.7	+69.6	-20.3	-47.2	346.1	-32.9
Kunming	143.4	+17.7	-20.4	-46.8	265.2	-35.2
Portfolio	835.7	+56.3	-18.6	-55.7	1370.2	-38.6

1. 2Q 2019: 01 April 2019 – 30 Jun 2019
2. 1Q 2020: 01 Jan 2020 - 31 Mar 2020
3. 2Q 2020: 01 Apr 2020 - 30 Jun 2020
4. 1H 2019: 01 Jan 2019 - 30 Jun 2019
5. 1H 2020: 01 Jan 2020 - 30 Jun 2020

Portfolio Occupancy



4 outlet malls enjoy stable occupancy

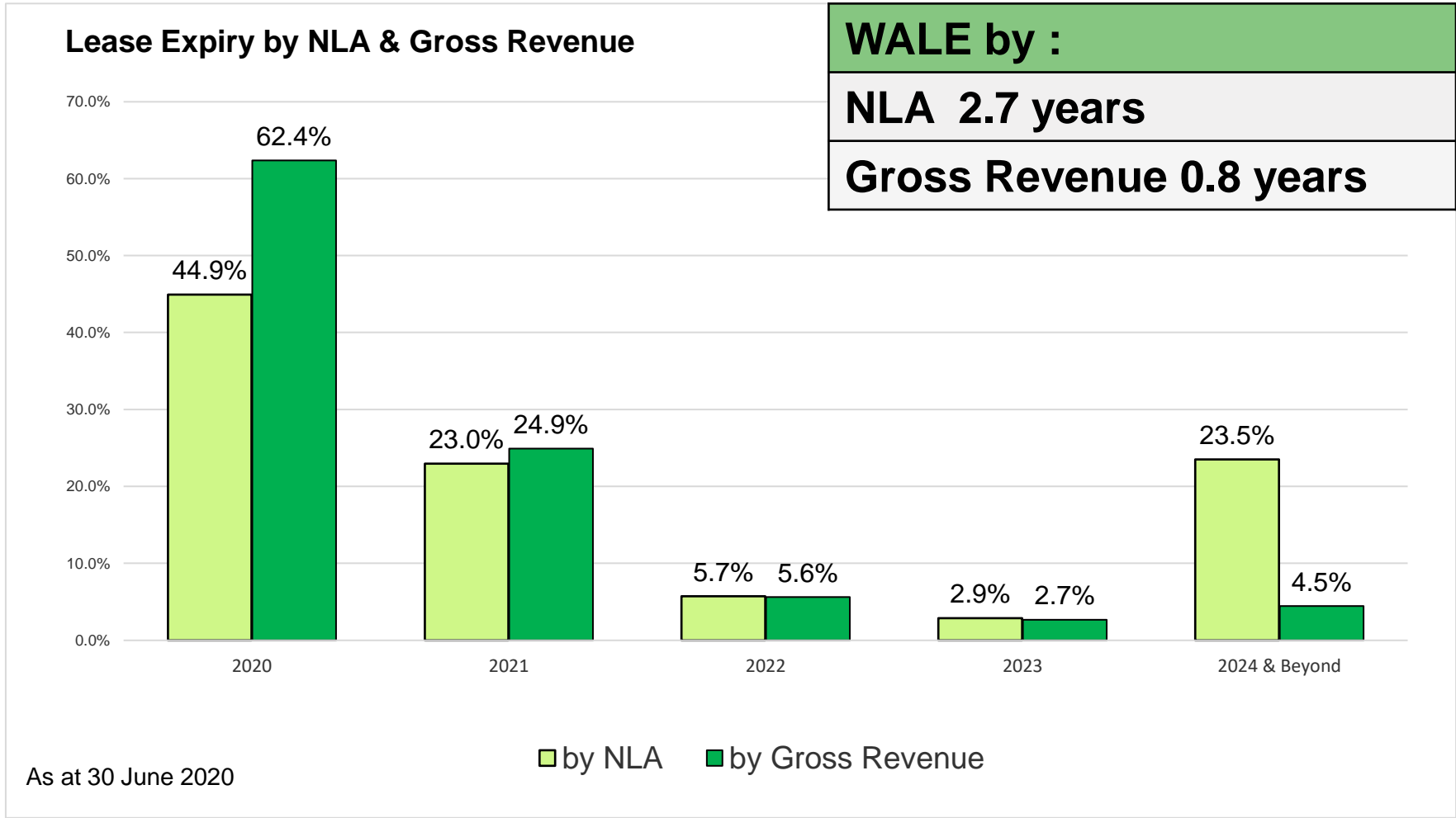


2Q 2020 vs 1Q 2020

Weighted Average Lease Expiry (WALE)



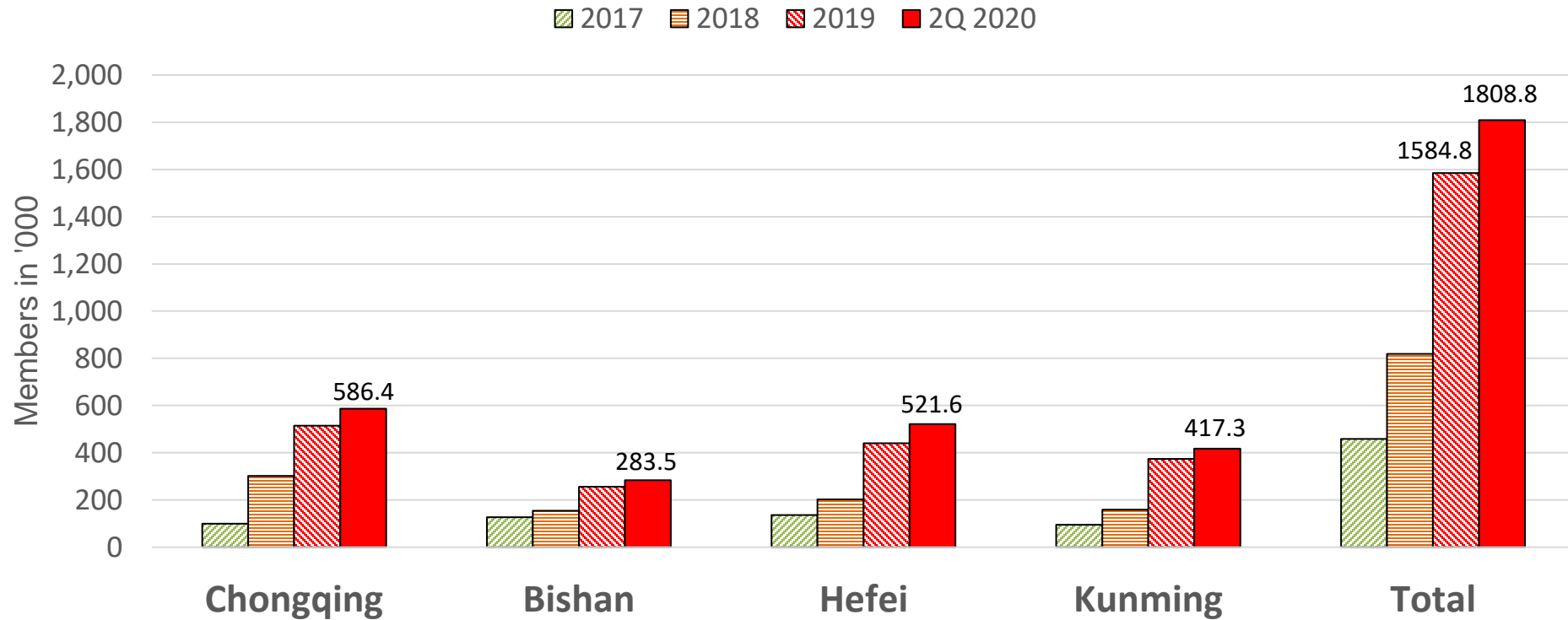
Deliberate short lease to optimise tenant mix



VIP Members - Growth by Outlets



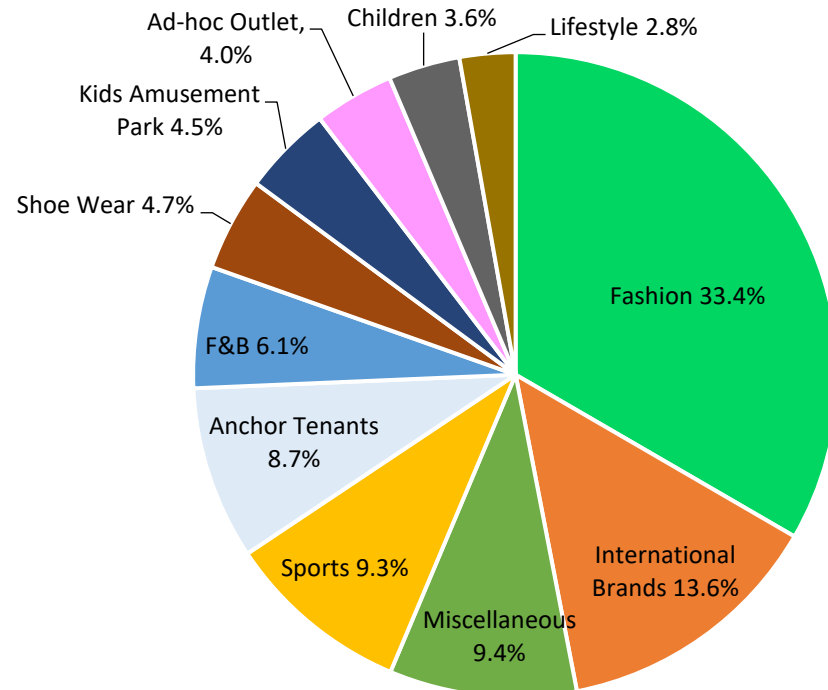
Total VIP members increased 14.1% from end 2019 to reach 1.8 million



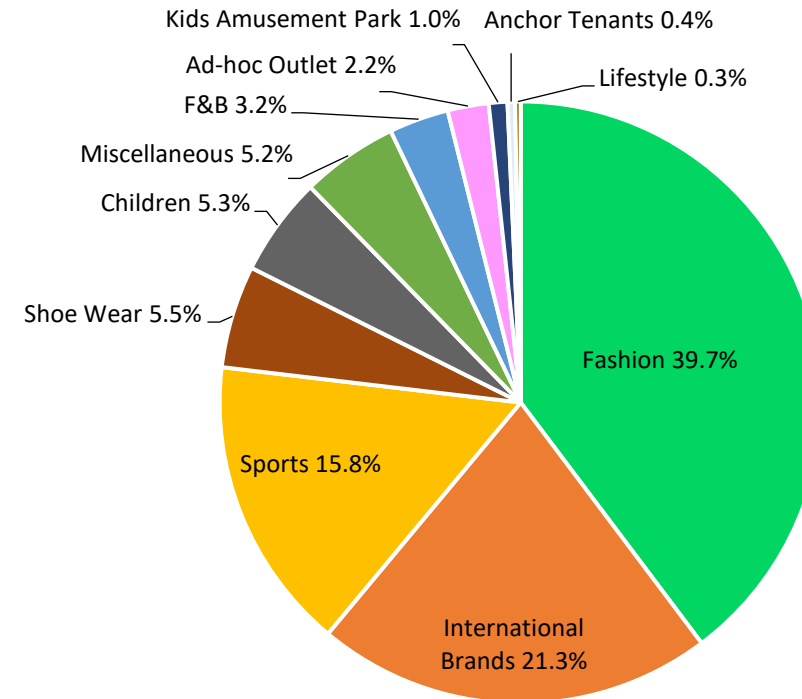
Well Diversified Trade Mix



Breakdown of NLA¹ by Trade Mix



Breakdown of Revenue² by Trade Sector



Fashion, Sports and International Brands

56.3%

76.9%

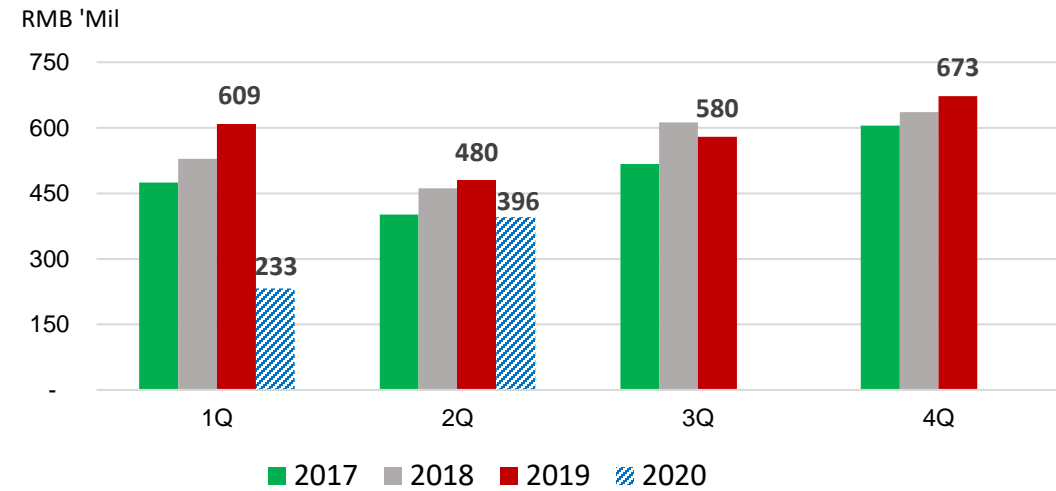
1. As percentage of the portfolio's net lettable areas as at 30 June 2020
 2. As percentage of the portfolio's gross revenue as at 30 June 2020

Chongqing Outlets

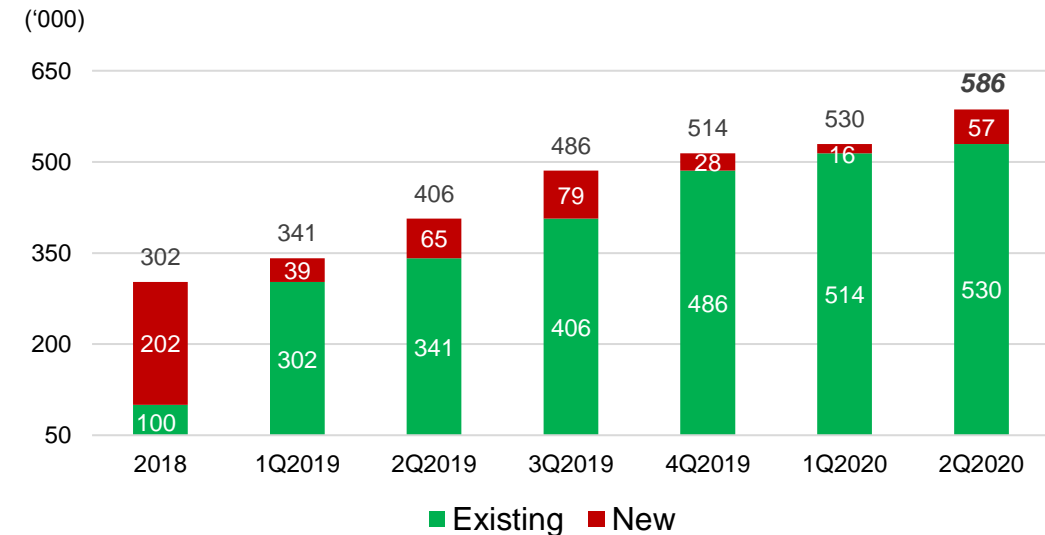


Year Commenced Operations	Sep 2008
GFA (sqm)	73,373
NLA (sqm)	50,885
Occupancy Rate (% , 30 Jun 20)	100
No. of Tenants (30 Jun 20)	408
Top Brands/Tenants	Nike, Adidas, +39 Space, Coach
Car Park Lots	500
Valuation (RMB mil, 31 Dec 19)	2,973

Sales



Outlet Members

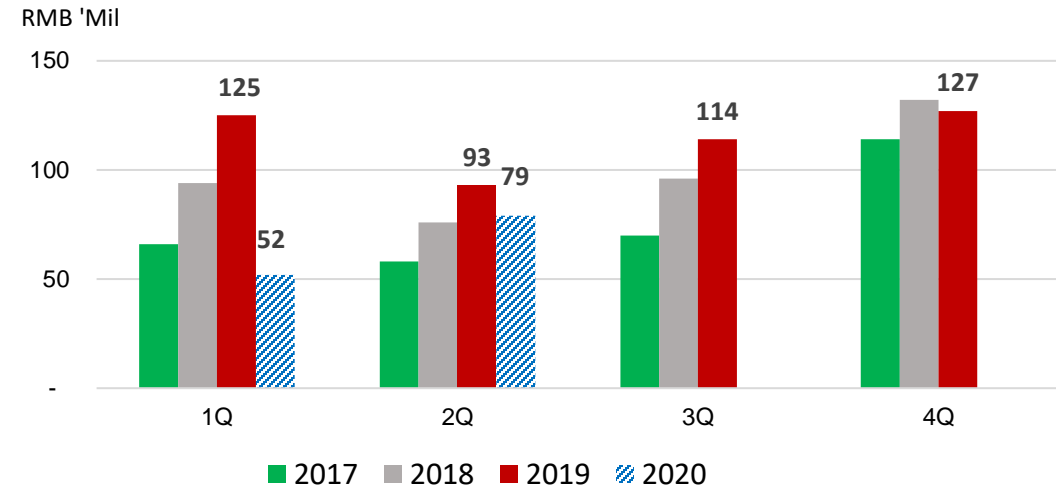


Bishan Outlets

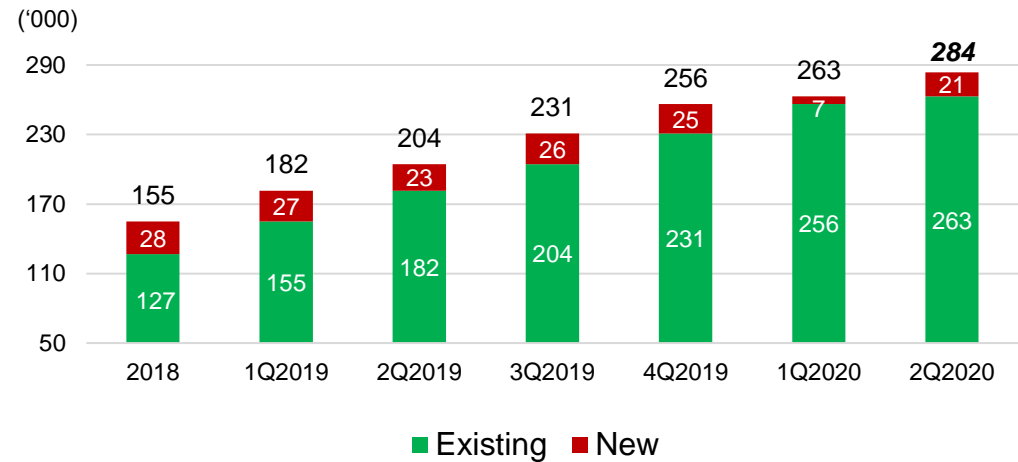


Year Commenced Operations	Oct 2014
GFA (sqm)	68,791
NLA (sqm)	47,308
Occupancy Rate (% , 30 Jun 20)	84.2
No. of Tenants (30 Jun 20)	178
Top Brands/Tenants	Adidas, Nike, Polo Sport, +39 Space
Car Park Lots	400
Valuation (RMB mil, 31 Dec 19)	824

Sales



Outlet Members

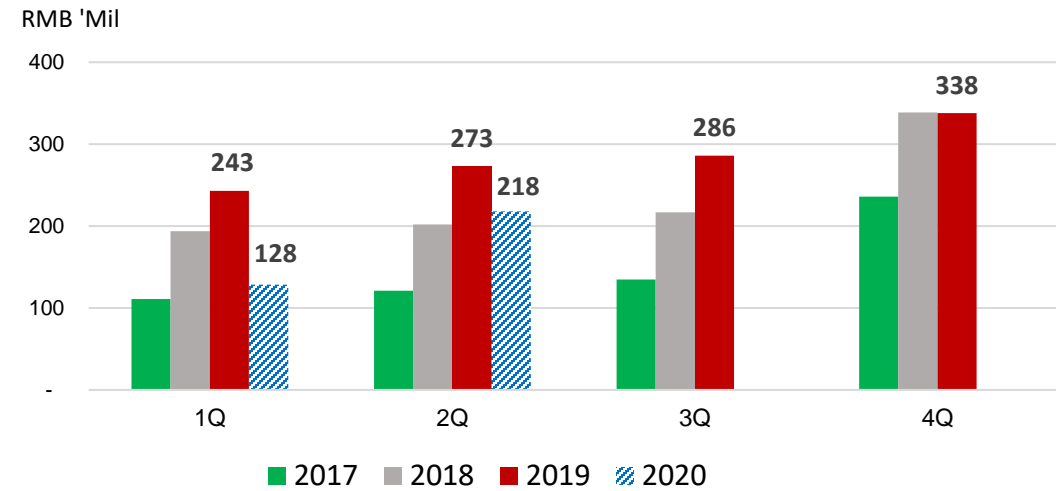


Hefei Outlets

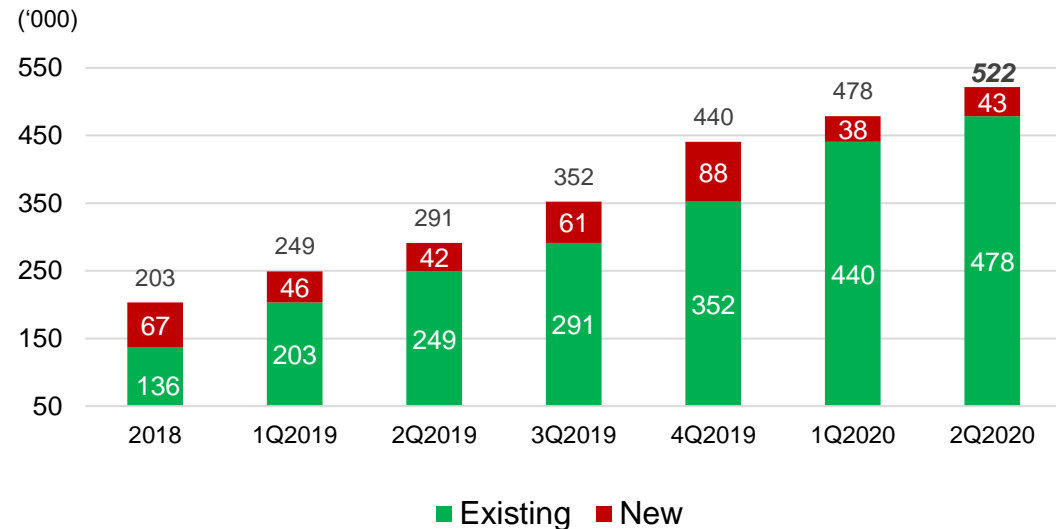


Year Commenced Operations	May 2016
GFA (sqm)	147,316
NLA (sqm)	144,583
Occupancy Rate (% , 30 Jun 20)	94.7
No. of Tenants (30 Jun 20)	316
Top Brands/Tenants	Adidas, Coach, Nike, Fila, Skechers
Car Park Lots	1,566
Valuation (RMB mil, 31 Dec 19)	2,795

Sales



Outlet Members

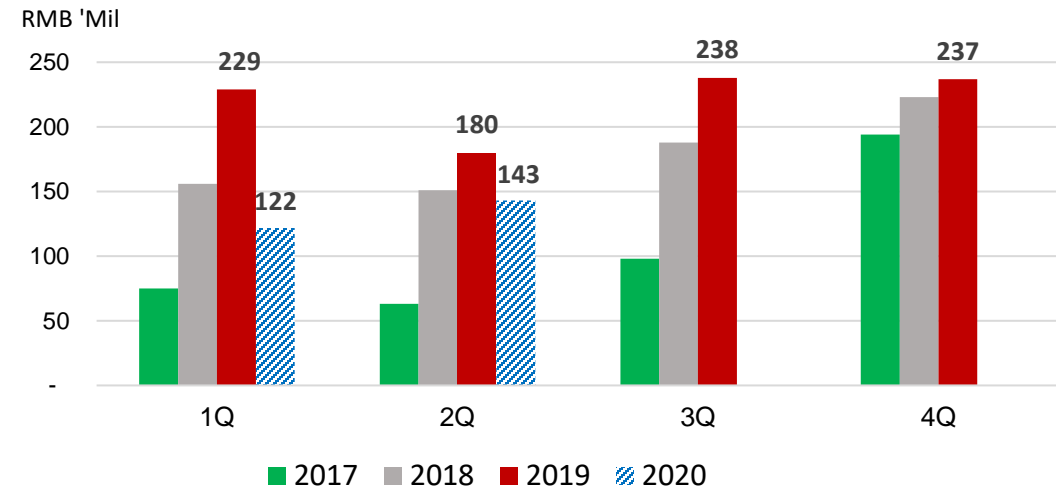


Kunming Outlets

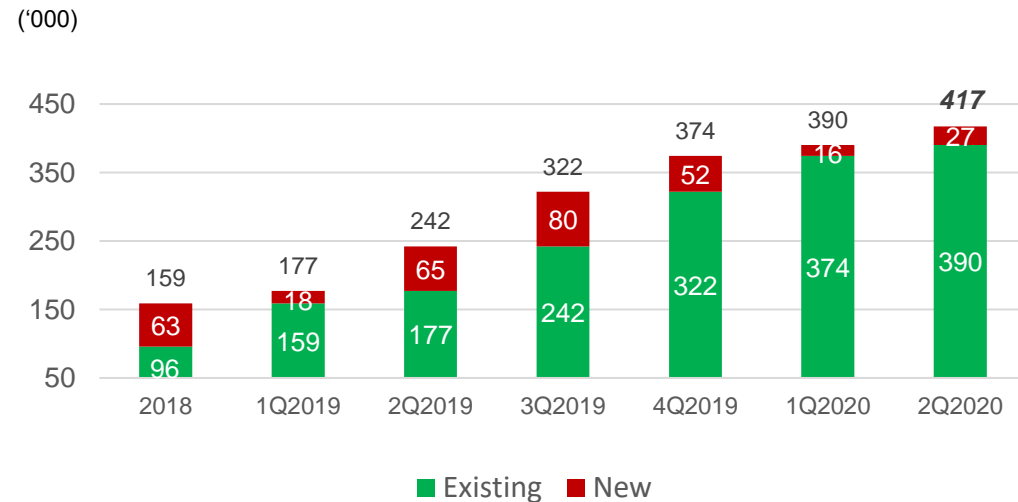


Year Commenced Operations	Dec 2016
GFA (sqm)	88,257
NLA (sqm)	70,067
Occupancy Rate (% , 30 Jun 20)	97.3
No. of Tenants (30 Jun 20)	251
Top Brands/Tenants	Nike, Adidas, +39 Space, FILA, POLO
Car Park Lots	2,000
Valuation (RMB mil, 31 Dec 19)	1,620

Sales



Outlet Members



Exciting Events to Drive Sales

重庆奥莱 / Chongqing Outlets



昆明奥莱 Kunming Outlets

璧山奥莱 Bishan Outlets



合肥奥莱 Hefei Outlets

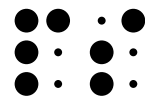


AEI - Chongqing Outlets



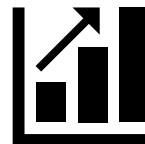
Value Creation

- Part of overall strategy to periodically upgrade our outlets to achieve higher asset yield and sustainable income growth for Sasseur REIT



Scope of Work

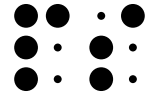
- Re-configuration of retail units and floor plates to achieve higher efficiency
- Retro-fitting and refurbishing the interior



Deliverables

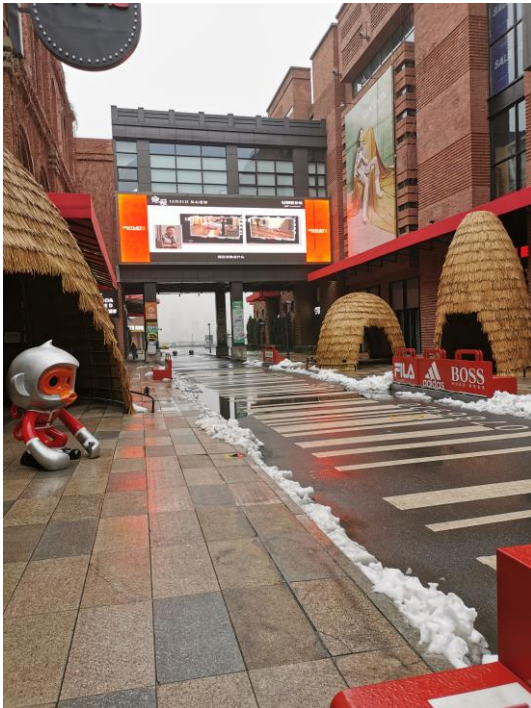
- Reposition as a lifestyle and shopping destination with a specific theme which will enlarge our shoppers' base from Chongqing and other parts* of China
- Refresh appeal to both shoppers and tenants
- Expected completion in 2Q 2021

* visitors/tourists travelling to Chongqing from other provinces



Scope of Work

- Space maximisation and conversion of traffic driveway to pedestrian walkway between blocks A and B
- Major retro-fitting and refurbishment work to block B, converting the interior to cater for International sports' brands



Deliverables

- Creating a seamless shoppers' flow between block A & B which will increase the shoppers' traffic
- Cater to the growing demand of Chinese consumers for International branded sports' apparels and accessories
- Achieve higher efficiency and better income for the Outlets
- Expected completion in 1Q 2021

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

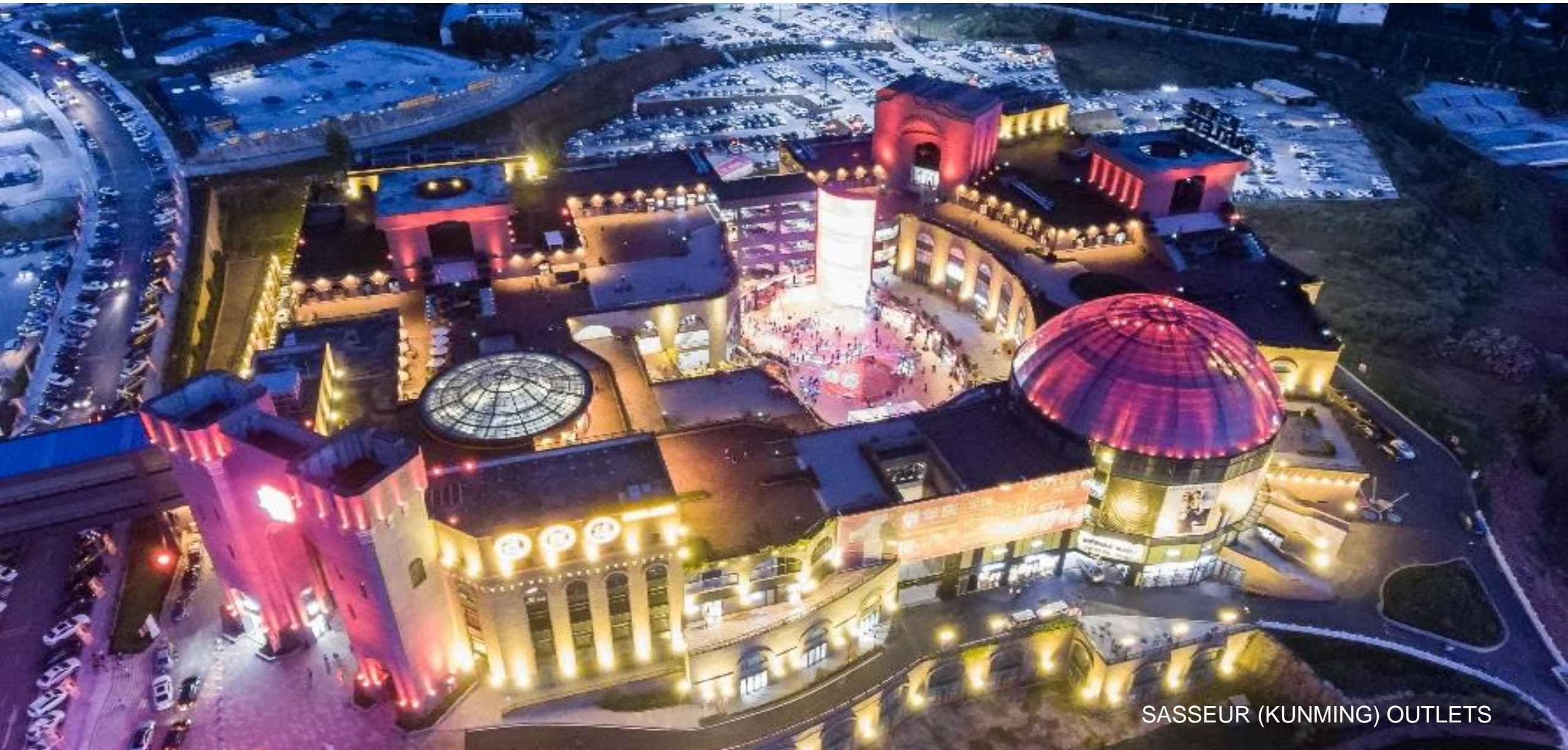


Opening Soon

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.1,500	c.1,200	c.2,500	c.2,200

Investment Merits



SASSEUR (KUNMING) OUTLETS

Singapore Governance and Transparency Index (SGTI)



Singapore Governance and Transparency Index 2020

REIT and Business Trust Category

RANK 2020	TRUST NAME	BASE SCORE*	ADJUSTMENTS FOR BONUSES/PENALTIES	OVERALL SGTI 2020 SCORE	OVERALL SGTI 2019 SCORE	RANK 2019
1	CapitaLand Commercial Trust	85.5	27	112.5	100.5	1
2	CapitaLand Mall Trust	86.5	24	110.5	99.5	2
3	Ascott Residence Trust	81.3	20	101.3	98.0	3
4	Far East Hospitality Trust	80.2	19	99.2	90.4	6
5	Netlink NBN Trust	74.9	24	98.9	73.3	34
6	CapitaLand Retail China Trust	83.2	15	98.2	96.2	4
7	Cromwell European Reit	84.4	11	95.4	71.3	36
8	Ascendas Reit	87.4	7	94.4	88.4	8
9	Manulife US Reit	79.8	14	93.8	74.7	33
10	OUE Commercial Reit	71.9	21	92.9	70.8	37
11	Frasers Logistics And Commercial Trust	78.5	14	92.5	86.5	11
12	Keppel Pacific Oak US Reit	73.5	18	91.5	72.3	35
13	Lippo Malls Indo Reit Trust	75.5	15	90.5	70.3	38
14	Mapletree North Asia Comm Trust	73.2	17	90.2	85.8	13
15	Keppel DC Reit	71.3	17	88.3	87.3	9
16	Soilbuild Business Space Reit	76.3	11	87.3	64.5	40
17	Frasers Hospitality Trust	77.3	9	86.3	84.5	15
17	AIMS APAC Reit	70.3	16	86.3	82.9	21
19	ESR-Reit	76.1	10	86.1	81.4	24
20	Dasin Retail Trust	71.9	14	85.9	77.0	30
20	CDL Hospitality Trusts	75.9	10	85.9	86.9	10
22	Suntec Reit	72.3	13	85.3	80.3	25
23	Mapletree Logistics Trust	74.2	11	85.2	85.9	12
24	Ascendas India Trust	75.4	9	84.4	77.2	29
25	Sasseur Reit	71.7	12	83.7	45.2	45
26	Prime US Reit	64.4	19	83.4	-	-
27	Keppel Reit	75.9	6	81.9	84.8	14
28	ARA LOGOS Logistics Trust	72.6	9	81.6	79.8	26

Sasseur REIT jumped 20 spots to rank 25th in this year's SGTI REITs and Business Trust category.

We continue to be committed to maintaining high standards of corporate governance and reporting.

Source: The Business Times, 5 Aug 2020

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 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 : Full alignment of interests of tenants, REIT unitholders, the REIT and entrusted managers, with the potential for sharing upsides

3

Proactive Asset Management Strategy : Focus on asset enhancement and organic growth and yield accretive acquisitions.

4

Resilient Retail segment : High growth sector offering attractive value-for-money branded products that cater to the rising aspirations and demand of the expanding Chinese middle class

5

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



Thank You



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