



For Immediate Release

Sasseur REIT Completes Refinancing of Outstanding Loans Due in March 2023; No Significant Refinancing Requirements Till 2026

- **Continued support from existing lenders — China CITIC Bank Corporation Limited, China CITIC Bank International Limited and DBS Bank, as well as broadening of lending relationships with new lenders**
- **Sponsor of Sasseur REIT demonstrates strong support for and confidence in the REIT by extending a short-term unsecured Sponsor Loan**
- **Post refinancing, the new loans will be separated into several loans with differing maturities, and Kunming Outlets will become unencumbered**
- **Sasseur REIT’s aggregate leverage would remain low, with ample debt headroom and no significant refinancing requirements till 2026**

Singapore, 3 February 2023 – Sasseur Asset Management Pte. Ltd. (“**SAMPL**” or “**REIT Manager**”), the manager of Sasseur Real Estate Investment Trust (“**Sasseur REIT**”), is pleased to announce that a few of Sasseur REIT’s subsidiaries in China have today entered into a 5-year secured facility agreement for an onshore term loan of RMB975 million with a group of China-based lenders.

On 31 January 2023, the REIT Manager announced that certain Sasseur REIT’s subsidiaries entered into a 3-year secured facility agreement (with an option to extend for another two years at the discretion of the lenders) consisting of a term loan facility of S\$125 million and US\$54 million, and a S\$10 million revolving credit facility, with a group of lenders.

The total proceeds from the above facilities will be used for refinancing Sasseur REIT’s existing secured loans due in March 2023 (“**Outstanding Loans**”). With the facilities in place, the REIT Manager does not expect any significant refinancing requirements until year 2026.

Separately, a wholly-owned subsidiary of Sasseur Cayman Holding Limited, the sponsor of Sasseur REIT (“**Sponsor**”), has on 3 February 2023 entered into a one-year loan agreement under which an unsecured interest-bearing loan of RMB308 million (or approximately S\$60 million) (“**Sponsor Loan Agreement**”) has been granted to a wholly-owned subsidiary of Sasseur REIT. This loan may be extended for up to another year, subject to mutual agreement.

Although the Sponsor Loan constitutes an interested person transaction (“**IPT**”), Sasseur REIT is not required to announce or seek unitholders’ approval in respect of this IPT under Chapter 9 of the Singapore Exchange Securities Trading Limited’s Listing Manual (“**SGX-ST Listing**



Manual)¹. The Audit and Risk Committee of the REIT Manager, having reviewed and assessed the nature, purpose and terms and conditions of the Sponsor Loan, including the interest payable, is of the view that the Sponsor Loan has been made on an arm's length basis, on normal commercial terms and is not prejudicial to Sasseur REIT and its independent unitholders.

Following the refinancing of the Outstanding Loans which is targeted for completion before maturity in March 2023, Sasseur REIT's aggregate leverage would remain well below the regulatory limit of 50.0% for REITs². It would also provide the REIT with ample debt headroom to pursue acquisitions in the near future.

Ms Cecilia Tan, CEO of SAMPL said, "We are pleased to have successfully secured the new loan facilities. This is a significant achievement, considering the difficult and challenging operating environment in China in 2022. In addition, we also faced unexpected geo-political events and a rising interest rate environment which created high levels of uncertainty globally in the past year.

The securing of these facilities attests to the strong fundamentals of Sasseur REIT's assets and our longstanding banking relationships with China CITIC Bank Corporation Limited, China CITIC Bank International Limited and DBS Bank, which co-ordinated the total facilities of offshore and onshore loans, and were Sasseur REIT's original lenders during its listing in 2018. We have, at the same time, forged relationships with new banks in line with our strategy to expand our network of capital partners.

Post refinancing, the Outstanding Loans of a single maturity date will be separated into several loans with differing maturities. This is a major strategic step in our prudent and proactive capital management strategy to reduce debt concentration risks and will pave the way for us to further diversify and de-risk Sasseur REIT's debt profile over time.

Kunming Outlets is not part of the security for the new loan facilities and will become unencumbered post-refinancing. This provides greater scope for us to optimise the REIT's debt capacity in the pursuit of an asset acquisition in the near future. We intend to pursue further refinancing plans to fully repay the Sponsor Loan in due course, and will explore the feasibility of accessing funds from new sources to enhance Sasseur REIT's access to a broader capital pool."

Chairman of SAMPL who is also the Chairman of the Sponsor, Mr Vito Xu, said, "Although year 2022 was a challenging one for the global REITs sector amidst rising interest rates and dampened global growth, we believe the fundamentals of the Singapore REITs market are still

¹ Please refer to the SGXNet announcement dated 3 February 2023 "Entry into onshore facility agreement and disclosure pursuant to Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited" for more details.

² Regulatory aggregate leverage limit of 50.0% is permitted for REITs with a minimum interest coverage ratio of 2.5 times, based on the Property Funds Appendix.



strong. Our outlet business stands to benefit from the resumption of consumer spending as local economic and consumption activities gradually return to normal levels in 2023.

As the Sponsor of Sasseur REIT, we have demonstrated our utmost support for and alignment of interests in the continued success of Sasseur REIT through the Sponsor Loan, by mobilising our internal financial capacity to extend the loan on an unsecured basis and on more favourable terms compared to the lenders in this refinancing.

Sasseur Group's resilient business model has weathered various economic cycles in the past and continues to build on its past three decades of experience in focusing on operations of outlets in China, to drive outlets' sales, in spite of external market challenges in the past year. We remain confident in the prospects of Sasseur REIT, given the positive long-term outlook of China's outlet industry as well as the country's growing middle-class population segment which is the main customer base for our outlets. We believe the outlet sector will continue to appeal to consumers due to its attractive value propositions."

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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 China 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 combined net lettable area of 310,242 square metres.

Sasseur REIT is established with the investment strategy to invest 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 REIT Manager – SASSEUR ASSET MANAGEMENT PTE. LTD.

Sasseur REIT is managed by the REIT Manager, an indirect wholly-owned subsidiary of the Sponsor. The REIT 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 REIT 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 REIT Manager's growth strategy is to identify and selectively pursue acquisition opportunities for quality income-producing properties used mainly for retail outlet mall purposes initially in China and subsequently in other countries.

About the Sponsor – SASSEUR CAYMAN HOLDING LIMITED

The Sponsor Group is one of the leading premium outlet groups in China, ranked within the top 500 service companies in the country. 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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IMPORTANT NOTICE

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.