



*For Immediate Release*

## **Sasseur REIT Again Achieves Anniversary Sales Records; Total Sales of RMB 1.2 Billion for 3Q 2019 Up 9.4% From 3Q 2018; DPU Rises 6.4% Y-o-Y**

- One of the top-performing S-REITS for first nine months 2019 (SGX), with total return of 33.6%<sup>1</sup>
- DPU of 1.640 Singapore cents for 3Q 2019 surpasses that of 3Q 2018 by 6.4%
- The four outlet malls generated RMB 1.2 billion in combined sales for 3Q2019, 9.4% higher than 3Q 2018

	3Q 2019				
	Actual	3Q 2018	Change (%)	Projection	Change (%)
<b>EMA Rental Income<sup>2</sup> (RMB mil)</b>	155.8	145.8	+6.9	154.5	+0.8
<b>- Fixed Component (RMB mil)</b>	99.8	95.7	+4.3	98.5	+1.4
<b>- Variable Component (RMB mil)</b>	56.0	50.1	+11.8	56.0	0.0
<b>EMA Rental Income<sup>2</sup> (S\$ mil)</b>	30.6	29.1	+5.2	31.3	-2.4
<b>Distributable Income (S\$ mil)</b>	19.6	18.2	+7.6	18.9	+3.7
<b>Distribution Per Unit (SG cents)</b>	1.640	1.542	+6.4	1.581	+3.7

*2. Exclude straight-line accounting adjustment*

*Note: Average exchange rate – S\$/RMB 1:5.0967 for 3Q 2019, S\$/RMB 1:4.930 for projection*

**Singapore, 14 November 2019** – Sasseur Real Estate Investment Trust (“Sasseur REIT”; 砂之船房地产投资信托), which manages retail outlet malls in China, recorded a distributable income of S\$19.6 million for the quarter ended 30 September 2019 (“3Q 2019”), 7.6% higher than 3Q 2018, its manager Sasseur Asset Management Pte. Ltd. (“SAMPL”) announced today. Sasseur REIT’s distribution per unit (“DPU”) for 3Q 2019 at 1.640 Singapore cents, was 6.4% higher than a year ago.

The annualised distribution yield based on the total DPU was 8.2% at the closing unit price of S\$0.795 for 30 September 2019, as well as 8.1% at the IPO offering price of S\$0.800, exceeding the IPO projected yield of 7.8% for FY2019.

The four outlet malls owned by Sasseur REIT generated combined sales of RMB 1.2 billion for 3Q 2019, which was 9.4% higher than 3Q 2018. The outlets recorded first-day sales of RMB 215.6 million for the two-week anniversary sales in September, beating last year’s record by 8.9%.

*1. Source: Bloomberg, SGX data as of 30 September 2019. Based on Total Returns (%)*



In line with the growth in sales, EMA rental income (excluding straight-line rental accounting adjustment) at S\$30.6 million for 3Q 2019 was 5.2% higher as compared to 3Q 2018.

Portfolio occupancy rate for 3Q 2019 remained stable at 95.4%, reflecting the successful partnership between tenants and the entrusted manager of the outlet malls. In addition, total VIP members of the four malls have exceeded 1.39 million as of 30 September 2019, 70% higher than at the end of 2018.

In recognition of its high corporate governance and investor engagement, as well as its performance in 2019 that has exceeded projections each quarter, Sasseur REIT received the International Investor Magazine's award for REIT Company of the Year – Singapore 2019. It also won three major awards – Best Retail REIT (Platinum), Best Investor Relations (Gold) and Best CEO (Platinum) – at the 6<sup>th</sup> Annual REITs Asia Pacific Best of the Breeds REITs Awards 2019.

Mr Vito Xu, Chairman of SAMPL, said, "China's gross domestic product (GDP) expanded at 6.0% in 3Q 2019, slightly lower than the 6.2% in 2Q 2019 amid the on-going trade tension between the U.S. and China. However, sales at our Sasseur REIT Outlets were not affected and reached RMB 1.2 billion for 3Q 2019, 9.4% higher than that of 3Q 2018. We are confident that our unique art-commerce business model combining outlet shopping with art-inspired architecture and family-themed lifestyle activities will continue to appeal to the expanding Chinese middle-class consumers. The various awards that we have received have further recognised Sasseur REIT as a leading REIT in Singapore and retail outlet mall operator in China."

Mr Anthony Ang, CEO of SAMPL, said, "Sales for this quarter have picked up in part due to the successful anniversary season in September, which saw each outlet surpassing its previous year's anniversary sales record. With the year-end holiday season and schedule of sales events that have been lined up, we look forward to even stronger sales for the last quarter of 2019. Our outlet sales in China have not been impacted by external trade factors as it is largely fuelled by domestic consumption."

The aggregate leverage of the REIT remains healthy at 29.0%, well below the regulatory limit of 45%. Sasseur REIT has hedged half of its offshore term loan using floating-for-fixed interest rate swap. To mitigate the impact of foreign currency fluctuations, the REIT has hedged more than half of its 3Q 2019 distributable income.

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### **About Sasseur REIT**

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 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, Bishan, Hefei and Kunming, with a net lettable area of 312,844 square metres.

Sasseur REIT is established with the investment strategy to 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 <http://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 retail 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 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 art-commerce, the Sponsor Group has attained recognition in Asia as a leading outlet operator which adopts a 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.