



DASIN RETAIL TRUST
大信商用信托

(a business trust constituted on 15 January 2016
under the laws of the Republic of Singapore)

**UPDATE ON PRC SUBSIDIARIES OF DASIN RETAIL TRUST –
UNAUTHORISED REPAYMENT OF ONSHORE LOANS /
BREACH OF IPO INTER-CREDITOR DEED**

The Board of Directors (the “**Board**”) of Dasin Retail Trust Management Pte. Ltd. (“**DRTM**” or the “**Trustee-Manager**”), as trustee-manager of Dasin Retail Trust (“**DRT**”), refers to its announcements dated 18 July, 4 and 7 August, 3 September, 7 and 29 October, 14 and 18 November 2024 and 28 February, 8 April, 29 May and 1, 12 and 21 June 2025 on matters relating to the subsidiaries of DRT (the “**PRC Subsidiaries**”) in the People’s Republic of China (the “**PRC**”). Terms used herein shall bear the same meanings ascribed to them in the previous announcements unless the context requires otherwise.

The Trustee-Manager has been informed by one of the lending banks that the relevant PRC Subsidiaries for Xiaolan Metro Mall, Ocean Metro Mall, Dasin E-Colour and Shiqi Metro Mall (together, the “**IPO Portfolio Assets**”) had, on 12 June 2025, repaid RMB150 million in respect of the onshore loans (the “**IPO Onshore Loans**”) secured by the IPO Portfolio Assets. After such repayment, the outstanding amount for the IPO Onshore Loans is approximately RMB200 million. This is in breach of the covenant in the Intercreditor Deed dated 17 January 2017 (the “**IPO Intercreditor Deed**”) entered into by, among others, DRTM and the relevant lending banks that the aggregate amount of the IPO Onshore Loans outstanding shall be at least RMB350 million until the Offshore Liabilities (as defined in the IPO Intercreditor Deed) have been fully repaid and finally discharged.

In addition, the Trustee-Manager was informed that the relevant onshore lenders have been requested to co-operate with the relevant PRC subsidiaries to facilitate the full repayment of the IPO Onshore Loans. Based on the current information available to the Trustee-Manager, the relevant bank accounts of the relevant PRC Subsidiaries should hold approximately RMB180 million.

The legal representative and executive director of the relevant PRC Subsidiaries is Zhang Zhongming (张钟明) (“**ZZM**”), who is the nephew of Zhang Zhencheng (张镇成) (“**ZZC**”) and who was alternate to ZZC as director of the Trustee-Manager until 15 April 2025.

The repayment of the IPO Onshore Loans to less than RMB 350 million before the full discharge of the Offshore Liabilities has not been authorised by the Board and is a severe breach of the internal controls of DRT and the contractual obligations of DRT and the relevant Singapore and PRC subsidiaries of DRT under the IPO Intercreditor Deed. This action is likely to impede the restructuring efforts of the Trustee-Manager.

The Board is investigating further into the matter and shall be seeking legal advice in respect of the unauthorised actions.

As previously announced on 15 August 2024, as of 31 December 2022, trade and other receivables (before derecognition of revenue in accordance with IFRS 16 Leases and accounting for loss allowance) from associates of ZZC amounted to S\$14,322,002, which included S\$6,184,234 and S\$1,563,087 due from Zhongshan Dasin Metro-Mall Merchant

Investment Co., Ltd. ("**Dasin Merchant Investment**"), the then master lessee of Xiaolan Metro Mall and Dasin E-Colour Mall of DRT in relation to the respective malls and an associate of ZZC, a director and shareholder of DRTM. Further, during the time Dasin Merchant Investment defaulted on its obligations to pay rent to DRT, a sub-leasee, Youyuecheng Store Management Co., Ltd., continued to pay rent to Dasin Merchant Investment as disclosed in DRTM's announcement of 7 April 2023.

DRTM had also previously announced, among others:

- (i) on 4 August 2024, the receipt of a letter from a Chinese bank requesting for a reasonable explanation for nine fund transfers amounting to RMB4,821,500 from 16 April 2024 to 19 April 2024 from one of the Doumen Metro Mall Subsidiary to external parties which the Chinese bank suspected may have breached the third-party account supervision agreement entered into with the Chinese bank on 26 August 2019;
- (ii) on 4 and 15 August 2024, the receipt of a reminder letter from a Chinese bank requesting that a remediation plan in relation to the occupancy rate of Doumen Metro Mall being less than the required occupancy rate of 90% because of the non-payment of rental and management fees for an extended period by a tenant which is an associate of ZZC, engaging in the restaurant business in Doumen Metro Mall;
- (iii) on 28 February 2025, the discovery of diversion of rental income in relation to Shunde Metro Mall to a bank account operated by Zhongshan Dasin Commercial Property Management Co., Ltd., Foshan Branch, which is an associate of ZZC; and
- (iv) on 12 June 2025, the unauthorised entry into master lease arrangements for five malls owned by DRT with unknown party(ies).

The Board is of the view that the assets of DRT are at significant risk because of the continued unauthorised actions of ZZC and/or his associates or affiliates.

*The Board (other than ZZC) (the "**Majority Directors**") are of the view that ZZC is conflicted in matters referred to in this announcement. Accordingly, this announcement has not been reviewed by ZZC prior to its publication and the opinion of the Majority Directors set out in this announcement should not be taken to represent the views of ZZC.*

The Trustee-Manager will make further announcements on SGXNet in the event there are any material developments which warrant disclosure, in compliance with its obligations pursuant to the Listing Manual of Singapore Exchange Securities Trading Limited.

In the meantime, the Board wishes to advise unitholders and potential investors to exercise caution when dealing in the units of the Trust. In the event of any doubt, they should consult with their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Dasin Retail Trust Management Pte. Ltd.

(Company Registration No. 201531845N)

(in its capacity as trustee-manager of Dasin Retail Trust)

Mr. Lyu Guoliang

Chairman and Non-Executive Director

23 June 2025