



# Sasseur REIT FY2023 Annual General Meeting Chairman Message

25 April 2024



Sasseur (Chongqing Liangjiang) Outlet

# Chairman Message

*Sasseur REIT FY2023 Annual General Meeting*



Good afternoon, ladies and gentlemen.

Thank you for attending Sasseur REIT's Annual General Meeting today. I'm glad we can finally meet face-to-face. The last time we met Unitholders face-to-face was in April 2019. It's been five years.

The outbreak of the COVID-19 epidemic has had a profound impact on the global economy and various industries, especially in the years from 2020 to 2022. All Singapore-listed REITs, including Sasseur REIT, have experienced extremely difficult times during those years. In 2023, after China finally emerged from COVID-19 lockdown restrictions, the economy's GDP grew by 5.2% year-on-year, higher than China's official growth target of around 5.0% and the 3.0% in 2022. However, like many other economies in the world, China's economic recovery has been slower than expected in 2023.

# Chairman Message

*Sasseur REIT FY2023 Annual General Meeting*



Nevertheless, I am pleased to share that our good financial results in the past five years can once again testify to the stability and resilience of the outlet business model. In the same five years, we have also made achievements in the areas of strengthening our organisational culture while our team has also honed their skillsets, forming a solid foundation of our competitive edge. More importantly, we have built strong and credible relationships with our customers, business partners, staff, the government and our investors, this is our more valuable asset.

Sasseur Group and Sasseur REIT had achieved improvement in operational performance throughout the period of the COVID-19 pandemic.

# Chairman Message

*Sasseur REIT FY2023 Annual General Meeting*



We believe this is not only due to the counter-cyclicality of China's outlet industry, but also due to our Sasseur team's adherence to core values, that is, to stay customer-centric, contributor-oriented, constantly persistent, collaborative, perseverant, pragmatic and self-critical, as well as have a sense of crisis awareness. It is under the guidance of these core values that have motivated the management team of Sasseur team to embrace a hunger for success, persevere, constantly be self-critical and learn from experiences in order to further improve. Our operational teams' strong drive for excellence, decades of expertise in the outlet industry and deep knowledge in understanding customers' preferences, have equipped Sasseur Group and Sasseur REIT well to steadily navigate and venture far ahead in the uncertain landscape in the last few years.

# Chairman Message

*Sasseur REIT FY2023 Annual General Meeting*



Looking ahead in 2024, we have observed a decline in consumers' purchasing power. Under such circumstances, outlets appeal to consumers as they are now more sensitive to pricing, particularly in China's first and second-tier cities, where our "Super Outlets" have increasingly become the top shopping destination for the middle-class population. On top of this, various local governments have also continuously rolled out new policies to promote local consumption, which has further stimulated consumption growth.

Whenever the economy sees a downturn, the phase is often typically accompanied by changes in the competitive landscape. We are seeing a rare window of opportunity - which is a window for us to strengthen our management of internal responsibilities, a window for us to forge ahead with our operational strategy, and an important window for Sasseur to make the leap from the norm towards enduring excellence.

# Chairman Message

*Sasseur REIT FY2023 Annual General Meeting*



We have always maintained an entrepreneurial mentality, constantly monitoring the industry to gain deep insights. Given continual changes in consumer preferences, supply chain and competitive landscape, Sasseur Group's strategy in 2024 is driven by a focus on operational excellence and customer-centricity so as to sharpen our long-term competitive edge and make the leap from being ordinary to excellent. We are fortifying our management capabilities. We continue to firmly believe that China's outlet industry has a bright future, with leading competitiveness. By persevering in our efforts and innovation, Sasseur Group and Sasseur REIT will see brighter prospects.

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*Sasseur REIT FY2023 Annual General Meeting*



Finally, I would like to thank our Board of Directors, the REIT Manager team and the Trustee team for their contributions. We are also very grateful to all Sasseur outlets' customers, business partners and stakeholders for their continued support. Last but not least, for Sasseur REIT's valued unitholders like all of you here, we truly thank you for your trust and support in the past few years. I hope all of you here will continue to be Sasseur REIT's Unitholders, to support and witness Sasseur's future corporate developments. Our team and I will continue to work hard to create more value for our Unitholders.

Thank you.

**Thank You**

A horizontal blue brushstroke graphic that tapers at both ends, positioned below the "Thank You" text.