



# GROWING RESILIENTLY ADVANCING SUSTAINABLY

Sasseur REIT Annual Report 2024

# GROWING RESILIENTLY ADVANCING SUSTAINABLY

The flowing calligraphy brush stroke on the cover reflects the philosophy of Sasseur REIT in managing its malls in China — resilient growth and sustainable advancement. The deliberate yet fluid stroke mirrors the adaptability and precision required to thrive in a dynamic retail landscape. The boldness represents strength in navigating challenges, while the seamless flow embodies a commitment to innovation and environmental harmony. Just as a brushstroke balances tradition with creativity, Sasseur REIT combines cultural richness with forward-thinking strategies to create spaces that evolve responsibly and endure over time.

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## VISION

To be the world-class premier outlet mall REIT in Asia

## MISSION

To deliver consistent and strong performance for our Unitholders by offering unrivalled experiential outlet shopping to our customers



All figures in this Annual Report are in Singapore dollars unless otherwise specified.

Certain figures in this report may not add up to the respective totals due to rounding. Visit us or download the Annual Report at [www.sasseurreit.com](http://www.sasseurreit.com)



# KEY HIGHLIGHTS

For financial year ended 31 December 2024 (FY2024)

## FINANCIALS

EMA Rental Income<sup>1</sup>

**\$124.5 million**

FY2023: \$124.9 million

Distribution Yield

based on closing price of S\$0.680 on 31 December 2024

**8.9%**

FY2023: 9.1%

Distribution per Unit

**6.082¢**

FY2023: 6.249¢

NAV per Unit<sup>2</sup>

**\$0.83**

FY2023: \$0.82

## CAPITAL MANAGEMENT

Aggregate Leverage<sup>2</sup>

**24.8%**

FY2023: 25.3%

Interest Coverage Ratio<sup>2</sup>

**4.6 times**

FY2023: 4.3 times

## PORTFOLIO

Total Outlet Sales

**RMB 4,482.1 million**

FY2023: RMB4,663.7 million

Portfolio Occupancy Rate<sup>3</sup>

**98.9%**

FY2023: 97.6%

VIP Membership<sup>2</sup>

**4.2 million**

FY2023: 3.5 million

Portfolio Valuation<sup>2</sup>

**RMB 8.4 billion**

FY2023: RMB8.5 billion

Shopper Traffic

**13.8 million**

FY2023: 13.3 million

## KEY ACHIEVEMENTS

■ Hermes Creative Award 2024 in the Annual Report category for 2023 Annual Report

■ Biggest Winner for Singapore REITs at "The Asia Pacific Best of the Breeds REITs Awards™ 2024"

- Best Retail REIT - Platinum
- Best Investor Relations - Platinum
- Best CEO - Gold

■ Highest Three-Year Weighted Return on Equity at The Edge Singapore Centurion Club Awards 2024

### Notes:

<sup>1</sup> Excluding straight-line accounting adjustments.

<sup>2</sup> As at 31 December of the financial year.

<sup>3</sup> Portfolio occupancy rate for fourth quarter of 2024. Occupancy is computed based on average of the last day's occupancy of each month in the quarter.

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ABOUT SASSEUR REIT

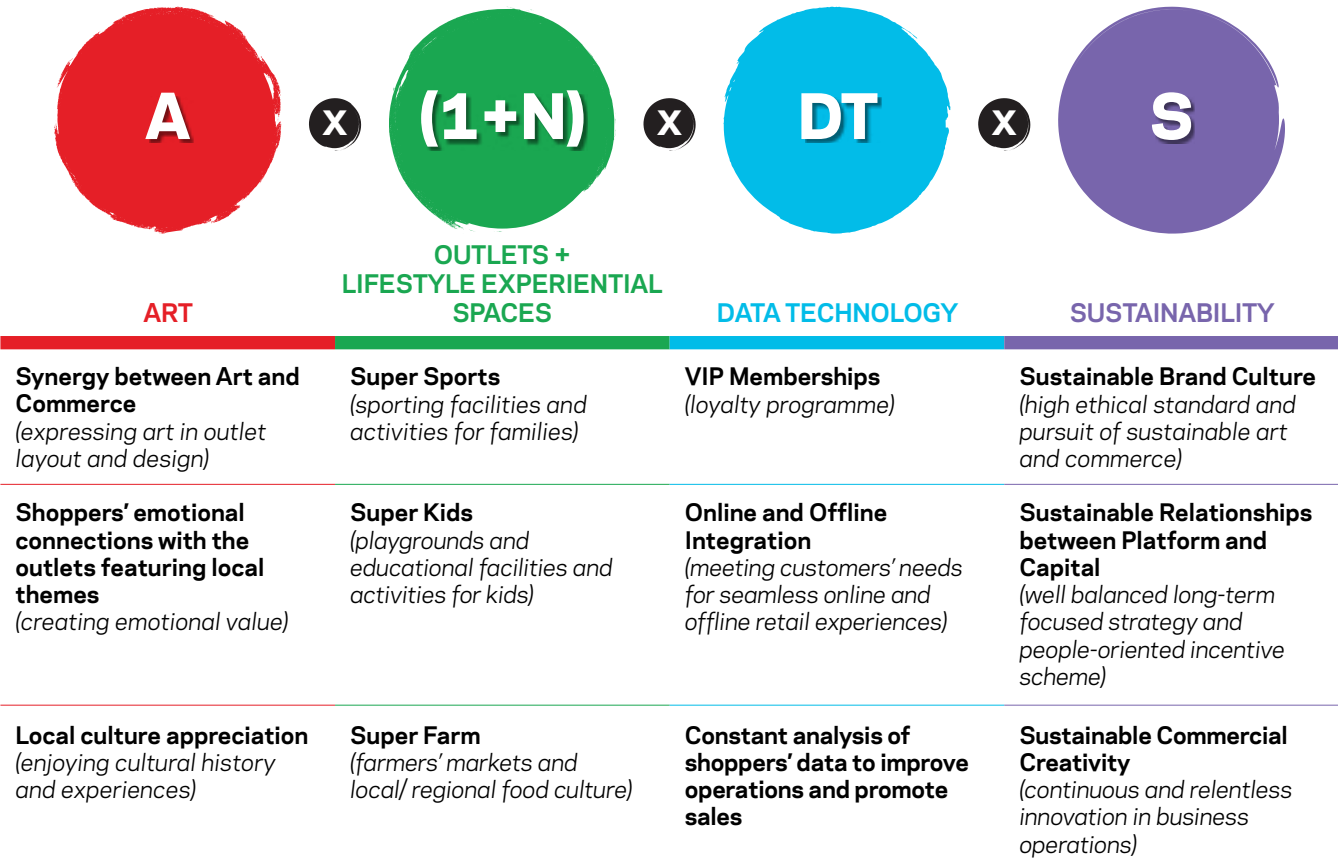
SASSEUR OUTLETS' DNA PASSION FOR ART AND COMMERCE

Sasseur REIT is the first retail outlet mall REIT listed in Asia. Sasseur REIT offers investors the unique opportunity to invest in the fast-growing retail outlet mall sector in China through its initial portfolio of four quality retail outlet mall assets strategically located in fast-growing Chinese cities such as Chongqing, Kunming and Hefei, with a combined net lettable area of 310,241 square metres.


Sasseur REIT is established with the investment strategy to invest principally, directly or indirectly, in a diversified portfolio of income-producing real estate which is used primarily for retail outlet mall purposes, as well as real estate-related assets in relation to the foregoing, with an initial focus on Asia.

Sasseur Group's Unique "Super Outlet" Business Model


Positioning the outlets as lifestyle destinations for the whole family incorporating sustainability




Examples of Lifestyle Experiential Spaces



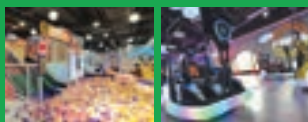
**Sasseur (Hefei) Outlet TongQu Children's Playground**  
Indoor playground spanning c. 3,600 square metres, featuring a trampoline park, arts and crafts room, and more



**Sasseur (Chongqing Bishan) Outlet Strawberry Farm**  
A "pick-your-own strawberries" activity which is popular with families



**Sasseur (Hefei) Outlet Matata Animal Kingdom**  
The first indoor zoo in Anhui Province which spans two levels over a total area of 2,200 square metres



**Sasseur (Kunming) Outlet Vito Driving School for children**  
Targeted at young children to let them learn driving and abide by traffic rules



# PORTFOLIO UNDER SASSEUR GROUP'S MANAGEMENT



**Net Lettable Area<sup>1</sup>**  
(sqm)

**310,241**

**Occupancy<sup>3</sup>**  
(%)

**98.9**

**Valuation<sup>1</sup>**  
(RMB billion)

**8.4**

**Shopper Traffic<sup>2</sup>**  
(million)

**13.8**

**Sales<sup>2</sup>**  
(RMB billion)

**4.5**

**VIP Members<sup>1</sup>**  
(million)

**4.2**

## Notes:

<sup>1</sup> As at 31 December 2024.

<sup>2</sup> For financial year 2024.

<sup>3</sup> Occupancy is calculated based on average of the last day's occupancy of each month in fourth quarter of 2024.

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# GROWTH STRATEGY

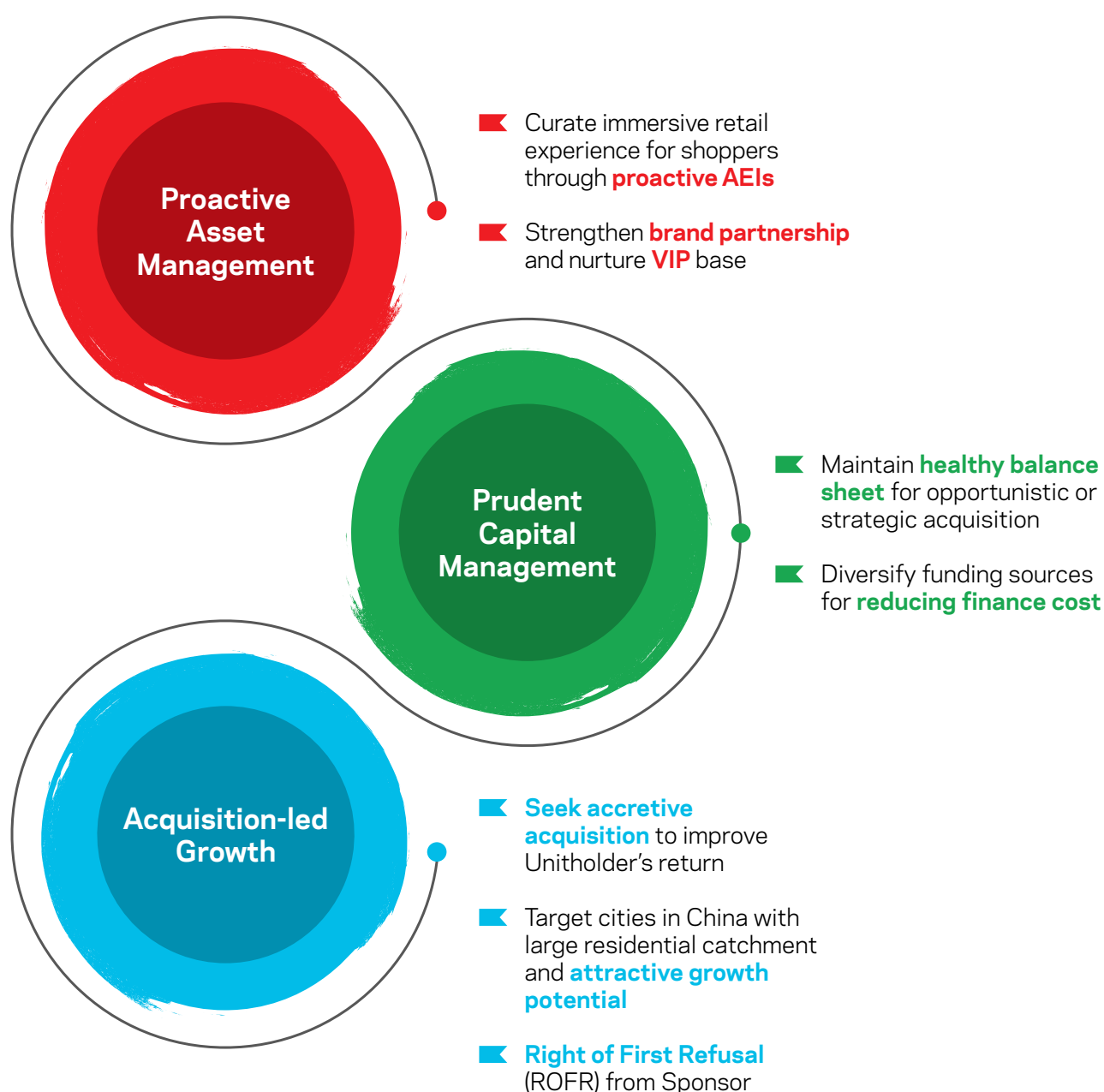
## CORPORATE OBJECTIVES

The key objectives are to provide Unitholders with a stable and attractive rate of return on their investment through regular and stable distributions and to achieve long-term sustainable growth in DPU and NAV per Unit, while maintaining an appropriate capital structure for Sasseur REIT.

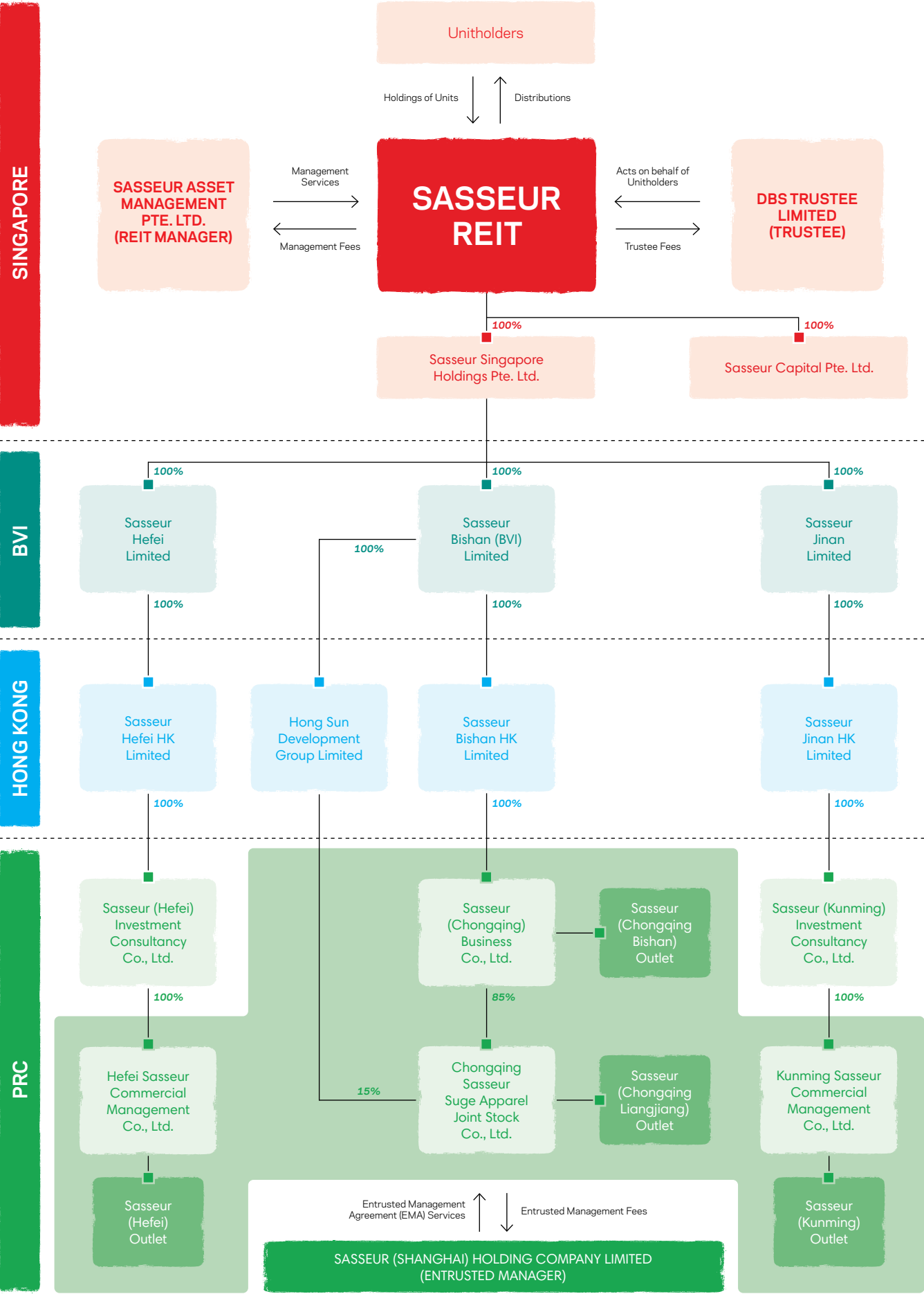




# DISCIPLINED APPROACH IN DELIVERING SUSTAINABLE RETURNS, WITH AN EYE ON GROWTH OPPORTUNITIES



REIT STRUCTURE





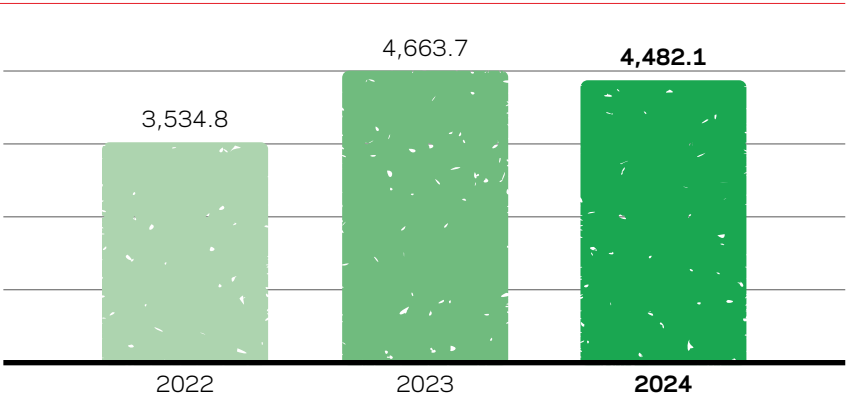
# ORGANISATION STRUCTURE



FINANCIAL HIGHLIGHTS

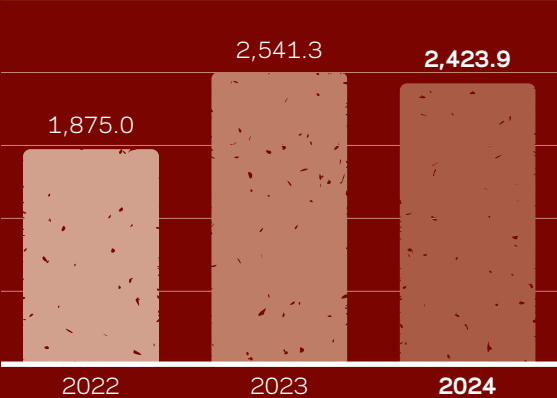
Total Outlet Sales  
(RMB million)

4,482.1



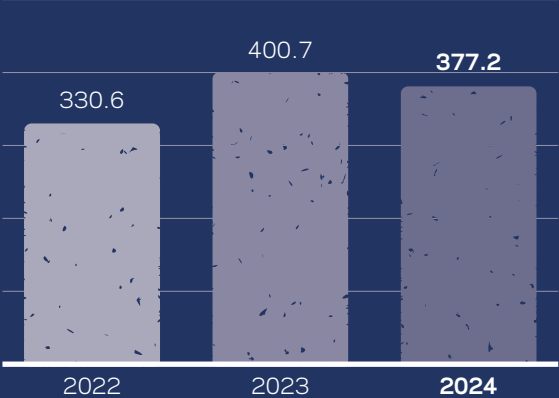
Sasseur (Chongqing Liangjiang) Outlet  
(RMB million)

2,423.9



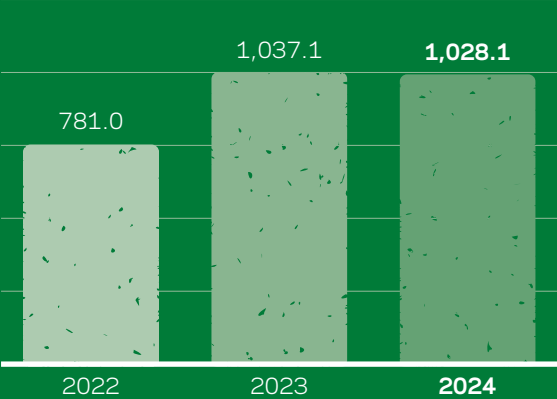
Sasseur (Chongqing Bishan) Outlet  
(RMB million)

377.2



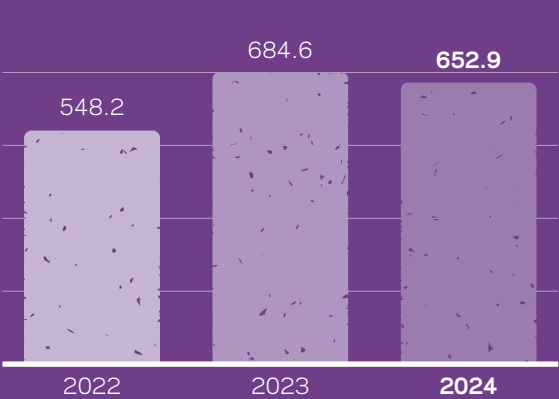
Sasseur (Hefei) Outlet  
(RMB million)

1,028.1



Sasseur (Kunming) Outlet  
(RMB million)

652.9





	As at 31 Dec 2024	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2021	As at 31 Dec 2020
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### STATEMENT OF TOTAL RETURN HIGHLIGHTS

EMA rental income <sup>1</sup> (RMB million)	<b>664.1</b>	658.5	594.7	611.9	579.8
- Fixed Component	<b>461.0</b>	447.5	434.5	421.8	409.6
- Variable Component	<b>203.1</b>	211.0	160.2	190.1	170.2
EMA rental income <sup>1</sup> (\$ million)	<b>124.5</b>	124.9	121.3	127.5	115.8

### STATEMENT OF FINANCIAL POSITION HIGHLIGHTS

Investment properties (\$ million)	<b>1,582.3</b>	1,580.2	1,639.0	1,801.0	1,651.1
Total assets (\$ million)	<b>1,777.2</b>	1,747.7	1,767.8	1,989.8	1,858.2
Gross borrowings	<b>440.9</b>	442.1	488.3	518.6	518.5
Unitholders' funds (\$ million)	<b>1,038.0</b>	1,019.6	1,067.8	1,209.2	1,105.4

### KEY FINANCIAL METRICS

Distribution per Unit (S cents)	<b>6.082</b>	6.249	6.550	7.104	6.545
Distribution yield <sup>2</sup> (%)	<b>8.9%</b>	9.1%	8.7%	8.4%	8.0%
Aggregate leverage (%)	<b>24.8</b>	25.3	27.6	26.1	27.9
Interest coverage ratio (times)	<b>4.6</b>	4.3	4.4	5.1	4.0
Weighted average cost of borrowings (%)	<b>5.3</b>	5.6	4.9	4.4	4.9
Net asset value per Unit (\$)	<b>0.83</b>	0.82	0.87	0.99	0.91
Number of Units in issue (million)	<b>1,251</b>	1,243	1,231	1,217	1,207
Market capitalisation <sup>2</sup> (\$ million)	<b>851</b>	851	929	1,028	989

#### Notes:

<sup>1</sup> Excludes straight-line accounting adjustments.

<sup>2</sup> Based on year-end closing unit price.

# CHAIRMAN'S STATEMENT

**Mr Xu Rongcan, Vito**  
Founder of Sasseur Group  
Chairman of the Board,  
Sasseur Asset Management



## Dear Unitholders,

On behalf of Sasseur Real Estate Investment Trust (Sasseur REIT), I am honored to present the Annual Report for the financial year ending 31 December 2024 (FY2024). In the face of various challenges, including fluctuations in the consumer market and macroeconomic uncertainties, Sasseur REIT has demonstrated resilience. Despite these headwinds, we have achieved strong financial performance and exceptional operational results. This success is a testament to our strategic adaptability and the robust partnerships we have cultivated with our brand partners, reflecting our ability to generate sustainable long-term value in a dynamic and complex market landscape.

## DEMONSTRATING STRONG RESILIENCE IN THE OUTLET BUSINESS AMID ECONOMIC SLOWDOWN

In 2024, the Chinese economy followed a U-shaped recovery, with strong growth in the first quarter, followed by a decline in the second and third quarters, before stabilising and rebounding in the fourth quarter, supported by fiscal stimulus. For the year, China's Gross Domestic Product (GDP)

grew by 5% year-on-year. Despite these market fluctuations, Sasseur REIT remained steadfast in its commitment to the "Big Operations-Driven Model." We continually optimised our organisational structure, enhanced operational efficiency in response to consumer needs, and focused on building long-term competitive advantages, successfully adapting to the evolving market dynamics.

For FY2024, Sasseur REIT's total portfolio revenue amounted to approximately RMB 4,482 million, reflecting a slight year-on-year decline of 3.9%. However, our Entrusted Management Agreement (EMA) rental income experienced a modest increase of 0.9%, reaching RMB 664 million. Despite weaker consumer sentiment, the outlet business demonstrated strong resilience. Additionally, our initiatives to optimise capital upgrades and enhance the tenant brand mix resulted in a notable increase in the portfolio's average occupancy rate, reaching a record-high of 98.9%.

In terms of capital management, we have consistently adhered to a prudent financial policy, continuously optimising our capital structure and improving capital efficiency. By the end of 2024, our overall financing costs had been





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**We have achieved strong financial performance and exceptional operational results. This success is a testament to our strategic adaptability and the robust partnerships we have cultivated with our brand partners, reflecting our ability to generate sustainable long-term value in a dynamic and complex market landscape.**

reduced to 5.3%, and our leverage ratio was maintained at an industry-low level of 24.8%, providing ample financial capacity for future developments. In addition, we have completed the refinancing of RMB 308 million, due in 2025, ahead of schedule, and successfully reduced the borrowing interest rates. As the Sponsor of the REIT, Sasseur Group has further provided a five-year loan of up to RMB 430 million, which not only effectively lowered the overall borrowing rate but also extended the debt maturity. From the Sponsor's perspective, this initiative reflects our long-term commitment to the REIT, and through strategic, financial, and operational support, we aim to drive this overseas-listed platform toward a more stable and prosperous future.

### **LONG-TERM GROWTH STRATEGY: CAPITALISING ON CHINA'S OUTLET INDUSTRY TRENDS AND DRIVING EXCELLENCE THROUGH SERVICE INNOVATION**

In recent years, consumers have become more focused on quality and value, making the outlet industry, known for "discounted premium brands," increasingly appealing.

Meanwhile, younger consumers prioritise brand value and shopping experience, favouring Chinese-designed "Young & Trendy" brands. This shift is creating new growth opportunities in the evolving retail landscape.

Sasseur REIT has reinforced its "Super Outlet" model through ongoing innovation and adaptability to market changes. In 2024, the outlet market maintained growth in first- and second-tier cities. By optimising tenant mixes, strengthening brand partnerships, and enhancing the shopping experience, we have further cemented our leadership in the industry.

As domestic consumption continues to recover, we remain confident in the long-term prospects of the outlet industry. As a leader in China's outlet sector, Sasseur REIT will seize industry opportunities to further strengthen our "holistic" operational capabilities. We will enhance internal operations and efficiency, while externally deepening partnerships with top brands. By staying attuned to evolving consumer preferences, we aim to attract a younger, more affluent customer base, expand our VIP clientele, and drive sales and profit growth through innovative experiences and exceptional service, solidifying our industry reputation.

# CHAIRMAN'S STATEMENT

## SUSTAINABILITY: PIONEERING FASHION AND RETAIL TO BUILD A HARMONIOUS BUSINESS ECOSYSTEM

The business environment, like a natural ecosystem, depends on the harmonious coexistence between the industry chain, brands and customers, capital and platforms, and organisations and individuals. As an industry leader, Sasseur REIT fully recognises the importance of sustainability. In 2024, we introduced the "Sasseur-Vision" sustainability framework, which explores the relationship between business growth and sustainability. We are committed to becoming the global leader in "super outlets" while upholding our social responsibilities, blending "art and commerce" to deliver consumers an enhanced, value-driven experience.

We are committed to a long-term vision and oppose relying on high debt and leverage to drive operations and growth, as we believe such a strategy is unsustainable. The core of Sasseur REIT's strategy is to build a globally competitive business platform, which serves as the foundation for our sustainable development. We understand that profitability stems from efficient operations, making our operational management platform our most valuable asset and central to our strategic focus. Our investment principles prioritise "sustainable development," emphasising sufficient operational capital, talent development, digital transformation, and the deep integration of the upstream and downstream outlet retail industry chains, all of which lay a solid foundation for the Group's long-term success.

As the pioneer of "Art and Commerce · Super Outlets," Sasseur REIT has officially incorporated the concept of "Sustainability" into our business model, establishing the innovative "A x (1+N) x DT x S" sustainability framework.

## OUTLOOK

The Chinese government has identified "boosting consumption, enhancing investment efficiency, and expanding domestic demand across all sectors" as the top priority for 2025. In this macroeconomic landscape, consumption continues to be the main driver of economic growth. Innovating consumer experiences, improving the consumption environment and supply, and unlocking new consumption potential are all poised to create fresh opportunities.

In 2025, Sasseur REIT will adhere to the guiding principle of "Cultural Drive, Collaborative Development," focusing on a big operations-driven strategy centred around consumers. Our goal is to build long-term industry leadership and elevate the Group from ordinary to excellent. In practice, we will "focus strategically, maintain stability, enhance quality, and foster innovation," aiming to reduce costs, improve efficiency, meet profit and cost targets, and ensure sustainable growth.

As the Sponsor of the REIT, we recognise the essential role of providing strong operational management, financial support, and strategic guidance. In 2025, we will further strengthen resource integration with the REIT, offering enhanced support to drive new growth and deliver sustainable, long-term returns to our valued investors.

## ACKNOWLEDGMENTS

Finally, on behalf of the Board of Directors, I would like to express my deepest gratitude to all unitholders, investors, and business partners. Your unwavering support is the foundation of our continued success. As Chairman of the Board, I also extend my sincere thanks to all our employees. It is through your dedication and hard work that Sasseur Group and Sasseur REIT continue to innovate and grow.

### Mr Xu Rongcan, Vito

Founder of Sasseur Group  
Chairman of the Board, Sasseur Asset Management

# 主席致辞

尊敬的单位持有人，

我谨代表砂之船房地产投资信托（砂之船房托）向各位呈现2024年度报告。在过去的一年里，我们面临了消费市场挑战以及宏观经济的不确定性等多重压力。然而，通过精准的战略调整与与品牌方的深度协作，砂之船房托依然展示了稳健的财务表现和卓越的运营成果，充分体现了在复杂多变的市场环境中的韧性与持续价值创造能力。

## 在经济放缓背景下，奥莱业务保持强劲韧性

2024年，中国经济经历了U型走势。一季度市场表现强劲，但二季度与三季度持续回落，四季度在政策支持下逐步企稳回升，全年国内生产总值(GDP)同比增长5%。在这一背景下，2024年的商业环境复杂多变，砂之船始终坚持以“大运营驱动”为核心战略，围绕消费者需求不断优化组织架构、提升运营效率，并致力于建立长期的行业竞争优势，成功应对了市场变化。

2024年，砂之船房托整体资产包销售额约为44.82亿元人民币，同比下降3.9%；根据委托管理协议(EMA)所得租金收入为6.64亿元人民币，同比上升0.9%。显示了奥莱在消费者情绪疲弱的情况下，依然显示了其较强的韧性。与此同时，不断优化的资本改造以及进驻品牌优化进一步推动了奥莱的出租率，使得整体资产包的出租率达到了历史新高的98.9%。

在资本管理方面，我们始终秉持稳健的财务政策，持续优化资金结构，提高资本利用效率。截至2024年底，整体财务成本已降至5.3%，杠杆率保持在行业最低水平24.8%，为未来的发展预留了充足的资金空间。此外，我们提前完成了2025年到期的3.08亿元人民币再融资，并有效降低了借贷利率。作为房托的发起人，砂之船集团进一步为其提供了不超过4.3亿元人民币的五年期贷款，这不仅有效降低了整体贷款利率，还延长了债务期限。从发起人的角度来看，这一举措体现了我们对房托的长期承诺，并通过战略、财务和运营等多维度的支持，期望推动这一海外上市平台向更稳健的未来迈进。

## 长期增长战略：依托中国奥莱行业发展趋势，创新服务引领卓越

近年来，消费者对品质和性价比的关注日益增加，这使得以“折扣高端品牌”为特点的奥莱行业愈加具有吸引力。同时，年轻一代消费者更加注重品牌价值与购物体验的结合，倾向于选择中国自主设计生产的“潮牌”。这一趋势促使零售行业在不断变化中迎来了新的增长机会。

砂之船房托通过不断创新、灵活应对市场变化，巩固了“超级奥莱”的运营模式。2024年，奥莱市场在一线和二线城市继续保持增长势头。我们通过优化商场业态组合、深化与品牌商的合作、提升消费者购物体验等措施，进一步巩固了行业领先地位。

随着国内消费的继续回暖，我们对奥莱行业的长期发展前景保持乐观态度。作为中国奥莱行业的领军企业，砂之船将继续把握行业发展机遇，提升“内外兼修”的运营能力。我们将在内强化运营管理与效率，在外加强与顶尖品牌的深度合作，注重消费者偏好的变化，吸引更多年轻且具有消费力的客户群体，培养更多VIP客户，通过创新体验和优质服务赢得行业口碑，进而实现销售和利润的双重增长。

## 可持续发展：站在时尚与零售前沿，打造和谐共生的商业生态

商业环境如同自然生态，产业链、品牌与顾客、资本与平台、组织与个体之间的和谐共生关系至关重要。作为行业的领导者，砂之船深知可持续发展的重要性。我们在2024年发布了“Sasseur·愿”可持续发展指导纲领，深入分析企业发展与可持续性之间的关系，致力于在成为全球领先的“超级奥莱”的同时，践行社会责任，将“艺术与商业”相结合，为消费者提供附加的“物有所值”体验。

我们始终坚持长期主义，反对依赖高负债与高杠杆来维持集团的运营与发展，坚信这一方式不可持续。砂之船的战略核心在于打造具有全球竞争力的商业平台，这是确保我们可持续发展的根基。我们深知利润来自高效运营，因此，运营管理平台被视为我们最宝贵的资产，并始终处于我们的战略重心。我们的投资原则以“可持续发展”为核心，注重运营资金的充足、人才的培养，以及数字化建设和奥莱零售业务上下游产业链的深度整合，为集团的长期发展奠定坚实基础。

作为“艺术商业·超级奥莱”的开创者，砂之船正式将“Sustainable(可持续)”概念融入我们的商业模式，形成了全新的“Ax(1+N)xDTxS”的可持续发展模式。

## 前景展望

中国政府将“大力提振消费、提高投资效益，全方位扩大国内需求”列为2025年九项重点任务之首。在此宏观经济趋势下，消费依旧是经济增长的主引擎，创新消费场景与体验、提升消费环境与供给、激发新型消费潜力，必将带来新的机遇。

2025年，砂之船将按照“文化驱动，协同发展”的总体要求，坚持大运营驱动，始终围绕“以消费者为中心，建立长期行业竞争优势，实现企业从平凡到优秀的跨越”的指导思想，在实际执行中“靶向聚焦、行稳提质、惟实励新”，降本增效，完成利润目标和成本目标，确保企业可持续发展。

作为房托的发起人，我们深知为房托提供强有力的运营管理、资金支持和战略指导的重要性。2025年，我们将与房托实现更深入的资源共享，为房托提供更多支持，推动其实现新突破，为忠实投资者带来稳健的长期回报。

## 鸣谢

最后，我谨代表董事会，向全体单位持有人、投资者和商业伙伴表达最诚挚的感谢。你们的支持是我们不断前行的动力。同时，作为董事会主席，我也要向全体员工致以衷心的感谢，正是你们的辛勤付出，推动了砂之船集团及砂之船房托的不断创新与发展。

## 徐荣灿先生

砂之船集团创始人

砂之船资产管理公司董事会主席



## INTERVIEW WITH CEO

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**Sasseur REIT delivered a strong and resilient performance in FY2024, with stable EMA rental income and distributable income. This was underpinned by a record high occupancy rate of 98.9% and a notable increase in fourth-quarter outlet sales.**

**How would you summarise Sasseur REIT's performance in 2024? Are there any key highlights you would like to share with investors?**

Sasseur REIT delivered a strong and resilient performance in FY2024, with stable EMA rental income and distributable income. This was underpinned by a record high occupancy rate of 98.9% and a notable increase in fourth-quarter outlet sales. Despite subdued consumer confidence in China, outlet sales showed encouraging signs of recovery, particularly driven by the Golden Week and Year-end promotions. Preliminary sales data from this year's Lunar New Year season indicated strong buying momentum, with a double-digit sales growth across the portfolio's outlets in January 2025. Given these positive indicators, we remain cautiously optimistic about the sales outlook for our portfolio's outlets in 2025.

On the portfolio management front, we remained agile in optimising the tenant mix and proactively executing asset enhancement initiatives (AEIs) to drive outlet sales and maintain the value of our portfolio. Throughout the year, Sasseur REIT undertook four major asset enhancement initiatives, including advertisement billboards, façade and roof top garden upgrades at Hefei Outlet. At Kunming Outlet, enhancements included the addition of 400 car parking spaces ahead of its Anniversary Sales and the refinement of its "Super Sports" and "Super Kids" themes which enhanced shopping experience at the outlet. Additionally, visibility and accessibility at Bishan Outlet improved with the opening of a second entrance. As a result, the REIT's portfolio occupancy reached all time high of 98.9% in 4Q 2024, 1.3 percentage point higher YoY.

In terms of capital management, we continued to take a prudent approach while actively exploring new funding avenues to diversify the REIT's debt profile. We extended the RMB 308 million unsecured Sponsor loan which was first secured in 2023 from 2025 to 2030, and re-priced this loan to a lower cost structure of a floating interest rate pegged to 5-year China LPR. In addition, we secured a further Sponsor loan of up to RMB 430 million in February 2025 for a five-year term, strategically positioning ourselves for the 2026 refinancing. This aligns with our strategy to gradually increase exposure to lower-cost RMB-denominated loans, leveraging China's accommodative monetary policies to optimise financing costs. Furthermore, the REIT's successful attainment of an 'AAA' investment grade rating from China Lianhe Credit Rating Co., Ltd. opens up a broader spectrum of funding opportunities in China.

With a historically low gearing ratio of 24.8%, we are well-positioned with ample debt headroom to support future growth.



**Ms Cecilia Tan**  
Chief Executive Officer

**What sets Sasseur REIT apart from other retail and outlet competitors in China?**

Sasseur REIT's outlet business model presents a unique value proposition compared to traditional retail malls. By focusing on discounted branded products, we cater to customers who seek a higher quality of life with a "value-for-money" mindset. Our offerings primarily include fashion (both domestic and international) and sports, rather than the service-oriented tenants typically found in conventional retail spaces. We manage our brands and tenants through a hands-on, commission-based approach, aligning our interests directly with outlet sales performance.

Through its innovative "super outlet" model, Sasseur REIT has established itself as a leader among outlet peers in China. This model is encapsulated in the formula:  $A \times (1+N) \times DT \times S$ .

- **A (Art)** represents the unique character of each Sasseur outlet, enhancing consumer recognition and fostering brand loyalty. This intangible asset strengthens our connection with customers.
- **1+N (Outlet + Lifestyle Experiences)** highlights the integration of lifestyle experiences with shopping. Our immersive concepts, such as "Super Sports," "Super Kids," and "Super Farm," create deeper customer engagement, driving loyalty and increasing sales. For example, the zoo at our Hefei outlet appeals to children, while the strawberry farm at our Bishan outlet has become a signature feature, boosting foot traffic. This lifestyle-oriented approach aligns with the growing consumer preference for experiential shopping.
- **DT (Data Technology)** leverages big data to provide valuable insights into tenant performance and consumer trends, allowing us to refine our strategies and enhance operational efficiency.
- **S (Sustainability)** signifies our commitment to sustainable business practices, prioritising the respect for nature, humanity, and the future as we continue to grow.

Another key differentiator is our Entrusted Management Agreement (EMA) model, which combines a stable fixed revenue component with a variable revenue component that offers potential upside during periods of strong business performance.

# INTERVIEW WITH CEO

## What are the key strategic priorities for Sasseur REIT in 2025?

Sasseur REIT adopts a proactive approach to asset management, focusing on creating immersive retail experiences through strategic AEIs. By continuously optimising our outlet tenant mix and configurations, we aim to enhance the value proposition for our customers. Additionally, we will continue to cultivate a loyal VIP customer base, as this group plays a crucial role in driving outlet sales growth.

Our capital management strategy remains prudent, maintaining a strong balance sheet that positions us to capitalise on opportunistic acquisitions. We are committed to diversifying funding sources to reduce financing costs, enhancing our financial flexibility and stability.

Through an acquisition-driven growth strategy, we aim to maximise unitholder returns by targeting strategic acquisitions in Chinese cities with large residential catchments and strong growth potential. Furthermore, we will leverage our strong Sponsor network within the Chinese outlet industry to identify accretive acquisition targets.

By integrating proactive asset management, disciplined capital management, and targeted acquisitions, Sasseur REIT is well-positioned for sustained growth and value creation for our investors.

## Given Sasseur REIT's revenue concentration in China, how does the company manage currency risks?

Sasseur REIT implements a strategic hedging policy aimed at progressively hedging between 30% and 100% of foreign currency exposure on committed net cash flows. This approach ensures that we can effectively manage the risks associated with fluctuating exchange rates. To lock in cash flows to be repatriated, we purchase forward contracts within a 3 to 6-month period before the dividend payment date, thereby securing predictable returns for our investors.

Additionally, we continue to closely monitor foreign exchange trends and actively adjust our hedging strategy based on professional advice from a range of reputable banks. This diligent approach allows us to manage currency risk effectively and safeguard the stability of our cash flows, ensuring continued value creation for our stakeholders.

## How does Sasseur REIT plan to leverage synergies with its Sponsor to capture growth opportunities?

As a leading player in China's outlet sector, Sasseur Group provides Sasseur REIT with invaluable resources and expertise. As Sasseur REIT being the sole overseas REIT platform for the Sponsor, Sasseur Group is fully committed to supporting Sasseur REIT across various aspects, including market insights, timely funding with favourable terms, operational expertise, and an extensive network within the outlet business in China.

Sasseur Group's strong connection to China's consumer market, where Sasseur REIT's portfolio assets are located, gives the REIT a significant advantage. With extensive experience in operating outlet malls in China since 2008, the Sponsor serves as the key operational partner, overseeing daily operations. The REIT's commission-driven business model requires a continuous focus on brand management, tenant mix optimisation, and sales campaigns. Thanks to the Sponsor's expertise, Sasseur REIT enjoys strong bargaining power with top-performing brands, which enhances its competitive position and delivers substantial value to consumers.

Beyond strategy and operations, the Sponsor has also facilitated favourable funding sources, ensuring that the REIT maintains a solid financial position for future growth and expansion. On the acquisition front, Sasseur REIT benefits from a Right of First Refusal (ROFR) on two outlets owned by the Sponsor and also has access to a broader pool of outlets managed (but not fully owned) by the Sponsor. The Sponsor currently manages a portfolio of 18 outlets across 16 cities in China, of which 4 are Sasseur REIT's properties, 2 are owned by the Sponsor (Sasseur Xi'an Outlet and Sasseur Guiyang Outlet), and the remaining outlets are owned by third-party property owners.

As a REIT listed in Singapore, Sasseur REIT offers efficient capital recycling, diversification, and global branding opportunities for the Sponsor. We are confident that the strong synergy between Sasseur REIT and its Sponsor will continue to create significant value for unitholders.

**Ms Cecilia Tan**  
Chief Executive Officer

# 首席执行官采访

您如何总结砂之船房托在2024年的表现？是否有任何关键亮点愿与投资者分享？

砂之船房托于2024财年展现了强劲且稳健的表现，委托管理租金收入和可分配收入均保持稳定。其背后支撑因素包括创历史新高的98.9%出租率以及第四季度奥莱销售的显著增长。尽管中国消费者信心较为低迷，奥莱销售依然呈现出复苏的积极信号，特别是在黄金周和年终促销的推动下。今年春节期间的初步销售数据表明，购买势头强劲，2025年1月，旗下各奥莱的销售实现了双位数增长。鉴于这些积极指标，我们对2025年旗下奥莱的销售前景保持谨慎乐观。

在投资组合管理方面，我们始终保持灵活性，优化租户组合，并积极推动资产提升计划(AEI)以促进奥莱销售并维护投资组合的价值。全年，砂之船房托基金实施了四项重大资产提升计划，包括合肥奥莱的广告牌、外立面及屋顶花园升级。在昆明奥莱，资产提升措施包括在周年庆销售前新增400个停车位，并完善了“超级运动”和“超级儿童”主题，提升了购物体验。此外，随着第二个入口的开放，璧山奥莱的可见度及可达性得到了改善。因此，2024年第四季度，房托资产包的整体出租率达到了98.9%的历史新高，同比上升了1.3个百分点。

在资本管理方面，我们继续采取审慎的策略，同时积极探索新的融资渠道，使房托的债务结构更多元化。我们将2023年获得的3.08亿元人民币无担保发起人贷款的到期日从2025年延长至2030年，并将该贷款的利率结构调整与5年期中国贷款市场报价利率(LPR)挂钩的浮动利率，以降低融资成本。此外，我们在2025年2月成功获得了最多不超过4.3亿元人民币的新增发起人贷款，贷款期限为五年，为2026年的再融资做好战略布局。这与我们逐步增加低成本人民币贷款的战略相契合，借助中国宽松的货币政策优化融资成本。更重要的是，房托成功获得了来自中国联合信用评级有限公司的“AAA”投资级信用评级，这为我们在中国拓宽融资渠道提供了更多机会。

凭借24.8%的历史最低杠杆率，我们有充足的债务空间来支持未来的增长。

砂之船房托与中国其它零售和奥莱竞争者相比有何与众不同？

砂之船房托的奥莱商业模式与传统零售商场相比，呈现出独特的价值主张。我们专注于折扣品牌商品，满足那些追求更高生活品质并秉持“物超所值”消费理念的顾客需求。我们的产品主要包括国内外时尚品牌和运动商品，而非传统零售空间中以服务为主的租户。我们通过亲身参与管理和基于佣金的方式运营品牌和租户，从而将我们的利益与奥莱销售业绩直接挂钩。

通过创新的“超级奥莱”模式，砂之船房托已在中国奥莱行业中树立了领先地位。该模式可通过以下公式进行概括： $A \times (1+N) \times DT \times S$ 。

- **A(艺术)**代表每个砂之船奥莱的独特个性，提升了消费者的认知度并培养了品牌忠诚度。这一无形资产进一步加深了我们与顾客之间的联系。
- **1+N(奥莱+生活方式体验)**突出了购物与生活方式体验的融合。我们的沉浸式概念，如“超级运动”、“超级儿童”和“超级农场”，为顾客带来了更深的吸引力，进而提升了忠诚度并推动了销售增长。例如，合肥奥莱的动物园吸引了大量儿童，而璧山奥莱的草莓农场则成为其标志性特色，显著提升了客流量。这种以生活方式为导向的模式契合了消费者日益增长的体验式购物需求。
- **DT(数据技术)**通过大数据提供关于租户表现和消费者趋势的关键洞察，帮助我们优化策略并提升运营效率。
- **S(可持续性)**体现了我们对可持续商业实践的承诺，优先考虑自然、人类与未来，支持我们的持续发展。

另一个关键的差异化因素是我们的委托管理协议(EMA)模式，该模式结合了稳定的固定收入部份和在业务表现强劲时可能带来上行潜力的浮动收入部份。



# 首席执行官采访

砂之船房托在2025年的关键战略重点是什么？

砂之船房托秉持积极的资产管理策略，通过战略性资产提升计划(AEI)打造沉浸式零售体验。通过持续优化奥莱的租户组合和布局，我们旨在提升客户价值主张。此外，我们将继续培养忠实的VIP客户群体，因为这一群体在推动奥莱销售增长中发挥着至关重要的作用。

我们的资本管理策略保持稳健，确保资产负债表强健，使我们能够抓住收购机会。我们致力于多元化融资渠道，以降低融资成本，从而增强财务灵活性和稳定性。

在通过收购驱动的增长战略方面，我们旨在通过在具有庞大住宅辐射区和强劲增长潜力的中国城市进行战略性收购，最大化持有单位的回报。此外，我们将借助发起人在中国奥莱行业内的强大网络，物色具有增值潜力的收购目标。

通过将积极的资产管理、严谨的资本管理和有针对性的收购策略相结合，砂之船房托为投资者创造可持续增长和长期价值奠定了坚实基础。

鉴于砂之船房托的收入主要来源于中国，公司如何管理汇率风险？

砂之船房托实施了战略性对冲政策，旨在逐步对承诺净现金流的外汇敞口进行30%至100%的对冲。这一策略确保我们能够有效管理汇率波动带来的风险。为了锁定需汇回的现金流，我们会在股息支付日期前3至6个月内购买远期合约，从而为投资者提供可预测的回报。

此外，我们持续密切关注外汇市场走势，并根据多家信誉卓著银行的专业建议，积极调整我们的对冲策略。这一审慎做法使我们能够有效管理汇率风险，确保现金流稳定，从而为利益相关方创造持久价值。

砂之船房托计划如何利用与发起人的协同效应把握增长机遇？

作为中国奥莱行业的领军者，砂之船集团为砂之船房托提供了宝贵的资源和专业知识。集团全力支持房托作为其唯一海外上市房托平台在多个关键领域的运作，包括市场洞察、优惠融资条件、运营专业知识以及广泛布局的中国奥莱网络。

砂之船集团与中国消费市场的紧密联系为砂之船房托提供了显著的竞争优势，尤其是在其资产组合位于中国的背景下。自2008年以来，发起人便在中国运营奥莱，积累了丰富经验，成为房托关键的运营合作伙伴，负责日常运营管理。房托基于佣金的商业模式需要持续关注品牌管理、租户组合优化和销售活动。凭借发起人的专业能力，砂之船房托在与优质品牌谈判时具备强大的议价能力，从而增强了其市场竞争力，并为消费者创造了实质性价值。

在战略和运营之外，发起人还促进了优惠融资渠道的获取，确保房托维持稳健的财务状况，从而支持其未来的增长与扩展。在收购方面，砂之船房托受益于对发起人所拥有的两处奥莱物业的优先购买权(ROFR)，同时也能够接触到由发起人管理的更广泛的奥莱组合(尽管并非全部由其所拥有)。目前，发起人管理着遍布中国16个城市的18家奥莱，其中4家为砂之船房托的物业，2家由发起人持有(砂之船西安奥莱及砂之船贵阳奥莱)，其余为第三方物业所持有。

作为一家在新加坡上市的房托，砂之船房托为发起人提供了高效的资本循环、多元化以及国际品牌化的机会。我们相信，砂之船房托与发起人之间的强大协同效应将持续为单位持有人创造显著的价值。

陈凤莱女士  
首席执行官

# FINANCIAL REVIEW

## FINANCIAL OVERVIEW

Consolidated Statement of Total Return and Distribution Statement	FY2024 \$'000	FY2023 \$'000	Change %
<b>EMA Rental Income<sup>1</sup></b>	<b>124,452</b>	<b>124,914</b>	<b>(0.4)</b>
REIT Manager's Management Fees	(8,330)	(8,335)	(0.1)
Trust Expenses	(1,170)	(1,589)	(26.4)
Exchange Differences	(2,272)	(813)	n.m.
Finance income	253	286	(11.5)
Finance Costs	(24,710)	(27,409)	(9.8)
<b>Total Return before Fair Value Adjustments and Tax</b>	<b>88,223</b>	<b>87,054</b>	<b>1.3</b>
Change in Fair Value of Financial Derivatives	(113)	614	n.m.
Fair Value Adjustments to Investment Properties	(14,890)	(1,289)	n.m.
<b>Total Return before Tax</b>	<b>73,220</b>	<b>86,379</b>	<b>(15.2)</b>
Tax Expense	(17,162)	(23,958)	(28.4)
<b>Total Return Attributable to Unitholders</b>	<b>56,058</b>	<b>62,421</b>	<b>(10.2)</b>
Distribution Adjustments	27,239	20,929	30.1
<b>Income Available for Distribution to Unitholders</b>	<b>83,297</b>	<b>83,350</b>	<b>(0.1)</b>
Less: Amount Retained <sup>2</sup>	(7,385)	(5,980)	23.5
<b>Amount to be Distributed to Unitholders</b>	<b>75,912</b>	<b>77,370</b>	<b>(1.9)</b>

n.m. – not meaningful

## EMA RENTAL INCOME

Sasseur REIT's EMA rental income (excluding straight-line adjustments) was \$124.5 million, decreased by \$0.5 million or 0.4% as compared to FY2023, mainly due to the weakening of Renminbi against Singapore Dollar as compared to FY2023. EMA rental income (excluding straight-line adjustments) for FY2024 was higher by RMB5.6 million or 0.9% as compared to FY2023.

## REIT MANAGER'S MANAGEMENT FEES

Sasseur REIT adopts a base and performance fee structure based on income available for distribution to Unitholders (or distributable income) and DPU growth respectively to derive the management fees to the REIT Manager which is aligned with the interests of the Unitholders. Under the Trust Deed, the REIT Manager is entitled to receive a base

fee of 10.0% per annum of the distributable income, as well as a performance fee of 25.0% of the difference in DPU in a financial year compared with the preceding financial year, multiplied by the weighted average number of Units in issue.

The REIT Manager has elected to receive 20.0% of its manager's base fee in cash and 80.0% in the form of Units for FY2024 and 100% of its manager's base fee in the form of Units for FY2023.

## FINANCE COSTS

Finance costs of \$24.7 million were 9.8% lower than FY2023 mainly attributable to lower weighted average cost of borrowings of 5.3% (FY2023: 5.6%) arising from effective hedging of offshore loans' interest rates and lower onshore RMB interest rates. More information on the borrowings is available in the Capital Management section.

### Notes:

<sup>1</sup> For a more meaningful comparison, EMA rental income excluding straight-line adjustments of \$726,000 for FY2024 and \$(1,812,000) for FY2023.

<sup>2</sup> For FY2024, approximately \$7,385,000 (FY2023: \$5,980,000) of the income available for distribution has been retained for the principal amortisation of onshore loans and capital expenditures.

# FINANCIAL REVIEW

## FAIR VALUE ADJUSTMENTS TO INVESTMENT PROPERTIES

Change in fair value of investment properties represents the fair value losses on investment properties based on the portfolio valuation carried out by Jones Lang LaSalle Corporate Appraisal and Advisory Limited as at 31 December 2024 compared to the carrying value of the properties.

Investment properties are stated at fair value based on the valuations performed by an independent valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, as at 31 December 2024 and 31 December 2023. In RMB terms, the valuation of the investment properties is RMB8,420.0 million as at 31 December 2024, which is 0.9% lower than the valuation of RMB8,497.0 million as at 31 December 2023. The decrease was largely due to the assumptions of lower tenant's sales growth adopted by the independent valuer in view of macroeconomic uncertainties in China. In SGD terms, valuation of investment properties is 0.1% higher as at 31 December 2024 as compared to

31 December 2023, mainly due to higher translated value arising from appreciation of Renminbi against Singapore Dollar as compared to 31 December 2023.

The fair value adjustments to investment properties do not have an impact on income available for distribution to Unitholders.

## TAX EXPENSE

Tax expense of \$17.2 million was lower than FY2023 by \$6.8 million, mainly due to reversal of provision of income tax in prior year.

## DISTRIBUTION ADJUSTMENTS

Distribution adjustments include non-cash items relating to the REIT Manager's management fees which are payable in the form of Units, amortisation of borrowing-related transaction costs, change in fair value of investment properties, deferred tax expense, change in fair value of financial derivatives as well as unrealised exchange differences.

Distribution adjustments	FY2024 \$'000	FY2023 \$'000	Change %
REIT Manager's management fees payable in Units	6,664	8,335	(20.0)
Amortisation of borrowing-related transaction costs	-	1,518	n.m.
Fair value adjustments to investment properties	14,890	1,289	n.m.
Deferred tax expense	3,291	7,485	(56.0)
Unrealised exchange differences	2,281	2,916	(21.8)
Change in fair value of financial derivatives	113	(614)	n.m.
<b>Total distribution adjustments</b>	<b>27,239</b>	<b>20,929</b>	<b>30.1</b>

n.m. - not meaningful

## DISTRIBUTABLE INCOME

Income available for distribution to Unitholders before retention for FY2024 was \$83.3 million, 0.1% lower compared to \$83.4 million for FY2023. Approximately \$7.4 million (FY2023: \$6.0 million) of the income available

for distribution has been retained to fund the principal amortisation of onshore RMB loans and capital expenditures. After cash retention, the amount to be distributed to Unitholders for FY2024 was \$75.9 million, 1.9% lower compared to \$77.4 million distributed to Unitholders for FY2023.

Statement of Financial Position Highlights	As at 31 December 2024 \$'000	As at 31 December 2023 \$'000	Change %
Investment Properties	1,582,290	1,580,190	0.1
<b>Total Assets</b>	<b>1,777,175</b>	<b>1,747,680</b>	<b>1.7</b>
Loans and Borrowings	435,672	432,613	0.7
<b>Total Liabilities</b>	<b>739,194</b>	<b>728,068</b>	<b>1.5</b>
<b>Net Assets</b>	<b>1,037,981</b>	<b>1,019,612</b>	<b>1.8</b>
Number of Units in Issue and to be Issued ('000)	1,255,516	1,245,670	0.8
<b>Net Asset Value per Unit (\$)</b>	<b>0.83</b>	<b>0.82</b>	<b>1.2</b>

## UNITS IN ISSUE

During FY2024, Sasseur REIT issued 8,123,353 new Units as payment of management fees to the REIT Manager. As a result, the total number of Units in issue increased to 1,250,771,206 as at 31 December 2024 from 1,242,647,853 as at 31 December 2023.

## NET ASSET VALUE PER UNIT

Net Asset Value (NAV) per Unit as at 31 December 2024 was higher at \$0.83 from \$0.82 as at 31 December 2023, mainly attributed to the net translation gains relating to investment properties denominated in Renminbi arising from appreciation of Renminbi against Singapore Dollar as compared to 31 December 2023.

## VALUATION OF INVESTMENT PROPERTIES

As at 31 December 2024, Sasseur REIT's investment properties were independently assessed at \$1,582.3 million (RMB8,420.0 million) by Jones Lang LaSalle Corporate Appraisal and Advisory Limited. The Trustee had appointed the valuer for the valuation of investment properties as at 31 December 2024. In RMB terms, the valuation of the investment properties is RMB8,420.0 million as at 31 December 2024, which is 0.9% lower than the valuation of RMB8,497.0 million as at 31 December 2023. The decrease was largely due to the assumptions of lower tenant's sales growth adopted by the independent valuer in view of macroeconomic uncertainties in China. In SGD terms, valuation of investment properties is 0.1% higher as at 31 December 2024 as compared to 31 December 2023, mainly due to higher translated value arising from appreciation of Renminbi against Singapore Dollar as compared to 31 December 2023.

Property	RMB/\$ million	Valuation as at 31 December 2024	Valuation as at 31 December 2023	Change %
Sasseur (Chongqing Liangjiang) Outlet	RMB	3,188.0	3,129.0	1.9
	\$	<b>599.1</b>	<b>581.9</b>	<b>3.0</b>
Sasseur (Chongqing Bishan) Outlet	RMB	780.0	834.0	(6.5)
	\$	<b>146.6</b>	<b>155.1</b>	<b>(5.5)</b>
Sasseur (Hefei) Outlet	RMB	2,838.0	2,882.0	(1.5)
	\$	<b>533.3</b>	<b>536.0</b>	<b>(0.5)</b>
Sasseur (Kunming) Outlet	RMB	1,614.0	1,652.0	(2.3)
	\$	<b>303.3</b>	<b>307.2</b>	<b>(1.3)</b>
Portfolio	RMB	8,420.0	8,497.0	(0.9)
	\$	<b>1,582.3</b>	<b>1,580.2</b>	<b>0.1</b>



# CAPITAL MANAGEMENT

Key Financial Indicators	As at 31 December 2024	As at 31 December 2023
Gross borrowings (\$ million)	440.9	442.1
Aggregate leverage (%)	24.8	25.3
Average debt maturity (years)	2.5	2.9
Debt headroom <sup>1,2</sup> (\$ million)	895.3	863.4
Weighted average cost of debt per year (%)	5.3	5.6
Interest coverage ratio <sup>3</sup> (times)	4.6	4.3

“  
**The REIT Manager adopts a disciplined and prudent approach in ensuring adequate funding and managing refinancing requirements while actively exploring new funding channels to diversify Sasseur REIT's debt profile.**

The REIT Manager adopts a disciplined and prudent approach in ensuring adequate funding and managing refinancing requirements while actively exploring new funding channels to diversify Sasseur REIT's debt profile.

Sasseur REIT has no significant refinancing requirement in 2025. In December 2024, we extended the existing RMB308 million Sponsor loan from 2025 to 2030 and re-priced this loan to floating interest rate referenced to the China five-year Loan Prime Rate (5Y LPR). Additionally, in preparation for the refinancing of loans due in 2026, we secured a new Sponsor loan of up to RMB430 million for a five-year term, on a floating interest rate basis referenced to the China 5Y LPR. This aligns with our strategy to gradually increase Sasseur REIT's exposure to lower-cost RMB-denominated loans, capitalising on China's accommodative monetary policies to reduce overall financing costs while providing natural hedging. This achievement further highlights the ongoing strong support and commitment from our Sponsor. Moreover, Sasseur REIT's recent attainment of an 'AAA' investment-grade rating from China Lianhe Credit Rating Co., Ltd. enhances our ability to access a wider range of funding options within China.

Sasseur REIT continues to maintain a healthy financial position. As at 31 December 2024, its aggregate leverage improved to 24.8%, a historical low for Sasseur REIT and the lowest among S-REITs<sup>4</sup>, providing ample debt headroom for future growth. Interest coverage ratio strengthened to 4.6 times as at 31 December 2024. Approximately 87% of total borrowings are hedged to fixed rate or pegged to stable interest rates, with a weighted average debt maturity of 2.5 years. In line with China's economic policies, the government reduced the China 5Y LPR three times in 2024 to 3.6%, which is expected to help mitigate Sasseur REIT's overall debt cost over time.

## Notes:

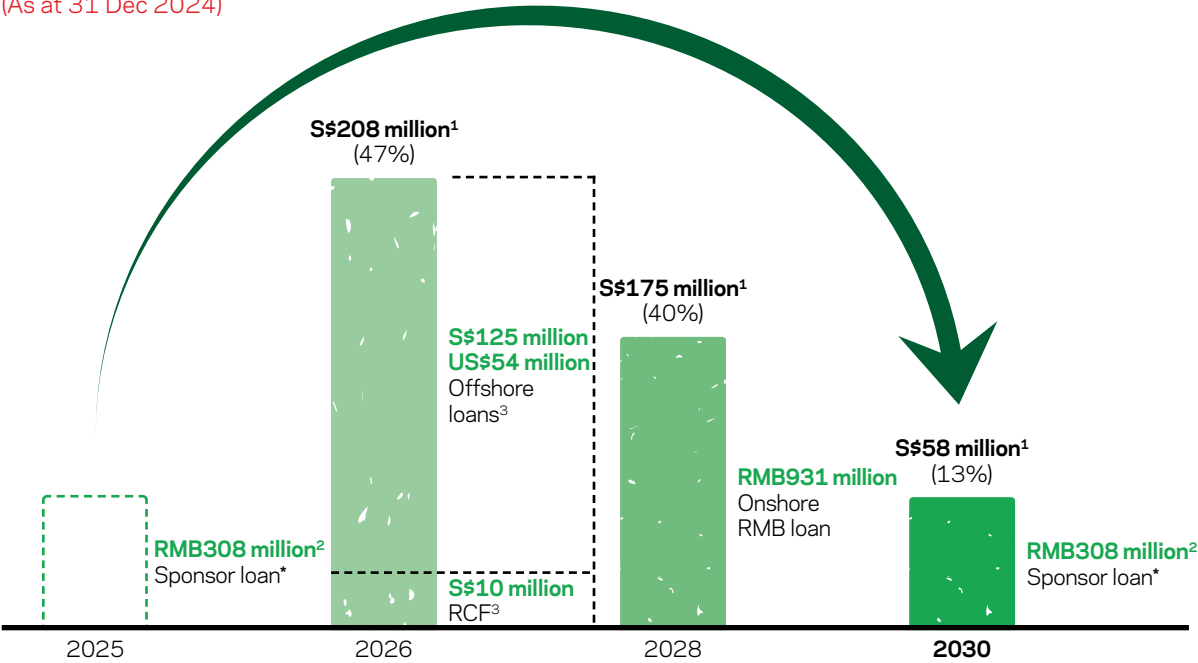
<sup>1</sup> Debt headroom is computed based on total assets and assuming a corresponding increase in total assets with new debts raised.

<sup>2</sup> Based on MAS prescribed leverage limit of 50.0%.

<sup>3</sup> Based on dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding the effects of any fair value changes in financial derivatives and investment properties, and foreign exchange translation) by the trailing 12 months interest expense and borrowing-related fees as set out in the CIS Code.

<sup>4</sup> SGX Research, "Chartbook: SREITs & Property Trusts", 4Q 2024.

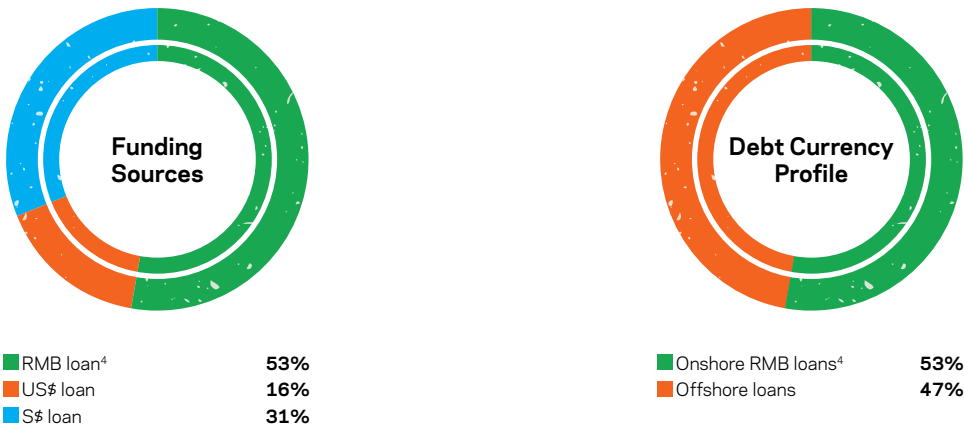
Debt Maturity Profile  
(As at 31 Dec 2024)



\* Unencumbered Sasseur (Kunming) Outlet provides financing flexibility

2025: Target to achieve >60% of RMB-denominated loan to further increase natural hedge and reduce borrowing costs

Funding Sources and Debt Currency Profile  
(As at 31 Dec 2024)



Notes:

- <sup>1</sup> Closing S\$:RMB and US\$:S\$ rates of 5.3214 and 1.3508 as at 31 Dec 2024 respectively.
- <sup>2</sup> RMB308 million unsecured loan from Sponsor extended from 2025 to 2030, repriced as floating interest rate with reference to China's 5Y LPR.
- <sup>3</sup> Successfully secured another 5-year Sponsor loan of up to RMB430 million in preparation of refinancing of loans due in 2026.
- <sup>4</sup> Includes RMB308 million Sponsor loan.

# YEAR IN BRIEF

## January

Featured in Lianhe Zaobao for Sasseur REIT and the REIT's Sponsor, Sasseur Group's unique approach to outlet operations and strategic asset-light business model

1

## JAN

## February

Officially launched Sasseur REIT Telegram channel

2

Announced FY2023 financial results

Portfolio's outlet sales increased by 31.9% yoy in FY2023

## FEB

## April

6<sup>th</sup> Annual General Meeting with all proposed resolutions duly passed

3

## APR



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3



6



7

## AUG

### August

Ranked 16<sup>th</sup> out of 43 REITs and Business Trusts in the Singapore Governance and Transparency Index (SGTI) 2024

Announced 1H 2024 results

EMA rental income remains resilient  
Portfolio occupancy remains high at 97.8%

## OCT

### October

Sasseur REIT has emerged as the BIGGEST winner for Singapore REITs at "The Asia Pacific Best of the Breeds REITs Awards™ 2024", securing THREE prestigious awards - Best Retail Reit (Platinum), Best Investor Relations (Platinum), and Best CEO (Gold)

6

7

May

Sasseur REIT's FY2023 Annual Report was awarded the Gold Winner of the prestigious Hermes Creative Award 2024 in the Annual Report category for the 2<sup>nd</sup> time

4

MAY

1Q 2024 business and operational updates

Portfolio outlet sales exceeded 1Q 2019 pre-COVID level by 4.4%

NDR in Kuala Lumpur, organised by CGS International Securities Singapore

5

Meeting 7 groups of institutional investors

June

Sasseur REIT has been featured in a recent The Business Times article, detailing an exclusive interview with Mr Vito Xu, founder of Sasseur Group and the Chairman of the Board of the REIT Manager

JUN



NOV

November

Sasseur REIT has once again clinched the Highest Three-Year Weighted Return on Equity at The Edge Singapore Centurion Club Awards 2024, marking a remarkable achievement for the second year in a row

8 9

Announced 3Q 2024 Business and Operations Update

Achieved a record-high occupancy rate of 98%, driven by proactive leasing strategies and sustained efforts

DEC

December

Successful extension of a RMB 308 million sponsor loan with more favourable terms, now maturing in March 2030 — a five-year extension from the original maturity in March 2025

The inaugural guided tour strategically partnered with Chan Brothers to Kunming Outlet is a perfect wrap-up for Sasseur REIT in 2024

10



## 品牌故事

# 艺术与商业的对话

“

1980年代，对于中国内地而言，是一个充满惊奇、梦想和浪漫气息的年代，一个将哲学启蒙、思想自由、艺术探索澎湃地交织在一起的精神黄金时代。那个时代，并不以物质的丰盛见长，却涌现出大量中国当代最杰出的诗人、作家、画家、音乐人，其影响力直到今天，依然巨大。

1985年，重庆北碚，西南师范大学。

二十岁的徐荣灿骑着一辆嘎吱作响的二八零自行车，风吹拂起他的长发，肩上的帆布背包里，装着他的青春激情和艺术梦想——几本教材、一台老相机。对于艺术美学有着敏锐直觉的徐荣灿，彼时选择用镜头去捕捉他所看到的，用胶片来表达他所想到的——外表简单而内心细腻的他，更喜欢选择用黑白胶片来叙述他对世界的感受。庄子说：五色乱目。在他看来，纯粹的黑白与变幻莫测、微妙灵动的灰色一起，更能真实地还原光影交错的丰富的瞬间，更有冻结时间的魔力。在光影的神奇混合中，艺术的基因也被深深地植入到他的血液里。

1988年，成为西南师范大学一名年轻教师的徐荣灿创下了一个奇迹——年轻的生物系老师——不仅在自己的专业上获得全国的奖项，还在全国性的青年摄影家比赛中拿了奖。这也许就是一种暗示——这个年轻人今后注定会用某种方式，去和艺术做极其精彩的对话。

好的艺术作品就是精神交流的载体，一群怀着梦想的年轻人，一瓶啤酒、一把吉它，就可以在球场边聊一整夜。从文学、艺术，到音乐，人生……不断地有人加入，最初的三两知己的聚会变成了越来越多的一群朋友的狂欢。梦想也在年轻不羁的灵魂碰撞下越来越广阔。作为这群追梦人的领头者，徐荣灿更看重创造过程中的精神愉悦。他东拼西凑了6,500元人民币，第一次尝试着把艺术感受放置于活动空间，变成可持续的体验。在他看来，艺术或许不仅仅是有限的平面展示，它可以变成一个立体的体验空间。



砂之船咖啡馆的访客



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1. 年轻的徐荣灿在砂之船咖啡馆门口
2. 带有“砂之船”名字的酒瓶
3. 砂之船在重庆代理的国际品牌专卖店

1989年，重庆北碚。西南大学的校园一隅。一间小小的咖啡馆悄然开张了。竹篱笆的墙上挂满了老照片，船家的缆绳挂着大红的灯笼，厚实的实木门正好迎着夕阳的方向。就像对自己最心爱的孩子，取个什么名字呢？从开始创作到开门迎宾，已过月余，仍然没有想出合适的名字。那时台湾歌手苏芮的专辑《台北东京》刚刚火到内地。台北、东京，是遥远而陌生的两个地名，却让人联想到多元的生活影像与文化背景。专辑里的一首《砂之船》是大家的最爱，这首歌夜夜吟唱在绿荫深处的小咖啡馆，淡淡的忧伤与青春的迷茫经由苏芮的空灵歌声，婉婉悠扬，很符合文艺青年的心境。但徐荣灿感受到的却是小船终会抵达的梦想和远方。就叫“砂之船”吧，这个名字代表了徐荣灿对艺术现状的思考，也寄托了他对未来的期望。于是门口放一摞的土陶罐，贴着大红的纸，酣畅淋漓地写上了三个书法字——“砂之船”。一旁的一位青年法语老师脱口而出“SASSEUR”，这是一个法文单词，意指经由自然动力推动的风车，是营造自然与人类和谐关系的产物，浪漫优雅。从此，“砂之船”代表着自然、自由、乐观、理想的这个名字被叫响了。

就是这间代表着啤酒、音乐、艺术、情感……名为“砂之船”的小咖啡馆，很快成了校园艺术菁英们的据点——诗人，画家，乐队，每天都排满了地下摇滚表演、美术批评沙龙……在那个精神浪漫的时代，这里俨然就是他们走出坚硬的制度化文化困境的美妙乌托邦。

咖啡馆不赚钱，但咖啡馆的沙龙氛围，让徐荣灿开始思考——获得视觉与体验快感是人类的本能，而现代人对艺术的本能渴望，已经在转化为对美好生活品质的追求。艺术源于生活，它的终极目标不是远离生活的独立存在，只有更贴近人们的现实生活，艺术才能更有活力，让生命的存在更有意义、更富于美感。

“我喜欢的东西，一定有人喜欢！”1991年，徐荣灿在离职申请上签下了自己的大名，结束了让普通人羡慕的大学老师的生涯，只带走了“砂之船”这个名字。在去欧洲短期游学之后，位于重庆解放碑临江支路的砂之船时装屋开张了。这是他第一次真正地将艺术理念与商业相融合。小店空间不大，砖墙、岩石，原木一如既往地粗犷，装备了专业级的音响，涂鸦的墙上挂满了从沿海淘来的牛仔裤、棉卫衣。代表西方年轻人的生活方式、别具一格的店面让“砂之船”在这个传统商业中心里一炮而红。很快，从一家小店，发展出两家、三家……客人越来越多，店面越开越大，货品也越来越丰富。市场的热烈反应让他看到了艺术与商业碰撞的火花。

90年代中期，中国复苏的市场开始呈现出繁荣的景象，一些国际品牌开始在中国寻找商业机会。徐荣灿，这个艺术气质与商业头脑兼具的人很容易就吸引到他们的关注。而徐荣灿也深深认识到在真正的奢侈品里面蕴含了丰富的历史、人文、技术，它们不仅是物质消费品，更是一种文化和艺术精神的消费。这样的认知与国际品牌长期发展的愿景高度一致，基于相互的了解与认可，双方很快建立了良好的合作关系。

1997年，由李嘉诚投建的，代表当时重庆最高消费水准的大都会购物广场开业，整个一楼的名品区，砂之船代理的国际品牌专卖店就占据了半壁江山。

1999年，为了更深入了解奢侈品背后的文化逻辑，徐荣灿选择再次游学欧洲。东方与西方、历史与未来的文化的碰撞再次深深震撼了他。他开始渴望能拥有一个自己的品牌，来释放他对艺术、服装和时尚的理解。2001年，游学归来的他成立了自己的女装品牌，品牌延用了他最心爱的名字“SASSEUR”。与此同时，他在重庆璧山郊外的森林里设计修建了自己的品牌总部，与之前的空间设计不同，这一次，是全新的创作，再次沉醉于创作的激情里，每一栋建筑都由他亲自规划与设计，依山而建的红砖建筑群最终以他梦想的方式高低错落呈现在三十多亩的青山绿水之间，除了满足SASSEUR品牌设计、生产、展示的功能，小型酒店、网球场、游泳池……使得这里不仅仅是SASSEUR的品牌总部，更是一座远离尘俗的意式的时尚庄园。

自创品牌是一段神奇的体验——一边代理国际名品，一边打造自己的服装品牌——从国际品牌里学习经验，从中国市场里吸取养分，同时充分表达自己对于时尚的认知。这个定位于中高端市场的女装一经推出就得到了市场的认可，短短两年时间，“SASSEUR”就在中国二十几个城市开设了专卖店。随着市场的拓展，原材料采购和生产周期的限制，让商品与市场的需求总是存在不可调和的矛盾。良好的业绩背后，日益增大的库存让徐荣灿发现了服装产业持续经营的危机。怎样在保证业绩增长的前提下降低库存，让资金高效流动，这不仅仅是砂之船女装的痛点，也是所有品牌服装的痛点。2005年，砂之船再次在重庆机场路旁拿地七十亩，开始规划筹建自己的品牌管理基地，为未来的集团化管理做准备。徐荣灿经常一边彻夜画着品牌基地的建筑草图，一边思考着如何打开这个服装产业链中的死结。



## 品牌故事



砂之船(重庆两江)奥莱

与生俱来的艺术天分与时尚触角，让徐荣灿的内心在意大利这个古老的国度感受到深深的共鸣，痴迷于意式生活方式的他经常会往来于意大利采风。在此期间，怀着对服装产业链的思考，徐荣灿发现了奥特莱斯这个新奇的事物。奥特莱斯的原意是“出口、出路”，这种专供品牌销售过季下架商品的营销形态，一方面让所有品牌商可以合理消化库存且不影响品牌形象，另一方面“名品、低价”的高性价比比实质能让更多的消费者受益。这个关于“消费人性本质”的发现让徐荣灿欣喜不已，经过深思熟虑，他做了一个大胆的规划——停止代理合作，关闭女装品牌，把原本的品牌生产基地规划为奥特莱斯商场，在品牌的库存压力与消费者的性价比需求之间搭建一个链接平台。这个规划一经提出，就受到来自各方的反对与质疑——是的，已经走过最艰难的创业期，眼看着事业的大路越走越宽阔，在这样的关键时候押上集团所有成熟的业务去开辟一条前途未卜的险径，让一切回归为零，这确实是大数人不能理解。得不到团队支持的徐荣灿，也不由得对自己的想法产生了深深的犹疑。

2004年的夏末秋初，三位朋友相约前来参观璧山的砂之船品牌总部，充满意式风情和艺术氛围的庄园式园区让他们深感震撼，参观完毕，围坐在徐荣灿办公室的露台，远近都是极好的风景，话题从对园区建筑设计规划的赞叹自然就切换到了徐荣灿那个深藏于心的梦想。从产业的痛点，到闭环的形成，再到消费者、品牌方、经营者的利益分析，再到接下来需要解决的问题：没有商业地产的经验、没有甲方运营的经验、没有商业团队、没有项目所在地的区位优势……类似这样的讨论已经有很多次了，每次探讨的结果都会让他对自己的决策多一份犹豫。而这一次，因为一个女子的加入，现场俨然变成了一次

支持与反对的灵感撞击的头脑风暴。坚定的站在徐荣灿一方的就是杨雪，时年二十一岁的她，内心纯净，聪慧伶俐，有勇善谋。讨论最后，干脆利落几个字落地有声：“为什么不！所有问题都有解决的办法，这么好的想法，不去实施，你永远也不会知道行不行。”看似淡定的坚毅，瞬间让徐荣灿恢复当时在离职申请上签字的豪迈自信。这是很长一段时间以来，徐荣灿所得到的最肯定和直接的支持。复杂的问题变得简单，也让他胸中郁藏的所有藩篱顿消。他记住了她的名字——杨雪。他的才情与情怀感染了她，她的灵动与聪慧也打动了她，因为这一句话，从此，一个人的梦想，成为两个人的江湖。

砂之船下决心全面转航，成为中国第三家投入奥特莱斯行业的企业。要将原有的品牌基地规划调整为奥特莱斯，要完成的不仅仅是项目调规的行政手续，还有与之配合的周边交通动线改造，涉及到交通、园林、市政、路管……多个行政主管部门，“所有问题都有解决的办法”——为了从封闭的机场高速开一个下道口直达项目，杨雪抱着规划图一个部门一个部门的跑，硬是把不可能变为可能。机场高速的匝道开口，无疑从根本上改变了砂之船集团首个奥莱项目的交通属性，打通了项目未来成功的主动脉。全面转航的砂之船面临的重大问题还是招商，集团的各部门都在摸索当中完成了部门组建与分工，唯有国际品牌的招商工作一直搁浅，同样没有经验的杨雪又再次担当，带着一群新人从零开始，梳理出意向合作国际品牌，按着商品吊牌上的地址一个个一轮轮拜访，也硬是让最初理想设定中的卖场品牌规划从图纸变成了现实……并没有太多工作经验的杨雪，凭着与徐荣灿同样的时尚敏感度，凭着对这一份梦想执着而坚定的热爱，以她特有的冷静与勇气快速地在各类工作中完成角色切换。徐荣灿所有天马行空的创意，





1. L Catterton Asia和砂之船集团的战略股东投资签约仪式  
2. 徐荣灿和杨雪出席Sasseur & Friends Party



总能经过她变成可以落地实现的好点子。而正是这种相互的肯定与认可，又激发出相互更多的潜力。向着梦想飞奔的脚步越来越充满激情——激情是不可思议的力量，激情带来创造力，也带来勇气与斗志，所有的困难都变成充满乐趣的挑战：于是，原本只满足品牌开发生产需求的现代化厂房变成了布局合理的商城，原本拦在机场路外需要绕行的砂之船奥莱有了一条从机场路直达的宽阔匝道，原本空白的招商团队在经历过实战中的学习之后，快速成长为业内最具活力的生力军……徐荣灿与杨雪之间无缝衔接的默契，无疑是砂之船成功转型的加速剂。

能引发人们共鸣共情的艺术作品才是好作品，商业也如是——能深知各方需求才能成为成功的商业体。此时的砂之船，经历了服装产业链中的所有角色：设计、生产、销售，也经历了商业中的所有角色：消费者、代理商、制造商、品牌商，恰恰是这些优于同行业的经验，让砂之船能够快速地完成角色转换，也给未来砂之船在奥莱行业中的持续稳定的运营奠定了坚实的基础。

2008年8月8日，砂之船(重庆两江)奥莱开业迎宾，全城轰动。充满艺术魅力的商业空间环境，来自全球的时尚品牌，从消费到体验，无不刷新了一座城市的观感。商业成功与否，业绩是硬指标。开业首年，砂之船(重庆两江)奥莱年业绩4.5亿，跃居中国奥莱前三甲；开业第四年，5.5万平方米的营业面积实现销售12亿元，年坪效达2.2万，位居全国行业之首。同时，砂之船奥莱项目对城市区域的价值影响力首次得以凸显——原本是一片荒地的区域，因为一个砂之船奥莱的成功，竟然在短短数年内发展为一个城市级特色商圈，不仅极大地促进了区域土地价值，还使该区域产生出强大的经济内生力，不仅改变了区域的城市风貌建设，更是在客流、社零总额、城市活力、城市就业与税收上迅速提升了一个区域的发展城市水准。这种影响力，将伴随着砂之船的每一次城市拓展，而被不断的演绎下去。

砂之船(重庆两江)奥莱的成功，由此引起了政商各界的密切关注。2010年，杭州市政府向砂之船发出邀请。砂之船，这个诞生于中国西部的年轻商业品牌，从此开始首次走出重庆，接下来，杭州、南京、合肥、昆明、长春、西安、贵阳、长沙、兰州、扬州、厦门、苏州、福州、石家庄、上海、深圳、乌鲁木齐、银川、广州……到2024年年底，砂之船奥莱已在中国20个直辖市、省会城市或高速发展城市签约落地22家大型超级奥莱，在营18家超级奥莱；砂之船奥莱的旋风，伴随着徐荣灿的艺术商业理想，愈演愈烈。

与此同时，砂之船的成功也持续吸引着国际资本市场的关注。2011年，砂之船集团与全球领先的美国华平投资集团完成战略重组。2015年全球奢侈品零售巨头LVMH旗下全球最大的消费品投资公司 L Catterton Asia 成为砂之船集团的重要战略股东，给企业发展带来了强大的资源优势。2016年，“砂之船超级奥莱全球发布会”在重庆盛大举行。平安不动产成为砂之船重要战略股东，同时，全球最大消费品投资公司 L Catterton Asia 增持砂之船股份。

深入骨髓的艺术思维也给徐荣灿的商业实践带来深远的影响。让艺术改变生活的初衷一直影响着他。如果说最初的精品小店让他感受到服装之美，接下来的国际品牌代理的经历则让他触摸到品牌文化之美，品牌制造商让他体会到技术之美，砂之船的艺术商业环境打造让他深入建筑之美。建筑是艺术，但艺术不仅仅是建筑，艺术是种子，是对自然的敬畏，对历史的尊重，对人性的歌颂。中国很大，每一个城市的个性、历史、文化都不同。他把每一个项目都当成自己的艺术作品——从建筑设计，环境设计，到商业氛围营造，同时力图在地域文化中抓取设计要素，建立商业、艺术与体验者之间的和谐共融联系。也正是在这种思维的影响下，强调体验感的砂之船奥莱更具温度与识别度。他希望砂之船奥莱不仅能满足人们消费的需求，同时也是源于自然，发于心灵的艺术作品，从而成为当地的文化地标。

用艺术家的情怀去打造商业环境，用企业家的思维去开拓市场的空间，用不忘初心的坚持去滋养梦想。当砂之船旗下四个项目在2018年成功在新加坡联交所完成REIT上市时，面对一个崭新的发展格局和充满广阔空间的未来，砂之船品牌文化里最基本价值观——“追求美、发现美，创造美、传播美”，却永远不会改变。这句话不仅铭刻着徐荣灿投身商业的初心，也闪烁着砂之船品牌的“艺术基因”光芒，标示着砂之船集团未来发展的愿景：“用艺术商业，做超级奥莱”。

从1989年在西南师范大学校园深处由“情感、艺术、音乐、时尚”碰撞出的咖啡馆，到今天辉煌的商业帝国，一路走来，徐荣灿与杨雪共同携手，推动砂之船创造了无数经典，让“砂之船”这一品牌——无论是时尚品位，还是人生态度都成为了女性追求的先导和典范，SASSEUR砂之船这个美丽的名字无疑已成为砂之船集团创始人徐荣灿先生生命中无法剥离的部分，2009年的12月31号这一天，砂之船(重庆两江)奥莱首创的跨年营销活动刷新业绩纪录印证了砂之船奥特莱斯获得的巨大成功，也标志着他们共同的梦想的实现。就在这一天，徐荣灿将Sasseur这个充满浪漫诗意、在他心里至高无上的名字郑重地赠予了他一生中的最爱——杨雪女士——这位能与他一起去实现共同梦想，集美丽、智慧于一身的女人，同时也是砂之船集团“四品四美”企业文化最完美的代言人。

“男人要做对三件事，爱情与婚姻结合，爱好与事业结合，选对合作伙伴。我是一个很幸运的人，到今天，这三件事我都做对了。”徐荣灿曾在25周年庆典感言里如是感慨。而他与杨雪，因为对爱情和事业共同的信仰，已经完美的将爱情与事业相融合好了。

“激情、创造力、美”是深植于砂之船集团的艺术商业DNA，情感思维是砂之船集团发展的核心力量。三十年过去了，那种很美、很浪漫、很有诗意、富有情感的原创艺术商业思想，一直是砂之船商业的永恒主题。



## THE SASSEUR STORY

DIALOGUE BETWEEN  
ART AND COMMERCE

“

**The 1980s was a time of wonder, dreams and romance for mainland China, a golden age of spiritual and philosophical enlightenment, freedom of thought and artistic expression. During those days of transition, life was hard and material goods were scarce. That was when a large number of China's most outstanding post-modern poets, novelists, painters and musicians emerged and whose influence continues to this day.**

Xu Rongcan's affinity with artistry in the practice of business (what he termed “Art Commerce”) has its roots in Southwest China Normal University located at Beibei, a scenic town in the outskirts of Chongqing. As a young man of 20, on a creaking old bicycle, with wind caressing his hippie styled hair, rucksack on his shoulder, his most valuable possessions were his youthful passion, dreams of artistry and an old camera. Xu, with his keen sense of art aesthetics, captured what he saw with his lens and expressed what he felt with films. He loved using black and white films to describe his feelings about the world. From literature, art, to music and life, Xu was surrounded by other young people who shared his dreams; they would often meet over beer while enjoying guitar music through the night together. To Xu, art was not two dimensional. He believed art could be experiential. In 1989, he invested RMB6,500 and started his first brick and mortar business based on his unique Art Commerce concept.

It was a small bar called “Ship of Sand” that was named after a popular song by a then well-known singer, Su Rui. “Sasseur” was the French name given to the establishment by a young French language teacher whom Xu knew. A year later, the Sasseur Bar had yet to return a profit, but it had become the favoured gathering place for artistic elites in the university campus, including poets, art critics, painters, music bands and underground rock performers.



The young Xu Rongcan sitting outside Sasseur bar

## LEADING MERCHANDISER OF INTERNATIONAL DESIGNER FASHION PRODUCTS

"If I like it, others will too!" Xu left the university in 1991 and toured Europe. After this tour, Xu opened the Sasseur fashion house in Chongqing's Jiefangbei district, which later became the top shopping destination in Western China. The store was outfitted with brick walls, rocks and logs giving it a rustic charm. Its graffiti wall was covered with jeans and cotton-padded hoodies procured from the coastal cities in China. Sasseur's unique store decor - symbolic of iconic and youthful Western lifestyles - was a big hit. China's economic reforms during the boom of the mid-nineties attracted many international fashion labels to set up stores in China to cater to the consumer class. Sasseur's iconic apparel store caught the eyes of these fashion labels. Xu himself understood international brands: an apparel label can only attain luxury brand status by virtue of its rich history, culture, as well as consistent and superior technical quality. It cannot exist simply as just another good consumer product. Sasseur successfully obtained distribution rights for many international brands.

Sasseur was so successful that it occupied half the floor for international designer merchandise at the Li Kasheng-owned Metropolitan Plaza in Chongqing, which was the most glamorous shopping destination in Western China.

In 1999, Xu visited Europe again to gain a better understanding of the culture behind luxury goods. The clash between the cultures of the East and West of the time came as a shock to him. Xu longed for his own fashion brand that would embody his own values and beliefs about art, clothing and fashion. When he returned in 2001, Xu established his own brand of women's clothing, under the name of "Sasseur". At the same time, he began designing and building headquarters in the forested area outside Bishan, Chongqing. The building was an indulgence of Xu's personal passions, and materialised as a beautiful red brick building that stood out among the green mountains and water. In addition to office functions, the building featured small hotels, tennis courts and swimming pools, likening itself to an Italian-style manor hidden away from the hustle and bustle of the city.

Creating his own fashion brand was a surreal experience for Xu, and it allowed him to express his passion for fashion in a way that was not available to him before. The Sasseur women's fashion brand was targeted at the mid-to-high end market, and was quickly recognised soon after its launch. In just two years, Sasseur had opened stores in over 20 cities across China.

## OUTLET FOR EXCESS INVENTORY

As the consumer market expanded, restrictions on imports of raw materials led to a disconnect between supply and demand. This issue posed a challenge to every brand in the clothing industry, and taught Xu how to manage his inventory while ensuring that the business continued to grow at a steady pace. In 2005, Sasseur acquired another 70 acres of land by Chongqing Airport Road to develop its own brand management base. Xu often sketched ideas for the layout of the base through the night, while pondering the solution to unlock the supply chain issue in the clothing industry.



1. The birth of Sasseur women's fashion brand  
2. Sasseur (Chongqing Bishan) Outlet

Xu's inherent artistic and fashion spirit resonated deeply with the ancient country of Italy. He was obsessed with the Italian lifestyle and often travelled there to get ideas for fashion styles. Xu soon discovered outlet shops which were still a novelty back then. The business strategy of exclusively selling off-season merchandise allowed fashion brands to comfortably offload inventory without affecting their image and status.

The high quality goods at lower prices were extremely attractive to consumers. Xu picked up on this, and made the bold decision to reimagine the Sasseur base into an outlet mall. This outlet mall would be the vital link between fashion brands looking to offload their inventory, and consumers looking for more affordable branded goods.

This decision was met with a lot of opposition. The business had gone through many challenges over the years to reach the success it had now; wiping the slate clean and starting from scratch to pursue an unproven concept was a huge risk. Xu himself could not help but have his own doubts and fears. In 2004, three friends visited the Sasseur headquarters in Bishan, and were pleasantly surprised by the beautiful Italian architecture and artistic atmosphere. Their conversation with Xu naturally shifted from admiration of the headquarters' design and architecture to his latest plans. The overhaul of Sasseur's identity would pose many new challenges; it would need to develop new supply chains and fulfil the needs of consumers and brands. Sasseur also lacked expertise in commercial real estate, and the location of the headquarters provided no geographical advantage for the operation.



# THE SASSEUR STORY



Xu Rongcan and Yang Xue at Sasseur REIT's listing ceremony in Singapore in 2018

Xu continued to question his own decision, until the appearance of a woman who would provide the support needed to bolster his own resolve. At 21 years of age, Yang Xue was a spirited and smart individual who firmly supported Xu in the pursuit of his dream: "Why not do it? Every problem has a solution, and if you don't give it a shot you will never know if it works."

These calm and assuring words gave Xu the confidence he needed to finally make the decision to leave the business and chase his own dreams. Her unwavering support helped Xu overcome personal barriers that were holding him back. Xu and Yang Xue's unique personalities could not help but be attracted to each other, and from that point a single man's dream had become a dream for two.

Sasseur had resolved to become the third company to invest in the outlet industry in China. The transformation of the headquarters into an outlet mall required a complete overhaul of the surrounding infrastructure, including public transportation and road design. Every problem has a solution: to connect Sasseur to the closed-off airport expressway, Yang Xue followed through and worked with each and every municipal department, succeeding in what was supposed to be an impossible task.

The ramp connecting the airport expressway to Sasseur undoubtedly opened up many opportunities for the outlet mall. While Sasseur had completed its physical transformation, it still lacked investors from the fashion industry. Yang Xue led the Group as it sought out and fostered relationships with many international fashion brands, catering to their individual needs and finding a place for them in Sasseur. Yang Xue shared the same passion for fashion as Xu, and her persistent love for his dream spurred her on to take on different roles. It was her perseverance and passion that would help to turn Xu's incredible ideas into reality. The melding of the two spirited individuals generated even more creativity and passion, and turned daunting difficulties into challenges waiting to be solved. The duo was undoubtedly the catalyst that catapulted Sasseur through its transformation into the success it is today.

This experience laid the foundation for Sasseur's transformation and its growing business in the outlet industry.

On 8 August 2008, Sasseur (Chongqing Liangjiang) Outlet opened to the public. With its tailored commercial space full of artistic charm and flushed with international fashion brand offerings, it became an instant sensation. Its business performance was a clear indicator of its success. Sasseur (Chongqing Liangjiang) Outlet brought in RMB450 million in its first year, ranking among the top three outlets in China. In its fourth year, it achieved RMB1.2 billion sales, clinching first place within the industry. At the same time, the outlet mall brought about a transformation of the surrounding landscape. Originally a wasteland, the area was quickly developed into a bustling city within a few years, raising the development standard of the city to compete with the rest of China.

The success of Sasseur (Chongqing Liangjiang) Outlet garnered attention from political and business circles. In 2010, the Hangzhou Municipal Government invited Sasseur to set up an outlet in the city. This was Sasseur's first expansion outside of Chongqing. Since then, Sasseur started expanding its outlet business from Chongqing to other tier-1 and tier-2 cities in China, including Hangzhou, Nanjing, Hefei, Kunming, Changchun, Xi'an, Guiyang, Changsha, Lanzhou, Yangzhou, Xiamen, Suzhou, Fuzhou, Shijiazhuang, Shanghai, Shenzhen, Urumqi, Yinchuan and Guangzhou. By the end of 2024, Sasseur had 22 outlet projects across China, 18 of which are currently in operation. Accompanied by Xu Rongcan's 'Art Commerce' business ideology, the undercurrents propelling Sasseur outlets' growth are gathering stronger momentum.

## SUCCESSFULLY ATTRACTED INTERNATIONAL INVESTORS

In 2011, Warburg Pincus, a world leader in private equity investments from the U.S. restructured and invested in Sasseur Group. Warburg Pincus sold its stake to L Catterton Asia, the world's largest consumer goods investment company owned by global luxury retail giant LVMH in 2015, and L Catterton Asia became an important strategic shareholder. L Catterton Asia's strategic stake in the company brought important resources and advantages to the development of the company. In 2016, Sasseur held its Global Outlet Conference in Chongqing. Ping An Real Estate became another strategic stakeholder, while L Catterton Asia increased its stake in Sasseur.

Xu's artistic inclinations have always had a profound impact on his business practices. While a boutique shop allowed him to experience the beauty of clothing, the partnerships with international fashion brands allowed him to experience the beauty of brand business and culture. Xu further delved into art in his business through the architecture of Sasseur Outlets. Beyond just architecture, art was a platform to explore and promote a respect for the environment and love for human nature and history.

Each city in China is unique, with its own personality, history and culture. Likewise, Xu imbued each new project with elements from its location, creating a harmonious connection between art, commerce and the human experience. This gave Sasseur Outlets a unique image that made each building a landmark in its own right.



1. Yang Xue, co-founder of Sasseur Outlets

When Sasseur listed its four outlets in a REIT portfolio on the Singapore Exchange in 2018, it faced new challenges. Xu stayed true to his original values: "Pursuing, Discovering, Creating and Spreading Beauty". His vision of the Art Commerce soul of Sasseur pushed the business further to become a premium outlet operator.

From its first incarnation as a bar to the outlet empire today, the name Sasseur had become an integral part of Xu's life. Together with Yang Xue, they achieved numerous successes with the Sasseur brand, making it a symbol of class and beauty. Sasseur has no doubt become an inseparable part of Xu's life. On 31 December 2009, following a successful run of Sasseur (Chongqing Liangjiang) Outlet's New Year's Eve promotional events, Xu solemnly bestowed the name of Sasseur to Yang Xue to thank her for her unwavering support throughout the years. Yang Xue was the perfect embodiment of the "Beauty" culture of Sasseur.

Xu expressed this feeling in his speech at the 25<sup>th</sup> anniversary of Sasseur: "In life a man must pursue success in three aspects, love in marriage, love of work, and finding the right partner. I am lucky to have found all three."

The common beliefs of love and career have forged an unbreakable bond between Xu and Yang Xue over the years.



# SASSEUR GROUP IN 2024

“

**As we reflect on the passing of time, the year 2024 stands as a remarkable chapter in the history of Sasseur Group. The achievements of this year, like guiding stars, have illuminated the ongoing journey of mutual prosperity and collaboration between Sasseur and the city we operate in. Let us take a moment to revisit the milestones of 2024, cherishing the significant moments that have been etched into the fabric of time.**

**ONE  
01**

## REAFFIRM AND REINFORCE LONG-TERM STRATEGIC VISION AND PLANNING

**Sasseur · Vision - Sustainable development for humanity**

In 2024, Sasseur Group introduced a dual-focused approach to sustainable development, emphasising both the advancement of humanity and the growth of the Sasseur Super Outlet brand.

**1****1**

## TWO 02

# CHARTING THE PATH TO SUSTAINABLE LONG-TERM GROWTH

Chairman of the Board, Mr. Xu Rongcan, was featured in an interview with Singapore Business Times in June 2024

As a leading player in China's outlet industry, Sasseur Group has achieved robust sales growth despite intense competition and market challenges. This success is driven by the company's profound industry and consumer insights, coupled with innovative operational strategies and effective management practices.

## THREE 03

# CONSISTENT PROGRESS AND THE CREATION OF LONG-TERM VALUE

The 2023 Annual General Meeting of Unitholders for Sasseur REIT was held

On April 25, the 2023 Annual General Meeting of Sasseur REIT was held in Singapore. The event brought together the board of directors, management team, and unit holders to mark this significant occasion.

Despite external market and environmental challenges, Sasseur REIT delivered outstanding performance, ranking among the top REITs in Singapore for investment returns in 2023. This achievement underscores the group's exceptional asset management capabilities and consistent development momentum.

2



# SASSEUR GROUP IN 2024

## FOUR 04 AWARDS AND ACCOLADES

### Sasseur Group has received industry recognitions on its excellent outlet operation capabilities

In 2024, Sasseur Group has reached another significant milestone, ranked among the "Top 500 Chinese Service Enterprises" for six consecutive years.

Sasseur Group also secured a spot on two lists by the Chongqing Federation of Enterprises, further demonstrating the Group's exceptional strength.

- 1
- Sasseur Group was listed among the Top 500 Chinese Service Enterprises, securing the 273<sup>rd</sup> position — an improvement of 33 places from last year's ranking of 306<sup>th</sup>
- 2
- From left to right:
- Sasseur Group ranked 32<sup>nd</sup> in the 2024 Chongqing Top 100 Enterprises List, moving up one position from last year's ranking of 33<sup>rd</sup>
  - Sasseur Group ranked 13<sup>th</sup> in the 2024 Chongqing Top 100 Service Enterprises, climbing one position from last year's 14<sup>th</sup> place





**FIVE  
05**

## NAVIGATING CHALLENGES AND ACHIEVING ACCOLADES

Sasseur Group has been ranked among the "Top 100 Chinese Retail Enterprises in 2023"

3

**SIX  
06**

## SHAPING A SUSTAINABLE FUTURE THROUGH PUBLIC WELFARE

Sasseur Group has been included in the 2024 ESG Sustainability Excellence List

In 2024, Sasseur Group was included in the "2024 ESG Sustainable Development Excellence List of China's Shopping Centre Industry" in recognition of its exceptional performance in environmental protection, sustainable operations, social services, and employee welfare.

The Group has consistently upheld the principles of sustainable development, dedicating itself to fostering a harmonious and sustainable business ecosystem while making meaningful contributions to the planet through concrete actions.

4

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# SASSEUR GROUP IN 2024

SEVEN  
07

ESTABLISHING A STRONG FOUNDATION AND  
BUILDING MOMENTUM FOR A LONG-TERM VISION

Sasseur Group has earned multiple industry accolades

With a deep understanding of industry trends and market dynamics, Sasseur leverages its internal strengths to build core competitiveness and continually enhance its overall capabilities, driving vibrant development. Throughout this journey, Sasseur has earned numerous accolades. These honours not only reflect the company's remarkable achievements but also serve as a source of inspiration for its continued progress.

- 1 From top to bottom:
- Commercial Brand of the Year Leader
  - Outstanding Shopping Centre Operations and Management Company
  - Annual Award for Most Influential Member Operations Enterprise
  - The Most Influential Marketing and Promotion Enterprise Award of the Year
- 2 From top to bottom:
- Member Digital Service Excellence Award of the Year
  - 2023-2024 Commercial Innovation Model Enterprise
  - The Most Influential Commercial Real Estate Company of 2023
  - Top 100 Retail Commercial Real Estate Companies by Comprehensive Strength in 2024

1

年度领军商业品牌

购物中心优秀运营管理企业

年度最具影响力会员运营企业奖

年度最具影响力营销推广企业奖

2

年度会员数字化服务奖

2023-2024年度商业创新样本企业

2023年度最具影响力商业不动产企业

2024年度零售商业地产企业综合实力TOP100

EIGHT  
08 ARTISTIC BUSINESS  
SUPER OUTLET

Fostering a new model of commercial  
development across various cities

Adhering to the business philosophy of "artistic business, super outlets," the Group's projects are committed to driving the growth of regional economies while leveraging Sasseur's unique business strengths. In this art-driven super outlet ecosystem, each project represents a key asset, contributing to sustained business growth and success.

3

4 From top to bottom:

Sasseur (Chongqing Liangjiang) Outlet

- Annual China Outlet Index Top 20 Ranking
- Top 30 Commercial Real Estate Projects in Southwest China
- The Most Influential Outlet Project in Operation

5 From top to bottom:

Sasseur (Hefei) Outlet

- Annual China Outlet Index Top 50 Ranking
- Media-Enterprise Cooperation Award: Annual Content Marketing - Golden Case
- 2024 Interactive Creativity & Media Marketing - Silver Award

6 From top to bottom:

Sasseur (Kunming) Outlet

- Annual China Outlet Index Top 50 Ranking
- Outstanding Outlet Operation Project of the Year Award

7 From top to bottom:

Sasseur (Chongqing Bishan) Outlet

- Top Ten Demonstration Cases of Consumer Scenario Innovation



3

- 4 砂之船（重庆两江）奥莱
- （年度中国奥莱指数核心20强）  
（西南商业地产项目TOP30）  
（最具影响力在营奥莱项目）
- 5 砂之船（合肥）奥莱
- （年度中国奥莱指数核心50强）  
（媒企合作案例年度内容营销-金奖）  
（2024互动创意&媒介营销-银奖）
- 6 砂之船（昆明）奥莱
- （年度中国奥莱指数核心50强）  
（年度优秀奥莱运营项目）
- 7 砂之船（重庆璧山）奥莱
- （消费场景创新十大示范案例）

# SASSEUR GROUP IN 2024

## NINE 09 THE BOAT SETS SAIL ON THE RIVER, STEADILY PROGRESSING TOWARD ITS DESTINATION

### Grand Opening of Sasseur (Urumqi) Outlet

On September 27, Sasseur Group celebrated the grand opening of its 18<sup>th</sup> store, the Sasseur (Urumqi) Outlet.

For the first time, the project seamlessly integrates the three flagship super IPs of "Super Farm," "Super Sports," and "Super Kids." Building on Sasseur Business' overarching theme of "Past, Present, and Future," the outlet employs a distinctive design

concept that combines "Creation Without Borders," "Art," and the "Warehousing Model" to optimise the venue's spatial experience. Additionally, visual elements reflecting the "Beautiful Xinjiang" theme are incorporated, creating an inclusive social space that caters to all age groups. With the support of these three super IPs, Sasseur (Urumqi) Outlet not only leads the emerging consumption trends in Urumqi but also establishes new consumer hotspots, driving the upgrading and growth of the local business environment.

1 2





## TEN 10 A NEW JOURNEY TOWARD A BRIGHTER FUTURE

### Sasseur Super Outlet embarks on a new chapter

On April 29, the groundbreaking ceremony for Sasseur (Guangzhou) Outlet was held with great significance.

On December 18, construction officially began for Sasseur (Shanghai Jiading) Outlet.

3 4 5

Looking back on 2024, Sasseur Group has crafted a remarkable chapter, marked by ten significant milestones. From the formulation of a sustainable development strategy to the grand openings of key projects, from receiving prestigious honors to driving innovation, each step has been deliberate and impactful, with every moment shining brightly.

In 2025, Sasseur Group will continue to generate significant commercial value through its distinctive art-driven business concept, ensuring that the DNA of "art business super outlet" takes root, grows, and flourishes in every city. The momentum will remain relentless, and the excitement will be unceasing.

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# BOARD OF DIRECTORS



**1. Mr Xu Rongcan, Vito**  
Non-Executive and Non-Independent Chairman

**3. Dr Gu Qingyang**  
Lead Independent Director

**5. Mr Cheng Heng Tan**  
Independent Director

**2. Ms Yang Xue**  
Non-Executive and Non-Independent Director

**4. Mr Mario Boselli**  
Independent Director

**6. Mr Wu Geng**  
Independent Director

**Mr Xu Rongcan, Vito, 59****Non-Executive and Non-Independent Chairman****Date of Appointment as Director**

11 April 2017

**Length of Service as Director (As at 31 December 2024)**

7 years 8 months

**Board Committees Served on**

- Nominating and Remuneration Committee (Member)
- Sustainability Committee (Member)

**Academic and Professional Qualifications**

- Specialisation in Agronomy, Chongqing Yongchuan Agricultural School, PRC

**Present Directorships in Other Listed Companies (As at 31 December 2024)**

- Nil

**Other Principal Commitments (As at 31 December 2024)**

- Sasseur Cayman Holding Limited, Executive Director and Chairman
- Changchun Sasseur Zhongdong Commercial Management Co., Ltd, Non-Executive and Non-Independent Director
- Changsha Shamin Enterprise Management Co., Ltd, Non-Executive and Non-Independent Director
- Changsha Sasseur Zhongmin Baihui Outlets Business Management Co., Ltd, Non-Executive and Non-Independent Director
- Sasseur Vito (BVI) Limited, Non-Executive and Non-Independent Director
- Sasseur Super Outlet Development Pte. Ltd., Executive Director
- Sasseur Kunming Limited, Non-Executive and Non-Independent Director
- Sasseur Nanjing Limited, Non-Executive and Non-Independent Director

**Past Directorships in Other Listed Companies over the Preceding Three (3) Years (From 1 January 2022 to 31 December 2024)**

- Nil

**Background and Working Experience**

Mr Xu founded Sasseur Group in 1989, and is currently the Chairman of the Board of Sasseur Group, the Sponsor of Sasseur REIT. He is an innovative leader with artistic passions, acute business insight and outstanding strategic planning capability.

As the founder of Sasseur Group and a pioneer in Chinese “Art Commerce” business ideology, Vito Xu created a “Super Outlet” empire with his unique artistic approach. With over 30 years of experience focusing on outlet mall operations led by the “Art Commerce” DNA, under the four core thought processes which incorporates emotions, aesthetics, sense of place and capital management, he initiated the new business concept of “Art Commerce Super Outlets” in 2016. Mr Xu brings innovation to the outlet industry with his unique “A × (1+N) × DT × S” business model. Under the leadership of Vito Xu, Sasseur Group has grown into a Top 500 Chinese Service Enterprise. Sasseur Group is the Sponsor of the first outlet mall real estate investment trust listed on the Mainboard of the Singapore Exchange Securities Trading Limited (SGX-ST), as well as the leading “Super Outlets” brand in the global outlet industry.

Vito Xu was lauded by various institutions for his contributions to the development of the industry. As a testimony to his achievements, his many awards include “the Knight of the Order of the Star of Italy” awarded by the Italian president, “Meritorious Figure of the 40<sup>th</sup> Anniversary of China’s Commercial Reform and Opening-up”, and “Outstanding Asian Entrepreneur”, amongst others.

**Ms Yang Xue, 41****Non-Executive and Non-Independent Director****Date of Appointment as Director**

16 November 2017

**Length of Service as Director (As at 31 December 2024)**

7 years 1 month

**Board Committees Served on**

- Nil

**Academic and Professional Qualifications**

- Specialisation in Garment Marketing, Chongqing Material Technical School, PRC

**Present Directorships in Other Listed Companies (As at 31 December 2024)**

- Nil

**Other Principal Commitments (As at 31 December 2024)**

- Sasseur Cayman Holding Limited, Non-Executive and Non-Independent Director
- Hangzhou Sasseur Commercial Management Co., Ltd, Non-Executive and Non-Independent Director
- Changsha Shamin Enterprise Management Co., Ltd, Non-Executive and Non-Independent Director
- Shanghai Shayi Business Co., Ltd, Non-Executive and Non-Independent Director
- Shanghai Sasseur Super Outlet Brand Management Co., Ltd, Executive Director

**Past Directorships in Other Listed Companies over the Preceding Three (3) Years (From 1 January 2022 to 31 December 2024)**

- Nil

**Background and Working Experience**

Ms Yang is the Co-founder of Sasseur Outlets and is currently the Co-chairman of the Board of Sasseur Group. She is the spouse of the Non-Executive and Non-Independent Chairman, Mr Xu Rongcan.

As Co-founder of Sasseur Outlets, Ms Yang is a key figure in the strategic development of Sasseur Group. With her ingrained fashion sense and delicate but decisive business actions, she contributed in many ways in the development of Sasseur Group, especially in the areas of public relations, international brand leasing and strategic planning. Ms Yang consolidated the collaboration between Sasseur Group and various brands, which led to the successful opening of the first Sasseur outlet in Chongqing.

Ms Yang is responsible for the strategic development of Sasseur Group, heading its Nominating and Remuneration Committee, international brand centre, Sasseur outlet branding, human resources as well as domestic and international public relations.

She was named “Most Stylish Figure of 2019” by Yaok Institute (要客学院).

# BOARD OF DIRECTORS

## Dr Gu Qingyang, 63

Lead Independent Director

### Date of Appointment as Director

16 November 2017

### Length of Service as Director (As at 31 December 2024)

7 years 1 month

### Board Committees Served on

- Nominating and Remuneration Committee, Chairman
- Sustainability Committee, Chairman
- Audit and Risk Committee, Member

### Academic and Professional Qualifications

- Doctor of Philosophy, Nanyang Technological University, Singapore

### Present Directorships in Other Listed Companies (As at 31 December 2024)

- PCI-Suntek Technology Co., Ltd, External Non-Executive Director
- Intchains Group Limited, Independent Director
- Willfar Information Technology Co., Ltd, Independent Director

### Other Principal Commitments (As at 31 December 2024)

- China Life Insurance (Singapore) Co., Ltd, Independent Director
- National University of Singapore, Associate Professor, Lee Kuan Yew School of Public Policy
- Fuzhou New Zone (People's Republic of China), Economic Advisor

### Past Directorships in Other Listed Companies over the Preceding Three (3) Years (From 1 January 2022 to 31 December 2024)

- Nil

### Background and Working Experience

Dr Gu has been an Associate Professor of the Lee Kuan Yew School of Public Policy of the National University of Singapore since August 2009, where he conducts lectures on the Chinese economy, economics of the public sector and urban development.

He has been an economic adviser to some provincial and municipal governments in China. As economic adviser, he provides advice to the Chinese governments for economic development of new zones and experiments on the PRC's new type of urban cluster. He was an Assistant Professor at the Nanyang Technological University of Singapore from July 2001 to July 2009, where he taught mathematical economics, microeconomics, macroeconomics and cost-benefit analysis. He also undertook research work relating to the Chinese economy, econometric modelling, reform of state-owned enterprises and international trade and finance. He carried out research on the Chinese economy, Singapore public policy and urban development from June 1997 to July 2001 as a research officer in the East Asian Institute of the National University of Singapore. He has been an Independent Director for other companies, including China Life Insurance (Singapore) Pte. Ltd. He is also the Editor-in-Chief of the Journal of Infrastructure, Policy and Development since 2016.

## Mr Mario Boselli, 83

Independent Director

### Date of Appointment as Director

16 November 2017

### Length of Service as Director (As at 31 December 2024)

7 years 1 month

### Board Committees Served on

- Nil

### Academic and Professional Qualifications

- Diploma, School for Director of Drying Cocoon Warehouse, Spinning Mill and Silk Spinning Wheel, Italy

### Present Directorships in Other Listed Companies (As at 31 December 2024)

- Nil

### Other Principal Commitments (As at 31 December 2024)

- Isybank S.P.A (formerly known as Banca 5 S.P.A), Independent Director
- M.Seventy S.R.L, Independent Director
- Mario Boselli S.R.L, Chief Executive
- F.Ili De Cecco di Filippo - Fara San Martino S.P.A., Independent Director
- Prestitalia S.P.A, Independent Director

### Past Directorships in Other Listed Companies over the Preceding Three (3) Years (From 1 January 2022 to 31 December 2024)

- GIGLIO.COM S.P.A., Independent Director

### Background and Working Experience

Mr Boselli began his career in 1959 in his family's silk mill which was established in 1586 in Garbagnate Monastero, taking over the reins from his father, Carlo Boselli. For four decades from the 1970s till the 2000s, Mr Boselli developed the company's textile supply chain and grew the business both at home and abroad. He left the family business in 2005 to pursue new goals for his career.

Mr Boselli's distinguished career includes his time as President of the National Chamber for Italian Fashion from 1999 to 2015. He was also President of Federtessile, Fiera Internazionale di Milano, Pitti Immagine, the International Silk Association (Lyon), the Italian-Slovak Chamber of Commerce (Bratislava), and Italy-Hong Kong Association. For his accomplishments, Mr Boselli was appointed the Cavaliere del Lavoro (1990), the Commandeur de l'Ordre National de la Legion d'Honneur (2002) and the Cavaliere di Gran Croce Ordine al Merito della Repubblica Italiana (2007).

Mr Boselli is currently Chairman of the Board of Directors of Prestitalia, Chairman of the Italy China Council Foundation and Vice Chairman of Isybank (Intesa Sanpaolo). He also sits on the boards of several non-listed companies.



## Mr Cheng Heng Tan, 73

### Independent Director

**Date of Appointment as Director**  
16 November 2017

**Length of Service as Director (As at 31 December 2024)**  
7 years 1 month

#### Board Committees Served on

- Audit and Risk Committee, Chairman
- Sustainability Committee, Member

#### Academic and Professional Qualifications

- Life Fellow member of The Institute of Singapore Chartered Accountants
- Retired Fellow member of the Association of Chartered Certified Accountants, United Kingdom
- Retired member of the American Institute of Certified Public Accountants
- Singapore Institute of Directors, Senior Accredited Director (SID-SRAD)

#### Present Directorships in Other Listed Companies (As at 31 December 2024)

- Nil

#### Other Principal Commitments (As at 31 December 2024)

- Omakase Pte. Ltd., Executive Director
- Omakase Burger Pte. Ltd., Executive Director

#### Past Directorships in Other Listed Companies over the Preceding Three (3) Years (From 1 January 2022 to 31 December 2024)

- Powermatic Data Systems Limited, Independent Director

#### Background and Working Experience

Mr Cheng brings to the REIT Manager 33 years of extensive experience with Ernst & Young LLP (then known as Turquand, Youngs & Co) from April 1977 to June 2010. He was admitted as an Audit Partner of Ernst & Young LLP from July 1990 and he retired as a Senior Partner in June 2010. His professional experience covered financial audit, bank audit, training and group administration as well as initial public offerings in Singapore, Taiwan, China and USA. After retirement, Mr Cheng operated the famous Omakase Burger restaurant until October 2021.

Mr Cheng was an Independent Director of Chip Eng Seng Corporation Ltd from July 2011 to April 2017 and Powermatic Data Systems Limited from February 2021 to July 2024.

Mr Cheng was a journalist with two Chinese language daily newspapers in Singapore from December 1970 to July 1975. He is a Life Fellow member of The Institute of Singapore Chartered Accountants and retired Fellow member of the Association of Chartered Certified Accountants, United Kingdom, and the American Institute of Certified Public Accountants.

## Mr Wu Geng, 53

### Independent Director

**Date of Appointment as Director**  
16 November 2017

**Length of Service as Director (As at 31 December 2024)**  
7 years 1 month

#### Board Committees Served on

- Audit and Risk Committee, Member
- Nominating and Remuneration Committee, Member

#### Academic and Professional Qualifications

- Bachelor of Law, Peking University
- Master of Comparative Law, National University of Singapore
- Master of Arts, University of Delaware
- Member of the Law Society of Singapore
- Member of the Singapore Academy of Law

#### Present Directorships in Other Listed Companies (As at 31 December 2024)

- Southern Packaging Group Limited, Independent Non-Executive Director

#### Other Principal Commitments (As at 31 December 2024)

- Drew & Napier LLC, Director, Corporate and Finance
- Chalco Trading Singapore Pte. Ltd., Non-Executive Director
- Chalco International Trading Mineral Resources Pte. Ltd., Non-Executive Director

#### Past Directorships in Other Listed Companies over the Preceding Three (3) Years (From 1 January 2022 to 31 December 2024)

- Shengli Oil & Gas Pipe Holdings Limited, Independent Non-Executive Director

#### Background and Working Experience

Mr Wu has practised with Drew & Napier LLC since April 2008, and has been a Director at Drew & Napier LLC since May 2016. His areas of practice include corporate finance, capital markets, and general corporate legal advisory work.

He was with Hoh Law Corporation (formerly known as Hoh & Partners) as a legal executive from November 2003 to April 2008, Hoh & Partners as a Chinese law adviser from January 2002 to June 2003, Colin Ng & Partners as a foreign counsel from June 2003 to October 2003, and with Pan-Commercial Pte. Ltd. as a legal adviser and foreign trade assistant from July 1999 to December 1999 where he assisted with the company's trading business and investments in the PRC. He started his career as a Judicial Clerk with the Supreme People's Court of the PRC (July 1995 to June 1998), where he was mainly responsible for reviewing legal cases, conducting legal research and drafting legal documents.

Mr Wu has been an Independent Non-Executive Director of Southern Packaging Group Limited (listed on the Mainboard of the Singapore Exchange Securities Trading Limited) since January 2024.

# REIT MANAGEMENT TEAM



**Ms Tan Hong Lye, Cecilia**  
Chief Executive Officer

Ms Tan was appointed the CEO of Sasseur Asset Management Pte Ltd in August 2021. She brings with her to the Group more than 20 years of professional career experience spanning across a wide spectrum of real estate expertise in real estate investment banking, real estate direct investment, REIT management, real estate fund management and property development.

Ms Tan started her professional career in investment banking with N.M. Rothschild & Sons Singapore and JP Morgan Singapore, where she was involved in a wide range of capital markets and cross-border M&A transactions. She has accumulated significant real estate expertise backed by extensive management experience from numerous leadership and senior roles in REIT management, real estate investment, real estate fund management, and property development companies.

Before joining Sasseur Asset Management Pte Ltd, Ms Tan was the Senior Strategic Adviser to Mr Vito Xu, the Chairman of Sasseur Group from July 2019 to June 2021. She was also an Independent Director of Roxy-Pacific Holdings Limited, a SGX-listed company involved in property development and hospitality activities, from 1 October 2019 to 30 July 2021.

Her previous appointments included being the Chief Financial Officer and Chief Operating Officer of KOP Group Pte Ltd, Executive Vice-President (Real Estate Fund Management) of Pacific Star Group, and Chief Investment Officer of Macquarie Pacific Star Prime REIT Management Pte Ltd, the manager of Macquarie MEAG Prime REIT (now known as Starhill Global REIT).

Ms Tan holds a Master of Applied Finance from Macquarie University, Australia and she graduated with a Second Upper Class Honours Degree in Business Administration from the National University of Singapore.



**Mr Xie Jianfeng**  
Chief Financial Officer

Mr Xie has over 20 years of experience in finance, audit, accounting, corporate finance and treasury functions.

Mr Xie started his career with PricewaterhouseCoopers (PwC) China as an audit professional from September 2001 to September 2014 in Beijing. During his time with PwC China, he assisted clients in capital markets transactions such as IPO listings in Hong Kong and China, secondary market private placements and bond offerings. He was seconded to PwC United Kingdom from 2005 to 2007 as part of a talent development program in recognition of his outstanding performance.

Before joining Sasseur Asset Management Pte Ltd, Mr Xie was the General Manager of the Finance Department of Sasseur Group, the Sponsor of Sasseur REIT since May 2018. He reported directly to the Chief Financial Officer of Sasseur Group, and was in charge of Sasseur Group's financial operations including financing, cash management, accounting and tax management. He had gained considerable insights and working knowledge of the unique business model and operations of Sasseur outlets during his time with Sasseur Group, and had established a good network of relationships across various core departments in Sasseur Group.

Mr Xie graduated from Central University of Finance and Economy with a Bachelor's Degree in Management. He is also a Chartered Accountant with The Chinese Institute of Certified Public Accountants.

**Mr Cheng Hsing Yuen**  
**Head of Asset Management**

Mr Cheng is responsible for the asset management function of all the outlets located in three cities in China under Sasseur REIT. His key focus is creating value for all stakeholders through strategic asset planning and asset enhancement initiatives (AEIs) at the asset level to enhance the attractiveness of the outlets for a sustainable income growth. He brings with him more than 25 years of experience in asset and property management for various asset classes, ranging from retail malls, offices, business parks and industrial buildings.

Prior to joining Sasseur Asset Management Pte Ltd, Mr Cheng was the Senior Asset Manager at Mapletree Industrial Trust. He was responsible for developing strategies to maximise the performance of industrial properties including business parks, data centres as well as portfolio reporting. He has also held portfolio management positions in Ascendas Pte. Ltd and NTUC Income. His role included formulating Key-Performing Index measures for assets, leasing and tenant-relationship management plans and AEI programs. He worked closely with the property managers to execute proactive asset management plans to optimise operational and financial performance and manage property expenses.

Mr Cheng holds a Master of Science (Real Estate) and Bachelor of Social Sciences (Honours) Degrees from the National University of Singapore.

**Ms Qiu Hong, Helen**  
**Head of Investor Relations & Capital Markets**

Ms Qiu was appointed Head of Investor Relations & Capital Markets at Sasseur REIT in September 2024. With over 10 years of experience in investor relations, corporate strategy, and financial communications, she brings extensive expertise across diverse sectors, including real estate, pharmaceuticals, healthcare, and supply chains.

Ms Qiu began her career in corporate communications and investor relations, holding senior roles at major publicly listed companies. Prior to joining Sasseur REIT, she was Senior Healthcare Strategy Manager at UPS Healthcare, where she developed regional strategies and led key initiatives across the APAC region. She also served as Head of Investor Relations at CSPC Pharmaceutical Group, where she significantly expanded the company's investor base and played a key role in strategic M&A projects.

Her previous experience includes senior positions at KWG Property Holding and Poly Property Group, where she managed investor relations, financial communications, and fundraising initiatives.

Ms Qiu holds a Master of Business Administration from the National University of Singapore, where she received the NUS MBA Achiever Scholarship, and a Bachelor of Business Administration (Information Systems) from the University of Hong Kong.



# SPONSOR TEAM



- 1. Mr Xu Jun, Jim**  
President
- 2. Mr Zheng Yuanlai**  
Senior Vice President, General Manager of Business Management Centre
- 3. Mr Zeng Jianzheng**  
Vice President, General Manager of International Brands Centre
- 4. Mr Yang Dongsheng**  
Vice President, Director of President's Office, General Manager of Group Financial Management Centre
- 5. Mr Long Jian**  
Vice President, General Manager of Human Resources and Administration Centre
- 6. Mr Zhang Mingqing**  
Assistant President, General Manager of Investment & Development Centre

**Mr Xu Jun, Jim**  
**President**

Mr Xu Jun currently serves as President of Sasseur Group and is responsible for the overall management of the Group and its subsidiaries.

He has more than 20 years of experience in commercial operations and commercial real estate investment and development. Mr Xu is a veteran in China's commercial real estate industry. He has participated in the planning, development and operation of multiple commercial real estate projects in China.

**Mr Zheng Yuanlai**  
**Senior Vice President, General Manager of Business Management Centre**

Mr Zheng Yuanlai is among the outlet industry pioneers in China with more than 30 years of experience in business planning, business operation and marketing. Mr Zheng is one of the founders of China Outlet Industry Association, a senior lecturer at the Outlet Business School and an Adjunct Professor at the Business School of Chengdu University of Technology.

**Mr Zeng Jianzheng**  
**Vice President, General Manager of International Brands Centre**

Mr Zeng Jianzheng has a deep understanding of the outlet industry and market development, with nearly 30 years of experience in business operation management and leadership roles. He has acquired broad-based capabilities in brand management as well as operations management.

**Mr Yang Dongsheng**  
**Vice President, Director of President's Office, General Manager of Group Financial Management Centre**

Mr Yang Dongsheng is a Certified Public Accountant in China with more than 20 years of financial management experience. He has in-depth knowledge of corporate financial management and rich practical experience in the capital market.

**Mr Long Jian**  
**Vice President, General Manager of Human Resources and Administration Centre**

Mr Long Jian has deep knowledge and rich experience in the area of human resource management. He is the winner of the National Personnel Research Achievement Award, the representative of the 5<sup>th</sup> People's Congress of Chongqing and the 5<sup>th</sup> Party representative of Fuling District in Chongqing.

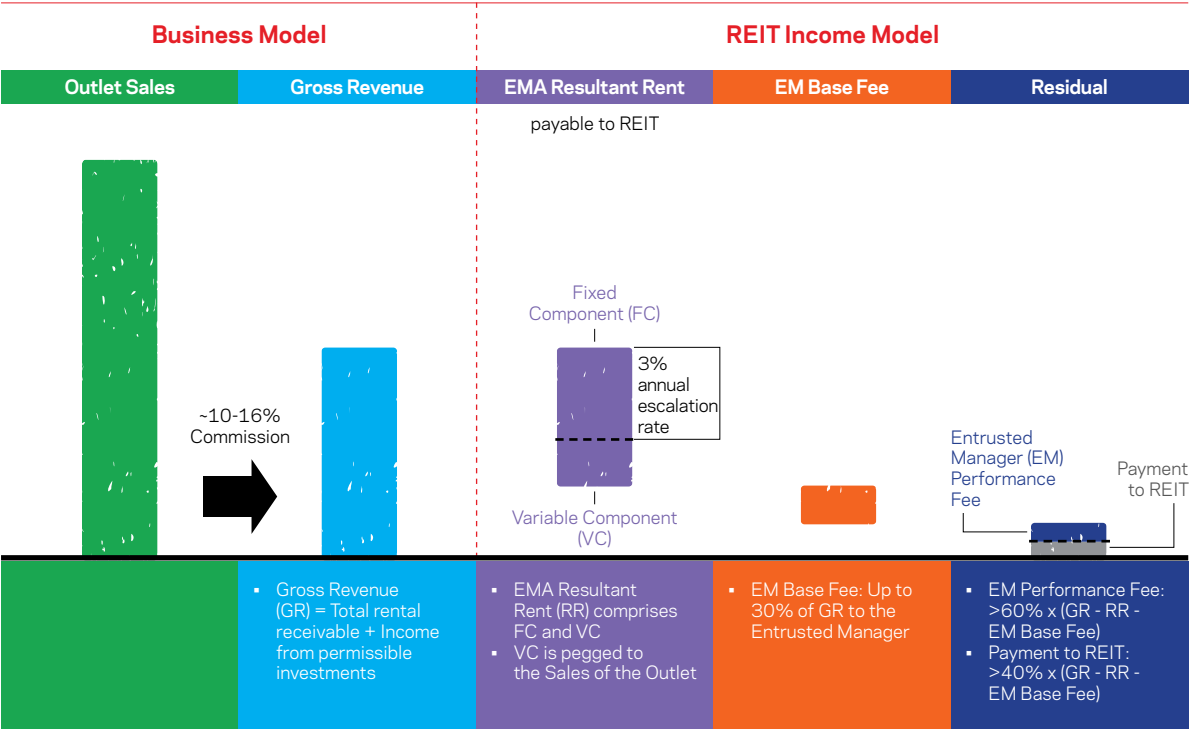
**Mr Zhang Mingqing**  
**Assistant President, General Manager of Investment & Development Centre**

Mr Zhang Mingqing has rich experience in business management, having participated in commercial project positioning, planning & design, leasing, sales and commercial operations of multiple projects.

# ENTRUSTED MANAGEMENT AGREEMENT (EMA) MODEL

## EMA Rental Income: EMA Resultant Rent + Performance Sharing

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



### Breakdown of Variable Component (VC) VC (% of Outlet's Sales)

Chongqing Liangjiang  
**4.0%**

Chongqing Bishan  
**4.5%**

Hefei  
**5.5%**

Kunming  
**5.0%**

### ABOUT THE ENTRUSTED MANAGEMENT AGREEMENT MODEL

Sasseur REIT's unique Entrusted Management Agreement (EMA) model comprises a fixed component to provide a stable growing income and a variable component to enable Unitholders to participate in the upside in sales performances of the REIT's outlets. Under this model, every sale from the tenants is captured in the REIT's bank account from which a certain percentage is drawn out as the variable rent component.

Coupled with the built-in 3% annual step-up of the fixed component under the EMA, this ensures Sasseur REIT can achieve fair, transparent and stable growth whilst aligning the REIT Manager's interests with that of the REIT's Unitholders. Under the EMA model, the Sponsor bears all the operating expenses related to the running of all the REIT's outlets.

Please refer to URL: <https://www.sasseurreit.com/entrusted-management-agreement-model.html> for more details.



## EMA RENTAL INCOME

The EMA Rental Income received or receivable from the Entrusted Manager is stipulated under the Entrusted Management Agreements and is derived from the rental income from tenants (see "Financial Statements – Notes to Financial Statements – 1. General – Entrusted Management Agreement" page 162 for further details).

The EMA Rental Income consists of (i) EMA Resultant Rent, which is the sum of fixed component and variable component, plus (ii) performance sharing if any.

The EMA Rental Income for the financial year ended 31 December 2024 and 31 December 2023 are shown in the table below.

	FY2024 RMB million	FY2023 RMB million	Change %
Fixed Component	461.0	447.5	3.0
Variable Component	203.1	211.0	(3.7)
<b>EMA Rental Income</b>	<b>664.1</b>	<b>658.5</b>	<b>0.9</b>

In the absence of the EMA, the distribution per Unit would be 5.812 Singapore cents for FY2024 without retention of income available for distribution.

### EMA Rental Income comprises:

#### (i) EMA Resultant Rent

EMA Resultant Rent is the sum of fixed component and variable component.

##### Fixed Component

The Fixed Component is subject to an annual step-up of 3% over the term of the Entrusted Management Agreements.

##### Variable Component

The Variable Component for each property will be pegged to a percentage of their respective total sales in accordance with the following percentages:

Property	Variable Component
Sasseur (Chongqing Liangjiang) Outlet	4.0% of total sales
Sasseur (Chongqing Bishan) Outlet	4.5% of total sales
Sasseur (Hefei) Outlet	5.5% of total sales
Sasseur (Kunming) Outlet	5.0% of total sales

#### (ii) Performance Sharing

Performance sharing is based on the differential between the Gross Revenue and EMA Resultant Rent and after deducting the EM Base Fee.

#### Performance Reserve

Under the Master Entrusted Management Agreement, the Sponsor will provide a performance reserve of RMB 100.0 million to Sasseur REIT in the form of bank guarantees (which will be placed with an independent financial institution of good financial standing, that is considered to be of investment grade) or cash which the Trustee can call or draw upon without requiring the approval of the Sponsor (i) as security for performance by the Sponsor and the Entrusted Manager, as the case may be, of all their respective obligations under the Entrusted Management Agreements; and (ii) to secure or indemnify the Trustee as well as any of the subsidiaries of Sasseur REIT against (a) any losses, damages, liability or

expenses incurred or sustained arising out of any default by the Sponsor and the Entrusted Manager, as the case may be, under the Entrusted Management Agreements and (b) any claims, losses, damages, liabilities or other obligations by the Trustee or any of the subsidiaries of Sasseur REIT at any time against the Entrusted Manager in relation to any matter arising out of or in connection with the Properties.

The Sponsor has provided a bank guarantee issued by China Citic Bank International Limited pursuant to the Performance Reserve requirement. Fitch Ratings affirmed China Citic Bank International Limited's long-term credit rating "BBB+" with stable outlook.

# PROPERTY PORTFOLIO

## SASSEUR (CHONGQING LIANGJIANG) OUTLET

Sasseur (Chongqing Liangjiang) Outlet abuts Airport Road, which is an arterial road in Chongqing. It enjoys convenient accessibility and is well-served by various modes of public transport. Bus stops and taxi stands are available around the property, connecting the subject area to various destinations in Chongqing.

The vicinity of the property comprises various residential and commercial developments, including Rong Chuang Zi Feng Jun (融创紫枫郡), Hong Cheng (红城), Chongqing Meilian Suning Tesco Plaza (重庆美联苏宁易购广场), and IKEA Shopping Mall.

The property is around 7 kilometres away from the Guanyinqiao (观音桥) retail hub, around 20 kilometres away from the Jiefangbei (解放碑) retail hub, and about 10 kilometres away from Chongqing Jiangbei International Airport. In addition, Sasseur (Chongqing Liangjiang) Outlet is in the north of the Chongqing Economic and Technological Development Zone which is one of the key development areas and will continue to enjoy preferential policies to boost its growth.



Occupancy

**100%**

Annual Shopper Traffic

**6.37 million**

VIP Members

**1,414,000**



### Property Information

<b>Address</b>	No. 1 Aotelaishi Road, Beibuxin District, Chongqing, PRC (重庆市两江新区奥特莱斯路1号)
<b>Description</b>	Three 7-storey retail buildings and a 2-storey retail building
<b>Site area</b>	22 parcels of land totalling approximately 40,189 sqm
<b>Expiry year of land use right</b>	2047
<b>Commencement of operations</b>	May 2008
<b>Year of acquisition</b>	2018
<b>Acquired value (RMB million)</b>	2,452.0
<b>Carpark lots</b>	458

### Positioning of outlet

Sasseur (Chongqing Liangjiang) Outlet distinguishes itself through an experiential shopping concept and targets middle- and upper-class consumers with high disposable incomes, and is one of the malls in Chongqing with strongest international brands offering.

As at 31 December	2023	2024
Valuation (RMB million)	3,129	<b>3,188</b>
Gross floor area (sqm)	73,373	<b>73,373</b>
Net lettable area (sqm)	50,885	<b>50,885</b>
Number of tenants	387	<b>386</b>
Committed occupancy (%)	100	<b>100</b>
Annual shopper traffic ('000)	6,375	<b>6,365</b>
VIP members ('000)	1,175	<b>1,414</b>
Major tenants by gross revenue	Nike Adidas FILA +39 Space	<b>Nike Boisideng FILA Adidas Lining</b>
Outlet sales (RMB million)	2,541.2	<b>2,423.9</b>

### Property Information

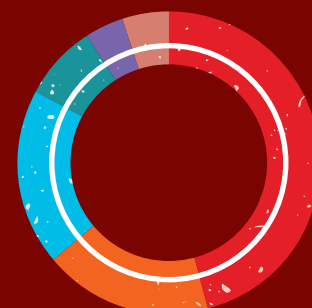


Sasseur  
(Chongqing  
Liangjiang)  
Outlet's Wechat



Sasseur  
(Chongqing  
Liangjiang) Outlet's  
Property Videos

### Trade Mix by Gross Revenue (As at 31 Dec 24)



Fashion (Domestic)	<b>46%</b>
International Brands	<b>18%</b>
Sports	<b>19%</b>
Children's Wear	<b>8%</b>
Shoes & Leather	<b>4%</b>
Others	<b>5%</b>

### History of Asset Enhancement Initiatives (AEI)

#### Completion Date and Summary of AEI

#### December 2021

Converted a management office at level 5 into revenue-generating retail spaces featuring food and beverage, sports brands and ad-hoc sales booths.

14,000 sqm of leasable space being improved and revamped. Two popular brands, Nike and Adidas, set up their new factory outlets in the middle of 2021.

#### March 2023

Upgraded VIP Premium Lounge to include VIP Reception, Elite Lounge Zone and Premium Lounge Zone.

Exclusive events for VIP members are held at the newly refurbished VIP Premium Lounge.



# PROPERTY PORTFOLIO

## SASSEUR (CHONGQING BISHAN) OUTLET

Sasseur (Chongqing Bishan) Outlet is located at the southeast corner of Shuangxing Avenue and Biqing Road, Bishan District of Chongqing. Commuters travelling from the east and north of Sichuan, and the west of Chongqing, would have to cross Bishan in order to enter into Chongqing city centre.

The vicinity of the property comprises various residential and industrial developments built in the last decade. The property is around 4 kilometres away from Bishan station, Light Rail Line 1, around 21 kilometres away from Chongqing South railway station and around 42 kilometres away from Chongqing Jiangbei International Airport. The property abuts Biqing Road, which is a secondary road in the Bishan District.

It enjoys convenient accessibility and is well-served by various modes of public transportation. Bus stops and taxi stands are available around the property, connecting the subject area to various destinations in Chongqing.



### Occupancy

97%

### Annual Shopper Traffic

1.12 million

### VIP Members

556,000



## Property Information

<b>Address</b>	No. 9 Baiyang Road, Bishan District, Chongqing, PRC (重庆市璧山区白羊路9号)
<b>Description</b>	21 blocks of retail buildings spread over an undulated site, comprising seven 4-storey buildings, seven 3-storey buildings, five 2-storey buildings and two single-storey buildings
<b>Site area</b>	Approximately 78,793 sqm
<b>Expiry year of land use right</b>	2051
<b>Commencement of operations</b>	Oct 2014
<b>Year of acquisition</b>	2018
<b>Acquired value (RMB million)</b>	729
<b>Carpark lots</b>	400

## Positioning of outlet

Sasseur (Chongqing Bishan) Outlet offers a diverse shopping and dining experience catering to the needs of the population. It was designed to be a one-stop shopping destination in the Bishan and West Chongqing areas, combining retail shopping with entertainment, food, education and leisure. Over the past year, more than 30 new brands were introduced into the outlet, boosting its product offerings to cater to a wider range of shoppers.

As at 31 December	2023	2024
Valuation (RMB million)	834	<b>780</b>
Gross floor area (sqm)	68,791	<b>68,791</b>
Net lettable area (sqm)	44,706	<b>44,706</b>
Number of tenants	172	<b>201</b>
Committed occupancy (%)	96.8	<b>97.0</b>
Annual shopper traffic ('000)	1,120	<b>1,116</b>
VIP members ('000)	486	<b>556</b>
Major tenants by gross revenue	Nike New Balance POLO SPORT ANTA	<b>POLOwalk Bosideng Lining Nike Jordan</b>
Outlet sales (RMB million)	400.7	<b>377.2</b>

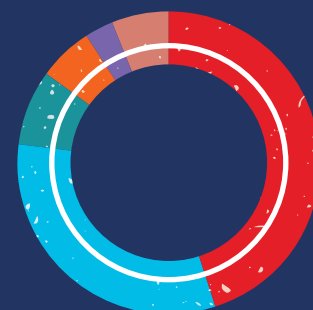
## Property Information



Sasseur  
(Chongqing Bishan)  
Outlet's Wechat



Sasseur  
(Chongqing Bishan)  
Outlet's Property  
Videos

Trade Mix by Gross Revenue  
(As at 31 Dec 24)

Fashion (Domestic)	45%
Sports	32%
Children's Wear	8%
International Brands	6%
Shoes & Leather	3%
Others	6%

## History of Asset Enhancement Initiatives (AEI)

## Completion Date and Summary of AEI

## February 2022

Improvement of storefront façade and conversion of vehicular flow to pedestrian walkway to enhance shoppers' experience.

## December 2023

Opening of new entrance to enhance the outlet's visibility to drivers travelling along the Bishan Tunnel highway and reduce traffic congestion during peak periods when shoppers' vehicle traffic is high.

# PROPERTY PORTFOLIO

## SASSEUR (HEFEI) OUTLET

Sasseur (Hefei) Outlet is situated within close proximity to the precious ecological landscape resource in Hefei – Wangzui Lake (王咀湖). The developments in the neighbourhood are mainly residential and educational institutions.

Sasseur (Hefei) Outlet is located in the High-Tech Industrial Development Zone, which is one of the top national high-tech industrial development zones in China. The high-tech school district of the University of Science and Technology of China is located at the northeast of the property. The various established residential developments in the vicinity form a large catchment population for this outlet.

The property is 24 kilometres away from Hefei railway station and 23 kilometres away from Hefei Xinqiao International Airport. There are two metro stations near the property, one along Metro Line 2, and the other along Metro Line 4 launched in December 2021. Both stations are approximately 1.2 kilometres from Sasseur (Hefei) Outlet. The Metro Line 2 station became an interchange for the newly completed Metro Line 7, further connecting Sasseur (Hefei) Outlet with the city centre, thereby improving the accessibility of Sasseur (Hefei) Outlet and broadening its consumer base.



Occupancy

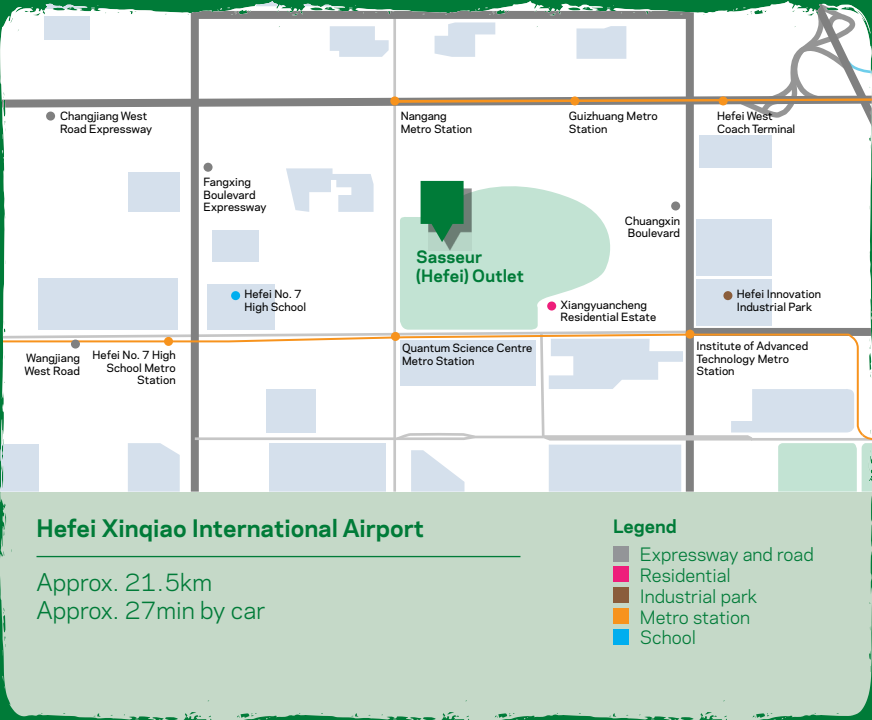
98.8%

Annual Shopper Traffic

3.28 million

VIP Members

1,290,000





### Property Information

<b>Address</b>	No. 1888 Changning Avenue, Gaoxin District, Hefei, Anhui Province, PRC (安徽省合肥高新区长宁大道1888号)
<b>Description</b>	Five retail levels (including a basement level)
<b>Site area</b>	137,212.72 sqm
<b>Expiry year of land use right</b>	2053
<b>Commencement of operations</b>	May 2016
<b>Year of acquisition</b>	2018
<b>Acquired value (RMB million)</b>	2,250
<b>Carpark lots</b>	1,566

#### Positioning of outlet

Sasseur (Hefei) Outlet caters to middle class consumers by offering a wide range of entertainment choices as well as luxury brands. It offers shoppers a onestop shopping, dining and entertainment destination.

Sasseur (Hefei) Outlet also features one of the largest cinemas in east China and the first five-star cinema in Hefei under the UME cinema chain, with 17 cinemas equipped with state-of-the-art audio and visual systems and more than 2,500 seats.

Other attractions include an indoor zoo and a children's edutainment centre spanning over two levels, which have consistently drawn large crowds and groups from schools and companies.

As at 31 December	2023	2024
Valuation (RMB million)	2,882	<b>2,838</b>
Gross floor area (sqm)	147,316	<b>147,316</b>
Net lettable area (sqm)	144,583	<b>144,583</b>
Number of tenants	354	<b>439</b>
Committed occupancy (%)	96.1	<b>98.8</b>
Annual shopper traffic ('000)	2,974	<b>3,275</b>
VIP members ('000)	1,087	<b>1,290</b>
Major tenants by gross revenue	Nike Coach Bosideng HAZZYS	<b>Nike Coach Boisideng Lining</b>
Outlet sales (RMB million)	1,037.1	<b>1,028.1</b>

### Property Information



Sasseur (Hefei)  
Outlet's WeChat



Sasseur (Hefei)  
Outlet's Property  
Videos

### Trade Mix by Gross Revenue (As at 31 Dec 24)



Fashion (Domestic)	47%
International Brands	16%
Sports	12%
Food & Beverage	8%
Shoes & Leather	5%
Others	12%

### History of Asset Enhancement Initiatives (AEI)

#### Completion Date and Summary of AEI

##### December 2020

Re-configuration of the ground floor of Block B to a sports theme with renowned brands like Nike and Adidas.

##### January 2024

Reconfigured vacant units and fitted with infrastructure to welcome supermarket Yonghui Superstores as new tenant to draw in more crowds.

Yonghui Superstores currently occupies a space previously vacant for 7 years.

# PROPERTY PORTFOLIO

## SASSEUR (KUNMING) OUTLET

The vicinity of Sasseur (Kunming) Outlet comprises various residential and commercial developments, tourist attractions and the New Kunhua Hospital (新昆华医院).

The property is sited in the northeast of Anning City, and well-served by public transport. It is about 25 minutes' drive to Anning Bus Station, a half-hour' drive to the city centre of Kunming, and a one-hour drive to the Kunming Changshui Airport. The established land transport network across these regions provides an impetus to the growth of the regional economies, and support the retail business at Sasseur (Kunming) Outlets.

Sasseur (Kunming) Outlet has integrated Hantang Xiyue Hotel (汉唐玺悦酒店) of the G.D Hotel Group to attract more tourists to the outlet. The hotel occupies the central location of the gateway to western Yunnan and is one of Sasseur (Kunming) Outlets major tenants by NLA, occupying 8,200 sqm.



Occupancy

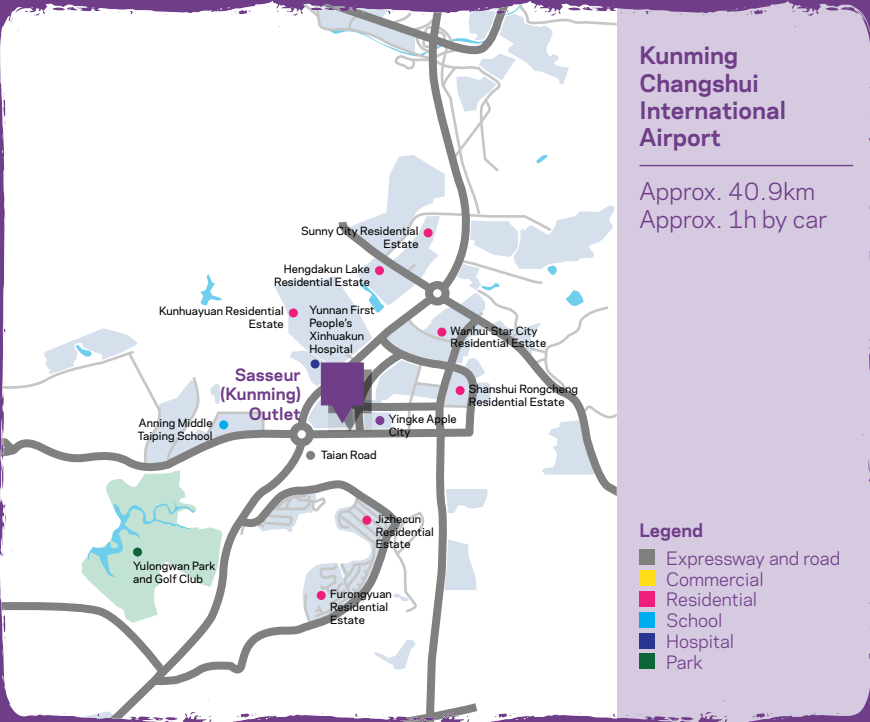
**99.7%**

Annual Shopper Traffic

**3.09 million**

VIP Members

**905,000**



### Property Information

<b>Address</b>	No. 181 Aotelaishi Avenue, Anning City, Kunming, Yunnan Province, PRC (云南省昆明市安宁市奥特莱斯大道181号)
<b>Description</b>	Two 7-storey retail buildings comprising 4 retail levels, 3 basement levels and a hotel
<b>Site area</b>	34,488.12 sqm
<b>Expiry year of land use right</b>	2054
<b>Commencement of operations</b>	Dec 2016
<b>Year of acquisition</b>	2018
<b>Acquired value (RMB million)</b>	1,350
<b>Carpark lots</b>	2,000

#### Positioning of outlet

Sasseur (Kunming) Outlet is positioned to cater to the growing middle-class consumers, satisfying their preference for international brands such as FILA, MISS SIXTY and Adidas. The outlet also carries popular domestic brands to cater to a wider customer base.

The outlet offers an exciting array of retail options including outlet shopping, restaurants, service offerings, children entertainment and hotel facilities.

The property also oversees a man-made lake surrounded by luscious green landscaping.

As at 31 December	2023	2024
Valuation (RMB million)	1,652	<b>1,614</b>
Gross floor area (sqm)	88,257	<b>88,257</b>
Net lettable area (sqm)	70,067	<b>70,067</b>
Number of tenants	257	<b>312</b>
Committed occupancy (%)	98.5	<b>99.7</b>
Annual shopper traffic ('000)	2,797	<b>3,090</b>
VIP members ('000)	781	<b>905</b>
Major tenants by gross revenue	+39 Space Nike FILA ANTA	<b>Lining +39 Space Nike FILA</b>
Outlet sales (RMB million)	684.6	<b>652.9</b>

### Property Information

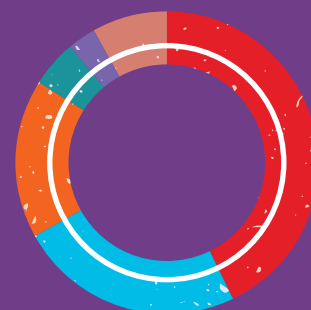


Sasseur (Kunming)  
Outlet's Wechat



Sasseur (Kunming)  
Outlet's Property  
Videos

### Trade Mix by Gross Revenue (As at 31 Dec 24)



Fashion (Domestic)	43%
Sports	24%
International Brands	17%
Children's Wear	5%
Shoes & Leather	3%
Others	8%

### History of Asset Enhancement Initiatives (AEI)

#### Completion Date and Summary of AEI

##### 2019

Added a lift and escalator to connect a seamless shopper flow from level one to the basements.

##### September 2023

Opened popular food and beverage (F&B) stores such as Erlanggang Chongqing Hotpot and KFC.

##### August 2024

Major tenancy re-configuration works to allocate more leasable space to higher yielding trade categories like sports and children wear. This AEI aimed to sharpen the 'Super Outlets' themes.

##### September 2024

Expanded car park capacity by additional 400 lots to ease the lack of car parking lots during promotional events like the annual anniversary sales.

# OPERATIONS REVIEW

## OVERVIEW

Sasseur REIT has a portfolio of four outlets strategically located in the high-growth Chinese cities of Chongqing, Hefei and Kunming. Chongqing's FY2024 GDP grew 5.7%<sup>1</sup> Y-o-Y or RMB 3,219 billion, outstripping China's national GDP Y-o-Y growth rate by 0.7 percentage points. The city will continue to focus on stimulating consumption<sup>2</sup> and expanding investments to achieve high quality and sustainable economic growth. Hefei's 2024 GDP grew robustly to hit 6.1%<sup>3</sup> Y-o-Y, surpassing China's national GDP Y-o-Y growth rate by 1.1 percentage points. The city's GDP of RMB 1,350.7 billion ranked 18th<sup>4</sup> in China. In Kunming, which is ranked one of the top 10 tourist destination in China, the total travelers hit 325 million in 2024, a 20.2%<sup>5</sup> increase YoY.

## STABLE VALUATIONS

According to independent valuer's assessments, Sasseur REIT's investment properties have been valued at RMB 8.4 billion as at 31 December 2024, marginally down from a year ago (2023: RMB8.5 billion), reflecting the strong underlying fundamentals of the outlets. The REIT's portfolio occupancy rate achieved a record high of 98.9% in the fourth quarter of 2024 (4Q 2024), against the backdrop of external challenges during the year.

## Portfolio Valuations

Outlet	Valuation as at 31 Dec 23	Valuation as at 31 Dec 24	Variance	
	(RMB million)	(RMB million)	(RMB million)	%
Chongqing Liangjiang	3,129	3,188	59	1.9
Chongqing Bishan	834	780	-54	-6.5
Hefei	2,882	2,838	-44	-1.5
Kunming	1,652	1,614	-38	-2.3
<b>Portfolio</b>	<b>8,497</b>	<b>8,420</b>	<b>-77</b>	<b>-0.9</b>

## OUTLETS' SALES PERFORMANCE

In 2024, the portfolio's total sales reached RMB4,482 million, a slight decline of 3.9% compared to RMB4,664 million in 2023. This performance underscores the resilience and strength of Sasseur REIT's outlet business model, as well as its ability to adapt to evolving consumer trends amid challenging market conditions.

In 2024, weak consumer demand in China stems from a slowing economy, high household debt, and a struggling property market, which have eroded consumer confidence and disposable income. An aging population and high youth unemployment further reduce spending, while deflationary pressures and global economic uncertainty exacerbate the trend. Regulatory changes in key sectors add to the cautious consumer mindset, leading to prioritisation of savings over discretionary spending. McKinsey's 2024 China Consumer Sentiment Report highlights a shift toward saving and prioritising value-driven purchases.

The decline in sales for 2024 was also due to the higher sales base achieved in 2023 when China lifted all COVID-19 lockdown measures in December 2022, leading to a rebound in retail sales driven by spending of consumers. In 2024, extreme heatwaves in Chongqing, with temperatures surpassing 35°C on over 70 days during the quarter, which impacted shopper traffic and sales at Sasseur (Chongqing Liangjiang) Outlet.

Hefei City recorded four earthquakes in September, marking the first significant seismic activity in the area in over 30 years. This unexpected series of earthquakes affected shopper traffic and sales at Hefei Outlet.

Our outlets achieved record-breaking aggregate sales of RMB 276.1 million across its four outlets in China during the 7-day Golden Week holidays from 1 to 7 October 2024. This marks a significant increase in portfolio outlet sales of nearly 28% year-on-year (YoY) and an impressive surge of close to 55% compared to pre-pandemic levels in 2019. Chongqing (Liangjiang) Outlet maintained its leadership position in the portfolio with a remarkable RMB 145.3 million in sales, representing a YoY jump nearing 45%.

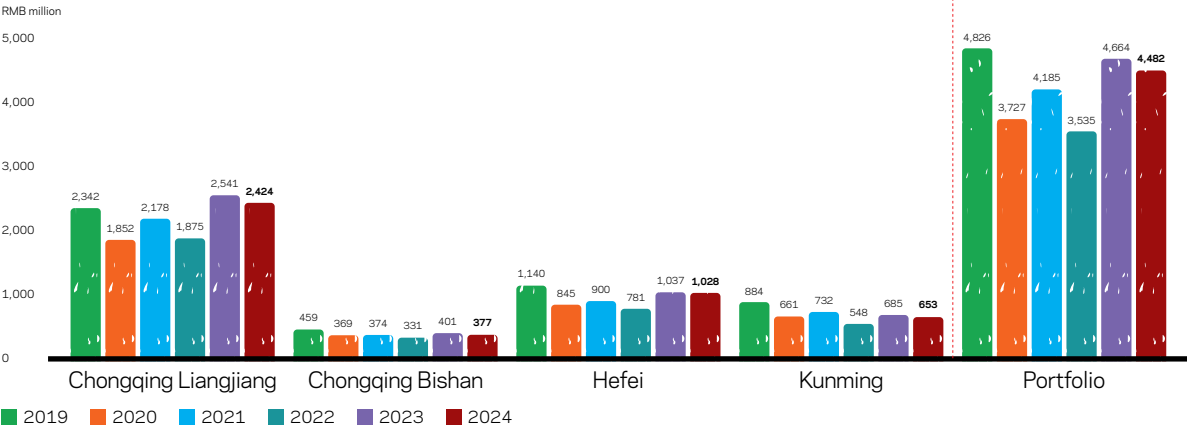
Our outlets were strategically positioned to capitalise on the resurgence in consumer spending during this period. By aligning our outlet anniversary celebrations, which began in September 2024, with the highly anticipated Golden Week promotions, we forged strong collaborations with leading local and international brands to craft targeted pricing strategies and innovative promotional campaigns. These efforts not only heightened consumer engagement but also drove impactful purchasing decisions. Through irresistible discounts and exceptional value offerings, we successfully attracted large crowds, including both local shoppers and tourists from across China, solidifying our position as a preferred Outlet shopping destination during this critical period.

### Notes:

- <sup>1</sup> Chongqing News "2024 Full Year GDP Growth" 19 Jan 2025
- <sup>2</sup> Chongqing Government News "2024 Full Year Report" 19 Jan 2025
- <sup>3</sup> Hefei Government News "Full Year Economic Performance Report" 15 Jan 2025
- <sup>4</sup> Baidu News "Hefei Ranked Top 18 Cities in China" 16 Jan 2025
- <sup>5</sup> Kunming News "Kunming Wins Economically" 21 Jan 2025



Outlets' Sales Performance



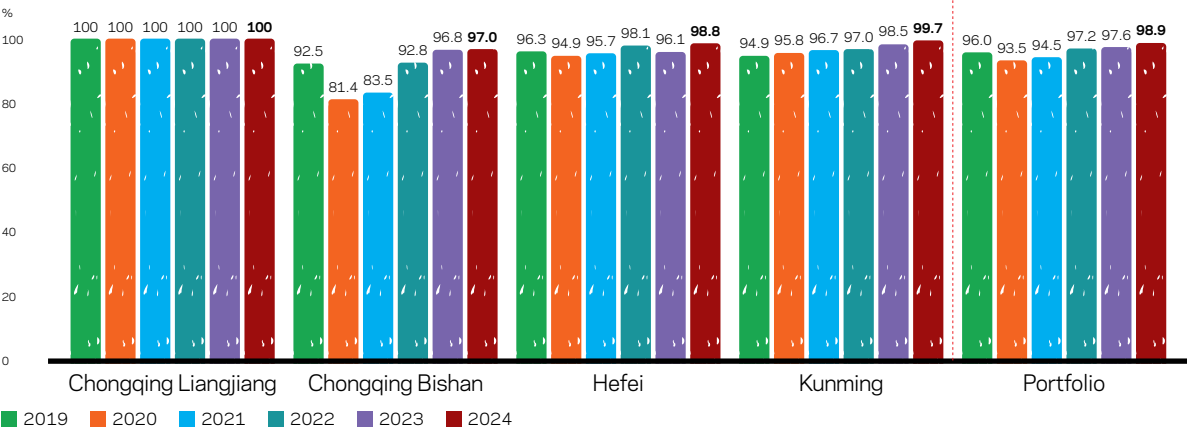
RECORD HIGH PORTFOLIO OCCUPANCY

The occupancy rate of Sasseur REIT's portfolio increased to 98.9% in 4Q 2024, compared to 97.6% a year before. Our portfolio's occupancy surpassed the pre-Covid 19 level of 96.0% in year 2019. The strong occupancy rates across all outlets demonstrate our tenants' confidence in our outlets, despite a challenging external environment.

Sasseur (Chongqing Bishan) Outlet and Sasseur (Kunming) Outlet achieved record high occupancy rates of 97% and 99.7% respectively, demonstrating our effective leasing strategies which have been supported by our active AELs.

In FY2024, Sasseur REIT signed 852 renewals and 595 new leases, accounting for 165,727 sqm or 53.4% of the portfolio's total NLA. Notable new leases which commenced in 2024 included Pizza Hut and well-known bags retailer Polo-Villae at Sasseur (Kunming) Outlet; Camel and Qun Xi Li, a Shanxi cuisine in Sasseur (Hefei) Outlet; Stanford's and K-boxing mens' wear at Sasseur (Chongqing Liangjiang) Outlet.

Portfolio Occupancy



# OPERATIONS REVIEW

## ASSET ENHANCEMENT INITIATIVES (AEI)

We continued to extract more value from Sasseur REIT's portfolio by implementing the following asset enhancement initiatives (AEI) in the past year.

### Asset Enhancement Initiatives for Sasseur (Kunming) Outlet

#### i. Tenancy Reconfiguration Works

In April 2024, Sasseur REIT embarked on an asset enhancement initiative (AEI) at Kunming Outlet to fortify the outlet's leading position in the city by sharpening its trade mix clustering, with a particular focus on its 'Super Sports' and 'Super Kids' zones. The AEI, completed in August 2024, optimised approximately 15% of Kunming Outlet's net lettable area (about 11,000 square metres).

#### ii. Increased Car Park Capacity at Sasseur (Kunming) Outlet

Expanded car park capacity by additional 400 lots prior to the September 2024 anniversary sales to accommodate the anticipated higher shopper traffic. Insufficient car park lots particularly during weekends, public holidays, and promotional events had previously resulted in congestion issues, which have now been effectively alleviated.

### Asset Enhancement Initiatives for Sasseur (Hefei) Outlet

Over eight years since 2016, Sasseur (Hefei) Outlet has become an established shopping, dining, and entertainment destination for middle-class consumers. The retail environment of Hefei city is changing, and newer and refurbished malls have modern, attractive façades and outdoor spaces. To stay competitive and meet higher consumers' expectations, Sasseur (Hefei) Outlet's AEI included facade and rooftop upgrade.

The rooftop garden, once intended as a vibrant outdoor space for shoppers, is currently underutilised due to withered plants, dried-up water features and a lack of amenities such as seating areas and shade structures. The revitalisation of this outdoor area will result in a more pleasant ambience that will improve the shopping experience for visitors.

The billboard and the outlet's façade were not well lit by the existing floodlights. The façade was also marred by missing façade brick tiles in multiple spots. The old posters and floodlights were upgraded with energy-efficient LED backlit light box displays and new façade brick tiles were installed for a cohesive look with the existing design.

Looking ahead, we will continue to curate more AEI opportunities to further enhance the assets' values.

1. Kunming Outlet: Popular brands with new store design after completion of tenancy re-configuration works



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- 2. Kunming Outlet: Additional Carparking Lots
- 3. Hefei Outlet: Rooftop Garden, Lighted Advertisement Board & Façade



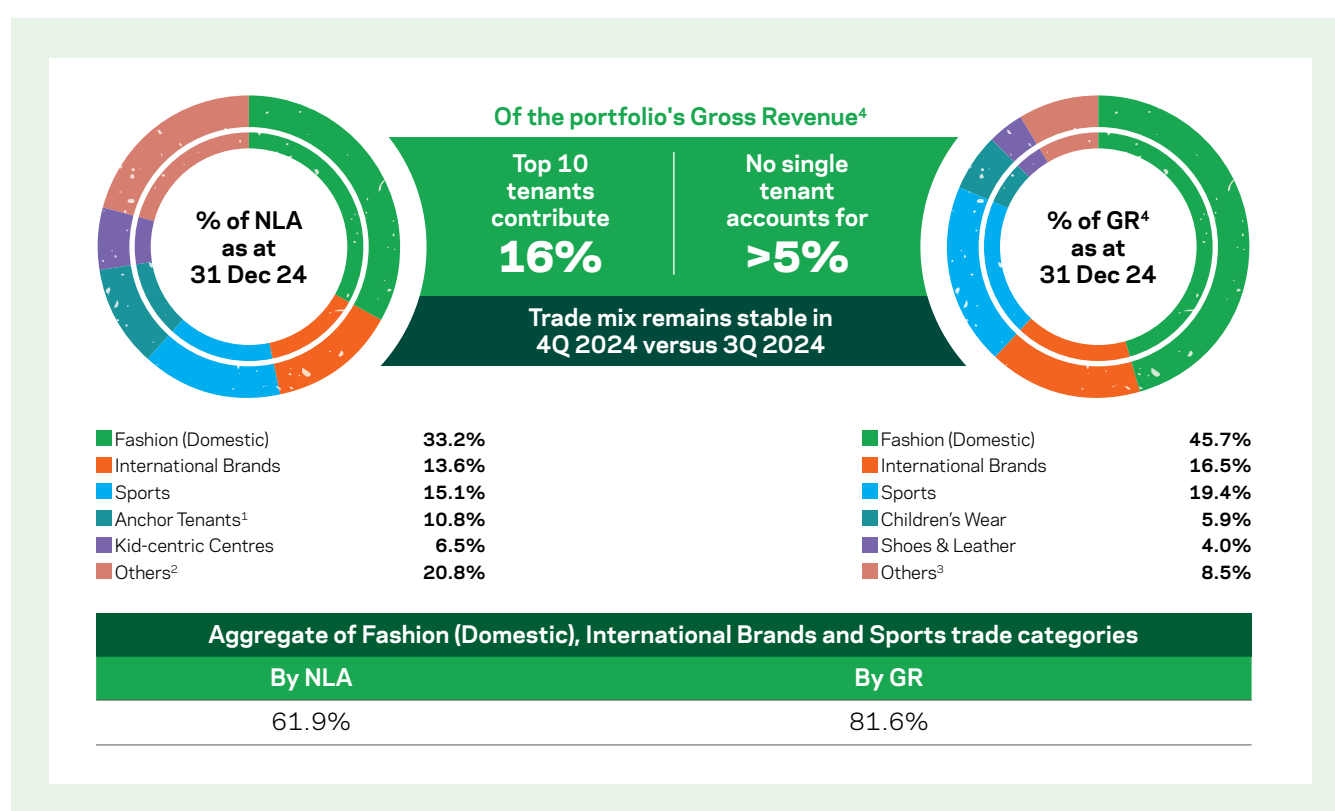
# OPERATIONS REVIEW

## WELL DIVERSIFIED TENANT MIX

As at 31 December 2024, 81.6% of the portfolio's average monthly gross revenue was attributable to the Fashion (Domestic), International Brands and Sports trade categories which occupied a combined area representing 61.9% of total net lettable area (NLA). The top three trade categories' aggregate share of the portfolio's average monthly gross revenue remained stable year-on-year. By NLA, the aggregate share has decreased marginally by 1.7% year-on-year due to tenants' remix for the year.

Based on the portfolio's gross sales, the top-performing trade sector was Fashion (Domestic), which allows us to capitalise on the growing popularity of domestic Chinese brands. China's consumer preference for sports-related apparel and accessories increased by 0.9% by gross revenue from 2023. To further enhance our outlets' offerings, we have also introduced more F&B offerings, with the trade category increasing by 0.3 percentage point from 3% in FY2023 to 3.3% in FY2024, by gross revenue.

Sasseur REIT continually improved our outlets' brands and retail concepts to attract a broader consumer base as part of our proactive leasing strategy.



## LEASE STRUCTURE

The majority of Sasseur REIT's leases are designed to capitalise on the sales growth of high-performing tenants. Turnover rent provisions are included in approximately 99% and 94% of the leases, respectively, in terms of gross revenue and NLA. This provision enables the REIT's Unitholders to benefit on potential sales growth if the tenants perform well. The interests of both landlord and retailers are aligned by this leasing structure.

Anchor tenants' leases are often structured on a fixed rent basis with an annual step-up rent component. All tenants' point-of-sale systems are connected to the REIT's Entrusted Manager's systems, which allows accurate and timely tracking of tenants' sales data. This arrangement also helps to keep rent arrears low, often less than 1.0% of total tenants' sales.

### Notes:

<sup>1</sup> 'Anchor tenants' are fixed rental leases, such as cinemas, hotel and gym.

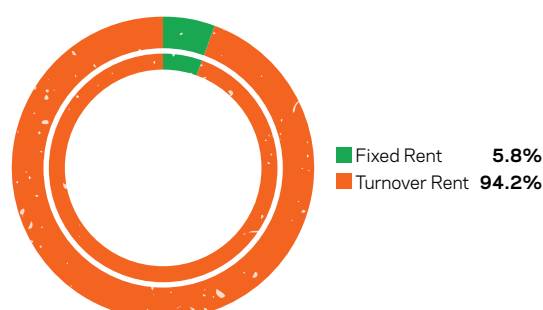
<sup>2</sup> 'Others' comprises Food and beverage, Children's wear, Shoes and leather, Lifestyle, Accessories and Ad-hoc; 'Ad-hoc' refers to temporary leases.

<sup>3</sup> 'Others' comprises Accessories, Food and beverage, Anchor tenants, Lifestyle, Kids-centric centres and Ad-hoc; 'Ad-hoc' refers to temporary leases.

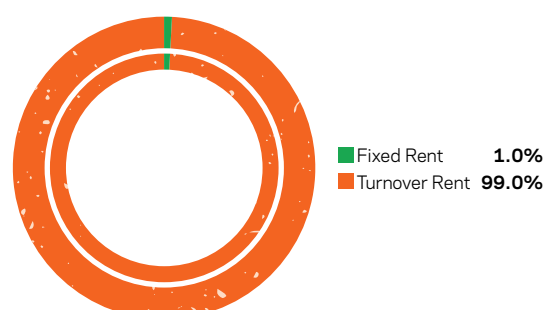
<sup>4</sup> Calculated based on average monthly gross revenue for the period Jan-Dec 2024.



% of Leases with Turnover Rent by NLA



% of Leases with Turnover Rent by Gross Revenue



## LEASE EXPIRY PROFILE

The chart below presents the portfolio lease expiry profile. The leases generally span a duration of 1 to 3 years, although some key or anchor tenancies may extend for longer periods. Lease terms for most tenants, excluding anchor tenants, are intentionally kept within an interval of one to three years. This allows us to adjust the commission rate we charge on tenants' sales during good market conditions for those who have thrived at our outlets, as well as to substitute under-performing tenants with new brands that align with rapidly evolving consumer preferences. About 52.8% of leases by NLA and 70.3% by gross revenue are set to expire in 2025.

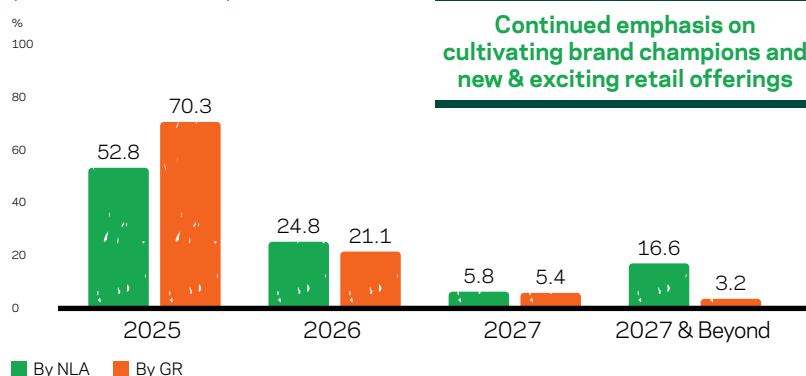
As at 31 December 2024, the lease expiry profile for Sasseur REIT remained well balanced with a portfolio weighted average lease expiry (WALE) of 1.0 years by gross revenue and 2.01 years by NLA. Out of the portfolio's leases which expired in 2024, 852 leases were renewed and 595 new leases were secured.

Active leasing strategies are in place to ensure that our outlets' occupancy rates stay high. We constantly engage existing tenants to build strong relationships and continue to develop a pipeline of promising brands that we may potentially tap on in the future.

## Renewals and new leases secured for leases expiring in 2024

	Number of Tenants	Net Lettable Area (sqm)
Renewal Leases	852	114,790
New Leases	595	50,937
<b>Total</b>	<b>1,447</b>	<b>165,727</b>

**Lease Expiry Profile**  
(As at 31 Dec 2024)



**Continued emphasis on cultivating brand champions and new & exciting retail offerings**

WALE (years)

**2.0**  
by Net  
Lettable Area  
(NLA)

**1.0**  
by Gross  
Revenue  
(GR)

**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

# OPERATIONS REVIEW

## VIP MEMBERSHIP

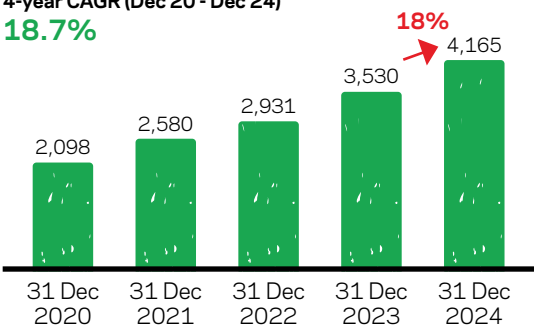
VIP members are a large contributor to our outlets’ sales, consistently representing more than 60% of total outlet sales. We have continued to grow and cultivate this group of important customers, which has grown in number by 18.7% over 4 years from 2020 to 2024. This is 0.7 percentage points higher than the year-on-year growth rate in 2024 versus 2023.

In a year-on-year comparison, the ratio of sales contribution consistently showed an increase with a significant growth. Sasseur REIT is dedicated to encouraging increased spending at our outlets among Gold and Platinum members, as they tend to purchase more expensive items. Attractive discounts would be offered to members during our four key promotional events<sup>6</sup> throughout the year.

Number of VIP Members in Portfolio ('000)

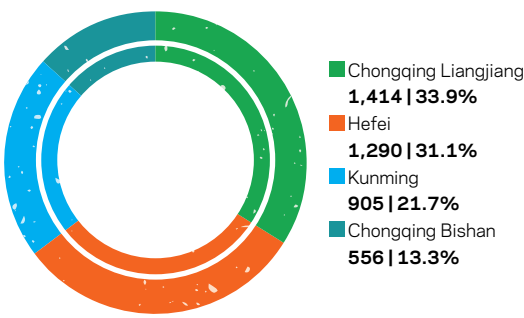
4-year CAGR (Dec 20 - Dec 24)

18.7%



Total VIP Members by Outlets ('000)

(As at 31 Dec 2024)

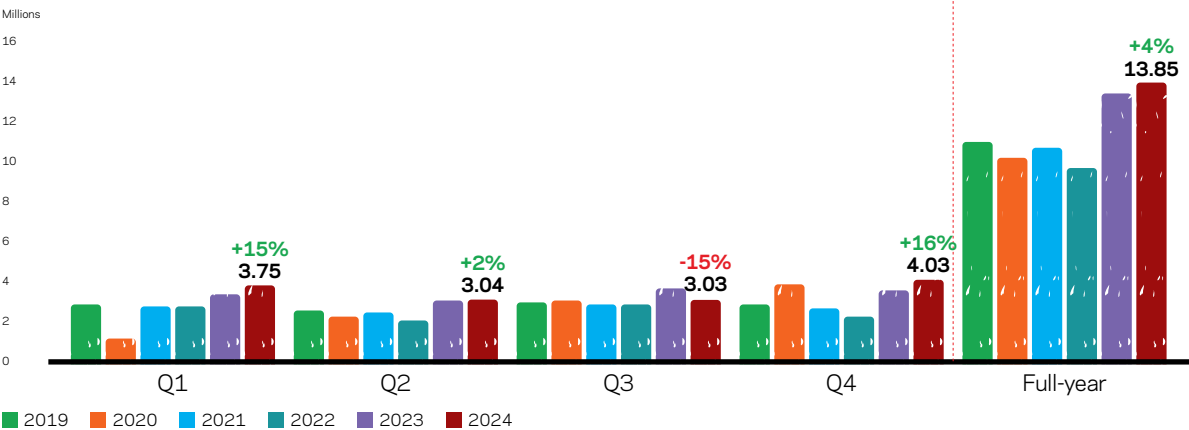


## SHOPPER TRAFFIC

The portfolio’s overall shopper traffic continued its upward momentum. The total shopper traffic increasing by 4% from 13.3 million in FY2023 to 13.8 million in FY2024.

Throughout the year, a range of promotions and events were implemented to boost shopper traffic and consequently raise revenue for tenants. In the year, we presented the outlets’ promotional events across social media platforms to around 4.2 million VIP members, encouraging them to visit our outlets and enjoy our exclusive member discounts.

Shopper Traffic



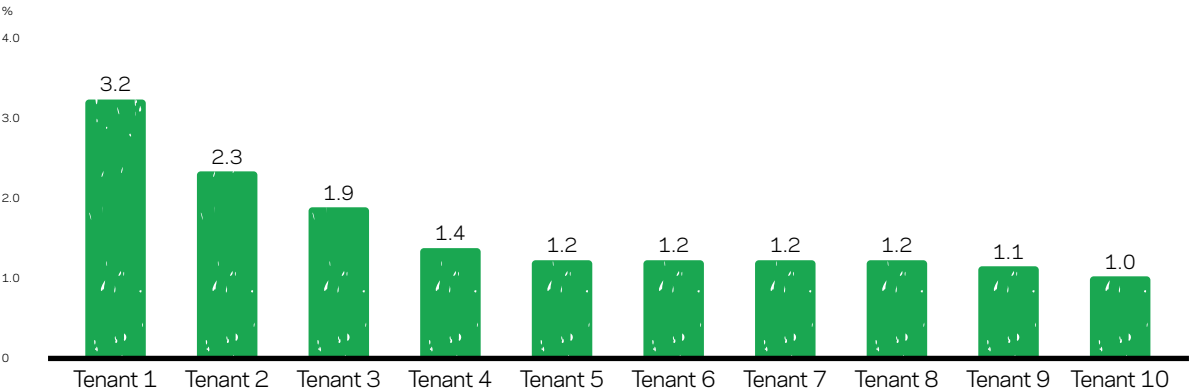
**Note:**  
<sup>6</sup> Spring Festival, Anniversary Sales, Red Festival & Year-End Promotions

TENANT'S PROFILES

Sasseur REIT's portfolio has more than 1,300 leases. As at 31 December 2024, no single tenant contributed more than 5% of the portfolio's gross revenue. The top 10 tenants contribute about 16% of the portfolio's gross revenue.

Sasseur REIT's portfolio has a diverse trade mix. This reduces the REIT's reliance on any single tenant, allowing it to avoid concentration risks and strengthen the resilience of its portfolio.

Top 10 by Gross Revenue  
(As at 31 December 2024)



Breakdown of Tenants in Portfolio  
(as at 31 December 2024)




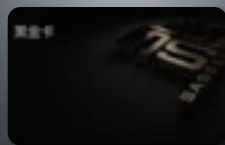
Outlets	Number of Tenants
Chongqing Liangjiang	386
Chongqing Bishan	201
Hefei	439
Kunming	312
Portfolio	1,338

# MARKETING AND PROMOTION

## BUILDING CUSTOMER LOYALTY

Every Sasseur REIT's outlet has a VIP program with four levels of membership: Basic, Gold, Platinum, and Black Gold — designed to strengthen customers' loyalty. We make the Platinum Card and Black Gold Card memberships seem like something to strive for, with special events and tailored services, so that VIP members' desire to spend more money at our stores.

### Spending criterial for different tiers of VIP memberships

Basic Card	Gold Card	Platinum Card	Black Gold Card
			
Promotion criteria			
<p>Spend RMB1,000 <b>OR</b> make two purchases within 6 months to get Gold Card</p> <p>Spend RMB20,000 <b>OR</b> spend at least RMB10,000 in 1 day within first 6 months of card membership to get Platinum Card</p>	<p>Spend RMB20,000 <b>OR</b> spend at least RMB10,000 in 1 day within first 6 months of card membership to get Platinum Card</p>		<p>By invite only from Sasseur Group, based on top spending VIP members across all 18 Sasseur Group operating outlets</p>
Criteria to maintain current tier			
<p>No spending requirements</p>	<p>Spend RMB1,000 <b>OR</b> make two purchases within first 12 months of card membership to extend Gold membership for another 12 months</p>	<p>Spend RMB20,000 <b>OR</b> make 12 purchases within first 12 months of card membership to extend Platinum membership for another 12 months</p>	
Demotion rules			
	<p>If cumulative spending does not reach RMB1,000 <b>OR</b> two purchases are not made within first 12 months of card membership, membership tier will be demoted to Basic</p>	<p>If cumulative spending does not reach RMB20,000 <b>OR</b> 12 purchases are not made within first 12 months of card membership, membership tier will be demoted to Gold</p>	



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**Throughout the year, all outlets organised exciting activities exclusively for Platinum and Black Gold cardholders.**

1. COACH held an exclusive member event in the VIP lounge, showcasing the art of dressing while introducing their latest product launches
2. Flower Arrangement Classes conducted at the customer service centre in Chongqing Liangjiang
3. Members' Group Photo taken at the Chongqing Liangjiang Outlet

Throughout the year, all outlets organised exciting activities exclusively for Platinum and Black Gold cardholders. Engaging actively with these important VIP members fosters their loyalty, promoting continued spending at Sasseur outlets. The exclusive events for VIP members provide our tenants with a chance to display their product offerings to these group of affluent customers.

Platinum Card and Black Gold Card members can enjoy reserved parking lot use, free shipping to their doorstep, and free depositing at the customer service desk for a “weight-less” shopping experience outside of these closed-door events.

To show outstanding customer service and appeal to VIP members, the Sasseur (Chongqing Liangjiang) outlet organised in-house flower arrangement classes. This initiative allowed members to learn and connect with both the team and fellow members. The aim is to foster a sense of community among our members.



MARKETING AND PROMOTION



CHINESE NEW YEAR

JANUARY

The festive season began weeks in advance of the Chinese New Year holidays, and our outlets were abuzz with excitement as shoppers began to make purchases in anticipation of the week-long holidays in China. Sasseur (Chongqing Liangjiang) Outlet promoted the sale of Lucky Pouch “福袋” and at Sasseur (Chongqing Bishan) Outlet, shoppers were encouraged to collect stamps from brands during their purchases for a free gift. These events attempted to pique shoppers’ buying desire during the Dragon Year promotion held at both the Chongqing outlets. Sasseur (Kunming) Outlet themed on the making of traditional drawings for the Year of Dragon for shoppers to participate in the joy of traditional arts & crafts.

1. Shoppers queuing to claim their lucky pouch “福袋” Chongqing Liangjiang Outlet  
2. Shoppers thronged the Chongqing Liangjiang Outlet during the Chinese New Year Promotional events



SPRING CARNIVAL

MARCH

Experience the vibrant essence of spring at the annual Spring Carnival hosted by Sasseur outlets, where the season's finest is celebrated in style. 17 outlets across 15 cities of the Sasseur Group adopted a common theme, offering discounts of up to 70% for a wide of its’ product offerings.

Shoppers at Sasseur (Kunming) Outlet were treated to a stunning display as cherry blossoms burst into bloom, painting the outlet in vibrant shades of pink. As shoppers transitioned from their cozy winter attire to breezy outfits, every store unveiled a lively array of games and activities for customers to engage in and relish. At Sasseur (Kunming) Outlet, Nike made a significant impact on the first day of the carnival with an exclusive 3-day city-wide event, drawing in more customers through promotional efforts and surpassing daily sales of one million.



3. Poster on Nike's promotions for the Spring Carnival Event  
4. Shoppers soaking in the beauty of cherry blossoms at Sasseur (Kunming) Outlet





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## ANNIVERSARY SALES

### SEPTEMBER

Our operational team started building up interest months ahead of the major event for the year, Sasseur's Anniversary Sales (周年庆) through the various online platforms and traditional media advertisements. With our deep understanding of consumers and the elaborate planning of the themed events, we saw large throngs of people and cars rolling into our outlets at 3 to 4am in the morning.

Media engagements and brand briefings were carried out in advance to prepare all stakeholders for their involvement in the mega event. At Sasseur (Chongqing Liangjiang) Outlet, the theme for the year was "秋搭子 一路耍 16周年庆" with events like dogs' competition, cooking competition and a music concert were held at the outlet to attract shoppers.

The event commenced with an exclusive VIP-day, featuring the most significant discounts of the year as a token of gratitude for our valued members' continued support of the outlet. Shoppers flocked to the outlets, eager to grab unbeatable deals available for just a few days each year, while stocks last. Throughout the day, a variety of entertainment programs were scheduled, encouraging shoppers to extend their stay.

5. An event for shoppers to bring their dogs to the outlet for a 'Best Groomed Dog' competition
6. A scene showing mothers competing for the 'Best Home Cooked' food.
7. Shoppers queuing to collect their mystery egg, celebrating 11 years of Sasseur (Chongqing Bishan) Outlet
8. Fashion show held at the Hefei outlet to kick-start the Anniversary sales event
9. Shoppers jostling to take their pick from stores offering store-wide 70% discount

## SASSEUR'S RED FESTIVAL

### NOVEMBER

Sasseur Group's annual "Red Festival" (红色第五季 - 国人的购物节) is a signature event that builds on the trend of consumers opting for domestic brands over foreign brands. In 2019, Sasseur Group ingeniously initiated this distinctive promotion festival based on the increasing consumer demand and trend for domestic brands.

Red Festival focuses on China's strong domestic retail brands, dedicated to featuring local brands such as Biem.L.FdLkk (比音芬) Joeone (九牧王), JNBY (江南布衣) PEACEBIRD (太平鸟). The event not only promoted quality local brands but also included traditional art activities to help keep China's cultural heritage alive.

10. Chongqing Liangjiang Outlet collaborate with Biem-L-FdLkk during the RED Festival
11. Upgraded store-front to rebrand popular sport brand "ANTA" factory outlet to warehouse concept, widening its offering of product range with higher discounts
12. Shoppers are encouraged to dress in traditional clothing at Chongqing Liangjiang Outlet
13. Face painting for children at Chongqing Bishan Outlet



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# MARKETING AND PROMOTION

## Year-End Promotions



## COMMON THEME FOR YEAR-END PROMOTION AT SASSEUR (CHONGQING LIANGJIANG) OUTLET & SASSEUR (CHONGQING BISHAN) OUTLET

Pop-up stores inspired by the exciting 80s and 90s have been set in both outlets, creating a nostalgic atmosphere that resonates with shoppers.



1. Blind Box collection at Liangjiang Outlet via points accumulated through purchases made at Sasseur's outlets
2. Pop-up store at Liangjiang Outlet resembling 1980s drink store
3. Lucky draw at Chongqing Bishan outlet



## THEME FOR SASSEUR (HEFEI) OUTLET

"狂欢继续" or "Non-stop Partying" was the theme for the Sasseur (Hefei) Outlet year-end sales, and it was further broken down into three sub-themes:

1. Attractive discounts of up to 70% offered for a wide range of products.
2. Additional RMB 4 discounted for every 1000 points accumulated.
3. 500 points awarded for shoppers who made purchase online.



4. Strong shoppers turn-out seen at various stores
5. Winter clothing was a big draw for shoppers due to its' attractive discounts
6. Many shoppers were observed carrying bags with purchases from the Hefei outlet





## THEME FOR SASSEUR (KUNMING) OUTLET

A collaborative promotional event was held with Joeone, a well-known men's apparel brand in China.



7. The operational team organized a spectacular 7-hour music & dance concert, culminating in a breathtaking fireworks display as the clock struck midnight on December 31, 2024. This event was a resounding success, drawing thousands of excited shoppers to our Kunming outlet
8. Music concert held at the open plaza of Kunming outlet
9. The first collaboration with Chan Brothers to bring a Singapore Tour Group to the Kunming outlet to revel in the year-end shopping activities

## DIVERSIFYING PROMOTION CHANNELS WITH SASSEUR'S YEAH! OUTLETS WECHAT MINI-PROGRAM

In addition to our physical outlets, we have expanded into online sales channels. The YEAH! Outlets (夜奥莱) WeChat Mini-Program serves as a mall app that is seamlessly integrated within WeChat, the leading messaging and lifestyle platform in China. YEAH! Outlets offers an impressive array of features, including a live-stream broadcast room, a comprehensive product catalogue, a convenient shopping cart, a member's centre, a deals discovery page, and a store locator, among others.

Fully connected into WeChat's ecosystem, customers can effortlessly share great deals and upcoming live-stream events with their friends through chat messages, naturally enhancing the visibility of Sasseur Outlets. Shoppers also experience the convenience of making online purchases effortlessly with WeChat Pay.



PARTNER BRANDS

International Brands





## Domestic Brands



Overview

Year In Review

Leadership

Portfolio

Reports

Financials and Other Information



# SUSTAINABILITY REPORT

“

**We recognise the vital role that sustainability plays in driving long-term value creation for our stakeholders and contributing positively to the community.**

## BOARD STATEMENT

The Board of Directors (the Board) is proud to present Sasseur Real Estate Investment Trust's (Sasseur REIT) Sustainability Report for the financial year ended 31 December 2024 (FY2024). This report highlights the collaborative efforts between Sasseur Asset Management Pte. Ltd. (the REIT Manager) and Sasseur (Shanghai) Holding Company Limited (the Entrusted Manager) in addressing and managing the environmental, social and governance (ESG) impacts across Sasseur REIT's operations.

We recognise the vital role that sustainability plays in driving long-term value creation for our stakeholders and contributing positively to the community. We are committed to integrating ESG considerations into our business strategy, ensuring that these factors are embedded in the decision-making process at all levels. Our focus on sustainability is aligned with our goal to deliver responsible, long-term growth while maintaining the trust of our stakeholders.





In line with our commitment to regulatory compliance, transparency, and best practices in sustainability reporting, we are transitioning to the International Sustainability Standards Board (ISSB) reporting standards in the coming year. This shift will further strengthen the transparency, consistency, and accuracy of our climate-related disclosures, aligning with the requirements set forth by the Singapore Exchange (SGX). By adopting the ISSB standards, we aim to enhance the quality and comparability of our reporting, ensuring that our stakeholders have access to clear, reliable, and comprehensive information on our climate-related risks, opportunities, and performance.

The Board has ultimate responsibility for Sasseur REIT's sustainability reporting and oversees the integration of sustainability into Sasseur REIT's strategy and operations. The Board is also responsible for the management and monitoring of Sasseur REIT's material ESG factors. The Sustainability Committee (SC) has delegated authority from the Board to define Sasseur REIT's sustainability strategies and integrate sustainability into Sasseur REIT's operations.

The Sustainability Steering Committee (SSC) supports the SC in executing Sasseur REIT's sustainability strategies. The Board's continuous engagement with the SC and SSC enables the Board to satisfy itself that sustainability governance is effectively structured and functioning across all levels.

As part of Sasseur REIT's commitment to sustainable growth and value creation, we have included targets over the short, medium, and long-term for material ESG factors in the FY2024 Sustainability Report. These targets provide a clear framework for guiding Sasseur REIT's strategic direction, ensuring that sustainability objectives are systematically integrated into our business operations, decision-making, and long-term planning.

The Board expresses its gratitude to all stakeholders for their ongoing trust and support as Sasseur REIT progresses on its sustainability journey. We remain committed to upholding our sustainability goals while creating long-term value for our stakeholders.



# SUSTAINABILITY REPORT

## ABOUT THIS REPORT

### REPORTING FRAMEWORK

This Sustainability Report has been prepared in accordance with the sustainability reporting requirements of the Singapore Exchange Securities Trading Limited (SGX-ST) Mainboard Listing Rules 711A and 711B on Sustainability Reporting, and Practice Note 7.6 Sustainability Reporting Guide (updated in January 2022). In addition, this report has been prepared with reference to the Global Reporting Initiative Universal Standards 2021 (GRI Standards). The GRI Standards was selected due to its global adoption and robust industry guidance, promoting comparability against global and local peers. We view this framework as the most appropriate for communicating relevant information to stakeholders on Sasseur REIT's ESG risks and opportunities. The REIT Manager has adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Guidelines on Environmental Risk Management for Asset Managers (EnRM Guidelines) issued by the Monetary Authority of Singapore (MAS). Our greenhouse gas (GHG) inventory has been developed following the GHG Protocol Corporate Accounting and Reporting Standard.

### REPORTING PERIOD AND SCOPE

The reporting period for this report is from 1 January 2024 to 31 December 2024. Where applicable, data from previous financial years have been included for comparison.

To gain a full understanding of Sasseur REIT's business and performance, this report should be read together with the financial performance and governance information detailed in the Annual Report.

Unless otherwise stated, this report covers the following entities:

- Sasseur REIT;
- The REIT Manager;
- The Entrusted Manager; and
- Sasseur REIT's portfolio of properties - Sasseur (Chongqing Liangjiang) Outlet, Sasseur (Chongqing Bishan) Outlet, Sasseur (Hefei) Outlet and Sasseur (Kunming) Outlet (the Outlets).

The remaining entities within the trust structure, which are special purpose vehicles, are excluded from the report.

For performance related to environmental factors, the data disclosed covers Sasseur REIT's portfolio of properties. For performance related to human resource factors, the data disclosed covers the REIT Manager in Singapore<sup>1</sup>.

Sasseur REIT's sustainability reporting process for FY2024 has been independently reviewed by Sasseur REIT's internal auditors. No external assurance was sought for this report. External assurance by independent professional bodies will be considered as our reporting matures.

### FEEDBACK

The REIT Manager values and welcomes all feedback from stakeholders as they are integral to the continuous improvement of our sustainability practices and reporting. Comments and suggestions on this report can be sent to [ir@sasseurreit.com](mailto:ir@sasseurreit.com).

#### Note:

<sup>1</sup> Any discrepancies in the table and charts between the listed figures and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to two decimal places.



MANAGING SUSTAINABILITY

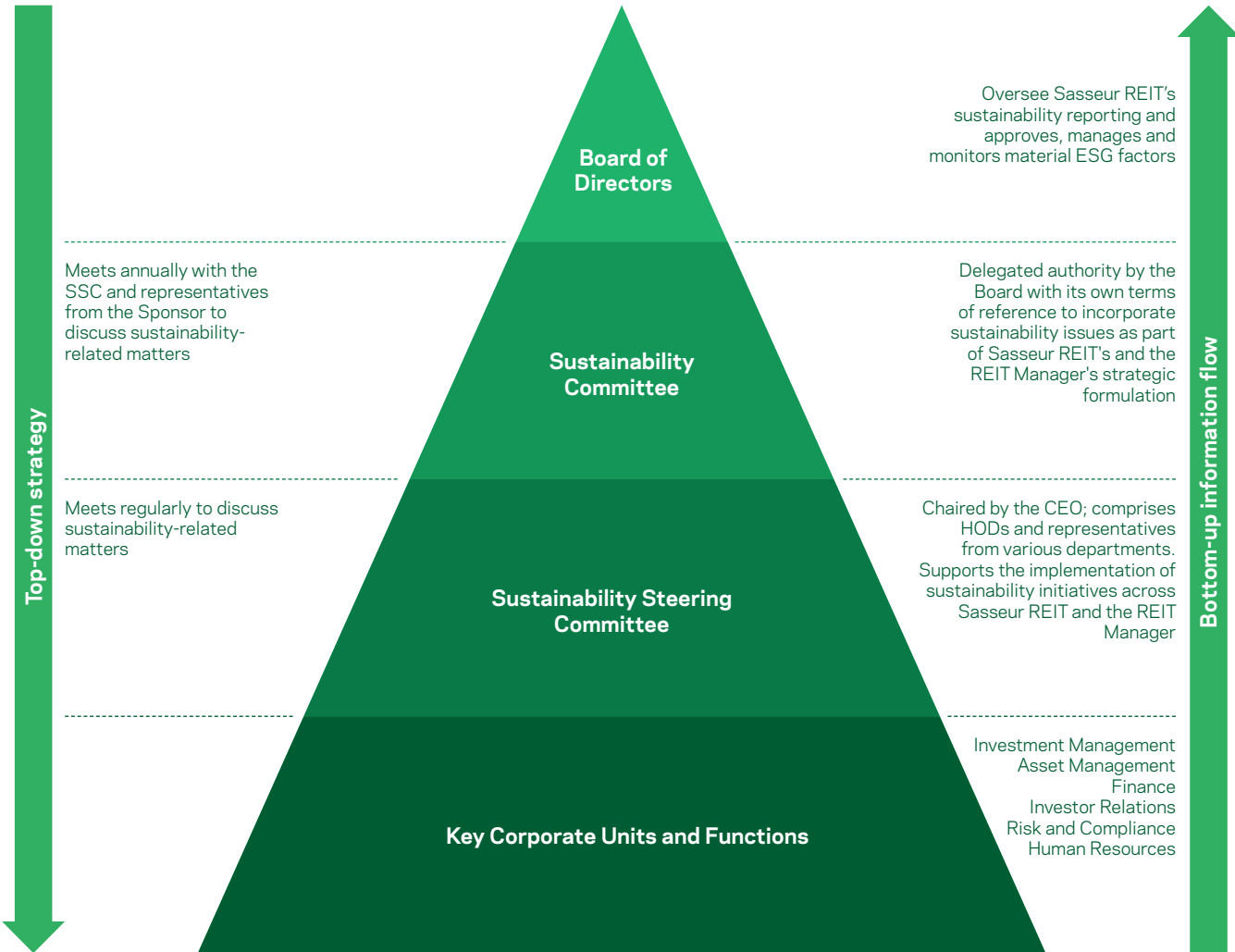
SUSTAINABILITY GOVERNANCE

The Board holds the ultimate oversight of Sasseur REIT's sustainability strategy, risk management and reporting. It is responsible for overseeing sustainability matters, including climate-related risks and opportunities, while ensuring alignment with the REIT's long-term strategic objectives. The Board reviews and approves Sasseur REIT's material ESG factors, and oversees the management and monitoring of material ESG factors.

To support the Board, the SC has been established with defined roles and responsibilities. The SC plays a pivotal role in integrating sustainability considerations and climate-related risks into Sasseur REIT's and the REIT Manager's strategy, ensuring transparency and alignment across governance levels.

Headed by the Chief Executive Officer (CEO), the Sustainability Steering Committee (SSC) comprises Heads of Departments (HODs) and representatives from key functions, including Investment Management, Asset Management, Finance, Investor Relations, Risk and Compliance, and Human Resources. The SSC supports the SC in executing Sasseur REIT's sustainability strategies. The SSC identifies the ESG factors that are deemed material to the business through materiality assessment. These material ESG factors are then presented to the SC for revalidation and ultimately, approved by the Board. The SSC monitors sustainability performance, implements sustainability initiatives, and ensures that material ESG factors are continuously monitored and effectively managed. The SSC convenes regularly to discuss sustainability-related matters, track progress, and drive continuous improvements. It provides updates to the SC on Sasseur REIT's sustainability performance annually. The SC, in turn, escalates key sustainability issues and progress updates to the Board for strategic oversight and decision-making.

Sasseur REIT's Sustainability Governance Structure



# SUSTAINABILITY REPORT

## STAKEHOLDER ENGAGEMENT

To address the concerns and expectations of our stakeholders, we remained dedicated in maintaining open, two-way communication and conducted regular stakeholder engagements throughout FY2024. This approach supports the ongoing improvement of our operations. The table below outlines the various methods used to engage our key stakeholders.

Key Stakeholder Groups	Relevance to Sasseur REIT	Key Engagement Modes	Key Interests of Stakeholder
<b>Investment communities (Unitholders, investors, analysts, and media)</b>	<ul style="list-style-type: none"> <li>The REIT Manager is committed to provide accurate and timely disclosures</li> <li>We are proactive in engaging Unitholders, investors, analysts, and media through regular two-way communications</li> </ul>	<ul style="list-style-type: none"> <li>SGXNet announcements</li> <li>Results briefings to analysts and investors</li> <li>Annual General Meetings (AGM) and Extraordinary General Meetings (EGM)</li> <li>Bilateral communications via emails, calls, and virtual/physical meetings</li> <li>Partnerships with REIT Association of Singapore (REITAS), Securities Investors Association (Singapore) (SIAS) and brokerage houses to conduct corporate presentations to retail investors</li> <li>Sasseur REIT website, Facebook, LinkedIn, Telegram and YouTube</li> <li>Roadshows and conferences</li> <li>Site visits to Sasseur REIT Outlets</li> </ul>	<ul style="list-style-type: none"> <li>Business strategy and outlook</li> <li>Financial and operational performance</li> <li>Capital and risk management</li> <li>Good corporate governance</li> <li>Timely and transparent disclosures</li> </ul>
<b>Tenants</b>	<ul style="list-style-type: none"> <li>Tenants are key to the success of the business as their goods and services attract customers to our Outlets, thus contributing to the sales and income for Sasseur REIT</li> </ul>	<ul style="list-style-type: none"> <li>Face-to-face dialogues</li> <li>Training sessions conducted by the Entrusted Manager for tenants</li> <li>Meetings and discussions to review yearly sales targets and optimal levels of stock inventories for promotional activities</li> <li>Joint promotional and strategic partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Quality of facilities and services to enhance shoppers' experience</li> <li>Publicity through collaborative promotional activities</li> <li>Good flow of shopper traffic</li> <li>Strategic partnerships, online projects, new product launches, discounts, VIP memberships etc.</li> <li>Health and safety</li> </ul>
<b>Shoppers</b>	<ul style="list-style-type: none"> <li>Shoppers are crucial to the economic viability of the outlet business</li> </ul>	<ul style="list-style-type: none"> <li>Customer service</li> <li>Marketing and promotional events</li> <li>Online communication platforms including social media</li> <li>Loyalty programmes</li> <li>Customer satisfaction surveys</li> </ul>	<ul style="list-style-type: none"> <li>Range and quality of retail offerings, amenities and services</li> <li>Conducive shopping environment and family-friendliness</li> <li>Availability of promotion campaigns</li> <li>Health and safety</li> <li>Membership benefits</li> <li>Access to public transport</li> </ul>

Key Stakeholder Groups	Relevance to Sasseur REIT	Key Engagement Modes	Key Interests of Stakeholder
<b>Regulators and industry associations</b>	<ul style="list-style-type: none"> <li>Sasseur REIT and the REIT Manager comply with applicable rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Regular participation in briefings and consultations with SGX and MAS</li> <li>Communication and consultations with government agencies</li> <li>Ongoing monitoring of evolving regulatory landscape</li> <li>Annual Report and Sustainability Report</li> <li>Sasseur REIT is a member of REITAS</li> <li>CEO of the REIT Manager is a member of the Promotions sub-committee of REITAS</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with rules and regulations</li> <li>Good corporate governance and transparency</li> <li>Environmental impact</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>People drive our business growth and success. We strive to have a diverse, safe, and healthy work environment for our employees</li> </ul>	<ul style="list-style-type: none"> <li>Orientation programmes for new joiners</li> <li>Half-yearly performance reviews</li> <li>360-degree feedback sessions</li> <li>Training and career development opportunities</li> <li>Team cohesion activities</li> <li>Internal staff communication</li> <li>Employee satisfaction surveys</li> <li>Team meetings</li> <li>Health and wellness initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Fair and equal employment practices</li> <li>Diversity and inclusion</li> <li>Skills development and career progression</li> <li>Employee welfare management</li> <li>Health and wellbeing</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>We seek to make a positive impact and give back to the local communities as part of our corporate social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Employee volunteerism</li> <li>Social entrepreneurship</li> </ul>	<ul style="list-style-type: none"> <li>Contributions to community</li> <li>Impact of business on the environment and society</li> </ul>



# SUSTAINABILITY REPORT

## MATERIALITY ASSESSMENT

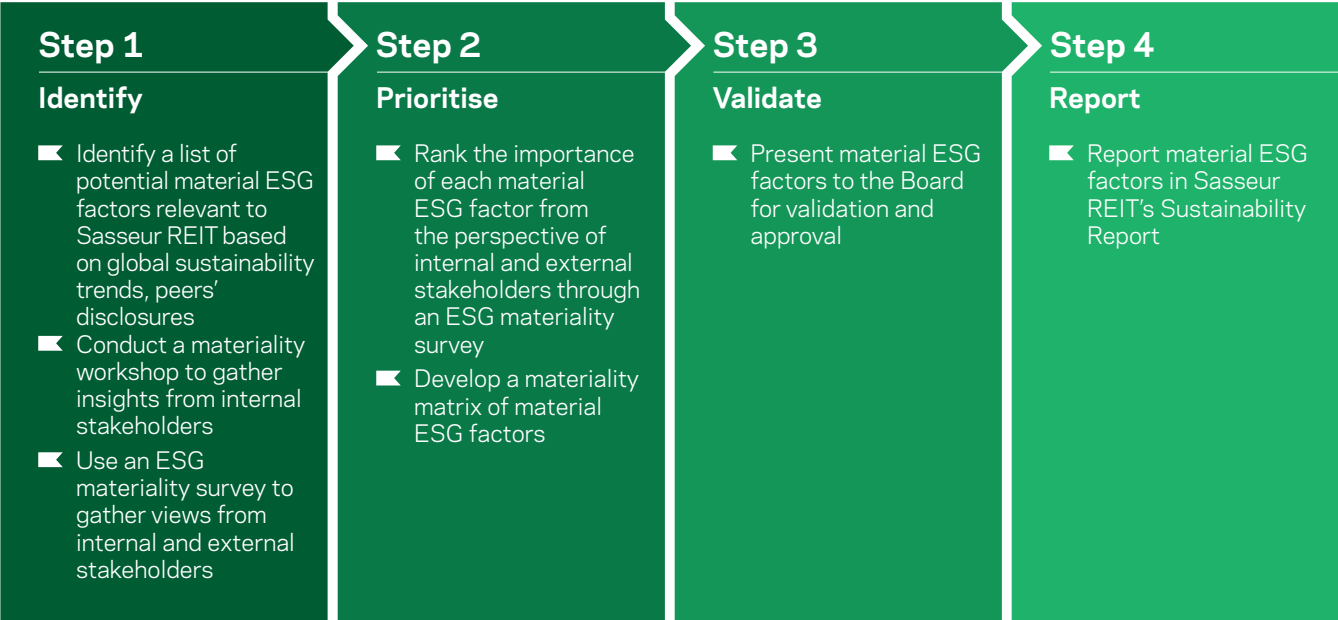
Sasseur REIT’s materiality assessment involves a four-step process to identify our material topics. This process is guided by the GRI Standards’ Principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

The materiality assessment process begins by identifying potential material factors that are relevant to Sasseur REIT and strategically reviewing them to ensure alignment with business strategies. To address key stakeholders' concerns, these material factors are prioritised based on Sasseur

REIT's current risk analysis and disclosures, emerging global and local trends, peer benchmarking, and feedback from both internal and external stakeholders. As part of the materiality assessment, the SSC participates in a workshop, facilitated by an external consultant, to gain insights into the latest industry trends and emerging materiality topics relevant to Sasseur REIT. Additionally, an ESG materiality survey is conducted to gather internal and external stakeholders' perspectives on sustainability and to identify the material ESG factors they prioritise in terms of importance.

The figure below illustrates Sasseur REIT’s four-step materiality assessment process.

### Sasseur REIT’s Four-step Materiality Assessment Process



We conduct an annual materiality review to ensure the material topics remain relevant to Sasseur REIT and its stakeholders. In FY2024, our material ESG factors remained unchanged, as there were no significant changes to our business operations.

Sasseur REIT’s material ESG factors are presented below:

Environmental	Social	Governance
<ul style="list-style-type: none"><li>Managing the Impacts of Climate Change<ul style="list-style-type: none"><li>Greenhouse Gas Emissions</li><li>Climate-related Financial Disclosures</li></ul></li><li>Environmental Footprint<ul style="list-style-type: none"><li>Energy Consumption</li><li>Water Management</li><li>Waste Management</li></ul></li></ul>	<ul style="list-style-type: none"><li>Tenant Management</li><li>Health and Safety<ul style="list-style-type: none"><li>Employees, Tenants and Shoppers</li></ul></li><li>Talent Retention and Training (including local communities)</li></ul>	<ul style="list-style-type: none"><li>Regulatory Compliance<ul style="list-style-type: none"><li>Compliance with Laws and Regulations</li><li>Anti-corruption</li><li>Cybersecurity</li></ul></li></ul>

# ENVIRONMENTAL

## FY2024 PERFORMANCE

FY2024 Targets	FY2024 Performance
Continue assessing emission hotspots to determine expansion of Scope 3 organisational boundary	Ongoing
Reduce energy intensity for landlord-controlled areas by 1% from last financial year	Target not achieved, FY2024 energy intensity for landlord-controlled areas increased by 14.9% as compared to FY2023. Refer to the "Energy Consumption" section on pages 91 to 92 for a detailed explanation.
Reduce water intensity for landlord-controlled areas by 1% from last financial year	Target not achieved, FY2024 water intensity for landlord-controlled areas increased by 12.6% as compared to FY2023. Refer to the "Water Management" section on pages 95 to 96 for a detailed explanation.

## ENVIRONMENTAL TARGETS

Targets	Short-term (by FY2027)	Medium-term (by FY2030)	Long-term (by FY2050) / Perpetual
To disclose all applicable Scope 3 categories by 2028		✓	
REIT Manager to determine base year and set targets for energy and GHG emissions over short, medium, and long-term	✓		
Reduce water intensity for landlord-controlled areas by 1% from FY2024	✓		

## MANAGING THE IMPACTS OF CLIMATE CHANGE

### Enhancing Climate Resilience and Transparency

In this decade, it is crucial to intensify efforts to address climate change and close the gap between current adaptation measures and the required level of action. As highlighted in the Intergovernmental Panel on Climate Change (IPCC) report, human-induced climate change is already influencing many extreme weather and climate events globally. These changes have caused significant adverse effects, including widespread losses and damage to both nature and people<sup>2</sup>. Climate change

presents both risks and opportunities for the real estate sector. Stakeholders in both public and private sectors are increasingly focused on managing climate-related risks and exploring opportunities for climate change adaptation. Sasseur REIT has identified climate-related risks and opportunities impacting our business operations and prepared the TCFD disclosures focusing on four key areas: governance, strategy, risk management, and metrics and targets. Aligned with China's objective of peaking carbon emissions by 2030 and achieving carbon neutrality by 2060<sup>3</sup>, we have implemented strategies to reduce adverse impacts on our business and the environment. These efforts include optimising resource efficiency in our daily operations and strengthening our resilience to climate change.

#### Notes:

<sup>2</sup> IPCC, 2023: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, IPCC, March 2023.

<sup>3</sup> UNFCCC, China First NDC: China's Achievements, New Goals and New Measures for Nationally Determined Contributions, 2021.

# SUSTAINABILITY REPORT

## Climate Scenario Analysis

To deepen our understanding of how climate-related risks and opportunities impact our business activities, Sasseur REIT engaged an independent third-party consultant in the financial year ended 31 December 2022 (FY2022) to perform a quantitative climate scenario analysis for our portfolio in China. This analysis allowed us to better understand the implications of climate-related risks and opportunities on our business, and guided us in strengthening our climate resilience over various time horizons. The assessment considers recent advancements in technology and research to identify and quantify the potential effects of these risks and opportunities. The table below outlines the parameters used in the climate scenario analysis.

Parameters			
		Business as Usual	Net Zero by 2050
Climate scenarios	IPCC scenario <sup>4</sup> alignment for physical risks assessment	<b>RCP8.5</b>  Shows a very high emissions trajectory with a projected global mean surface temperature increase of up to 4.8°C	<b>RCP2.6</b>  Aims to keep global warming likely below 2°C above pre-industrial levels
	International Energy Agency (IEA) scenario <sup>5</sup> alignment for transition risks and opportunities assessment	<b>Stated Policies Scenario (STEPS)</b>  Reflects current policy settings based on an assessment of the existing policies and those that have been announced by governments around the world	<b>Net Zero Emissions by 2050 Scenario (NZE)</b>  Sets out a pathway for the global energy sector to achieve net zero CO <sub>2</sub> emissions by 2050 without relying on emissions reductions from other sectors
Time horizons	By 2030 and by 2050		
Types of climate risks	Physical and Transition risks		
Coverage scope	Sasseur REIT's portfolio of properties - Sasseur (Chongqing Liangjiang) Outlet, Sasseur (Chongqing Bishan) Outlet, Sasseur (Hefei) Outlet and Sasseur (Kunming) Outlet		
Baseline year	2021		

### Notes:

<sup>4</sup> IPCC, Fifth Assessment Report, 2014.

<sup>5</sup> IEA, Global Energy and Climate Model, October 2023.



The qualitative assessment offered a comprehensive overview of potential risks and opportunities that could affect our business operations. Following this, the quantitative analysis evaluated the potential impact of key physical and transition risks, along with opportunities, on our operations.

A summary of the key climate-related risks and opportunities, along with their potential impacts, is as follows:

### Climate-related Risks

Risk Type	Risks	Potential Impacts
<b>Physical risk</b>		
<b>Acute</b>	Riverine flooding	Increased occurrence and intensity of rainfall contribute to more instances where precipitation in catchment areas causes rivers to overflow, flooding nearby areas
	Forest fires	Forest fires may cause significant damage to Sasseur REIT's assets and result in operational disruptions and financial losses
	Extreme heat	Commercial and utility assets may be affected by the malfunction of electronic control systems during periods of extreme heat. Air-conditioning units may stop functioning once they reach their maximum design temperature, leading to operational disruptions
<b>Chronic</b>	Soil subsidence due to drought	Longer dry spells and droughts, resulting from permanent changes in weather patterns, cause a significant reduction in soil moisture within reactive clay soils. This triggers substantial soil movement and cracking. The shrinking and swelling of the soil can lead to the shifting of foundations in Sasseur REIT's assets, resulting in extensive damage
<b>Transition risk</b>		
<b>Policy and legal</b>	Carbon pricing	<p>To achieve China's goals of peaking emissions by 2030 and achieving carbon neutrality by 2060, the Chinese government may introduce stringent policies that contribute to a rise in carbon pricing. These could include an expansion of the national Emissions Trading Scheme (ETS) scope to include the real estate sector or emission allowances reduction which will be passed onto the real estate sector along the value chain.</p> <p>As a result of the indirect costs associated with carbon, the prices of electricity generated from non-renewable sources are expected to rise in the future, leading to higher operating costs for Sasseur REIT.</p>

SUSTAINABILITY REPORT

Climate-related opportunities

Opportunity Type	Opportunities	Opportunity Drivers
Energy source	Renewable energy	<p>China’s ambitious goal of advancing renewable energy adoption is evident in its recently updated Nationally Determined Contributions<sup>6</sup> (NDC).</p> <p>China has pledged to raise the share of non-fossil fuels in its primary energy consumption to approximately 25% by 2030 and to surpass 1.2 billion kW in total installed capacity for solar and wind power by the same year. Additionally, driven by strong regulatory push from the Chinese government, China is making significant strides toward a low-carbon energy transition, which could help make clean energy more widely available and affordable.</p> <p>The increasing adoption of renewable energy in China could potentially lower Sasseur REIT’s operating costs, assuming that Sasseur REIT transitions to clean energy sources.</p>
Market	Green financing	<p>China’s commitment to green finance is evident through its comprehensive policies and substantial investments aimed at fostering sustainable economic growth. China’s green finance market has expanded significantly, with green loans constituting 12.7% of China’s total loan balance by the end of 2023, up from 8.3% in 2021<sup>7</sup>.</p> <p>For Sasseur REIT, this robust green finance landscape presents a strategic opportunity. By aligning with China’s sustainability objectives, Sasseur REIT can access various green financing instruments, such as green bonds and sustainability-linked loans, to fund eco-friendly projects.</p> <p>Moreover, the Chinese government’s proactive stance, including the extension of low-cost loans for carbon reduction projects until 2027, underscores the availability of financial support for green initiatives. Engaging in green financing enables Sasseur REIT to contribute to China’s low-carbon transition while potentially benefiting from favourable financing terms and strengthening its market position.</p>

Notes:

<sup>6</sup> UNFCCC, China’s Achievements, New Goals and New Measures for Nationally Determined Contributions, 2022.  
<sup>7</sup> Zhang, Jing, Song, Ziyang and Nedopil, Christoph, 2024, China green finance status and trends 2023-2024, Griffith Asia Institute, Griffith University (Brisbane) and Green Finance & Development Center, FISF Fudan University (Shanghai).

## Task Force on Climate-related Financial Disclosures

### Introduction

This section of the report details our approach to adopting the TCFD Recommendations, which align with the MAS EnRM Guidelines<sup>8</sup>. It explores the potential physical and transition risks that Sasseur REIT may face in its operations.

The TCFD framework provides a globally recognised reporting structure, promoting consistency and comparability. It enables us to share insights with investors and stakeholders about our strategies for managing climate-related risks and opportunities. By aligning with the TCFD Recommendations, we enhance transparency and clarity in our sustainability efforts, supporting informed financial decisions by investors and key stakeholders.

Our dedication to integrating environmental and climate-related risk considerations into our business and investment processes is demonstrated through the establishment of Sasseur REIT's EnRM Framework which guides the selection and management of our properties, aligning with environmental risk principles to create long-term value for our investors. We are committed to continuously enhancing our risk management and disclosure practices in future Sustainability Reports.

The section below outlines our approach and progress in addressing these risks, along with key initiatives across the four TCFD pillars. This approach underscores our commitment to enhancing our sustainability practices and adapting to evolving climate-related challenges.

### Governance

- a) Board's oversight of climate-related risks and opportunities**
- b) Management's role in assessing and managing climate-related risks and opportunities**

Sasseur REIT's sustainability governance structure, including the key roles and responsibilities of each component of the structure can be found on page 79 of the Sustainability Report.

In 2023, Sasseur REIT established an EnRM Framework which is aligned with the EnRM Guidelines issued by MAS. The EnRM Framework outlines the roles and responsibilities of the Board, the Audit and Risk Committee (ARC), the SC (collectively referred to as Board Committees or Committees) and the SSC in managing environmental risks.

The Board and its Committees are responsible for overseeing the management of Sasseur REIT's environmental risks:

- Approving an EnRM Framework and policies to assess and manage the environmental risk of assets under Sasseur REIT's portfolio
- Setting clear roles and responsibilities of the Board and senior management, including personnel and departments responsible for oversight of environmental risk for assets under Sasseur REIT's portfolio
- Ensuring that Board members have an adequate understanding of environmental risks
- Ensuring that senior management possess the expertise for managing environmental risks
- Identifying various environmental risks and opportunities over the short-term and long-term to evaluate the actual and potential impact of these risks and opportunities on Sasseur REIT's strategies, business plans and properties
- Determining organisational risk appetite and exercising oversight of risk management
- Overseeing the integration of environmental risk into Sasseur REIT's Enterprise Risk Management Framework and Investment Policy
- Overseeing Sasseur REIT's disclosures on environmental risks
- Reviewing the escalations of unanticipated environmental-related events and the relevant risks involved

The Board's dedication to enhancing climate capacity is demonstrated by its efforts to ensure that the SC and SSC undergo sustainability training to equip them with the necessary knowledge and skills to address climate-related issues.

The SSC has the following responsibilities with respect to environmental risk management:

- Ensuring the development and implementation of policies, tools, and metrics to monitor exposures to environmental risk
- Regularly reviewing the effectiveness of the EnRM Framework and metrics and making necessary adjustments, taking into account changes in the business, size, and complexity of Sasseur REIT as well as the risk environment
- Implementing an internal escalation process to address risks in a timely and appropriate manner
- Allocating adequate resources with appropriate expertise, to manage the risks of Sasseur REIT's portfolio
- Updating the Board and its Committees on environmental risk issues such as environmental-related events in a timely manner

#### Note:

<sup>8</sup> MAS, Guidelines on Environmental Risk Management for Asset Managers, December 2020.



# SUSTAINABILITY REPORT

## Strategy

### a) Identifying climate-related risks and opportunities over the short, medium and long-term

Sasseur REIT acknowledges that climate change is transforming the global business landscape. As such, we prioritise identifying climate-related risks and opportunities that are pertinent to our portfolio of properties.

TCFD categorises climate-related risks into physical risks and transition risks.

#### Physical risks

Physical risks arising from climate change significantly impact Sasseur REIT's operations and pose significant financial threats worldwide. The intensity and frequency of climate-related catastrophes have increased in recent years, amplifying the global scale and severity of these challenges. Sasseur REIT's assets in China face physical risks such as floods and heatwaves. Additionally, the growing occurrence of extreme weather events—including cyclones, heavy storms, and other meteorological phenomena—demands a thorough evaluation of the resilience and adaptability of each property within the portfolio. To address these evolving risks, Sasseur REIT must remain proactive in identifying emerging threats, analyse the intricate dynamics of regional climates, and implement strategies to strengthen the resilience of its assets against the impacts of climate change.

#### Transition risks

Transition risks arising from policy shifts, technological advancements, and changes in the low-carbon market landscape could significantly impact Sasseur REIT's strategy and operations. To navigate these evolving market conditions and comply with regulatory requirements, Sasseur REIT must continuously evaluate its investments and climate change commitments. Maintaining resilience and staying competitive during these transitions requires regular reassessment of Sasseur REIT's portfolio.

To proactively address transition risks, Sasseur REIT conducted a scenario analysis in FY2022 as part of its climate-related risk assessment. This analysis incorporated climate scenarios from the IPCC and the IEA. Sasseur REIT plans to perform scenario analysis whenever significant changes occur that could impact the risk profile of its portfolio, such as new property acquisitions or major operational shifts. In FY2024, we have assessed that there were no changes to the portfolio that resulted in changes in Sasseur REIT's climate-risk profile, and the results of the FY2022 scenario analysis remained valid, continuing to guide the climate-related risk assessments for FY2024.

The processes for identifying and evaluating material risks and opportunities relevant to Sasseur REIT are outlined in the "Risk Management" section on page 90 of the Sustainability Report. These processes provide a structured framework for assessing the potential impact of climate-related risks and opportunities on Sasseur REIT's operations and strategy.

For disclosures on the key climate-related risks and opportunities, please refer to the "Climate Scenario Analysis" section on pages 84 to 86 of the Sustainability Report.

### b) Impact of climate-related risks and opportunities on business, strategy, and financial planning

To evaluate the potential impacts of identified physical risks, Sasseur REIT considered various factors, including asset-specific details such as the locations and design specifications of its Outlets, as well as contextual elements like surrounding forests and soil conditions. Climate data was sourced from the Coupled Model Intercomparison Project Phase 5 (CMIP5) and Phase 6 (CMIP6) models. For assessing transition risks, data and assumptions were derived from the IEA's World Energy Outlook (WEO) 2021<sup>9</sup>.

#### Note:

<sup>9</sup> IEA, World Energy Outlook 2021, October 2021.

The table below outlines various climate-related risks identified by Sasseur REIT, categorised by their relevance to its operations over different time horizons and scenarios:

Risk category	Risk	Risk impact				
		Impact description	Business as usual		Net zero by 2050	
			By 2030	By 2050	By 2030	By 2050
Climate-related risks: physical risks						
Acute	Riverine flooding <sup>10</sup>	Increased capital expenditures due to repairing asset damage	High	High	High	High
		Reduced revenue due to operational disruption	High	High	High	High
	Forest fire	Increased capital expenditures due to repairing asset damage	Medium	Medium	Medium	Medium
		Reduced revenue due to operational disruption	High	High	Medium	Medium
	Extreme heat	Reduced revenue due to operational disruption	Medium	Medium	Low	Medium
Chronic	Soil subsidence due to drought	Increased capital expenditures due to repairing asset damage	Low	Low	Low	Low
Climate-related risks: transition risks						
Policy and legal	Carbon pricing	Increased operating costs due to increased non-renewable-based electricity price	Low	Low	Low	Medium

**Note:**

<sup>10</sup> Riverine flooding is only applicable to Sasseur (Hefei) Outlet due to its close proximity to Wangzui Lake.

# SUSTAINABILITY REPORT

## c) Resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Given the significant uncertainty surrounding the extent of global temperature rise and the transition to a low-carbon economy, the scenario analysis results enable Sasseur REIT to prepare for and strengthen its resilience against the potential worst-case impacts of climate change.

Since 2022, Sasseur REIT has established its GHG inventory and set energy reduction targets. We have been consistently monitoring our Scope 1, Scope 2, and Scope 3 emissions and developing action plans to progressively reduce our carbon footprint.

## Risk Management

- a) Process of identifying and assessing climate-related risks
- b) Process of managing climate-related risks
- c) How processes for identifying, assessing, and managing climate-related risks are integrated into overall risk management

The REIT Manager has established a robust Enterprise Risk Management (ERM) framework and ERM Policy which serves to identify, assess and mitigate risks within Sasseur REIT. On an annual basis, the REIT Manager, with the assistance of an external consultant as necessary, conducts a comprehensive review of Sasseur REIT's risk register, incorporating insights from emerging industry trends and market developments. The review covers the following areas:

- Conduct risk surveys with key stakeholders to understand key risks and concerns
- Facilitate a risk prioritisation workshop with senior management and key stakeholders to identify key risks, including climate-related risks
- Review risk parameters, key risk drivers, key risk consequences, existing controls and mitigating measures to manage identified risks
- Develop action plans to further mitigate risks to an acceptable level
- Establish key risk indicators to define thresholds for regular monitoring and reporting to the ARC

On a quarterly basis, the risk coordinator meets with the risk owners and control owners to review Sasseur REIT's risk register. The following areas are discussed:

- Review risk ratings based on established risk parameters
- Review existing controls and mitigating measures to manage identified risks
- Determine whether any new controls and mitigating measures were implemented to manage identified risks
- Review implementation status of action plans
- Determine whether any new action plans should be developed to further mitigate risks to an acceptable level
- Reporting of key risk indicators

These discussions are incorporated into a report which is presented to the ARC every quarter.

For more details on Sasseur REIT's risk management process, please refer to pages 122 to 125 of the Annual Report.

Environmental and climate considerations are incorporated throughout the investment process, from acquisition to the ongoing monitoring of portfolio properties. During the acquisition phase, Sasseur REIT uses an environmental and climate due diligence questionnaire to assess the environmental risks associated with the investment target. Climate-related risks are qualitatively evaluated during due diligence, utilising scenario analysis tools to identify the physical and transition risk exposure of the target investment.

Post acquisition, an Environmental Corrective Action Plan (ECAP) is used for monitoring of environmental risks. The ECAP documents corrective measures to address environmental and climate issues identified during due diligence and aims to enhance the property's performance to meet the agreed operational standards and requirements. Changes in the environmental risk profile, such as new government regulations or unexpected events like environmental disasters, are closely monitored.

## Metrics and Targets

### a) Metrics used to assess climate-related risks and opportunities in line with the strategy and risk management process

Sasseur REIT is reporting on the following metrics to manage climate-related risks associated with emissions, energy and water for the four Outlets in scope:

- GHG emissions – Scope 1, Scope 2, and Scope 3 emissions (pages 93 to 95 of the Sustainability Report)
- Energy consumption – energy intensity (pages 91 to 92 of the Sustainability Report)
- Water management – water intensity (pages 95 to 96 of the Sustainability Report)

Sasseur REIT has also provided past years' data to allow for trend analysis. Based on Sasseur REIT's materiality review, climate-related risks such as emissions, energy and water have been identified as material to the business.

### b) Scope 1, Scope 2, and Scope 3 GHG emissions, and the related risks

Sasseur REIT began measuring and monitoring our Scope 1, Scope 2, and Scope 3 emissions in FY2022. Our performance data is disclosed on pages 93 to 95 of the Sustainability Report.

### c) Targets used to manage climate-related risks and opportunities and performance against targets

Sasseur REIT has set the following targets to manage climate-related risks associated with emissions, energy and water for the four Outlets in scope:

- GHG emissions – Scope 1, Scope 2, and Scope 3 emissions (pages 93 to 95 of the Sustainability Report)
- Energy consumption – energy intensity (pages 91 to 92 of the Sustainability Report)
- Water management – water intensity (pages 95 to 96 of the Sustainability Report)

## ENVIRONMENTAL FOOTPRINT

### Energy Consumption

Optimising energy efficiency not only drives cost savings but also reduces our carbon footprint. In response, the Entrusted Manager is committed to minimising energy consumption within the Outlets through continuous monitoring, process optimisation, and fostering behavioural initiatives.

In addition to conducting regular equipment inspections and maintenance, the Entrusted Manager closely monitors meter readings to promptly detect and address any anomalies. Monthly energy data analysis is also carried out to identify potential opportunities for enhancing energy efficiency.

To further manage energy use, the Entrusted Manager collaborates with tenants to manage energy consumption by promoting energy-saving initiatives during monthly meetings. Additionally, daily checks are performed by the Entrusted Manager to ensure that tenants' main power switches are turned off after operating hours.

#### Recap of Past Initiatives

- Upgraded the central air-conditioning chilled water system with variable frequency control devices to prevent prolonged operation at fixed frequencies, thereby reducing energy consumption
- Used energy efficient LED bulbs and motion sensor lights in public areas and shops
- Replaced worn-out cooling tower ventilation fans to enhance energy efficiency
- Adjusted escalator and lift operations by switching them off after hours and enabling low-speed mode when unoccupied
- Installed solar-powered street lights in open-air car parks
- Installed sunshades within the Outlets to reduce exposure to direct sunlight, which lowered the indoor temperature by 5°C and reduced the energy consumption of the air-conditioning system
- Replaced decentralised air-conditioning control panel with a centralised system, resulting in annual energy savings of 150,000 kWh
- Adjusted operating hours of LED displays to reduce energy consumption

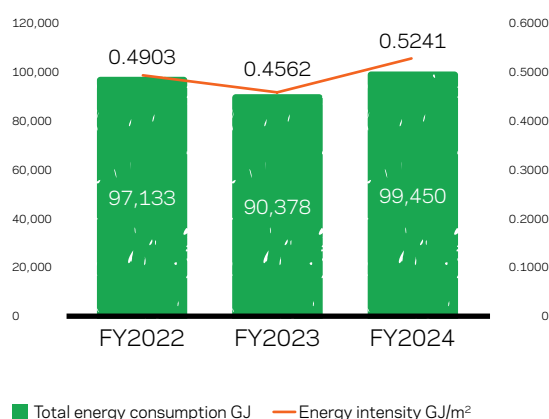
#### New Initiatives to be Implemented

- Air-conditioning system at Sasseur (Chongqing Liangjiang) which has been in use since 2008 will be replaced with an energy-efficient system. High-efficiency cooling towers will be installed in the first quarter of 2025, with works expected to be completed by 2027
- Installation of energy-saving LED displays at Sasseur (Hefei) Outlet by the first quarter of 2025

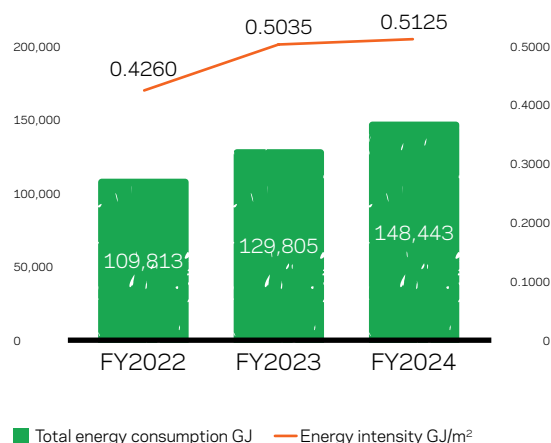


# SUSTAINABILITY REPORT

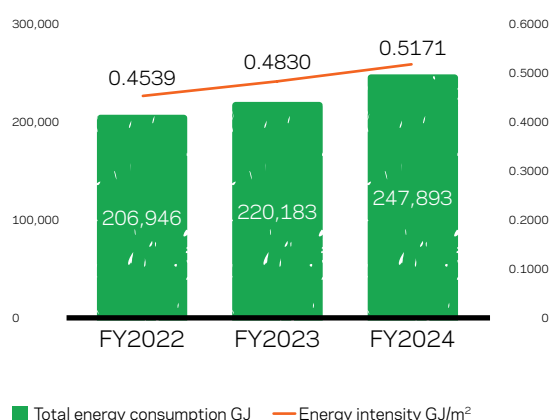
## Landlord Energy Consumption and Intensity



## Tenant Energy Consumption and Intensity



## Total Energy Consumption and Intensity



At landlord-controlled areas, energy consumption in FY2024 increased by 10.0% year-on-year (YoY) to 99,450 GJ, or 0.5241 GJ/m<sup>2</sup> in terms of energy intensity. This was due to extreme heatwaves in Chongqing during the third quarter of 2024 and extended operating hours due to promotional events at the Outlets.

At tenant-controlled areas, energy consumption in FY2024 increased by 14.4% YoY to 148,443 GJ, or 0.5125 GJ/m<sup>2</sup> in terms of energy intensity. This was due to an increase in tenant fit-outs and extreme heatwaves in Chongqing during the third quarter of 2024.

Overall, total energy consumption and total energy intensity stood at 247,893 GJ and 0.5171 GJ/m<sup>2</sup> respectively in FY2024, reflecting a 12.6% increase YoY.

Sasseur REIT will continue collaborating with our tenants to promote energy conservation efforts, and strive to reduce energy consumption across our Outlets.

Fuel Category	Unit	FY2022	FY2023	FY2024
Diesel consumption	GJ	30	27	28
Natural gas consumption	GJ	17,433	16,546 <sup>11</sup>	22,144
Electricity consumption	MWh	52,634	56,558	62,700
	GJ	189,483	203,610	225,721
<b>Total energy consumption</b>	<b>GJ</b>	<b>206,946</b>	<b>220,183</b>	<b>247,893</b>
<b>Energy intensity<sup>12</sup></b>	<b>GJ/m<sup>2</sup></b>	<b>0.4539</b>	<b>0.4830</b>	<b>0.5171</b>

### Notes:

<sup>11</sup> FY2023 natural gas consumption has been revised from 12,695 GJ to 16,546 GJ due to restatement of the natural gas consumption data collected from the Sasseur (Hefei) Outlet.

<sup>12</sup> Energy intensity is calculated based on total energy consumption divided by total operating area, for the corresponding control ownership. Total operating area is the sum of gross floor area and outdoor operating spaces.

## Greenhouse Gas Emissions

The impact of climate change, particularly carbon emissions from energy consumption and other activities, remains a pressing global concern. At Sasseur REIT, we are committed to enhancing energy efficiency and reducing our carbon footprint, with our key initiatives detailed under the "Energy Consumption" section on pages 91 to 92 of the Sustainability Report.

Our GHG emissions are consolidated in accordance with the operational control approach outlined in the GHG Protocol, ensuring consistency with internationally recognised standards.

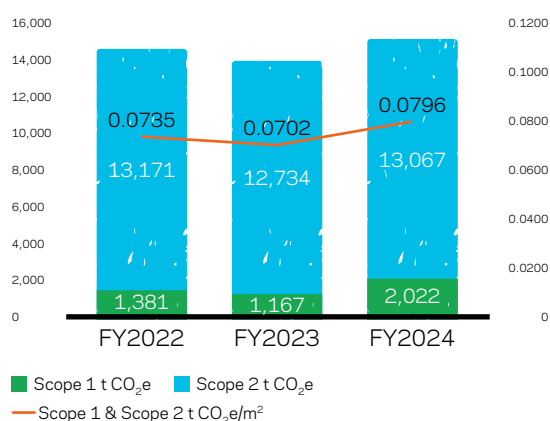
In FY2024, Scope 1 and 2 emissions totalled 15,089 tCO<sub>2</sub>e, reflecting a 8.5% increase from FY2023. This rise was primarily driven by increased operational activities at the Outlets and an increase in refrigerant top-ups<sup>13</sup> in the common areas of certain outlets due to the ageing air-conditioning systems. To address this key Scope 1 emission source, the air-conditioning system at Sasseur (Chongqing Liangjiang) will be replaced with an energy-efficient system by 2027.

The emission intensity for Scope 1 and Scope 2 emissions for FY2024 stood at 0.0796 tCO<sub>2</sub>e/m<sup>2</sup>, marking a 13.4% increase from the previous year. The discrepancy between the overall emissions growth and the rise in emission intensity is attributed to the standardisation and refinement of the Outlets' gross floor area calculations.

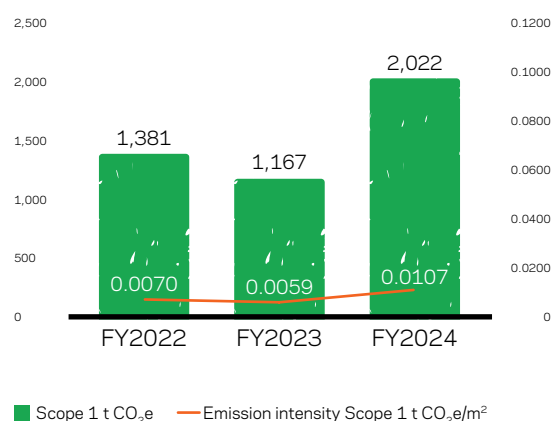
Purchased electricity accounts for the majority of our Scope 1 and 2 GHG emissions, and we remain committed to actively managing and optimising our energy consumption.

Greenhouse Gas Emissions	Unit	FY2022	FY2023	FY2024
Scope 1	t CO <sub>2</sub> e	1,381	1,167 <sup>14</sup>	2,022
Scope 2	t CO <sub>2</sub> e	13,171	12,734	13,067
<b>Total Scope 1 &amp; Scope 2</b>	<b>t CO<sub>2</sub>e</b>	<b>14,552</b>	<b>13,901</b>	<b>15,089</b>
Emission intensity <sup>15</sup> Scope 1	t CO <sub>2</sub> e/m <sup>2</sup>	0.0070	0.0059	0.0107
Emission intensity <sup>15</sup> Scope 2	t CO <sub>2</sub> e/m <sup>2</sup>	0.0665	0.0643	0.0689
<b>Emission intensity<sup>15</sup> (Scope 1 &amp; Scope 2)</b>	<b>t CO<sub>2</sub>e/m<sup>2</sup></b>	<b>0.0735</b>	<b>0.0702</b>	<b>0.0796</b>

Scope 1 & 2 GHG Emissions and Intensity



Scope 1 GHG Emissions and Intensity



### Notes:

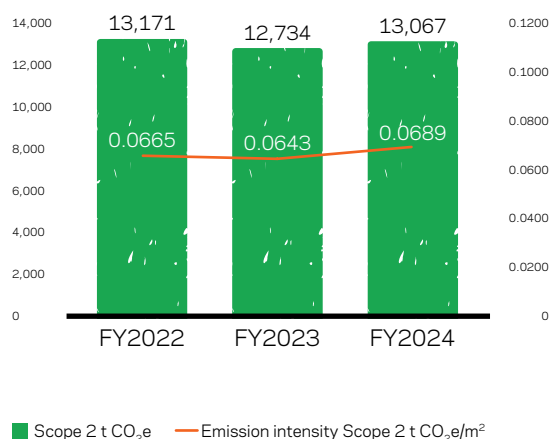
<sup>13</sup> The refrigerant usage is estimated based on the top-up records.

<sup>14</sup> FY2023 Scope 1 emissions have been revised from 1,089 tCO<sub>2</sub>e to 1,167 tCO<sub>2</sub>e due to restatements of the natural gas consumption data collected from the Sasseur (Hefei) Outlet.

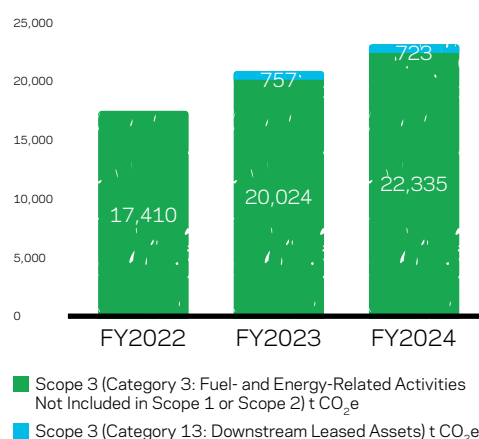
<sup>15</sup> Emission intensity is calculated based on total GHG emission divided by total operating area, for the corresponding emission scope. Total operating area is the sum of gross floor area and outdoor operating areas.

# SUSTAINABILITY REPORT

## Scope 2 GHG Emissions and Intensity



## Scope 3 GHG Emissions



Greenhouse Gas Emissions	Unit	FY2022	FY2023	FY2024
Scope 3 (Category 13: Downstream Leased Assets)	t CO <sub>2</sub> e	17,410	20,024	22,335
Scope 3 (Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2)	t CO <sub>2</sub> e	-	757 <sup>16</sup>	723
<b>Total Scope 3</b>	<b>t CO<sub>2</sub>e</b>	<b>17,410</b>	<b>20,781</b>	<b>23,058</b>

We expanded the scope of our Scope 3 emissions disclosures in FY2023 to improve reporting transparency and carbon footprint accuracy. This included broader coverage of tenant emissions, incorporating energy consumption under Scope 3 Category 13 (Downstream Leased Assets). Additionally, we accounted for the emissions from Scope 3 Category 3 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2), including transmission and distribution (T&D) losses, and well-to-tank (WTT) emissions.

In FY2024, the business travel category is excluded from Scope 3 emissions<sup>17</sup>. Given the complexity and extensive data requirements involved in Scope 3 assessments, we are committed to progressively enhancing data coverage and quality. Our goal is to achieve full disclosure of all applicable Scope 3 categories by 2028.

In FY2024, our Scope 3 Category 13 emissions rose to 22,335 tCO<sub>2</sub>e, reflecting a 11.5% increase from FY2023, primarily due to higher natural gas consumption by food and beverage tenants following the post-COVID recovery. In contrast, our Scope 3 Category 3 emissions decreased by 4.5% YoY to 723 tCO<sub>2</sub>e, largely driven by updated emission factors published in the latest IEA report.

### Notes:

<sup>16</sup> FY2023 landlord emissions have been revised from 833 tCO<sub>2</sub>e to 757 tCO<sub>2</sub>e following the exclusion of the business travel category under Scope 3 emissions and the restatement of emission factors adopted.

<sup>17</sup> In FY2024, the business travel category is excluded from Scope 3 emissions for Sasseur REIT as the category is deemed not material to our business. We aim to complete Scope 3 assessment and disclose all applicable Scope 3 categories by 2028.

As part of our commitment to reducing GHG emissions, we have implemented green landscaping across our Outlets, enhancing the natural environment while contributing to climate resilience. Our properties feature 26,541 m<sup>2</sup> of trees, shrubs, and seedlings, creating a lush and vibrant landscape. Beyond aesthetic and recreational benefits, this greenery plays a crucial role in carbon sequestration, helping to absorb CO<sub>2</sub> from the atmosphere and improve air quality for the community.

In addition to green infrastructure, we continue to champion sustainable mobility solutions by supporting the adoption of Electric Vehicles (EVs). EVs produce approximately 43.4% fewer GHG emissions compared to traditional internal combustion engine (ICE) vehicles, making them a cleaner transportation alternative. We have installed 67 EV charging stations at Sasseur (Hefei) Outlet, providing greater convenience and encouraging wider adoption of low-carbon transportation.

Recognising the increase in GHG emissions and energy consumption this year, we understand the urgent need to accelerate our decarbonisation efforts. Moving forward, we are committed to enhancing energy efficiency, expanding our green initiatives, and exploring innovative solutions to further reduce our carbon footprint.

## Water Management

Recognising water as a finite resource with increasing demand, Sasseur REIT is committed to responsible water management. We actively seek to reduce water consumption through ongoing water conservation initiatives and efficiency improvements.

The Entrusted Manager conducts regular inspections of water supply equipment and monitors meter readings to promptly detect and address any irregularities. Daily checks after operating hours ensure restroom valves and tenants' main water valves are functioning properly and securely shut. Additionally, the Entrusted Manager collaborates with tenants to promote water conservation initiatives during monthly meetings. To maintain high drinking water quality, the secondary water supply tank undergoes routine cleaning, disinfection, and testing.

Each outlet operates its own bio-treatment pond, ensuring wastewater meets national regulatory standards before discharge. To further reduce sewage discharge and ease treatment facility loads, regular sewage pipeline inspections and scheduled pump pit maintenance are conducted. Additionally, rainwater and sewage draining systems are managed through separate drainage systems, and outdoor drainage networks undergo weekly inspections by the Entrusted Manager to ensure water pumps are properly maintained and lubricated.

In addition to regular spot checks by local government authorities on water resource usage and sewage discharge, the Entrusted Manager holds monthly meetings to monitor and review water consumption and quality of sewage discharge.

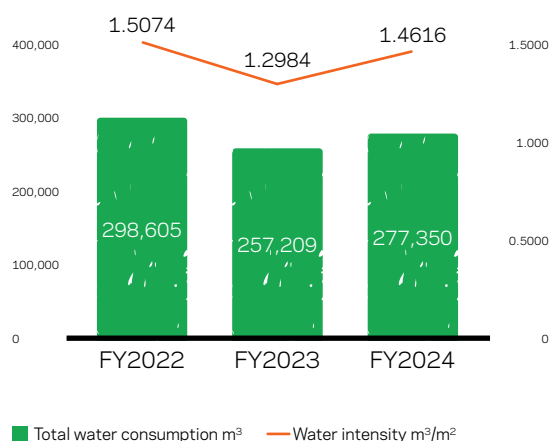
Key water management initiatives aimed at improving water efficiency and minimising water consumption at the Outlets include:

- Installing water-efficient faucets and flush valves in restrooms
- Placing water-filled bottles in each toilet cistern to reduce refilling volumes in toilet cisterns after each flush, leading to annual water savings of around 1,200 m<sup>3</sup>
- Using extracted spring water from the mountains for landscape irrigation, cleaning and water features
- Constructing reclaimed water stations to produce recycled water for landscape irrigation purposes, saving approximately 3,600 m<sup>3</sup> of water annually
- Recycling condensation water from air conditioners for cleaning, resulting in the recycling of approximately 60 m<sup>3</sup> of water annually
- Optimising water supply pressure to meet the standard water consumption requirements of the Outlets

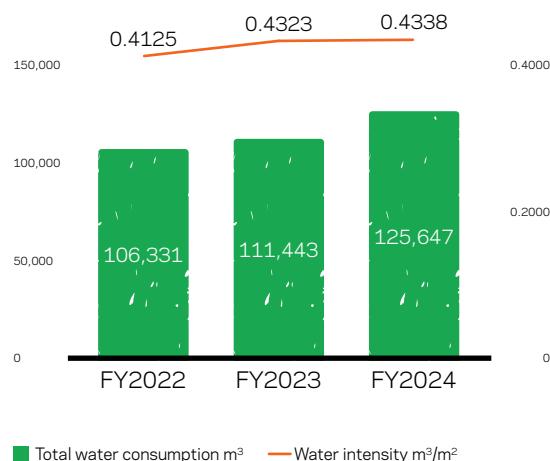


# SUSTAINABILITY REPORT

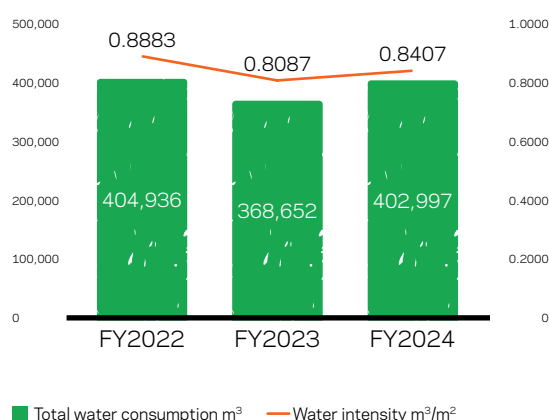
## Landlord Water Consumption and Intensity



## Tenant Water Consumption and Intensity



## Total Water Consumption and Intensity



At landlord-controlled areas, water consumption in FY2024 increased by 7.8% YoY to 277,350 m³, or 1.4616 m³/m² in terms of water intensity. This was partially attributed to the Sasseur (Chongqing) Bishan Outlet, where water usage was higher in FY2024 as the water fountain was under renovation in FY2023 and was not in operation. Additionally, extreme heatwaves in Chongqing during the third quarter of 2024 led to higher water consumption, as more water evaporated from landscaped areas and air-conditioning cooling towers. Asset enhancement initiatives carried out at the Sasseur (Hefei) Outlet also resulted in higher water usage. Finally, green landscaping at the Sasseur (Kunming) Outlet expanded by approximately 2,700 m² in FY2024, leading to greater water usage for irrigation.

At tenant-controlled areas, water consumption in FY2024 increased by 12.7% YoY to 125,647 m³, or 0.4338 m³/m² in terms of water intensity. This was due to an increase in tenant fit-outs and extreme heatwaves in Chongqing during the third quarter of 2024.

Overall, total water consumption and total water intensity stood at 402,997 m³ and 0.8407 m³/m² respectively in FY2024, reflecting a 9.3% increase YoY.

Sasseur REIT will continue collaborating with our tenants to promote water conservation efforts, and strive to reduce water consumption across our Outlets.

Water Source Category	Unit	FY2022	FY2023	FY2024
Third-party water	m³	366,101	361,852	390,811
Ground water	m³	38,835	6,800	12,186
<b>Total water consumption</b>	<b>m³</b>	<b>404,936</b>	<b>368,652</b>	<b>402,997</b>
<b>Water intensity<sup>18</sup></b>	<b>m³/m²</b>	<b>0.8883</b>	<b>0.8087</b>	<b>0.8407</b>

**Note:**

<sup>18</sup> Water intensity is calculated based on total water consumption divided by total operating area, for the corresponding control ownership. Total operating area is the sum of gross floor area and outdoor operating areas.

Waste Management

At Sasseur REIT, we recognise that effective waste management, such as responsible waste disposal and recycling, is essential for environmental protection and pollution reduction. Our commitment to sustainability drives continuous improvements in waste management initiatives to promote sustainability and public health.

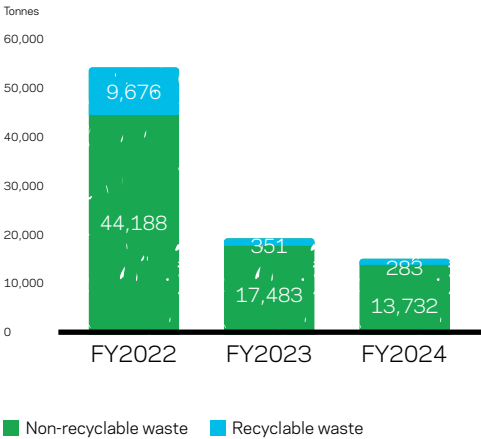
The Entrusted Manager collaborates with tenants and shoppers to implement effective waste reduction strategies across all our Outlets. Tenants are actively encouraged to participate in recycling programmes, and strategically placed recycling bins facilitate shopper engagement in waste recycling efforts.

Various waste materials, including electronic waste, metals, paper, cardboard, and construction debris, are collected and processed by third-party waste management and recycling providers.

Through these initiatives, we continue to drive resource efficiency and reinforce our commitment to sustainable and responsible waste management.

Total waste generated in FY2024 decreased 21.4% YoY as tenants are encouraged to recycle and reuse secondary packaging material to reduce waste.

Waste Generated



Waste Generated	Unit	FY2022	FY2023	FY2024
Non-recyclable waste	Tonnes	44,188	17,483	13,732
Recyclable waste	Tonnes	9,676	351	283
Total waste generated <sup>19</sup>	Tonnes	53,864	17,834	14,015

**Note:**  
<sup>19</sup> Estimation of total waste generated is based on the assumption that each skip truck holds 8 tonnes of waste.

# SUSTAINABILITY REPORT

## SOCIAL

### FY2024 Performance

FY2024 Targets	FY2024 Performance
Zero incidents of fatalities, high-consequence injuries, recordable injuries and recordable work-related ill health cases	Target achieved
Continue to practise fair treatment in the recruitment and selection of employees on the basis of merit, regardless of age, race, gender	Target achieved
Maintain or reduce the employee turnover rate	Target not achieved. Annual employee turnover rate increased to 53.8% <sup>20</sup> in FY2024 (FY2023: 23.1%)
Maintain or increase average training hours per employee	Target not achieved. Average training hours per employee decreased to 23 hours in FY2024 (FY2023: 32 hours). Refer to the "Training and Career Development" section on page 104 for a detailed explanation.

### SOCIAL TARGETS

Targets	Short-term (by FY2027)	Medium-term (by FY2030)	Long-term/ Perpetual (by FY2050)
Zero incidents of fatalities, high-consequence injuries, recordable injuries and recordable work-related ill health cases	✓	✓	✓
Zero complaints of unfair recruitment practices	✓	✓	✓
Minimum average training hours per employee	12	15	20
100% participation rate for annual Employee Satisfaction Survey	✓	✓	✓

### TENANT MANAGEMENT

At Sasseur REIT, we are committed to embedding sustainable practices into our tenant management efforts. Our tenant management strategy emphasises collaboration with tenants to integrate ESG principles into day-to-day operations.

#### Tenant Engagement

The Entrusted Manager actively engages with tenants to promote ESG awareness through informal dialogues and the provision of comprehensive ESG guidelines. These efforts help tenants understand their role in sustainability and align their business practices with our sustainability goals.

### Fit-out and Refurbishment

Before tenants begin their fit-out and refurbishment, the Entrusted Manager reviews the submitted plans to ensure they align with the Entrusted Manager's fit-out guidelines, which emphasise the use of environmentally friendly materials and energy-efficient equipment.

To uphold safety and sustainability standards, the Entrusted Manager also conducts a briefing for contractors hired by the tenants prior to the start of the fit-out and refurbishment work. The briefing covers topics such as onsite safety protocols, proper construction waste disposal, and approved work hours to minimise disruptions to operations. The Entrusted Manager carries out regular spot checks and will issue warnings or stop-work orders if the fit-out guidelines are not followed. Upon the completion of the fit-out and refurbishment, the Entrusted Manager conducts inspections before allowing tenants to begin operations.

**Note:**

<sup>20</sup> The turnover of 7 employees includes 3 employees who departed during the probation period. The annual employee turnover rate would have been 30.8% if these 3 employees were excluded.

## HEALTH AND SAFETY

### Employees, Tenants and Shoppers

Sasseur REIT prioritises the responsible management of health and safety to enhance business resilience, enabling us to respond effectively to potential disruptions. We are dedicated to maintaining a safe and healthy environment for our employees, tenants, and shoppers.

The Entrusted Manager has established a Health and Safety Policy to maintain a healthy and safe environment for all stakeholders. The following initiatives have been implemented at our Outlets:

- **Training programmes:** Employees receive comprehensive training in first aid, evacuation procedures, crowd management, and security measures, including surveillance systems and access control protocols.
- **Collaboration with law enforcement agencies:** Regular meetings between the Entrusted Manager, law enforcement agencies, and security personnel are conducted for information sharing, coordinated planning, and joint training exercises, enhancing emergency response preparedness.
- **Security measures:** Robust security measures, including surveillance systems, access control protocols, and crowd management strategies have been implemented to maintain law and order within our Outlets.
- **Emergency preparedness:** Employees undergo thorough training on emergency procedures and protocols to ensure swift response times during crises. Regular drills are conducted to assess preparedness, including biannual fire drills, while escalators and elevators are routinely inspected for safety.
- **Improving indoor air quality:** The Entrusted Manager conducts regular cleaning and disinfection of air-conditioning filters to minimise bacteria levels and improve the overall efficiency of the air-conditioning system.
- **Regular inspections of tenant premises:** The Entrusted Manager conducts regular inspections of tenant premises to ensure compliance with electrical and fire safety standards. In cases of non-compliance, tenants are notified and given a deadline to address the identified issues.

The REIT Manager has implemented a Workplace Safety and Health (WSH) Policy, aligned with the Workplace Safety and Health Act 2006 (WSH Act) and the Code of Practice on Chief Executives' and Board of Directors' Workplace Safety and Health Duties, issued by the Workplace Safety and Health Council in September 2022. This policy serves as a guideline for employees, contractors, and visitors to uphold safe practices and work procedures within the REIT Manager's office premises.

To prioritise the health and well-being of employees, the REIT Manager conducts quarterly professional deep cleaning of office premises and installs air purifiers to enhance indoor air quality. Additionally, all employees are provided with height-adjustable desks and ergonomic chairs to encourage healthy work habits and minimise the risk of musculoskeletal injuries. The REIT Manager remains committed to fostering a conducive work environment that enhances employee productivity and well-being.

In FY2024, the REIT Manager recorded zero incidents of fatalities, high-consequence injuries, recordable injuries and recordable work-related ill health cases. The REIT Manager aims to continue our progress of zero incidents in the coming year.

### TALENT RETENTION AND TRAINING

The REIT Manager strives to be an employer of choice to consistently attract, retain, and nurture talent, ensuring the long-term success of Sasseur REIT.

An Employee Satisfaction Survey is conducted annually to gather objective feedback on various factors such as job satisfaction, work environment, career development opportunities, communication and feedback, company culture, and compensation and benefits. These insights from the survey help the REIT Manager identify strengths, address areas for improvement, and implement action plans to enhance the work environment. In FY2024, an overall employee satisfaction score of 76.2% was achieved, an improvement from the 74.2% recorded in FY2023. All employees participated in the Employee Satisfaction Survey conducted in 2024.

To continue attracting and retaining qualified talent, the REIT Manager regularly reviews its compensation packages against market data, engaging independent remuneration consultants to guide executive remuneration when required. Full-time employees are offered a comprehensive benefits package that includes life insurance, health coverage, and various leave entitlements, with parental leave provided to all eligible employees. In FY2024, a female employee took parental leave and has since returned to work and remains employed with the REIT Manager.

The REIT Manager is committed to fostering an engaging and rewarding workplace by offering training and career development programmes, alongside employee wellness initiatives, to help employees realise their full potential. Additionally, as part of our dedication to supporting the social development of local communities, the REIT Manager encourages employees to participate in Corporate Social Responsibility (CSR) activities, contributing to societal and community well-being.



# SUSTAINABILITY REPORT

## Diversity and Equal Opportunity

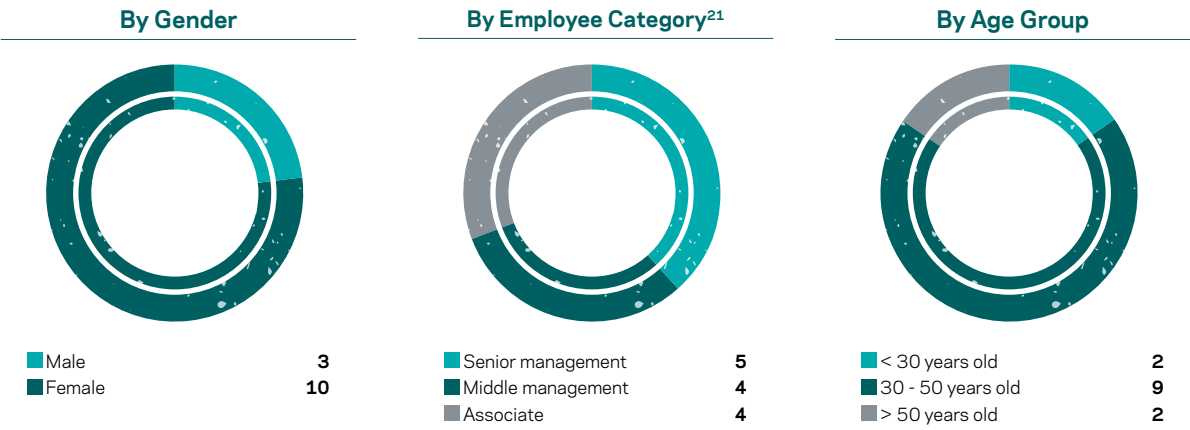
The REIT Manager values workplace diversity, recognising the unique strengths and potential each employee contributes to the organisation. As a signatory of the Tripartite Alliance for Fair & Progressive Employment Practices (TAFEP), the REIT Manager is committed to upholding fair employment practices that promote equal opportunities and eliminate discrimination. These practices include:

- **Merit-based recruitment:** Hiring and selecting employees based on skills, experience, and job performance abilities, regardless of age, race, gender, religion, nationality, sexual orientation, family status, disability, medical condition, or other legally protected characteristics.

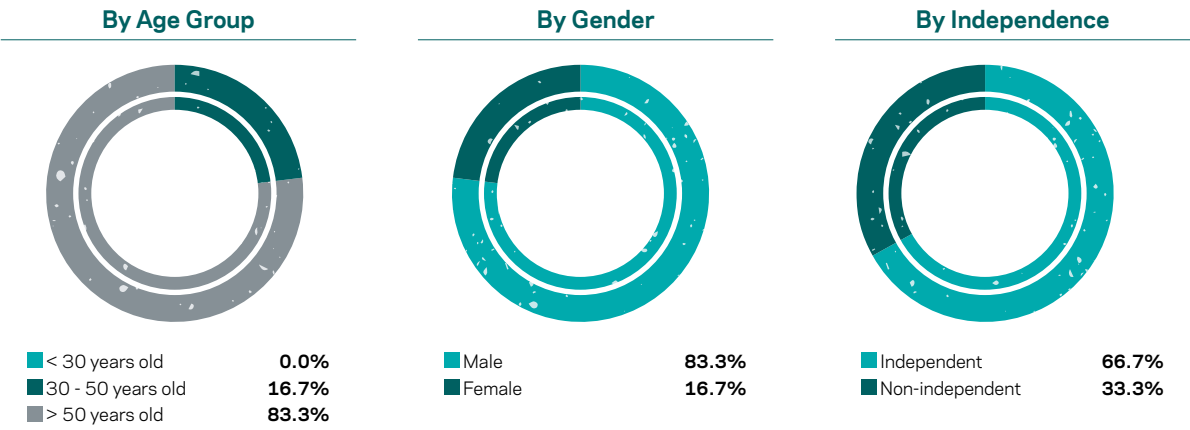
- **Fair treatment:** Ensuring employees are treated with respect and supported by progressive human resource management systems.
- **Equal development opportunities:** Offering training and development opportunities based on individual strengths and needs to help employees reach their full potential.
- **Fair rewards:** Compensating employees fairly based on their abilities, skills, performance, contributions, and experience.
- **Flexible retirement policy:** Employing individuals beyond the retirement age with no mandatory retirement policy, provided their consent is obtained and they remain fit for work.

This commitment underscores the REIT Manager's dedication to fostering an inclusive and equitable workplace.

### Overall Employee Profile



### Diversity of Board of Directors

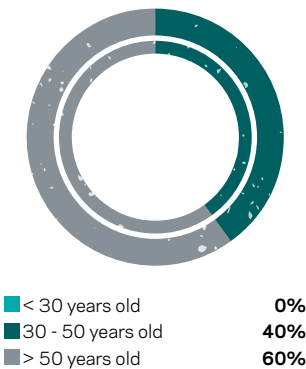


**Note:**  
<sup>21</sup> "Senior management" refers to C-suite, Directors and Senior Associate Directors. "Middle management" refers to Associate Directors, Senior Managers and Managers. "Associate" refers to Assistant Managers, Senior Executives and Executives.

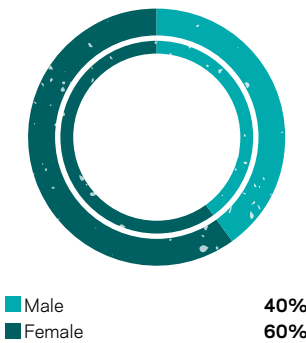
Diversity of Employees

Senior Management

By Age Group

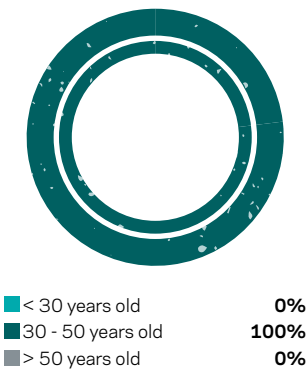


By Gender

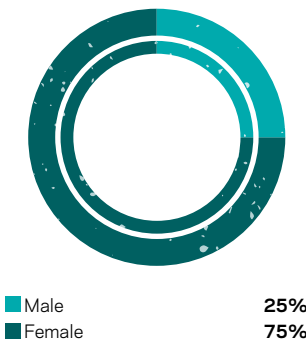


Middle Management

By Age Group

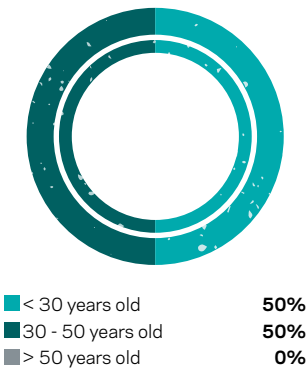


By Gender

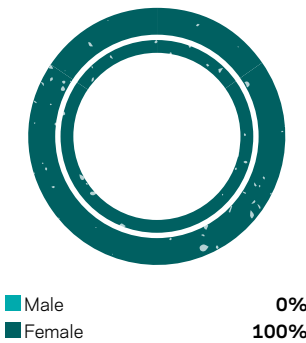


Associate

By Age Group



By Gender



# SUSTAINABILITY REPORT

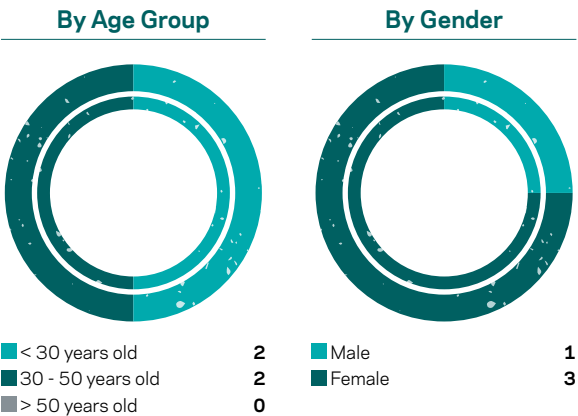
## New Employee Hires and Employee Turnover

To ensure a smooth onboarding process that helps new hires integrate seamlessly into our workplace culture, the REIT Manager conducts an induction programme led by the CEO, Human Resources Department, and Compliance Department. The induction programme provides new employees with a deeper insight into Sasseur REIT’s history, business, values, mission, and policies.

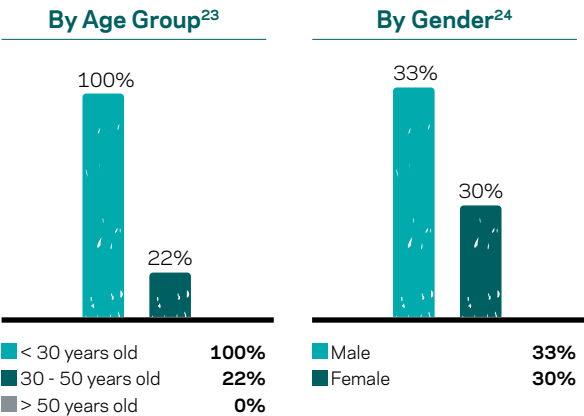
The Human Resources Department also conducts exit interviews with all departing employees to understand their reasons for leaving. Feedback collected during these interviews is reviewed and used by the Human Resources Department to enhance the REIT Manager’s work environment and processes.

In FY2024, the REIT Manager hired 4 new employees and had a turnover of 7 employees. The annual new employee hires rate and annual employee turnover rate stood at 30.8% and 53.8%<sup>22</sup> respectively, an increase from 15.4% and 23.1% respectively in FY2023.

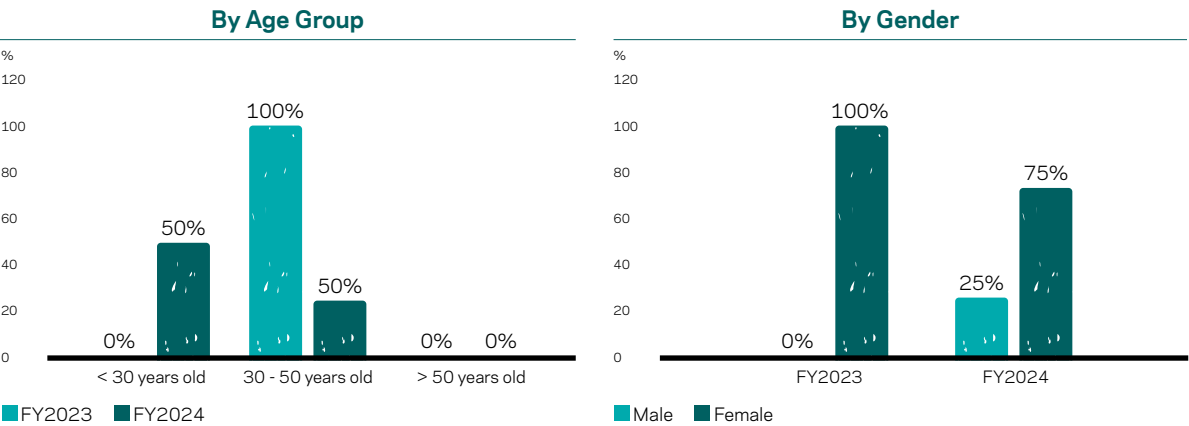
FY2024 New Employee Hires



FY2024 New Employee Hire Rate



Summary of Annual New Hires Rate Between FY2023 and FY2024



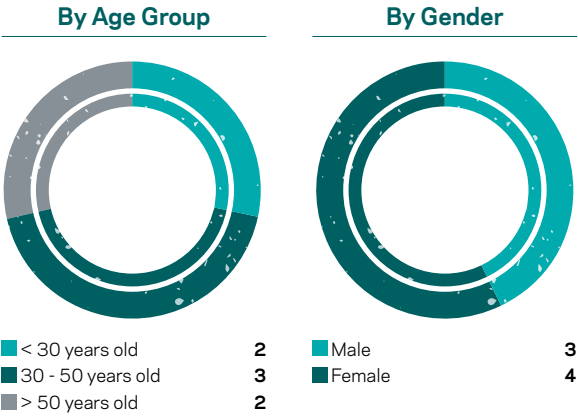
**Notes:**

<sup>22</sup> The turnover of 7 employees includes 3 employees who departed during the probation period. The annual employee turnover rate would have been 30.8% if these 3 employees were excluded.

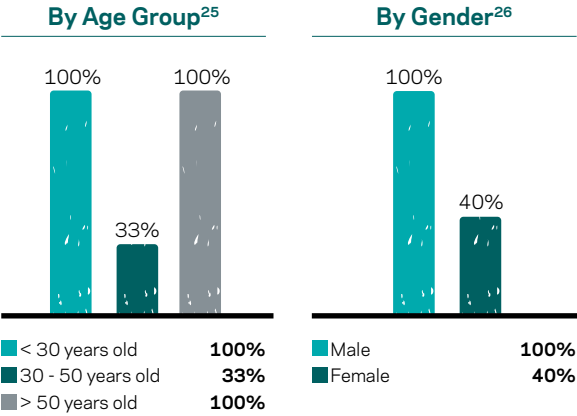
<sup>23</sup> Annual new employee hire rate (by age group) is calculated as: Total new employee hires by age group / number of employees by age group as at end of financial year.

<sup>24</sup> Annual new employee hire rate (by gender) is calculated as: Total new employee hires by gender / number of employees by gender as at end of financial year.

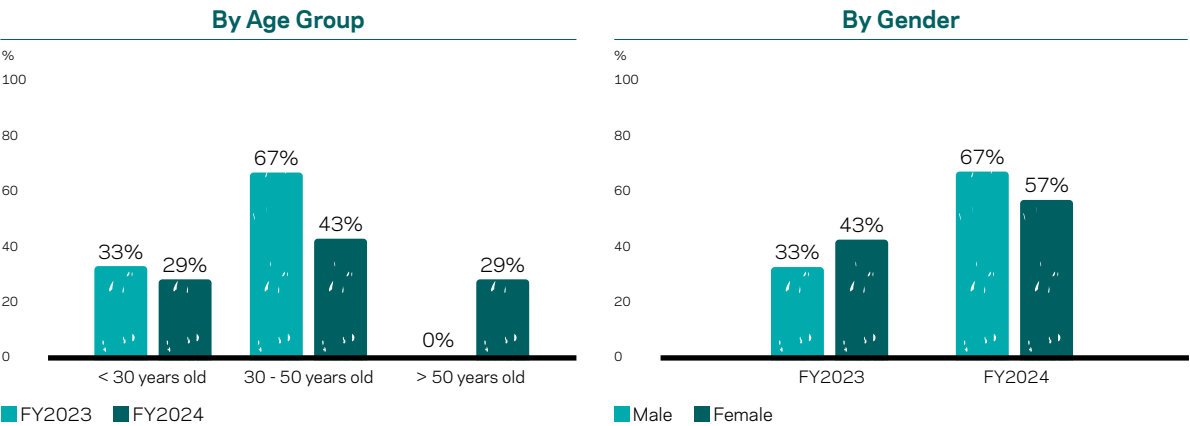
FY2024 Employee Turnover



FY2024 Turnover Rate



Summary of Annual Rate of Employee Turnover Between FY2023 and FY2024



Notes:

<sup>25</sup> Annual turnover rate (by age group) is calculated as: Total turnover by age group / number of employees by age group as at end of financial year.

<sup>26</sup> Annual turnover rate (by gender) is calculated as: Total turnover by gender / number of employees by gender as at end of financial year.



# SUSTAINABILITY REPORT

## Performance Management

The REIT Manager has implemented a transparent and equitable performance management system to support employee development and drive organisational excellence. This system includes semi-annual performance appraisals and an annual 360-degree feedback assessment. These processes evaluate employee performance against predefined competencies, recognise achievements, establish clear and achievable goals, and identify opportunities for personal and professional growth, fostering a culture of continuous improvement.

The 360-degree feedback assessment provides all employees with the opportunity to offer feedback on the strengths and areas for improvement for development of colleagues and reporting managers. This process enhances self-awareness and encourages a culture of open, honest communication within the organisation.

In FY2024, the REIT Manager conducted performance and career development reviews for all employees.

## Training and Career Development

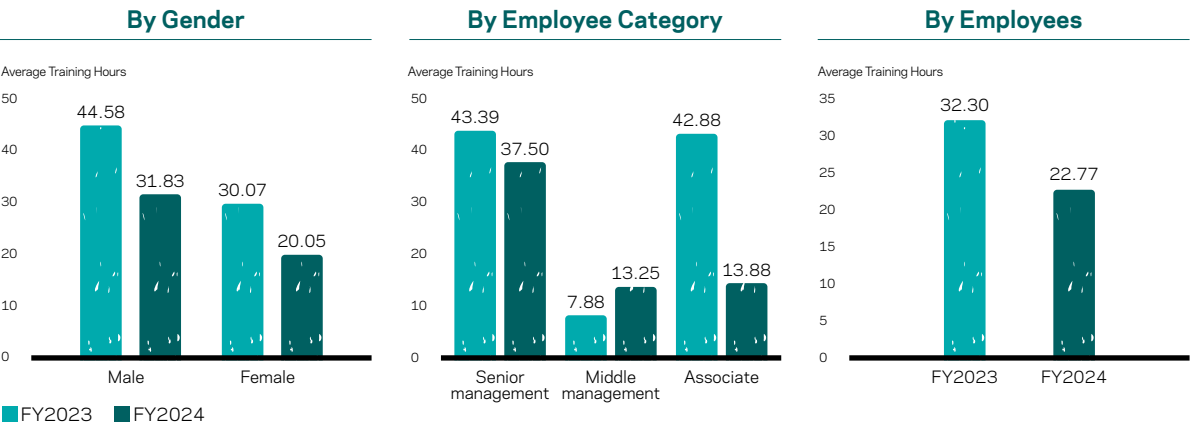
The REIT Manager recognises the importance of investing in employees through training and career development programmes. These initiatives help employees expand their knowledge, develop both soft and hard skills, and stay aligned with industry trends. As a result, productivity is enhanced, and employee morale and confidence are boosted.

All employees are given an equal opportunity to participate in training programmes designed to help them reach their full potential.

The REIT Manager encourages all employees to participate in training sessions, conferences, and seminars to support their professional and personal growth. Additionally, the REIT Manager sponsors part-time courses related to an employee's job responsibilities, typically offered by reputable local institutions, schools, and universities.

In FY2024, the REIT Manager's average training hours per employee decreased to 22.77 hours compared to 32.30 hours in FY2023. This was primarily due to employees departing in the first half of the year before the commencement of scheduled training.

FY2024 Average Training Hours Per Employee Against FY2023



## Employee Wellness



1



2

1. Employees of the REIT Manager at the boxing class
2. Employees attended the REIT Manager's inaugural Family Day event

The REIT Manager prioritises fostering a workplace culture that promotes mental, physical, and social wellbeing, empowering employees to thrive and reach their full potential. To support this, we continue to offer flexible working arrangements, helping employees better manage their work-life balance and safeguarding their overall wellbeing.

Throughout the year, team-building activities were organised, as we believe that it is a critical aspect of fostering a healthy, productive, and cohesive work environment. Employees participated in a boxing class, where they learned essential boxing techniques that helped improve their strength, reflexes, agility, and endurance—promoting both physical and mental resilience. Employees also had the opportunity to express their creativity by designing and assembling individual closed terrariums. The REIT Manager also organised its inaugural Family Day. This event brought together employees, their families, and friends for a festive Christmas celebration, fostering a sense of belonging and unity. These initiatives align with our values of sustainability, teamwork, and employee engagement, contributing to a holistic, thriving workplace culture.

# SUSTAINABILITY REPORT

## Local Communities

“Connecting with local communities is integral to our commitment to creating a positive social impact and supporting underprivileged groups. In the past years, we have partnered with various local stakeholders to direct resources into initiatives that work to improve social conditions.

In FY2024, we participated in the following CSR initiatives:



### VOLUNTEERING WITH PROJECT DIGNITY

Project Dignity is a social enterprise with a mission to restore dignity to the disabled and disadvantaged through vocation and passion. In October 2024, employees gathered at Project Dignity's Dignity Kitchen to pack and distribute 100 bento meals to low-income families in the local community. This initiative underscored our commitment to social responsibility and community engagement, while supporting the well-being of those in need within the community.

### DONATING SCHOOL SUPPLIES TO STUDENTS FROM CHANGLINGZI PRIMARY SCHOOL

Sasseur (Kunming) Outlet donated school supplies such as school bags and stationery to students from Changlingzi Primary School in Awang Town, Dongchuan district.





## PARTNERING WITH HUIJIE LOVE FOUNDATION AND MANIFEN

Sasseur (Chongqing Liangjiang) Outlet and Sasseur (Chongqing Bishan) Outlet partnered with Huijie Love Foundation and Manifen to organise a breast prosthesis donation event called "Care for Breast Pink Plan (关爱乳房粉红计划)" on Mother's Day to support breast cancer patients and raise awareness about breast health. 100 sets of post-surgery bras and matching breast prostheses were donated to post-surgery breast cancer patients to help them regain their confidence.

## SUPPORTING ANIMAL WELFARE

Sasseur (Hefei) Outlet partnered with Anhui Province's radio station FM98.5 to support animal welfare. A series of pet adoption events titled "I Want a Home" was held at Sasseur (Hefei) Outlet. Sasseur (Hefei) Outlet is the first pet-friendly outlet in Anhui Province.





# SUSTAINABILITY REPORT

## GOVERNANCE

### FY2024 PERFORMANCE

FY2024 Targets	FY2024 Performance
Zero incidents of non-compliance with relevant laws and regulations resulting in fines or non-monetary sanctions	Target achieved
Zero incidents of corruption	Target achieved
Zero incidents of identified leaks, thefts, or losses of data	Target achieved

### GOVERNANCE TARGETS

Targets	Short-term (FY2027)	Medium-term (by FY2030)	Long-term/ Perpetual (by FY2050)
Zero incidents of non-compliance with relevant laws and regulations resulting in fines or non-monetary sanctions	✓	✓	✓
Zero incidents of corruption	✓	✓	✓
Zero incidents of identified leaks, thefts, or losses of data	✓	✓	✓

### REGULATORY COMPLIANCE

Sasseur REIT is committed to maintaining robust corporate governance practices, emphasising accountability, transparency, and sustainability. These practices are designed to drive long-term value for Unitholders, safeguard stakeholder interests, and ensure sustainable business performance. We are dedicated to ethical business operations and strict compliance with applicable laws and regulations, recognising these as fundamental to fostering trust and credibility among our stakeholders.

#### Compliance with Laws and Regulations

As a listed entity on the SGX and a holder of the Capital Markets Services Licence (CMSL) issued by MAS, Sasseur REIT and the REIT Manager understand the critical importance of complying with legal and regulatory requirements. This adherence helps prevent potential regulatory actions, including licence revocations, reputational harm, financial penalties, and operational losses.

The REIT Manager actively monitors regulatory developments to stay informed about the evolving regulatory landscape. Updates on changes to laws and regulations are communicated to the Board and employees as needed to ensure ongoing compliance.

The REIT Manager maintains a comprehensive Compliance Manual that outlines the obligations under the SGX-ST Mainboard Listing Rules, the Code on Collective Investment Schemes applicable to Sasseur REIT, and the Securities and Futures Act 2001, along with its related regulations, notices, guidelines, and circulars relevant to REIT management activities. This manual is reviewed and updated annually to address compliance risks and ensure adherence to all applicable laws and regulations. Additionally, a compliance monitoring programme has been implemented, and any instances of non-compliance are promptly reported to the ARC. Corrective actions are taken swiftly to address breaches or deficiencies identified.

The REIT Manager ensures that its employees receive regular training to stay updated on applicable laws and regulations. CMSL representatives complete an annual Rules and Ethics training to remain informed about regulatory developments.

In FY2024, there were no incidents of non-compliance with relevant laws and regulations that resulted in fines or non-monetary sanctions.

## Anti-corruption

Sasseur REIT is dedicated to conducting its business with integrity and adhering to the highest ethical standards to prevent corruption, bribery, and extortion. These unethical practices can harm Sasseur REIT's reputation and undermine the trust of stakeholders, including Unitholders and business partners. Reflecting our commitment to professionalism, fairness, and integrity in all business interactions, we maintain a strict 'zero-tolerance' policy against any form of corruption, bribery, or extortion.

Employees and directors of the REIT Manager are required to submit a Fit and Proper Criteria Declaration both during their onboarding process and annually thereafter.

The following policies and procedures have been implemented to ensure that business dealings are conducted with fairness and transparency:

Policies and Procedures	Objectives
<b>Anti-bribery and Corruption Policy</b>	<p>Sets out the responsibilities of Sasseur REIT and its subsidiaries, the REIT Manager and of each employee in observing and upholding the REIT Manager's 'zero-tolerance' approach against all forms of corruption, bribery and extortion.</p> <p>It also provides information and guidance to employees on how to recognise, address, resolve, avoid and prevent instances of corruption, bribery and extortion which may arise in the course of their work.</p>
<b>Anti-money Laundering Manual</b>	Assists the REIT Manager in understanding its legal and regulatory obligations as well as the internal policies and procedures instituted by the REIT Manager when conducting its business.
<b>Code of Conduct</b>	<p>Sets out the behaviour and conduct expected of all employees.</p> <p>The Code of Conduct is available on Sasseur REIT's website at <a href="https://www.sasseurreit.com/code-of-conduct.html">https://www.sasseurreit.com/code-of-conduct.html</a></p>
<b>Conflict of Interest Policy</b>	Framework to provide guidance on dealing with conflicts of interest.
<b>Interested Person Transaction Policy</b>	Sets out the procedures of the REIT Manager to identify interested person transactions and highlight the relevant approval, announcement and disclosure requirements.
<b>Personal Account Dealing Policy</b>	Sets out the procedures to all directors and employees of the REIT Manager with regards to dealings in Sasseur REIT and aims to prevent insider trading through effective trading restrictions of dealings in securities.
<b>Procedure on Declaration of Gifts and Entertainment</b>	Procedures established by the REIT Manager on the receipt and provision of gifts and entertainment.
<b>Whistle-blowing Policy</b>	<p>Provides a framework to encourage the REIT Manager's employees and stakeholders such as customers, suppliers and service providers to use the procedures to report any concern or complaint, possible improprieties in matters of financial reporting, and other malpractices.</p> <p>The Whistle-blowing Policy is available on Sasseur REIT's website at <a href="https://www.sasseurreit.com/whistle-blowing-policy.html">https://www.sasseurreit.com/whistle-blowing-policy.html</a></p>

The REIT Manager recognises that corrupt practices can harm Sasseur REIT's reputation and erode stakeholder trust. As part of its ERM framework, the REIT Manager has evaluated potential corruption risks within Sasseur REIT's operations. To address these risks, measures have been implemented to prevent non-compliance with laws and regulations that could result in fines, sanctions, or damage to reputation. For more information on Sasseur REIT's ERM framework, please refer to pages 122 to 125 of the Annual Report.

All employees and directors of the REIT Manager undergo regular anti-corruption training. The Anti-bribery and Corruption Policy has been communicated to all employees. There were no reported instances of bribery, corruption, or fraud during the year.

# SUSTAINABILITY REPORT

## Cybersecurity

Sasseur REIT acknowledges the growing risk of cyberattacks, which have led to data breaches and leaks globally. We place significant emphasis on cybersecurity within the organisation to address both existing and emerging risks posed by the evolving cyber threat landscape. We are committed to continuously enhancing our IT infrastructure to safeguard sensitive and confidential data from unauthorised access, use, or disclosure.

To ensure the integrity and availability of the data environment, the REIT Manager has implemented an Information Security Policy. This policy outlines the technical controls and security configurations that users and IT administrators must adhere to. Additionally, it provides guidelines and policies regarding the acceptable use of the REIT Manager's technology equipment and email.

The REIT Manager has established a Handling of Confidential Information Policy that outlines procedures for classifying information based on its sensitivity and provides guidance to employees on how to handle confidential information. Additionally, the REIT Manager ensures compliance with the Personal Data Protection Act (PDPA) and has implemented a Personal Data Protection Policy. This policy is available on Sasseur REIT's website at <https://www.sasseurreit.com/privacy-policy.html>.

All employees and directors of the REIT Manager undergo regular, comprehensive IT security awareness training to foster and sustain a strong cybersecurity awareness and culture within the organisation.

In FY2024, there were no incidents of identified leaks, thefts, or losses of data.



# GRI CONTENT INDEX

<b>Statement of use</b>	Sasseur REIT has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	N/A

GRI Disclosure	Disclosure Requirements	Disclosure Information and Page Reference
<b>GRI 2: General Disclosures 2021</b>		
<b>2-1</b>	Organisational details	Annual Report, About Sasseur REIT, page 2
<b>2-2</b>	Entities included in the organisation's sustainability reporting	Sustainability Report, About this Report – Reporting Period and Scope, page 78
<b>2-3</b>	Reporting period, frequency and contact point	<ul style="list-style-type: none"> <li>Sustainability Report, About this Report – Reporting Period and Scope, page 78</li> <li>Sustainability Report, About this Report – Feedback, page 78</li> </ul>
<b>2-4</b>	Restatements of information	We have restated the data for the energy consumption, and Scope 1 and 3 emissions within Sasseur REIT's Outlets for FY2023 due to a change in methodology of natural gas consumption data collection for Sasseur (Hefei) Outlet and the exclusion of the business travel category from Scope 3 emissions. The data has been corrected on pages 92 to 94 of this Sustainability Report.
<b>2-5</b>	External assurance	No external assurance was sought for this report. External assurance by independent professional bodies will be considered as our reporting matures over time.
<b>2-6</b>	Activities, value chain and other business relationships	Annual Report, About Sasseur REIT, page 2
<b>2-7</b>	Employees	Sustainability Report, Talent Retention and Training – Diversity and Equal Opportunity, pages 100 to 103
<b>2-8</b>	Workers who are not employees	Not applicable due to the nature of our business.
<b>2-9</b>	Governance structure and composition	<ul style="list-style-type: none"> <li>Sustainability Report, Managing Sustainability – Sustainability Governance, page 79</li> <li>Annual Report, Corporate Governance – Board Composition and Guidance, page 130</li> </ul>
<b>2-10</b>	Nomination and selection of the highest governance body	Annual Report, Corporate Governance – Board Membership, pages 133 to 135
<b>2-11</b>	Chair of the highest governance body	Annual Report, Board of Directors, pages 42 to 45
<b>2-12</b>	Role of the highest governance body in overseeing the management of impacts	Sustainability Report, Managing Sustainability – Sustainability Governance, page 79



# GRI CONTENT INDEX

GRI Disclosure	Disclosure Requirements	Disclosure Information and Page Reference
<b>GRI 2: General Disclosures 2021</b>		
<b>2-13</b>	Delegation of responsibility for managing impacts	Sustainability Report, Managing Sustainability – Sustainability Governance, page 79
<b>2-14</b>	Role of the highest governance body in sustainability reporting	Sustainability Report, Managing Sustainability – Sustainability Governance, page 79
<b>2-15</b>	Conflicts of interest	<ul style="list-style-type: none"> <li>▪ Corporate Governance Report, Dealing with Conflicts of Interest, pages 146 to 147</li> <li>▪ Corporate Governance Report, Interested Person Transactions (IPT) / Related Party Transactions (RPT), pages 147 to 148</li> </ul>
<b>2-16</b>	Communication of critical concerns	Annual Report, Corporate Governance – Whistle-blowing Policy, page 143
<b>2-17</b>	Collective knowledge of the highest governance body	<ul style="list-style-type: none"> <li>▪ Annual Report, Board of Directors, pages 42 to 45</li> <li>▪ Annual Report, Corporate Governance – Board Composition and Guidance, page 130</li> </ul>
<b>2-18</b>	Evaluation of the performance of the highest governance body	Annual Report, Corporate Governance – Board Performance, page 135
<b>2-19</b>	Remuneration policies	Annual Report, Corporate Governance – Remuneration Matters, pages 136 to 138
<b>2-20</b>	Process to determine remuneration	Annual Report, Corporate Governance – Remuneration Matters, pages 136 to 138
<b>2-21</b>	Annual total compensation ratio	Confidentiality constraints. We are unable to disclose the ratio due to the highly competitive labour market.
<b>2-22</b>	Statement on sustainable development strategy	Sustainability Report, Board Statement, pages 76 to 77
<b>2-25</b>	Processes to remediate negative impacts	<ul style="list-style-type: none"> <li>▪ Sustainability Report, Managing Sustainability – Stakeholder Engagement, pages 80 to 81</li> <li>▪ Annual Report, Corporate Governance – Whistle-blowing Policy, page 143</li> </ul>
<b>2-26</b>	Mechanisms for seeking advice and raising concerns	Annual Report, Corporate Governance – Whistle-blowing Policy, page 143
<b>2-27</b>	Compliance with laws and regulations	Sustainability Report, Regulatory Compliance – Compliance with Laws and Regulations, page 108
<b>2-28</b>	Membership associations	REITAS, The Institute of Singapore Chartered Accountants (ISCA), Financial Industry Disputes Resolution Centre (FIDReC), Singapore Business Federation (SBF) and Singapore Chinese Chamber of Commerce & Industry (SCCCI)
<b>2-29</b>	Approach to stakeholder engagement	Sustainability Report, Managing Sustainability – Stakeholder Engagement, pages 80 to 81
<b>2-30</b>	Collective bargaining agreements	There are no collective bargaining agreements in place.
<b>GRI 3: Material Topics 2021</b>		
<b>3-1</b>	Process to determine material topics	Sustainability Report, Materiality Assessment, page 82
<b>3-2</b>	List of material topics	Sustainability Report, Materiality Assessment, page 82

Standards	Disclosure	Disclosure Information and Page Reference
<b>Managing the Impacts of Climate Change</b>		
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	Sustainability Report, Managing the Impacts of Climate Change, pages 83 to 90
<b>GRI 201: Economic Performance 2016</b>	<b>201-2</b> Financial implications and other risks and opportunities due to climate change	Sustainability Report, Managing the Impacts of Climate Change, pages 83 to 90
<b>GRI 305: Emissions 2016</b>	<b>305-1</b> Direct (Scope 1) GHG emissions	Sustainability Report, Greenhouse Gas Emissions, pages 93 to 95
	<b>305-2</b> Energy indirect (Scope 2) GHG emissions	Sustainability Report, Greenhouse Gas Emissions, pages 93 to 95
	<b>305-3</b> Other indirect (Scope 3) GHG emissions	Sustainability Report, Greenhouse Gas Emissions, pages 93 to 95
	<b>305-4</b> GHG emissions intensity	Sustainability Report, Greenhouse Gas Emissions, pages 93 to 95
	<b>305-5</b> Reduction of GHG emissions	Sustainability Report, Greenhouse Gas Emissions, pages 93 to 95
<b>Environmental Footprint</b>		
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	Sustainability Report, Environmental Footprint, pages 91 to 97
<b>GRI 302: Energy 2016</b>	<b>302-1</b> Energy consumption within the organisation	Sustainability Report, Environmental Footprint - Energy Consumption, pages 91 to 92
	<b>302-3</b> Energy intensity	Sustainability Report, Environmental Footprint - Energy Consumption, pages 91 to 92
<b>GRI 303: Water and Effluents 2018</b>	<b>303-1</b> Interactions with water as a shared resource	Sustainability Report, Environmental Footprint - Water Management, pages 95 to 96
	<b>303-2</b> Management of water discharge-related impacts	Sustainability Report, Environmental Footprint - Water Management, pages 95 to 96
	<b>303-3</b> Water withdrawal	Sustainability Report, Environmental Footprint - Water Management, pages 95 to 96
	<b>303-5</b> Water consumption	Not applicable due to the nature of our business. We will continue to monitor the relevance of the disclosure for future reporting.
<b>Non-GRI</b>	Water withdrawal intensity	Sustainability Report, Environmental Footprint - Water Management, pages 95 to 96
<b>GRI 306: Waste 2020</b>	306-3 Waste generated	Sustainability Report, Environmental Footprint - Waste Management, page 97

# GRI CONTENT INDEX

Standards	Disclosure	Disclosure Information and Page Reference
<b>Tenant Management</b>		
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	Sustainability Report, Tenant Management, page 98
<b>Non-GRI (GRESB)</b>	Tenant Engagement Program	Sustainability Report, Tenant Management, page 98
	Fit-out and Refurbishment Program	Sustainability Report, Tenant Management, page 98
<b>Health and Safety</b>		
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	Sustainability Report, Health and Safety, page 99
<b>GRI 403: Occupational Health and Safety 2018</b>	<b>403-1</b> Occupational health and safety management system	Sustainability Report, Health and Safety, page 99
	<b>403-7</b> Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report, Health and Safety, page 99
	<b>403-9</b> Work-related injuries	Sustainability Report, Health and Safety, page 99
	<b>403-10</b> Work-related ill health	Sustainability Report, Health and Safety, page 99
<b>Non-GRI</b>	Tenant Health & Well-being Measures	Sustainability Report, Health and Safety, page 99

Standards	Disclosure	Disclosure Information and Page Reference
<b>Talent Retention and Training</b>		
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	Sustainability Report, Talent Retention and Training, pages 99 to 107
<b>GRI 401: Employment 2016</b>	<b>401-1</b> New employee hires and employee turnover	Sustainability Report, Talent Retention and Training - New Employee Hires and Employee Turnover, pages 102 to 103
	<b>401-2</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report, Talent Retention and Training, page 99
	<b>401-3</b> Parental leave	Sustainability Report, Talent Retention and Training, page 99
<b>GRI 404: Training and Education 2016</b>	<b>404-1</b> Average hours of training per year per employee	Sustainability Report, Talent Retention and Training - Training and Career Development, page 104
	<b>404-2</b> Programs for upgrading employee skills and transition assistance programs	Sustainability Report, Talent Retention and Training - Training and Career Development, page 104
	<b>404-3</b> Percentage of employees receiving regular performance and career development reviews	Sustainability Report, Talent Retention and Training - Performance Management, page 104
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	<b>405-1</b> Diversity of governance bodies and employees	Sustainability Report, Talent Retention and Training - Diversity and Equal Opportunity, pages 100 to 101
<b>GRI 413: Local Communities 2016</b>	<b>413-1</b> Operations with local community engagement, impact assessments, and development programs	Sustainability Report, Talent Retention and Training - Local Communities, pages 106 to 107
<b>Regulatory Compliance</b>		
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	Sustainability Report, Regulatory Compliance, pages 108 to 110
<b>GRI 205: Anti-corruption 2016</b>	<b>205-1</b> Operations assessed for risks related to corruption	Annual Report, Enterprise Risk Management, pages 122 to 125
	<b>205-2</b> Communication and training about anti-corruption policies and procedures	Sustainability Report, Regulatory Compliance - Anti-corruption, page 109
	<b>205-3</b> Confirmed incidents of corruption and actions taken	Sustainability Report, Regulatory Compliance - Anti-corruption, page 109
<b>Non-GRI</b>	Cyber Security	Sustainability Report, Regulatory Compliance - Cyber Security, page 110



# INVESTOR RELATIONS

## ENGAGING STAKEHOLDERS THROUGH TARGETED AND MULTI-PLATFORM COMMUNICATION

At Sasseur REIT, we are committed to upholding the highest standards of corporate governance and transparency. We ensure that all stakeholders, including investors, media, analysts, and the general public, receive timely, accurate, and clear information about our financial and operational performance. Our communication strategy aligns with the principles outlined in our Investor Relations Policy ([https://investor.sasseurreit.com/ir\\_policy.html](https://investor.sasseurreit.com/ir_policy.html)), facilitating regular and effective engagement with all stakeholders.

We proactively interact with a broad range of stakeholders — existing unitholders, potential investors, analysts, and the media — across multiple channels. These include press releases, announcements, social media, investor conferences, webinars, roadshows, one-on-one meetings, and more.

For Sasseur REIT's full-year and half-year results, we publish comprehensive financial statements, along with supporting materials such as presentations and press releases. Additionally, interim updates provide key financial metrics and operational information for the first and third quarters. All relevant announcements, financial results, presentations, and reports are swiftly disseminated through SGXNet and our corporate website to ensure timely access. Stakeholders can also sign up for email alerts via our website to stay informed about the latest updates.

With the resumption of in-person engagements, our Investor Relations team has actively participated in a variety of events,

conferences, and site visits. In 2024, we engaged with over 100 institutional investors and more than 1,000 retail investors through both face-to-face and virtual sessions.

We continue to engage with stakeholders through various channels such as webinars, social media (LinkedIn, Facebook, YouTube, Telegram), and podcasts. Our LinkedIn page saw significant growth in 2024, with a 25% year-on-year increase in followers, bringing the total to 1,594. The page also garnered more than 5,000 views during the year.

In recognition of our efforts, Sasseur REIT was awarded the “Best Investor Relations (Singapore, USD 500 Million – USD 1 Billion market capitalisation): Platinum” at The Asia Pacific Best of the Breeds REITs & Real Estate Investment Awards™ 2024.

Looking ahead to 2025, we aim to broaden our social media outreach, particularly through WeChat, to engage with more China-based investors.

## ANNUAL GENERAL MEETING (AGM)

Our AGM serves as a vital platform for direct communication between the management team, the Board of Directors, and our unitholders. In April 2024, we held our sixth AGM, which marked our first in-person AGM following the lifting of COVID-19 restrictions. Unitholders were invited to attend and engage with directors, with all resolutions being approved. The AGM results and minutes were promptly published to ensure transparency.

### Key highlights of our 2024 engagements



#### REITs Symposium May 2024

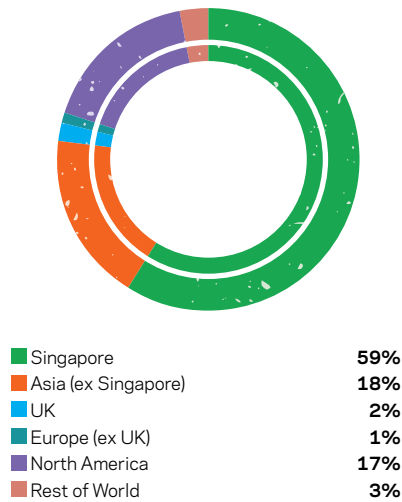
Sasseur REIT participated in the REITs Symposium organised by the REIT Association of Singapore (REITAS), where we engaged with existing unitholders and potential investors. Our CEO, Ms. Cecilia HL Tan, also participated as a panelist in a discussion on “The Advantages of REITs: Expanding Horizons for Better Returns.”



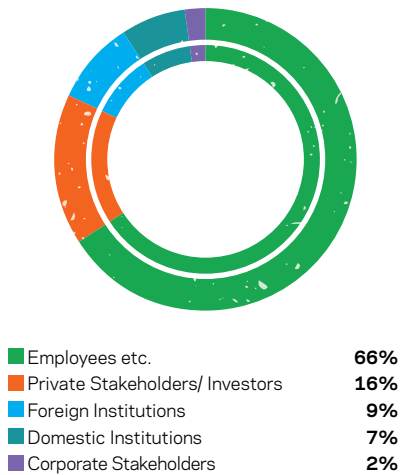
#### Non-Deal Roadshow in Kuala Lumpur May 2024

We conducted a successful non-deal roadshow, engaging with seven groups of institutional investors from Malaysia.

Unitholders by Geography<sup>1</sup>  
(As at 31 Dec 2024)



Unitholdings by Investor Type<sup>1</sup>  
(As at 31 Dec 2024)



**31<sup>st</sup> CITIC CLSA Investors' Forum  
September 2024**

Sasseur REIT participated in the forum in Hong Kong, connecting with institutional investors from both Hong Kong and abroad.



**Guided Outlet Tour in Kunming  
2024**

Sasseur REIT launched an inaugural Outlet Guided Tour in collaboration with Chan Brothers. This initiative provides unitholders with valuable insights into the business while highlighting our commitment to providing exceptional unitholder value.

**Note:**  
<sup>1</sup> Excludes unidentified and unanalysed holdings.

# INVESTOR RELATIONS

## AWARDS AND ACCOLADES

Sasseur REIT's dedication to strong corporate governance and value creation was recognised in 2024 with several prestigious awards:

### The Asia Pacific Best of the Breeds REITs & Real Estate Investment Awards™ 2024

- Best Retail REIT (Singapore, USD 500 Million – USD 1 Billion market capitalisation): Platinum
- Best Investor Relations (Singapore, USD 500 Million – USD 1 Billion market capitalisation): Platinum
- Best CEO (Singapore, USD 500 Million – USD 1 Billion market capitalisation): Gold

### The Edge Singapore Centurion Club Awards 2024

- Highest Weighted Return on Equity Over Three Years (for the second consecutive year)

### Hermes Creative Awards

- Gold Winner in the Annual Report Category

### Singapore Governance and Transparency Index (SGTI) 2024

- Ranked 16<sup>th</sup> out of 43 REITs and Business Trusts (improved from 17<sup>th</sup> in 2023)
- Score of 91.3, reflecting marginal improvement from the previous year

We are also proud to continue being part of the SGX Fast Track Programme, recognising our commitment to corporate governance and compliance.

## INVESTOR & MEDIA RELATIONS CALENDAR 2024

A snapshot of our key events in 2024:

### FIRST QUARTER

- Featured in *Lianhe Zaobao*
- Smartkarma Corporate Webinar
- Financial Coconut podcast/vodcast

### SECOND QUARTER

- Malaysia Non-Deal Roadshow in Kuala Lumpur
- 2024 REITs Symposium Panel
- Featured in *The Business Times*
- China-Southeast Asia Economic and Finance Forum 2024 (Panelist: CEO)

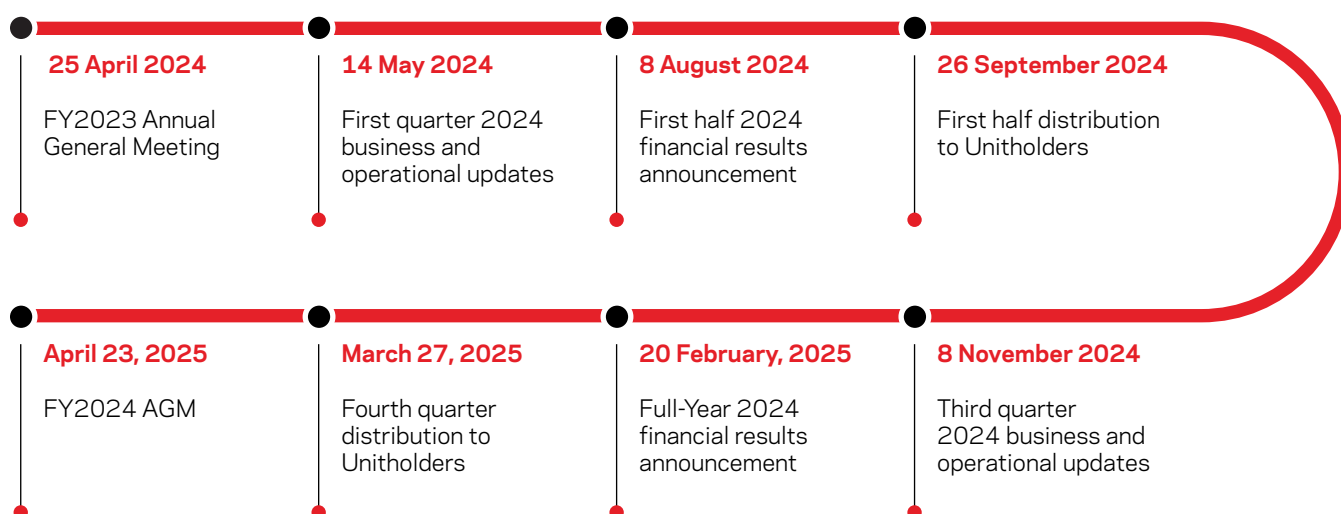
### THIRD QUARTER

- CITIC CLSA Investors' Forum
- SGX Seminar: "Singapore REITs Analysis and Market Outlook"
- REITAS Webinar

### FOURTH QUARTER

- Edge Interview
- REITAS Annual Conference
- Thailand (Bangkok) Non-deal Roadshow arranged by CLSA
- SIAS Corporate Connect Webinar

## FINANCIAL AND DISTRIBUTION CALENDAR 2024



### RESEARCH COVERAGE

Sasseur REIT continues to be covered by leading research institutions, including:

- DBS Group Research
- CGS-CIMB
- KGI Securities
- PhillipCapital
- Soochow CSSD Capital Markets
- UOB Kay Hian

### CONSTITUENT OF KEY INDICES

Sasseur REIT remains a constituent of several major indices:

- FTSE ST All-Share Index
- FTSE ST Real Estate Investment Trusts Index
- FTSE EPRA Nareit Global Index
- iEdge SG Real Estate Index
- iEdge S-REIT Index

### UNITHOLDER AND MEDIA ENQUIRIES

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# UNIT PRICE PERFORMANCE

In 2024, the Singapore stock market demonstrated moderate growth, underpinned by global and domestic factors. Despite economic uncertainties, including inflation and interest rate hikes, the market showed resilience. The Straits Times Index (STI) recorded modest gains, with financials, technology, and consumer staples leading, while other sectors faced challenges from supply chain disruptions and geopolitical tensions.

## FIRST QUARTER OF 2024

The S-REIT market faced challenges in 1Q 2024. The average total returns for the 41 S-REITs and property trusts were down by 4.8% in January and 6.3% in February. This downturn was largely driven by delayed expectations for interest rate easing, which impacted investor sentiment. Despite these challenges, the S-REIT market remains responsive to evolving economic conditions, with recovery potential depending on future rate policy adjustments.

## SECOND QUARTER OF 2024

In 2Q 2024, S-REITs continued to face challenges, underperforming due to high leverage levels that negatively impacted Distribution Per Unit (DPU) and elevated debt and equity costs. Despite these challenges, April saw a surge in inflows to S-REIT exchange-traded funds, reaching a 19-month high, and hospitality S-REITs posted a strong 20% year-on-year DPU growth driven by the tourism recovery. However, the S-REIT index remained lackluster in May, declining 0.4% after a 3.1% drop in April. The overseas commercial sub-sector performed well, gaining 1.8%, while the overseas diversified sub-sector saw a 2.1% decline. Many S-REITs experienced sell-offs in the quarter due to expectations of sustained high interest rates.

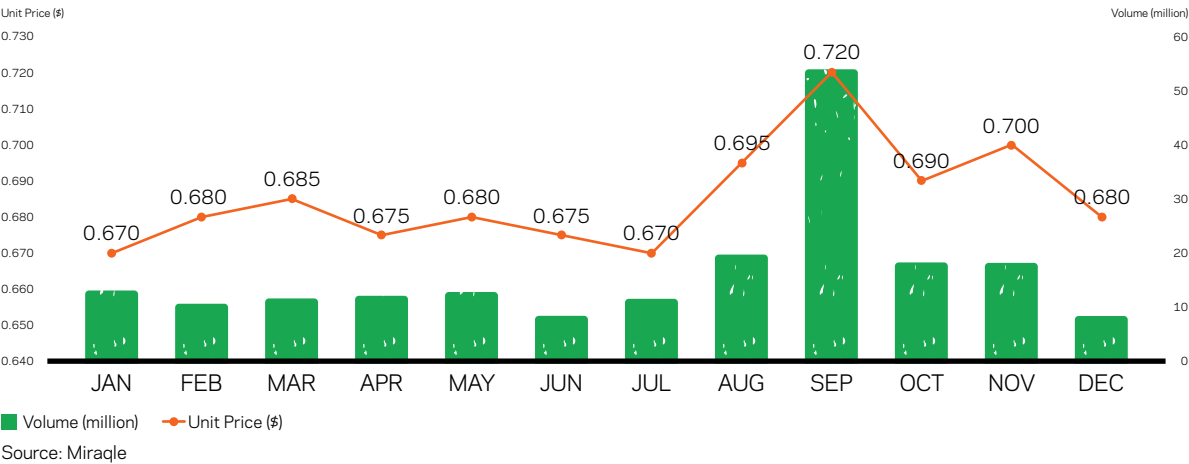
## THIRD QUARTER OF 2024

In 3Q 2024, S-REITs posted a strong performance, rising 13.6%, with a total return of 16.4% assuming dividend reinvestments, marking the sector's best quarterly performance since 2020. This impressive rebound was driven by improving investor sentiment as expectations for interest rate cuts gained traction. Although the FTSE ST REIT Index underperformed the Straits Times Index (STI) in the first nine months of 2024 (-1.69% vs. +10.65%), the S-REIT sector outpaced the STI in 3Q, with a gain of 13.63% compared to the STI's 7.58%. Despite initial concerns over recession risks following weak US economic data in August, S-REITs regained momentum as market expectations of a rate cut grew, culminating in a 50bps reduction in the Fed funds rate on September 18. This shift led institutional investors to turn net buyers of S-REITs after two quarters of net selling. On the regulatory front, the Monetary Authority of Singapore (MAS) proposed simplifying leverage requirements for S-REITs, which was viewed positively by market experts, as it would enhance flexibility and competitiveness for S-REITs against global peers.

## FOURTH QUARTER OF 2024

In 4Q 2024, the S-REITs sector experienced mixed performance, with retail investors showing strong confidence, contributing a net inflow of S\$557.3 million, while institutional investors remained cautious, recording a net outflow of S\$545.9 million amid ongoing macroeconomic uncertainties. S-REIT managers focused on portfolio optimisation and diversification to enhance long-term resilience. By November, S-REITs were trading at yields around 6%, reflecting a recovery following the US Fed rate cut. Despite this positive development, the market faced a setback in December following the Fed's final rate cut of the year, as its forecast of only two rate reductions in 2025 caused the sector to dip by 1.35%. Nonetheless, large S-REITs, such as CapitaLand Ascendas REIT, saw the highest retail inflows, with all seven STI-listed S-REITs recording positive net inflows.

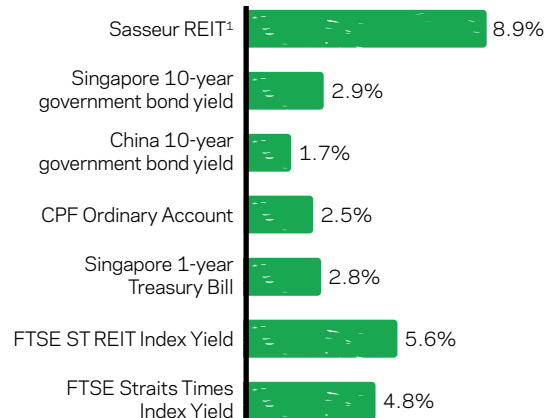
**Sasseur REIT's Monthly Trading Performance for FY2024**  
Weighted Average Unit Price for FY2024: **\$0.685**



### Sasseur REIT and FTSE ST REIT Index's Price Performance for FY2024 (Rebased)



### Comparative Yields (As at 31 December 2024)



Sources: Bloomberg, Monetary Authority of Singapore, Central Provident Fund (CPF) Board, Trading Economics

<sup>1</sup> Based on FY2024 distribution per unit of 6.082 Singapore cents and the closing unit price of \$0.68 on 31 December 2024.

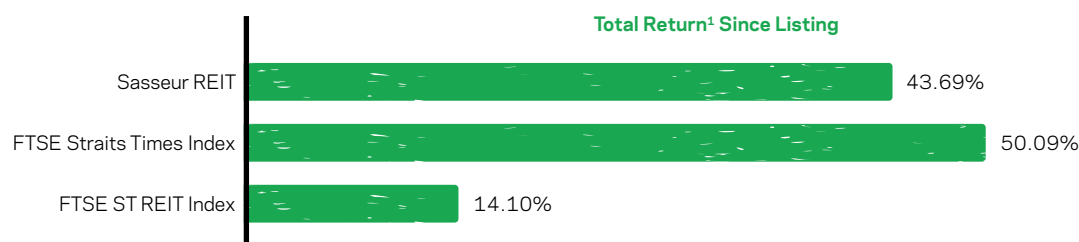
### Sasseur REIT's 5-Year Trading Performance

	FY2020	FY2021	FY2022	FY2023	FY2024
Opening price	\$0.895	\$0.820	\$0.845	\$0.764	\$0.685
Closing price	\$0.820	\$0.845	\$0.755	\$0.685	\$0.680
Highest closing price	\$0.920	\$0.970	\$0.875	\$0.845	\$0.730
Lowest closing price	\$0.530	\$0.810	\$0.670	\$0.615	\$0.660
Total volume traded (million Units)	563	436	431	261	195
Average daily volume traded ('000 Units)	2,216	1,720	1,722	1,047	773
Market capitalisation at year-end (\$ million)	989	1,028	929	851	851

Sources: SGX, ShareInvestor, Miraql

Note: Data extracted are not adjusted for any cash adjustments, capital changes or corporate actions (including but not limited to cash dividends, rights offerings, warrants and stock splits).

### Comparative Total Returns



Since Sasseur REIT's listing on 28 March 2018, the REIT's total return of 43.69% has outperformed the FTSE ST REIT Index (14.10%).

Source: Bloomberg

<sup>1</sup> Assumes dividends are reinvested.

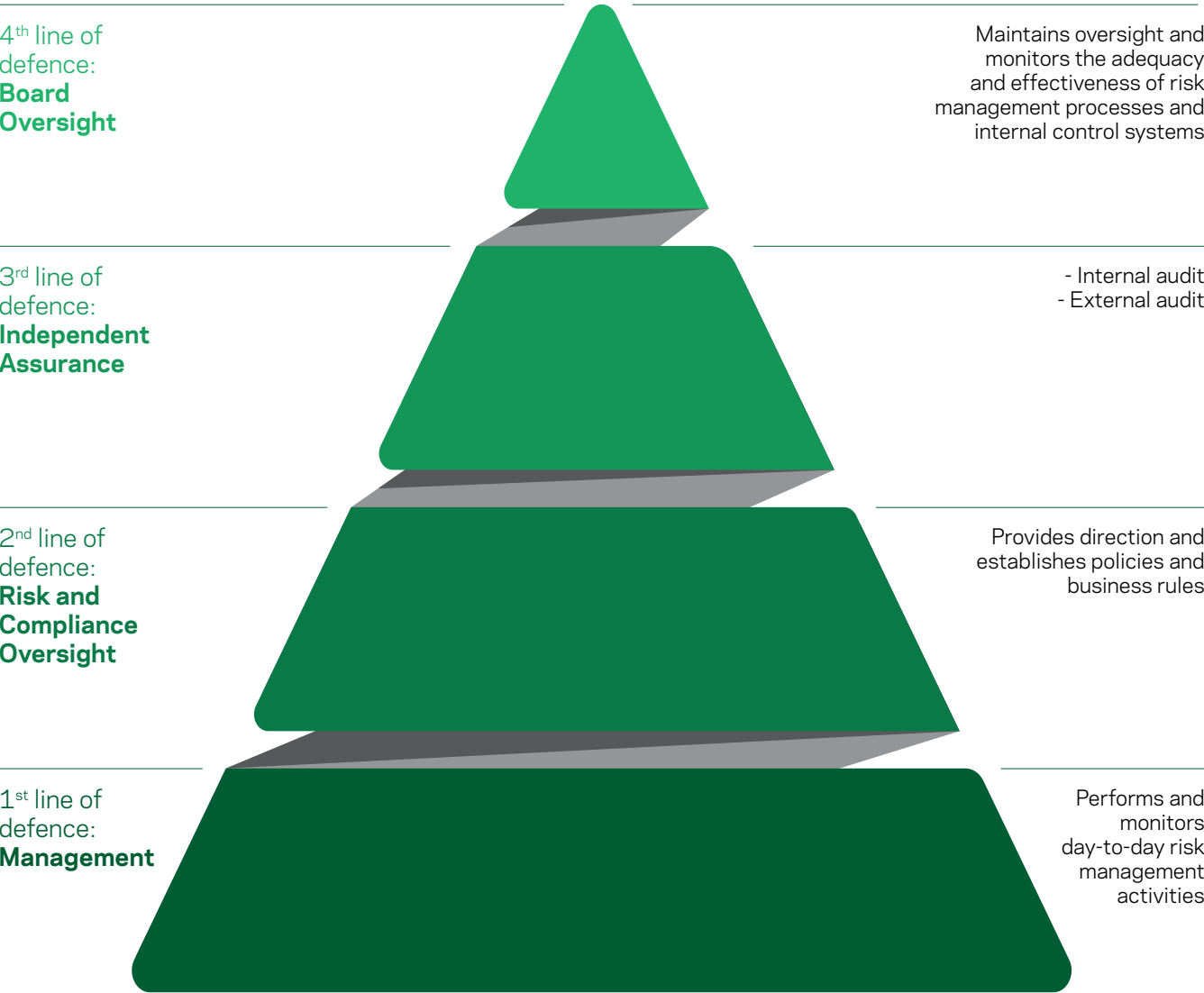
# ENTERPRISE RISK MANAGEMENT

“ **Enterprise Risk Management (ERM) is a key component of Sasseur Real Estate Investment Trust's (Sasseur REIT) business strategy.**

Enterprise Risk Management (ERM) is a key component of Sasseur Real Estate Investment Trust's (Sasseur REIT) business strategy. Sasseur Asset Management Pte. Ltd. (the REIT Manager) adopts a proactive risk management approach at both strategic and operational levels. This approach enables Sasseur REIT to address risks in a systematic and consistent manner, align with its business goals and strategy, and ultimately create and preserve value.

## RISK MANAGEMENT GOVERNANCE AND STRUCTURE

The Board of Directors (Board) holds overall responsibility for risk governance. It is tasked with defining Sasseur REIT's risk appetite and tolerance limits, as well as reviewing the risk oversight structure to ensure proper accountability from risk owners. The Board ensures that significant risks are consistently monitored to detect deviations and ensure compliance. To assist in fulfilling these duties, the Board is supported by the Audit and Risk Committee (ARC), which helps oversee risk management by ensuring the establishment, review, and evaluation of Sasseur REIT's policies, risk management practices, and internal control systems.



## ERM FRAMEWORK

The REIT Manager is responsible for the implementation of ERM across Sasseur REIT. Its ERM framework follows the principles and guidelines of the International Organisation for Standardisation (ISO) 31000 on Risk Management, and is also guided by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), along with other established best practices and standards.

Additionally, the ERM framework is supported by an outsourced internal audit function, which assesses the design and implementation of internal controls, providing the Audit and Risk Committee (ARC) with reasonable assurance regarding the adequacy and effectiveness of the risk management and internal control systems.



## MANAGING MATERIAL RISKS

Continuous monitoring of the risk landscape is conducted to ensure that controls are effective and that new risks are identified in a timely manner. Every quarter, the REIT Manager reviews and updates Sasseur REIT’s risk parameters, risk drivers and risk consequences, and mitigating measures to

manage identified risks. Action plans are also developed to further mitigate the risks to an acceptable level. Additionally, key risk indicators with defined thresholds are used by the REIT Manager for quarterly monitoring and reporting to the ARC.

Details of Sasseur REIT’s material risks and mitigating actions are summarised in the table below.

Risk	Risk Description	Mitigating Actions
<b>Strategic/Business Direction Risk</b>	<ul style="list-style-type: none"> <li>Failure to identify and respond to the competitive and changing landscape in a timely manner</li> <li>Failure to anticipate business trends and adapt to changes in the evolving business landscape</li> <li>Poor decision making and oversight on business expansion, investments or disposals, including acquisitions in countries/properties that are not consistent with growth strategy, transactions at inappropriate prices or commercial terms</li> <li>Inability to expand due to lack of expertise</li> </ul>	<ul style="list-style-type: none"> <li>All investment proposals are subject to a rigorous and disciplined assessment, taking into consideration the asset valuation, yield and sustainability</li> <li>The REIT Manager appoints external third-party consultants such as legal counsels and tax consultants to conduct rigorous due diligence of investment targets to ensure that the target is suitable for investment and complies with the requirements found in the SGX-ST Listing Manual and Code on Collective Investment Schemes</li> <li>All investment decisions are tabled for deliberation and approval by the Board</li> <li>Conduct adequate research and understanding of the markets where the respective assets are domiciled and the regulatory frameworks within which they reside</li> <li>Constant review of the business environment, consumer spending data and profile and new/ emerging trends are discussed, with preliminary recommendations/ initiatives identified</li> </ul>



# ENTERPRISE RISK MANAGEMENT

Risk	Risk Description	Mitigating Actions
<b>Fund Performance Risk</b>	<ul style="list-style-type: none"> <li>Inability to meet performance targets set for the portfolio of assets and/or investor expectations</li> </ul>	<ul style="list-style-type: none"> <li>Continuous asset enhancement initiatives aimed at upgrading Sasseur REIT's outlets and aligning them with the rapidly changing consumer preferences in the retail market</li> <li>Half-yearly tenants review exercise is conducted. Poor performing tenants will be replaced with new tenants that are expected to generate more sales</li> <li>Monthly promotional activities are organised at Sasseur REIT's outlets to increase sales and shoppers' traffic</li> <li>Monthly reporting to the Board on the performance of Sasseur REIT's outlets</li> </ul>
<b>Macroeconomic Risk</b>	<ul style="list-style-type: none"> <li>Failure to anticipate and respond to adverse short- and medium-term changes in local market conditions and global trends</li> <li>Geopolitical tensions may threaten financial stability</li> </ul>	<ul style="list-style-type: none"> <li>Continuous monitoring of economic indicators, such as GDP growth, employment rates, and consumer spending, in order to keep abreast on macroeconomic trends. In-depth market research allows for proactive decision-making based on economic forecasts</li> <li>Active asset management strategy which involves regularly assessing the performance of individual properties, making strategic decisions on acquisitions and dispositions, and optimising the overall portfolio to respond to changing economic conditions</li> <li>Interest rate hedging strategies are implemented to protect Sasseur REIT from the adverse effects of rising interest rates</li> </ul>
<b>Talent Attraction and Retention Risk</b>	<ul style="list-style-type: none"> <li>Failure to attract and retain talent with the appropriate and required expertise/ competency to support Sasseur REIT's operations and objectives</li> </ul>	<ul style="list-style-type: none"> <li>Competitive salary and benefits packages to attract and retain high-calibre professionals. Compensation structures are reviewed and adjusted regularly based on market trends</li> <li>Robust recruitment strategies to identify and attract skilled individuals</li> <li>Employee engagement programmes to foster a positive work environment</li> <li>Regular feedback is obtained from employees to understand their concerns and address issues promptly</li> <li>Training is provided to all employees to bridge any gaps in technical skillsets and develop soft skills</li> </ul>
<b>Adverse External Event Risk</b>	<ul style="list-style-type: none"> <li>Occurrence of natural and/or man-made adverse events affecting Sasseur REIT's assets and/or operations</li> <li>Inadequate business impact analysis, planning for business continuity and disaster recovery may result in significant business interruption</li> </ul>	<ul style="list-style-type: none"> <li>Risk assessments are conducted for each property in the portfolio to identify vulnerabilities to natural disasters</li> <li>Comprehensive insurance coverage is secured for each property in the portfolio. Insurance policies are reviewed regularly to ensure alignment with property values and potential risks</li> <li>Emergency preparedness plans are in place and updated regularly</li> </ul>
<b>Funding/Liquidity Risk</b>	<ul style="list-style-type: none"> <li>Inability to raise sufficient funds for new investments/ acquisitions and/or maintain sufficient cashflow to support business operations, meet short-term financial obligations as they fall due, and refinance existing borrowings</li> </ul>	<ul style="list-style-type: none"> <li>The REIT Manager actively monitors Sasseur REIT's debt maturity profile, operating cash flows, availability of funding sources, gearing limits and bank covenants</li> <li>Establish various banking facilities in order to meet Sasseur REIT's capital, refinancing and operating needs</li> </ul>

Risk	Risk Description	Mitigating Actions
<b>Foreign Exchange Risk</b>	<ul style="list-style-type: none"> <li>Unfavourable exposure to Renminbi (RMB) against Singapore Dollars (\$), affecting the Distribution Per Unit (DPU) paid out in \$</li> </ul>	<ul style="list-style-type: none"> <li>The REIT Manager uses RMB denominated borrowings to match the revenue stream generated from its assets as a natural currency hedge</li> <li>The REIT Manager enters into derivative contracts to hedge the cashflow in RMB</li> <li>The REIT Manager enters into foreign currency forward contracts and cross-currency swaps as and when required to reduce foreign currency risk exposure on distribution</li> <li>Regular monitoring of foreign exchange markets, economic indicators, and geopolitical events</li> </ul>
<b>Regulatory Compliance Risk</b>	<ul style="list-style-type: none"> <li>Changes in the political environment or government regulations, affecting business operations</li> <li>Failure to comply with applicable rules and regulations, or accepted industry practices (including cultural / political norms)</li> </ul>	<ul style="list-style-type: none"> <li>The REIT Manager has established a compliance monitoring programme to ensure compliance with applicable regulatory requirements and relevant policies and procedures</li> <li>Changes in rules, regulations and listing requirements are monitored on an ongoing basis and the Board is informed of any significant updates affecting Sasseur REIT and/or the REIT Manager</li> <li>Trainings are provided to the Board and employees to ensure that they are kept abreast on updates to laws and regulations</li> </ul>
<b>Cybersecurity Risk</b>	<ul style="list-style-type: none"> <li>Cybersecurity breaches to IT infrastructure and/or systems may compromise operations and data privacy regulations. Breaches include those relating to confidentiality, integrity and availability</li> </ul>	<ul style="list-style-type: none"> <li>The REIT Manager has engaged a professional third-party IT service provider to manage cybersecurity risks and ensure availability, authorised access, accuracy and agility of IT systems</li> <li>Closely monitor cybersecurity alerts issued by MAS and take remedial action where necessary</li> <li>The REIT Manager has an Information Security Policy in order to maintain the integrity and availability of the data environment</li> <li>IT security awareness training is conducted regularly to maintain a high level of IT security awareness among employees</li> <li>The REIT Manager has a comprehensive cyber insurance policy in place to cover financial losses in the event of a cyber incident</li> </ul>
<b>Environmental Risk</b>	<ul style="list-style-type: none"> <li>Physical risk arises from climate change resulting in increased occurrences of weather events such as flash floods, droughts, prolonged heatwaves and rising sea levels</li> <li>Transition risk arises from changes in public policies and shift in stakeholder preferences</li> </ul>	<ul style="list-style-type: none"> <li>Conduct climate scenario analysis to identify and assess climate-related risks and opportunities</li> </ul>

# CORPORATE GOVERNANCE

## INTRODUCTION

Sasseur Real Estate Investment Trust (Sasseur REIT) is a real estate investment trust listed on the Mainboard of the Singapore Exchange Securities Trading Limited (SGX-ST) on 28 March 2018 (Listing Date). Sasseur REIT is managed by Sasseur Asset Management Pte. Ltd. (the REIT Manager or the Company).

The REIT Manager was appointed in accordance with the terms of the Deed of Trust constituting Sasseur REIT dated 30 October 2017 (as supplemented on 4 September 2024) (the Trust Deed).

The primary role of the REIT Manager is to manage Sasseur REIT's assets and liabilities for the benefit of the unitholders of Sasseur REIT (Unitholders). The REIT Manager sets the strategic direction of Sasseur REIT in accordance with its mandate and make recommendations to DBS Trustee Limited, in its capacity as trustee of Sasseur REIT (the Trustee), on any investment or divestment opportunities for Sasseur REIT and the enhancement of the assets of Sasseur REIT in accordance with its stated investment strategy. The research, evaluation and analysis required for this purpose are coordinated and carried out by the REIT Manager.

Other functions and responsibilities of the REIT Manager include, but are not limited to, the following:

- a) using its best endeavours to conduct Sasseur REIT's business in a proper and efficient manner and ensuring that its related parties will conduct all transactions with or for Sasseur REIT at an arm's length basis and on normal commercial terms;
- b) coordinating the annual budget process and preparing the annual budget proposal of the REIT Manager and Sasseur REIT, with explanations for major variances, written commentary on key issues and any relevant assumptions, for approval by the directors of the REIT Manager (Directors);
- c) ensuring compliance with all applicable and relevant requirements, laws and regulations including, but not limited to, the Securities and Futures Act 2001 (the SFA), the Listing Manual of SGX-ST (the Listing Manual), the Code on Collective Investment Schemes (the CIS Code) including Appendix 6 to the CIS Code (the Property Funds Appendix) issued by the Monetary Authority of Singapore (MAS) and the Trust Deed;
- d) establishing a framework of prudent and effective controls which enables financial, operational, compliance and information technology risks to be assessed and managed; and
- e) attending to all regular communications with the Unitholders.

The REIT Manager has developed and, on an ongoing basis, maintains sound and transparent policies and practices to meet the specific business needs of Sasseur REIT and provide a firm foundation for a trusted and respected business enterprise.

The Board of Directors (the Board) and management team of the REIT Manager (the Management) aspire to the highest standards of corporate governance. The REIT Manager remains focused on complying with the substance and spirit of the principles of the Code of Corporate Governance 2018 (the Code) while achieving operational excellence and delivering Sasseur REIT's long-term strategic objectives. The REIT Manager is fully committed in continuously improving its corporate governance practices as it firmly believes that it is essential in protecting the interests of the Unitholders.

This report describes the corporate governance framework of Sasseur REIT and its subsidiaries (the Group), and practices that were in place throughout the financial year under review. The Board confirms that the REIT Manager had adhered to the principles and provisions of the Code, where they are applicable, relevant and practicable to the Group. Explanations have been provided for any deviations from the provisions of the Code or areas of non-compliance.

(A) BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

**Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.**

Role of the Board

The Board is collectively responsible for the long-term success of Sasseur REIT. The Board works with the Management to achieve this and the Management remains accountable to the Board.

The Board is also responsible for the REIT Manager’s corporate governance standards and policies, underscoring their importance to the REIT Manager. It recognises that good corporate governance establishes and maintains a legal and ethical environment, which is critical to the performance and success of the REIT Manager and essential for preserving and enhancing the interests of all stakeholders.

The principal roles of the Board are to:

- guide the corporate strategy and directions of the REIT Manager;
- ensure that the Management discharges business leadership and demonstrates the highest quality of management skills with integrity and enterprise;
- ensure that measures relating to corporate governance, financial regulations and other required policies are in place and enforced;
- oversee the proper conduct of the REIT Manager through the Code of Conduct and Ethics;
- set the appropriate tone-from-the top and desired organisational culture; and
- ensure proper accountability within the REIT Manager.

All Directors exercise due care and independent judgement and make decisions objectively at all times as fiduciaries in the best interests of Unitholders. Apart from the Board’s statutory duties and responsibilities, the Board provides leadership to the Chief Executive Officer (CEO) and the Management, and sets the strategic vision, direction and long-term objectives for Sasseur REIT.



# CORPORATE GOVERNANCE

## Board Committees

To assist the Board in the discharge of its oversight function, the Audit and Risk Committee (ARC), the Nominating and Remuneration Committee (NRC) and the Sustainability Committee (SC) have been constituted with clear written terms of reference approved by the Board. The terms of reference set out their respective compositions, authorities and duties, including reporting back to the Board. All terms of reference are reviewed and updated when necessary to ensure their continued relevance.

Each of the ARC, NRC and SC (collectively the Board Committees) operates under delegated authority from the Board, with the Board retaining overall oversight. The Board may form other Board committees as and when required. Membership of the Board Committees is managed to ensure an equitable distribution of responsibilities among Board members, to maximise the effectiveness of the Board and to foster active participation and contribution from Board members. Diversity of experience, knowledge and appropriate skills are considered in the composition of the respective Board Committees.

## Board and Board Committee Meetings

The Board meets at least once every quarter, and as required by business imperatives. Board and Board Committee meetings are scheduled prior to the start of each financial year to allow Directors to plan ahead to attend such meetings, so as to maximise participation. Where exigencies prevent a Director from attending a Board meeting in person, the constitution of the REIT Manager permits the Director to participate via audio or video conference or by similar electronic communication means. If a Director is unable to attend a Board or Board Committee meeting, he or she still receives all the papers and materials for discussion at that meeting. He or she will review them and will advise the Chairman of the Board or the relevant Board Committee of his or her views and comments on the matters to be discussed so that they can be conveyed to other participants present at the meeting. The Board and Board Committees may also make decisions by way of resolutions in writing.

In each meeting where matters requiring the Board's approval are to be considered, all members of the Board participate in the discussions and deliberations, and resolutions in writing are circulated to all Directors for their consideration and approval. The exception is where a Director has a conflict of interest in a particular matter in which case, he or she will be required to recuse himself or herself from the deliberations and abstain from voting on the matter. This principle of collective decisions adopted by the Board ensures that no individual influences or dominates the decision-making process.

The number of meetings held by the Board, the Board Committees as well as the attendance of Directors at the meetings held during the financial year ended 31 December 2024 (FY2024) are summarised in the table below:

Director	Board Meetings	ARC Meetings	NRC Meetings	AGM
Mr Xu Rongcan	4	N.A.	2	1
Ms Yang Xue	2	N.A.	N.A.	1
Dr Gu Qingyang	4	4	2	1
Mr Mario Boselli	4	N.A.	N.A.	1
Mr Cheng Heng Tan	4	4	N.A.	1
Mr Wu Geng	4	4	2	1
<b>Total meetings held in FY2024</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>1</b>

The REIT Manager believes in the overall contribution of its Directors beyond their attendance at formal Board and Board Committee meetings. The REIT Manager believes that a Director's contributions based on his or her attendance at formal meetings alone would not represent his or her overall contributions, which include being accessible to the Management for guidance or exchange of views outside of the formal environment of Board and Board Committee meetings.

## Internal Limits of Authority

The Board has adopted a set of internal controls and guidelines which establish approval limits for operational and capital expenditures, investments, divestments, and treasury related matters. Such matters, which have been approved by the Board, are clearly communicated to Management in writing. Transactions and other issues requiring the Board's approval are clearly set out in the delegation of authority. Appropriate delegations of authority and approval sub-limits are also provided at the Management level to facilitate operational efficiency.

The Board has reserved authority to approve certain matters which have been clearly communicated to the Management in writing and these include, among others:

- Acquisitions and divestments;
- Issuance of new Units;
- Income distributions and other returns to Unitholders; and
- Matters which involve a conflict of interest with a controlling Unitholder or a Director.

## Director Orientation

Upon appointment, each new Director will be given a formal appointment letter setting out the terms of his or her appointment as well as his or her duties and obligations, including his or her responsibilities and fiduciaries, and on the policies relating to conflicts of interest. A tailored induction and orientation programme is also conducted to provide the new Director with information on the business activities, strategic direction, policies and corporate governance practices of the REIT Manager, as well as his or her statutory duties and other duties and responsibilities as a Director. New Directors who have no prior experience as a director of an issuer listed on the SGX-ST will undergo training in the roles and responsibilities of a listed issuer as prescribed under Rule 210(5)(a) of the Listing Manual. The costs of these trainings are borne by the REIT Manager.

## Training

In view of the increasingly demanding, complex and multi-dimensional role of a director, the NRC had reviewed the training and professional development programmes for the Board and its Directors, and reviews the courses attended by the Directors on an annual basis. Changes to laws, regulations, policies, accounting standards and industry-related matters are monitored closely. Where these changes have an important bearing on the disclosure obligations of the REIT Manager or its Directors, the Directors are briefed either during Board meetings or at specially convened sessions involving the relevant advisers and professionals, if necessary, or via circulation of Board papers.

The Directors are provided with opportunities for developing and maintaining their skills and knowledge and continuing education in areas such as directors' duties and responsibilities, changes to regulations and accounting standards, and industry-related matters. This allows the Directors to understand the REIT Manager's and Sasseur REIT's business as well as their directorship duties (including their roles as non-executive and independent directors). The cost of such continuing education is borne by the REIT Manager.

As prescribed under Rule 720(7) of the Listing Manual, all Directors have attended a training on sustainability matters organised by the Singapore Institute of Directors.

# CORPORATE GOVERNANCE

## Access to Information

An effective and robust Board, whose members engage in open and constructive debate to develop and refine proposals on strategy, is fundamental to good corporate governance. In this regard, the Board is kept well-informed of Sasseur REIT's business and affairs and the industry in which Sasseur REIT operates.

The REIT Manager recognises the importance of providing the Board with complete and adequate information on a timely basis prior to Board meetings and on an ongoing basis, to enable the Directors to make informed decisions to discharge their duties and responsibilities. The Board and Board Committee papers are sent to Directors before each of the Board or Board Committee meetings, to provide Directors with sufficient time to review and consider the matters tabled for discussion. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed prior to the meeting.

Where appropriate, informal meetings are held for the Management to brief Directors on prospective transactions, early stages of potential developments or other matters before formal Board approval is sought.

The Directors have separate and independent access to the Management and the Company Secretary at the REIT Manager's expense, at all times. The Company Secretary attends to corporate secretarial administration matters and attends all Board meetings. The appointment and removal of the Company Secretary are subject to approval by the Board.

The Board also has access to independent professional advice where appropriate and when requested, at the REIT Manager's expense.

## BOARD COMPOSITION AND GUIDANCE

**Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.**

## Review of Board Size and Composition

The Board comprises six (6) Non-Executive Directors, of whom four (4) are Independent Directors which constitute majority of the Board, in compliance with Provisions 2.2 and 2.3 of the Code. There is no alternate director appointed.

The NRC reviews from time to time the size and composition of the Board with a view to ensure that the size of the Board is appropriate in facilitating effective decision-making, taking into account the scope and nature of the operations of Sasseur REIT, and that the Board has a strong element of independence. The NRC is of the view that, taking into account the nature and scope of Sasseur REIT's operations, the Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of Sasseur REIT. In addition, the size of the Board and each Board Committee is appropriate and facilitates effective decision-making.

The current composition of the Board and Board Committees are as follows:

Name of Director	Board	ARC	NRC	SC
Mr Xu Rongcan	Non-Executive and Non-Independent Chairman	-	Member	Member
Ms Yang Xue	Non-Executive and Non-Independent Director	-	-	-
Dr Gu Qingyang	Lead Independent Director	Member	Chairman	Chairman
Mr Mario Boselli	Independent Director	-	-	-
Mr Cheng Heng Tan	Independent Director	Chairman	-	Member
Mr Wu Geng	Independent Director	Member	Member	-

## Board Diversity

The Board is represented by individuals who are business leaders and professionals with legal, audit and accounting, retail management and real estate 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, strategic planning and customer-based experience. The varied backgrounds of each Director enable the Management to benefit from their diverse expertise and experience to further the interests of Sasseur REIT. Each Director brings to the Board a range of 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 42 to 45 of the Annual Report.

The Board embraces diversity and has adopted a Board Diversity Policy. The NRC has set an objective to ensure that the Board comprises directors, who as a group, provide the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. These aspects of diversity will be considered in determining the optimum composition of the Board and when possible, balanced appropriately. As at 31 December 2024, the Board composition reflects the objectives set out in the Board Diversity Policy. The current Board and Board Committees are of an appropriate size and comprises one (1) female Director as well as Directors with a mix of skills, knowledge, experience and age groups. The Board is therefore of the view that it has achieved its objectives under the Board Diversity Policy. As part of the Board renewal process, the NRC will review these objectives from time to time and may recommend changes or may recommend additional objectives to achieve greater diversity.

## Review of Directors' Independence

As part of the process of assessing the independence of each Director as established by the Board, each Independent Director and each member of the ARC are required to confirm, upon appointment, as well as on an annual basis, whether there are any material relationships based on the definition of independence set out in the Code, the Listing Manual and the Securities and Futures (Licensing and Conduct of Business) Regulations (SF(LCB) Regulations) which would render him non-independent.

An Independent Director is one who:

- i) is independent in conduct, character and judgement, and has no relationship with the REIT Manager, its related corporations, shareholders who hold 5.0% or more of the voting shares (the Substantial Shareholders) of the REIT Manager, or Unitholders who hold 5.0% or more of the Units (the Substantial Unitholders) in issue, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement, in the best interests of the Unitholders;
- ii) is independent from any management and business relationship with the REIT Manager and Sasseur REIT, and from every Substantial Shareholder of the REIT Manager and every Substantial Unitholder;
- iii) is not a Substantial Shareholder of the REIT Manager or a Substantial Unitholder;
- iv) has not served on the Board for a continuous period of nine (9) years or longer;
- v) is not employed or has been employed by the REIT Manager or Sasseur REIT or any of their related corporations in the current or any of the past three (3) financial years; and
- vi) does not have an immediate family member who is employed or has been employed by the REIT Manager or Sasseur REIT or any of their related corporations in the current or any of the past three (3) financial years and whose remuneration is or was determined by the Board.

The relevant Directors had provided declarations of their independence which have been deliberated upon by the NRC. The NRC, having conducted an annual review of the independence, is of the view that the Independent Directors are independent and that no individual or small group of individuals dominate the Board's decision-making process, and has made its recommendations to the Board.

The Board has determined, after taking into account the views of the NRC, each of Dr Gu Qingyang, Mr Mario Boselli, Mr Cheng Heng Tan and Mr Wu Geng to be independent in terms of their character and judgement in the discharge of their responsibilities as Directors and there are no relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. Each member of the NRC had recused himself from deliberations on his own independence.



# CORPORATE GOVERNANCE

Mr Xu Rongcan and Ms Yang Xue are Executive Directors of the Sponsor, which is a controlling Unitholder of Sasseur REIT. As such, Mr Xu Rongcan and Ms Yang Xue are Non-Executive and Non-Independent Directors of the REIT Manager.

None of the Directors have served on the Board beyond nine (9) years from the date of his or her first appointment.

The Non-Executive and Non-Independent Directors and Independent Directors meet without the presence of the Management as and when the need arises. The Chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate.

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

**Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered power of decision-making.**

Mr Xu Rongcan (Non-Executive and Non-Independent Chairman of the Board) and Ms Tan Hong Lye, Cecilia (CEO of the REIT Manager) are two (2) separate persons and are not immediate family members. This ensures a balance of power and authority, increased accountability and greater capacity of the Board for independent decision making.

The Chairman is responsible for leadership of the Board and for facilitating the conditions for the overall effectiveness of the Board, the Board Committees and individual Directors. This includes setting the agenda of the Board in consultation with the CEO and promoting constructive engagement among the Directors as well as between the Board and Management on strategy, business operations, enterprise risk and other plans. The Chairman plays a significant leadership role by providing clear oversight, direction, advice and guidance to the CEO and the Management on strategies. He also ensures that the Directors work together with the Management in a constructive manner to address strategic, business, operational, capital management, risk, corporate governance and financial issues. At the Board meetings, the Chairman ensures that adequate time is available for discussion of all agenda items and strategic issues. At annual general meetings and other Unitholders' meetings, the Chairman will seek to ensure that there is constructive dialogue between Unitholders, the Board and the Management.

The CEO of the REIT Manager, together with the Management, has full executive responsibilities over the business direction and strategies, and operational decisions in managing Sasseur REIT.

As the Chairman is not an Independent Director, in accordance with Provision 3.3 of the Code and in the spirit of good corporate governance, Dr Gu Qingyang has been appointed as the Lead Independent Director of the Board. 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 the performance of the CEO and any interested party transactions. As the Lead Independent Director, Dr Gu Qingyang has the discretion to hold meetings with the Independent Directors (without the presence of the Management) as he deems appropriate or necessary, and he will provide feedback to the Chairman, where appropriate. Contact details of the Lead Independent Director is available on Sasseur REIT's website at <https://www.sasseurreit.com/contact.html>.

The division of responsibilities between the Chairman, the Lead Independent Director and the CEO have been set out in writing and approved by the Board.

BOARD MEMBERSHIP

**Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

Nomination and Remuneration Committee

The Board has established the NRC which comprises three (3) Non-Executive Directors, a majority of whom, including the NRC Chairman are Independent Directors. The composition of the NRC is as follows:

Dr Gu Qingyang (Lead Independent Director)	NRC Chairman
Mr Wu Geng (Independent Director)	NRC Member
Mr Xu Rongcan (Non-Executive and Non-Independent Chairman)	NRC Member

The NRC has written terms of reference setting out the scope and authority in performing the functions of the NRC, which include but are not limited to the following:

- a) reviewing the succession plans for the Chairman, Directors, CEO and key management personnel of the REIT Manager;
- b) developing a process and criteria for evaluation of the performance for the Board, the Board Committees and individual Directors;
- c) reviewing the training and professional development programmes for the Board and its Directors;
- d) regularly reviewing the size and composition of the Board and making recommendations to the Board on the appointment and re-appointment of Directors (including alternate directors, if applicable), having regard to the composition and progressive renewal of the Board and each Director’s competencies, commitment, contribution and performance including, if applicable, as an Independent Director;
- e) ensuring that new Directors are aware of their duties and obligations;
- f) determining annually and as and when circumstances require, if a Director is independent; and
- g) deciding if a Director is able to and has been adequately carrying out his duties as a Director of the REIT Manager, taking into consideration the Director’s principal commitments.

# CORPORATE GOVERNANCE

## Annual Review of Directors' Time Commitments

In respect of the Directors' other listed company directorships and principal commitments, a maximum limit of nine (9) has been set for the number of listed company directorships which any Director may hold. The Board takes the view that the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and his or her near-term plan regarding some of the other appointments. The contributions by Directors to and during meetings of the Board and the Board Committees as well as their attendance at such meetings, in addition to each of their principal commitments, should also be taken into account. The NRC will review the number of listed company directorships of the Directors on an annual basis or from time to time when the need arises. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the REIT Manager.

Pursuant to its Terms of Reference, the NRC is required to determine if a Director has been adequately carrying out his or her duties as a Director of the REIT Manager, particularly if he or her has multiple Board representations in listed companies and other principal commitments. In view of this, the NRC, having considered the confirmations received by each Director, is of the view that such multiple board representations (where applicable) do not hinder each Director from carrying out his or her duties as a Director of the REIT Manager. The NRC is satisfied that sufficient time and attention have been accorded by these Directors to the affairs of the REIT Manager.

The listed company directorships and principal commitments of each Director are provided on pages 43 to 45 of the Annual Report.

## Process for Appointment of New Directors and Succession Planning for the Board

The NRC is responsible for reviewing the succession plans for the Board, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel, and the appointment of Directors (including alternate directors, if applicable). The NRC will lead and make recommendations to the Board on the appointment of new Directors, if necessary, as follows:

- i) the NRC will review the balance and diversity of skills, experience, age, gender, expertise and qualification required by the Board, as well as the optimal size of the Board required to facilitate decision-making;
- ii) following such review and in consultation with the Management, the NRC will assess the relevant attributes and corresponding representation and desired profile, underpinning any particular appointment;
- iii) external support (for example, search consultants) may be used to source for potential candidates if required. Directors and the Management may also make suggestions;
- iv) suitable candidates are carefully evaluated by the NRC so that recommendations made on proposed candidates are objective and well supported. The NRC meets shortlisted candidates to assess suitability, and to ensure the candidates are aware of the level of commitment required; and
- v) the NRC recommends the proposed appointee(s) for the Board's consideration. New Directors are formally appointed by way of a Board resolution.

In reviewing succession plans, the Board has in mind the REIT Manager's strategic priorities and the factors affecting the long-term success of the REIT Manager. Further, the Board aims to maintain an optimal Board composition by considering the trends affecting the REIT Manager, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. In addition, the Board considers different time horizons for succession planning as follows: (i) long-term planning, to identify competencies needed for the REIT Manager's strategy and objectives; (ii) medium-term planning, for the orderly replacement of Board members and key management personnel, and (iii) contingency planning, for preparedness against sudden and unforeseen changes.

## Criteria for Appointment of New Directors

All new appointments are subject to the recommendations of the NRC based on the following objective criteria:

- i) integrity;
- ii) independent judgement;
- iii) diversity – possess core competencies that meet the current needs of Sasseur REIT and the REIT Manager and complement the skills and competencies of the existing Directors;
- iv) ability to commit time and effort to carry out duties and responsibilities effectively;
- v) the Board should comprise Directors with a broad range of commercial experience including expertise in audit and accounting, risk management, legal matters and industry knowledge; and
- vi) financial literacy.

## BOARD PERFORMANCE

**Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.**

Whilst board performance is ultimately reflected in the long-term performance of Sasseur REIT, the Board believes that engaging in a regular process of evaluation of board performance in order to identify key strengths and areas for improvement is essential for effective stewardship and attaining success for Sasseur REIT.

As part of the REIT Manager's commitment towards improving corporate governance, the Board has approved and implemented a process to evaluate the effectiveness of the Board as a whole, each of the Board Committees and individual Directors on an annual basis. As part of the process, questionnaires are sent to the Directors, and the evaluation results are aggregated and reported to the NRC. The overall evaluation results are deliberated upon by the NRC and also shared with the Board and follow up action is taken where necessary with a view to enhancing the effectiveness of the Board, the Board Committees and individual Directors in the discharge of its and their duties and responsibilities. The evaluation process for the Board, each of the Board Committees and individual Directors for FY2024 was facilitated by Boardroom Corporate & Advisory Services Pte. Ltd. (Boardroom), the REIT Manager's corporate secretarial agent. Save for Boardroom's appointment as external facilitator to conduct the evaluation and as the REIT Manager's corporate secretarial agent and unit registrar, Boardroom does not have any other connection with the REIT Manager or any of the Directors.

## Board and Board Committees

The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, access to information, Board conduct of affairs, internal controls and risk management, Board accountability, relations with the CEO, standards of conduct and effectiveness of the Board and Board Committees. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. For FY2024, the outcome of the evaluation was consistently good and the Directors as a whole provided affirmative ratings across all the evaluation categories.

## Individual Directors

The evaluation categories covered in the questionnaire include knowledge and experience, attendance and preparation for Board meetings, contributions, initiative, knowledge of Sasseur REIT's business and participation in Board meetings. For FY2024, the outcome of the evaluation was consistently good and each of the Directors as a whole received affirmative ratings across all the evaluation categories.

The Board also recognises that contributions by an individual Director can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to the Management outside of the formal environment of Board and Board Committee meetings.



# CORPORATE GOVERNANCE

## (B) REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

**Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his and her own remuneration.**

### LEVEL AND MIX OF REMUNERATION

**Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.**

### DISCLOSURE ON REMUNERATION

**Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.**

The composition of the NRC has been set out on page 133 of this Annual Report. The NRC has written terms of reference setting out its scope and authority in performing the functions of a remuneration committee, which include but are not limited to the following:

- a) reviewing and recommending to the Board a general framework of remuneration for the Board and key management personnel;
- b) reviewing and recommending to the Board the specific remuneration packages for each Director and key management personnel; and
- c) reviewing the REIT Manager's obligations arising in the event of termination of each Director's and key management personnel's contracts of service and ensuring that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

Sasseur REIT is externally managed by the REIT Manager and accordingly has no personnel of its own. Directors' fees of all Directors and remuneration of the employees of the REIT Manager are paid by the REIT Manager and not by Sasseur REIT. The REIT Manager adopts the principle that remuneration matters should be appropriately structured and benchmarked with good market practices to attract qualified talent to grow and manage its business. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning.

The NRC has access to expert advice from external consultants where required. In FY2024, no external remuneration consultant was appointed.

## Remuneration Policy for Key Management Personnel

The underlying principles governing the REIT Manager's remuneration policy for its key management personnel are as follows:

- Rewarding and motivating the Management team to work towards achieving the strategic goals, business results and performance of Sasseur REIT and the REIT Manager; and
- Enhancing the retention of key talents to build strong organisational capabilities and ensuring competitive remuneration relative to the appropriate external talent markets.

The NRC is responsible for approving all key performance indicators (KPIs) and targets to drive the performance of Sasseur REIT and the REIT Manager. The REIT Manager has implemented a performance-based remuneration system, reviewed and approved by the NRC, utilising specific KPIs. The core KPIs relate to achieving significant corporate milestones in debt capital management, acquisition of new assets, effectiveness of investor relations activities in respect of the market performance of Sasseur REIT in terms trading volume, trading yield and relative performance to the FTSE ST Real Estate Investment Trusts Index, and the extent of research coverage of Sasseur REIT. Other KPIs relate to cultivating strong teamwork and positive corporate culture. These key performance indicators are designed to not only measure performance but also to incentivise key management personnel and employees of the REIT Manager, fostering resilience and ensuring continued success of Sasseur REIT.

The NRC considers all aspects of remuneration (including, but not limited to, Directors' fees, salaries, bonuses, benefits in kind and other long-term incentives) and aims to be fair and avoid rewarding poor performance based on the key principles of linking pay to performance. In designing the remuneration structure, the NRC also takes into consideration the performance of the REIT Manager in relation to the approved KPIs and makes reference to compensation benchmarks within the industry, as appropriate. The NRC exercises broad discretion and independent judgement in reviewing and ensuring that the amount and mix of remuneration for the REIT Manager's key management personnel and Directors align with the interests of Unitholders and Sasseur REIT, the risk management policies of Sasseur REIT, and promote the long-term success of Sasseur REIT.

## Remuneration Policy for Non-Executive Directors

The key objectives and features of the REIT Manager's policy on Director remuneration are as follows:

- the level of Directors' fees should be appropriate (but not excessive) to attract and motivate the Directors to provide good stewardship of the REIT Manager and the Group;
- Directors' fees are reviewed annually based on each Director's level of responsibilities, holding appointments as Chairman or member of the Board Committees and subject to the approval of the REIT Manager's shareholder;
- to ensure that fees received by each Director are commensurate with his or her responsibilities and time spent, each Director is paid a basic retainer and Directors who perform additional services through the Board Committees are paid additional fees for such services; and
- no Director is involved in deciding his or her own remuneration.

The Board had endorsed, with the concurrence of the NRC, an amount of \$804,000 as Directors' fees for FY2024. In reviewing the Directors' fees, the NRC took into consideration the expertise and experience of each Director and his or her contributions to the Board. No member of the Board will be involved in any decision of the Board relating to his or her own remuneration. Each member of the NRC, being interested in the matter, recused himself from all discussions and abstained from the recommendations in respect of their own fees.

# CORPORATE GOVERNANCE

## Director's Fees for FY2024

Name of Director	Base/Fixed Salary (\$)	Variable/ Performance-related Income/ Bonuses (\$)	Directors' Fees (\$)	Benefits in Kind (\$)	Other Long-Term Incentives (\$)
Mr Xu Rongcan	-	-	234,000	-	-
Ms Yang Xue	-	-	180,000	-	-
Mr Cheng Heng Tan	-	-	105,000	-	-
Dr Gu Qingyang	-	-	100,000	-	-
Mr Mario Boselli	-	-	100,000	-	-
Mr Wu Geng	-	-	85,000	-	-

## Remuneration of the CEO and Key Management Personnel for FY2024

Name of Key Management Personnel	Base/Fixed Salary	Variable/ Performance-related Income/ Bonuses	Benefits in Kind	Other Long-Term Incentives	Total
Ms Tan Hong Lye, Cecilia	\$527,000.00	\$273,000.00	\$3,287.65	-	\$803,287.65
	66%	34%	0%	-	100%
\$500,001 - \$750,000					
Mr Xie Jianfeng	66%	34%	0%	-	100%

Due to the sensitive and confidential nature of remuneration matters and the importance of the continuity of a stable management team in the competitive Singapore REIT employment market, the REIT Manager is not disclosing the aggregate total remuneration paid to the top five key management personnel (who are not Directors or the CEO). The REIT Manager has less than five key management personnel (who are not Directors or the CEO). The REIT Manager is of the view that disclosure in such manner is not prejudicial to the interests of the Unitholders as sufficient information is provided on the REIT Manager's remuneration framework to enable the Unitholders to understand the link between Sasseur REIT's performance and the remuneration of the key management personnel. The REIT Manager believes that its practices and policies on setting and disclosure of remuneration are in line with the intent of Principle 8 of the Code.

No compensation is payable to any Director, the CEO, key management personnel or staff of the REIT Manager in the form of options in Units or pursuant to any bonus or profit-sharing plan or any other compensation relating to any profit-linked agreement or arrangement. Remuneration of the Directors, the CEO and key management personnel of the REIT Manager is paid in cash.

There were no employees of the REIT Manager who were substantial shareholders of the REIT Manager or immediate family members of a Director, the CEO or a substantial shareholder of the REIT Manager, and whose remuneration exceeds \$100,000 in FY2024.

There are no contractual provisions which allow the REIT Manager to reclaim incentive components of remuneration from key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the REIT Manager and Sasseur REIT.

Presently, the REIT Manager does not have a share option scheme or long-term incentive scheme in place. The NRC has reviewed the REIT Manager's remuneration framework and is satisfied that there is reasonable mitigation of any potential misalignment of interests of the Unitholders, taking into account (a) the NRC's discretion to determine whether the remuneration payable is in line with the remuneration framework, and (b) the substantial emphasis placed on the performance of Sasseur REIT which have been included as part of the KPIs. However, this does not rule out the possibility of the REIT Manager implementing a share option scheme or long-term incentive scheme in the future.

There are no termination, retirement or post-employment benefits that are granted over and above what have been disclosed.

## (C) ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

**Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

#### Risk Management

The REIT Manager has put in place an adequate and effective system of internal controls which address material financial, operational, compliance and information technology risks to safeguard the Unitholders' interests and Sasseur REIT's assets.

The Board has overall responsibility for the governance of risk and oversees the REIT Manager in the design, implementation and monitoring of the risk management and internal controls system. The ARC assists the Board in carrying out the Board's responsibility of overseeing the risk management framework and policies of Sasseur REIT.

The REIT Manager adopts an Enterprise Risk Management (ERM) Framework to manage risks in a systematic and consistent manner. More information on the ERM Framework, including the material risks identified, can be found on pages 122 to 125 of the Annual Report.

#### Independent Review of Internal Controls

KPMG Services Pte. Ltd. (Internal Auditors or KPMG) and Ernst & Young LLP (External Auditors or EY) conduct an annual review of the adequacy and effectiveness of Sasseur REIT's and the REIT Manager's material internal controls, including financial, operational, compliance and information technology controls, and risk management systems. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the ARC. The ARC also reviews the effectiveness of the actions taken by Management based on the recommendations made by the Internal Auditors and External Auditors.

For FY2024, the Board has received assurance from the CEO and the CFO that:

- i) the financial records of Sasseur REIT have been properly maintained and the financial statements give a true and fair view of Sasseur REIT's operations and finances; and
- ii) the system of internal controls and risk management in place for Sasseur REIT is adequate and effective to address the financial, operational, compliance and information technology risks which the REIT Manager considers relevant and material to the current business environment.

Based on the system of internal controls and risk management policies and procedures established and maintained by Sasseur REIT and the REIT Manager, work done by the Internal Auditors and External Auditors, reviews performed by the Management, various Board Committees and the Board, and the receipt of assurance from the CEO and the CFO, the Board, with the concurrence of the ARC, is of the opinion that taking into account the nature, scale and complexity of Sasseur REIT's and the REIT Manager's operations, Sasseur REIT's and the REIT Manager's risk management and internal controls system were adequate and effective in addressing the financial, operational, compliance and information technology risks as at 31 December 2024.

The Board notes that the system of risk management and internal controls established by the REIT Manager provides reasonable assurance that Sasseur REIT, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision making, human error, losses, fraud or other irregularities.



# CORPORATE GOVERNANCE

## AUDIT COMMITTEE

**Principle 10: The Board has an Audit Committee which discharges its duties objectively.**

The Board has established an ARC which comprises three Independent Directors. The composition of the ARC is as follows:

Mr Cheng Heng Tan (Independent Director)	ARC Chairman
Dr Gu Qingyang (Lead Independent Director)	ARC Member
Mr Wu Geng (Independent Director)	ARC Member

The ARC members bring with them invaluable recent and relevant managerial and professional expertise in accounting and related financial management domains. The ARC Chairman, Mr Cheng Heng Tan, is a member of the Institute of Singapore Chartered Accountants, among other professional affiliations. Mr Wu Geng also has recent and relevant financial management experience and expertise. None of the ARC members was previously a partner of EY, within a period of two (2) years commencing on the date of their ceasing to be a partner or director, nor does any of the ARC members hold any financial interest in EY.

The ARC has explicit authority to investigate any matter within its terms of reference. The Management is required to provide the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the ARC. The ARC has direct access to the Internal Auditors and External Auditors and has the full discretion to invite any Director or the Management to attend its meetings. Similarly, both Internal Auditors and External Auditors are given unrestricted access to the ARC.

The ARC meets at least four (4) times a year and, as and when deemed appropriate, to carry out its function. Under its terms of reference, the ARC's scope of duties and responsibilities include:

- a) reviewing the financial reporting issues and judgements so as to ensure the integrity of financial statements, and of announcements on the financial performance and recommending changes, if any, to the Board;
- b) overseeing and reviewing the adequacy and effectiveness of the risk management function;
- c) overseeing the Management in establishing the risk management framework;
- d) reviewing and reporting to the Board at least annually on the adequacy and effectiveness of Sasseur REIT's and the REIT Manager's risk management and internal control systems;
- e) reviewing the assurance provided by the CEO and the CFO that the financial records have been properly maintained, and that the financial statements give a true and fair view of Sasseur REIT's operations and finances;
- f) reviewing the adequacy, effectiveness, independence, scope and results of the internal audit function;
- g) reviewing the scope and results of the external audit and the independence and objectivity of the external audit. The ARC shall then recommend to the Board the appointment, reappointment and removal of the External Auditors and its remuneration and terms of engagement;
- h) ensuring that Sasseur REIT and the REIT Manager comply with the requisite laws and regulations;
- i) ensuring Sasseur REIT and the REIT Manager have programmes and policies in place to identify and prevent fraud;
- j) overseeing the establishment and operation of the whistle-blowing process in Sasseur REIT and the REIT Manager;
- k) reviewing all interested person transactions and related party transactions;

- l) reviewing and providing their views on all hedging policies and instruments to be implemented by Sasseur REIT to the Board;
- m) reviewing and approving the procedure for the entry into any foreign exchange hedging transactions and monitoring the implementation of such policy, including reviewing the instruments, processes and practices in accordance with the policy for entering into foreign exchange hedging transactions approved by the Board;
- n) reviewing the processes and procedures in relation to the appointment or removal of legal representatives of the PRC Companies annually;
- o) exercising oversight over the undertakings given by each of the Sponsor and the Entrusted Manager to the REIT Manager and the Trustee that (i) it will immediately inform the Trustee and the REIT Manager of any matter that has a materially adverse impact on its ability to perform its obligations under the Entrusted Management Agreements (including matters pertaining to the Sponsor's and the Entrusted Manager's creditworthiness); and (ii) it will not unilaterally novate or assign any of the Individual Entrusted Management Agreements or the Master Entrusted Management Agreement, as the case may be, to other parties, and will inform the REIT Manager and the Trustee of any changes to the Individual Entrusted Management Agreements, or the Master Entrusted Management Agreement, as the case may be (including any such novation or assignment);
- p) on an annual basis and where there are changes to the financial and/or credit standing of the financial institutions providing the banker's guarantee pursuant to the Performance Reserve, whether the standing of the banker's guarantee or banker's performance bond provided has been diminished arising from the changes;
- q) in relation to the Performance Reserve, overseeing (i) that the banker's guarantee provided in respect of the Performance Reserve is obtained or placed with an independent financial institution of good financial standing (i.e. at least investment grade); (ii) the withdrawal and utilisation of the Performance Reserve by Sasseur REIT during the term of the Entrusted Management Agreements; and (iii) where the term of the banker's guarantee is shorter than the duration of the income support and is subject to periodic renewal, that the Sponsor should ensure that the banker's guarantee would be renewed;
- r) exercising oversight over the undertakings of the REIT Manager pursuant to the Entrusted Management Agreements (including the disclosures required in the announced full-year financial results and annual reports of Sasseur REIT pursuant to the undertakings in relation to the Entrusted Management Agreements);
- s) reviewing the internal guidelines and monitoring the procedures put in place by the REIT Manager to ensure that the transactions entered into by the PRC Property Companies under the Entrusted Management Agreements are conducted on normal commercial terms and will not be prejudicial to Sasseur REIT and its minority Unitholders;
- t) reviewing at least quarterly in each financial year the transactions entered into by the PRC Property Companies under the Entrusted Management Agreements to ascertain the guidelines and procedures established by the REIT Manager to monitor interested person transactions have been complied with;
- u) reviewing and considering the terms of the Entrusted Management Agreements on an annual basis to ensure that the commercial terms of the Entrusted Management Agreements would not be prejudicial to the interests of Sasseur REIT and its Unitholders and be in compliance with Sasseur REIT's internal controls systems;
- v) conducting an annual assessment on whether the relevant PRC Property Company should exercise the Buy Back Option to acquire the development rights to the Phase 2 Developments and where the Sponsor is unable to complete the development of the Phase 2 Developments prior to the completion date set out in the Grant Agreements, conducting an assessment on whether Sasseur REIT should grant the Sponsor a further extension of the completion date in accordance with the terms of the relevant Grant Agreements; and
- w) deliberating on and putting forth proposals to the Board on measures to mitigate conflicts of interest situations involving Sasseur REIT.

# CORPORATE GOVERNANCE

## External Auditors

The ARC has reviewed the nature and extent of non-audit services provided by the External Auditors in FY2024 and the fees paid for such services. The aggregate amount of fees paid and payable to the External Auditors for FY2024 was \$472,000, comprising audit fees of \$387,000 and non-audit fees of \$85,000.

The External Auditors have also confirmed their independence and that they complied with the Code of Professional Conduct and Ethics of the Institute of Singapore Chartered Accountants in respect of the relative size of audit fees and non-audit fees. The ARC has reviewed and is satisfied that the independence of the External Auditors has not been impaired by the provision of those services.

The REIT Manager confirms, on behalf of Sasseur REIT, that Sasseur REIT complies with Rule 712 and Rule 715 of the Listing Manual.

## Internal Auditors

The internal audit function is outsourced to KPMG, which is staffed by qualified executives. The ARC approves the hiring, removal, evaluation and compensation of the Internal Auditors. The Internal Auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the ARC. KPMG reports to the ARC Chairman and has unrestricted access to the ARC, and is guided by the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The ARC will review the findings of the Internal Auditors and will ensure that the Group follows up on the Internal Auditors' recommendations. The ARC will review the adequacy of the internal audit function annually to ensure that the internal audit function is adequately resourced and is able to perform its function effectively and objectively. The ARC also reviews the independence of the internal audit function. For FY2024, the ARC is satisfied that the internal audit function is independent, effective and adequately resourced.

The ARC meets with the Internal Auditors and External Auditors at least once a year without the presence of the Management. In FY2024, the ARC met with the Internal Auditors and External Auditors, without the Management's presence, to discuss the reasonableness of the financial reporting process, the system of internal controls, and the significant comments and recommendations by the auditors. Where relevant, the ARC makes reference to best practices and guidance for Audit Committees in Singapore, including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore.

Changes to the accounting standards and accounting issues which have a direct impact on the financial impact on the financial statements were reported to and discussed with the ARC at its meetings.

## Key Audit Matter

In the review of the financial statements, the ARC has discussed with the Management on the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The ARC had discussed and reviewed the following key audit matter impacting the financial statements with the Management and the External Auditors:

Key Audit Matter	How this issue was addressed by the ARC
Valuation of investment properties	<p>The ARC evaluated the objectivity, independence and expertise of the external appraisers. The valuation as at 31 December 2024 was performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited.</p> <p>The ARC reviewed the valuation methodology, assumptions and outcomes, and discussed the valuation details with the Management.</p> <p>The ARC considered the findings of the External Auditors, including their assessment of the appropriateness of the valuation methodology and key assumptions applied in the valuation of the investment properties.</p> <p>The ARC was satisfied with the valuation methodology and the valuation for investment properties as disclosed in the financial statements.</p>

## Whistle-blowing Policy

The ARC is responsible for oversight and monitoring of whistle-blowing policies, processes and reporting. The REIT Manager has put in place a Whistle-blowing Policy endorsed by the ARC. The Whistle-blowing Policy sets out the procedures for employees of the REIT Manager and any other person who may in confidence, raise concerns about possible corporate improprieties on matters of financial reporting or other matters. A dedicated secured e-mail address has been set up to allow whistle-blowers to contact the ARC Chairman at [arcchair@sasseurreit.com](mailto:arcchair@sasseurreit.com) directly for any wrongdoing or concerns.

Upon receiving a whistle-blowing report, an email will be sent to the whistle-blower to acknowledge receipt of the report within three (3) working days. All whistle-blowing reports will be handled confidentially, to the extent permitted by laws and regulations. Anonymous reporting is allowed. However, concerns expressed anonymously are difficult to act upon and whistle-blowers are encouraged to provide their contact information so that clarifications can be sought during investigations. Identities of employees and any other persons will not be disclosed without prior consent.

Following a review of the complaint or concern, the ARC Chairman, where appropriate, will take steps to have the matter investigated. The ARC Chairman may also appoint independent parties to conduct investigations in relation to the whistle-blowing report. If, at the conclusion of an investigation, it is determined that a violation has occurred or the allegations are substantiated, remedial action which commensurate with the severity of the offence will be taken. All subsequent actions and decisions taken following the receipt of whistle-blowing reports will be documented and circulated to the ARC or tabled for discussion every quarter.

The REIT Manager does not tolerate the harassment or victimisation of anyone raising a wrongdoing or concern in good faith.

The REIT Manager will ensure that no one will be at risk of suffering from retribution as a result of raising a concern even if they are mistaken, unless the individual raises a matter which they know to be untrue.

The Whistle-blowing Policy has been made available to all employees of the REIT Manager and is also available on Sasseur REIT's website at <https://www.sasseurreit.com/whistle-blowing-policy.html>.

## (D) SHAREHOLDER RIGHTS AND ENGAGEMENT

### SHAREHOLDERS RIGHTS AND CONDUCT OF GENERAL MEETING

**Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

### ENGAGEMENT WITH SHAREHOLDERS

**Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

### Timely Disclosure of Information

The REIT Manager is committed to achieving effective communication with the public and keeps all Unitholders and other relevant stakeholders and analysts informed of the performance and changes in Sasseur REIT or its business which would be likely to materially affect the price or value of the Units, on a timely and consistent basis, for the purposes of assisting Unitholders and investors in their investment decisions.

The REIT Manager provides Unitholders with half-yearly and full-year financial statements within the relevant periods prescribed by the Listing Manual after they are reviewed by the ARC and approved by the Board. These financial statements are accompanied by press releases and presentation slides which are also uploaded on SGXNet. In presenting the half-yearly and full-year financial statements to Unitholders, the Board aims to provide Unitholders with a balanced, clear and understandable assessment of Sasseur REIT's performance, position and prospects. To update the market, the REIT Manager releases business and operational updates for the first quarter and third quarter on SGXNet.



# CORPORATE GOVERNANCE

The REIT Manager believes in conducting itself in ways that seek to deliver maximum sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for Unitholders and the REIT Manager is accountable to Unitholders for Sasseur REIT's performance. Prompt fulfilment of statutory and regulatory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the REIT Manager.

The Trust Deed is available for inspection at the REIT Manager's office (prior appointment would be appreciated).

## Investor Relations

The REIT Manager has a dedicated team performing the investor relations function which facilitates effective communication with Unitholders, analysts, fund managers and the media. The REIT Manager actively engages with Unitholders and has in place an Investor Relations Policy which sets out the principles and practices that the REIT Manager applies in order to provide Unitholders and prospective investors of Sasseur REIT with balanced and understandable information necessary to make well-informed investment decisions and to ensure a level playing field. It also provides a specific investor relations contact, through which Unitholders are able to ask questions and receive responses in a timely manner. The Investor Relations Policy is available on Sasseur REIT's website at [https://investor.sasseurreit.com/ir\\_policy.html](https://investor.sasseurreit.com/ir_policy.html).

The REIT Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders and the investment community. All material information, including press releases on major developments relating to Sasseur REIT, would be communicated on a timely basis via announcements uploaded on SGXNet and on Sasseur REIT's corporate website at <https://www.sasseurreit.com/>.

Other than publicly released announcements on SGXNet and frequent and timely updates on Sasseur REIT's corporate website, the REIT Manager also seeks to engage Unitholders and the investment community through the following channels:

- i) Property site visits;
- ii) Annual reports and Circulars to Unitholders;
- iii) Notices of, and explanatory notes for annual general meetings (AGM) and extraordinary general meetings (EGM);
- iv) Investor, media and analyst briefings;
- v) Other individual or group meetings both in person and virtually, local and overseas conferences, conference calls, roadshows, and emails; and
- vi) Social media channels such as LinkedIn, YouTube, Facebook and Telegram.

More information on the REIT Manager's investor relations activities with Unitholders, investors and analysts can be found in the "Investor Relations" section on pages 116 to 119 of the Annual Report.

The REIT Manager does not practise selective disclosure, and in the event that any inadvertent disclosure is made to a select group, the REIT Manager will make the same disclosure publicly to all others as promptly as possible.

The REIT Manager is committed to treat all Unitholders fairly and equitably. In addition, there are relevant laws and regulations together with the Trust Deed governing specific Unitholders' rights. These rights include among others, the right to participate in profit distributions and the right to attend and vote in general meetings.

## General Meetings

General meetings are the principal forum for dialogue with Unitholders. Unitholders are encouraged to attend the AGMs and EGMs (if any) to ensure high level of accountability and to stay informed of the Group's strategy and goals. At such general meetings, Unitholders will be informed of the rules, including voting procedures, that govern general meetings and are also given the opportunity to share and communicate their views and seek clarification with the Board on issues relating to the Group's performance either informally or formally at or after the AGM.

The REIT Manager is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved. Nonetheless, Unitholders can vote at the general meetings in person or by appointing a proxy, through proxy forms which are sent together with the Annual Reports or circulars, as the case may be. Where a Unitholder is a relevant intermediary (including, but not limited to, a nominee company, a custodian bank or a CPF agent bank) such Unitholder may appoint more than one proxy to exercise all or any of its rights to attend, speak and vote at every meeting, provided that each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (the number of Units and class shall be specified).

The Annual Report or Circular, as the case may be, and notices of the general meetings are dispatched to Unitholders, together with explanatory notes at least 14 calendar days before each meeting for ordinary resolutions and at least 21 calendar days for extraordinary resolutions to be passed. The notice is also advertised in a national newspaper and announced on SGXNet.

Where possible, all the Directors will attend Unitholders' meetings. In particular, the Chairman of the Board and the respective Chairman of the ARC and the NRC, including the Lead Independent Director, are required to be present to address questions at general meetings. The External Auditors are also available at such meetings to assist the Directors to address Unitholders' queries on the conduct of audit and the preparation and content of the Auditors' Report, where necessary.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, unless the resolutions are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the REIT Manager explains the reasons and material implications in the notice of meeting. To ensure transparency in the voting process and better reflect Unitholders' interests, the REIT Manager will conduct electronic poll voting for all the resolutions proposed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed "live" on-screen to Unitholders immediately at such general meetings. The total number of votes cast for or against the resolutions and the respective percentages are also announced on SGXNet after the general meetings.

The Company Secretary of the REIT Manager prepare minutes of Unitholders' meetings, which incorporate comments or queries from Unitholders and responses from the Board, the Management and External Auditors (if applicable). Minutes of the general meetings are uploaded on SGXNet and Sasseur REIT's website at [https://investor.sasseurreit.com/agm\\_egm.html](https://investor.sasseurreit.com/agm_egm.html) within one month from the date of the general meeting.

## Distribution Policy

Sasseur REIT's distribution policy is to distribute at least 90% of its annual income available for distribution for each financial year. The actual level of distribution will be determined at the discretion of the Board of the REIT Manager, having regard to the REIT's funding requirements, capital management considerations and overall stability of distributions.

There is a change in Sasseur REIT's distribution frequency from quarterly distributions to semi-annual distributions, with effect from the financial year ended 2024.

# CORPORATE GOVERNANCE

## (E) MANAGING STAKEHOLDER RELATIONSHIPS

### ENGAGEMENT WITH STAKEHOLDERS

**Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.**

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of Sasseur REIT are served.

In order to review and assess the material factors relevant to Sasseur REIT's business activities, the REIT Manager from time to time proactively engages with various stakeholders, including investment communities (Unitholders, investors, analysts and media), tenants, shoppers, regulators and industry associations, employees and local communities, to gather feedback on the sustainability matters which have significant impact to the business and operations of Sasseur REIT and its stakeholders. The REIT Manager's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2024 are set out on pages 80 to 81 of the Annual Report.

Sasseur REIT maintains a current corporate website at <https://www.sasseurreit.com/> to communicate and engage with its stakeholders.

## (F) ADDITIONAL INFORMATION

### Dealing in Securities

The REIT Manager has adopted a Personal Account Dealing Policy to provide guidance to its officers and employees regarding dealings in listed securities of Sasseur REIT, in compliance with Rule 1207(19) of the Listing Manual.

To this end, the REIT Manager's Directors and employees will be notified of the closed window period by an internal memorandum, which set out prohibitions against dealing in the listed securities of Sasseur REIT during the period beginning (i) one (1) month before the date of the announcement of the half-yearly and full-year results; and (ii) two (2) weeks before the date of the announcement of the business and operational updates.

Any employee of the REIT Manager who intends to deal in the listed securities of Sasseur REIT outside of the prohibition period are required to seek approval from the CEO before the intended purchase or sale. In the case of the CEO and Directors, written approval is required to be sought from the ARC Chairman before the intended purchase or sale. In the case of the ARC Chairman, written approval is required to be sought from the Chairman of the Board before the intended purchase or sale.

Directors and employees of the REIT Manager are also advised against dealing in the listed securities of Sasseur REIT on short-term consideration and when they are in possession of any unpublished material price-sensitive information, and to be mindful of the law on insider trading.

### Dealing with Conflicts of Interest

In accordance with the Compliance Manuals adopted by the REIT Manager, the following principles and procedures have been established to deal with potential conflicts of interest which the REIT Manager (including its Directors, executive officers and employees) may encounter in managing Sasseur REIT:

- a) the REIT Manager is a dedicated manager to Sasseur REIT and will not manage any other REIT or be involved in any other real estate property business without obtaining approval from the MAS;
- b) all resolutions at meetings of the Board or Board resolutions in relation to matters concerning Sasseur REIT must be approved by a majority vote of the Directors, including at least one Independent Director;

- c) in respect of matters in which Sasseur REIT's Sponsor, shareholder and/or its subsidiaries have an interest, whether directly or indirectly, the nominees appointed by the relevant shareholder, Sponsor or subsidiary to the Board will abstain from voting. For such matters, the quorum must comprise a majority of the Independent Directors and shall exclude such Directors who are the nominees of the Sponsor, shareholder and/or its subsidiaries;
- d) in respect of matters in which a Director or his associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s);
- e) any decision by the REIT Manager not to take action against a related party of the REIT Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such related party; and
- f) at least majority of the Board shall comprise Independent Directors.

In addition, the Trust Deed provides that if the REIT Manager is required to decide whether to or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Sasseur REIT with such person which is a Related Party of the REIT Manager. The REIT Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Sasseur REIT, has a prima facie case against the party allegedly in breach under such agreement, the REIT Manager shall be obliged to take appropriate action in relation to such agreement. The Directors of the REIT Manager (including its Independent Directors) will have a duty to ensure that the REIT Manager shall comply with the aforesaid.

Any decision by the REIT Manager not to take action against a Related Party of the REIT Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party and shall be reported to and communicated to the ARC.

### Interested Person Transactions (IPT) / Related Party Transactions (RPT)

"Related Party Transactions" in this Annual Report refers to "Interested Person Transactions" under the Listing Manual and "Interested Party Transactions" under the Property Funds Appendix.

The REIT Manager has in place policies and procedures and established an internal control system on IPTs to ensure that all future RPTs will be undertaken on normal commercial terms and will not be prejudicial to the interests of Sasseur REIT and its Unitholders.

As a general rule, the REIT Manager must demonstrate to its ARC that such transactions satisfy the foregoing criteria. This may entail obtaining (where practicable) quotations from parties unrelated to the REIT Manager or obtaining two or more valuations from independent professional valuers (in compliance with the Property Funds Appendix).

The REIT Manager maintains a register to record all RPTs which are entered into by Sasseur REIT and the bases, including any quotations from unrelated parties and independent valuations, on which they are entered into.

The REIT Manager has also incorporated into its internal audit plan a review of all IPTs and RPTs entered into by Sasseur REIT to ascertain that the guidelines and procedures established to monitor IPTs and RPTs have been complied with. The Trustee will also have the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with. The review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the ARC. If a member of the ARC has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction.



# CORPORATE GOVERNANCE

Further, the following procedures will be undertaken:

- (i) transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding \$100,000 in value but below 3.0% of the value of Sasseur REIT's net tangible assets (based on the latest audited accounts) will be subject to review by the ARC at regular intervals;
- (ii) transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of Sasseur REIT's net tangible assets (based on the latest audited accounts) will be subject to the review and prior approval of the ARC. Such approval shall only be given if the transactions are on normal commercial terms and are not prejudicial to the interests of Sasseur REIT and its Unitholders and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the REIT Manager. Further, under the Listing Manual and the Property Funds Appendix, such transactions would be announced via SGXNet; and
- (iii) transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 5.0% of the value of Sasseur REIT's net tangible assets (based on the latest audited accounts) will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Pursuant to the Listing Manual, transactions with a value below \$100,000 are disregarded for the purpose of the announcement and Unitholders' approval requirements under the Listing Manual as set out in the paragraph above. Accordingly, such transactions are excluded from aggregation with other transactions involving the same Related Parties.

Where matters concerning Sasseur REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Sasseur REIT with a Related Party of the REIT Manager (which would include relevant "associates" as defined under the Listing Manual) or Sasseur REIT, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of Sasseur REIT and the Unitholders, and are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question.

The Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of the REIT Manager or Sasseur REIT. If the Trustee is to sign any contract with a Related Party of the REIT Manager or Sasseur REIT, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITs.

Save for the transactions described under "Related Party Transactions in Connection with the Setting Up of Sasseur REIT and the Offering" in the Prospectus, Sasseur REIT will comply with Rule 905 of the Listing Manual by announcing any IPT in accordance with the Listing Manual if such transaction, by itself or when aggregated with other IPTs entered into with the same interested person during the same financial year, is 3.0% or more of Sasseur REIT's latest audited net tangible assets.

The aggregate value of all IPTs in accordance with the Listing Manual in a particular financial year, each of at least \$100,000 in value and which are subject to Rules 905 and 906 of the Listing Manual, will be disclosed in Sasseur REIT's Annual Report for the relevant financial year.

All IPTs are subject to review by the ARC at its quarterly meetings to ensure that such transactions are conducted on an arm's length basis and are not prejudicial to the interests of the Unitholders.

Details of all IPTs (equal to or exceeding \$100,000 each in value) entered into by Sasseur REIT in FY2024 are disclosed on page 199 of the Annual Report.

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# REPORT OF THE TRUSTEE

DBS Trustee Limited (the Trustee) is under a duty to take into custody and hold the assets of Sasseur Real Estate Investment Trust (the Trust) and its subsidiaries (collectively known as the Group) in trust for the Unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Sasseur Asset Management Pte. Ltd. (the REIT Manager) for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 30 October 2017 which was amended by a first supplemental deed dated 19 March 2018 and a second supplemental deed dated 4 September 2024 (collectively, the Trust Deed) between the REIT Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the REIT Manager has, in all material respects, managed the Trust and its subsidiaries during the year covered by these financial statements, set out on pages 156 to 198, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

**For and on behalf of the Trustee,  
DBS Trustee Limited**

**Jane Lim Puay Yuen**  
Director

Singapore  
20 March 2025

# STATEMENT BY THE REIT MANAGER

In the opinion of the directors of Sasseur Asset Management Pte. Ltd. (the REIT Manager), the REIT Manager of Sasseur Real Estate Investment Trust (the Trust), the accompanying financial statements set out on pages 156 to 198 comprising the Statement of Financial Position and Statement of Portfolio of the Group and the Statement of Financial Position of the Trust as at 31 December 2024, the Consolidated Statement of Total Return, Consolidated Distribution Statement, Consolidated Statement of Changes in Unitholders' Funds and Consolidated Statement of Cash Flows of the Group and the Statement of Changes in Unitholders' Funds of the Trust for the year ended 31 December 2024 are drawn up so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2024, the consolidated total returns, consolidated distributable income, consolidated changes in unitholders' funds, consolidated cash flows of the Group and the changes in unitholders' funds of the Trust for the year ended 31 December 2024 and the statement of portfolio of the Group as at 31 December 2024, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Investment Funds*" issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

**For and on behalf of the REIT Manager,  
Sasseur Asset Management Pte. Ltd.**

**Cheng Heng Tan**  
Director

Singapore  
20 March 2025



# INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Sasseur Real Estate Investment Trust (the Trust) and its subsidiaries (collectively, the Group), which comprise the Statement of Financial Position and Statement of Portfolio of the Group and the Statement of Financial Position of the Trust as at 31 December 2024, the Consolidated Statement of Total Return, Consolidated Distribution Statement, Statements of Changes in Unitholders' Funds of the Group and Trust and Consolidated Statement of Cash Flows of the Group for the year then ended, and Notes to the Financial Statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the Statement of Financial Position and the Statement of Changes in Unitholders' Funds of the Trust are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *"Reporting framework for Investment Funds"* (RAP 7) issued by the Institution of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Group and the financial position of the Trust as at 31 December 2024 and the total returns, distributable income and changes in unitholders' funds of the Group and the Trust and cash flows of the Group for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

# INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## Key Audit Matters (continued)

### Valuation of investment properties

As at 31 December 2024, the carrying amount of investment properties was \$1,582,290,000 which accounted for 89.0% of total assets. The valuations of investment properties are significant to our audit due to its magnitude and the complexity of the valuation which is highly dependent on a range of assumptions and estimates made by the external valuer engaged by the REIT Manager. As disclosed in Note 19(d), valuations of investment properties are sensitive to changes in the significant unobservable inputs, particularly those relating to terminal growth rates and discount rates. This is aggravated by an increase in the level of estimation uncertainty and judgement required arising from the rapid changes in market and economic conditions. Accordingly, we have identified this as a key audit matter.

The REIT Manager uses external valuer to support its determination of the individual fair value of the investment properties. Our audit procedures included, amongst others, an assessment of the Group's process relating to the selection of the external valuer, the determination of the scope of work of the valuer, and a review of the valuation reports issued by the external valuer. We evaluated the objectivity, independence and expertise of the external valuer and read their terms of engagement to ascertain whether there are matters that might have affected the scope of their work and their objectivity.

We involved our internal real estate and valuation specialists to assist us in assessing the appropriateness of the valuation model and the reasonableness of the significant assumptions and estimates by reference to historical rates and market data. Our procedures also included checking the reliability of property related data used by the external valuer, assessing the appropriateness of the valuation techniques and basis for the significant assumptions and estimates used, including key valuation adjustments made in response to the changes in market and economic conditions. We assessed the overall reasonableness of the movements in fair value of the investment properties and the associated deferred tax consequences. We also assessed the adequacy of disclosures in Note 19(d) to the consolidated financial statements.

### Other Information

The REIT Manager is responsible for other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## Responsibilities of the REIT Manager for the Financial Statements

The REIT Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *"Reporting framework for Investment Funds"* (RAP 7) issued by the Institution of Singapore Chartered Accountants, and for such internal control as the REIT Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the REIT Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the REIT Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The REIT Manager's responsibilities include overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the REIT Manager.
- Conclude on the appropriateness of the REIT Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the REIT Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the REIT Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the REIT Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Briston Loo.

### Ernst & Young LLP

Public Accountants and  
Chartered Accountants

Singapore  
20 March 2025



# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Trust	
	Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Assets</b>					
<b>Non-current assets</b>					
Investment properties	4	1,582,290	1,580,190	–	–
Plant and equipment		493	–	–	–
Interests in subsidiaries	5	–	–	1,006,102	1,047,947
		1,582,783	1,580,190	1,006,102	1,047,947
<b>Current assets</b>					
Prepayments, deposits and other receivables	6	19,477	26,042	36,237	354
Cash and short-term deposits	7	174,345	140,834	4,240	3,765
Derivative financial instruments	11	570	614	78	77
		194,392	167,490	40,555	4,196
<b>Total assets</b>		<b>1,777,175</b>	<b>1,747,680</b>	<b>1,046,657</b>	<b>1,052,143</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Loans and borrowings	8	372,295	369,895	–	–
Loan from a related party	8	57,880	57,279	–	–
Other payables	10	–	–	201,492	195,435
Deferred tax liabilities	9	119,476	114,970	–	–
		549,651	542,144	201,492	195,435
<b>Current liabilities</b>					
Other payables and accruals	10	141,194	142,285	1,587	1,329
Loans and borrowings	8	5,497	5,439	–	–
Derivative financial instruments	11	92	23	–	–
Tax payables		42,760	38,177	8	27
		189,543	185,924	1,595	1,356
<b>Total liabilities</b>		<b>739,194</b>	<b>728,068</b>	<b>203,087</b>	<b>196,791</b>
<b>Net assets</b>		<b>1,037,981</b>	<b>1,019,612</b>	<b>843,570</b>	<b>855,352</b>
<b>Represented by:</b>					
Unitholders' funds		<b>1,037,981</b>	<b>1,019,612</b>	<b>843,570</b>	<b>855,352</b>
<b>Units in issue and to be issued ('000)</b>	12	1,255,516	1,245,670	1,255,516	1,245,670
<b>Net asset value per Unit (\$)</b>		<b>0.83</b>	<b>0.82</b>	<b>0.67</b>	<b>0.69</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF TOTAL RETURN

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group	
		2024 \$'000	2023 \$'000
EMA rental income <sup>1</sup>	13	123,726	126,726
REIT Manager's management fees		(8,330)	(8,335)
Trustee's fees		(319)	(321)
Other trust expenses	14	(851)	(1,268)
Finance income		253	286
Finance costs	15	(24,710)	(27,409)
Exchange differences		(2,272)	(813)
Change in fair value of financial derivatives		(113)	614
<b>Total return before fair value adjustments to investment properties and tax</b>		<b>87,384</b>	<b>89,480</b>
Change in fair value of investment properties	4	(14,164)	(3,101)
<b>Total return for the year before tax</b>		<b>73,220</b>	<b>86,379</b>
Tax expense	16	(17,162)	(23,958)
<b>Total return for the year attributable to Unitholders</b>		<b>56,058</b>	<b>62,421</b>

<sup>1</sup> The Group receives EMA rental income under the Entrusted Management Agreement (EMA), and all the operating expenses of the properties are borne by the Entrusted Manager.

# CONSOLIDATED DISTRIBUTION STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Group	
	2024 \$'000	2023 \$'000
Income available for distribution to Unitholders at beginning of the year	9	–
Total return for the year attributable to Unitholders	56,058	62,421
Distribution adjustments (Note A)	27,239	20,929
	83,297	83,350
Less: Amount retained	(7,385)	(5,980)
Amount available for distribution to Unitholders	75,921	77,370
Distribution to Unitholders:		
Distribution of 3.153 cents per Unit for the period from 1/1/2024 to 30/6/2024	(39,276)	–
Distribution of 2.929 cents per Unit for the period from 1/7/2024 to 31/12/2024	(36,635) <sup>1</sup>	–
Distribution of 1.849 cents per Unit for the period from 1/1/2023 to 31/3/2023	–	(22,812)
Distribution of 1.473 cents per Unit for the period from 1/4/2023 to 30/6/2023	–	(18,220)
Distribution of 1.512 cents per Unit for the period from 1/7/2023 to 30/9/2023	–	(18,746)
Distribution of 1.415 cents per Unit for the period from 1/10/2023 to 31/12/2023	–	(17,583) <sup>2</sup>
Total distribution to Unitholders	(75,911)	(77,361)
Amount available for distribution to Unitholders at end of the year	10	9
<b>Distribution per Unit (DPU) (cents)<sup>3</sup>:</b>	<b>6.082</b>	<b>6.249</b>
<b>Note A - Distribution adjustments comprise:</b>		
- REIT Manager's management fees paid/payable in Units	6,664	8,335
- Amortisation of borrowing-related transaction costs	–	1,518
- Straight-line adjustments	726	(1,812)
- Change in fair value of investment properties	14,164	3,101
- Deferred tax expense	3,291	7,485
- Exchange differences	2,281	2,916
- Change in fair value of financial derivatives	113	(614)
Distribution adjustments	27,239	20,929

<sup>1</sup> Distribution relating to the period from 1 July 2024 to 31 December 2024 will be made subsequent to the reporting date (Note 24).

<sup>2</sup> Distribution relating to the period from 1 October 2023 to 31 December 2023 was made in the subsequent financial year.

<sup>3</sup> The DPU relates to the distributions in respect of the relevant financial year.

# STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Trust	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>At beginning of the year</b>		1,019,612	1,067,799	855,352	872,947
<b>Operations</b>					
Total return for the year attributable to Unitholders		56,058	62,421	38,413	49,877
<b>Net increase in net assets resulting from operations</b>		56,058	62,421	38,413	49,877
<b>Unitholders' transactions</b>					
Units in issue					
- REIT Manager's management fees paid in Units		3,415	6,271	3,415	6,271
- Distribution to Unitholders	12	(56,859)	(75,807)	(56,859)	(75,807)
		(53,444)	(69,536)	(53,444)	(69,536)
Units to be issued					
- REIT Manager's management fees payable in Units	12	3,249	2,064	3,249	2,064
<b>Net decrease in net assets resulting from Unitholders' transactions</b>		(50,195)	(67,472)	(50,195)	(67,472)
<b>Foreign currency translation reserve</b>					
Movement in foreign currency translation reserve		12,506	(43,136)	–	–
<b>At end of the year</b>		<b>1,037,981</b>	<b>1,019,612</b>	<b>843,570</b>	<b>855,352</b>

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# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group	
		2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
Total return for the year before tax		73,220	86,379
<u>Adjustments for:</u>			
REIT Manager's management fees paid/payable in Units		6,664	8,335
Straight-line adjustments	4	726	(1,812)
Change in fair value of investment properties	4	14,164	3,101
Change in fair value of financial derivatives		113	(614)
Finance costs	15	24,710	27,409
Finance income		(253)	(286)
<b>Cash flows before changes in working capital</b>		<b>119,344</b>	<b>122,512</b>
<u>Changes in working capital:</u>			
Prepayments, deposits and other receivables		6,603	818
Other payables and accruals		(2,340)	68,015
<b>Cash generated from operations</b>		<b>123,607</b>	<b>191,345</b>
Tax paid		(9,351)	(6,164)
Interest received		237	247
<b>Net cash generated from operating activities</b>		<b>114,493</b>	<b>185,428</b>
<b>Cash flows from investing activities</b>			
Capital expenditure on investment properties		(372)	(532)
Addition of plant and equipment		(493)	–
<b>Net cash used in investing activities</b>		<b>(865)</b>	<b>(532)</b>
<b>Cash flows from financing activities</b>			
Proceeds from bank loans		–	395,193
Loan from a related party		–	59,505
Repayments of bank loans		(5,444)	(491,138)
Payment of borrowing-related transaction costs		–	(13,513)
Distribution to Unitholders		(56,859)	(75,807)
Interest paid		(19,580)	(18,904)
(Increase)/decrease in restricted cash		(341)	115
<b>Net cash used in financing activities</b>		<b>(82,224)</b>	<b>(144,549)</b>
<b>Net increase in cash and cash equivalents</b>		<b>31,404</b>	<b>40,347</b>
Cash and cash equivalents at beginning of the year		131,197	90,833
Effect of exchange rate changes on cash and cash equivalents		1,661	17
<b>Cash and cash equivalents at end of the year</b>	7	<b>164,262</b>	<b>131,197</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# STATEMENT OF PORTFOLIO

AS AT 31 DECEMBER 2024

Description of Property	Location	Tenure of Land	Remaining Term of Lease (Year)	Lease Expiry	Valuation		Valuation		Percentage of Total Net Assets attributable to Unitholders	
					2024	2023	2024	2023	2024	2023
					RMB'000	RMB'000	\$'000	\$'000	%	%
Sasseur (Chongqing Liangjiang) Outlet	No. 1 Aotelaishi Road, Beibuxin District, Chongqing	Leasehold	22	2047	3,188,000	3,129,000	599,090	581,901	57.7	57.1
Sasseur (Chongqing Bishan) Outlet	No. 9 Baiyang Road, Bishan District, Chongqing	Leasehold	27	2051	780,000	834,000	146,578	155,099	14.1	15.2
Sasseur (Hefei) Outlet	No. 1888 Changning Avenue, Gaoxin District, Hefei, Anhui Province	Leasehold	29	2053	2,838,000	2,882,000	533,318	535,967	51.4	52.6
Sasseur (Kunming) Outlet	No. 181 Aotelaishi Avenue, Anning City, Kunming, Yunnan Province	Leasehold	29	2054	1,614,000	1,652,000	303,304	307,223	29.2	30.1
Investment properties, at valuation					8,420,000	8,497,000	1,582,290	1,580,190	152.4	155.0
Other assets and liabilities (net)							(544,309)	(560,578)	(52.4)	(55.0)
Net assets attributable to Unitholders							1,037,981	1,019,612	100.0	100.0

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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. GENERAL

Sasseur Real Estate Investment Trust (the Trust) is a Singapore real estate investment trust constituted pursuant to a trust deed dated 30 October 2017 between Sasseur Asset Management Pte. Ltd. as REIT Manager of Sasseur REIT (the REIT Manager) and DBS Trustee Limited as Trustee of Sasseur REIT (the Trustee), as amended by a first supplemental deed dated 19 March 2018 and a second supplemental deed dated 4 September 2024 (collectively, the Trust Deed). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries in trust for the Unitholders of the Trust.

The Trust was formally admitted to the Official List of Singapore Exchange Securities Trading Limited (the SGX-ST) on 28 March 2018 (the Listing Date).

The registered office of the REIT Manager is located at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632. The principal place of business is located at 7 Temasek Boulevard, #06-05, Suntec Tower One, Singapore 038987.

The principal activity of the Trust is to invest principally, directly or indirectly, in a diversified portfolio of income-producing real estate, which is used primarily for retail outlet malls purposes, as well as real estate related assets, with an initial focus in Asia.

### Entrusted Management Agreement

The Trustee, the REIT Manager and the Sponsor have entered into a Master Entrusted Management Agreement (EMA) in relation to management of the Properties' operations. Sasseur (Shanghai) Holding Company Limited, a wholly-owned subsidiary of the Sponsor, is the Entrusted Manager of the Trust.

The terms of the EMA are for 10 years from the Listing Date. Pursuant to the terms of the EMA, all the operating expenses of the properties shall be borne by the Entrusted Manager throughout the entire EMA duration.

Under the EMA, Group is entitled to receive EMA rental income, a sum of fixed rent (the fixed component) and a variable rent (the variable component) plus performance sharing if any. The fixed component for each Properties shall increase at an escalation rate of 3.0% per annum, in line with inflationary expectation. EMA Resultant Rent is the sum of fixed component and variable component. Performance sharing is based on the differential between the Gross Revenue and EMA Resultant Rent and after deducting the Entrusted Manager Base Fee (EM Base Fee), defined in Note 1(c).

The variable component for each Property is pegged to a percentage of their respective total sales of a range between 4.0% to 5.5%. Gross Revenue is property income plus the income received or receivable by the PRC Property Companies from investments in other permissible investments. PRC Property Companies are the subsidiaries of the Trust listed in Note 5.

Unlike conventional lease arrangements, whereby tenants make rental payments to the landlord on a monthly basis, a point-of-sale and cash management system is put in place whereby the total sale proceeds of goods sold by the retail tenants are deposited into the bank accounts of each respective PRC Property Companies. The PRC Property Companies will deduct rental income from the total sale proceeds and return the balance to each retail tenant.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. GENERAL (continued)

The fee structures of these services are as follows:

### (a) Management fee

The REIT Manager is entitled under the Trust Deed to receive the following remuneration for the provision of asset management services:

#### *Base fee*

Pursuant to the Trust Deed, the REIT Manager is entitled to a Base Fee not exceeding the rate of 10.0% per annum (or such lower percentage as may be determined by the REIT Manager in its absolute discretion) of the distributable income. The Base Fee is payable to the REIT Manager either in the form of cash or Units out of the Properties as the REIT Manager may elect, in such proportions as may be determined by the REIT Manager.

The REIT Manager has elected to receive 20.0% of its manager's base fee in cash and 80.0% in the form of Units for financial year ended 31 December 2024 and 100% of its manager's base fee in the form of Units for financial year ended 31 December 2023.

The portion of the Base Fee, payable in the form of cash and Units, is payable monthly and half-yearly in arrears respectively. Where the Base Fee is payable in Units, Units will be issued based on the volume weighted average price for a Unit for all trades transacted on SGX-ST in the ordinary course of trading for the last 10 business days (as defined in the Trust Deed) immediately preceding the relevant business day.

#### *Performance fee*

Pursuant to the Trust Deed, the REIT Manager is entitled to a performance fee of 25.0% of the difference in Distribution Per Unit (DPU) in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee, but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year. The performance fee is payable if the DPU in any financial year exceeds the DPU in the preceding financial year, notwithstanding that the DPU in such relevant financial year may be less than the DPU in any financial year(s) prior to the preceding financial year.

The performance fee is payable to the REIT Manager either in the form of cash or Units as the REIT Manager may elect, in such proportions as may be determined by the REIT Manager.

The portion of the performance fee, payable either in the form of cash or Units, is payable annually in arrears. Where the performance fee is payable in Units, Units will be issued based on the volume weighted average price for a Unit for all trades transacted on SGX-ST in the ordinary course of trading for the last 10 business days (as defined in the Trust Deed) immediately preceding the relevant business day.

No performance fee was paid for the financial years ended 31 December 2024 and 31 December 2023.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. GENERAL (continued)

### (a) Management fee (continued)

#### *Acquisition fee*

Pursuant to the Trust Deed, the REIT Manager is entitled to receive an acquisition fee of 0.75% of the acquisition price of any real estate purchased, whether directly or indirectly through one or more subsidiaries, by the Trust (pro-rated if applicable to the proportion of the Trust's interest in the real estate acquired) from related parties and 1.0% of the acquisition price for all other cases (or such lower percentage as may be determined by the REIT Manager in its absolute discretion).

The acquisition fee is payable to the REIT Manager either in the form of cash or Units as the REIT Manager may elect, in such proportions as may be determined by the REIT Manager. In respect of any acquisition of real estate assets from related parties, such a fee should be in the form of Units issued by the Trust at the prevailing market price(s) instead of cash. Such Units should not be sold within 1 year from the date of their issuance.

The acquisition fee is payable as soon as practicable after completion of the acquisition or sale.

No acquisition fee was paid for the financial years ended 31 December 2024 and 31 December 2023.

#### *Divestment fee*

Pursuant to the Trust Deed, the REIT Manager is entitled to receive a divestment fee of 0.5% (or such lower percentage as may be determined by the REIT Manager in its absolute discretion) of the sale price of any real estate sold or divested, the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle, the sale price of any investment sold or divested by the Trust whether directly or indirectly through one or more subsidiaries, by the Trust.

The divestment fee is payable to the REIT Manager either in the form of cash or Units as the REIT Manager may elect, in such proportions as may be determined by the REIT Manager. Any payment to third party agents or brokers in connection with the disposal of any assets shall be paid to such persons out of the Properties, and not out of the divestment fee received or to be received by the REIT Manager.

No divestment fee was paid for the financial years ended 31 December 2024 and 31 December 2023.

#### *Development management fee*

Pursuant to the Trust Deed, the REIT Manager is entitled to receive a development management fee of 3.0% of the total project costs incurred in development projects.

Project costs is defined to mean the sum of construction cost based on project final account prepared by the project quantity surveyor or issued by the appointed contractor; principal consultants fees, cost of obtaining all approval for the project, site staff cost, interest costs on borrowings used to finance project cashflow, any other costs including contingency expenses.

The development management fee is payable in equal instalments over the construction period of each development project based on best estimates.

No development management fee was paid for the financial years ended 31 December 2024 and 31 December 2023.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. GENERAL (continued)

### (b) Trustee's fee

The Trustee's fee shall not exceed 0.1% per annum of the value of the Deposited Properties, subject to a minimum of \$15,000 per month, excluding out-of-pocket expenses and GST, in accordance with the Trust Deed. The Trustee's fee is accrued daily and will be paid monthly in arrears in accordance with the Trust Deed. The actual fee payable will be determined between the REIT Manager and the Trustee from time to time.

### (c) Entrusted management fee

The Entrusted Manager is entitled to a management fee per annum comprising Base Fee (EM Base Fee) and a variable performance fee (EM Performance Fee).

#### *EM Base Fee*

EM Base Fee is derived from 30% of Gross Revenue.

#### *EM Performance Fee*

EM Performance Fee is determined as 60% of the differential between the Gross Revenue and EMA Resultant Rent after deducting EM Base Fee. The EM Performance Fee is payable annually.

No EM Performance Fee was paid for the financial years ended 31 December 2024 and 31 December 2023.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

The financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" (RAP 7) issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (the CIS Code) issued by the Monetary Authority of Singapore (MAS) and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Financial Reporting Standards in Singapore (FRS).

### 2.2 Functional and presentation currency

The Group's consolidated financial statements are presented in Singapore dollars (SGD or \$). The Trust and each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency). The functional currency of the Trust and its directly held subsidiaries in Note 5 are in SGD and the functional currency of all the indirectly held subsidiaries in Note 5 are in Chinese Renminbi (RMB). The presentation currency is SGD as the financial statements are meant primarily for users in Singapore. All values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. BASIS OF PREPARATION (continued)

### 2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

### 2.4 Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements in conformity with RAP 7 requires the REIT Manager to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent liabilities at the end of each reporting period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and in any future periods affected.

There are no critical judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial information.

#### ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### ***Valuation of investment properties***

The investment properties are stated at fair value based on independent valuations undertaken by Jones Lang LaSalle Corporate Appraisal and Advisory Limited on 31 December 2024. The independent valuer has the appropriate professional qualification and recent experience in the location and category of the properties being valued.

The fair value of the investment properties is determined by the independent valuer using the Discounted Cash Flow (DCF) approach. The key assumptions are provided in Note 19(d).

The aggregate carrying amount of the investment properties at fair value as at 31 December 2024 is \$1,582,290,000 (2023: \$1,580,190,000).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied by the Group consistently to the year presented in these financial statements.

### 3.1 Basis of consolidation and business combination

#### (a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Trust. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

#### (b) Business combinations

Business combinations are accounted for using the acquisition method as at acquisition date, which is the date on which control is transferred to the Group. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values as at acquisition date. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit and loss. Any excess of the sum of fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit and loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit and loss.

When the acquisition of an investment property does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. Acquisition-related costs are capitalised to the investment property at the time the acquisition is completed.

#### (c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the investee.

In the Trust's statement of financial position, investment in subsidiaries are accounted for at cost less impairment losses.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 3.2 Revenue recognition

Revenue is recognised to the extent that it is received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

#### (a) EMA rental income

EMA rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in profit and loss due to its operating nature except for contingent rental income which is recognised when it arises. Tenant lease incentives are recognised as a reduction of rental income over the lease term on a straight-line basis.

#### (b) Finance income

Finance income comprises interest income which is recognised as it accrues using the effective interest method.

### 3.3 Expenses

#### *Management fees*

Management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(a).

#### *Trust expenses*

Trust expenses are recognised on an accrual basis. Included in trust expenses is the Trustee's fee which is based on the applicable formula stipulated in Note 1(b).

### 3.4 Finance expenses

Finance costs comprise interest expense incurred on borrowings, amortisation and write-off of borrowing-related transaction costs.

### 3.5 Earnings per Unit

The Group presents basic and diluted earnings per Unit data for its Units. Basic earnings per Unit is calculated by dividing the total return for the year attributable to Unitholders of the Trust by the weighted average number of Units outstanding during the year.

### 3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and short-term fixed deposits that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 3.7 Foreign currencies

#### *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Trust and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in statement of total return except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity.

For consolidation purpose, the assets and liabilities of foreign operations are translated into Singapore dollars at the rate of exchange ruling at the end of the reporting period and their statement of total return are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in foreign currency translation reserve. On disposal of a foreign operation, the cumulative amount in the foreign currency translation reserve relating to that particular foreign operation is recognised in statement of total return.

### 3.8 Investment properties

Investment properties are properties that are owned by the Group and are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in statement of total return in the year in which they arise. Fair values are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in such manner and frequency required under the CIS Code issued by MAS.

### 3.9 Plant and equipment

#### (a) Measurement

All items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Any gain or loss on disposal of an item of plant and equipment is recognised in the statement of total return.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 3.9 Plant and equipment (continued)

#### (b) Subsequent costs

Subsequent costs on plant and equipment is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other costs, such as repair and maintenance costs, are recognised in statement of total return as incurred.

#### (c) Depreciation

Depreciation is recognised as an expense in statement of total return on a straight-line basis over the estimated useful live of plant and equipment as follows:

Improvement to premises – 4 years

The depreciation method, useful live and residual value of plant and equipment are reviewed at each financial year end and adjusted if appropriate.

### 3.10 Financial instruments

#### (a) Non-derivative financial assets

##### *Initial recognition and measurement*

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The Group classifies non-derivative financial assets as financial assets measured at amortised cost. At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Other financial assets comprise cash and short-term deposits, deposits and other receivables.

##### *Subsequent measurement*

Financial assets at amortised cost are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in statement of total return when the assets are derecognised or impaired, and through amortisation process.

##### *Derecognition*

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in statement of total return.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 3.10 Financial instruments (continued)

#### (b) Non-derivative financial liabilities

##### *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the Statements of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities as financial liabilities measured at amortised cost. Such financial liabilities are recognised initially at fair value and any directly attributable transaction costs.

Other financial liabilities comprise other payables, rental security deposits and loans and borrowings.

##### *Subsequent measurement*

Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of total return when the liabilities are derecognised or impaired, and through the amortisation process.

##### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in statement of total return.

#### (c) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. The Group has not elected to apply hedge accounting.

Derivatives are recognised initially at fair value and any directly attributable transaction costs are recognised in statement of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of total return.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 3.11 Impairment of financial assets

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in statement of total return and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through statement of total return.

### 3.12 Unitholders' funds

Unitholders' funds are classified as equity. Issue costs relate to expenses incurred in connection with the issue of Units. These expenses are deducted directly against Unitholders' funds.

### 3.13 Taxes

#### (a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in statement of total return except to the extent that the tax relates to items recognised outside statement of total return, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and
- temporary differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 3.13 Taxes (continued)

#### (b) Deferred tax (continued)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment properties that are measured at fair value in the PRC, the presumption that the carrying amounts will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 3.14 Distribution policy

The Trust's distribution policy is to distribute at least 90.0% of its annual income available for distribution for each financial year. The actual level of distribution will be determined at the discretion of the Board of Directors of the REIT Manager, having regard to the Trust's funding requirements, capital management considerations and overall stability of distributions.

There is a change in the Trust's distribution frequency from quarterly distributions to semi-annual distributions, with effect from the financial year ended 31 December 2024.

### 3.15 Leases - as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 3.2(a). Contingent rents are recognised as revenue in the period in which they are earned.

### 3.16 Segment reporting

For management purposes, the Group is organised into operating segments based on individual investment property within the Group's portfolio. The properties are independently managed by the Entrusted Managers who are responsible for the performance of the property under their charge. Discrete financial information is provided to the REIT Manager on a property by property basis. The REIT Manager regularly reviews this information in order to allocate resources to each property and to assess the property's performance.

### 3.17 New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Trust.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### 3.18 Standards issued but not yet effective

The Group has not adopted the following new and amended standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 21: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to FRS 109 and FRS 107: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027

The Group expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application, except for FRS 118. The Group is currently working to identify all impacts the standard will have on the financial statements.

## 4. INVESTMENT PROPERTIES

	Group	
	2024 \$'000	2023 \$'000
<u>Consolidated Statement of Financial Position</u>		
At 1 January	1,580,190	1,638,981
Capital expenditure incurred	461	1,636
Change in fair value of investment properties	(14,890)	(1,289)
Exchange differences	16,529	(59,138)
<b>At 31 December</b>	<b>1,582,290</b>	<b>1,580,190</b>
<u>Consolidated Statement of Total Return</u>		
Change in fair value of investment properties	(14,890)	(1,289)
Net effect of straight-line adjustments <sup>1</sup>	726	(1,812)
Change in fair value of investment properties recognised in the Consolidated Statement of Total Return	(14,164)	(3,101)

<sup>1</sup> Arising from accounting for EMA rental income on a straight-line basis, the difference between revenue recognised and the contractual cash flows is included in the carrying value of the investment properties and subsequently adjusted to the change in fair value of investment properties recognised in the Consolidated Statement of Total Return.

Investment properties comprise retail outlet mall properties which are leased to external tenants.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 4. INVESTMENT PROPERTIES (continued)

### Valuation of investment properties

Investment properties are stated at fair value based on valuations performed as at 31 December 2023 and 31 December 2024. These valuations were performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited with appropriate professional qualifications and recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs are disclosed in Note 19(d).

### Properties pledged as security

As at 31 December 2024, investment properties with an aggregate carrying amount of \$1,278,986,000 (2023: \$1,272,967,000) have been pledged as security to secure bank loans (see Note 8).

## 5. INTERESTS IN SUBSIDIARIES

	Trust	
	2024 \$'000	2023 \$'000
Unquoted equity investment at cost	951,558	951,558
Non-trade amounts due from subsidiaries	54,544	96,389
	1,006,102	1,047,947

The non-trade amounts due from subsidiaries are unsecured, non-interest bearing and settlement is neither planned nor likely to occur in the foreseeable future. As the non-trade amounts due from subsidiaries are, in substance, a part of the Trust's net investment in the subsidiaries, it is stated at cost.

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective equity interest held	
			2024 %	2023 %
<b><u>Direct subsidiaries:</u></b>				
Sasseur Singapore Holdings Pte. Ltd. <sup>1</sup>	Singapore	Investment holding	100	100
Sasseur Capital Pte. Ltd. <sup>1</sup>	Singapore	Investment holding	100	–
<b><u>Indirect subsidiaries:</u></b>				
<b><u>British Virgin Islands (BVI) Holding Companies</u></b>				
Sasseur Bishan (BVI) Limited <sup>3</sup>	British Virgin Islands	Investment holding	100	100
Sasseur Hefei Limited <sup>3</sup>	British Virgin Islands	Investment holding	100	100
Sasseur Jinan Limited <sup>3</sup>	British Virgin Islands	Investment holding	100	100



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 5. INTERESTS IN SUBSIDIARIES (continued)

Name of subsidiaries	Country of incorporation	Principal activities	Effective equity interest held	
			2024 %	2023 %
<b><u>Indirect subsidiaries: (continued)</u></b>				
<u>Hong Kong (HK) Holding Companies</u>				
Sasseur Bishan HK Limited <sup>2</sup>	Hong Kong	Investment holding	100	100
Hong Sun Development Group Limited <sup>2</sup>	Hong Kong	Investment holding	100	100
Sasseur Hefei HK Limited <sup>2</sup>	Hong Kong	Investment holding	100	100
Sasseur Jinan HK Limited <sup>2</sup>	Hong Kong	Investment holding	100	100
<u>PRC Holding Companies</u>				
Sasseur (Hefei) Investment Consultancy Co., Ltd. <sup>2</sup>	People’s Republic of China	Investment holding	100	100
Sasseur (Kunming) Investment Consultancy Co., Ltd. <sup>2</sup>	People’s Republic of China	Investment holding	100	100
<u>PRC Property Companies</u>				
Chongqing Sasseur Suge Apparel Joint Stock Co., Ltd. <sup>2</sup>	People’s Republic of China	Property holding	100	100
Sasseur (Chongqing) Business Co., Ltd. <sup>2</sup>	People’s Republic of China	Property holding	100	100
Hefei Sasseur Commercial Management Co., Ltd. <sup>2</sup>	People’s Republic of China	Property holding	100	100
Kunming Sasseur Commercial Management Co., Ltd. <sup>2</sup>	People’s Republic of China	Property holding	100	100

<sup>1</sup> Audited by Ernst & Young LLP Singapore

<sup>2</sup> Audited by Ernst & Young Hua Ming LLP Shanghai Branch

<sup>3</sup> Audited by Ernst & Young Hua Ming LLP Shanghai Branch for consolidation purpose

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 6. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Refundable deposits	28	28	–	–
VAT/GST recoverables	7,059	7,465	357	351
Other receivables	4,827	10,191	4	–
Amounts due from subsidiaries (non-trade)	–	–	35,783	–
Amounts due from related parties (trade)	7,416	8,302	–	–
	19,330	25,986	36,144	351
Prepayments	147	56	93	3
	19,477	26,042	36,237	354

Included in other receivables of the Group is an amount of \$4,046,000 (2023: \$9,337,000) relating to sale proceeds of goods sold by the tenants which are yet to be received from merchant banks due to a time lag in processing cashless mode of payments made by customers.

Amounts due from subsidiaries (non-trade) relate mainly to dividend receivable from subsidiaries.

Amounts due from related parties (trade) are unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.

## 7. CASH AND SHORT-TERM DEPOSITS

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash and short-term deposits	174,345	140,834	4,240	3,765
Less: Restricted cash	(10,083)	(9,637)	–	–
Cash and cash equivalents	164,262	131,197	4,240	3,765

Restricted cash relates to cash held in interest escrow accounts for interest payment for bank loans.

The interest rates of short-term deposits placed with financial institutions for the Group and Trust ranged from 0.01% to 4.57% (2023: 0.05% to 4.00%) per annum and 0.01% to 4.57% (2023: 0.30% to 4.00%) per annum respectively.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 8. LOANS AND BORROWINGS

	Group	
	2024 \$'000	2023 \$'000
Secured bank loans	383,058	384,860
Loan from a related party	57,880	57,279
Less: Unamortised transaction costs	(5,266)	(9,526)
	435,672	432,613
Non-current	430,175	427,174
Current	5,497	5,439
	435,672	432,613

### Secured bank loans

As at 31 December 2024, the Group has the following onshore and offshore secured loan facilities:

The Group through its PRC wholly-owned subsidiaries, Chongqing Sasseur Suge Apparel Joint Stock Co., Ltd., Sasseur (Chongqing) Business Co., Ltd. and Hefei Sasseur Commercial Management Co., Ltd. has put in place 5-year onshore term loans of RMB975.0 million, since March 2023, with repayment of 1.5% of initial loan principal semi-annually (the onshore loans).

The Group has repaid RMB43.9 million of the above onshore RMB loans, and the outstanding principal amount stands at RMB931.1 million as at 31 December 2024.

The Group, through its wholly-owned subsidiaries, Sasseur Bishan (BVI) Limited and Sasseur Hefei Limited, has also put in place offshore loans which comprise term loans of \$125.0 million and US\$54.1 million, and a \$10.0 million revolving credit facility (collectively the offshore loans).

The Group's secured bank borrowings are generally secured by:

- (a) mortgages on the borrowing subsidiaries' investment properties (see Note 4) and
- (b) assignment of all rights, titles and benefits with respect to the properties mortgaged.

As at 31 December 2024, the Group has complied with all the financial covenants stipulated in the loan facilities agreement.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 8. LOANS AND BORROWINGS (continued)

### Unsecured Loan from a related party

On 3 February 2023, the Group, through its wholly-owned subsidiary, Kunming Sasseur Commercial Management Co., Ltd. (Sasseur Kunming) entered into a loan agreement with a wholly-owned subsidiary of Sasseur Cayman Holding Limited (Sponsor) (with extension for up to another year with mutual agreement) under which the Sponsor provided Sasseur Kunming with an unsecured fixed-rate interest-bearing onshore loan of RMB308.0 million (Sponsor Loan).

On 5 December 2024, Sasseur Kunming entered into a supplementary agreement to extend the Sponsor Loan for five years from March 2025 to March 2030. The annual interest rate of the Sponsor Loan was re-priced as floating interest rate with reference to China's 5-year Loan Prime Rate (LPR).

The weighted average cost of borrowings was 5.3% (2023: 5.6%) per annum. As at 31 December 2024, the Group had an aggregate leverage ratio of 24.8% (2023: 25.3%) and interest coverage ratio of 4.6 times (2023: 4.3 times).

The outstanding principal, interest rate and maturity of the loans and borrowings are as follows:

	Nominal interest rate	Term	Year of maturity	Group	
				Face value \$'000	Carrying amount \$'000
<b>2024</b>					
Onshore loans	3.60% to 4.80%	5.0 years	2030	232,857	231,622
Offshore loans	4.43% to 5.21%	3.0 years	2026	208,081	204,050
				<b>440,938</b>	<b>435,672</b>
<b>2023</b>					
Onshore loans	4.20% to 4.80%	5.0 years	2028	235,880	233,645
Offshore loans	4.43% to 6.58%	3.0 years	2026	206,259	198,968
				<b>442,139</b>	<b>432,613</b>

A reconciliation of liabilities arising from the Group's financing activities is as follows:

	At 1 January \$'000	Net cash flow \$'000	Non-cash changes		At 31 December \$'000
			Exchange differences \$'000	Finance cost (Note 15) \$'000	
<b>2024</b>					
Loans and borrowings	432,613	(5,444)	3,908	4,595	435,672
Interest payables	3,466	(19,580)	(853)	20,115	3,148
<b>2023</b>					
Loans and borrowings	487,355	(49,953)	(10,068)	5,279	432,613
Interest payables	820	(18,904)	(580)	22,130	3,466

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 9. DEFERRED TAX LIABILITIES

	Group	
	2024 \$'000	2023 \$'000
Deferred tax liabilities	119,476	114,970

Movements in deferred tax of the Group during the financial year are as follows:

	Investment properties \$'000	Tax on unrepatriated profits \$'000	Total \$'000
At 1 January 2023	(102,984)	(8,683)	(111,667)
Recognised in Consolidated Statement of Total Return	(4,728)	(2,757)	(7,485)
Exchange differences	3,815	367	4,182
At 31 December 2023 and 1 January 2024	(103,897)	(11,073)	(114,970)
Recognised in Consolidated Statement of Total Return	(1,133)	(2,157)	(3,290)
Exchange differences	(1,094)	(122)	(1,216)
At 31 December 2024	(106,124)	(13,352)	(119,476)

## 10. OTHER PAYABLES AND ACCRUALS

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Current:</b>				
Refundable security deposits	8,530	7,885	–	–
Interest payables	3,148	3,466	–	–
VAT and other tax payables	1,576	1,290	–	–
Construction payables	3,390	3,605	–	–
Amount due to subsidiaries (non-trade)	–	–	648	572
Amounts due to related parties (non-trade)	1,583	1,482	285	–
Accrued expenses	780	996	624	699
Property tax payables	1,101	1,108	–	–
Other payables	121,086	122,453	30	58
	141,194	142,285	1,587	1,329
<b>Non-current:</b>				
Loans from subsidiaries	–	–	201,492	195,435
	141,194	142,285	203,079	196,764



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 10. OTHER PAYABLES AND ACCRUALS (continued)

Construction payables consist of retention sum of completed construction works arising from acquisition of investment properties and related assets and liabilities, and capital expenditures.

The non-trade amounts due to subsidiaries and related parties are unsecured, interest-free and repayable on demand in cash.

Included in other payables is an amount of \$116,277,000 (2023: \$116,657,000) relating to sale proceeds collected from customers on behalf of the tenants.

Loans from subsidiaries are unsecured, interest-bearing and repayable in March 2026.

## 11. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Trust			
	2024		2023	
	Contractual notional amount \$'000	Assets/ (Liabilities) \$'000	Contractual notional amount \$'000	Assets/ (Liabilities) \$'000
<b>Current assets</b>				
Cross currency swaps	117,332	501	116,259	537
Forward currency contracts	25,397	69	11,789	77
	142,729	570	128,048	614
<b>Current liability</b>				
Interest rate swap	31,250	(92)	31,250	(23)
Derivative financial instruments as a percentage of the Group's net assets		0.05%		0.06%
Derivative financial instruments as a percentage of the Trust's net assets		0.06%		0.07%

### Interest rate swap

The Group enters into interest rate swap to manage its exposure to interest rate movements on its floating rate interest-bearing borrowings by swapping the interest expense on these borrowings from floating rates to fixed rates. The Group held interest rate swap for a term of 3 years, ending 15 March 2026.

The changes in fair value of the interest rate swap are recognised in the consolidated statement of total return.

### Cross currency swaps

The Group enters into cross currency swaps to manage its exposure to interest rate and foreign currency movements on its floating rate interest-bearing USD and SGD denominated borrowing by swapping the interest expense on this borrowing from floating rate denominated in USD and SGD to fixed rate denominated in SGD and RMB respectively. The Group held cross currency swap for a term ranging from 2 to 3 year, ending 15 March 2026.

The changes in fair value of the cross currency swaps are recognised in the consolidated statement of total return.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 11. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

### Forward currency contracts

The Group enters into forward currency contracts to manage its foreign currency risk arising from the cash flows of the Group's investments in PRC.

The changes in fair value of the forward currency contracts are recognised in the consolidated statement of total return.

## 12. UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust			
	2024		2023	
	Number of Units '000	\$'000	Number of Units '000	\$'000
<b>At 1 January</b>	1,242,648	541,236	1,231,092	608,780
<b>Units in issue:</b>				
- REIT Manager's management fees paid in Units	8,123	5,479	11,556	8,263
- Distribution to Unitholders	-	(56,859)	-	(75,807)
Total Units in issue at 31 December	1,250,771	489,856	1,242,648	541,236
<b>Units to be issued:</b>				
- REIT Manager's management fees payable in Units	4,745	3,249	3,022	2,064
<b>Total Units in issue and to be issued at 31 December</b>	<b>1,255,516</b>	<b>493,105</b>	<b>1,245,670</b>	<b>543,300</b>

During the financial year ended 31 December 2024, 8,123,353 Units (2023: 11,555,795 Units) amounting to \$5,478,570 (2023: \$8,263,943) were issued at issue prices ranging from \$0.6694 to \$0.6829 per Unit (2023: \$0.6682 to \$0.7491 per Unit) for the partial payment of the REIT Manager's management fee.

Each Unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- One vote per Unit;
- Receive income and other distributions attributable to the Units held;
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust;
- Attend all Unitholders' meetings. The Trustee or the REIT Manager may (and the REIT Manager shall at request in writing of not less than 50 Unitholders or Unitholders representing not less than 10% of the total Units issued) may at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder has no equitable or proprietary interest in the underlying asset of the Group and is not entitled to the transfer to it of any asset (or any part thereof) or of any real estate or interest in any asset and the real estate-related assets (or any part thereof) of the Group.
- A Unitholder's liability is limited to the amount paid or payable for any Units. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. EMA RENTAL INCOME

	2024 \$'000	2023 \$'000
EMA rental income	123,726	126,726

EMA rental income is accounted for on a straight-line basis over the lease term. Excluding net effect of straight-line adjustments, EMA rental income is \$124,452,000 (2023: \$124,914,000) (Note 21).

## 14. OTHER TRUST EXPENSES

Included in other trust expenses are the following:

	2024 \$'000	2023 \$'000
Auditors of the Group:		
- Audit fees	387	389
- Non-audit fees	85	133
Legal expenses	34	82
Valuation and other professional fees	239	231
Other expenses	106	433
	851	1,268

## 15. FINANCE COSTS

Included in the effective interest expenses on borrowings are the following:

	2024 \$'000	2023 \$'000
Interest expenses on loans and borrowings	20,115	22,130
Amortisation of borrowing-related transaction costs	4,347	5,003
Other borrowing costs	248	276
	24,710	27,409

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 16. TAX EXPENSE

The major components of tax expense are:

	2024 \$'000	2023 \$'000
<b>Current tax expense</b>		
Current year	18,255	16,527
Over provision in previous years	(4,384)	(54)
	13,871	16,473
<b>Deferred tax expense</b>		
Movement in temporary differences	3,291	7,485
	17,162	23,958

Reconciliation of effective tax rate:

	2024 \$'000	2023 \$'000
Total return for the year before tax	73,220	86,379
Tax calculated using Singapore income tax rate of 17% (2023: 17%)	12,447	14,684
Adjustments:		
Non-deductible expenses	5,867	5,300
Effects of different tax rates in foreign jurisdictions	5,033	6,124
Effect of preferential tax rate <sup>1</sup>	(5,924)	(6,466)
Tax losses not allowed to be carried forward <sup>2</sup>	4,123	4,370
Over provision in prior years	(4,384)	(54)
	17,162	23,958

<sup>1</sup> Effect of preferential tax rate is a tax rate of 15% for the Sasseur (Chongqing Liangjiang) Outlet and Sasseur (Kunming) Outlet obtained from the State Administration of Taxation of the People's Republic of China.

<sup>2</sup> Tax losses resulted from losses from the Trust.

## 17. EARNINGS PER UNIT (EPU)

	2024 \$'000	2023 \$'000
Weighted average number of Units ('000)	1,246,584	1,235,949
Total return after tax (\$'000)	56,058	62,421
EPU <sup>1</sup> (cents) – basic and diluted <sup>2</sup>	4.497	5.050

<sup>1</sup> EPU is calculated by dividing the total return for the year after tax against the weighted average number of Units in issue for the reporting year.

<sup>2</sup> Diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the reporting year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 18. FINANCIAL RISK MANAGEMENT

### Capital management

The REIT Manager aims to optimise the capital structure and cost of capital, within the borrowing limits set out in the Property Fund Appendix. The REIT Manager's strategy of the management of capital involves adopting and maintaining appropriate aggregate leverage level to ensure optimal returns to Unitholders, while maintaining flexibility in respect of future capital expenditures or acquisitions.

The REIT Manager will endeavour to match the maturity of the Group's indebtedness with the maturity of the Group's investment assets, and to employ long-term, fixed-rate debt to the extent practicable in view of market conditions in existence from time to time.

The Group is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS Code. The Property Funds Appendix stipulates that the total borrowings and deferred payments (collectively, the Aggregate Leverage) of a property fund shall not exceed 50.0% of its deposited property.

The Group has complied with the Aggregate Leverage limit of 50.0% during the financial year, with an Aggregate Leverage of 24.8% (2023: 25.3%) and interest coverage ratio of 4.6 times (2023: 4.3 times) as at 31 December 2024.

### Overview of risk management

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors of the REIT Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in the REIT Manager's organisational and reporting structure, operating manuals and delegation of authority guidelines.

The following sections provide details regarding the Group's and Trust's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

### Market risk

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to Chinese Renminbi (RMB), Singapore dollar (SGD) and United States dollar (USD). Foreign exchange risk arises from future transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the companies within the Group.

The Group and Trust have transactional currency exposures arising from cash and short-term deposits, prepayments, deposits and other receivables and loans and borrowings that are denominated in a currency other than their functional currency. These transactions are mainly denominated in RMB, SGD and USD.

The Group's strategy is to achieve a natural hedge through local RMB financing. To mitigate the foreign currency risk, the REIT Manager will enter into forward currency contracts to limit the Group's exposure for the RMB denominated cash flows.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 18. FINANCIAL RISK MANAGEMENT (continued)

### Market risk (continued)

#### Foreign currency risk (continued)

The Group's and the Trust's exposure to foreign currency risk is as follows:

Group 2024	RMB \$'000	SGD \$'000	USD \$'000	Total \$'000
Cash and short-term deposits	636	11,346	4,395	16,377
Loans and borrowings	-	(135,000)	(73,081)	(208,081)
Net assets/(liabilities)	636	(123,654)	(68,686)	(191,704)

Trust 2024	RMB \$'000	SGD \$'000	USD \$'000	Total \$'000
Cash and short-term deposits	636	-	960	1,596
Loans and borrowings	-	-	(73,081)	(73,081)
Net assets/(liabilities)	636	-	(72,121)	(71,485)

Group 2023	RMB \$'000	SGD \$'000	USD \$'000	Total \$'000
Cash and short-term deposits	1,264	4,637	3,848	9,749
Loans and borrowings	-	(135,000)	(71,259)	(206,259)
Net assets/(liabilities)	1,264	(130,363)	(67,411)	(196,510)

Trust 2023	RMB \$'000	SGD \$'000	USD \$'000	Total \$'000
Cash and short-term deposits	1,264	-	187	1,451
Loans and borrowings	-	-	(71,259)	(71,259)
Net assets/(liabilities)	1,264	-	(71,072)	(69,808)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 18. FINANCIAL RISK MANAGEMENT (continued)

### Market risk (continued)

#### Foreign currency risk (continued)

The following table demonstrates the sensitivity of the Group's and Trust's total return before tax to a reasonably possible change in the RMB, SGD and USD exchange rates against the functional currency of the companies within the Group, with all other variables held constant.

		Increase/(decrease) in total return before tax	
		Group \$'000	Trust \$'000
<b>2024</b>			
RMB	- strengthened by 5%	32	32
RMB	- weakened by 5%	(32)	(32)
SGD	- strengthened by 5%	(6,183)	-
SGD	- weakened by 5%	6,183	-
USD	- strengthened by 5%	(3,434)	(3,606)
USD	- weakened by 5%	3,434	3,606
<b>2023</b>			
RMB	- strengthened by 5%	63	63
RMB	- weakened by 5%	(63)	(63)
SGD	- strengthened by 5%	(6,518)	-
SGD	- weakened by 5%	6,518	-
USD	- strengthened by 5%	(3,371)	(3,554)
USD	- weakened by 5%	3,371	3,554

#### Interest rate risk

The Group adopts a proactive interest rate management policy to manage the risk associated with changes in interest rates on the Group's loan facilities while also seeking to ensure that the ongoing cost of debt remains competitive.

The Group proactively seeks to minimise the level of interest rate risk by hedging certain amounts of the Group's borrowings at fixed rates. As at 31 December 2024, the Group has hedged approximately 33.9% (2023: 33.4%) of its borrowings at fixed rates.

Included in the Group's borrowings, 52.8% (2023: 53.4%) of its borrowings is RMB denominated onshore loans. The RMB denominated onshore loans are pegged to 5-year LPR published by the People's Bank of China. The Group will periodically review the Group's hedging policy with respect to the interest rate risk and modify the hedging portion as its management deems prudent in light of prevailing market conditions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 18. FINANCIAL RISK MANAGEMENT (continued)

### Market risk (continued)

#### *Sensitivity analysis for interest rate risk*

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the Group's unhedged floating rate loans and borrowings, with all other variables held constant and the impact on the Group's total return before tax.

Group	Increase/ (decrease) in basis points	2024 \$'000	2023 \$'000
- SGD	25	(147)	(147)
- SGD	(25)	147	147
- RMB	25	(437)	(447)
- RMB	(25)	437	447

### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. The Group has minimal exposure to credit risk through its point-of-sale and cash management system.

For other financial assets (including cash and short-term deposits), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group believes that there is no credit risk inherent in the Group's other receivables, based on historical payment behaviours. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

#### *Financial assets that are neither past due nor impaired*

Other receivables that are neither past due nor impaired are with creditworthy debtors with good payment track records with the Group.

Derivative financial instruments are only entered into with banks and financial counterparties with sound credit ratings.

Cash and short-term deposits are placed with financial institutions which are regulated.

### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's and the Trust's approach to managing liquidity is to ensure, as far as possible, that they will always have sufficient liquidity to meet their liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's and the Trust's reputation.

The REIT Manager monitors liquidity risk and maintains a level of cash and short-term deposits deemed adequate by management to finance the Group's and the Trust's operations and to mitigate the effects of fluctuations in cash flows. In addition, the REIT Manager also monitors and observes the CIS Code issued by MAS concerning limits on total borrowings.

The Group's loans and borrowings are set out in Note 8.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 18. FINANCIAL RISK MANAGEMENT (continued)

### Liquidity risk (continued)

The following are the contractual maturities of financial liabilities, including estimated interest payments:

Group 2024	Carrying amount \$'000	Contractual cash flows \$'000	Cash flows		
			Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Non-derivative financial liabilities					
Other payables and accruals <sup>1</sup>	139,618	139,618	139,618	-	-
Loans and borrowings	435,672	497,838	23,884	473,954	-
	575,290	637,456	163,502	473,954	-

<sup>1</sup> Excludes VAT and other tax payables.

			Cash flows		
Trust	Carrying	Contractual	Within	Within	More than
2024	amount	cash flows	1 year	2 to 5 years	5 years
	\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivative financial liability					
Other payables and accruals	203,079	203,079	1,587	201,492	-

Group 2023	Carrying amount \$'000	Contractual cash flows \$'000	Cash flows		
			Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000
Non-derivative financial liabilities					
Other payables and accruals <sup>1</sup>	140,995	140,995	140,995	-	-
Loans and borrowings	432,613	495,013	25,099	469,914	-
	573,608	636,008	166,094	469,914	-

<sup>1</sup> Excludes VAT and other tax payables.

Trust 2023	Carrying amount \$'000	Contractual cash flows \$'000	Cash flows			
			Within 1 year \$'000	Within 2 to 5 years \$'000	More than 5 years \$'000	
Non-derivative financial liability						
Other payables and accruals	196,764	196,764	1,329	195,435	-	

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 19. FAIR VALUES OF ASSETS AND LIABILITIES

### (a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3: unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

### (b) Assets and liabilities measured at fair value

The following table shows the classification of each class of assets and liabilities measured at fair value at the end of the reporting year:

Group 2024	Fair value		
	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Assets measured at fair value</b>			
<b>Non-financial asset</b>			
Investment properties			
- <i>Outlet malls</i>	-	1,582,290	1,582,290
<b>Total non-financial asset</b>	-	1,582,290	1,582,290
<b>Financial asset</b>			
Derivative financial instruments			
- <i>Cross currency swaps</i>	501	-	501
- <i>Foreign currency forward contracts</i>	69	-	69
<b>Total financial asset</b>	570	-	570
<b>Liabilities measured at fair value</b>			
<b>Financial liability</b>			
Derivative financial instrument			
- <i>Interest rate swap</i>	92	-	92
<b>Total financial liability</b>	92	-	92



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 19. FAIR VALUES OF ASSETS AND LIABILITIES (continued)

### (b) Assets and liabilities measured at fair value (continued)

Group 2023	Fair value		
	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Assets measured at fair value</b>			
<b>Non-financial asset</b>			
Investment properties			
- <i>Outlet malls</i>	-	1,580,190	1,580,190
<b>Total non-financial asset</b>	-	1,580,190	1,580,190
<b>Financial asset</b>			
Derivative financial instruments			
- <i>Cross currency swaps</i>	537	-	537
- <i>Foreign currency forward contracts</i>	77	-	77
<b>Total financial asset</b>	614	-	614
<b>Liabilities measured at fair value</b>			
<b>Financial liability</b>			
Derivative financial instrument			
- <i>Interest rate swap</i>	23	-	23
<b>Total financial liability</b>	23	-	23

### (c) Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurements for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

#### *Derivative financial instruments*

The fair values of interest rate swap, cross currency swap and foreign currency forward contracts are based on valuations provided by the financial institutions that are the counterparties of the transactions. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates or exchange rates, where applicable, for a similar financial instrument at the measurement date.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 19. FAIR VALUES OF ASSETS AND LIABILITIES (continued)

### (d) Level 3 fair value measurements

*Information about significant unobservable inputs used in Level 3 fair value measurements*

*Investment properties*

The investment properties are stated at fair value based on valuations by independent professional valuer. The independent professional valuer has the appropriate professional qualifications and recent experience in the location and category of the properties being valued.

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and without compulsion.

The fair values were generally calculated using the Discounted Cash Flow (DCF) approach. The DCF approach calculates the present values of future cash flows over a specified time period, including the potential proceeds of a deemed disposition, to determine the fair value. The DCF approach converts the earnings of a property into an estimate of value. The final step in the appraisal process involves the reconciliation of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property.

The valuation techniques used in determining the fair value involve certain estimates including those relating to discount rates and terminal growth rates, which are unobservable. In relying on the valuation reports, the REIT Manager has exercised its judgement and is satisfied that the valuation techniques and estimates used are reflective of the current market conditions.

The fair value measurement for investment properties has been categorised under Level 3 of the fair value hierarchy based on the inputs to the valuation technique used.

The following table shows the Group's valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used:

Valuation technique	Significant unobservable inputs	Range of significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Discounted cash flow approach	Discount rate	9.5% to 10.5% (2023: 10.0% to 11.0%)	The higher the rate, the lower the fair value.
	Terminal growth rate	3.0% (2023: 3.0%)	The higher the rate, the lower the fair value.

The investment properties categorised under Level 3 of the fair value hierarchy are generally sensitive to the significant unobservable inputs tabled above. A significant movement of each input would result in a significant change to the fair value of the respective investment properties.

The Group assesses the fair value of investment properties on a yearly basis.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 19. FAIR VALUES OF ASSETS AND LIABILITIES (continued)

### (d) Level 3 fair value measurements (continued)

*Information about significant unobservable inputs used in Level 3 fair value measurements (continued)*

*Movements in Level 3 assets and liabilities measured at fair value*

The reconciliation for investment properties measured at fair value based on significant unobservable inputs (Level 3) is disclosed in Note 4.

*Valuation policies and procedures*

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on valuations of investment properties. In accordance to the CIS Code, the Group rotates the independent valuer every two years.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant unobservable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available. For valuations that are sensitive to the unobservable inputs used, external valuation experts are required, to the extent practicable, to use up to two valuation approaches to allow for cross-checks.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

### (e) Fair value and classification of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of the Group's and the Trust's current financial assets and liabilities approximate their fair values. The carrying amounts of the Group's non-current loans and borrowings and loans from subsidiaries approximate their fair values because they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 20. COMMITMENTS

### (a) Capital commitments

Capital expenditure contracted for as at the end of the reporting year but not recognised in the financial statements are as follows:

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Capital commitments in relation to investment properties	1,890	2,219	-	-

### (b) Operating lease commitments - as lessor

The Group's PRC Property Companies have entered into separate individual Entrusted Management Agreements (EMAs) with its Entrusted Manager to operate, maintain, manage and market the properties and are entitled to receive a sum of fixed rent which increases at an escalation rate of 3.0% per annum. Future minimum rental receivable under the EMAs is as follows:

	Group	
	2024 \$'000	2023 \$'000
Within 1 year	88,978	87,443
After 1 year but within 5 years	209,155	301,780
	298,133	389,223

## 21. RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group, if the Sponsor has the direct and indirect ability to control the parties, jointly control or exercise significant influence over the parties in making financial and operating decisions. Related parties may be individuals or other entities.

In the normal course of its business, the Group carried out transactions with related parties on terms agreed between the parties. During the year, in addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions were carried out at terms agreed between the parties and included in the Group's total return before tax:

	Group	
	2024 \$'000	2023 \$'000
EMA rental income received/receivable from Entrusted Manager (Note 13)	124,452	124,914
REIT Manager's management fees paid/payable	8,330	8,335
Trustee's fees paid/payable	319	321
Interest expenses on loan from a related party	2,817	2,322

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 22. FINANCIAL RATIOS

	Group	
	2024 %	2023 %
Ratio of expenses to weighted average net assets <sup>1</sup>		
- Including performance component of the REIT Manager's management fees	0.90	0.97
- Excluding performance component of the REIT Manager's management fees	0.90	0.97
Portfolio turnover rate <sup>2</sup>	-	-

<sup>1</sup> The ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding finance costs, exchange differences and tax expense.

<sup>2</sup> The ratio is computed based on the lower of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

## 23. OPERATING SEGMENTS

For the purpose of making resource allocation decisions and the assessment of segment performance, the REIT Manager reviews internal management reports of the Group's investment properties. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

The Group's reportable segments are investment properties located in PRC used primarily for retail outlet mall purposes. The Group has four reportable segments as follows:

- (a) Sasseur (Chongqing Liangjiang) Outlet
- (b) Sasseur (Chongqing Bishan) Outlet
- (c) Sasseur (Hefei) Outlet
- (d) Sasseur (Kunming) Outlet

Segment revenue comprises mainly income generated under the EMA and is reported to the REIT Manager for the purpose of assessment of segment performance. In addition, the REIT Manager monitors the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly the REIT Manager's management fee, trustee's fees, trust expenses, finance income, finance costs, tax expense, exchange differences and related assets and liabilities.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 23. OPERATING SEGMENTS (continued)

Information regarding the Group's reportable segments is presented in the tables below:

### Segment results

Group 2024	Sasseur (Chongqing Liangjiang) Outlet \$'000	Sasseur (Chongqing Bishan) Outlet \$'000	Sasseur (Hefei) Outlet \$'000	Sasseur (Kunming) Outlet \$'000	Unallocated \$'000	Total \$'000
EMA rental income	56,223	10,951	34,891	21,661	-	123,726
REIT Manager's management fees	-	-	-	-	(8,330)	(8,330)
Trustee's fees	-	-	-	-	(319)	(319)
Other trust expenses						
- Other income	511	81	749	63	-	1,404
- Other expenses	-	-	90	67	(2,412)	(2,255)
Finance income	-	-	-	-	253	253
Finance costs	(5,091)	(796)	(2,402)	(3,933)	(12,488)	(24,710)
Exchange differences	-	-	(76)	1	(2,197)	(2,272)
Change in fair value of financial derivatives	-	-	-	-	(113)	(113)
Total return before fair value adjustments to investment properties and tax	51,643	10,236	33,252	17,859	(25,606)	87,384
Change in fair value of investment properties	11,005	(10,090)	(7,942)	(7,137)	-	(14,164)
Total return for the year before tax	62,648	146	25,310	10,722	(25,606)	73,220
Tax expense					(17,162)	(17,162)
Total return for the year					(42,768)	56,058
Segment assets	685,258	162,554	592,648	324,528	12,187	1,777,175
Segment liabilities	229,992	33,336	164,467	99,851	211,548	739,194
Other segment information:						
Capital expenditure	375	36	(98)	148	-	461

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 23. OPERATING SEGMENTS (continued)

### Segment results (continued)

Group 2023	Sasseur (Chongqing Liangjiang) Outlet \$'000	Sasseur (Chongqing Bishan) Outlet \$'000	Sasseur (Hefei) Outlet \$'000	Sasseur (Kunming) Outlet \$'000	Unallocated \$'000	Total \$'000
EMA rental income	57,802	11,286	35,413	22,225	-	126,726
REIT Manager's management fees	-	-	-	-	(8,335)	(8,335)
Trustee's fees	-	-	-	-	(321)	(321)
Other trust expenses						
- Other income	64	13	797	23	-	897
- Other expenses	(257)	(44)	(140)	(89)	(1,635)	(2,165)
Finance income	-	-	-	-	286	286
Finance costs	(6,106)	(1,024)	(2,749)	(2,702)	(14,828)	(27,409)
Exchange differences	-	-	(5)	-	(808)	(813)
Change in fair value of financial derivatives	-	-	-	-	614	614
Total return before fair value adjustments to investment properties and tax	51,503	10,231	33,316	19,457	(25,027)	89,480
Change in fair value of investment properties	(1,363)	(583)	(394)	(761)	-	(3,101)
Total return for the year before tax	50,140	9,648	32,922	18,696	(25,027)	86,379
Tax expense					(23,958)	(23,958)
Total return for the year					(48,985)	62,421
Segment assets	654,554	169,443	584,559	327,254	11,870	1,747,680
Segment liabilities	224,719	34,336	160,990	99,611	208,412	728,068
Other segment information:						
Capital expenditure	547	411	254	424	-	1,636

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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 24. SUBSEQUENT EVENT

### (a) Entry into facility agreement

On 19 February 2025, Sasseur REIT entered into a 5-year loan agreement for an unsecured interest-bearing loan of up to RMB430.0 million with a wholly-owned subsidiary of the Sponsor (5-year Sponsor Loan Agreement). The loan from Sponsor bears interest rate referenced to China's 5-year LPR. The loan proceeds from the Sponsor will be used to facilitate the refinancing of loans maturing in 2026, as well as to support working capital needs.

### (b) Distribution

On 20 February 2025, the REIT Manager declared a distribution of 2.929 Singapore cents per Unit for the period from 1 July 2024 to 31 December 2024.

## 25. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements were authorised for issue by the REIT Manager and the Trustee on 20 March 2025.

# INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons for the financial year ended 31 December 2024, which fall under the SGX-ST Listing Manual and Appendix 6 of the Code on Collective Investment Schemes (excluding transactions of less than \$100,000 each) are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review	
		excluding transactions less than S\$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920 \$'000	transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) \$'000
<b>Sasseur (Shanghai) Holding Company Limited</b>			
- EMA rental income	Entrusted Manager	124,452	-
<b>Sasseur Asset Management Pte. Ltd.</b>			
- REIT Manager's management fees	REIT Manager	8,330	-
<b>DBS Trustee Limited</b>			
- Trustee fees	Trustee	319	-
<b>Sasseur Commercial Management Group Co. Ltd.</b>			
- Interest expense incurred pursuant to the Sponsor Loan	A wholly-owned subsidiary of the Sponsor	2,817	-

Save as disclosed above, there were no additional interested person transactions (excluding transactions of less than \$100,000 each) or other material transactions entered into during the financial year under review.

The fees and charges payable by Sasseur REIT to the REIT Manager under the Trust Deed, and receivables from the Entrusted Manager under the Master Entrusted Management Agreement and the Individual Entrusted Management Agreements, each of which constitutes an interested person transaction, are deemed to have been specifically approved by the Unitholder upon purchase of the Units and are therefore not subject to Rules 905 and 906 of the Listing Manual of the SGX-ST to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will affect Sasseur REIT.

Please also see Related Party Transactions in Note 21 to the Financial Statements.

## SUBSCRIPTION OF SASSEUR REIT UNITS

Total issuable Units in relation to the REIT Manager's management fees as at 31 December 2024 was 4,744,372 Units and has been issued on 20 March 2025.

# UNITHOLDERS' INFORMATION

AS AT 5 MARCH 2025

## ISSUED AND FULLY PAID UNITS

Number of units : 1,250,771,206 units ("Units")  
 Voting rights : One vote per Unit

There were no treasury units and subsidiary holdings, and there is only one class of Units in Sasseur REIT.

## STATISTICS OF UNITHOLDINGS

Size of Unitholdings	Number of Unitholders	%	Number of Units	%
1 - 99	5	0.08	9	0.00
100 - 1,000	782	12.27	676,450	0.05
1,001 - 10,000	3,122	48.97	16,733,850	1.34
10,001 - 1,000,000	2,439	38.26	129,306,377	10.34
1,000,001 and above	27	0.42	1,104,054,520	88.27
<b>TOTAL:</b>	<b>6,375</b>	<b>100.00</b>	<b>1,250,771,206</b>	<b>100.00</b>

Location of Unitholders	Number of Unitholders	%	Number of Units	%
Singapore	6,220	97.57	1,244,505,006	99.50
Malaysia	114	1.79	4,343,900	0.35
Others	41	0.64	1,922,300	0.15
<b>TOTAL:</b>	<b>6,375</b>	<b>100.00</b>	<b>1,250,771,206</b>	<b>100.00</b>

## SUBSTANTIAL UNITHOLDERS AS AT 5 MARCH 2025

(As recorded in the Register of Substantial Unitholders)

	Direct Interest	%	Deemed Interest	%
Sasseur Cayman Holding II Ltd. <sup>(1)</sup>	-	-	708,477,706	56.64
Sasseur Cayman Holding Limited <sup>(1)</sup>	-	-	708,477,706	56.64
Sasseur (BVI) Holding II Limited <sup>(1)</sup>	-	-	708,477,706	56.64
Shimmer Fair Management Limited <sup>(1)</sup>	-	-	708,477,706	56.64
TMF (Cayman) Ltd. <sup>(1)</sup>	-	-	708,477,706	56.64
Xu Rongcan <sup>(1)</sup>	-	-	719,610,606	57.53
Yang Xue <sup>(2)</sup>	11,132,900	0.89	708,477,706	56.64



# UNITHOLDERS' INFORMATION

AS AT 5 MARCH 2025

## Notes:

(1) Shimmer Fair Management Limited ("**Shimmer Fair Management**") is the sole shareholder of Sasseur (BVI) Holding II Limited ("**Sasseur (BVI) Holding II**"). Sasseur (BVI) Holding II holds 94.4048% of the share capital of Sasseur Cayman Holding Limited (the "**Sponsor**") and the Sponsor is in turn the sole shareholder of Sasseur Cayman Holding II Ltd. ("**Cayman Holdco**").

Cayman Holdco is the sole shareholder of Sasseur Asset Management Pte. Ltd. (the "**REIT Manager**") and is deemed to be interested in 28,432,206 Units held by the REIT Manager.

TMF (Cayman) Ltd. ("**TMF (Cayman)**") as the trustee of Xu Family Trust is the sole shareholder of Shimmer Fair Management. The Xu Family Trust is a discretionary trust established by Mr. Xu Rongcan as settlor and the sole member of the Protective Committee and Investment Committee of Xu Family Trust, for the benefit of its beneficiaries, being Mr. Xu Rongcan who is the primary beneficiary of the Xu Family Trust during his lifetime and whilst not incapacitated.

In addition, as the sole power to make investment decision relating to the assets of the Xu Family Trust is vested on an investment committee, of which Mr. Xu Rongcan is the sole member, only he can make all decisions relating to any purchase, sale, exchange, or retention of the shares in Shimmer Fair Management as well as the exercise of any voting and other rights on behalf of the Xu Family Trust.

As Cayman Holdco is deemed to be interested in 429,775,600 Units held through CGS International Securities Singapore Pte. Ltd., 160,000,000 held through China Merchants Bank, 88,000,000 Units held through KGI Securities (Singapore) Pte. Ltd, 2,269,900 Units held through Haitong International Securities (Singapore) Private Limited and 28,432,206 Units held by the REIT Manager, each of the Sponsor, Sasseur (BVI) Holding II, Shimmer Fair Management, TMF (Cayman) and Mr. Xu Rongcan is also deemed to be interested in the 708,477,706 Units.

Mr. Xu Rongcan is the spouse of Ms. Yang Xue and is deemed to be interested in 11,132,900 Units held by Ms. Yang Xue.

(2) Ms. Yang Xue is the spouse of Mr. Xu Rongcan and is deemed to be interested in the Units which he has an interest in.

## TWENTY LARGEST UNITHOLDERS AS AT 5 MARCH 2025

No.	Name of Unitholders	Number of Units	%
1.	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	432,256,200	34.56
2.	TIGER BROKERS (SINGAPORE) PTE. LTD.	163,151,700	13.04
3.	DBS NOMINEES (PRIVATE) LIMITED	148,048,206	11.84
4.	KGI SECURITIES (SINGAPORE) PTE. LTD	88,295,700	7.06
5.	CITIBANK NOMINEES SINGAPORE PTE LTD	47,173,596	3.77
6.	DBSN SERVICES PTE. LTD.	44,471,130	3.56
7.	RAFFLES NOMINEES (PTE.) LIMITED	29,915,085	2.39
8.	SASSEUR ASSET MANAGEMENT PTE. LTD.	28,432,206	2.27
9.	HSBC (SINGAPORE) NOMINEES PTE LTD	18,732,823	1.50
10.	PHILLIP SECURITIES PTE LTD	17,670,818	1.41
11.	IFAST FINANCIAL PTE. LTD.	10,257,600	0.82
12.	DB NOMINEES (SINGAPORE) PTE LTD	9,451,800	0.76
13.	MAYBANK SECURITIES PTE. LTD.	9,141,500	0.73
14.	UOB KAY HIAN PRIVATE LIMITED	8,609,000	0.69
15.	OCBC SECURITIES PRIVATE LIMITED	6,733,700	0.54
16.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	6,563,500	0.52
17.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	6,017,200	0.48
18.	BPSS NOMINEES SINGAPORE (PTE.) LTD.	5,999,100	0.48
19.	HENG SIEW ENG	4,914,100	0.39
20.	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	4,212,900	0.34
<b>TOTAL:</b>		<b>1,090,047,864</b>	<b>87.15</b>

# UNITHOLDERS' INFORMATION

AS AT 5 MARCH 2025

## PERCENTAGE OF UNITHOLDING IN PUBLIC'S HANDS

Based on the information made available to the REIT Manager as at 5 March 2025, approximately 42.39% of the Units in Sasseur REIT are held in the hands of public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

## UNITHOLDINGS OF DIRECTORS OF THE REIT MANAGER AS AT 21 JANUARY 2025

Name of Director	Direct Interest No. of Units	Deemed Interest No. of Units
Xu Rongcan <sup>(1)</sup>	-	719,610,606
Yang Xue <sup>(2)</sup>	11,132,900	708,477,706
Cheng Heng Tan	350,000	-
Gu Qingyang	372,500	-
Wu Geng	125,000	-
Mario Boselli	-	-

### Notes:

<sup>(1)</sup> Shimmer Fair Management Limited ("**Shimmer Fair Management**") is the sole shareholder of Sasseur (BVI) Holding II Limited ("**Sasseur (BVI) Holding II**"). Sasseur (BVI) Holding II holds 94.4048% of the share capital of Sasseur Cayman Holding Limited (the "**Sponsor**") and the Sponsor is in turn the sole shareholder of Sasseur Cayman Holding II Ltd. ("**Cayman Holdco**").

Cayman Holdco is the sole shareholder of Sasseur Asset Management Pte. Ltd. (the "**REIT Manager**") and is deemed to be interested in 28,432,206 Units held by the REIT Manager.

TMF (Cayman) Ltd. ("**TMF (Cayman)**") as the trustee of Xu Family Trust is the sole shareholder of Shimmer Fair Management. The Xu Family Trust is a discretionary trust established by Mr. Xu Rongcan as settlor and the sole member of the Protective Committee and Investment Committee of Xu Family Trust, for the benefit of its beneficiaries, being Mr. Xu Rongcan who is the primary beneficiary of the Xu Family Trust during his lifetime and whilst not incapacitated.

In addition, as the sole power to make investment decision relating to the assets of the Xu Family Trust is vested on an investment committee, of which Mr. Xu Rongcan is the sole member, only he can make all decisions relating to any purchase, sale, exchange, or retention of the shares in Shimmer Fair Management as well as the exercise of any voting and other rights on behalf of the Xu Family Trust.

As Cayman Holdco is deemed to be interested in 429,775,600 Units held through CGS International Securities Singapore Pte. Ltd., 160,000,000 held through China Merchants Bank, 88,000,000 Units held through KGI Securities (Singapore) Pte. Ltd, 2,269,900 Units held through Haitong International Securities (Singapore) Private Limited and 28,432,206 Units held by the REIT Manager, each of the Sponsor, Sasseur (BVI) Holding II, Shimmer Fair Management, TMF (Cayman) and Mr. Xu Rongcan is also deemed to be interested in the 708,477,706 Units.

Mr. Xu Rongcan is the spouse of Ms. Yang Xue and is deemed to be interested in 11,132,900 Units held by Ms. Yang Xue.

<sup>(2)</sup> Ms. Yang Xue is the spouse of Mr. Xu Rongcan and is deemed to be interested in the Units which he has an interest in.

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**” or “**Meeting**”) of the holders of the units of Sasseur Real Estate Investment Trust (“**Sasseur REIT**” and the holders of units of Sasseur REIT, the “**Unitholders**”) will be held at Meeting Rooms 331 & 332, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 23 April 2025 at 3.00 p.m. to transact the following business:

## AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited, as trustee of Sasseur REIT (the “**Trustee**”), the Statement by Sasseur Asset Management Pte. Ltd., as manager of Sasseur REIT (the “**REIT Manager**”), and the Audited Financial Statements of Sasseur REIT for the financial year ended 31 December 2024 and the Auditors’ Report thereon.

**(Resolution 1)**

2. To re-appoint Ernst & Young LLP as Auditors of Sasseur REIT to hold office until the conclusion of the next AGM of Sasseur REIT, and to authorise the REIT Manager to fix their remuneration.

**(Resolution 2)**

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolution, with or without any modifications:

3. The authority be and is hereby given to the REIT Manager, to

- (a)
  - (i) issue units in Sasseur REIT (“**Units**”) whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the REIT Manager may in its absolute discretion deem fit; and
- (b) issue Units in pursuance of any Instrument made or granted by the REIT Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) must not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) must not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);

# NOTICE OF ANNUAL GENERAL MEETING

- (2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) shall be based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:
  - (a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and
  - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the REIT Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the deed of trust constituting Sasseur REIT (as supplemented) (the “**Trust Deed**”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) unless revoked or varied by the Unitholders in a general meeting, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of Sasseur REIT or (ii) the date by which the next AGM of Sasseur REIT is required by the applicable laws or regulations or the Trust Deed to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the REIT Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the REIT Manager and the Trustee, be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the REIT Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of Sasseur REIT to give effect to the authority conferred by this Resolution.

[Please see Explanatory Note]

**(Resolution 3)**

By Order of the Board  
 Sasseur Asset Management Pte. Ltd.  
 (Company Registration No. 201707259N)  
 as REIT Manager of Sasseur REIT

Kevin Cho  
 Company Secretary

1 April 2025

# NOTICE OF ANNUAL GENERAL MEETING

**Explanatory Note:**

Ordinary Resolution 3 above, if passed, will empower the REIT Manager from the date of this AGM until (i) the conclusion of the next AGM of the Unitholders of Sasseur REIT, or (ii) the date by which the next AGM of the Unitholders of Sasseur REIT is required by the applicable laws and regulations or the Trust Deed to be held, whichever is earlier, to issue Units and to make or grant Instruments (such securities, warrants or debentures) convertible into Units and to issue Units pursuant to such Instruments, up to a number not exceeding, in total, fifty per cent. (50%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any), of which up to twenty per cent. (20%) may be issued other than on a pro rata basis to Unitholders (excluding treasury Units and subsidiary holdings, if any).

For the purpose of determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Ordinary Resolution is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual and the Trust Deed or any applicable laws and regulations in such instances, the REIT Manager will then obtain the approval of Unitholders accordingly.

# NOTICE OF ANNUAL GENERAL MEETING

**Notes:****1. Arrangements for Conduct of the AGM**

The AGM will be held in a wholly physical format at Meeting Rooms 331 & 332, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 23 April 2025 at 3.00 p.m.. Unitholders, including CPF and SRS investors, and (where applicable) their duly appointed proxy(ies) and/or representative(s) will be able to ask questions and vote at the AGM by attending the AGM in person. **There will be no option for Unitholders to participate in the AGM virtually.**

Printed copies of this Notice of AGM ("**Notice of AGM**") and the accompanying proxy form for the AGM ("**Proxy Form**") will be sent by post to Unitholders. These documents will also be published on Sasseur REIT's website at the URL [www.sasseurreit.com](http://www.sasseurreit.com) and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Arrangements relating to:

- (a) attendance at the AGM by Unitholders, including CPF and SRS Investors, and (where applicable) their duly appointed proxy(ies) and/or representative(s);
- (b) submission of questions (relating to the business of the AGM) to the REIT Manager by Unitholders, including CPF and SRS investors, in advance of, or at, the AGM, and addressing of substantial and relevant questions (relating to the business of the AGM) in advance of, or at the AGM; and
- (c) voting at the AGM by Unitholders, including CPF and SRS investors, or (where applicable) their duly appointed proxy(ies) and/or representative(s), are set out below.

**2. Attendance at the AGM in person**

Unitholders, including CPF and SRS investors, and (where applicable) their duly appointed proxy(ies) and/or representative(s) will be able to attend the AGM in person. They will be required to register personally at the registration counter(s) outside the AGM venue on the day of the event, and should bring along their NRIC/passport to enable the REIT Manager to verify their identity for entry to the AGM, and (where applicable) be provided with a handheld device for electronic voting at the AGM.



# NOTICE OF ANNUAL GENERAL MEETING

## 3. Questions and Answers relating to the AGM

All Unitholders, including CPF and SRS investors, may submit questions relating to the business of the AGM in advance of, or at, the AGM.

### Submission of Questions in Advance of the AGM

If the Unitholders, including CPF and SRS investors, wish to submit questions in advance of the AGM, all questions must be submitted no later than 3.00 p.m. on Thursday, 10 April 2025 ("**Q&A Submission Deadline**") through the following means:

- (a) by post to 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
- (b) by email to [sassueur-agm@complete-corp.com](mailto:sasseur-agm@complete-corp.com).

When submitting in questions by post or via email, the following information of Unitholders and Investors will be required for authentication purposes:

- (a) full name;
- (b) NRIC/Passport/Company Registration number;
- (c) contact number;
- (d) email address; and
- (e) the manner in which the units are held (e.g. via CDP, CPF or SRS).

### Ask Questions at the AGM

All Unitholders, including CPF and SRS investors, and (where applicable) their duly appointed proxy(ies) and/or representative(s) may also ask questions relating to the business of the AGM at the AGM itself.

### Addressing Questions prior to and at the AGM

The REIT Manager will publish the responses to the substantial and relevant questions relating to the business of the AGM received from the Unitholders by the Q&A Submission Deadline on the SGX website at <https://www.sgx.com/securities/company-announcements> and Sasseur REIT's website at [www.sasseurreit.com](http://www.sasseurreit.com) on Wednesday, 16 April 2025.

If there are any relevant and subsequent questions received after Q&A Submission Deadline, the REIT Manager will address them during the AGM. For questions which are addressed during the AGM, the responses to such questions will be included in the minutes of AGM which will be published on the SGX website and Sasseur REIT's website within one (1) month after the date of AGM.

Where there are substantially similar questions, the REIT Manager will consolidate such questions and consequently, not all questions may be individually addressed.

## 4. Voting at the AGM

Unitholders can vote at the AGM themselves or through their duly appointed proxy(ies) and/or representative(s).

Upon the registration at the AGM venue, Unitholders, including CPF and SRS investors, and (where applicable) their duly appointed proxy(ies) and/or representative(s), will be provided a handheld device for electronic voting at the AGM.

# NOTICE OF ANNUAL GENERAL MEETING

## 5. Appointment of Proxy(ies)

A Unitholder who is not a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote in the Unitholder's stead. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the proportion of the Unitholder's holdings (expressed as a percentage of the whole) to be represented by each proxy.

A Unitholder who is a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint more than one proxy to attend and vote in stead of the Unitholder, provided that each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies in the Proxy Form the number of Units in relation to which each proxy has been appointed.

In this Notice of AGM, a “**relevant intermediary**” means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds Units in that capacity; or
- (c) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act 1953 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

## 6. Submission of Proxy Form

Unitholders who wish to appoint a proxy(ies) or the Chairman of the Meeting as proxy to attend, speak and vote at the AGM on their behalf must submit a Proxy Form for the appointment of such proxy(ies). A proxy need not be a Unitholder of Sasseur REIT. The Proxy Form must be submitted to the REIT Manager in the following manner:

- (a) if submitted by post, be lodged at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
- (b) if submitted electronically, be submitted via email to the REIT Manager at email address [sasseur-agm@complete-corp.com](mailto:sasseur-agm@complete-corp.com),

in either case no later than 3.00 p.m. on Sunday, 20 April 2025 (being not less than seventy-two (72) hours before the time appointed for holding the AGM).

A Unitholder who wishes to submit a Proxy Form by post or via email can either use the printed copy of the Proxy Form which is sent to him/her/it by post, or download a copy of the Proxy Form from Sasseur REIT's website or the SGX website, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

The Proxy Form is not valid for use by investors (including CPF and SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them.

# NOTICE OF ANNUAL GENERAL MEETING

## 7. Investors who hold Units through relevant intermediaries

Investors holding Units through relevant intermediaries ("**Investors**") (other than CPF and SRS investors) who wish to participate in the AGM by (a) attending the AGM in person; (b) submitting questions to the REIT Manager in advance of, or at, the AGM; and/or (c) voting at the AGM by (i) themselves; or (ii) appointing the Chairman of the Meeting as proxy to vote on their behalf, should contact their relevant intermediaries as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

CPF and SRS investors:

- (a) may attend, speak and vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on Thursday, 10 April 2025, being seven (7) working days before the date of the AGM. For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e. persons other than the Chairman of the Meeting) to vote at the AGM on their behalf.

## 8. Annual Report 2024, Notice of AGM and Proxy Form

The Annual Report 2024, Notice of AGM and Proxy Form have been published on Sasseur REIT's website at the URL [www.sasseurreit.com](http://www.sasseurreit.com) and SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Such documents may be accessed at Sasseur REIT's website at the URL [www.sasseurreit.com](http://www.sasseurreit.com) and SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

# NOTICE OF ANNUAL GENERAL MEETING

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Unitholder of Sasseur REIT (i) consents to the collection, use and disclosure of the Unitholder's personal data by the REIT Manager (or its agents) for the purpose of the processing and administration by the REIT Manager (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the REIT Manager (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the REIT Manager (or its agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the REIT Manager (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the REIT Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

SASSEUR REAL ESTATE INVESTMENT TRUST

(Constituted in the Republic of Singapore pursuant to a deed of trust dated 30 October 2017 (as supplemented))

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

- 1. The Annual General Meeting ("AGM" or "Meeting") will be held in a wholly physical format at Meeting Rooms 331 & 332, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 23 April 2025 at 3.00 p.m.. **There will be no option for Unitholders to participate in the AGM virtually.**
- 2. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
- 3. CPF/SRS investors who wish to appoint proxy(ies) should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days prior to the AGM (by 5.00 p.m. on Thursday, 10 April 2025).
- 4. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the proxy(ies) to attend, speak and vote at the AGM.**

I/We\*, \_\_\_\_\_ (Name), NRIC/Passport number\* \_\_\_\_\_

of \_\_\_\_\_ (Address)

being a Unitholder/Unitholders of Sasseur Real Estate Investment Trust ("**Sasseur REIT**", and the units of Sasseur REIT, the "**Units**"), hereby appoint(s):

Name	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address	Email		

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address	Email		

or, both of whom failing, the Chairman of the Annual General Meeting ("**AGM**" or "**Meeting**") as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the AGM of Sasseur REIT to be held at Meeting Rooms 331 & 332, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 23 April 2025 at 3.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or to abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/ she/they will on any other matter arising at the AGM and at any adjournment thereof.

No.	Resolutions relating to:	For <sup>(1)</sup>	Against <sup>(1)</sup>	Abstain <sup>(1)</sup>
	<b>ORDINARY BUSINESS</b>			
1	To receive and adopt the Report of DBS Trustee Limited, as trustee of Sasseur REIT (the " <b>Trustee</b> "), the Statement by Sasseur Asset Management Pte. Ltd., as manager of Sasseur REIT (the " <b>REIT Manager</b> "), and the Audited Financial Statements of Sasseur REIT for the financial year ended 31 December 2024 and the Auditors' Report thereon.			
2	To re-appoint Ernst & Young LLP as Auditors of Sasseur REIT to hold office until the conclusion of the next AGM of Sasseur REIT, and to authorise the REIT Manager to fix their remuneration.			
	<b>SPECIAL BUSINESS</b>			
3	To authorise the REIT Manager to issue Units and to make or grant convertible instruments.			

<sup>(1)</sup> If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick within the box provided. Alternatively, please indicate the number of Units, as appropriate, in the boxes provided.

Dated this \_\_\_\_\_ day of April 2025

Signature of Unitholder(s)  
or, Common Seal of Corporate Unitholder

\* Delete where inapplicable

Total number of Units in:	No. of Units
(a) CDP Register	
(b) Register of Unitholders	

# PROXY FORM

## NOTES:

1. Please insert the total number of units (**Units**) held by you. If you have Units entered against your name in the Depository Register (maintained by the Central Depository (Pte) Limited), you should insert that number of Units. If you have Units registered in your name in the Register of Unitholders (maintained by or on behalf of the REIT Manager), you should insert that number of Units. If you have Units entered against your name in the Depository Register and Units registered in your name in the Register of Unitholders, you should insert the aggregate number of Units. If no number is inserted, this Proxy Form will be deemed to relate to all Units held by you.
2. A unitholder of Sasseur REIT ("**Unitholder**") who is not a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A Unitholder who is a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint more than one proxy to attend and vote in stead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form.
4. "Relevant intermediary" means:
  - (a) banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
  - (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds Units in that capacity; or
  - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. This Proxy Form may be accessed at Sasseur REIT's website at the URL [www.sasseurreit.com](http://www.sasseurreit.com), and will be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of the Proxy Form will also be sent to Unitholders.
6. Where a Unitholder (whether individual or corporation) appoints a proxy(ies) (including the Chairman of the Meeting) to attend, speak and vote at the AGM on his/her/its behalf, he/she/it should give specific instructions as to voting, or abstention from voting, in respect of the resolutions in the Proxy Form. Where a Unitholder (whether individual or corporation) appoints the Chairman of the Meeting as his/her/its proxy and no specific instructions are given as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, the appointment of Chairman of the Meeting as proxy for such resolution will be treated as invalid.
7. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on Thursday, 10 April 2025 (at least seven (7) working days prior to the AGM).
8. The proxy need not be a Unitholder.
9. The Proxy Form must be submitted to the REIT Manager in the following manner:
  - (a) if submitted by post, be lodged at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
  - (b) if submitted electronically, be submitted via email to the REIT Manager at email address [sassEUR-agm@complete-corp.com](mailto:sasseur-agm@complete-corp.com), in either case no later than 3.00 p.m. on Sunday, 20 April 2025 (being not less than seventy-two (72) hours before the time appointed for holding the AGM).

A Unitholder who wishes to submit a Proxy Form by post or via email can either use the printed copy of the Proxy Form which is sent to him/her/it by post, or download a copy of the Proxy Form from Sasseur REIT's website or the SGX-ST website, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
10. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the AGM in person, and in such event, the REIT Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the AGM.
11. The Proxy Form must be executed under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, it must be executed either under its common seal or under the hand of an officer or attorney so authorised.
12. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly appointed officer, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney must (failing previous registration) be deposited with the Proxy Form, failing which the Proxy Form may be treated as invalid.
13. A corporation which is a Unitholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

## PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 1 April 2025.

## GENERAL:

The REIT Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of Units entered in the Depository Register, the REIT Manager may reject a Proxy Form lodged if the Unitholder, being the appointor, is not shown to have Units entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by CDP to the REIT Manager.



# CORPORATE INFORMATION

## REIT MANAGER

Sasseur Asset Management Pte. Ltd.  
Company Registration Number: 201707259N

## BUSINESS OFFICE ADDRESS (REIT MANAGER)

7 Temasek Boulevard  
#06-05 Suntec Tower One  
Singapore 038987  
Telephone: +65 6255 2953  
Fax: +65 6873 0930

## REGISTERED OFFICE ADDRESS (REIT MANAGER)

1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632  
Telephone: +65 6536 5355  
Fax: +65 6536 1360

## BOARD OF DIRECTORS (REIT MANAGER)

**Xu Rongcan** (Non-Executive and Non-Independent Chairman)  
**Yang Xue** (Non-Executive and Non-Independent Director)  
**Gu Qingyang** (Lead Independent Director)  
**Mario Boselli** (Independent Director)  
**Cheng Heng Tan** (Independent Director)  
**Wu Geng** (Independent Director)

## AUDIT AND RISK COMMITTEE (REIT MANAGER)

**Cheng Heng Tan** (Chairman)  
**Gu Qingyang** (Member)  
**Wu Geng** (Member)

## NOMINATING AND REMUNERATION COMMITTEE (REIT MANAGER)

**Gu Qingyang** (Chairman)  
**Xu Rongcan** (Member)  
**Wu Geng** (Member)

## SUSTAINABILITY COMMITTEE (REIT MANAGER)

**Gu Qingyang** (Chairman)  
**Xu Rongcan** (Member)  
**Cheng Heng Tan** (Member)

## COMPANY SECRETARY (REIT MANAGER)

**Kevin Cho**

## TRUSTEE

DBS Trustee Limited  
12 Marina Boulevard  
Marina Bay Financial Centre Tower 3  
Singapore 018982  
Telephone: +65 6878 8888  
Fax: +65 6878 3977

## UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.  
1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632  
Telephone: +65 6536 5355  
Fax: +65 6536 1360

## AUDITOR

Ernst & Young LLP  
One Raffles Quay  
Level 18, North Tower  
Singapore 048583

## AUDIT PARTNER-IN-CHARGE

**Briston Loo**  
(Appointed with effect from financial year ended  
31 December 2023)

## STOCK CODE

CRPU



**SASSEUR ASSET MANAGEMENT PTE. LTD.**


As Manager of Sasseur REIT  
Company Registration No.: 201707259N

7 Temasek Boulevard,  
#06-05, Suntec Tower One,  
Singapore 038987


Tel: +65 6255 2953  
Fax: +65 6873 0930

[www.sasseurreit.com](http://www.sasseurreit.com)

 [facebook.com/SasseurREIT](https://facebook.com/SasseurREIT)

 [linkedin.com/company/sasseurreit](https://linkedin.com/company/sasseurreit)

 [youtube.com/@sasseur\\_reit](https://youtube.com/@sasseur_reit)

 [t.me/s/sasseurreit](https://t.me/s/sasseurreit)

