



**SASSEUR REAL ESTATE INVESTMENT TRUST**  
(a real estate investment trust constituted on 30 October 2017  
under the laws of the Republic of Singapore)

**NEWS RELEASE – For IMMEDIATE RELEASE**

**Sasseur REIT makes first acquisition since IPO**

- Acquisition of Shop Units at Hefei Outlets for RMB98.3 million (S\$19.8 million equivalent<sup>1</sup>), approximately 4.1% lower than valuation<sup>2</sup>.
- The yield-accretive acquisition, based on pro forma, is expected to increase the REIT's DPU and NAV per unit by +0.99% and +0.04% to 5.179 cents and 90.37 cents respectively.
- Strategic and attractive opportunity for Sasseur REIT to increase its holdings and consolidate ownership of Hefei Outlets from circa 77.8% to 81.2% of total GFA for future growth and potential value uplift.

**Singapore, 24 April 2019** – Sasseur Asset Management Pte. Ltd (“**SAMPL**” or the “**Manager**”), as manager of Sasseur Real Estate Investment Trust (“**Sasseur REIT**”; 砂之船房地产投资信托), is pleased to announce today that Sasseur REIT has signed the Sale & Purchase Agreements to acquire additional shop units with existing tenancies<sup>3</sup> (“**Shop Units**”) at the annex block of Sasseur (Hefei) Outlets (“**Hefei Outlets**”) from third-party vendors (the “**Acquisition**”) for a purchase consideration of RMB98.3 million (approximately S\$19.8 million; the “**Purchase Consideration**”), representing a discount of approximately 4.1% compared to valuation.

The Shop Units acquired comprise a gross floor area (“**GFA**”) of 6,133.84 square metres (“**sqm**”) and an occupancy rate of 100.0% as at 24 April 2019. The Shop Units have a weighted average lease expiry (“**WALE**”) of 5.4 years and its tenants include fashion brands, an indoor zoo, children’s entertainment facilities and food and beverage outlets. The Acquisition will increase Sasseur REIT’s ownership of the Hefei Outlets from 77.8% to 81.2% by GFA.

It is intended that the Acquisition will be funded fully by existing cash and is expected to increase the REIT’s distribution per unit (“**DPU**”) and net asset value (“**NAV**”) per unit from 5.128 cents<sup>4</sup> and 90.33 cents to 5.179 cents and 90.37 cents respectively, being DPU and NAV accretive on a pro forma basis.

Mr Anthony Ang, CEO of SAMPL said: “**We are excited to acquire the Shop Units at our Hefei Outlets mall. The Shop Units complement and enlarge the existing tenancies of Hefei Outlets**”

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1 Based on SGD to RMB exchange rate of SGD 1 : RMB 4.9674.

2 Based on the average independent valuation as at 28 February 2019 of RMB102.5 million provided by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (RMB105.0 million) and Savills Real Estate Valuation (Beijing) Limited (RMB100.0 million).

3 As disclosed in the IPO prospectus of Sasseur REIT, 162 shop units located on the peripheral areas of Hefei Outlets were sold to various parties, and these include the shop units being acquired.

4 Based on actual DPU for the financial period from 28 March 2018 (being the listing date of Sasseur REIT) to 31 December 2018.



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***and will increase the number of customers visiting Hefei Outlets. The long WALE also provides income stability. The Acquisition will provide us with greater scope and flexibility in undertaking asset management initiatives at Hefei Outlets and optimise the tenant mix over time, in addition to increasing the net income for Hefei Outlets. This is a strategic and the first step for the enlargement of the Sasseur REIT portfolio, and we will make more yield-accretive acquisitions when the right opportunity arises.”***

Hefei is the capital and largest city of Anhui Province, a fast-growing and sizable city with a total population of 8.1 million<sup>5</sup>. The Hefei Outlets, which commenced operation in May 2016, is well-located in the High-Tech Industrial Development Zone, which is one of the PRC's national High-Tech Industrial Development Zones. The Hefei Outlets has demonstrated strong operating performance, having consistently outperformed its forecast since Sasseur REIT's Initial Public Offering (“IPO”) in 2018. Its Year-on-Year (“YoY”) sales growth for the financial period ended 31 December 2018 (“FY2018”) compared to the financial period ended 31 December 2017<sup>6</sup> showed an improvement of 53.9% and actual FY2018 sales outperformed its FY2018 forecast by 9.6%. As stated in the IPO Prospectus, the Manager had forecasted the sales growth rate for Hefei Outlets to be 30% for the financial year ending 31 December 2019. The Manager believes the Acquisition will position Sasseur REIT to enjoy greater potential income and value uplift with the enlarged base of shop units in Hefei Outlets.

The completion of the Acquisition is expected to take place within 60 working days after the execution of the Sale & Purchase Agreements.

*This news release is to be read in conjunction with the Group's announcement posted on the SGX website on 24 April 2019.*

**- End -**

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5 As of 1 November 2018, based on latest data from the Bureau of Statistics of Anhui Province.

6 Based on same period comparison from 28 March to 31 December as the listing date of Sasseur REIT was 28 March 2018.

Appendix A – Indoor Zoo at Hefei Outlets



Indoor Zoo Entrance



Bird Aviary



Reptile Exhibition



Jellyfish Exhibition



Clown Performance



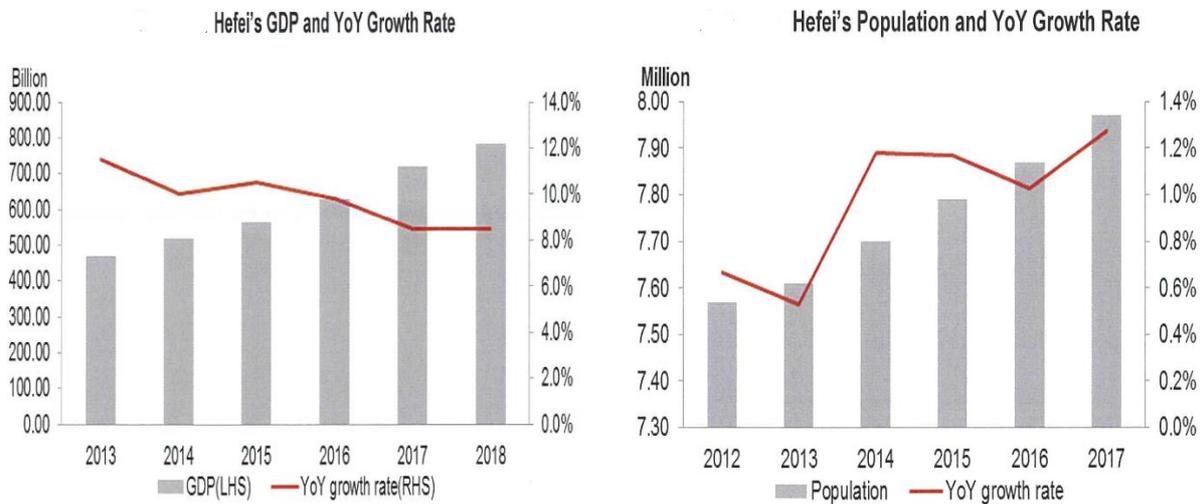
Lumina Lighting Installation



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Appendix B – Information on Hefei

As mentioned in the IPO prospectus of Sasseur REIT, the addressable market size of the outlet industry in Hefei is expected to increase from RMB 1.4 billion (US\$0.2 billion) in 2016 to RMB 3.5 billion (US\$0.5 billion) by 2021, which represents a compounded average growth rate (“CAGR”) of 20% during the period. These are driven by the rising disposable incomes of Chinese consumers and the increasing penetration rate of outlet malls in China. Based on valuation report prepared by JLL, Hefei as a high growth city, evidenced by the strong growth in its gross domestic product and population for the past 5 years (2013-2017), will continue to support the excellent performance of the Hefei Outlets.



Source: Valuation report prepared by JLL



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**About Sasseur REIT**

Sasseur REIT is the first outlet mall REIT listed in Asia. Sasseur REIT offers investors with the unique opportunity to invest in the fast-growing retail outlet mall sector in the People's Republic of China (the "PRC") through its initial portfolio of four quality retail outlet mall assets strategically located in fast growing cities in China such as Chongqing, Kunming and Hefei, with a net lettable area of 306,709.1 square metre.

Sasseur REIT is established with the investment strategy of investing 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.

For more information on Sasseur REIT, please visit <https://www.sasseurreit.com/>.

**About the Manager – SASSEUR ASSET MANAGEMENT PTE. LTD.**

Sasseur REIT is managed by the Manager, an indirect wholly-owned subsidiary of the Sponsor. The Manager's key responsibility is to manage Sasseur REIT's assets and liabilities for the benefit of Unitholders.

As the first outlet mall REIT listed in Asia, the Manager intends to utilise Sasseur REIT's first-mover advantage and acquire suitable properties with good investment characteristics in Asia or other parts of the world. The Manager's acquisition growth strategy is to identify and selectively pursue acquisition opportunities in quality income-producing properties used mainly for retail outlet mall purposes initially in the PRC and subsequently in other countries.

**About the Sponsor – SASSEUR CAYMAN HOLDING LIMITED**

The Sponsor Group is one of the leading premium outlet groups in the PRC, ranked within the top 500 service companies in the PRC. With about 30 years of experience in arts commerce, the Sponsor Group has become Asia's famous outlet operator for its strategic approach of integrating emotion, aesthetics, scenario planning and prudent capital management, as well as its "A x (1+N) x DT" Super Outlet business model.

For more information on the Sponsor, please visit <http://www.sasseur.com/>.



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Sponsorship Statement:

DBS Bank Ltd. was the sole financial adviser and issue manager for the initial public offering of Sasseur REIT (the "**Offering**"). DBS Bank Ltd. and Bank of China Limited, Singapore Branch were the joint global coordinators to the Offering. DBS Bank Ltd., Bank of China Limited, Singapore Branch, China International Capital Corporation (Singapore) Pte. Limited, Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited, Haitong International Securities (Singapore) Pte. Ltd. and Maybank Kim Eng Securities Pte. Ltd. were the joint bookrunners and underwriters to the Offering.