



SASSEUR REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 30 October 2017
under the laws of the Republic of Singapore)

SUPPLEMENTAL AGREEMENT TO THE HEFEI GRANT AGREEMENT – EXTENSION OF DEVELOPMENT COMPLETION DATE

1. Sasseur Asset Management Pte. Ltd., in its capacity as manager (the "**Manager**") of Sasseur Real Estate Investment Trust ("**Sasseur REIT**"), refers to the IPO prospectus of Sasseur REIT dated 21 March 2018 (the "**Prospectus**"), where it is stated that Hefei Sasseur Commercial Management Co., Ltd. ("**Hefei PRC Property Company**") had on 1 March 2018 entered into a grant agreement with Sasseur Cayman Holding Limited (the "**Sponsor**") and the Manager (the "**Hefei Grant Agreement**"), pursuant to which the Sponsor had been granted the right to develop a parcel of undeveloped land adjacent to Hefei Outlets (the "**Target Land**") and to implement building construction, property management and property operation in respect of the second phase construction project planned to be conducted on the Target Land (the "**Phase 2 Developments**").

Unless otherwise defined, all capitalised terms used in this announcement shall have the meanings ascribed to them in the Prospectus.

2. Under the Hefei Grant Agreement, the Sponsor had undertaken to implement the construction up to and until inspection and acceptance of the completion of the Phase 2 Developments and to obtain the Building Ownership Certificates of the Phase 2 Developments in accordance with legal and regulatory requirements by 31 December 2020 (the "**Development Completion Date**"), subsequent to which the Building Ownership Certificates shall be issued in the name of the Hefei PRC Property Company.
3. Under the Hefei Grant Agreement, Sasseur REIT had granted the development right under the Grant Agreement to the Sponsor at nominal consideration. In return, the Sponsor had granted the Hefei PRC Property Company an option to buy back the development right ("**Buy Back Option**"), with the Buy Back Option taking effect on 1 January 2021. Under the Hefei Grant Agreement, the Buy Back Option will expire upon the completion of the construction, inspection and acceptance of the completion of the Phase 2 Developments.
4. The Manager understands from the Sponsor that it is unable to complete the development of the Phase 2 Developments prior to the completion date of 31 December 2020 in light of COVID-19 and other related factors. Pursuant to the terms of reference of the Audit and Risk Committee of the Manager (the "**ARC**"), the ARC conducted an assessment on whether Sasseur REIT should grant the Sponsor an extension of the Development Completion Date in accordance with terms of the Hefei Grant Agreement. Further to discussions with the Sponsor, the ARC has, following its assessment, approved the extension of the Development Completion Date to

31 December 2022 through an amendment of the existing Hefei Grant Agreement, together with a corresponding amendment of the effective date of the Buy Back Option to 1 January 2023.

5. The Manager wishes to announce that in light of the above, the Manager and the Hefei PRC Property Company had on 8 December 2020 entered into a supplemental agreement with the Sponsor to amend certain provisions in the Hefei Grant Agreement (the "**Supplemental Agreement**"). The principal amendments to the Hefei Grant Agreement pursuant to the Supplemental Agreement are set out below:
 - (i) the "Development Completion Date" referred to in article 6.1 of the Hefei Grant Agreement has been extended from 31 December 2020 to 31 December 2022; and
 - (ii) the effective date of the Buy Back Option referred to in article 7.3 of the Hefei Grant Agreement has been amended from 1 January 2021 to 1 January 2023.

Save for the principal amendments disclosed above, all other terms and conditions of the Hefei Grant Agreement remain in full force and effect.

6. While the entry into the Supplemental Agreement is an "interested person transaction" under Chapter 9 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), it does not trigger the requirements under Chapter 9 of the Listing Manual as the value of this transaction, whether (i) singly, or (ii) when aggregated with all the transactions entered into with the Sponsor for the current financial year ending 31 December 2020, is less than 3 per cent of Sasseur REIT's latest audited net tangible assets.
7. The Manager is of the view that the Supplemental Agreement does not have any material impact (financial or otherwise) on Sasseur REIT.

By Order of the Board

Sasseur Asset Management Pte. Ltd.

(Company registration no. 201707259N)

(as Manager of Sasseur Real Estate Investment Trust)

Anthony Ang Meng Huat

Chief Executive Officer

15 December 2020

*The value of the units of Sasseur REIT ("**Units**") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, DBS Trustee Limited, as trustee of Sasseur REIT, Sasseur Cayman Holding Limited, as the sponsor of Sasseur REIT or any of their respective affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (the "**Unitholders**") have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.*