



For Immediate Release

Sasseur REIT's DPU of 1.656 Singapore cents for 1Q 2019 exceeds IPO projection by 9.3%

- China-based outlet mall owner's total outlet sales of RMB 1.2 billion for 1Q 2019 surpass projection by 10.1%
- Commencing distribution of income on quarterly basis from 1Q 2019
- Top-performing REIT on the Singapore Exchange for the first quarter of 2019, with a total return of 25.0%¹

Singapore, 13 May 2019 – Sasseur Real Estate Investment Trust ("Sasseur REIT"; 砂之船房地产投信托), which owns retail outlet malls in China, recorded a distributable income of S\$19.7 million for the January-March 2019 quarter ("1Q 2019"), exceeding its IPO projection of S\$18.0 million by 9.3%, its manager Sasseur Asset Management Pte. Ltd. ("SAMPL") announced today. Sasseur REIT's distribution per unit ("DPU") for the period came in at 1.656 Singapore cents. The books closure date is 28 May 2019.

Results Summary

	1Q 2019		
	Actual	Projection	Variance
EMA Rental Income² (RMB mil)	153.3	148.6	3.2%
- Fixed Component	98.5	98.5	-
- Variable Component	54.8	50.1	9.4%
EMA Rental Income² (S\$ mil)	30.9	30.2	2.4%
Distributable Income (S\$ mil)	19.7	18.0	9.3%
DPU (Singapore cents)	1.656	1.515	9.3%

Based on the unit price of S\$0.775 at the end of 1Q 2019, the annualised distribution yield for 1Q 2019 DPU is 9.3%. The distribution yield of 8.4% based on IPO price of S\$0.80 exceeds the 7.7%³ projection for 1Q 2019.

The four outlet malls owned by Sasseur REIT generated total sales of RMB 1.2 billion for 1Q 2019. This is 10.1% above projection for 1Q 2019 and 24.0% higher than 1Q 2018, which compares favourably with the growth of total retail sales of consumer goods in China of 8.3%⁴ over the same period. The outperformance was mainly due to Sasseur's unique art-commerce business model, its employee

¹ SGX.net, Five Best-Performing S-REITs Average 20% Total Return in YTD, 2 Apr 2019 (<https://www2.sgx.com/research-education/market-updates/20190402-five-best-performing-s-reits-average-20-total-return-ytd>)

² Excluding straight-line accounting adjustment

³ The projected annualised distribution yield of 7.7% was derived from the seasonal projection for 1Q 2019, based on the distribution yield of 7.8% for the Projection Year 2019 as disclosed in the Prospectus.

⁴ National Bureau of Statistic (China) dated 18 April 2019



partnership programme that was instituted in 2018, as well as seasonal sales promotions that boosted sales. The higher sales led to better-than-expected EMA⁵ Rental Income for 1Q 2019, particularly the variable component which outperformed projection by 9.4%.

Portfolio occupancy rate for 1Q 2019 increased to 96.1% from 95.2% in 4Q 2018 due to continued efforts to improve and optimise the tenant mix.

Due to its stellar performance in 1Q 2019 Sasseur REIT was named the top-performing REIT on the Singapore Exchange for the quarter. Its total return of 25.0%¹ surpassed the average of 15.7% for the 20 best-performing S-REITs.

Mr Vito Xu, Chairman of SAMPL, said, ***“We are delighted that Sasseur REIT continues to deliver key performance metrics which exceed our IPO forecasts for 1Q 2019. China’s economy and urban household disposable income per capita continue to grow. We are confident that our unique art-commerce business model blending outlet shopping with art-inspired architecture and family-themed lifestyle will continue to appeal to the middle-class. This will lead to stronger sales for FY2019. With Sasseur REIT adopting a quarterly payout from 1Q 2019, I am pleased that unitholders will now enjoy more frequent distribution.”***

Mr Anthony Ang, CEO of SAMPL, said, ***“Sasseur REIT is able to capture the upside from higher sales due to our EMA⁵ Rental Income model which helped to lift distributable income for 1Q 2019. We will strive to improve the DPU for the rest of FY2019 by actively managing assets through generating more loyalty-based repeat sales, improving occupancy rate for our Bishan and Kunming malls and yield-accretive acquisitions when opportunities arise. We recently added shop units in Hefei to improve flexibility for asset management and optimisation of tenant mix so as to improve net income. More importantly, the REIT’s balance sheet remains healthy. The low gearing at 29.2% provides the REIT with ample financial capacity. Finally, despite the stalled trade negotiations between US and China, our outlet sales in China has not been impacted by external trade factors as it is largely fuelled by domestic consumption.”***

In April 2019 Sasseur REIT acquired additional shop units with existing tenancies at the annex block of its Hefei site for RMB 98.3 million (S\$19.8 million). The shop units (fully occupied as at 24 April) comprise gross floor area (“GFA”) of 6,133.84 sq m. The acquisition will be fully funded by existing cash, and will raise Sasseur REIT’s ownership of the Hefei outlet mall from 77.8% to 81.2% by GFA. The acquisition – the first by Sasseur REIT since its IPO – is targeted to be completed by end-May 2019, and will contribute to distribution income for 2Q 2019.

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⁵ Entrusted Management Agreement



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.