Sasseur (Chongqing Liangjiang) Outlets

Sasseur (Chongqing Bishan) Outlets

Sasseur (Chongqing Liangjiang) Outlets

Sasseur (Hefei) Outlets

Sasseur (Kunming) Outlets

REIT SASSEUR

SASSEUR REIT

First Listed Outlet REIT in Asia

FY2021 Annual General Meeting

21 April 2022

Disclaimer

Not for release, publication or distribution in or into the United States, Canada, Japan or the People's Republic of China.

This presentation shall be read in conjunction with Sasseur REIT's financial results announcement dated 18 February 2022 published on SGX Net.

This presentation is for information only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Sasseur REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. The value of the units in 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 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. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that unitholders of Sasseur REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Sasseur REIT is not necessarily indicative of the future performance of Sasseur REIT.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. These forward-looking statements speak only as at the date of this presentation. No assurance can be given that future events will occur, that projections will be achieved, or that assumptions are correct. Representative example of these factors include (without limitation) general industry and economic conditions, interest rate trends, costs of capital and capital availability, competition from similar developments, shifts in expected levels of rental revenue, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements which are based on the current view of management on future events.

Unless otherwise stated, all references to currencies are in Singapore dollars and cents, as the case may be.

Contents

FY2021 Key Highlights

Sasseur (Kunming) Outlets

FY2021 at a Glance

A stellar set of results

RMB 4,184.6 Mil
Outlet Sales
+12.3% vs FY2020

S$ 127.5 Mil
EMA Rental Income[1]
+10.1% vs FY2020

S$ 93.9 Mil
Distributable Income
+19.3% vs FY2020

7.104 Cents
Distribution Per Unit[2]
+8.5% vs FY2020

98.94 Cents
NAV Per Unit
+8.2% vs 31 Dec 2020

Strong Financial Performance

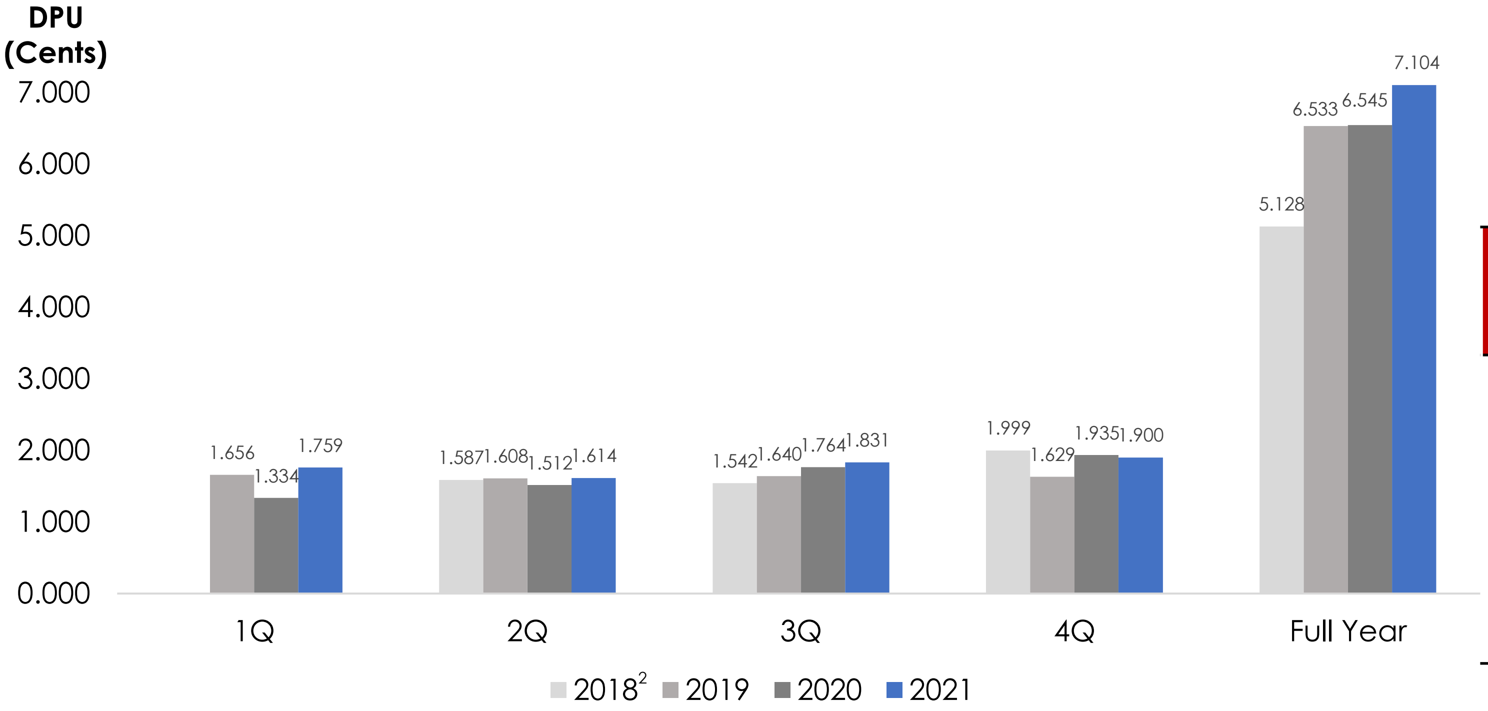
- **Full year DPU surpassed 7 cents, reaching a new high of 7.104 cents.**
- **NAV per unit rose 8.2% y-o-y due to higher property valuation and appreciation of RMB against SGD.**

[1] Excluding straight-line accounting adjustments
[2] Represent Distribution Per Unit (after retention for asset enhancement initiatives and working capital)

DPU Profile

New record high FY 2021 DPU of 7.104 cents, third consecutive year of growth

- **FY 2021 DPU exceeded FY 2020 by 8.5%.**
- **On a like-for-like basis[1], FY 2021 DPU would be higher at 7.740 cents, 18.3% higher than FY 2020.**



DPU Comparison

Period	DPU	% Growth Vs 2019	% Growth Vs 2020
2021 (before retention)	7.740	+18.5%	+18.3%
2021 (after retention)	7.104	+8.7%	+8.5%
2020 (no retention)	6.545	+0.2%	-
2019 (no retention)	6.533	-	-

[1] Assuming no retention of distributable income
[2] From 28 March 2018 to 31 December 2018

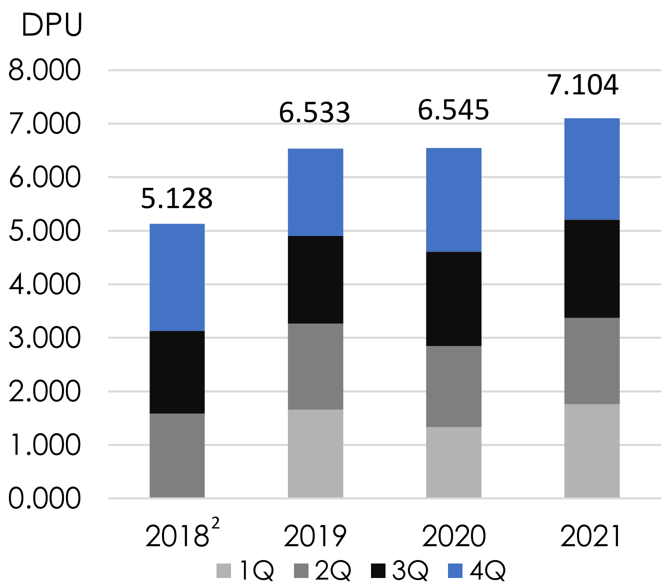
Sasseur REIT Total Returns & Trading Volume

Growing from strength to strength

Total Return Since IPO[1]

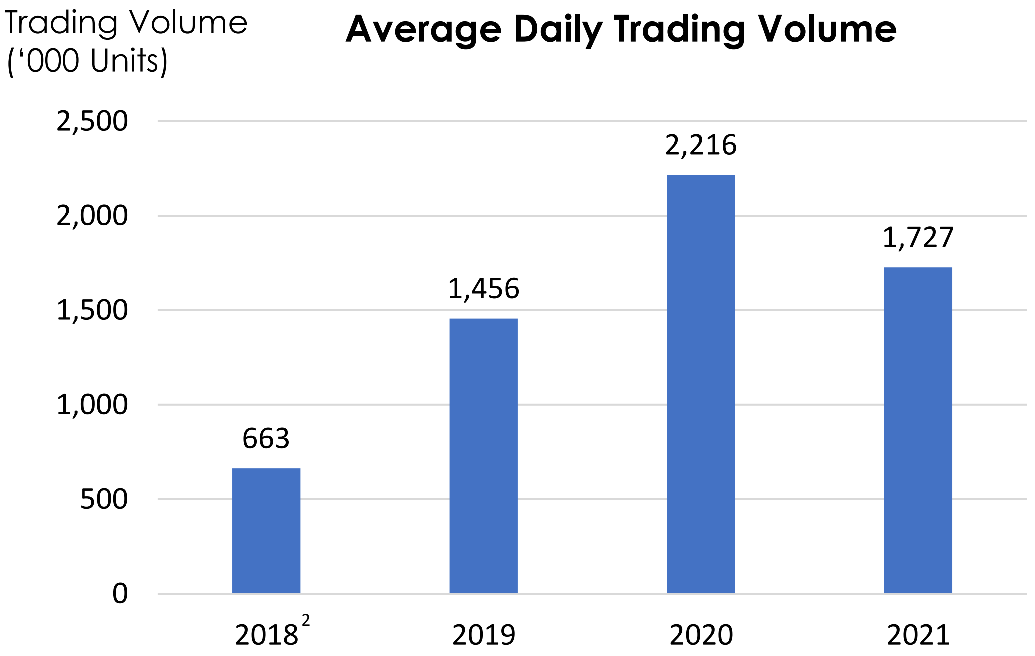
37.3%

Quarterly DPU



FTSE EPRA NAREIT Global Emerging Market Index Inclusion[2]

Average Daily Trading Volume



- **Daily average trading volume had increased 260% since IPO in 2018.**

[1] Total return calculated based on IPO price of 80.0 cents and all distributions (including 4Q 2021) with closing unit price of 84.5 cents as at 31 December 2021.
[2] Since 23 December 2019.

2021 Awards & Achievements

Sasseur REIT was recognized for its outstanding performance in various *areas*

1	Singapore Corporate Awards 2020/2021 (Special Edition) - Corporate Excellence and Resilience Award
2	Securities Investors Association (Singapore) Choice Awards 2021 - Singapore Corporate Governance Award Runners-up (REITs & Business Trusts)
3	Global Good Governance Award^{TM} 2021 - Best Corporate Communications & Investor Relations (Gold) - Best Governed and Transparent Company (Gold)
4	Nominated for Best IR Website by the IR Magazine Awards - South East Asia 2021 - Certificate for Excellence in Investor Relations
5	Singapore Governance and Transparency Index 2021 (SGTI 2021) - Improved from 25th to 17th place
6	Governance Index for Trusts 2021 (GIFT 2021) - Improved from 34th to 20th place

FY2021 Financial Highlights

Sasseur (Hefei) Outlets

FY 2021 Key Financial Highlights

FY 2021 key metrics well surpassed pre-COVID-19 levels

- FY 2021 results outperformed FY 2020 with 8.5% higher DPU, despite a total of S$7.7 million distributable income retained in FY 2021.
- EMA Rental Income rose by 5.5% y-o-y in RMB, lifted by 11.7% increase in variable component attributed to 12.3% higher sales of RMB 4,184.6 million.
- The increase in sales reflected the resilience of the portfolio despite the volatile business environment in China. Robust consumption trends where Sasseur REIT's outlets are located, coupled with intensive promotional efforts in close collaboration with tenants, led to the higher sales.

	FY 2021	FY 2020	Change %
Sales (RMB mil)	4,184.6	3,727.2	12.3
Fixed component (RMB mil)	421.8	409.6	3.0
Variable component (RMB mil)	190.1	170.2	11.7
EMA rental income (RMB mil)[1]	611.9	579.8	5.5
EMA rental income (S$ mil)[1]	127.5	115.8	10.1
Income available for distribution to Unitholders (S$ mil)	93.9	78.7	19.3
DPU (SG Cents) before retention	7.740	6.545	18.3
DPU (SG Cents) after retention	7.104	6.545	8.5

[1] Exclude straight-line accounting adjustments.

[2] Average SGD: RMB rate of 1:4.7991 for FY 2021 and 1:5.0085 for FY 2020.

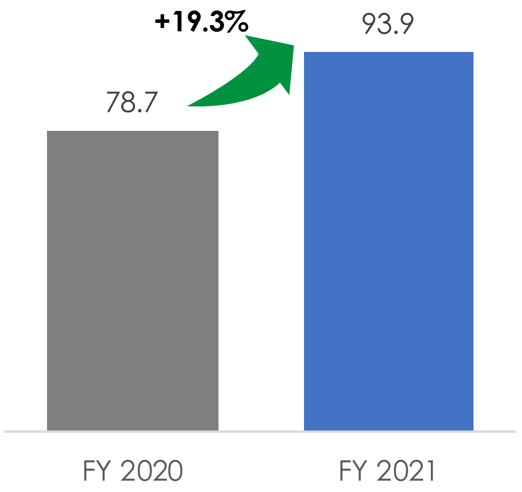
FY 2021 Distributable Income

FY 2021 Distributable Income increased by 19.3% y-o-y

Key Contributing Factors

- **Higher EMA rental income attributable to innovative and unique EMA model and RMB appreciation against SGD.**
- **Lower trust expenses due to the absence of professional fees incurred for refinancing and non-recurring tax advisory fees in FY 2020.**
- **Lower finance costs due to lower average interest rates after refinancing in Sep 2020.**

Distributable Income (S$ mil)



S$ million	FY 2021	FY 2020	Change %
EMA rental income	127.5	115.8	10.1
Trust expenses	(1.6)	(2.5)	38.1
Finance income	0.2	0.1	n.m.
Finance costs	(17.7)	(20.4)	12.9
Exchange differences	0.5	(0.3)	n.m.
Tax expenses	(15.0)	(14.0)	(7.8)
Income available for distribution to Unitholders	**93.9**	**78.7**	**19.3**
Less: Amount retained	(7.7)	-	n.m.
Amount to be distributed to Unitholders	**86.2**	**78.7**	**9.5**

Robust Balance Sheet

Record high NAV Per Unit supported by higher valuation of properties and stronger RMB

- **Property valuation rose by 9.1%[1] y-o-y to S$1.80 billion, lifting NAV per Unit by 8.2% to 98.94 cents.**
- **This reflects Sasseur REIT's position as a proxy to China's strong domestic market.**

S$ million	As at 31 Dec 2021	As at 31 Dec 2020	Change	Change %
Investment properties	1,801.0	1,651.1	149.9	9.1
Cash and short-term deposits	159.8	155.9	3.9	2.5
Total assets	1,989.8	1,858.2	131.6	7.1
Loans and borrowings	510.6	504.3	6.3	1.2
Total liabilities	780.6	752.8	27.8	3.7
Net assets	1,209.2	1,105.4	103.8	9.4
NAV per Unit (SG cents)[2]	98.94	91.40	7.5	8.2

[1] Investment properties are higher by 9.1% as at 31 Dec 2021, mainly contributed by higher valuation of properties by 4.4% and RMB appreciation against SGD.
[2] Based on units in issue and to be issued of 1,222,205,028 and 1,209,412,000 as at 31 December 2021 and 31 December 2020 respectively.

Capital Management

Sasseur (Chongqing Liangjiang) Outlets

Well-balanced Debt Profile

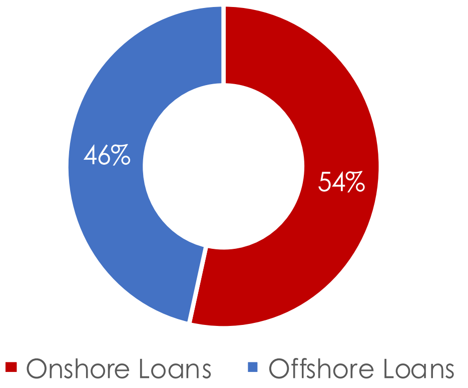
Equal mix of onshore and offshore loans

- **Actively exploring refinancing opportunities with a view to de-risk the current debt profile by staggering debt maturity and loan amount.**

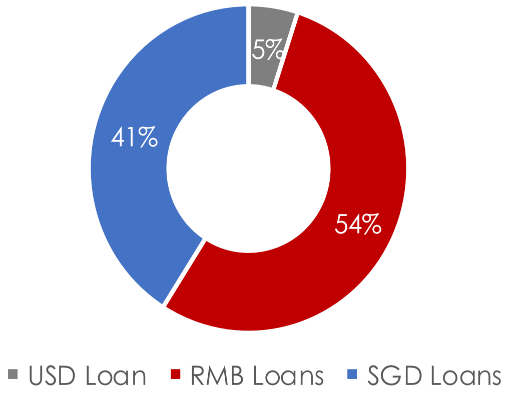
	Onshore Loans	Offshore Loans	
Currency	RMB	SGD	USD
Outstanding Quantum[1]	RMB 1.31 billion	SGD 214 million	USD 20 million
	~SGD 278 million	n.a.	~SGD 27 million
Maturity	March 2023	March 2023	March 2023
Floating Rate	5-year LPR	SOR	USD LIBOR

[1] Based on SGD:RMB and USD:SGD exchange rates of 4.7179 and 1.3514 as at 31 December 2021 respectively.

Funding Sources



Debt Currency Profile



Prudent Capital Management

Low gearing with considerable debt headroom, strong interest coverage

	31 Dec 2021	31 Dec 2020
Gross borrowings	S$518.6 mil	S$518.5 mil
Aggregate leverage	26.1%	27.9%
Average debt maturity	1.2 years	2.2 years
Debt headroom[1,2]	S$952 mil	S$823 mil
Available undrawn facilities	S$8 mil	S$1 mil
Weighted average cost of debt[3] (p.a.)	4.4%	4.9%
Interest coverage ratio[4]	5.1 times	4.0 times

[1] Debt headroom is computed based on total assets and assuming a corresponding increase in total assets with new debts raised.

[2] Based on MAS prescribed leverage limit of 50%.

[3] Includes borrowing-related fees.

[4] Based on dividing the trailing 12 months EBITDA (excluding the effects of any fair value changes of financial derivatives and investment properties, and foreign exchange translation) by the trailing 12 months interest expense and borrowing-related fees as set out in the CIS Code.

- **Low gearing of 26.1% provides considerable debt headroom to pursue potential acquisition opportunities.**
- **Adopt appropriate interest rate and foreign currency hedging strategies depending on the outlook of interest rate and foreign currency movement.**

Portfolio Update

Sasseur (Chongqing Bishan) Outlets

Portfolio Summary

Quality properties in high growth cities with large population base

Portfolio of 4 outlets

NLA : 312,784 sqm

Total Valuation* : RMB 8.50 billion / S$1.80 billion

*Based on independent valuation as at 31 Dec 21 by Savills Real Estate Valuation (Beijing) Limited

As at 31 Dec	Valuation (RMB mil)		
Outlets	**2019**	**2020**	**2021**
Chongqing Liangjiang	2,973	2,982	3,121
Chongqing Bishan	824	809	838
Hefei	2,795	2,758	2,883
Kunming	1,620	1,593	1,655
Portfolio	**8,212**	**8,142**	**8,497**

Chongqing Liangjiang

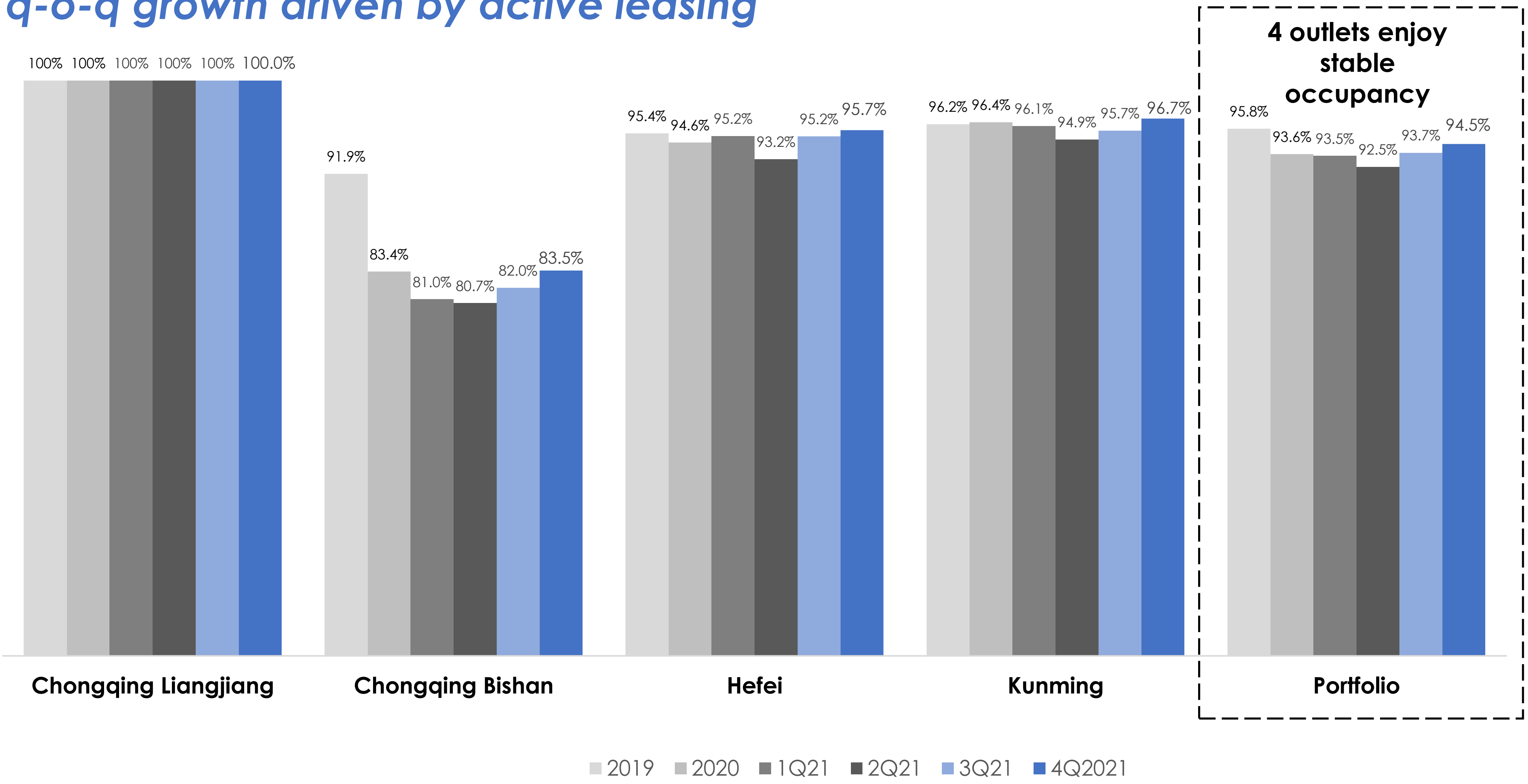
Chongqing Bishan

Hefei

Kunming

Improving Portfolio Occupancy

Strong q-o-q growth driven by active leasing

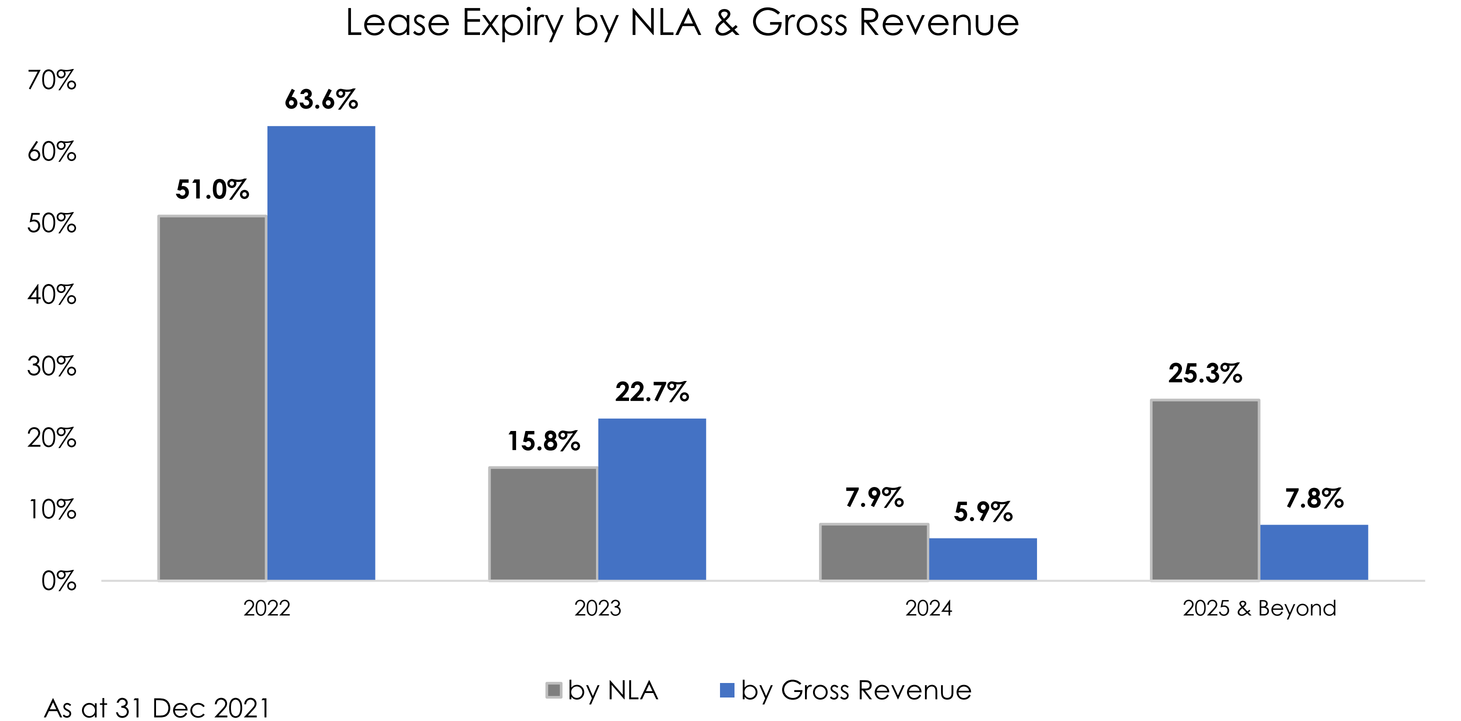


*Occupancy is calculated based on average of the last day of the 3 months.

Weighted Average Lease Expiry (WALE)

Deliberate short lease to optimise tenant mix

- **Short lease strategy to adjust trade mix swiftly to adapt to fast-changing consumer preferences in China.**



As at 31 Dec 2021

Weighted Average Lease Expiry (years)

1.3

By Gross Revenue

2.7

By Net Lettable Area

3Q 2021 WALE by Gross Revenue and NLA are 1.3 years and 2.7 years respectively.

FY2021 Promotional Activities

Drawing shoppers through thematic promotional events

Summer Sale

Exciting promotional events were planned during summer holidays in Mid-July

Chinese Valentine's Day

Chinese Valentine's Day falls on the 7th July in the Lunar calendar, it is widely celebrated amongst the younger generation.

Anniversary Sale

Kunming (left)
Crowds at open plaza

Chongqing Liangjiang (below)
Large crowds still seen past midnight

Key Focus & Priorities

Sasseur (Kunming) Outlets

Management Focus & Priorities

Building resilience and preparing for next growth phase

Proactive Asset Management

- ✓ Improve portfolio occupancy > 95%
- ✓ Seek opportunities to consolidate higher ownership of Sasseur Hefei Outlets
- ✓ Sharpen appeal of outlets to take advantage of strong domestic consumption

Prudent Capital Management

- ✓ De-risk current debt profile through staggered debt maturity at next refinancing opportunity
- ✓ Maintain robust balance sheet and acceptable gearing level
- ✓ Maintain prudent cost management practices

Acquisition-led Growth

- ✓ Priority to acquire Sponsor's ROFR and/or Pipeline properties
- ✓ Target cities in China with large population base and attractive growth potential
- ✓ Target income-producing properties with attractive fundamentals and long-term growth potential

Sponsor's Growing Footprint in China

Enlarging presence, expanding Sasseur Outlets branding

- **Pipeline properties are 3rd party owned assets which Sasseur Group has ROFR over it**
- **Sasseur REIT will be granted ROFR automatically if Sasseur Group exercises its ROFR**

	Fuzhou	Nanjing II	Shijiazhuang	Shanghai	Shenzhen
Opening Date (Tentative)	May 2022	Sep 2022	Dec 2022	Dec 2022	May 2023
GFA (sqm)	~190,000	~100,000	~83,000	~109,000	~150,000
Car Park Lots	c.2,800	c. 1,100	c. 3,500	c.2,500	c.2,200


Sasseur Chongqing Liangjiang Outlets


Sasseur Hefei Outlets

Thank You


Sasseur Hefei Outlets

Sasseur Chongqing Bishan Outlets

Sasseur Kunming Outlets

REIT SASSEUR

For enquiries, please contact:

Ms Wong Siew Lu, CFA, CA (Singapore)

Head, Investor Relations and Capital Markets

Email: wongsl@sasseurreit.com

Tel: +65 6360 0290

Address: 7 Temasek Boulevard, #06-05, Suntec Tower One, Singapore 038987