



SASSEUR REIT

First Listed Outlet REIT in Asia

First Annual General Meeting

17 April 2019

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.

FY2018 Key Highlights



A SPECTACULAR YEAR IN REVIEW



DISTRIBUTION
YIELD¹

10.3%



LOW AGGREGATE
LEVERAGE

29.0%



From **36.0%**
as at IPO



GROWTH IN
ANNUAL SHOPPER
TRAFFIC

19.7%



HIGH
OCCUPANCY
RATE

95.1%²



TOTAL OUTLET
SALES

RMB
3,371.1
million

7.9%



vs Forecast



DISTRIBUTION
PER UNIT

5.128
Singapore
Cents

12.6%



vs Forecast

Awards



AWARDS



- The Asset Asian (Triple A) Awards 2018
Best IPO in Singapore 2018
- Fortune Times REITs Pinnacle Awards 2018
Most Promising REIT in Asia
- Asia Pacific Best of Breeds REITs
Gold Award Retail REITs (Singapore) category for less than USD 1 billion market capitalization
- Alpha Southeast Asia 12th Annual Best Deal & Solution Awards 2018.
Best REIT Deal in Southeast Asia 2018 for Sasseur REIT's S\$396 million IPO as Southeast Asia's largest REIT IPO for 2018

FY2018 Results exceed Forecast



Income / DPU	Actual FY2018
EMA Rental Income ▲	S\$93.5 million 2.2%
Distributable Income ▲	S\$60.5 million 12.6%
Distribution Per Unit ("DPU") ▲	5.128 S cents 12.6%

FY2018 Annualised Distribution Yield:

- 8.4% based on IPO price of S\$0.80 exceeds 7.4% forecast yield
- 10.3% based on 31 Dec 2018 closing price of S\$0.65
- Distribution to switch from semi-annually to quarterly basis from FY2019

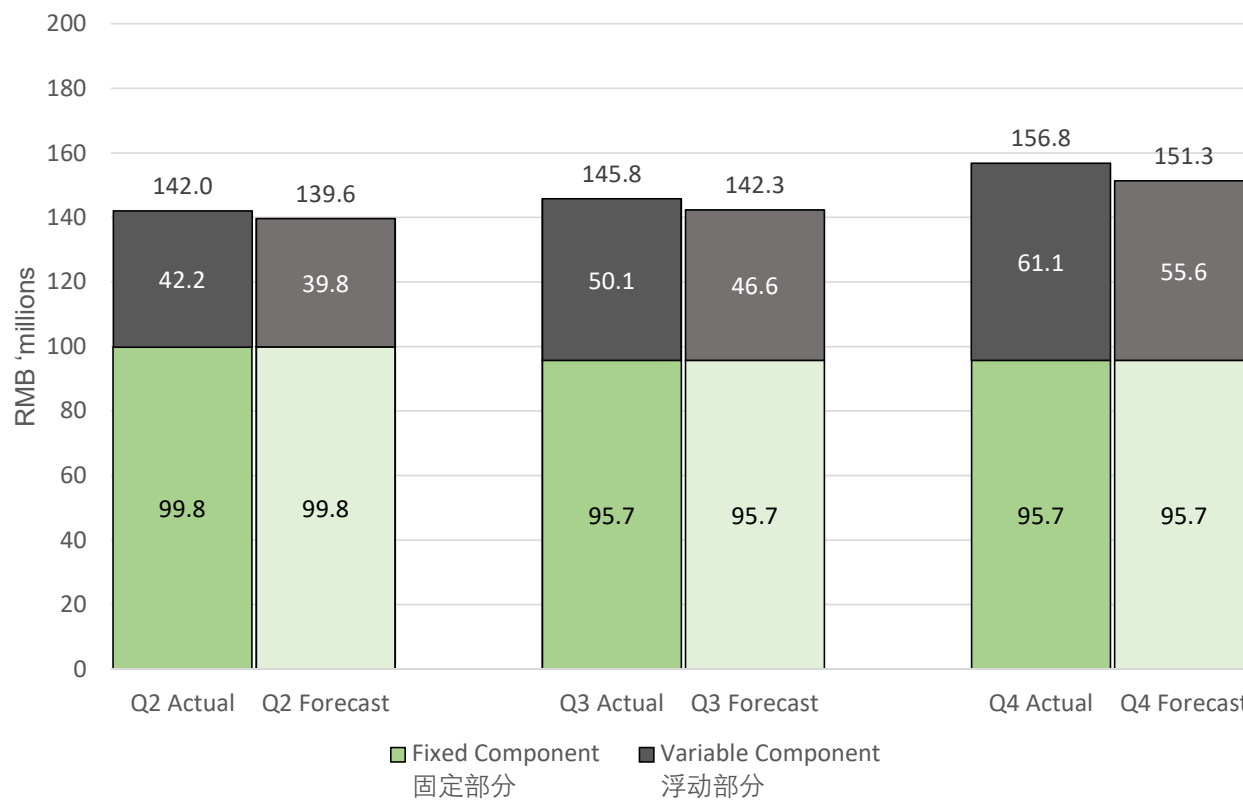
Strong Operating Performance



Key Portfolio Metrics	
NAV per unit S\$0.903 ▲ 12.9% as at IPO	High Occupancy Rate* 95.2%
Low Aggregate Leverage 29.0% ▼ from 36.0% as at IPO	Weighted Average Debt Maturity 3.75 years
Portfolio Valuation S\$1,539.5 million ▲ 5.0% based on IPO portfolio valuation ▲ 13.7% based on IPO acquisition price	

* 4Q 2018

Quarterly EMA Rental Income exceeds Forecast



EMA Incomes exceeded Forecasts every quarter for 2018 on the back of strong sales growth.

Portfolio Overview



Portfolio
Valuation* : 7,707 mil
NLA : 304,573 sq m
Occupancy^ : 95.2%




Hefei Outlet Mall
Valuation : 2,521 mil
NLA : 138,449 sqm
Occupancy : 97.6%



Bishan Outlet Mall
Valuation : 790 mil
NLA : 45,172 sqm
Occupancy : 87.9%



Kunming Outlet Mall
Valuation : 1,495 mil
NLA : 70,067 sqm
Occupancy : 94.2%

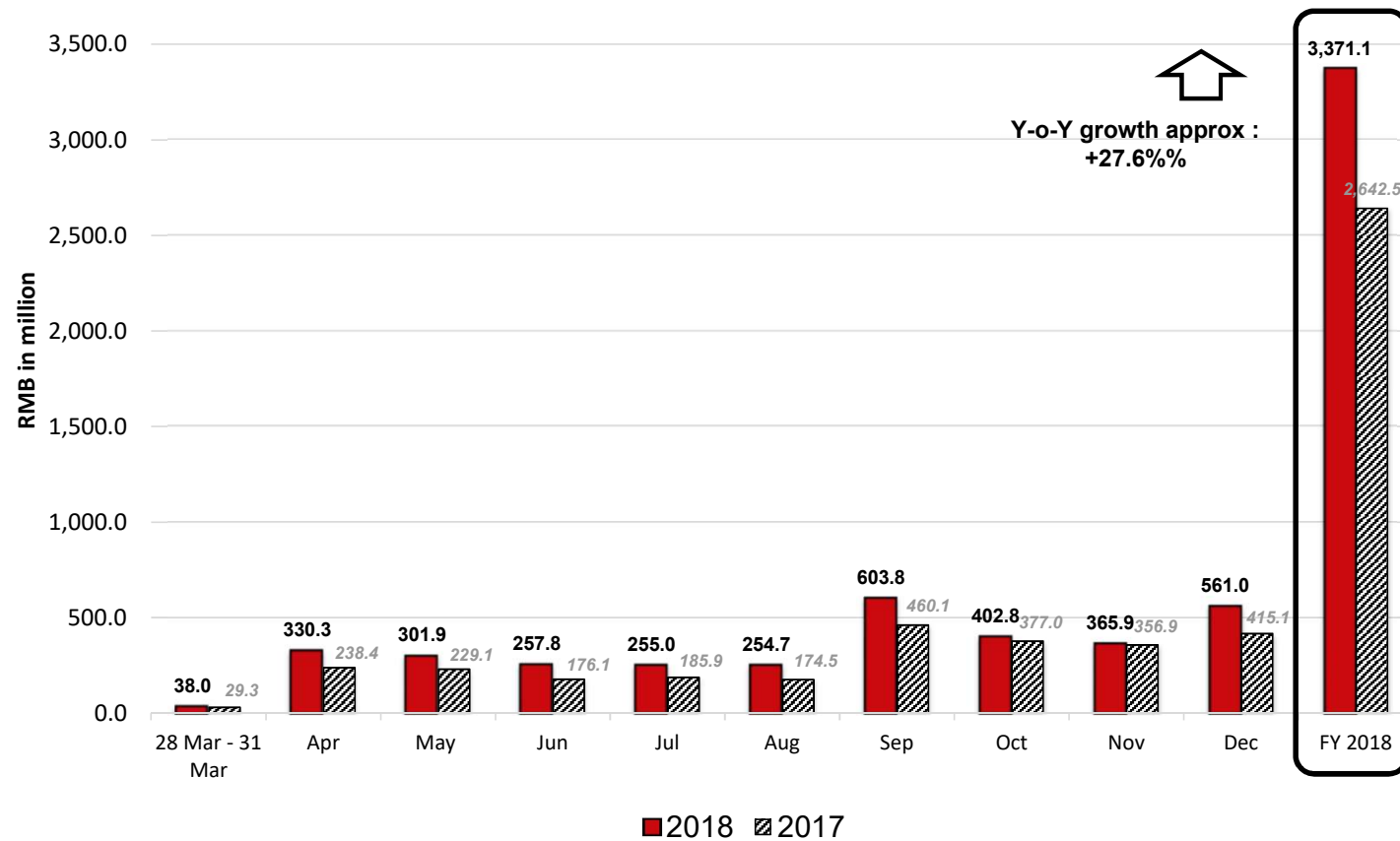


Chongqing Outlet Mall
Valuation : 2,901 mil
NLA : 50,885 sqm
Occupancy : 99.8%

*Based on independent valuation as at 31 Dec 18 by Savills (with the Entrusted Management Agreements) (RMB million)

^Occupancy for 4Q 2018

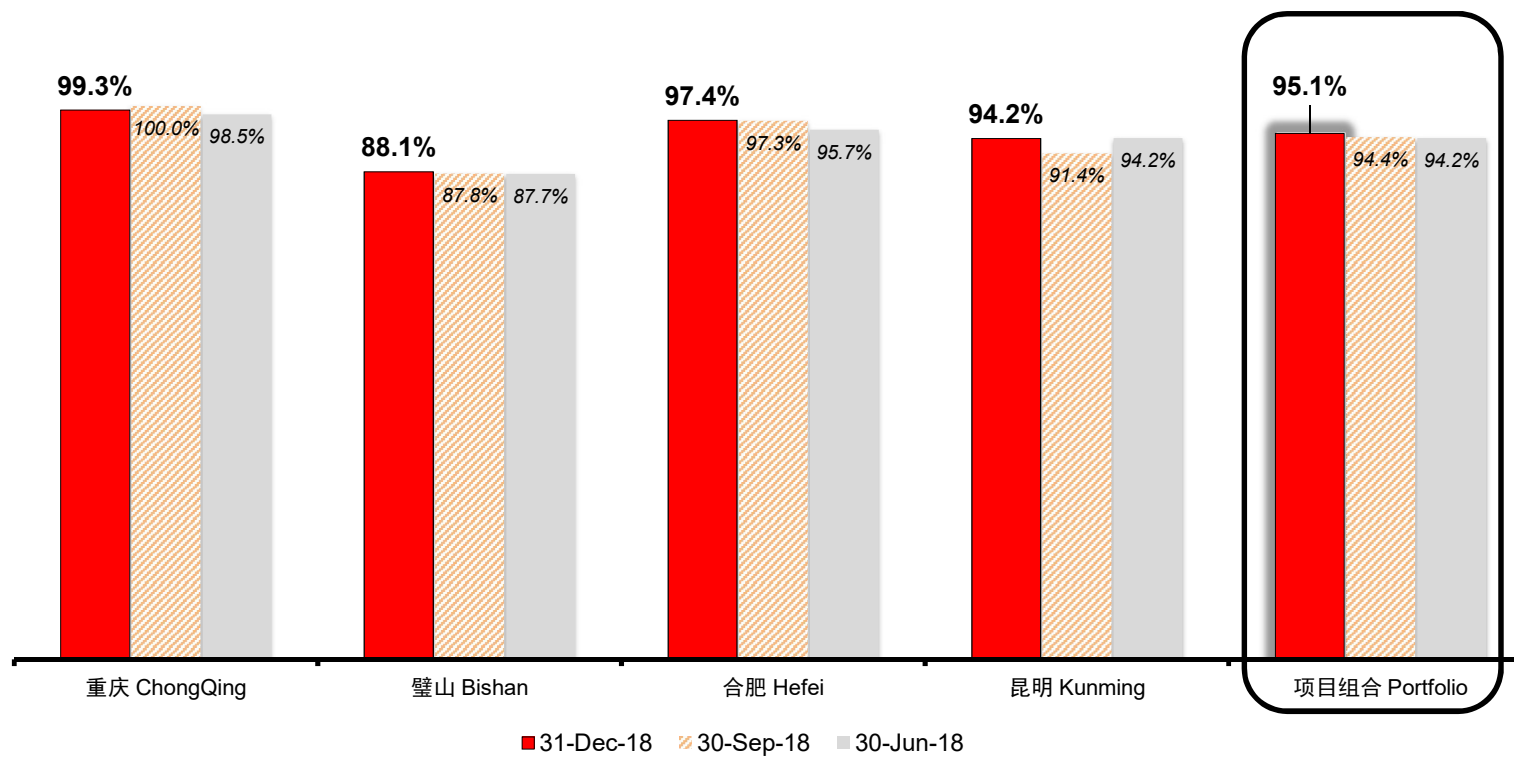
Total Sales by Month (2018 vs 2017)



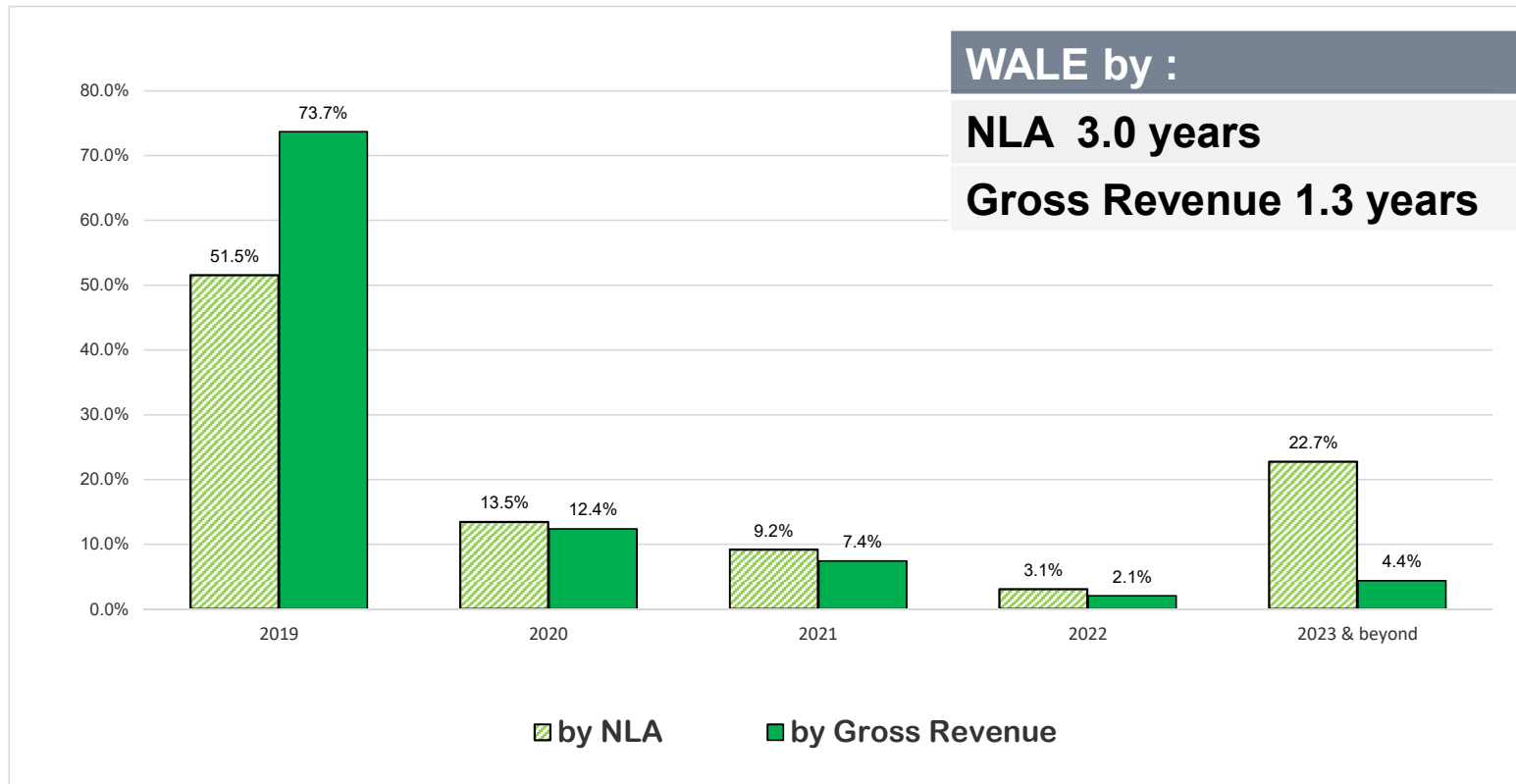
Strong Portfolio Occupancy



Occupancy (%)



Weighted Average Lease Expiry (WALE)



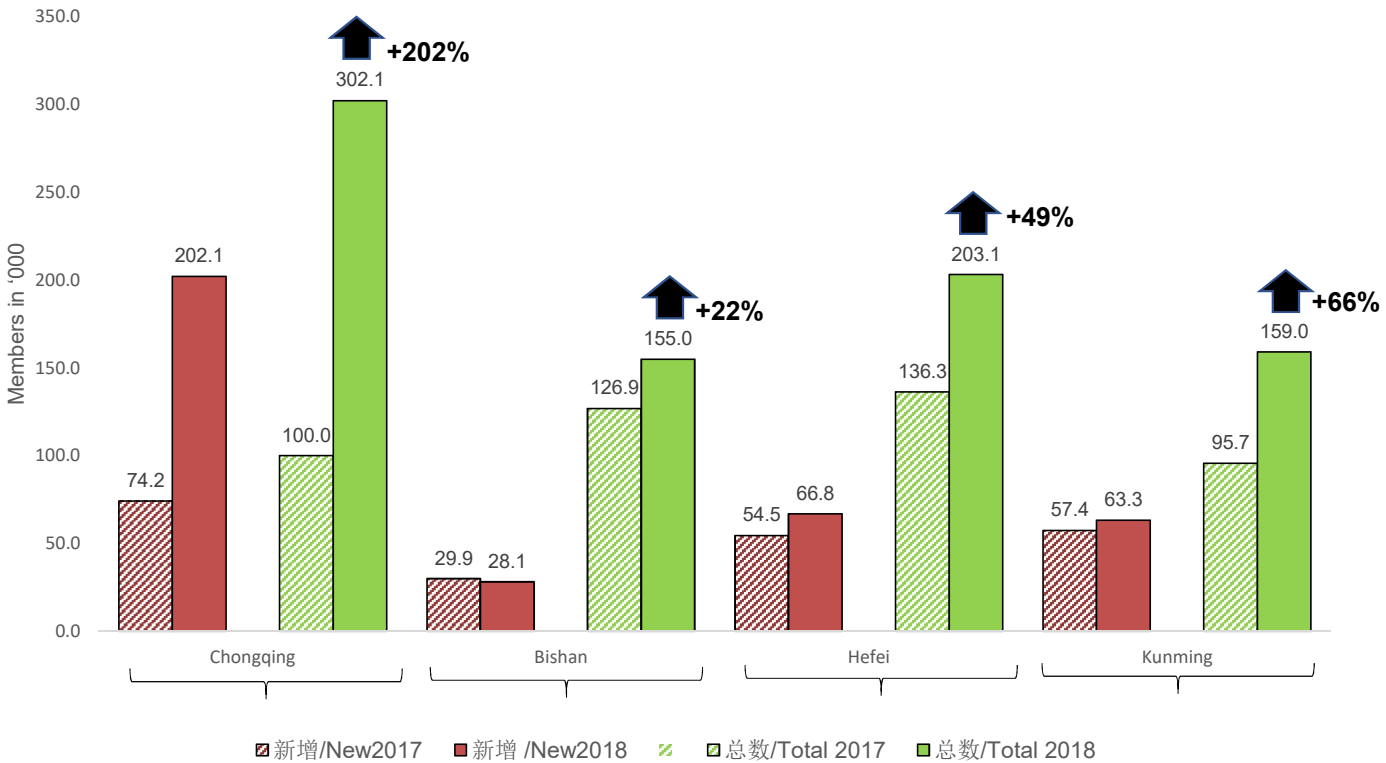
Deliberate short WALE for gross revenue permits :

- More frequent increase of sales-based rental for high growth brands
- Retiring under performing brands

Members' Growth by Outlets and by Year



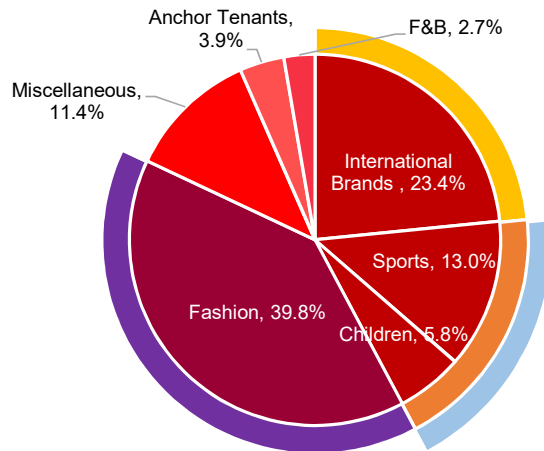
VIP Members' purchases are around 50% of total sales. Increased in the VIP membership base will drive sales.



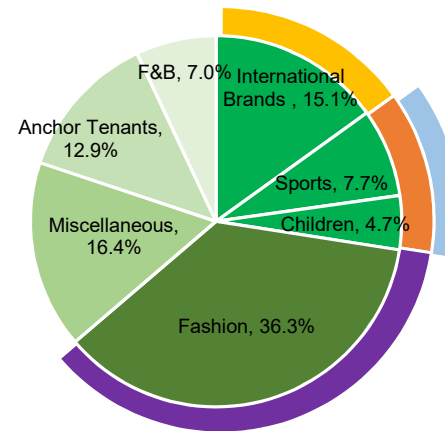
Well Diversified Portfolio Trade Mix



Breakdown of Revenue



Breakdown of NLA



- ✦ Over 1,000 tenants
- ✦ Largest tenant contributes about 5.2% of Portfolio's Gross Revenue
- ✦ Top 10 tenants contribute about 17.0% of Portfolio's Gross Revenue

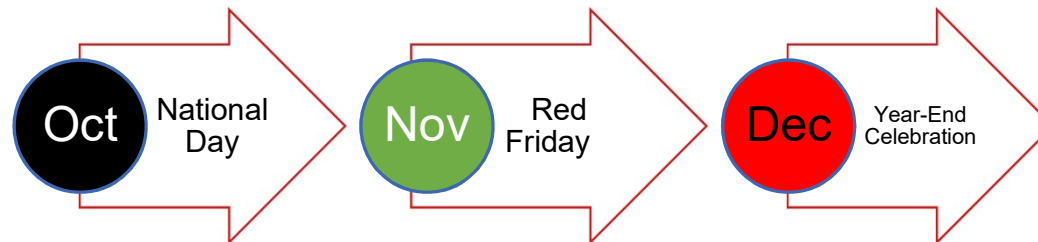
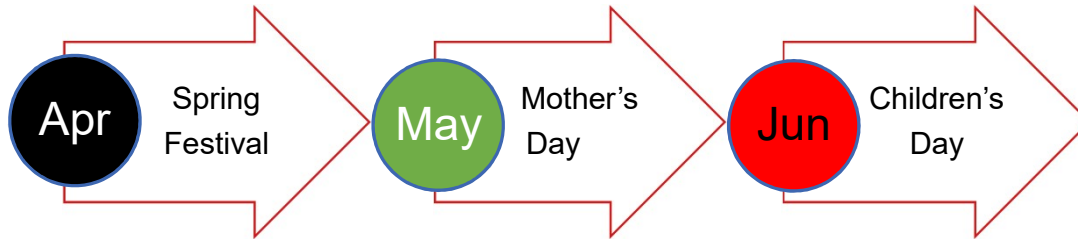
- International Brands
- Mostly Local Brands
- Good Growth

As at 31 Dec 2018

Active management to strong growth : Exciting Shoppers' Events to Drive Sales



Exciting Shoppers' Events to Drive Sales



Potential Pipelines



- All acquisitions must be yield accretive
- First China, then the World
- Pipeline Properties increased from 3 to 7

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



Pipeline Properties

	Nanjing	Hangzhou	Changchun
Opening Date	May 2015	Jun 2011	Sep 2017
GFA (sqm)	149,875	45,873	172,128
Car Park Lots	c.8,000	c.5,000	c.4,000

New Pipeline Properties

	Changsha	Lanzhou	Yangzhou	Shenzhen
Opening Date	Dec 2018	~4Q 2019	~4Q 2020	~4Q 2020
GFA (sqm)	210,600	~100,000	~85,000	~150,000
Car Park Lots	c.2,084	c.2,500	c.1,200	c.2,200

Capital Management



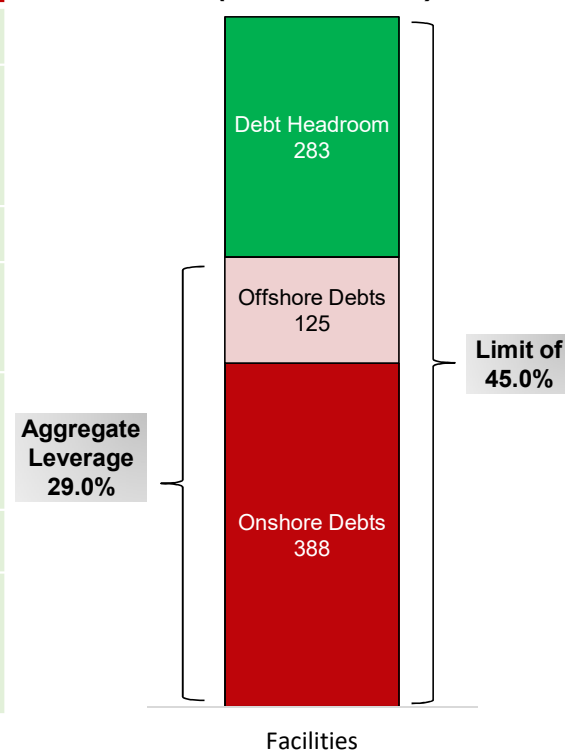
SASSEUR (HEFEI) OUTLETS

Capital Management



	Onshore Facilities	Offshore Facility	Total
Currency	RMB	SGD	-
Quantum	~SGD 388 million (RMB 1.94 billion)	SGD 125 million ¹ (~RMB 0.63 billion)	~SGD 513 million (~RMB 2.57 billion)
Proportion	75.6%	24.4%	100%
Tenure	5 years	3 years	4.5 years (weighted average)
Weighted Average All-in Finance Costs (p.a.)	5.7%	4.5%	5.4%
Interest Cover	-	-	4.1 times
Floating Rate	PBOC benchmark 1-5 years lending rate	Singapore SOR	-

Debt Facilities (SGD million)



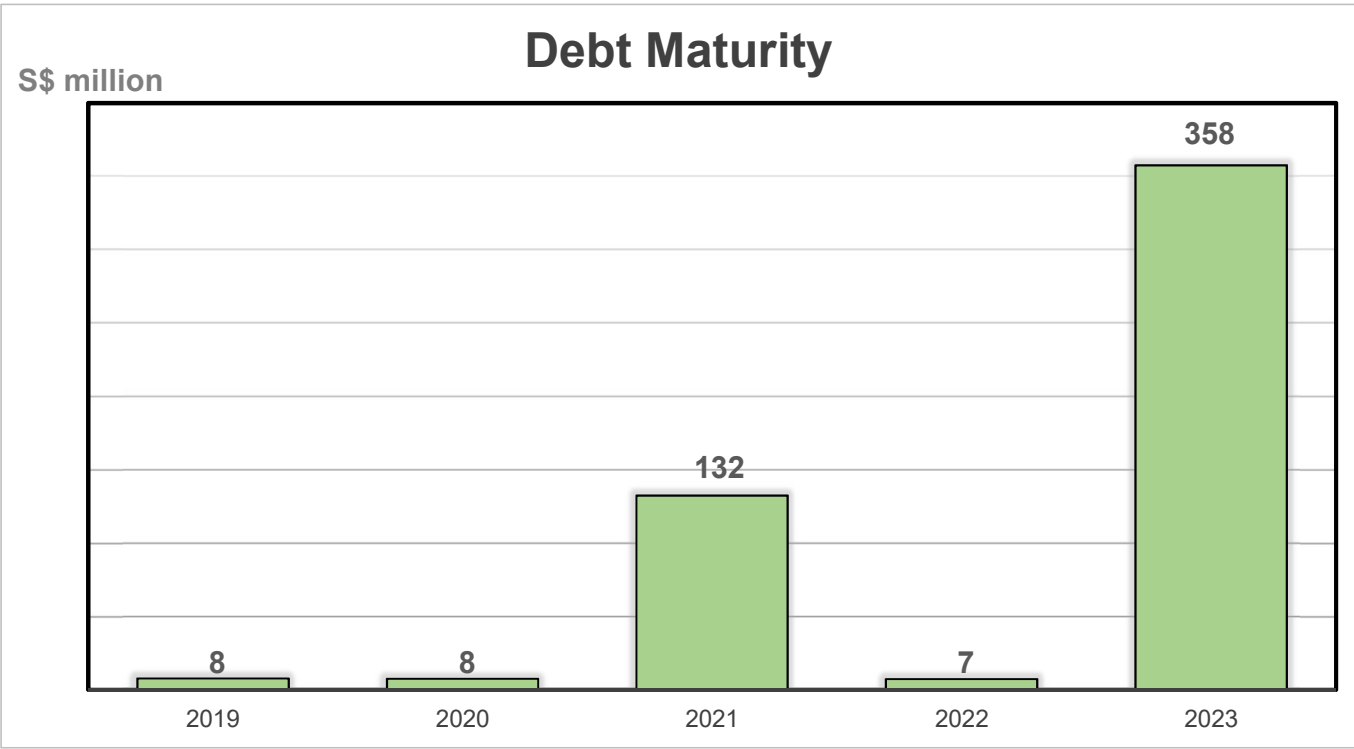
¹ 50% of Offshore Loan is hedged

Note: All calculations are done according to the SGD to RMB exchange rate of 5.006 as at 31 December 2018

Debt Maturity Profile



No Immediate Major Refinancing Risks



Outlook and Strategies to improve DPU



SASSEUR (KUNMING) OUTLETS

Outlook



Macro Risk Factor

- Persistent concerns over global trade and slowing economic growth

Mitigating Factors

- Sasseur Outlets' business exposure is to Chinese domestic consumption but not to external trade
- Outlets' underlying products are mid to high-end, less affected by economic downturn
- Outlets business model has proven to be recession resilient
- Sasseur Outlets might benefit from Chinese government's stimulative measures

Strategies to Improve DPU



The management strives to improve FY2019 DPU

Organic Measures:

- Increase VIP members
- Improve occupancy rates, notably Bishan and Kunming
- Increase control over brand product pricing
- Leverage on asset enhancement initiatives, e.g. Super Farm in Hefei

Inorganic Measures:

- Explore and strengthen our ROFR & Pipeline Properties



Thank You