

## AGM UPDATE

### SASSEUR REAL ESTATE INVESTMENT TRUST

## Defensive 9% Yield Anchored by Enhanced Debt Profile and Operational Resilience

### KEY POINTS

**Steady FY2025 Performance with Resilient Distribution Growth.** Sasseur REIT (SGX: CRPU, "SASSR") delivered a stable operating performance in FY2025, demonstrating strong resilience and defensive characteristics. DPU increased 5.3% YoY to 3.083 Singapore cents in 2H25, bringing full-year DPU to 6.138 Singapore cents, up 0.9% YoY. The improvement was supported by a 3.3% YoY increase in 2H25 EMA rental income in RMB terms, driven by the annual 3.0% fixed rental escalation and a 3.9% increase in variable rental income as outlet sales continued to recover. Against a still-elevated interest rate backdrop, SASSR's 9.0% distribution yield offers investors an attractive and relatively stable income stream, reinforcing its defensive appeal amid ongoing macro uncertainty.

**Improving Capital Structure with Lower Funding Costs and Extended Debt Maturity.**

SASSR continued to strengthen its balance sheet in FY2025 through prudent capital management, lower borrowing costs, and proactive refinancing. As of end-2025, aggregate leverage remained at a sector-low level of 25%, providing a meaningful buffer against market and operational volatility. The interest coverage ratio improved to 4.7x, indicating sufficient headroom to absorb potential earnings fluctuations and support sustainable debt servicing. At the same time, the weighted average cost of debt declined sharply from 5.3% to 4.4%, representing a 90 bps reduction and providing direct support to DPU. Management noted that every 50 bps reduction in RMB borrowing costs could add approximately 0.2 Singapore cents to annual DPU, highlighting the meaningful earnings sensitivity to lower financing costs. Importantly, 100% of borrowings are denominated in RMB, matching the REIT's RMB-denominated rental cash flows and creating a natural hedge against RMB/SGD currency volatility. In addition, SASSR meaningfully extended its debt maturity profile, with average debt tenor increasing from 2.5 years to 4.2 years as of end-2025, supported by a well-laddered maturity structure that reduces refinancing concentration risk.

**Further Balance Sheet De-risking in FY2026.** In March 2026, SASSR further reduced refinancing risk by proactively refinancing onshore bank loans originally due in 2028 and extending their maturity to 2031. The refinancing was completed at highly competitive pricing, allowing the REIT to lock in favorable funding terms well ahead of schedule. As the full-period impact of this refinancing has yet to be fully reflected in reported financials, SASSR's financing cost advantage and financial safety cushion are expected to improve further in the coming periods. As a result, the weighted average financing cost is likely to decline further in 2026, supporting better earnings visibility and more sustainable distribution growth.

April 27, 2026

Gelonghui Research  
**Chujie (Jack) Sun, CFA**  
Senior Research Analyst  
[sunchujie@guruhk.com](mailto:sunchujie@guruhk.com)

**Yuecong (Marco) Zhang**  
Senior Research Analyst  
[zhangyuecong@guruhk.com](mailto:zhangyuecong@guruhk.com)

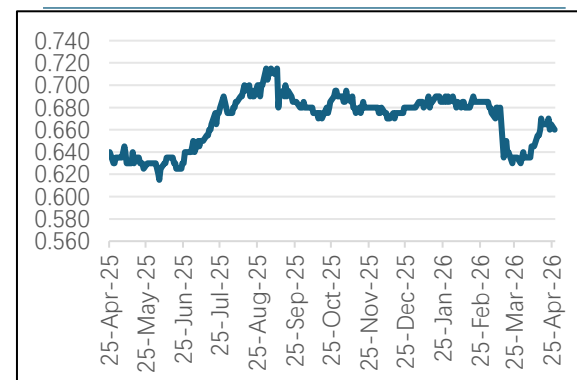
### KEY DATA

Exchange: SGX  
Ticker: CRPU  
Current Price: SG\$0.66  
52-Week Range: SG\$0.562 - 0.67  
Average Volume (3M): 0.78 M  
Shares Outstanding (MM): 1,265  
Market Capitalization (SG\$MM): 835  
Fiscal Year-End: December

### FINANCIALS

In SGD Million	FY24A	FY25	FY26E	FY27E
EMA rental income	124	121	124	129
EBIT	114	110	115	118
EBT	87	86	90	93
Amount available for distribution to Unitholders	76	77	79	83

### PRICE PERFORMANCE



**Well Positioned to Capture China's Value-for-Money Consumption Trend.** SASSR is well positioned to benefit from China's evolving domestic consumption landscape, where outlet retail remains aligned with consumers' increasing focus on value-for-money purchases. The outlet format has shown clear defensive qualities, supported by resilient footfall, attractive pricing, and a diversified tenant base. Portfolio sales rose 2.6% YoY in FY2025, led by Chongqing Liangjiang Outlet, which delivered a record annual sales high with 5.1% YoY growth. Portfolio occupancy remained close to record levels, reaching 98.8% in 4Q25, supported by proactive lease management. Tenant concentration risk remains manageable, with the top 10 tenants contributing approximately 17% of income and no single tenant accounting for more than 5%. Meanwhile, VIP membership continued to expand at a double-digit pace, with a four-year CAGR of 17%. VIP members contributed over 60% of total portfolio sales, reflecting strong customer stickiness and effective loyalty programs. Targeted asset enhancement initiatives also supported operational momentum, including the upgrade of energy-efficient HVAC systems at Chongqing Liangjiang Outlet to reduce carbon footprint and improve shopper comfort, as well as the reconfiguration of approximately 6,000 sqm at Hefei Outlet into a multi-tenanted sports concept zone to enrich the trade mix and attract a younger consumer base.

**Attractive Valuation with Potential for Re-rating.** SASSR currently trades at SGD 0.66 per unit, implying a market capitalization of approximately SGD 835 million. At this level, the REIT offers a compelling distribution yield of 9.0% and trades at approximately 11x forward P/E based on FY2026 estimates, which remains well below the peer group average of around 18x P/E and 5.8% dividend yield. This valuation gap suggests that SASSR remains attractively positioned relative to peers, particularly given its low leverage, improving financing cost profile, and resilient operating fundamentals. As policy support for domestic consumption in China continues to gain traction and investor confidence in the outlet retail format gradually rebuilds, SASSR's current risk-reward profile appears increasingly favorable for income-oriented and value-focused investors.

## FINANCIALS AND VALUATION UPDATES

Figure 1: SASSR's Financials 2024 – 2027E.

Unit: In SGD Million	2024	2025	2026E	2027E
EMA rental income	124	121	124	129
REIT Manager's management fees	-8	-9	-8	-9
Trustee's fees	-0.3	-0.3	-0.2	-0.3
Other trust expenses	-1	-1	-1	-1
EBIT	114	110	115	118
Finance income	0.3	0.1	0.2	0.1
Finance costs	-25	-24	-24	-25
Exchange differences	-2	-0.2	-0.5	-0.2
Change in fair value of financial derivatives	-0.1	-1	-0.4	-1
EBT	87	86	90	93
Tax expense	-17	-15	-17	-16
Net Income	70	71	73	76
Fair Value Adjustments to Investment Properties	-14	-8	-14	-8
Total return for the year attributable to Unitholders	56	63	59	68
Amount available for distribution to Unitholders	76	77	79	83

Source: GLH Research; Company filings.

Figure 2: Peer Valuation Analysis.

Company	Ticker	Market Cap	Price	Dividend Yield	Leverage	Diluted EPS			PE			Category
						2025	2026E	2027E	2025	2026E	2027E	
CapitalLand Integrated Commercial Trust	SGX:C38U	18,273	2.42	5%	0.37	0.13	0.12	0.12	18.6x	20.2x	20.2x	Singaporean Retail REITs
Frasers Centrepoint Trust	SGX:J69U	4,725	2.32	5%	0.34	0.10	0.12	0.12	23.2x	19.3x	19.3x	Singaporean Retail REITs
Lendlease Global Commercial REIT	SGX:JYEU	1,889	0.57	6%	0.32	0.02	0.03	0.03	28.5x	19.0x	19.0x	Singaporean Retail REITs
Mapletree Pan Asia Commercial Trust	SGX:N2IU	7,341	1.40	6%	0.37	0.11	0.08	0.08	12.7x	17.5x	17.5x	Singaporean Retail REITs
Starhill Global Real Estate Investment Trust	SGX:P40U	1,276	0.55	7%	0.35	0.05	0.04	0.04	11.0x	13.8x	13.8x	Singaporean Retail REITs
Suntec Real Estate Investment Trust	SGX:T82U	4,374	1.48	5%	0.37	0.05	0.07	0.07	29.6x	21.1x	21.1x	Singaporean Retail REITs
CapitalLand China Trust	SGX:A08U	1,195	0.68	7%	0.38	-0.01	0.04	0.04	-	17.0x	17.0x	China Retail REITs
									Median	20.9x	19.0x	19.0x
									Mean	20.6x	18.3x	18.3x
Sasseur Real Estate Investment Trust	SGX:CRPU	835	0.66	9%	0.25	0.05	0.06	0.07	13.2x	11.0x	9.4x	

Notes:  
1. Data as of 04/27/2026.  
2. Market cap, price and Diluted EPS are in SGD Million.  
3. EPS are in calendar year and estimates are provided by analyst consensus on Capital IQ.

Source: GLH Research; Company filings; Capital IQ.

### **Chujie (Jack) Sun, CFA**

Senior Research Analyst

Chujie (Jack) Sun is a Senior Research Analyst at Gelonghui Research. Since 2017, Jack has served as the Investment Analyst in China Alpha Fund Management (Hong Kong) Limited, TMT Analyst in First Shanghai Group, and TMT Analyst at Gelonghui Research. Focusing on TMT sector, Chinese companies listed in the US, Hong Kong, and etc., and he specializes in both buy-side and sell-side equity research. Jack holds a B.A. in Economics from Ohio State University (Columbus) and an M.S. in Finance from City University of Hong Kong.

### **Yuecong (Marco) Zhang**

Senior Research Analyst

Yuecong (Marco) Zhang is a Senior Research Analyst at Gelonghui Research. Marco previously held the position of Senior Research Analyst at Watertower Research, Executive Director at Valuable Capital Group's Investment Banking Department, Vice President at Guosen Securities (HK), and Senior Associate at Roth Capital Partners, where he completed more than 35 transactions, including IPOs, follow-on offerings, and M&A, with a total transaction value of more than US\$3.5 Billion+ for mid-cap companies from China and the US. During his time at Roth, he led six NASDAQ and NYSE IPOs for Chinese clients, with a total transaction value of more than US\$260 Million. Marco holds a B.S. in Financial Management from North China Electric Power University and an M.S. in Applied Finance from Pepperdine University.

## DISCLOSURES

---

Gelonghui Research ("GLH") is a professional publisher of investment research reports on public companies and, to a lesser extent, private firms ("the Companies"). GLH provides investor-focused content and digital distribution strategies designed to help companies communicate with investors.

GLH is not a FINRA registered broker/dealer or investment adviser and does not provide investment banking services. This report is not disseminated in connection with any distribution of securities and is not an offer to sell or the solicitation of an offer to buy any security. GLH operates as an exempt investment adviser under the so called "publishers' exemption" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940. GLH does not provide investment ratings/recommendations or price targets on the companies it reports on. Readers are advised that the research reports are published and provided solely for informational purposes and should not be construed as an offer to sell or the solicitation of an offer to buy securities or the rendering of investment advice. The information provided in this report should not be construed in any manner whatsoever as personalized advice. All users and readers of GLH's reports are cautioned to consult their own independent financial, tax and legal advisors prior to purchasing or selling securities.

Statements included in this report may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements". Such statements are based on expectations, estimates and projections at the time the statements are made and involve many risks and uncertainties such as competitive factors, technological development, market demand and the company's ability to obtain new contracts and accurately estimate net revenues due to variability in size, scope and duration of projects, and internal issues, which could cause actual results or events to differ materially from those presently anticipated.

The analyst who is principally responsible for the content of this report has represented that neither he/she nor members of his/her household have personal or business-related relationships to the subject company other than providing digital content and any ancillary services that GLH may offer. Unless otherwise indicated, GLH intends to provide continuing coverage of the covered companies. GLH will notify its readers through website postings or other appropriate means if GLH determines to terminate coverage of any of the companies covered.

GLH is being compensated for its research by the company which is the subject of this report. GLH may receive up to US\$200,000 in total within a year for research and potentially other services from a given client and is required to have at least a 1-year commitment. None of the earned fees are contingent on, and GLH's client agreements are not cancellable for the content of its reports. GLH does not accept any compensation in the form of warrants or stock options or other equity instruments that could increase in value based on positive coverage in its reports. GLH or an affiliate may seek to receive compensation for non-research services to covered companies, such as charges for presenting at sponsored investor conferences, distributing press releases, advising on investor relations and broader corporate communications and public relations strategies as well as performing certain other related services ("Ancillary Services"). The companies that GLH covers in our research are not required to purchase or use Ancillary Services that GLH or an affiliate might offer to clients.

The manner of GLH's potential research compensation and Ancillary Services to covered companies raise actual and perceived conflicts of interest. GLH is committed to manage those conflicts to protect its reputation and the objectivity of employees/analysts by adhering to strictly-written compliance guidelines. The views and analyses included in our research reports are based on current public information that we consider to be reliable, but no representation or warranty, expressed or implied, is made as to their accuracy, completeness, timeliness, or correctness. Neither we nor our analysts, directors, officers, employees, representatives, independent contractors, agents or affiliate shall be liable for any omissions, errors or inaccuracies, regardless of cause, foreseeability or the lack of timeliness of, or any delay or interruptions in the transmission of our reports to content users. This lack of liability extends to direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, losses, lost income, lost profit or opportunity costs. All investment information contained herein should be independently verified by the reader or user of this report. For additional information, all readers of this report are encouraged to visit GLH's website <https://www.gelonghui.com>.