

Sasseur REIT FY2023 Annual General Meeting

25 April 2024



Sasseur (Chongqing Liangjiang) Outlet

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

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Sasseur (Chongqing Bishan) Outlet

FY2023 Key Highlights






Sasseur (Kunming) Outlet

Portfolio Sales Grew by 31.9% YoY in FY2023

Strong rebound in sales benefitting from consumption downgrade in China

Chongqing Liangjiang Outlet's full-year sales at new high, above pre-COVID FY2019 level by 8.5%

 Portfolio	 Financials	 Capital Management
FY2023	FY2023	As at 31 Dec 2023
Total Outlet Sales RMB4,663.7m ▲ 31.9% YoY	EMA Rental Income (RMB)² RMB658.5m ▲ 10.7% YoY	Aggregate Leverage 25.3% <i>Lowest amongst S-REITs³</i>
Portfolio Occupancy¹ 97.6%	EMA Rental Income (S\$)² S\$124.9m ▲ 3.0% YoY	Interest Coverage Ratio 4.3x
Weighted Average Lease Expiry (NLA) 2.1 years As at 31 Dec 2023	DPU 6.249 cents ▼ 4.6% YoY	Average Debt Maturity 2.9 years

1. Portfolio occupancy rate for 4Q 2023. Occupancy is calculated based on the average of the last day's occupancy of each month in the quarter.

2. Excluding straight-line accounting adjustments; more details on the Entrusted Management Agreement (EMA) model in the Appendix.

3. SGX Research, "Chartbook: SREITs & Property Trusts", Jan 2024.

FY2023 Key Achievements

Strengthening Sasseur REIT's foundation for long-term growth



Capital Management: Diversified and De-Risked Debt Profile

- Successfully completed refinancing of loans ahead of Mar 2023 maturity, with:
 - > Staggered debt maturity profile by splitting existing loans into several loans with different maturities
 - > Broadened lending relationships with strong support from existing lenders and new lenders
 - > No significant refinancing requirements till 2026
 - > Reduced aggregate leverage, further boosting debt headroom to support growth
 - > Enhanced REIT's financial flexibility by unencumbering Kunming Outlet



Asset Management: Extracted More Values from Outlets with Asset Enhancements

- Upgraded **Chongqing Liangjiang Outlet's** VIP Lounge
- Refreshed and strengthened food & beverage offerings in **Kunming Outlet** and brought in 2 popular brands – **KFC** and **Erlanggang Chongqing Hotpot**
- Strengthened **Hefei Outlet's** positioning as a family-friendly destination by bringing in a leading supermarket, **Yonghui Superstores**, the first 'SMART' concept to open in Hefei city's Gaoxin District
- Construction of **Chongqing Bishan Outlet's** new **second entrance** to attract more shoppers to outlet and reduce traffic congestion

Attractive Total Return and Distribution Yield

Resilient and defensive amidst economic uncertainties



Total Return¹ (Listing to 31 Dec 2023) Outperforms Market

Sasseur REIT

36.2%

Vs

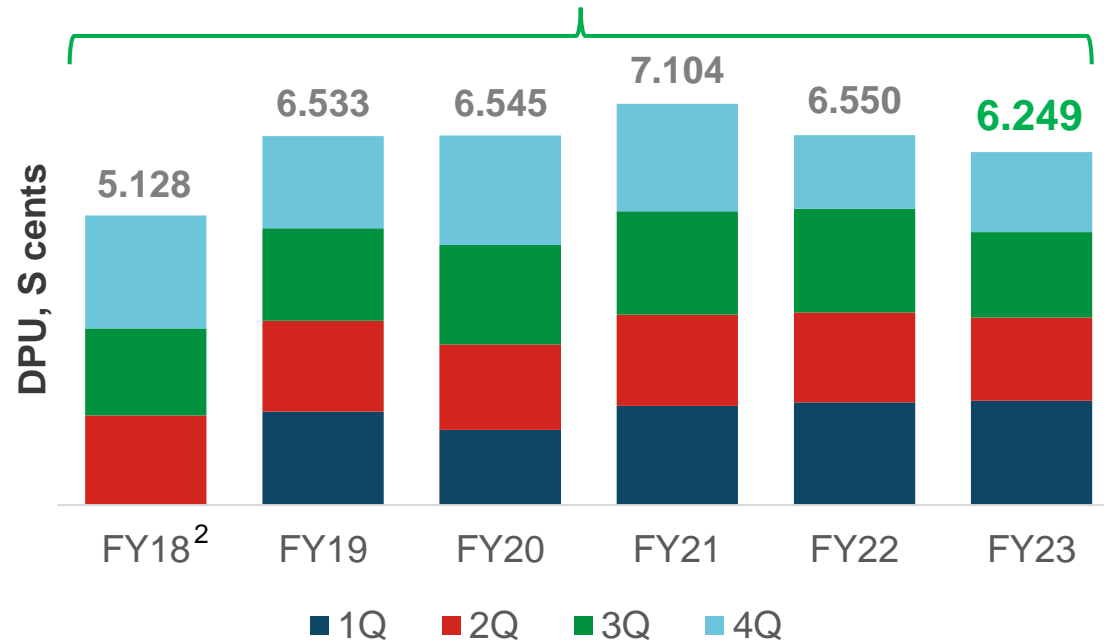
FTSE ST REIT Index

20.6%

FTSE Straits Times Index

19.5%

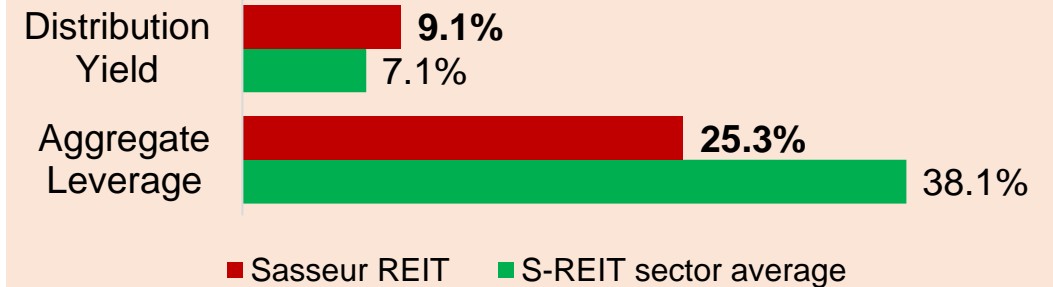
Total Distribution of 38.109 S cents



Best Risk-adjusted Return versus Sector Average

Distribution Yield and Aggregate Leverage³

(as at 31 Dec 2023)



Business Excellence

The Edge Singapore Centurion Club Awards 2023

- ★ Overall Sector Winner
- ★ Highest Weighted Return on Equity Over Three Years

in REITs sector



1. Source: Bloomberg.

2. From 28 Mar 2018 to 31 Dec 2018.

3. SGX Research, "Chartbook: SREITs & Property Trusts", Jan 2024; Sasseur REIT's unit price of S\$0.685 as at 31 Dec 2023.

FY2023 Sustainability Highlights

Integrating sustainability into our business



INDUSTRY RECOGNITION

Singapore Governance and Transparency Index (SGTI)

Ranked 17th out of 43 REITs and Business Trusts in SGTI 2023

- Up from 19th place in 2022; Sasseur REIT's score of 91.2 is:
- An improvement from 88.0 in 2022
 - **Highest achieved score** since 2019 when the REIT was first included in the SGTI rankings

ENVIRONMENTAL PERFORMANCE

Scope 1 & 2 Emissions

5.0%
reduction from FY2022

Expanded Scope 3 Emissions

Included new tenant emission categories and landlord Scope 3 emissions

Energy Consumption

10.9%
reduction from FY2022
(for landlord-controlled areas)

WATER MANAGEMENT

Water Consumption

13.9%
reduction from FY2022
(for landlord-controlled areas)

New Initiatives

1. Adjusted water supply pressure to meet the normal water consumption requirement of the Outlets
2. Increased frequency of maintenance checks to avoid water leaks

GOVERNANCE PERFORMANCE

ZERO INCIDENTS

-  Zero incidents of non-compliance with relevant laws and regulations resulting in fines or non-monetary sanctions
-  Zero incidents of corruption
-  Zero instances of counterfeit reports
-  Zero incidents of identified leaks, thefts, or losses of data

More details can be found in Sasseur REIT's Annual Report 2023: <https://investor.sasseurreit.com/ar.html>

Expanding Social Media Outreach

Going beyond traditional media communications to inform and educate stakeholders



Active LinkedIn page;
Number of followers grew 21.8% YoY



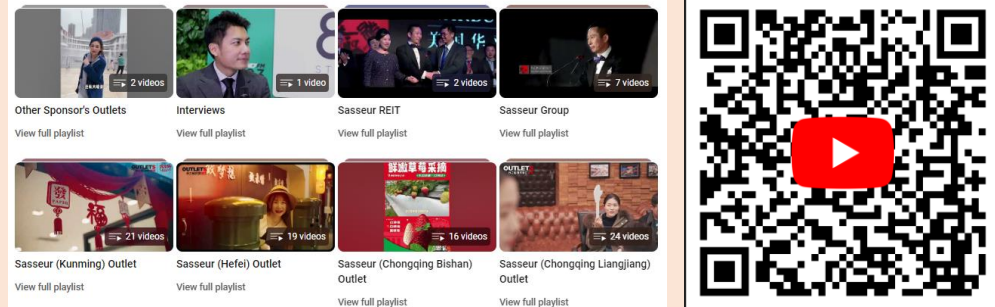
First S-REIT to launch a Telegram channel



Launched in Jan 2024, the new Telegram channel enhances Sasseur REIT's visibility and awareness through broadcast of latest developments to a larger audience



More than 80 videos on Sasseur outlets and Sasseur Group uploaded on YouTube



Recognised for our efforts in shareholder communications



IR Magazine Awards –
South East Asia 2023
Won the “Best innovation in shareholder communications” award

S/S 2023
重庆时装周
CHONG QING
FASHION
WEEK
FESTIVAL 国际消费节



Financial Performance

A



Sasseur (Chongqing Liangjiang) Outlet

FY2023 EMA Rental Income (RMB) Higher YoY

FY2023 DPU lower YoY mainly due to unfavourable forex and higher finance costs

	FY2023	FY2022	Variance %
Outlet sales (RMB m)	4,663.7	3,534.8	▲ 31.9
EMA rental income (RMB m) ¹	658.5	594.7	▲ 10.7
- Fixed component (RMB m)	447.5	434.5	▲ 3.0
- Variable component (RMB m)	211.0	160.2	▲ 31.7
EMA rental income (S\$ m) ^{1,2}	124.9	121.3	▲ 3.0
Distributable income to Unitholders (S\$ m)	83.4	88.5	▼ 5.8
Amount retained (S\$ m)	(6.0)	(8.2)	▲ 26.9
DPU (S cents)	6.249	6.550	▼ 4.6

Due to a lower sales base in FY2022 during the pandemic period in China

Mainly due to depreciation of RMB against S\$ by 7% YoY

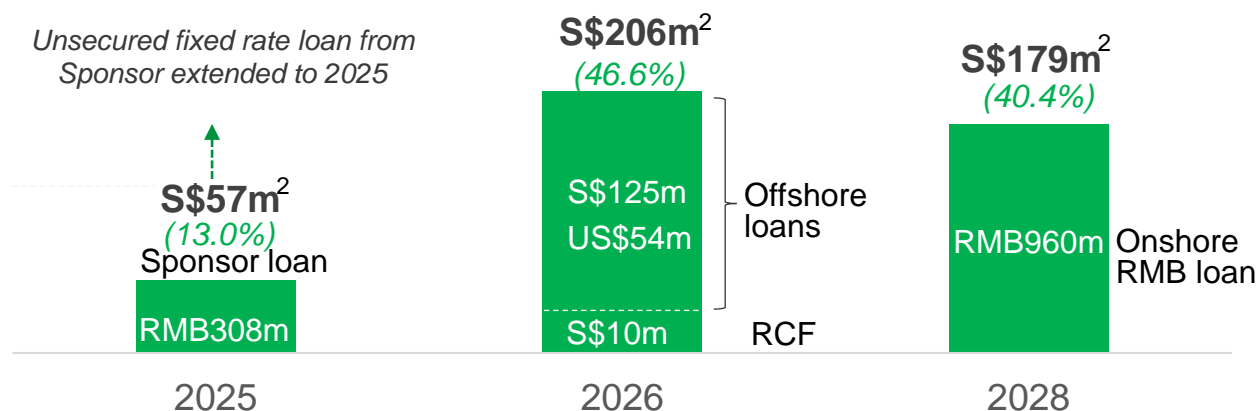
1. Excludes straight-line accounting adjustments.

2. Average S\$:RMB rate of 1:5.2715 for FY2023 and 1:4.9020 for FY2022.

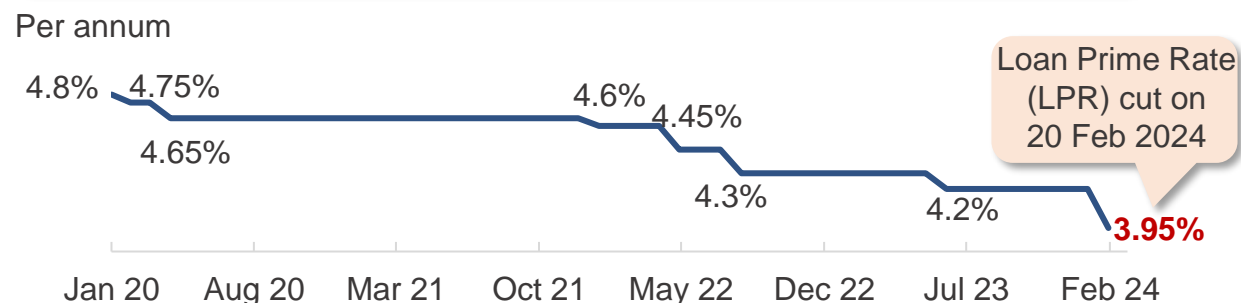
Diversified Debt Profile

Higher proportion of RMB-denominated loans provides natural forex hedge and benefits from lower LPR¹; unencumbered Kunming Outlet enhances financing flexibility

Maturity profile for loans totaling S\$442m



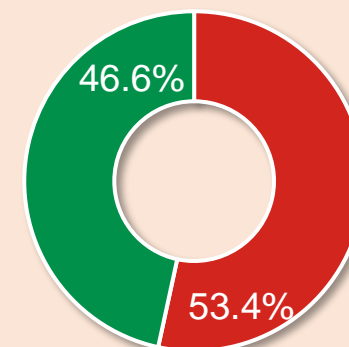
China cut 5-year LPR for first time since Jun 2023³



As at 31 Dec 2023

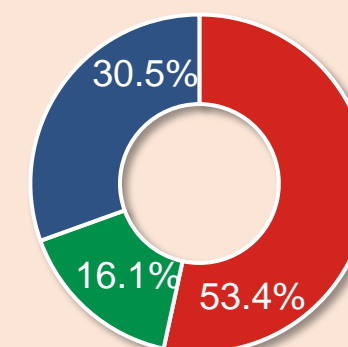
Average debt maturity	2.9 years
Weighted average cost of debt per year ⁴	5.6%

Funding sources



■ Onshore loans⁵
■ Offshore loans

Debt currency profile



■ RMB loan⁵ ■ US\$ loan
■ S\$ loan

Approximately **87%** of borrowings

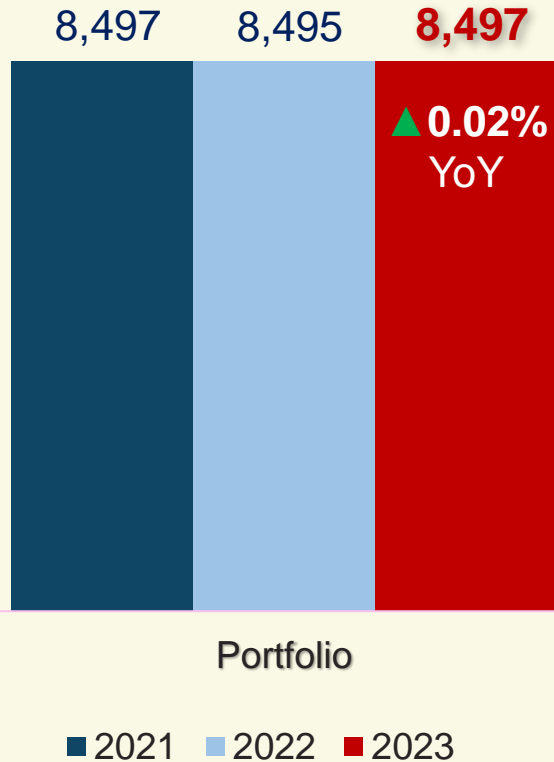
- ① Pegged to stable/fixed interest rates
- ② Hedged to fixed interest rates

1. Loan Prime Rate.
 2. Closing S\$:RMB and US\$:S\$ rates of 5.3772 and 1.3172 as at 31 Dec 2023 respectively.
 3. Sources: tradingeconomics.com; CNBC, "China boosts property funding with first cut in key loan rate since June", 19 Feb 2024.
 4. Weighted average cost of debt ratio took into consideration hedged borrowings.
 5. Includes S\$57 million Sponsor loan.

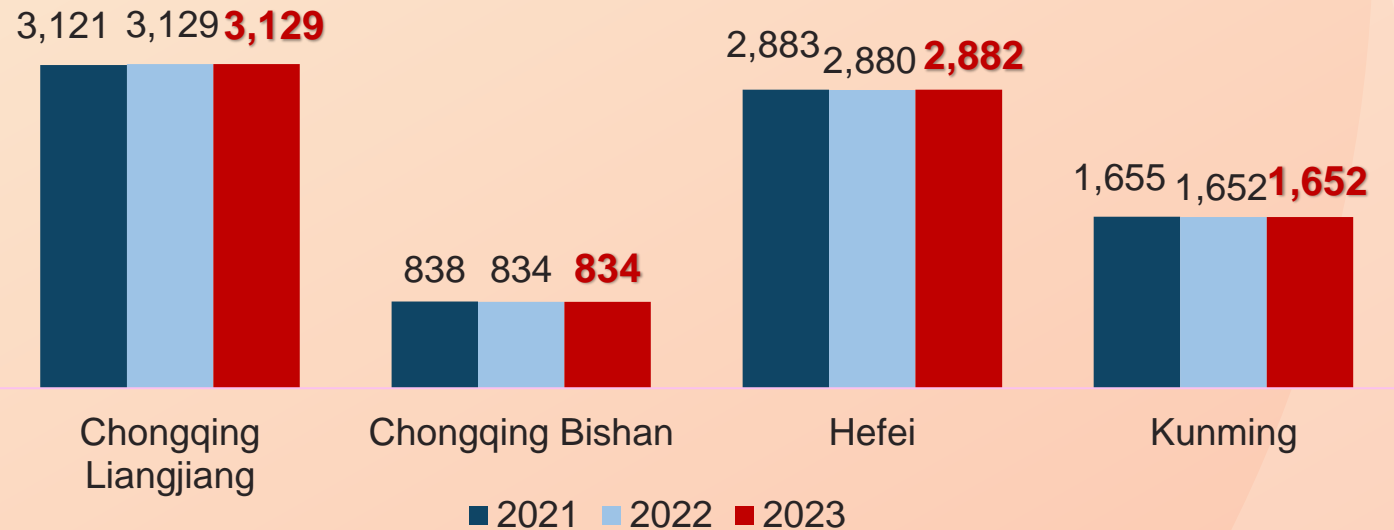
Stable Property Valuations as at 31 Dec 2023

Driven by 4 outlets' steady operational performances and strong fundamentals of properties

Portfolio Valuation¹ (RMB m) as at 31 Dec



Stable valuations from 2021 to 2023, despite economic uncertainties



1. Valuations in 2023 were based on independent valuations as at 31 Dec 2023 by Jones Lang LaSalle Corporate Appraisal & Advisory Ltd.
2. Hefei outlet's valuation is only reflective of Sasseur REIT's ownership stake in the outlet, which is approximately 81% of total gross floor area.

Robust Balance Sheet

Stable valuation (RMB) for property portfolio; NAV's decline due to foreign exchange volatilities

- Net Asset Value (NAV) per Unit as at 31 Dec 2023 ▼5.7% YoY to S\$0.82 per Unit
 - > Mainly due to the weakening of RMB against S\$ by 3.6% as compared to 31 Dec 2022

S\$ m	As at 31 Dec 2023 ⁴	As at 31 Dec 2022 ⁴
Investment properties	1,580.2	1,639.0
Cash and short-term deposits ¹	140.8	100.8
Total assets	1,747.7	1,767.8
Loans and borrowings ²	432.6	487.4
Total liabilities	728.1	700.0
Net assets	1,019.6	1,067.8
NAV per Unit (S\$)³	0.82	0.87

1. Includes S\$116.7 million as at 31 Dec 2023 (31 Dec 2022: S\$50.2 million) relating to sales proceeds collected from outlets' customers on behalf of tenants.

2. Includes S\$57 million Sponsor loan.

3. Based on units in issue and to be issued of 1,245,669,885 and 1,233,752,149 as at 31 Dec 2023 and 31 Dec 2022 respectively.

4. Closing S\$:RMB rates of 1:5.3772 and 1:5.1831 as at 31 Dec 2023 and 31 Dec 2022 respectively.

Portfolio Performance

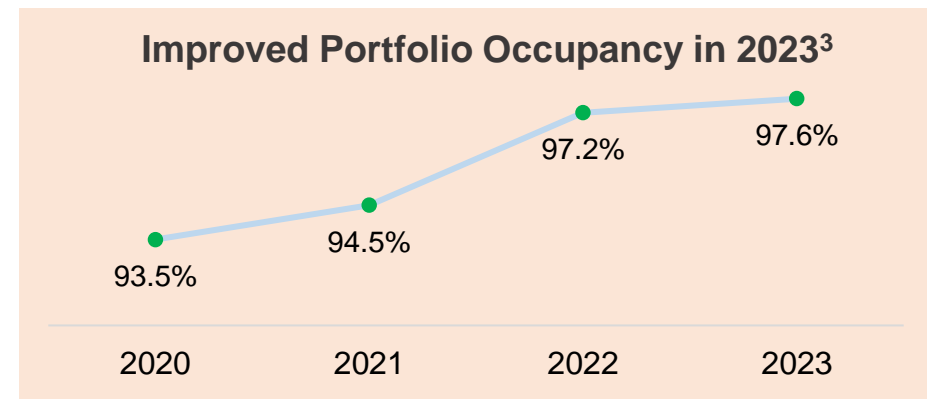


FY2023 Sales Up 21%-35% YoY for Each Outlet

Highest FY outlet sales for Chongqing Liangjiang Outlet since listing

Outlet sales (RMB m)	Contribution % ¹	FY2023	FY2022	YoY Variance %
Chongqing Liangjiang	54.5%	2,541.2	1875.0	+35.5%
Chongqing Bishan	8.6%	400.7	330.6	+21.2%
Hefei	22.2%	1,037.1	781.0	+32.8%
Kunming	14.7%	684.6	548.2	+24.9%
Portfolio	100.0%	4,663.7	3,534.8	+31.9%

- Portfolio's outlet sales ▲ 31.9% YoY to RMB4,663.7m, close to (96.6%) pre-COVID FY2019 sales
 - Portfolio sales' growth outpaced China's national retail sales of consumer goods growth of 7.2%² for FY2023



1. Based on FY2023 sales contribution.

2. National Bureau of Statistics of China, "National Economy Witnessed Momentum of Recovery with Solid Progress in High-quality Development in 2023", 17 Jan 2024.

3. For the financial years of 2020, 2021, 2022 and 2023, occupancy is calculated based on average of the last day's occupancy of each month in the fourth quarter of the year.

Diversified Trade Mix

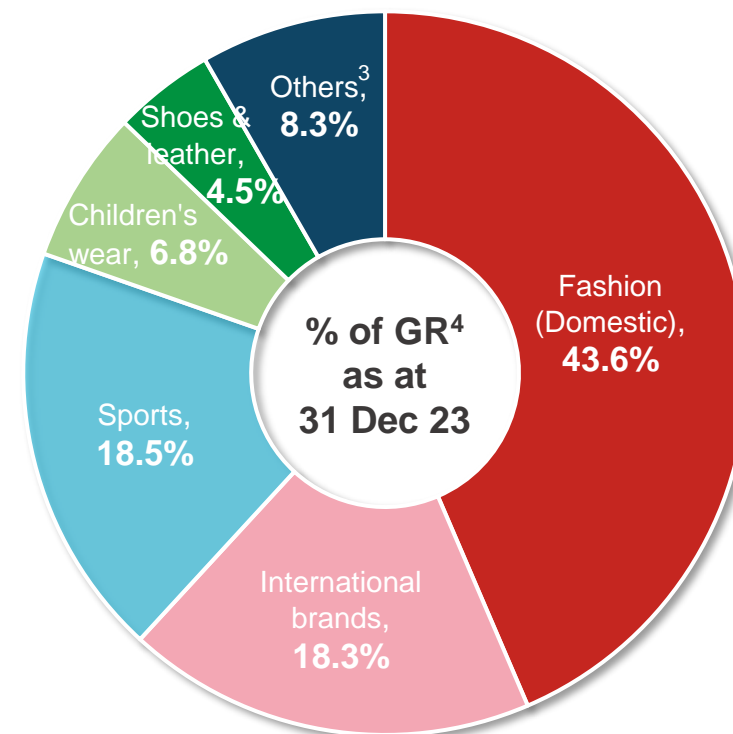
No major tenant concentration risk



Of the portfolio's Gross Revenue⁴

Top 10 tenants contribute 14.4%

No single tenant accounts for >5%



1. 'Large tenants' are tenants with a fixed rent component, occupying bigger spaces such as cinemas, hotels and gyms.
2. 'Others' comprises Kids-centric centres, Children's wear, Shoes & leather, Accessories, Lifestyle and Ad-hoc; 'Ad-hoc' refers to temporary leases.
3. 'Others' comprises Food & beverage, Accessories, Large tenants, Kids-centric centres, Lifestyle and Ad-hoc; 'Ad-hoc' refers to temporary leases.
4. GR refers to Gross Revenue which is calculated based on average monthly gross revenue for the period Jan-Dec 2023.

Summary of AEIs¹ Across 4 Outlets

Sharpened outlets' positioning through a series of successful AEIs



Chongqing Liangjiang Outlet

Completed in Mar 2023



CAPEX¹: RMB0.6m

Upgraded VIP Lounge experience

Kunming Outlet

Completed in Sep 2023



CAPEX¹: RMB2.7m

Revamped shop units to bring in popular F&B brands at low-traffic zones

Chongqing Bishan Outlet

Completed in Dec 2023



CAPEX¹: RMB2.3m

Opening of new second entrance to enhance the outlet's visibility and reduce traffic congestion during peak periods

Hefei Outlet

Completed in Jan 2024



CAPEX¹: RMB0.2m

Converted a previously vacant unit to a space equipped with infrastructure for supermarket operations

1. AEI: Asset enhancement initiative; CAPEX: Capital expenditure.

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Looking
Forward

Sasseur (Hefei) Outlet

China to Continue Spurring Consumption Recovery

Consumer spending remains a key driver for economic growth

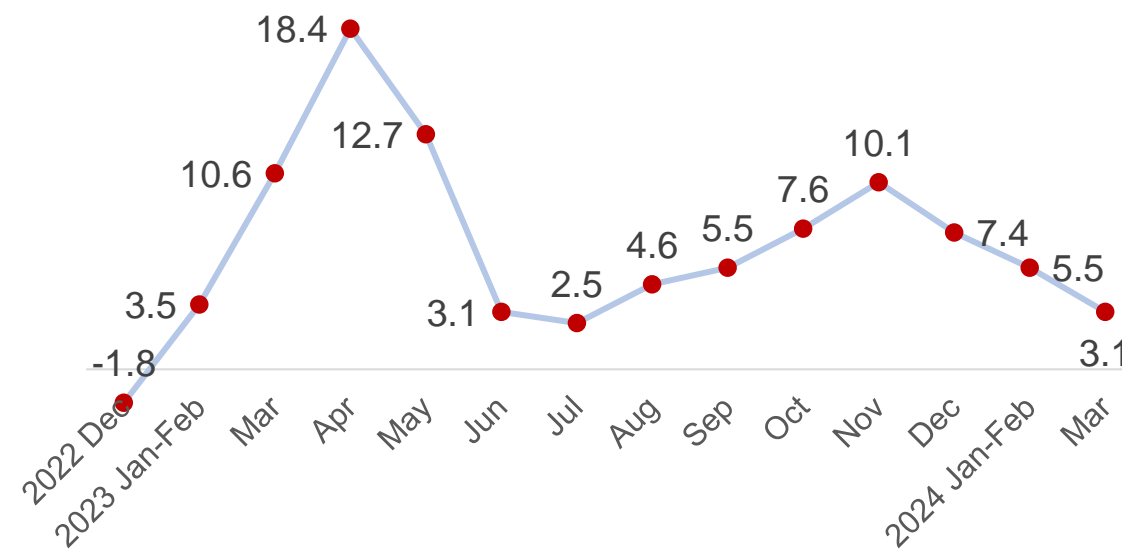


2023 GDP ▲5.2% YoY; Exceeds Government Target¹

- **Consumer spending contributed 82.5%** to 2023 GDP growth and this momentum is expected to continue into 2024²
 - > Consumption will remain an indispensable driving force for economic development in 2024²
- **China sets 2024 GDP target at ~5%**, demonstrating policymakers' confidence in the country's economic prospects³
 - > Calls for the promotion of "stable consumption growth"³
- **1Q 2024 GDP ▲5.3% YoY, above market expectations⁴**; stable consumption expansion with a surge in consumer spending during Spring Festival holidays⁵



China's Retail Sales of Consumer Goods (YoY Change %)^{1,6}



- **1Q 2024 total retail sales of consumer goods ▲4.7%⁶ YoY**

1. National Bureau of Statistics of China, "National economy witnessed momentum of recovery in 2023", 17 Jan 2024.
2. Global Times, "China's consumption in 2023 contributes 82.5% to GDP growth", 18 Jan 2024.
3. Global Times, "China's GDP expands by impressive 5.3% in Q1, well above market expectations", 16 Apr 2024.
4. China Briefing, "China sets 2024 GDP growth target at "around 5%": key highlights from the two sessions", 5 Mar 2024.
5. Global Times, "Retail sales jump 4.7% year-on-year in Q1, showing a stable consumption expansion hood", 16 Apr 2024.
6. National Bureau of Statistics of China, "Total retail sales of consumer goods in March 2024", 17 Mar 2024.

Key Management Focus for 2024

Delivering sustainable returns



01 Proactive Asset Management

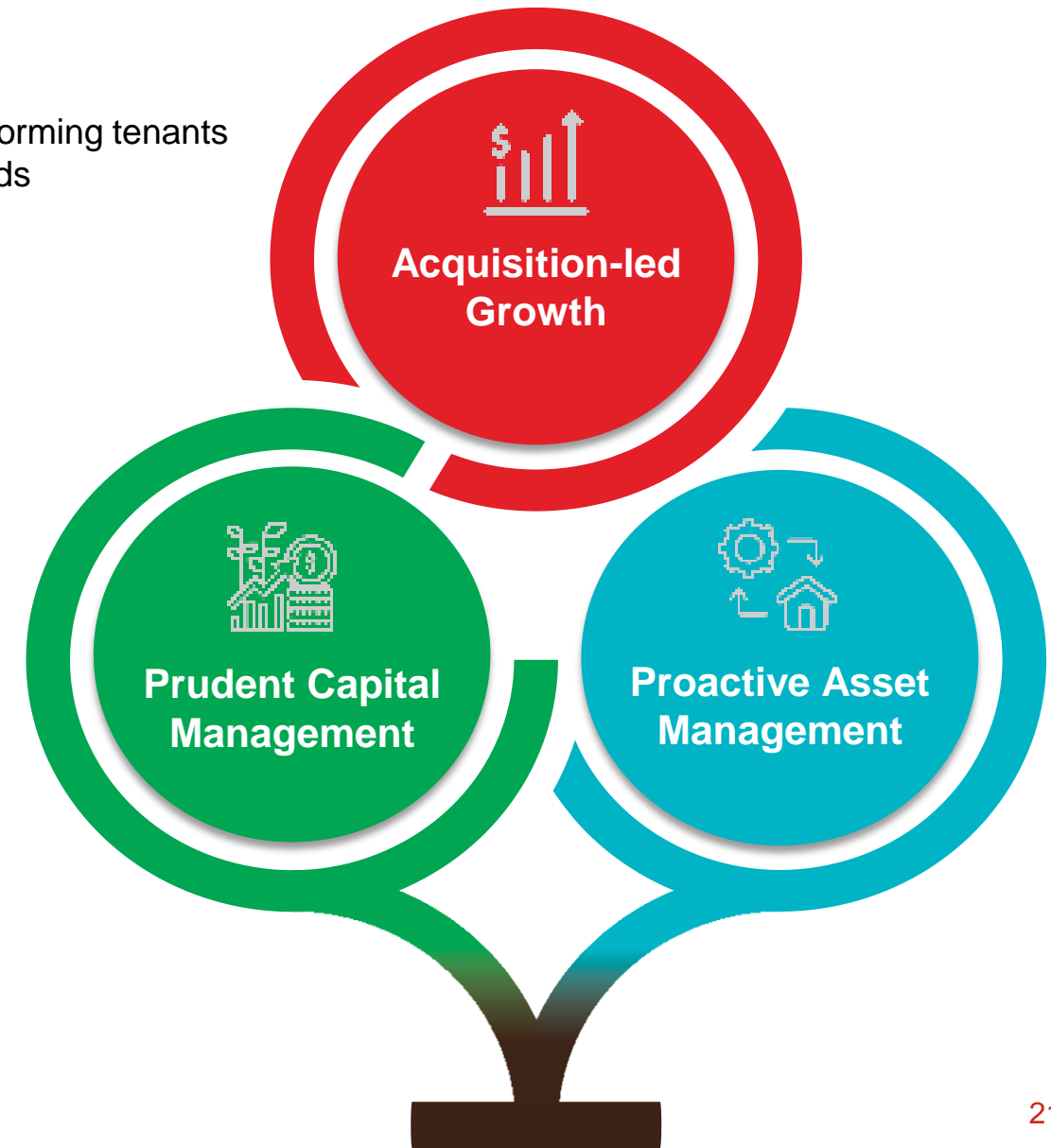
- Sharpen tenant mix and forge stronger relationships with top-performing tenants
- Bring in more popular brands by analysing consumer market trends
- Enhance digitalisation outreach to capture sales and mindshare
- Drive VIP member recruitment and enhance loyalty programmes
- Curate trend-setting and engaging thematic events
- Enhance asset values through AEs

02 Prudent Capital Management

- Continue to fortify balance sheet and maintain prudent level of aggregate leverage
- Enlarge base of lending relationships
- Evaluating new sources of funding such as medium-term note programme and sustainability-linked loans

03 Acquisition-led Growth

- Seek to expand portfolio under conducive market conditions and increase exposure to Hefei Outlet progressively
- 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



Sasseur REIT's Investment Merits

Committed to building an enduring organisation that delivers long-term value for Unitholders



Counter-cyclical and Resilient Outlet Business

- Value proposition of outlets; focus on growing Chinese middle-class population
- Strong property fundamentals with consistently high portfolio occupancy rate and stable portfolio valuation



"Super Outlet" Business Model

- Outlets are one-stop destinations for lifestyle offerings
- Innovative marketing; growing VIP member base



Prudent Capital Management

- Lowest geared S-REIT as at 31 Dec 2023



Unique Entrusted Management Agreement (EMA) Model

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

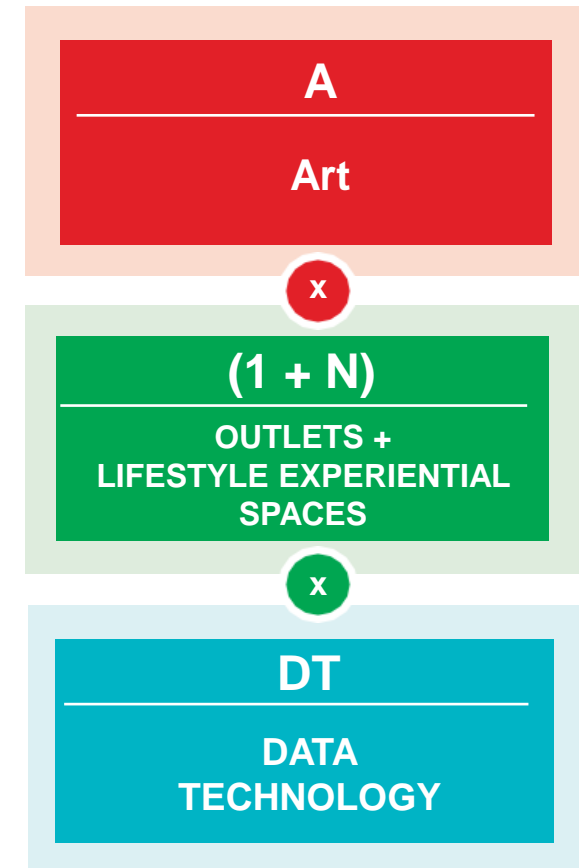


Strong Sponsor

- One of the leading premium groups in China with 3 decades of experience in operating outlets
- Access to ~5,000 international and local brands with ~13.0m VIP members

Sasseur Outlets' DNA

Passion for ART AND COMMERCE



藝術商業 超級奧萊
Art Commerce Super Outlets

砂之船奧萊
OUTLETS

艺术商业创造者

Thank You

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