



# SASSEUR REIT

*First Listed Outlet REIT in Asia*

## Financial Results for 4Q 2020

26 Feb 2021

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# Key Highlights

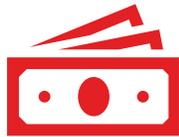


SASSEUR (KUNMING) OUTLETS

# FY 2020 Key Highlights



DPU yield 8.0%<sup>1</sup> based on closing price of \$0.820 as at 31 Dec 2020



EMA Rental  
Income<sup>2</sup>

**\$115.8**  
million

↓ 5.2% y-o-y<sup>4</sup>



EMA Fixed  
Component

**+3.3%**  
vs FY 2019

EMA Variable  
Component

**-23.1%**  
vs FY 2019



Distributable  
Income

**\$78.7**  
million

↑ 1.0% y-o-y<sup>4</sup>



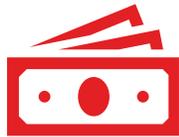
Distribution  
Per Unit<sup>3</sup>

**6.545**  
SG Cents

↑ 0.2% y-o-y<sup>4</sup>

1. FY2020 DPU yield
2. Excluding straight-line accounting adjustments
3. For FY 2020, Sasseur REIT continues to distribute 100% of the distributable income to Unitholders
4. Y-o-Y comparison refers to FY 2020 vs FY 2019

# 4Q 2020 Key Highlights



**EMA Rental  
Income <sup>1</sup>**

**S\$32.3**  
million

**↑ 2.5% y-o-y<sup>3</sup>**



**EMA Fixed  
Component**

**+3.0%**  
vs 4Q 2019

**EMA Variable  
Component**

**-10.0%**  
vs 4Q 2019



**Distributable  
Income**

**S\$23.3**  
million

**↑ 19.7% y-o-y<sup>3</sup>**



**Distribution  
Per Unit <sup>2</sup>**

**1.935**  
SG Cents

**↑ 18.8% y-o-y<sup>3</sup>**

1. Excluding straight-line accounting adjustments
2. For 4Q 2020, Sasseur REIT continues to distribute 100% of the distributable income to Unitholders
3. Y-o-Y comparison refers to 4Q 2020 vs 4Q 2019

# 4Q 2020 Key Highlights



 <p><b>NAV Per Unit</b></p>	 <p><b>Sales</b> <b>RMB 1,246.4</b> million 3Q 2020: RMB 1,110.6 million</p>	 <p><b>Aggregate Leverage</b> <b>27.9%</b> 3Q 2020: 27.8%</p>
<p><b>91.40</b> SG Cents</p> <p>↑ 14.3% vs IPO</p>	 <p><b>Weighted Average Lease Expiry<sup>1</sup></b> <b>2.6</b> years</p>	 <p><b>Occupancy</b> <b>93.5%</b> 3Q 2020: 93.1%</p>

1. Weighted average lease expiry by net lettable area.

# Financial Results



SASSEUR (CHONGQING) OUTLETS

# 4Q 2020 DPU Increased 18.8% vs 4Q 2019



	4Q 2020	3Q 2020	Change %	4Q 2019	Change %	FY 2020	FY 2019	Change %
Fixed Component (RMB mil)	102.4	102.4	-	99.4	+3.0	409.6	396.3	+3.3
Variable Component (RMB mil)	56.7	50.2	+13.1	63.1	-10.0	170.2	221.3	-23.1
EMA Rental Income <sup>1</sup> (RMB mil)	159.1	152.6	+4.3	162.5	-2.1	579.8	617.6	-6.1
EMA Rental Income <sup>1, 2</sup> (S\$ mil)	32.3	30.3	+6.5	31.5	+2.5	115.8	122.1	-5.2
Distributable Income (S\$ mil)	23.3	21.2	+9.9	19.5	+19.7	78.7	77.9	+1.0
DPU (SG cents)	1.935	1.764	+9.7	1.629	+18.8	6.545	6.533	+0.2

1. Excluding straight-line accounting adjustments.

2. Using the average SGD:RMB rate for the period 4Q 2020 4.9223, 3Q 2020 5.0396, 4Q 2019 5.1675, FY 2020 5.0085 and FY 2019 5.0600.

# Healthy Balance Sheet



S\$ mil	31 Dec 2019	31 Dec 2020
Investment properties	1,587.2	1,651.0
Cash and short-term deposits	154.7	155.9
Other assets	28.5	51.2
<b>Total Assets</b>	<b>1,770.4</b>	<b>1,858.2</b>
Loans and borrowings	478.6	504.2
Other liabilities	222.6	248.5
<b>Total Liabilities</b>	<b>701.2</b>	<b>752.8</b>
<b>Net Assets</b>	<b>1,069.2</b>	<b>1,105.4</b>
NAV per unit (cents) <sup>1</sup>	89.20	91.40
Aggregate Leverage	27.8%	27.9%

1. Based on units in issue and issuable of 1,209,412,000 and 1,198,678,588 as at 31 December 2020 and 31 December 2019 respectively.

# Distribution Details



**Distribution Period**  
**Distribution Per Unit<sup>1</sup>**

1 October to 31 December 2020  
**1.935 Singapore cents**

1. Based on 100% distribution pay-out ratio

<b>Distribution Timetable</b>	
Notice of Books Closure Date	26 February 2021
Ex-dividend Date	11 March 2021
Books Closure Date	12 March 2021
Distribution Payment Date	26 March 2021

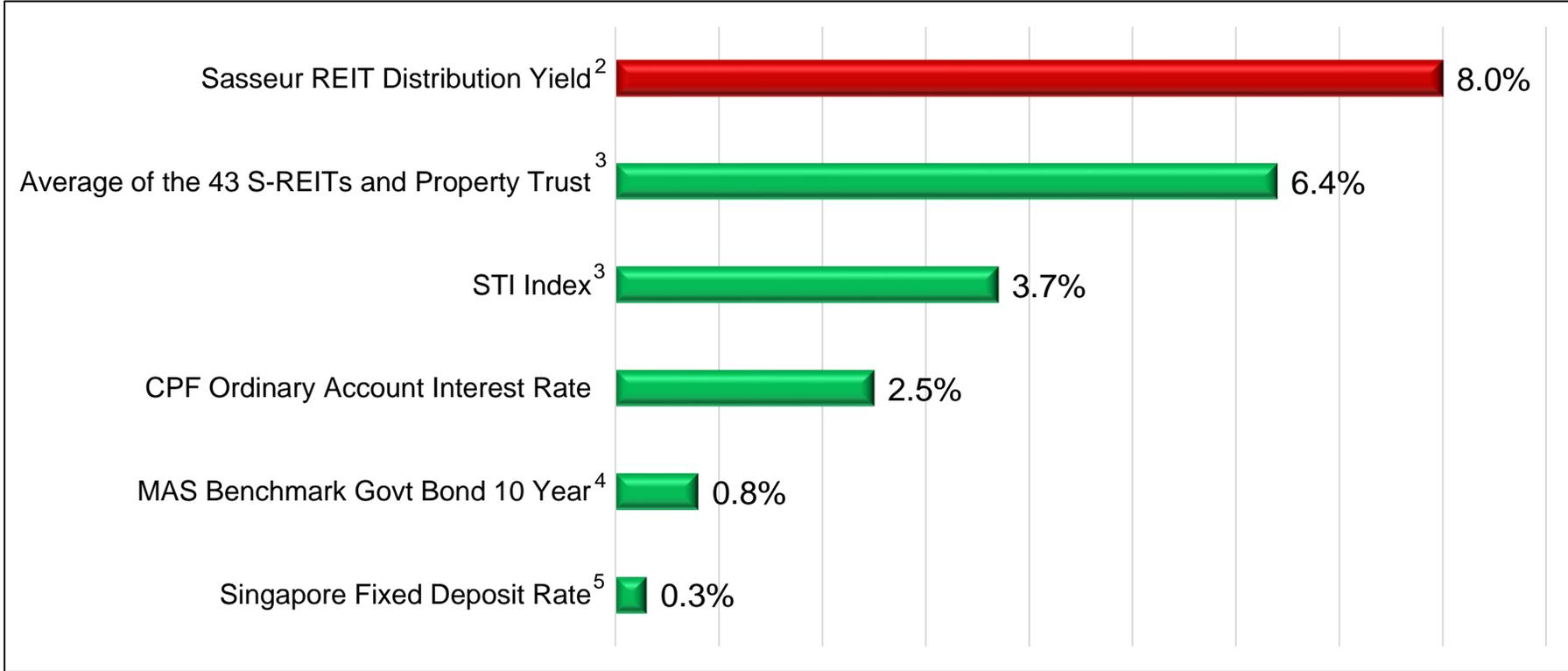
**Sasseur REIT has delivered total return of 24.6% since IPO<sup>2</sup>**

2. Total return is calculated based on closing price of \$0.820 on 31 Dec 2020 and total DPU since IPO

# Sasseur REIT Yield vs Other Asset Classes



The only retail S-REIT with positive return in 2020<sup>1</sup>



**Notes:**

- 1. Source: SGX Publication “SREITs & Property Trusts Chartbook - January 2021” Report
  - 2. Distribution yield based on annualised DPU and closing price of S\$0.820 as at 31 December 2020
  - 3. Based on 12M Average Dividend Yield
  - 4. Based on 10 Year Yield
  - 5. 12M Bank fixed deposit rates from MAS as of 31 December 2020
- Source: Bloomberg, SGX, Central Provident Fund (CPF) Board, data as of 31December 2020

# Capital Management



SASSEUR (HEFEI) OUTLETS

# Prudent Capital Management



**Completion of refinancing exercise in September 2020  
Reducing weighted average cost of debt from 4.41% to 3.20%**

	 <b>Aggregate Leverage</b>	 <b>Average Debt Maturity</b>	 <b>Interest Coverage Ratio</b>	 <b>Weighted Average Cost of Debt</b>
4Q 2020	<b>27.9%</b>	<b>2.2 years</b>	<b>7.8 times</b>	<b>3.20% p.a.</b>
4Q 2019	<b>27.8%</b>	<b>2.7 years</b>	<b>4.7 times</b>	<b>4.41% p.a.</b>

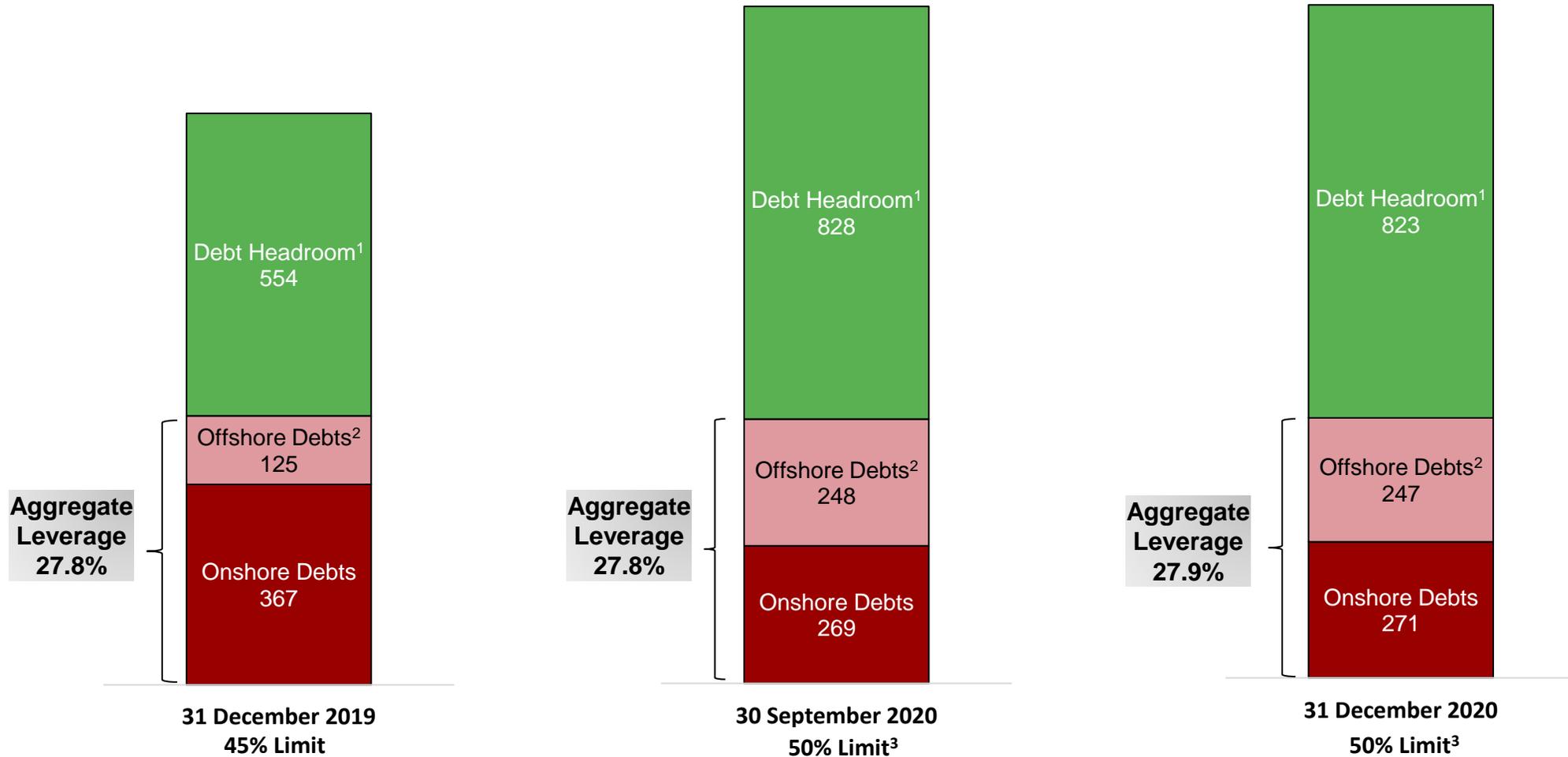
<b>Loan Facilities</b>	<b>Onshore</b>		<b>Offshore</b>
<b>Currency</b>	RMB	SGD	USD
<b>Outstanding Quantum<sup>1</sup></b>	~SGD 271 million (RMB 1.34 billion)	SGD 221 million (~RMB 1.09 billion)	USD 20 million (~RMB 0.13 billion)
<b>Maturity</b>	March 2023	March 2023	March 2023
<b>Floating Rate</b>	5-year LPR	Singapore SOR	USD LIBOR

1. Based on SGD:RMB exchange rate of 4.9314 as at 31 Dec 2020

# Prudent Capital Management



## Debt Facilities (SGD million)

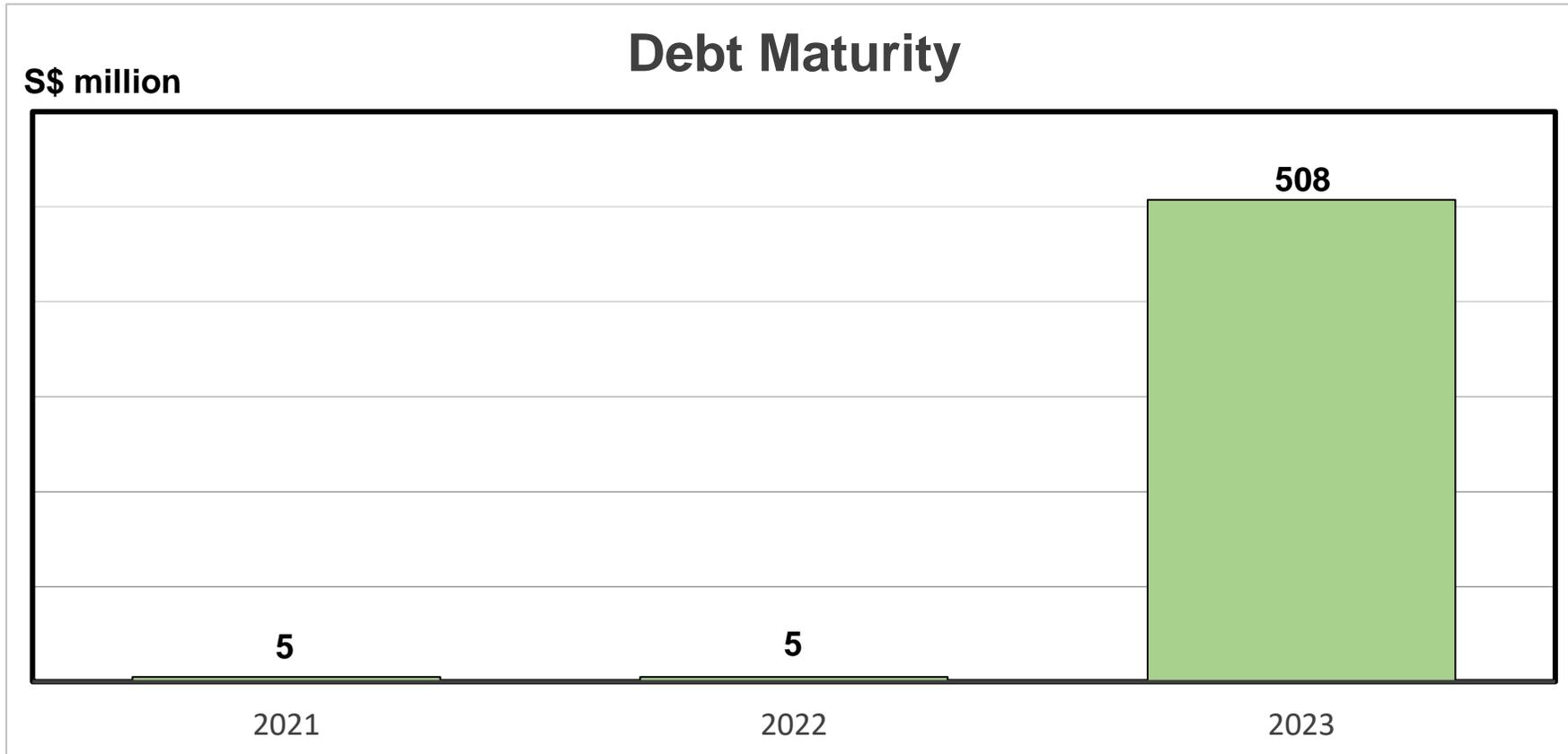


1. Debt headroom is computed based on total assets and assuming a corresponding increase in total assets with new debts raised.
2. 50% leverage limit is based on MAS's revised leverage limit with effect from 16 April 2020.
3. Debt amounts are translated using exchange rates as at each period end.

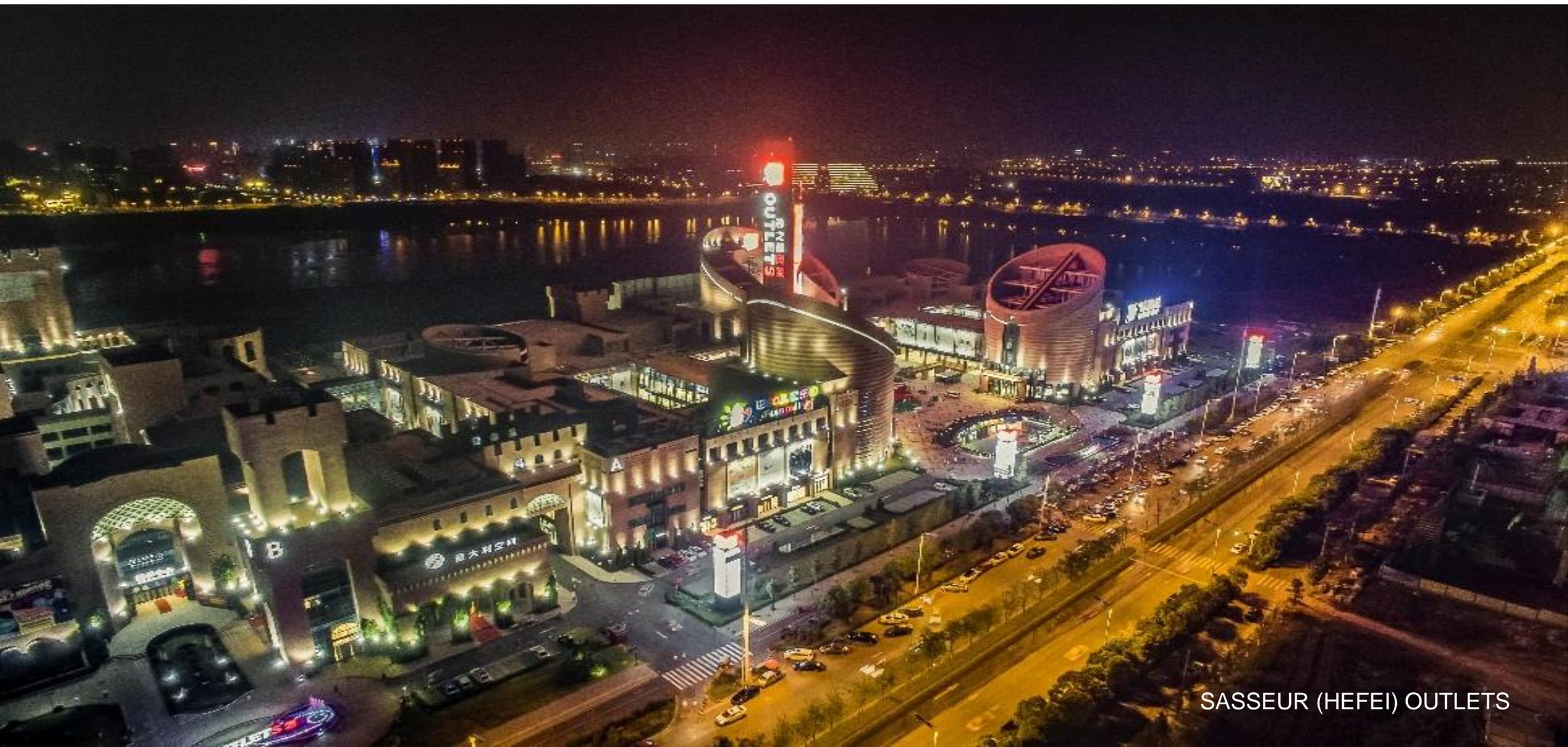
# Debt Maturity Profile



**Weighted average debt maturity is 2.2 years**



# Portfolio Update



SASSEUR (HEFEI) OUTLETS

# Portfolio Summary

## Portfolio

Valuation\* : 8,142 mil

NLA : 312,844 sqm

Occupancy ^ : 93.5%

*\*Based on independent valuation as at 31 Dec 20 by JLL (RMB million).*

*^Occupancy for 4Q 2020*



Hefei Outlet Mall
Valuation : 2,758 mil
NLA : 144,583 sqm
Occupancy : 94.9%



Bishan Outlet Mall
Valuation : 809 mil
NLA : 47,308 sqm
Occupancy : 81.4%



Kunming Outlet Mall
Valuation : 1,593 mil
NLA : 70,067 sqm
Occupancy : 95.8%



Chongqing Outlet Mall
Valuation : 2,982 mil
NLA : 50,885 sqm
Occupancy : 100%

# 4Q 2020 Outlet Sales Summary

Significant 12.2% sales improvement as compared to 3Q 2020

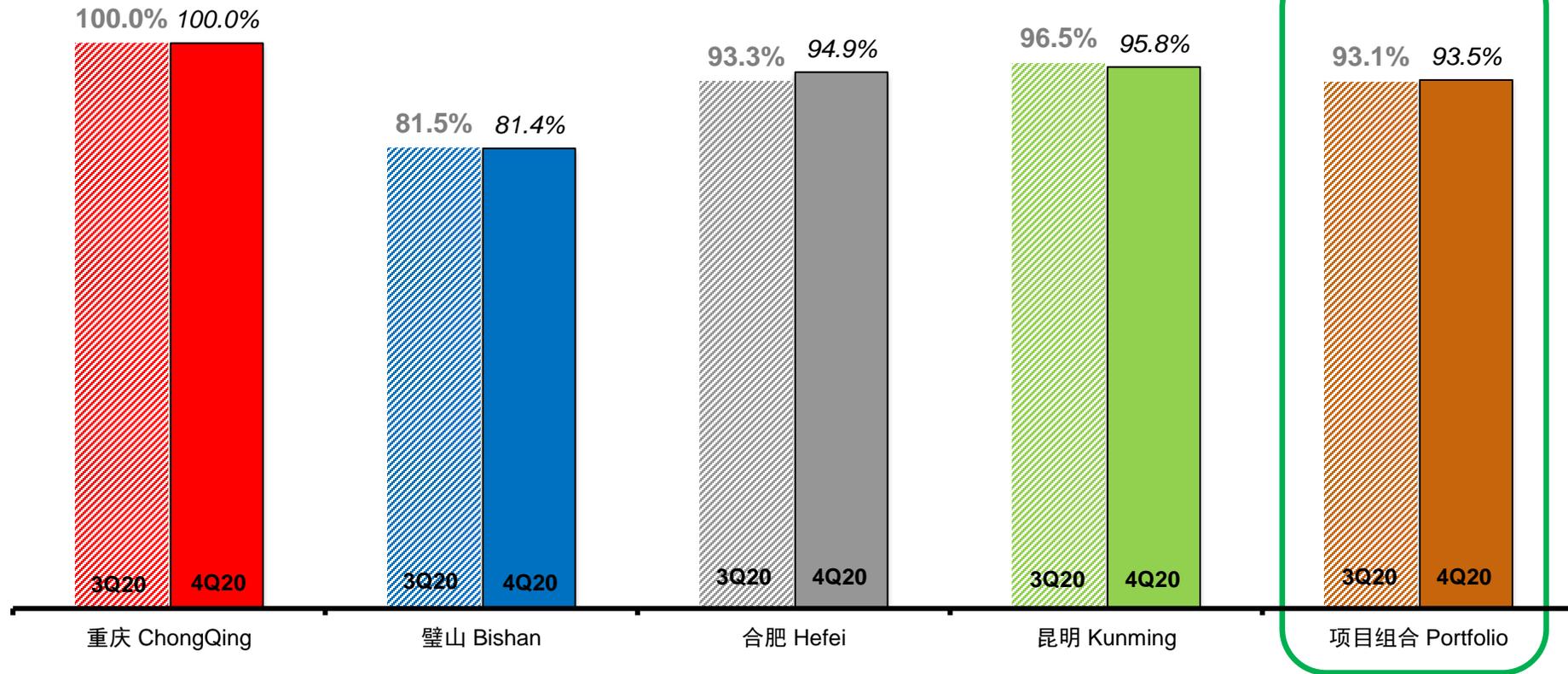
Outlets	4Q 2020 Sales (RMB'mil)	4Q 2020 vs 4Q 2019 (%)	4Q 2020 vs 3Q 2020 (%)	FY 2020 Sales (RMB'mil)	FY 2020 vs FY 2019 (%)
Chongqing	630.5	-6.4	+6.2	1,852.3	-20.9
Bishan	131.8	+3.9	+24.1	368.5	-19.7
Hefei	275.8	-18.4	+23.6	845.1	-25.9
Kunming	208.3	-12.0	+11.0	661.3	-25.2
<b>Portfolio</b>	<b>1,246.4</b>	<b>-9.3</b>	<b>+12.2</b>	<b>3,727.2</b>	<b>-22.8</b>

1. 4Q 2020: 01 Oct 2020 - 31 Dec 2020
2. 3Q 2020: 01 Jul 2020 - 30 Sep 2020
3. 4Q 2019: 01 Oct 2019 - 31 Dec 2019
4. FY 2020: 01 Jan 2020 - 31 Dec 2020
5. FY 2019: 01 Jan 2019 - 31 Dec 2019

# Portfolio Occupancy



4 Outlets enjoy stable occupancy

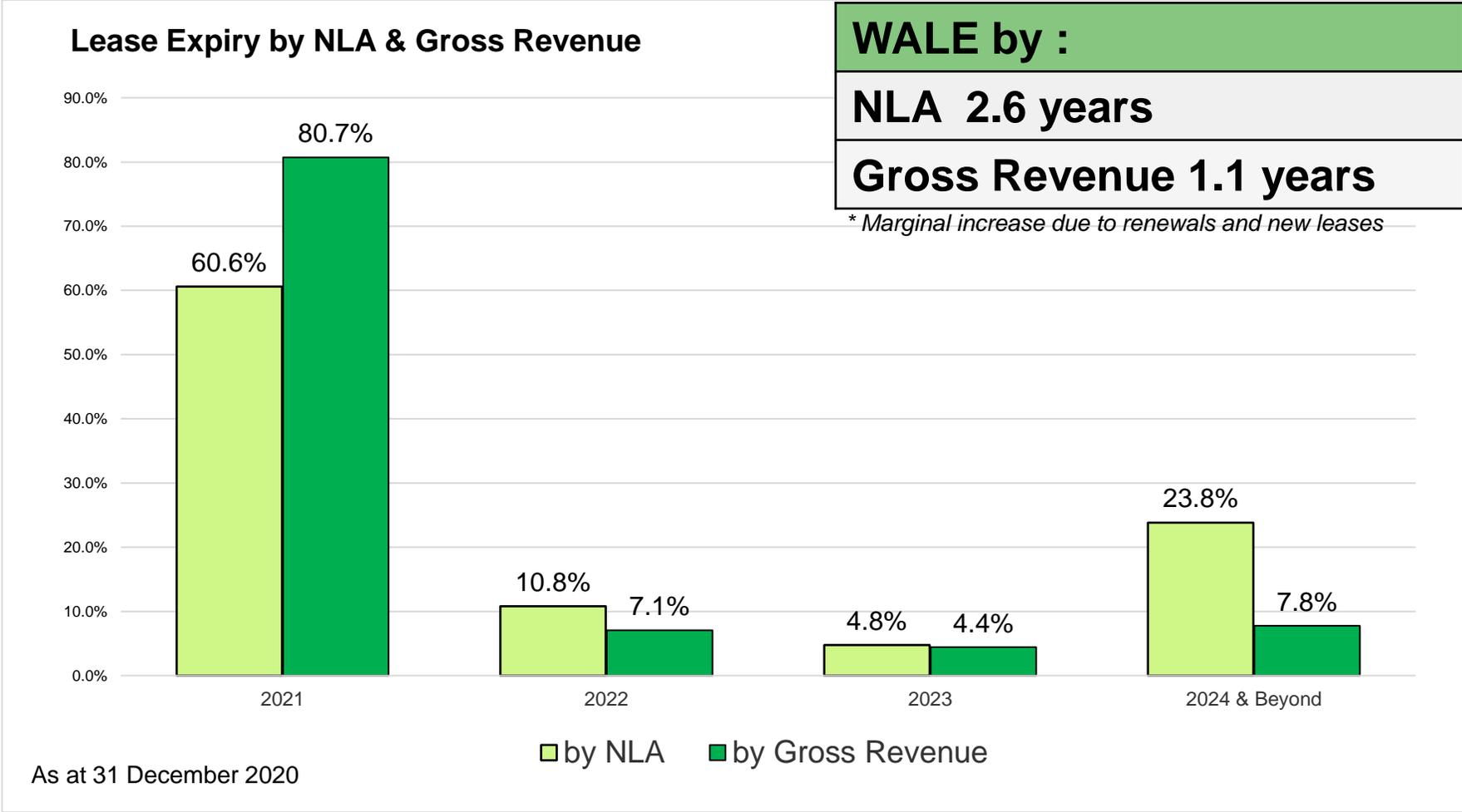


4Q 2020 vs 3Q 2020

# Weighted Average Lease Expiry (WALE)



**Deliberate short lease to optimise tenant mix**

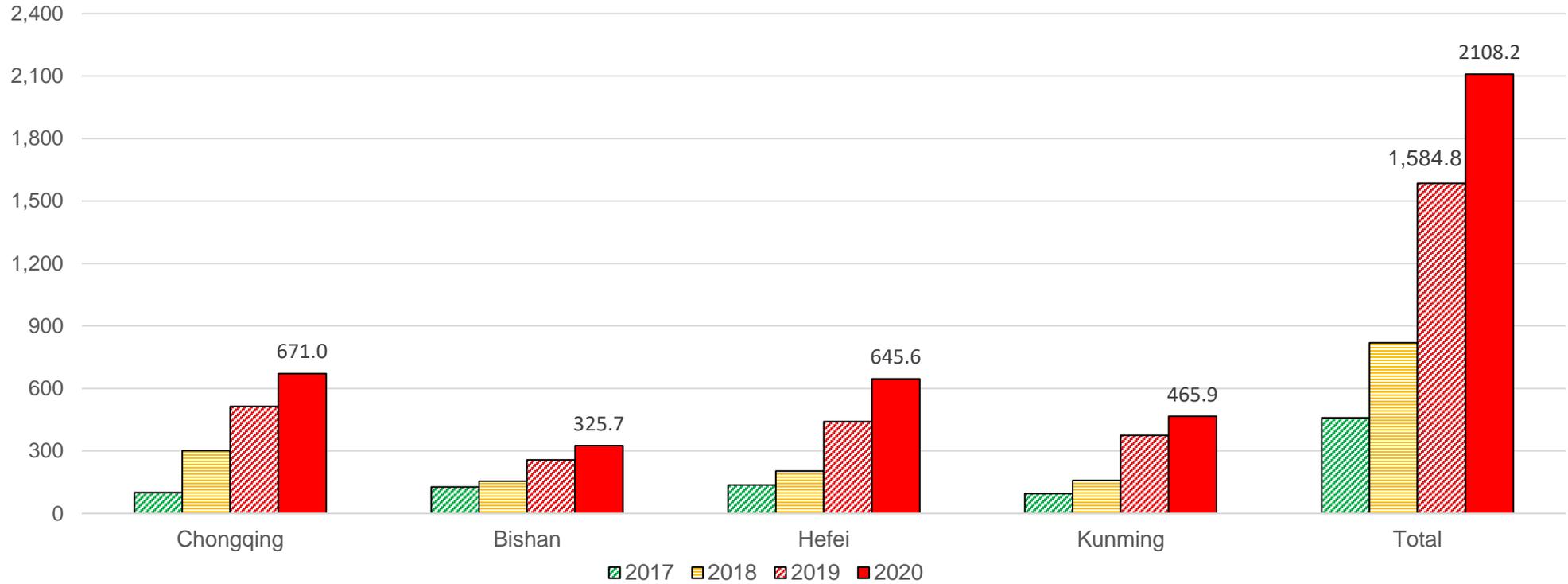


# VIP Members - Growth by Outlets



Total VIP members increased 33% from end 2019 to reach 2.11 million

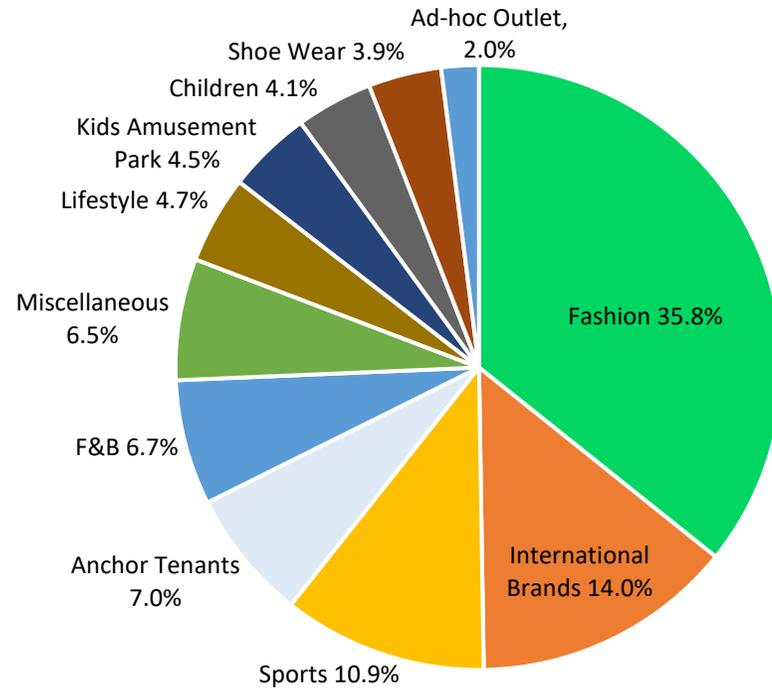
Members in '000



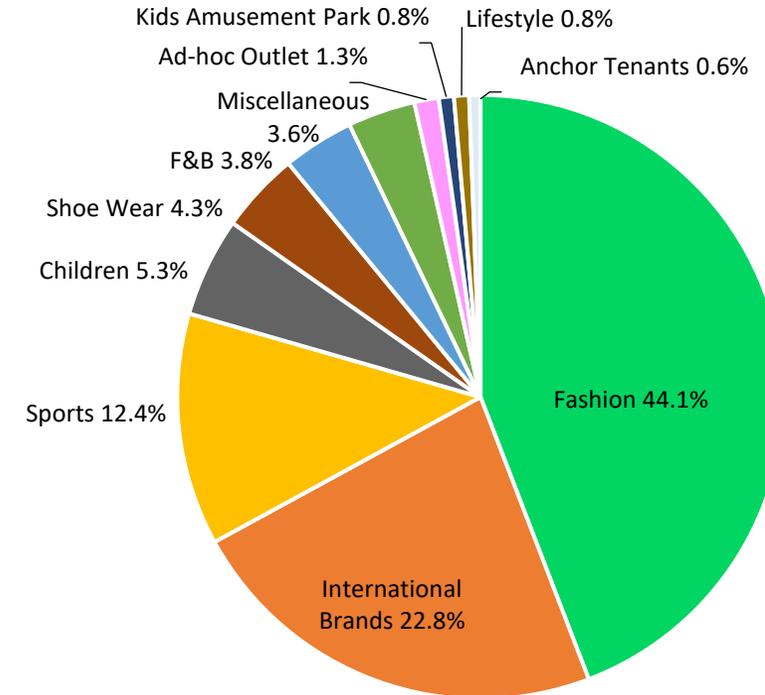
# Well Diversified Trade Mix



## Breakdown of NLA<sup>1</sup> by Trade Mix



## Breakdown of Revenue<sup>2</sup> by Trade Sector



## Fashion, Sports and International Brands

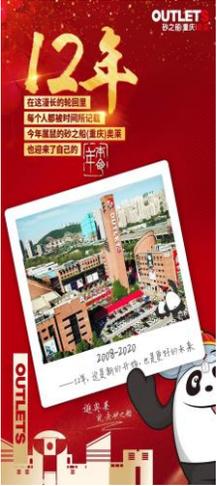
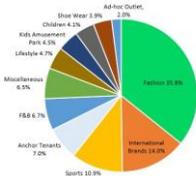
**60.7%**

**79.3%**

1. As percentage of the portfolio's net lettable areas as at 31 Dec 2020  
 2. As percentage of the portfolio's gross revenue as at 31 Dec 2020

# 6 Keys Areas of Active Asset Management Strategy



RMB 10 mil Sales	3+2 Promotions	Leveraging on All Media	VIP Membership	Tenant Mix Review	Synergy in Operations
<p>Elevating more brand tenants in Sasseur Outlets to achieve RMB 10 million sales</p> <p>3 Strategies</p> <ul style="list-style-type: none"> <li>Raising awareness</li> <li>More promotional activities</li> <li>Increase publicity</li> </ul>   <p>VERSACE</p>	<ul style="list-style-type: none"> <li>3 key events for the year</li> <li>6 thematic events</li> <li>6 brands' events</li> </ul> 	<ul style="list-style-type: none"> <li>Social Media</li> <li>Joint programs with various media</li> <li>Continued use of traditional media like T.V.</li> <li>Widen coverage in all social, news and traditional media platforms</li> </ul>   	<ul style="list-style-type: none"> <li>Comprehensive members service</li> <li>Widen the sources for new members</li> <li>Enhance members loyalty programs</li> </ul>  <p>Platinum</p>  <p>Gold</p>  <p>Normal</p>	<ul style="list-style-type: none"> <li>Frequent review of tenant mix</li> <li>Introduce upcoming brands</li> <li>Improve the varieties</li> <li>Improve overall image</li> <li>Improve shopping experience</li> <li>Enhance the attractiveness of all stores to shoppers</li> </ul> 	<p>Two outlets, one operation</p> <p>Merging the operations of both Chongqing and Bishan to achieve :</p> <ul style="list-style-type: none"> <li>Higher sales</li> <li>Economies of scale</li> <li>Efficient inventory management</li> </ul>  

# Exciting Promotional Activities to draw Shoppers

## Year-End Promotional Events to Attract Shoppers



# Asset Enhancement Initiatives – Chongqing

## Proactive Lease Management : Tenant Mix Reconfiguration

### Chongqing Outlets

The AEI saw improvement in 15,000sqm of floor area & increased efficiency.

Brought in 44 new brands to the outlet.



Expansion of Young and Trendy Ladies' Apparel



Trendy Sports Apparel & Fashion



# Asset Enhancement Initiatives – Hefei

## Completion of Sports Section at Block B, Hefei Outlets

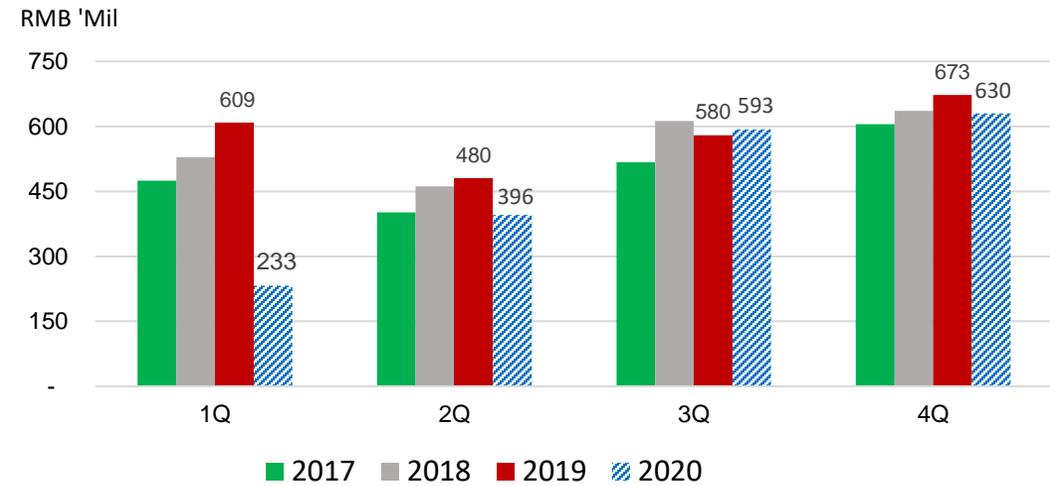


# Chongqing Outlets



<b>Year Commenced Operations</b>	Sep 2008
<b>GFA (sqm)</b>	73,373
<b>NLA (sqm)</b>	50,885
<b>Occupancy Rate (% , 31 Dec 20)</b>	100
<b>No. of Tenants (31 Dec 20)</b>	389
<b>Top Brands/Tenants</b>	+39 Space, Adidas, Coach, Ports, 百貂汇
<b>Car Park Lots</b>	500
<b>Valuation (RMB mil, 31 Dec 20)</b>	2,982

## Sales



## Outlet Members

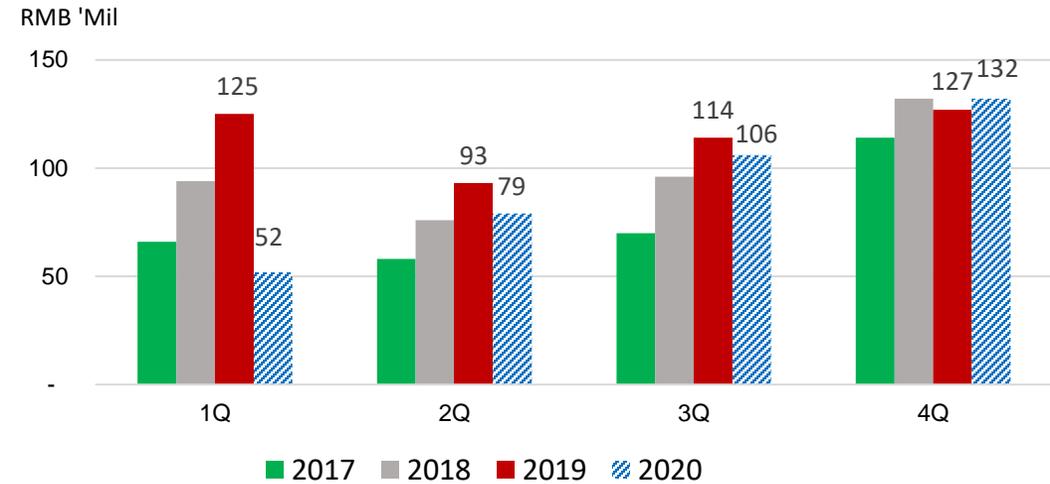


# Bishan Outlets

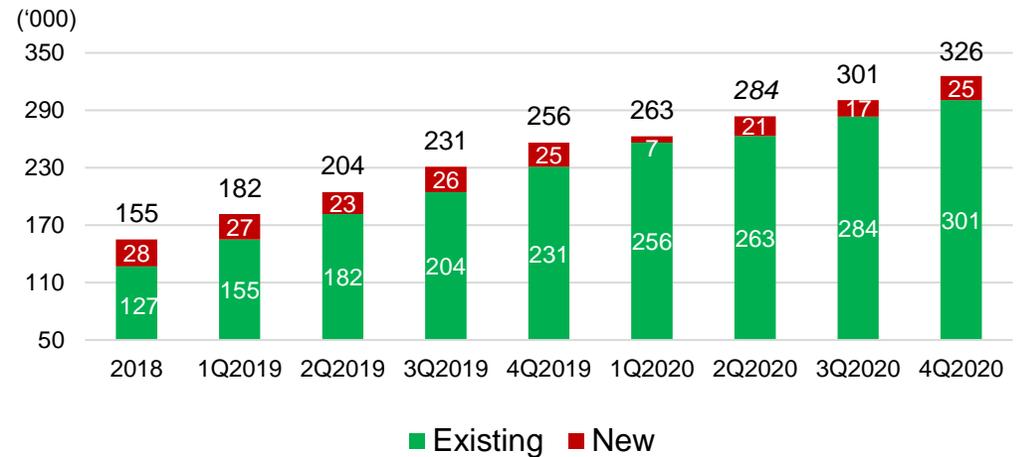


<b>Year Commenced Operations</b>	Oct 2014
<b>GFA (sqm)</b>	68,791
<b>NLA (sqm)</b>	47,308
<b>Occupancy Rate (% , 31 Dec 20)</b>	81.4
<b>No. of Tenants (31 Dec 20)</b>	194
<b>Top Brands/Tenants</b>	Adidas, Nike, Fila, +39 Space, Fila, Polo
<b>Car Park Lots</b>	400
<b>Valuation (RMB mil, 31 Dec 20)</b>	809

## Sales



## Outlet Members

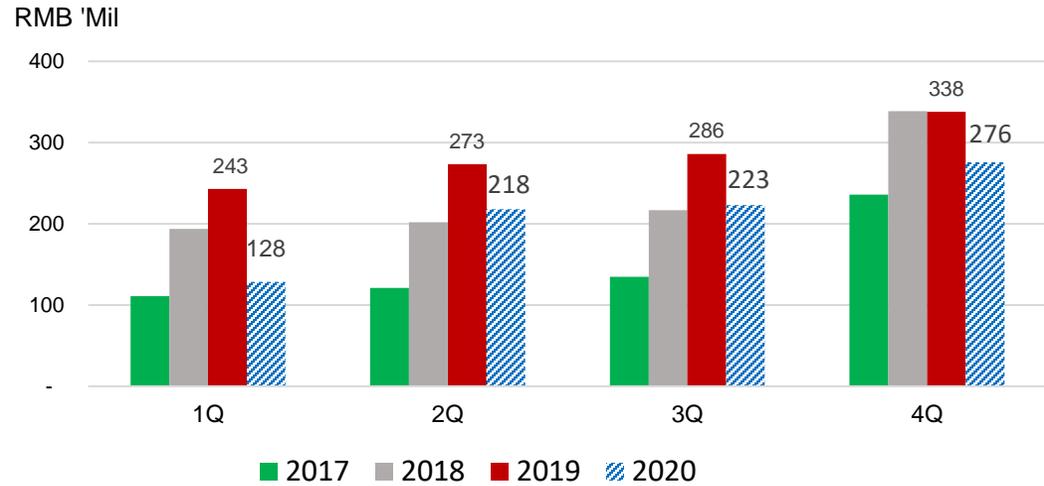


# Hefei Outlets

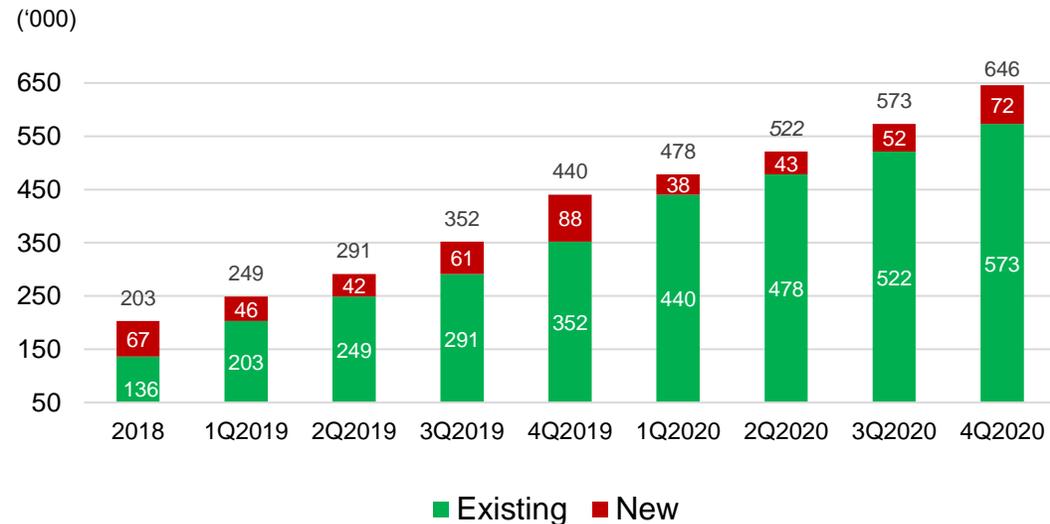


<b>Year Commenced Operations</b>	May 2016
<b>GFA (sqm)</b>	147,316
<b>NLA (sqm)</b>	144,583
<b>Occupancy Rate (% , 31 Dec 20)</b>	94.9
<b>No. of Tenants (31 Dec 20)</b>	345
<b>Top Brands/Tenants</b>	Adidas, Coach, Nike, Fila, Skechers
<b>Car Park Lots</b>	1,566
<b>Valuation (RMB mil, 31 Dec 20)</b>	2,758

## Sales



## Outlet Members

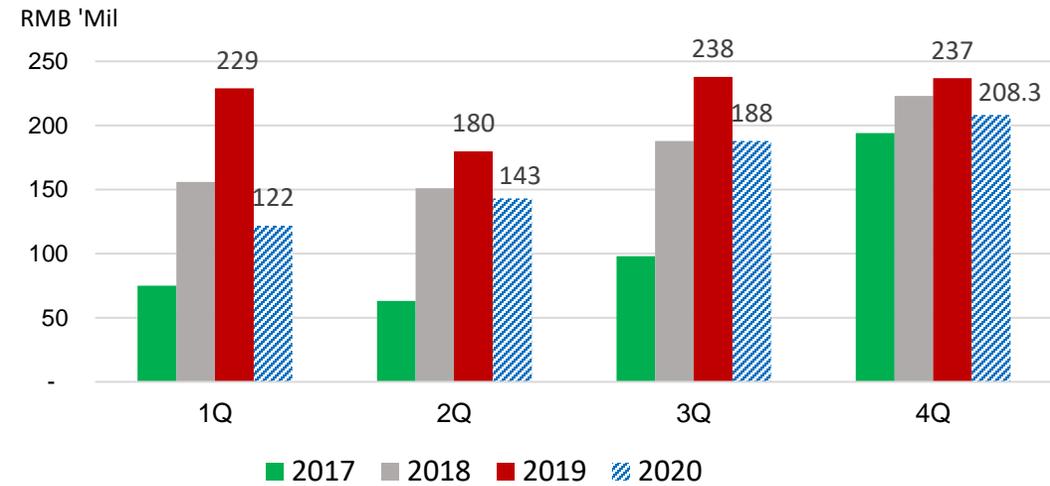


# Kunming Outlets

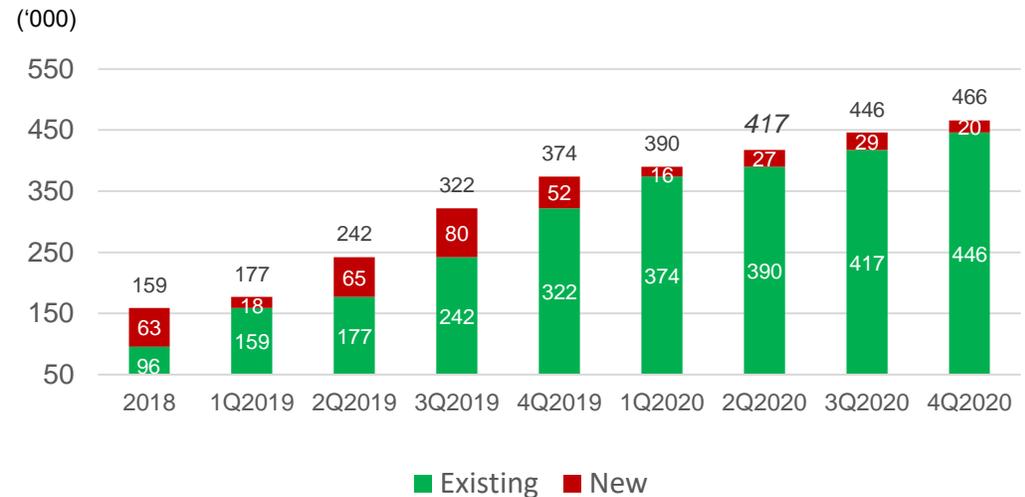


<b>Year Commenced Operations</b>	Dec 2016
<b>GFA (sqm)</b>	88,257
<b>NLA (sqm)</b>	70,067
<b>Occupancy Rate (% , 31 Dec 20)</b>	95.8
<b>No. of Tenants (31 Dec 20)</b>	261
<b>Top Brands/Tenants</b>	Nike, Adidas, +39 Space, FILA, 周大福
<b>Car Park Lots</b>	2,000
<b>Valuation (RMB mil, 31 Dec 20)</b>	1,593

## Sales



## Outlet Members



# Potential Pipelines



- All acquisitions must be yield accretive
- Reduce concentration risk, explore other parts of the World
- 3 new projects (Suzhou, Nanjing II, Shijiazhuang) added in 4Q2020, total Pipeline Properties increased from 9 to 12



## ROFR Properties

	Xi'an	Guiyang
Opening Date	Sep 2017	Dec 2017
GFA (sqm)	141,708	193,520
Car Park Lots	c.2,000	c.1,000

## Opening Soon

## Pipeline Properties

	Nanjing	Hangzhou	Changchun	Changsha	Lanzhou	Yangzhou	Xiamen	Suzhou	Nanjing II	Shijiazhuang	Shanghai	Shenzhen
Opening Date	May 2015	Jun 2011	Sep 2017	Dec 2018	Dec 2019	Sep 2020	Nov 2020	Sep 2021	Apr 2022	Sep 2022	~ 2022	~ 2022
GFA (sqm)	149,875	45,873	172,128	210,600	~100,000	114,650	74,987	~77,843	~100,000	~83,000	~109,000	~150,000
Car Park Lots	c.8,000	c.5,000	c.4,000	c.2,084	c.2,500	c.1,200	c.1,500	c. 1,500	c. 1,100	c. 3,500	c.2,500	c.2,200

# Investment Merits



SASSEUR (KUNMING) OUTLETS

# Key Milestone and Awards



**FTSE EPRA NAREIT Global Emerging Market Index Inclusion<sup>1</sup>**

**1**

**Most Promising REIT in Asia**

By: Fortune Times REITs Pinnacle Awards 2018

**2**

**Best Retail REIT (Platinum)**

**Best CEO (Platinum)**

**Best Investor Relations (Gold)**  
By: 6th Asia Pacific REITs Awards 2019

**3**

**Best REIT Deal in Southeast Asia 2018**

By: Alpha Southeast Asia 12th Annual Best Deal & Solution Awards 2018

**4**

**REIT Company of The Year – Singapore 2019**

By: International Investor Magazine

**5**

**Best Retail REIT (Platinum)**

**Best CEO (Platinum)**

**Best Investor Relations (Platinum)**  
By: 7th Asia Pacific REITs Awards 2020

**6**

**Best Commercial REIT Asia 2020**

By: Capital Finance International

1. Since 23 December 2019.

# Investment Merits



1

**Market Leadership:** Sasseur Group is one of the largest operator of outlet malls in China, with 13 malls and over 12 years of operating experience

2

**Unique Art-Commerce Business model :** Full alignment of interests of tenants, REIT unitholders, the REIT and entrusted managers, with the potential for sharing upsides

3

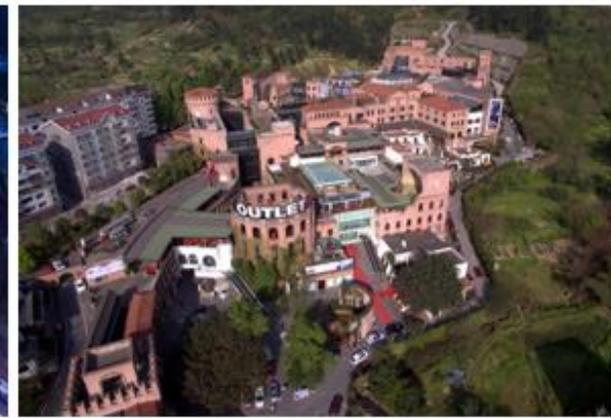
**Proactive Asset Management Strategy :** Focus on asset enhancement and organic growth and yield accretive acquisitions

4

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

5

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



# Thank You

For enquiries, please contact:

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