



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)

Managed by Dasin Retail Trust Management Pte. Ltd.

Unaudited Condensed Interim Consolidated Financial Statements

For the third quarter and nine-month period ended 30 September 2023

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INTRODUCTION

Dasin Retail Trust (the “Trust”) was constituted by a trust deed dated 15 January 2016, supplemented by a first supplemental deed dated 27 December 2016 entered into by Dasin Retail Trust Management Pte Ltd (as trustee-manager of the Trust) (the “Trustee-Manager”). Dasin Retail Trust and its subsidiaries are collectively known as the “Group”.

The Trust was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 20 January 2017.

The principal investment strategy of the Trust is to invest in, own or develop land, uncompleted developments and income-producing real estate in Greater China, used primarily for retail purposes as well as real estate related assets, with a focus on retail malls.

The Trust's current portfolio comprises 7 retail malls which are strategically located in Foshan, Zhongshan and Zhuhai cities in Guangdong, the People's Republic of China (“PRC”) with an aggregate gross floor area (“GFA”) and net lettable area (“NLA”) of approximately 794,017 sq m and 386,718 sq m respectively.

	Shiqi Metro Mall	Xiaolan Metro Mall	Ocean Metro Mall	Dasin E-Colour	Doumen Metro Mall	Shunde Metro Mall	Tanbei Metro Mall	Total
Address	No.2 South Dasin Road, Shiqi District, Zhongshan, Guangdong Province, PRC	No.18 Shengping Middle Road, Xiaolan Town, Zhongshan, Guangdong Province, PRC	No.28 Boai Six Road, Dongqu District, Zhongshan, Guangdong Province, PRC	South Tower, No. 4 Qitou New Village, Longfeng Road, Shiqi District, Zhongshan, Guangdong Province, PRC	No. 328 Zhongxing Middle Road, Jing'an Town, Doumen District, Zhuhai City, Guangdong Province, PRC	No.1 Rainbow Road, Xincheng District, Dehe Community Residents Committee, Daliang Street Office, Shunde District, Foshan City, Guangdong Province, PRC	Keyihaoyuan, No.153, Xiema Road, Tanbei, Xiaolan Town, Zhongshan, Guangdong Province, PRC	
Remaining term of lease (years)	18	20	23	22	29	33	15	
Lease expiry	27 July 2041 ⁽¹⁾	1 April 2043	21 February 2046	28 July 2045	12 October 2052	6 March 2057	23 September 2038 ⁽²⁾	
GFA (sq m)	119,682	108,690	180,338	25,857	168,269	177,276	13,905	794,017
	(including retail and carpark spaces of 30,170)	(including carpark spaces of 20,455)	(including retail, carpark and ancillary facilities spaces of 99,624)	(including ancillary facilities spaces of 584)	(including carpark, ancillary facilities and retail spaces of 88,306)	(including carpark, ancillary facilities and retail spaces of 82,020)		
NLA (sq m)	85,038	69,881	63,848	13,441	77,996	67,035	9,199	386,438
Carpark lots	545	626	1,991	-	1,200	1,411	-	5,773
Commencement of operations	May 2004	September 2005	December 2014	May 2015	October 2018	November 2018	March 2018	
(1) The expiry date of the land use rights of Shiqi Metro Mall is 27 July 2041 for commercial use.								
(2) The expiry date of the land use rights of Tanbei Metro Mall is 23 September 2038 for commercial use.								

The initial portfolio of the Trust comprises Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour which were acquired in March 2016. On 19 June 2017, the Trust completed the acquisition of Shiqi Metro Mall. The acquisition of Doumen Metro Mall was completed on 12 September 2019. On 8 July 2020, the Trust completed the acquisition of Shunde Metro Mall and Tanbei Metro Mall.

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A. Condensed interim statements of financial position

	Note	Group		Trust	
		As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Non-current assets					
Investment properties	3	1,707,129	1,848,146	-	-
Plant and equipment		67	569	-	-
Intangible assets		291	357	-	-
Subsidiaries	4	-	-	883,003	893,752
		1,707,487	1,849,072	883,003	893,752
Current assets					
Trade and other receivables	5	10,580	12,750	462	469
Cash and bank balances	7	102,095	98,100	1,172	1,473
		112,675	110,850	1,634	1,942
Total assets		1,820,162	1,959,922	884,637	895,694
Non-current liabilities					
Deferred tax liabilities	9	281,707	306,396	-	-
Trade and other payables	10	400	1,425	30,614	42,880
		282,107	307,821	30,614	42,880
Current liabilities					
Loans and borrowings	8	900,640	910,491	662,716	660,676
Trade and other payables	10	63,180	26,520	135,158	85,450
Loans from uniholders	11	20,493	20,493	20,493	20,493
Security deposits	25	14,091	14,405	-	-
Current tax liabilities		841	1,087	-	-
		999,245	972,996	818,367	766,619
Total liabilities		1,281,352	1,280,817	848,981	809,499
Net assets		538,810	679,105	35,656	86,195
Represented by:					
Units in issue	12	267,560	267,560	267,560	267,560
Other reserves	13	271,250	411,545	(231,904)	(181,365)
		538,810	679,105	35,656	86,195
Net asset value per unit attributable to Uniholders (S\$)	14	0.67	0.84	0.04	0.11

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B. Condensed interim consolidated statement of profit or loss

	Note	Group			
		3 months ended 30 September 2023	3 months ended 30 September 2022	9 months ended 30 September 2023	9 months ended 30 September 2022
		S\$'000	S\$'000	S\$'000	S\$'000
Revenue	23	18,055	21,404	49,020	65,826
Property related taxes		(1,370)	(1,716)	(4,297)	(5,077)
Property and commercial management fees		(361)	(453)	(1,000)	(1,400)
Property operating expenses		(5,226)	(5,868)	(14,102)	(20,058)
Total property operating expenses		(6,957)	(8,037)	(19,399)	(26,535)
Net property income		11,098	13,367	29,621	39,291
Trustee-Manager's fees		(1,240)	(1,594)	(3,819)	(4,949)
Other trust expenses		(1,059)	(649)	(2,109)	(2,804)
Exchange loss		(4,012)	(7,730)	(4,373)	(15,476)
Other (expense)/income		-	(239)	-	(19)
Finance income		(42)	205	368	705
Finance costs	15	(17,898)	(9,278)	(50,304)	(24,631)
Net loss		(13,153)	(5,918)	(30,616)	(7,883)
Net change in fair value of investment properties	3	595	241	(77,019)	(63,791)
Loss before income tax		(12,558)	(5,677)	(107,635)	(71,674)
Income tax expenses	16	(3,497)	(3,794)	12,045	5,217
Loss for the period	17	(16,055)	(9,471)	(95,590)	(66,457)
Attributable to:					
Unitholders of the Trust		(16,055)	(9,471)	(95,590)	(66,457)
Earnings per unit (cents)	18				
- Basic		(1.99)	(1.17)	(11.88)	(8.36)
- Diluted		(1.99)	(1.17)	(11.88)	(8.36)

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C. Condensed interim consolidated statement of comprehensive income

	Group			
	3 months ended 30 September 2023 S\$'000	3 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
Loss for the period	(16,055)	(9,471)	(95,590)	(66,457)
Other comprehensive income for the period, net of tax items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences - foreign operations, net of tax	9,024	(50,726)	(44,705)	(90,062)
Total comprehensive income for the period	(7,031)	(60,197)	(140,295)	(156,519)

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D. Condensed interim statements of changes in unitholders' funds

	Units in issue	Statutory surplus reserve	Capital reserve	Foreign currency translation reserve	Accum-ulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
As at 1 January 2023	267,560	680	910,042	(86,519)	(412,658)	679,105
Loss for the period	-	-	-	-	(79,535)	(79,535)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	(53,729)	-	(53,729)
Other comprehensive income for the period	-	-	-	(53,729)	-	(53,729)
Transactions with Unitholders:						
Contributions by and distributions to Unitholders	-	-	-	-	-	-
As at 30 June 2023	267,560	680	910,042	(140,248)	(492,193)	545,841

	Units in issue	Statutory surplus reserve	Capital reserve	Foreign currency translation reserve	Accum-ulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
As at 1 July 2023	267,560	680	910,042	(140,248)	(492,193)	545,841
Loss for the period	-	-	-	-	(16,055)	(16,055)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	9,024	-	9,024
Other comprehensive income for the period	-	-	-	9,024	-	9,024
Transactions with Unitholders:						
Contributions by and distributions to Unitholders	-	-	-	-	-	-
As at 30 September 2023	267,560	680	910,042	(131,224)	(508,248)	538,810

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E. Condensed interim statements of changes in unitholders' funds (cont'd)

	Units in issue	Statutory surplus reserve	Capital reserve	Foreign currency translation reserve	Accum- ulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
As at 1 January 2022	267,051	674	910,042	57,515	(121,611)	1,113,671
Loss for the period	-	-	-	-	(56,986)	(56,986)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	(39,344)	-	(39,344)
Other comprehensive income for the period	-	-	-	(39,344)	-	(39,344)
Transactions with Unitholders:						
Contributions by and distributions to Unitholders						
Distribution to Unitholders						
- Tax -exempt income	-	-	-	-	(13,093)	(13,093)
- Capital	(2,846)	-	-	-	-	(2,846)
Units issued and to be issued as payment for						
Trustee-manager's fees	3,355	-	-	-	-	3,355
Total transactions with Unitholders	509	-	-	-	(13,093)	(12,584)
As at 30 June 2022	267,560	674	910,042	18,171	(191,690)	1,004,757
As at 1 July 2022	267,560	674	910,042	18,171	(191,690)	1,004,757
Loss for the period					(9,471)	(9,471)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	(50,718)	-	(50,718)
Other comprehensive income for the period	-	-	-	(50,718)	-	(50,718)
Transactions with Unitholders:						
Contributions by and distributions to Unitholders						
Distribution to Unitholders						
- Tax -exempt income	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
Units issued and to be issued as payment for						
Trustee-manager's fees	-	-	-	-	-	-
Total transactions with Unitholders	-	-	-	-	-	-
As at 30 September 2022	267,560	674	910,042	(32,547)	(201,161)	944,568

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D. Condensed interim statements of changes in unitholders' funds (cont'd)

	Units in issue S\$'000	Accumulated losses S\$'000	Total S\$'000
The Trust			
As at 1 January 2023	267,560	(181,365)	86,195
Loss for the period	-	(33,137)	(33,137)
Total comprehensive income for the period	-	(33,137)	(33,137)
Transactions with Unitholders:			
Contributions by and distributions to Unitholders	-	-	-
As at 30 June 2023	267,560	(214,502)	53,058
The Trust			
As at 1 July 2023	267,560	(214,502)	53,058
Loss for the period	-	(17,402)	(17,402)
Total comprehensive income for the period	-	(17,402)	(17,402)
Transactions with Unitholders:			
Contributions by and distributions to Unitholders	-	-	-
As at 30 September 2023	267,560	(231,904)	35,656
	Units in issue S\$'000	Accumulated losses S\$'000	Total S\$'000
The Trust			
As at 1 January 2022	267,051	(127,651)	139,400
Loss for the period	-	(19,464)	(19,464)
Total comprehensive income for the period	-	(19,464)	(19,464)
Transactions with Unitholders:			
Contributions by and distributions to Unitholders			
Distribution to Unitholders			
- Tax -exempt income	-	(13,093)	(13,093)
- Capital	(2,846)	-	(2,846)
Units issued and to be issued as payment for			
Trustee-manager's fees	3,355	-	3,355
Total transactions with Unitholders	509	(13,093)	(12,584)
As at 30 June 2022	267,560	(160,208)	107,352
As at 1 July 2022	267,560	(160,208)	107,352
Loss for the period	-	(14,991)	(14,991)
Total comprehensive income for the period	-	(14,991)	(14,991)
Transactions with Unitholders:			
Contributions by and distributions to Unitholders			
Distribution to Unitholders			
- Tax -exempt income	-	-	-
- Capital	-	-	-
Units issued and to be issued as payment for			
Trustee-manager's fees	-	-	-
Total transactions with Unitholders	-	-	-
As at 30 September 2022	267,560	(175,199)	92,361

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E. Condensed interim consolidated statement of cash flows

	Note	Group			
		3 months ended 30 September 2023 S\$'000	3 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
Operating activities					
Loss before income tax		(12,558)	(5,678)	(107,635)	(71,674)
Adjustments for:					
Amortisation of intangible assets		19	18	56	54
Depreciation of plant and equipment		20	21	87	65
Finance costs	15	17,898	9,278	50,304	24,631
Finance income		42	(205)	(368)	(705)
Loss allowance on receivables		1,352	2,283	4,165	11,118
Net change in fair value of derivative financial instruments		-	239	-	19
Net change in fair value of investment properties	3	(595)	(241)	77,019	63,791
Recognition of rental income on a straight-line basis over the lease term		106	(448)	6,140	(876)
Trustee-Manager's fees paid in units		-	-	-	3,355
(Gain)/loss on disposal of plant and equipment		-	-	(14)	8
Operating cash flows before working capital changes		6,284	5,267	29,754	29,786
Changes in working capital					
Trade and other receivables		(637)	(3,604)	(7,223)	(7,176)
Trade and other payables		3,864	10,156	8,185	14,880
Cash generated from operations		9,511	11,819	30,716	37,490
Income tax paid		(854)	(1,281)	(3,180)	(5,298)
Net cash generated from operating activities		8,657	10,538	27,536	32,192
Investing activities					
Capital expenditure on investment properties		(278)	(205)	(369)	(436)
Interest received		671	474	1,768	781
Purchase of intangible assets		3	(6)	-	(6)
Net cash generated from investing activities		396	263	1,399	339
Financing activities					
Distribution paid	19	-	-	-	(15,939)
Finance costs paid		(6,202)	(7,719)	(14,423)	(20,941)
Interest free loans from unitholders		-	3,044	-	17,003
Payment of lease liabilities		396	(37)	333	(84)
Payment of loan transaction costs		(39)	(38)	(58)	(169)
Prepayment of borrowings		(6,779)	(3,640)	(7,691)	(18,450)
(Increase)/ decrease in restricted cash		(3,974)	975	(12,177)	1,778
Net cash used in financing activities		(16,598)	(7,415)	(34,016)	(36,802)
Net increase/(decrease) in cash and cash equivalents		(7,545)	3,386	(5,081)	(4,271)
Cash and cash equivalents at the beginning of the period		39,025	78,555	38,000	88,016
Effect of exchange rate changes on cash and cash equivalents		245	(2,306)	(1,194)	(4,110)
Cash and cash equivalents at the end of the period	7	31,725	79,635	31,725	79,635

Significant non-cash transactions

The Trustee-Manager's trustee fee and base management fee for the nine-month ended 30 September 2022 ("9M2022") was S\$ 4,949,000. S\$3,355,000 was paid during the period by the issue of the issue of 10,459,000 units. The remaining S\$1,594,000 was paid by cash subsequent to the period end. Effective from third quarter of FY2022, the Trustee-Manager has elected to receive 100% of the base fee of management fee and trustee fee in cash.

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F. Notes to the condensed interim consolidated financial statements

1. General

Dasin Retail Trust (the “Trust”) is a Singapore-domiciled business trust constituted pursuant to the trust deed dated 15 January 2016 (as supplemented by a first supplemental deed dated 27 December 2016) (collectively the “Trust Deed”) entered into by Dasin Retail Trust Management Pte. Ltd. as trustee-manager of the Trust (the “Trustee-Manager”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee-Manager is under a duty to take into custody and hold the assets of the Trust held by it or through its subsidiaries in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

The Trust was registered with the Monetary Authority of Singapore on 13 January 2017, and was formally admitted to the Main Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 20 January 2017 (the “Listing Date”).

The Trust is principally regulated by the Securities and Futures Act, 2001 and the Business Trusts Act, 2004. The condensed interim consolidated financial statements of the Trust and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) for the nine-month period ended 30 September 2023 have not been audited or reviewed.

For financial reporting purposes in accordance with IFRS 10 *Consolidated Financial Statements*, the immediate holding company of the Trust is Aqua Wealth Holdings Limited, a company incorporated in the British Virgin Islands. Aqua Wealth Holdings Limited, is an indirect wholly-owned subsidiary of the Zhang Family Trust. Zhang Family Trust is the ultimate controlling party of the Trust that holds the units owned by Aqua Wealth Holdings Limited for the benefit for its beneficiaries, being Mr. Zhang Chon Meng, son of Mr. Zhang Zhencheng, Mr. Zhang Guiming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Kunming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Shenming, nephew of Mr. Zhang Zhencheng and Mdm. Liang Jinying, sister-in-law of Mr. Zhang Zhencheng.

On 12 October 2021, New Harvest Investments Limited (“New Harvest”), a company incorporated in the British Virgin Islands and Sino-Ocean Capital Holding Limited, a company incorporated in Hong Kong became the immediate holding and ultimate holding companies of the Trustee-Manager following the completion of the sale of the 70% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng to New Harvest. The remaining 29.01% of the issued and paid-up share capital in the Trustee-Manager is owned by Mr. Zhang Zhencheng and 0.99% is owned by Shun Fung Investment Limited (“SFIL”) which is controlled by Mr. Zhang Kaicheng who is Mr. Zhang Zhencheng’s brother. Prior to the sale, Mr. Zhang Zhencheng owns 100% of the Trustee-Manager.

2. Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements for the nine-month period ended 30 September 2023 have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board, and should be read in conjunction with the Trust’s last annual consolidated financial statements as at and for the year ended 31 December 2021. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial positions and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with International Financial Reporting Standards (“IFRS”), except for the adoption of new and amended standards as set out in Note 2.3.

The condensed interim financial statements are presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been round to the nearest thousand, unless otherwise stated.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

2.2 Going concern basis of preparation of financial statements

As at 30 September 2023, the Group and the Trust have (i) Singapore dollar and United States dollar denominated offshore syndicated term loans facilities of up to the equivalent of S\$411.6 million in aggregate (the “**IPO Offshore Facility**”) and an onshore syndicated term loan facility of up to RMB390.0 million in aggregate (the “**IPO Onshore Facility**”) to finance the acquisitions of Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour and Shiqi Metro Mall, (ii) Singapore dollar and United States dollar denominated offshore syndicated term loan facility of up to the equivalent of approximately S\$130.1 million in aggregate (the “**Shunde Offshore Facility**”) and an onshore syndicated term loan facility of up to RMB478.0 million in aggregate (the “**Shunde Onshore Facility**”) to finance the acquisition of Shunde Metro Mall and Tanbei Metro Mall; and (iii) the Singapore dollar and Hong Kong dollar denominated offshore syndicated term loan facility of up to the equivalent of approximately S\$103.2 million in aggregate (the “**Doumen Offshore Facility**”) and an onshore term loan facility of up to RMB500.0 million in aggregate (the “**Doumen Onshore Facility**”) to finance the acquisition of Doumen Metro Mall.

The tenures of the IPO Offshore Facility and the IPO Onshore Facility have been extended five times and four times respectively prior to 31 December 2022 as announced by the Trust on 20 January 2021, 20 July 2021, 20 December 2021, 21 March 2022 and 20 June 2022.

The tenure of the Shunde Offshore Facility has been extended once from 15 July 2022 to 31 December 2022 as announced on 14 August 2022, while the tenure of the Doumen Offshore Facility has been extended once from 19 September 2022 to 31 December 2022 as announced on 14 October 2022.

As announced on 2 January 2023, the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility matured on 31 December 2022. The Trustee-Manager also updated in the announcement that discussions with lenders for these facilities to extend the loan maturity date to 30 April 2023 were progressing not withstanding having failed to secure a four-month extension to 30 April 2023 as at 31 December 2022.

Arising from the non-payment of the loans under the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility upon maturity on 31 December 2022, the lenders are contractually entitled to demand for immediate repayment of the outstanding borrowing amounts from the Group. The non-payment of such loans as at 31 December 2022 triggered a cross default under all the facilities, including the Shunde Onshore Facility and the Doumen Onshore Facility. Accordingly, the non-current portion of the borrowings of the Group pertaining to the Shunde Onshore Facility and the Doumen Onshore Facility amounting to RMB949.75 million (equivalent to approximately S\$184.22 million) as at 31 December 2022, which were only supposed to be due in years 2025 and 2029 respectively, have been reclassified from non-current liabilities to current liabilities.

As at 30 September 2023, the Group and the Trust had total net assets of S\$538,810,000 and S\$35,656,000 and net current liabilities of S\$886,570,000 and S\$816,733,000 respectively.

As announced on 9 January 2023, FTI Consulting (Singapore) Pte Ltd (“**FTI Consulting**”) has been appointed by the Trustee-Manager as an advisor to conduct an independent business review of the Trust and its subsidiaries and to progress loan extension discussions with the various lenders.

On 10 January 2023, Luso International Banking Limited (“**Luso Bank**”) issued a statutory demand letter to the Trustee-Manager declaring an event of default under a loan agreement (revolving credit facility) dated 15 December 2022 with Luso Bank for the grant of a loan facility of up to USD13.12 million with a term of 7 months in respect of loans granted by Luso Bank to the Trust and demanding payment of all principal and interest under the aforesaid facilities as announced on 19 January 2023.

F. Notes to the condensed interim consolidated financial statements (cont'd)

2.2 Going concern basis of preparation of financial statements (cont'd)

As announced on 24 April 2023 and 2 July 2023, due to the decrease in the valuation of the investment properties of the Group by RMB1,763 million (16%) from RMB11,291 million (S\$2,396 million) as at 31 December 2021 to RMB9,528 million (S\$1,848 million) as at 31 December 2022 attributable to a general decline in market performance and rental rates, lower passing rent, lower projected growth in rent, negative reversion rate from some leases contracted in 2022, and an increase in vacancy rates, exchange losses arising from the weakening of Renminbi against Singapore dollar, United States dollar and Hong Kong dollar in which the Trust's offshore loans are denominated, higher interest rates, the Trustee-Manager's exercise of its entitlement for its fees to be paid in cash instead of units with effective from the third quarter of the financial year ended 31 December 2022 and the derecognition of the rental income arising from the early termination of two master leases with a related party of the Sponsor, Zhongshan Dasin Metro-Mall Merchant Investment Co. Ltd, and the lease with a subsidiary of Carrefour China which were recognised for the financial year ended 31 December 2022 in accordance with International Financial Reporting Standards IFRS 16 Leases, there has been a breach of the gearing ratio, loan to valuation ratio and interest coverage ratio which the Trust is obliged to maintain under the terms of the loan facilities.

The onshore facility agent for the IPO Onshore Facility has not allowed and has restricted the remittance of funds out of China via payment of dividends by onshore subsidiaries of the Trust for payment of the interest expenses on the IPO Offshore Facility and essential offshore operating and business expenses of the Trust until such time a restructuring agreement is entered into to cure the loan defaults. In addition, the lenders of the Doumen Offshore Facility have not approved a reduction of share capital of an onshore subsidiary of the Trust for the remittance of funds out of China for payment of interest expenses for the Doumen Offshore Facility and essential offshore operating business expenses of the Trust.

The Trust has been and is seeking to consensually restructure its debt obligations since FTI Consulting was appointed as a consensual restructuring is less invasive and if executed well, should yield the best outcome for all stakeholders. To achieve this, all lenders must unanimously support the restructuring plan. The consensual restructuring exercise has taken longer than originally anticipated on account of there being a myriad of issues which required the unanimous support of 19 onshore and offshore lenders.

The draft term sheet dated 22 May 2023 (the **"2023 Draft Term Sheet"**) for the debt restructuring stipulated several conditions which include a condition precedent for signing of a memorandum of understanding (the **"MOU"**) by (i) a reputable Chinese entity (a state-owned enterprise) (the **"SOE"**); (ii) the Trustee-Manager; (iii) New Harvest Investment Limited (an indirect subsidiary of Sino-Ocean Capital Holding Limited); and (iv) Zhang Zhencheng (**"ZZC"**) who was interested in 43.2% of the units of the Trust. The MOU was for the acquisition of certain of the SOE's assets by the Trust in consideration for new units of the Trust to be issued. The MOU stipulated that the SOE would take the lead to form a new syndicated bank loan for repayment of the existing syndicated bank loans. The SOE was the only strategic investor who had provided a memorandum of understanding to assist the Trust in the refinancing of the loans.

As announced on 6 July 2023, there were meetings with the SOE on 6 and 28 June 2023 in relation to the MOU. During the meeting on 28 June 2023, the reputable SOE stated that it would not proceed further with the MOU and would cease negotiations on the same, for reasons disclosed in the announcement of 6 July 2023. As the 2023 Draft Term Sheet had provided for the entry into the MOU as a condition precedent, the non-fulfilment of such condition precedent led to further negotiations with the lenders.

In July 2023, CBRE (Shanghai) Consulting Management Co., Ltd Guangzhou branch (**"CBRE"**) and Jones Lang LaSalle Corporate Appraisal and Advisory Limited (**"JLL"**) were appointed as the property marketing agents for the disposal of the retail malls of the Trust within a 24-month timeframe in an orderly and structured manner in accordance with the 2023 Draft Term Sheet. The 2023 Draft Term Sheet also stipulated the appointment of FTI Consulting as the monitoring accountant whose role includes taking custody of company seals and electronic banking tokens to prevent any unauthorised use of the seals and dissipation of assets.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

2.2 Going concern basis of preparation of financial statements (cont'd)

As announced on 11 August 2023, 14 August 2023, 4 September 2023, 12 April 2024, 23 October 2024 and 15 November 2024, the Trustee-Manager received Notices of Demand (the “**Banks’ Notices of Demand**”) dated 4 August 2023, 10 August 2023, 31 August 2023, 11 April 2024 and 17 October 2024 from Bank of China Limited, Singapore Branch, Malayan Banking Berhad, Singapore Branch and Bank of China Limited, Zhongshan Branch, declaring that the loans under the Doumen Offshore Facility, the IPO Offshore Facility and the IPO Onshore Facility were immediately payable on demand.

As announced on 4 February 2024, there has been continuing breach of the gearing ratio, interest coverage ratio and loan to valuation ratio which the Trust is obliged to maintain under its offshore facilities as the fair value of the investment properties of the Group decreased by RMB435 million (4.6%) from RMB9,528 million (S\$1,848 million) as at 31 December 2022 to RMB9,093 million (S\$1,695 million) as at 30 June 2023. The primary reasons for the decrease in the valuation are attributable to the generally weaker economy and market environment, lower passing rent, negative reversion in rental rate and lower occupancy rate.

As at the date of this announcement, the Trustee-Manager is unable to instruct an independent valuer to carry out the valuation of the retail malls held by the Trust, which is the most significant asset in the Group’s statement of financial position, which were to be valued as at 31 December 2023, 30 June 2024, 31 December 2024 and 30 June 2025 as the Trustee-Manager had not been provided with the rent-rolls of the retail malls.

As announced on 25 November 2023, 14 and 29 December 2023, 24 January 2024, 25 January 2024, 7, 18 and 20 February 2024 and 6 May 2024, certain unitholders requisitioned to convene an extraordinary general meeting (“**EGM**”) of the Trust to remove the Trustee-Manager as the trustee-manager of the Trust and to have the role of the trustee-manager internalized by the Trust. The Trustee-Manager was advised by its legal adviser that the proposed EGM is invalid as announced on 7, 18 and 20 February 2024 and 6 May 2024. There would have been a breach of the terms of the loan facilities if the Trustee-Manager were removed as the trustee-manager of the Trust.

There are further potential breaches of the terms of the Trust’s loan facilities because the Trustee-Manager received winding-up applications from Madam Wang Qiu (whose employment as the chief executive officer was terminated with cause on 14 February 2024) and Mr. Zhang Guiming (nephew of ZYC), as announced on 2, 20 and 26 February 2024 and 15 March 2024, as well as a winding-up application from ZYC as announced on 28 May 2024, 28 June 2024, 3 September 2024, 5 September 2024, 7 November 2024 and 20 November 2024.

As announced on 20 June 2024, 14 and 31 July 2024 and 3, 7, 15 and 16 August 2024, the Trustee-Manager received a Requisition Notice signed by Aqua Wealth Holdings Limited (controlled by ZYC), Mr. Fong Guomin (associate of ZYC), Mr. Zhang Shenming (nephew of ZYC) and Michael Chui Ka Chun, holding more than 10% of the total voting rights of the Trust requisitioning an EGM to vote on two resolutions, namely Resolution (1): Amendment of the Deed of Trust of the Trust to require prior approval of unitholders by an ordinary resolution for (a) appointment or removal of any director of a Special Purpose Vehicle of the Trust, (b) appointment or termination of Debt Restructuring Advisor for the purpose of negotiating with the lenders for a standstill, re-financing or re-structuring of the Trust’s existing loans, (c) enter into any agreement to commence any action or enter into any scheme or collective procedure in respect of any compromise or arrangement in relation to the Trust, or do anything to restructure, wind up or liquidate the Trust in the event any borrowing of the Trust goes into default, and (d) appointment or removal of any External Party whose fees are expected to exceed S\$50,000; and Resolution (2): Conditional upon the approval of Resolution (1) above, the termination of the appointment of FTI Consulting and appointment of a new advisor via an ordinary resolution by the unitholders of the Trust. If the above Resolutions (1) and (2) were to be carried out, the Trustee-Manager would be likely be effectively managed and controlled by ZYC, as he has a deemed interest in more than 47% of the units of the Trust. As announced on 9 September 2024, the Resolutions (1) was put to vote by poll and was not passed by the unitholders as an extraordinary resolution. As Resolution 2 set out in the Requisition Notice is conditional upon the approval of Resolution 1, Resolution 2 was also not carried.

F. Notes to the condensed interim consolidated financial statements (cont'd)

2.2 Going concern basis of preparation of financial statements (cont'd)

As announced on 30 December 2024, 7 January 2025, 8 and 12 February 2025, 20 March 2025 and 7 April 2025, the Trustee-Manager received a Requisition Notice signed by Michael Chui Ka Chun (an affiliate of ZYC), Mr. Zhang Shenming (nephew of ZYC), Bounty Way Investments Limited (controlled by ZYC), Zhang Jieyan (niece of ZYC) Mr. Feng Guomin (associate of ZYC) and certain other unitholders holding more than 10% of the total voting rights of the Trust requisitioning an EGM to vote on three resolutions, namely Resolution (1): Internalisation of the Trustee-Manager function and appointment of Banda Capital Pte Ltd as the internal Trustee-Manager of the Trust. The directors of Banda Capital Pte Ltd are Ms. Wang Qiu, the previous chief executive officer of the Trustee-Manager whose appointment was dismissed with cause on 14 February 2024 and Michael Chui Ka Chun; Resolution (2) Removal of Dasin Retail Trust Management Pte Ltd as Trustee-Manager of the Trust; and Resolution (3) Termination of FTI Consulting as advisor and appointment of a new advisor. As announced on 13 and 21 April 2025, the legal advisor to the Trustee-Manager has advised that the Notice of EGM is invalid, ineffective and/or void. There would have been another breach of the terms of loan facilities if the Trustee-Manager were removed as the trustee-manager of the Trust.

As announced on 2 December 2024, the Trustee-Manager has filed an application under section 64 of the Insolvency, Restructuring and Dissolution Act 2018 ("IRDA") for amongst others orders that for a period of 6 months:

- (a) no resolution for the winding up of the Trustee-Manager shall be passed;
- (b) there shall be no appointment of a receiver or manager over any property or undertaking of the Trustee-Manager;
- (c) no proceedings (other than proceedings under sections 210 or 212 of the Companies Act 1967 ("CA") or sections 64, 66, 69 or 70 of IRDA) shall be commenced or continued against the Trustee-Manager, except with permission of the Court and subject to such terms as the Court imposes;
- (d) no enforcement order or other legal process, or the levying of any distress, against any property of the Trustee-Manager shall be issued, continued or executed, except with permission of the Court and subject to such terms as the Court imposes;
- (e) no step to enforce any security over any property of the Trustee-Manager, or to repossess any goods held by the Trustee-Manager under any chattels leasing agreement, hire-purchase agreement or retention of title agreement shall be taken, except with permission of the Court and subject to such terms as the Court imposes; and
- (f) no enforcement of any right of re-entry or forfeiture under any lease in respect of any premises occupied by the Trustee-Manager (including any enforcement pursuant to section 18 or 18A of the Conveyancing and Law of Property Act 1886) ("CLPA") be commenced or continued, except with permission of the Court and subject to such terms as the Court imposes.

As announced on 14 January 2024, the Court has granted a 6 months moratorium from 13 January 2025 to 13 July 2025. On 27 February 2025, ZYC filed an appeal to the Court of Appeal against the whole of the Court's decision on 13 January 2025. As announced on 21 May 2025, the aforementioned was heard and dismissed by the Court of Appeal. The Court of Appeal has affirmed the High Court's decision to grant a 6 months moratorium.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

2.2 Going concern basis of preparation of financial statements (cont'd)

The Trustee-Manager has been working with FTI Consulting and the lenders since early January 2023 and has gone through sixteen iterations of refining the term sheet for the consensual restructuring. The latest term sheet which was submitted to the lenders in or around March 2024 include terms such as (i) extending the tenure of the restructuring period from two years to four years, (ii) enhancing the security position of the offshore lenders via cross collateralization of securities, (iii) appointing CBRE and JLL and formalizing marketing plans for a structured and orderly disposal of the assets of the Trust to deleverage the lenders, mindful at all times to avoid a fire sale situation from developing; (iv) alleviating financial stress to the Trust by deploying a cash sweep mechanism to apply cash surplus towards principal repayment instead of fixed periodic repayments, (v) procuring waiver of default and penalty interest in the event the restructuring is completed successfully with the repayment of all original principal and contractual interest, (vi) searching for a strategic investor, (vii) approving the payment of Trustee-Manager's fees and outward remittance of funds out of China and (viii) appointing a monitoring accountant to safeguard the interest of the stakeholders. As at the date of this announcement, the latest term sheet has yet to be approved by all the lenders.

Notwithstanding the above events which indicate that material uncertainties exist that might affect the prospects of a debt restructuring negatively and cast significant doubt on the ability of the Group and the Trust to continue as going concerns, the Trustee-Manager has prepared these financial statements on a going concern basis, which assumes that the Group and the Trust are able to meet their respective obligations as and when they fall due within the next twelve months of the financial period to which these financial statements relate, as the Trustee-Manager is continuing to negotiate the terms of debt restructuring with the lenders with the assistance of FTI Consulting. However, there is no assurance that the Trustee-Manager will be able to successfully agree the terms of a debt restructuring with the lenders.

If for any reason the Group and the Trust are unable to continue as a going concern, there would be an impact on the classification of assets and liabilities and the ability to realise assets at their recognised values, and to extinguish liabilities in the normal course of business at the amounts stated in these financial statements. No such adjustments have been made to these financial statements. The liabilities of the Group and the Trust disclosed in these financial statements are estimated and computed based on the latest information available to the Trust as at the date of this announcement and may be subject to revisions with passage of time and upon further material information becoming available to the Trust. In addition, the Group and the Trust may have to provide for further liabilities that may arise. It should be noted that the full consequences and implications of the events disclosed above cannot necessarily be appreciated or assessed at the date of this announcement.

2.3 New and amended standards adopted by the Group

A number of new and amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

F. Notes to the condensed interim consolidated financial statements (cont'd)

2.4 Use of estimates and judgements

The preparation of condensed interim financial statements in conformity with IFRS requires the Trustee-Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the Trustee-Manager in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements include going concern assessment under Note 2.2.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 3 – valuation of investment properties;
- Note 5 – measurement of expected credit loss allowance for trade and other receivables: key assumptions in determining the impairment loss rate

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).
- The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

3. Investment properties

	Group	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
At 1 January	1,848,146	2,395,995
Capital expenditure	369	457
	1,848,515	2,396,452
Effects of recognising accounting income on a straight-line basis over the lease term	(6,140)	1,246
Changes in fair value	(77,019)	(361,923)
Translation differences on consolidation	(58,227)	(187,629)
At 30 September 2023 and 31 December 2022	1,707,129	1,848,146

	Group					
	As at 30 September 2023 RMB'000	As at 31 December 2022 RMB'000	% Change	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	% Change
Investment properties						
Shiqi Metro Mall	2,298,000	2,445,000	(6)	431,429	474,257	(9)
Xiaolan Metro Mall	1,644,000	1,666,000	(1)	308,646	323,154	(4)
Ocean Metro Mall	1,303,500	1,305,000	-	244,720	253,131	(3)
Dasin E-Colour	165,500	188,000	(12)	31,071	36,466	(15)
Doumen Metro Mall	1,593,000	1,676,000	(5)	299,072	325,094	(8)
Shunde Metro Mall	2,024,000	2,185,000	(7)	379,988	423,824	(10)
Tanbei Metro Mall	65,000	63,000	3	12,203	12,220	-
	9,093,000	9,528,000	(5)	1,707,129	1,848,146	(8)

Security

The investment properties are pledged as security to secure credit facilities (Note 8).

Measurement of fair value

Investment properties are stated at fair value. The fair values were based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after property marketing wherein the parties had acted knowledgeably, prudently and without compulsion.

The carrying values of the investment properties as at 30 September 2023 were based on the independent valuation report dated 29 December 2023 of the investment properties as at 30 June 2023 issued by Savills Real Estate Valuation (Guangzhou) Ltd. ("Savills") and the carrying values of the investment properties as at 31 December 2022 were based on the independent valuation report dated 29 June 2023 issued by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL").

The independent valuations of the investment properties undertaken by JLL and Savills were based on the income capitalisation and discounted cash flows methods in arriving at the open market values as at the reporting dates.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

3. Investment properties (cont'd)

In valuing the investment properties, Savills and JLL have compiled with all requirements contained in the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of the Surveyors; the International Valuation Standards published by the International Valuation Standards Council; and the Singapore Institute of Surveyors and Valuers as required by Singapore Exchange Limited.

The valuation report of the investment properties as at 31 December 2022 highlighted that several anchor leases which were terminated in early 2023 may have certain impact to property value, the valuation therefore factored into these situations for prudent purpose despite those leases were still valid as at valuation date 31st December 2022. Those leases include: -

1. A related party, Zhongshan Dasin Metro-Mall Merchant Investment Co.Ltd (中山市大信新都汇商业投资有限公司) had terminated their lease early in March 2023, an NLA of 11,534.25 sq.m with an original lease expiration date of 25 September 2027, as announced on 7 April 2023;
2. A related party, Zhongshan Dasin Metro-Mall Merchant Investment Co. Ltd (中山市大信新都汇商业投资有限公司) had terminated their lease early in March 2023, an NLA of 4,593 sq.m with an original lease expiration date of 1 March 2024, as announced on 7 April 2023;
3. A third party, Guangzhou Jia Guang Supermarket Co. Ltd (广州家广超市有限公司), a subsidiary of Carrefour China, had terminated their lease early in March 2023, an NLA of 17,770 sq.m with an original lease expiration date of 27 December 2034, as announced on 24 April 2023;

The fair value of the Group's investment properties is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the income capitalisation method and discounted cash flows method in arriving at the open market value as at the reporting date.

Level 3 fair values

The following table shows the significant unobservable inputs used in the valuation models:

Valuation methods	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows approach	Discounted rates from 7.00% per annum (31 December 2022: from 7.00% to 7.50%) Terminal rate of 4.00% (31 December 2022: 4.50%)	The fair value increases as discount rates and terminal rates decreases.
Income capitalisation approach	Term yield rates from 4.00% (31 December 2022: 2.50% to 4.00%) Reversionary rate of 4.50% (31 December 2022: 3.00% to 4.50%)	The fair value increases as term yield and reversionary rate decreases.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

4 Subsidiaries

	Trust	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Unquoted equity, at cost	126,400	126,400
Loans to subsidiaries	756,603	767,352
	883,003	893,752

The loans to subsidiaries of the Trust consist of a S\$456.2 million, US\$124.1 million (S\$169.6 million) and RMB696.9 million (S\$130.8 million) equivalent to S\$756.6 million in aggregate, which are unsecured, interest-free and are not expected to be repaid within the next twelve months. These loans were granted to subsidiaries to fund the acquisition of the investment properties of the Group.

5. Trade and other receivables

	Group		Trust	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Note				
<u>Current</u>				
Trade receivables - third parties	27 24,267	21,002	-	-
Loss allowance on receivables	27 (21,921)	(18,070)	-	-
	2,346	2,932	-	-
Trade receivables - related parties (master Lease) ^{(1) (2)}	1,358	1,451	-	-
Loss allowance on receivables (master lease)	(1,358)	(1,451)	-	-
	-	-	-	-
Trade receivables - related parties (others)	27 6,343	7,323	-	-
Loss allowance on receivables (others)	27 (5,684)	(6,252)	-	-
	659	1,071	-	-
Trade receivables (net)	3,005	4,003	-	-
Other receivables (non-trade)	27 508	13	8	8
Loss allowance on receivables (non-trade)	(62)	-	-	-
	446	13	8	8
Amount due from related parties (non-trade)	386	-	-	-
Loss allowance on related parties (non-trade)	(30)	-	-	-
	356	-	-	-
Amount due from subsidiaries (non-trade)	-	-	428	458
VAT receivables	6,012	7,887	-	-
Interest receivables	10	109	-	1
Trade and other receivables	9,829	12,012	436	467
Contract costs	29	43	-	-
Prepayment	428	366	26	2
Advance to a supplier	294	329	-	-
	10,580	12,750	462	469

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F. Notes to the condensed interim consolidated financial statements (cont'd)

5. Trade and other receivables (cont'd)

- (1) Zhongshan Dasin Real Estate Co., Ltd. 中山市大信置业有限公司 (the "sponsor") has provided indemnities on 26 December 2016 to guarantee their obligations of Zhongshan Dasin Metro-Mall Merchant Investment Co., Ltd. 中山市大信管理投资有限公司 ("Dasin Merchant Investment") or the Master Lessee.

The shareholders of the Sponsor are Mr. Zhang Kaicheng (37.5%), Mr. Zhang Jiucheng (37.5%) and Mr. Zhang Zhongming (25%). Mr. Zhang Kaicheng, Mr. Zhang Jiucheng and Mr. Zhang Zhencheng are brothers (the "Zhang Brothers"). Mr. Zhang Zhongming is the nephew of the Zhang Brothers.

Mr. Zhang Zhencheng is a director of the Trustee-Manager and the largest controlling unitholder of the Trust. Mr. Zhang Zhongming is an alternate director to Mr. Zhang Zhencheng.

- (2) Revenue of S\$1.5 million (30 September 2022: S\$4.2 million) from Master Leases in 9M2023 were derecognised in accordance with IFRS 16 Leases.

The trade receivables are mainly from tenants with the Trust and its subsidiaries (collectively, the "Group"). The Group recognised loss allowance for expected credit losses (ECLs) amounting to S\$29.0 million as at 30 September 2023 (31 December 2022: S\$25.8 million) in accordance with IFRS 9 Financial Instruments. In recognising the loss allowance, the Group uses historical credit loss experience and adjust for current conditions and forward-looking factors specific to the debtors and the economic environment, so as to determine the overall allowance for ECL.

6. Ageing Disclosure

Expected credit loss assessment

The group uses a uniformity allowance matrix to measure the ECLs of trade receivables including third party and related party tenants.

Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the risk profile of the lifetime ECL's for trade and other receivables:

Group				
Gross (Trade)		Loss allowance (Trade)		
As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	
Not pass due	1,876	654	32	218
Past due 1-30 days	1,130	2,263	619	1,097
Past due 31-60 days	871	1,795	666	1,558
Past due 61-90 days	555	1,268	474	1,195
Past due 91-180 days	1,406	2,691	1,277	2,585
Past due 181-365 days	4,955	7,182	4,720	5,197
Past due 1-2 years	12,612	13,654	12,612	13,654
More than 2 years past due	8,563	269	8,563	269
	31,968	29,776	28,963	25,773

Group				
Gross (Non-trade)		Loss allowance (Non-trade)		
As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	
Not pass due	6,849	8,009	25	-
Past due 1-2 years	32	-	32	-
More than 2 years past due	35	-	35	-
	6,916	8,009	92	-

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F. Notes to the condensed interim consolidated financial statements (cont'd)

6. Ageing Disclosure (cont'd)

	Group			
	Gross (Trade and non-trade)		Loss allowance (Trade and non-trade)	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Not pass due	8,725	8,663	57	218
Past due 1-30 days	1,130	2,263	619	1,097
Past due 31-60 days	871	1,795	666	1,558
Past due 61-90 days	555	1,268	474	1,195
Past due 91-180 days	1,406	2,691	1,277	2,585
Past due 181-365 days	4,955	7,182	4,720	5,197
Past due 1-2 years	12,644	13,654	12,644	13,654
More than 2 years past due	8,598	269	8,598	269
	38,884	37,785	29,055	25,773

Movements in loss allowance in respect of trade and other receivables

The movement in the loss allowance in respect of trade and other receivables during the year is as follows:

	Group	
	30 September 2023 S\$'000	31 December 2022 S\$'000
At 1 January	25,773	10,383
Loss allowance on trade and other receivables, net	4,165	17,331
Allowance utilised	-	(173)
Translation difference	(883)	(1,768)
At 30 September/31 December	29,055	25,773

7. Cash and bank balances

Cash and bank balances of the Group and the Trust included restricted cash, which were placed as security deposit to secure bank borrowings, as at 30 September 2023 of approximately S\$70.3 million (31 December 2022: S\$60.1 million) and S\$0.7 million (31 December 2022: S\$0.7 million) respectively.

	Group		Trust	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Bank balances	98,740	94,693	589	894
Fixed deposits with financial institutions	3,355	3,407	583	579
Cash and bank balances in Statement of Financial Position	102,095	98,100	1,172	1,473
Less: Restricted cash	(70,370)	(60,100)	(722)	(716)
Cash and cash equivalents in Statement of Cash Flows	31,725	38,000	450	757

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F. Notes to the condensed interim consolidated financial statements (cont'd)

7. Cash and bank balances (Cont'd)

Fixed deposits have original maturities of one month or less.

Restricted cash included (i) S\$5.3 million (31 December 2022: S\$5.5 million) relating to securities pledged by a subsidiary and the Trust to obtain the term loan facilities (see note 8), (ii) S\$nil million and S\$17.2 million (RMB91.8 million) (31 December 2022: S\$nil million and S\$17.8 million (RMB91.8 million)) relating to security pledged by the Trust and a subsidiary respectively to obtain the revolving credit facility for the Trust (see note 8), (iii) S\$0.6 million (31 December 2022: S\$0.6 million) held by a subsidiary and (iv) S\$47.3 million (31 December 2022: S\$36.1 million) where remittance out of China requires the onshore facility agent's consent.

8. Loans and borrowings

	Group		Trust	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Secured borrowings:				
-Amount repayable within one year	902,378	912,817	662,716	660,676
	902,378	912,817	662,716	660,676
Unsecured borrowings:	-	-	-	-
Total gross borrowings	902,378	912,817	662,716	660,676
Less capitalised transaction costs	(1,738)	(2,326)	-	-
Total borrowings net of transaction costs	900,640	910,491	662,716	660,676
Current	900,640	910,491	662,716	660,676
Total	900,640	910,491	662,716	660,676

The above loans and borrowings are secured by legal mortgage over of the investment properties and a pledge over the sales proceeds, rental income and receivables derived from these properties.

The tenures of the IPO Offshore Facility and the IPO Onshore Facility have been extended five times and four times respectively prior to 31 December 2022 as announced by the Trust on 20 January 2021, 20 July 2021, 20 December 2021, 21 March 2022 and 20 June 2022.

The tenure of the Shunde Offshore Facility has been extended once from 15 July 2022 to 31 December 2022 as announced on 14 August 2022, while the tenure of the Doumen Offshore Facility has been extended once from 19 September 2022 to 31 December 2022 as announced on 14 October 2022.

As announced on 2 January 2023, the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility matured on 31 December 2022. The Trustee-Manager also updated in the announcement that discussions with lenders for these facilities to extend the loan maturity date to 30 April 2023 were progressing notwithstanding having failed to secure a four-month extension to 30 April 2023 as at 31 December 2022.

Arising from the non-payment of the loans under the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility upon maturity on 31 December 2022, the lenders are contractually entitled to demand for immediate repayment of the outstanding borrowing amounts from the Group. The non-payment of such loans as at 31 December 2022 triggered a cross default under all the facilities, including the Shunde Onshore Facility and the Doumen Onshore Facility. Accordingly, the non-current portion of the borrowings of the Group pertaining to the Shunde Onshore Facility and the Doumen Onshore Facility amounting to RMB949.75 million (equivalent to approximately S\$184.22 million) as at 31 December 2022, which were only supposed to be due in years 2025 and 2029 respectively, have been reclassified from non-current liabilities to current liabilities.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

8. Loans and borrowings (cont'd)

	Nominal interest rate per annum %	Year o f maturity	Face value Original currency	Face value	Group Carrying amount	Trust Carrying amount
			('000)	\$'000	\$'000	\$'000
As at 30 September 2023						
Xiaolan Metro Mall, Ocean Metro Mall, Dasin E- Colour and Shiqi Metro Mall						
Onshore secured floating rate term loan	5.575	2022	RMB	350,152	65,738	65,738
Offshore secured floating rate term loan	5.519-5.663	2022	SGD	234,144	234,144	234,144
Offshre secured floating rate term loan	5.930-6.759	2022	USD	129,882	177,407	177,407
				477,289	477,289	411,551
Doumen Metro Mall						
Onshore secured floating rate term loan	4.900	2023-2029	RMB	478,750	90,668	89,880
Offshore secured floating rate term loan	4.150-5.505	2022	SGD	53,328	53,328	53,328
Offshre secured floating rate term loan	4.927-5.210	2022	HKD	285,686	49,829	49,829
				193,825	193,037	103,157
Shunde Metro Mall and Tanbei Metro Mall						
Onshore secured floating rate term loan	4.550	2022-2025	RMB	447,660	84,044	84,044
Offshore secured floating rate term loan	5.819-5.563	2022	SGD	84,795	84,795	84,795
Offshre secured floating rate term loan	5.930-6.359	2022	USD	33,168	45,305	45,305
				214,144	214,144	130,100
Revolving credit facility						
Revolving credit facility	4.290	2024	USD	13,110	17,908	17,908
				903,166	902,378	662,716

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F. Notes to the condensed interim consolidated financial statements (cont'd)

8. Loans and borrowings (cont'd)

	Nominal interest rate per annum %	Year o f maturity	Face value Original currency	Face value	Group Carrying amount	Trust Carrying amount
			('000)	\$'000	\$'000	\$'000
As at 31 December 2022						
Xiaolan Metro Mall, Ocean Metro Mall, Dasin E- Colour and Shiqi Metro Mall						
Onshore secured floating rate term loan	5.225-5.725	2022	RMB	350,152	67,919	67,899
Offshore secured floating rate term loan	1.53-4.75	2022	SGD	234,144	234,144	234,144
Offshre secured floating rate term loan	1.41-5.93	2022	USD	129,882	174,061	174,061
					476,124	476,104
						408,205
Doumen Metro Mall						
Onshore secured floating rate term loan	4.90	2023-2029	RMB	482,500	93,590	92,674
Offshore secured floating rate term loan	1.83-4.58	2022	SGD	53,328	53,328	53,328
Offshre secured floating rate term loan	1.64-4.93	2022	HKD	285,686	49,009	49,009
					195,927	195,011
						102,337
Shunde Metro Mall and Tanbei Metro Mall						
Onshore secured floating rate term loan	4.55-4.75	2022-2025	RMB	467,245	90,632	89,242
Offshore secured floating rate term loan	1.72-5.41	2022	SGD	87,000	87,000	87,000
Offshre secured floating rate term loan	1.32-5.27	2022	USD	34,000	45,565	45,565
					223,197	221,807
						132,565
Revolving credit facility						
Revolving credit facility	2.91-4.54	2023	USD	13,110	17,569	17,569
					912,817	910,491
						660,676

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F. Notes to the condensed interim consolidated financial statements (cont'd)

9. Deferred tax liabilities

	Group								
	At 1 January 2022	Statement of profit or loss	Withholding tax paid	Translation difference	At 31 December 2022	Statement of profit or loss	Withholding tax paid	Translation difference	At 30 September 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment properties	421,935	(78,105)	-	(32,582)	311,248	(12,491)	-	(9,825)	288,932
Loss allowance on receivables	(2,595)	(3,979)	-	508	(6,066)	(1,325)	-	238	(7,153)
Tax on undistributed profits	976	984	(969)	249	1,240	499	-	(3)	1,736
Others	116	106	-	(248)	(26)	(1,735)	-	(47)	(1,808)
	420,432	(80,994)	(969)	(32,073)	306,396	(15,052)	-	(9,637)	281,707

Deferred tax liabilities comprise the recognition of the temporary differences between the carrying value of the investment properties, the loss allowance on receivables and foreign exchange differences for financial reporting and taxation purposes as well as the provision of 5% withholding tax for undistributed statutory earnings of the PRC subsidiaries.

10. Trade and other payables

	Group		Trust	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
<u>Non-current</u>				
Trade payables	-	1,023	-	-
Lease liabilities	400	402	-	-
Amount due to subsidiaries (non-trade, interest bearing)	-	-	30,614	42,880
	400	1,425	30,614	42,880
<u>Current</u>				
Trade payables-third parties	2,720	3,178	-	-
Trade payables-related parties	2,734	3,799	-	-
	5,454	6,977	-	-
Accrued operating expenses	3,101	2,130	2,429	1,430
Amounts due to subsidiaries (non-trade, interest free)	-	-	65,283	65,518
Amounts due to subsidiaries (non-trade, interest bearing)	-	-	20,520	8,590
Amounts due to related parties (non-trade)	5,252	5,846	4,995	5,577
Management fee payable to Trustee-Manager	4,247	3,119	4,247	3,119
Interest payables	25,353	1,746	23,913	155
Other payables	13,433	1,168	13,121	499
Construction cost payable to a third party	3,642	3,763	-	-
	60,482	24,749	134,508	84,888
Receipt in advance from tenants	1,623	879	-	-
Other taxes	1,075	892	650	562
	63,180	26,520	135,158	85,450

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F. Notes to the condensed interim consolidated financial statements (cont'd)

10. Trade and other payables (cont'd)

The amounts due to trade payables (related parties) relate to property management and commercial management fees payable and reimbursement of expenses in accordance with the property management and commercial management agreements.

The amounts due to related parties (non-trade) is unsecured, interest-free and repayable on demand. Included in the amounts are mainly relating to trustee and management fee payable to Trustee-Manager and advances from a beneficiary of the ultimate controlling party of the Trust. Advances from a beneficiary of the single largest controlling unitholder of the Trust amounted to approximately S\$1.86 million (31 December 2022: S\$1.86 million).

Construction cost payable to a third party is unsecured, interest bearing with fixed interest rate of 4.35% (31 December 2022: 4.35%) per annum and repayable within the next 12 months.

11. Loans from unitholders

The loans from unitholders are unsecured, interest free and are subordinated to bank loans and borrowings.

12. Units in issue

	Group and Trust			
	As at 30 September Number of units ('000)	As at 30 September S\$'000	As at 31 December 2022 Number of units ('000)	As at 31 December 2022 S\$'000
Units in issue				
At 1 January	804,473	267,560	794,014	267,051
Units issued arising from:				
Trustee-Manager's fees paid in units	-	-	10,459	3,355
Distribution to unitholders	-	-	-	(2,846)
	804,473	267,560	804,473	267,560
Units to be issued	-	-	-	-
Total issued and issuable units as at 30 September /31 December	804,473	267,560	804,473	267,560

The Group and the Trust had issued a total of 10,458,510 units to the Trustee-Manager, amounting to approximately S\$3,355,000 at unit prices ranging from S\$0.3139 to S\$0.3282 as satisfaction of the base management fee and trustee fee payable in units in respect of first half of FY2022. Effective from third quarter of FY2022, the Trustee-Manager has elected to receive 100% of the base fee of management fee and trustee fee in cash.

The Trust does not have any units as subsidiary holdings as at 30 September 2023 and 31 December 2022.

The Group and the Trust do not hold any treasury units as at 30 September 2023 and 31 December 2022. The total number of issued units excluding treasury units as at 30 September 2023 and 31 December 2022 was 804,472,757 and 804,472,757 respectively.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

13. Other reserves

	Note	Group		Trust	
		As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Statutory surplus reserve	(i)	680	680	-	-
Capital reserve	(ii)	910,042	910,042	-	-
Foreign currency translation reserve	(iii)	(131,224)	(86,519)	-	-
Accumulated losses		(508,248)	(412,658)	(231,904)	(181,365)
		271,250	411,545	(231,904)	(181,365)

(i) Statutory surplus reserve

The subsidiaries incorporated in PRC are required to transfer 10% of the profit after taxation, as determined under the accounting principles and relevant financial regulations of PRC to the statutory reserve until the reserve balance reaches 50% of registered capital. The transfer to this reserve must be made before distribution of dividends to its shareholders.

Statutory reserve can be used to make good previous years' losses, if any, and may be converted to registered capital in proportion to the existing interests of the shareholders, provided that the balance after such conversion is not less than 25% of the registered capital.

(ii) Capital reserve

Capital reserve represents the excess of the fair value of the net assets acquired over the consideration transferred of the PRC property and rental management companies of the investment properties acquired from a controlling unitholder.

(iii) Foreign currency translation reserve comprises:

- (a) foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Trust; and
- (b) the foreign exchange differences on loans to subsidiaries which form part of the Group's net investment in foreign operations.
- (c) The exchange rates for SGD/RMB, USD/SGD and SGD/HKD are as follows:

	30 September 2023	31 December 2022	30 September 2022
Month-end exchange rate SGD/RMB	5.3631	5.1554	4.9598
Month-end exchange rate USD/SGD	1.3296	1.3401	1.4374
Month-end exchange rate SGD/HKD	5.9039	5.8293	5.4714
Average exchange rate SGD/RMB	5.2062	4.8926	4.8074

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F. Notes to the condensed interim consolidated financial statements (cont'd)

14. Net Asset Value per unit

Net asset value per unit is based on:

- Net assets (S\$'000)

- Total number of issued and issuable units at the end of the period/year ('000)

Net asset value per unit (S\$)

Group		Trust	
As at 30 September 2023	As at 31 December 2022	As at 30 September 2023	As at 31 December 2022
538,810	679,105	35,656	86,195
804,473	804,473	804,473	804,473
0.67	0.84	0.04	0.11

15. Finance costs

Amortisation of capitalised borrowing costs
Interest expense
Interest expense on loans and borrowings
Interest expense on Right-Of-Use (ROU) assets
Default Interest

3 months ended 30 September 2023 S\$'000	3 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
207	655	578	2,531
41	58	174	184
13,158	8,558	38,039	21,894
4	7	16	22
4,488	-	11,497	
17,898	9,278	50,304	24,631

16. Income tax expense

Current income tax expense - PRC
Withholding tax expense
Deferred tax expense/(credit) relating to origination and reversal of temporary differences

3 months ended 30 September 2023 S\$'000	3 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
823	1,340	3,007	4,370
137	236	499	777
960	1,576	3,506	5,147
2,537	2,218	(15,551)	(10,364)
3,497	3,794	(12,045)	(5,217)

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F. Notes to the condensed interim consolidated financial statements (cont'd)

17. Loss for the period

The following items have been included in arriving at the loss for the period:

	3 months ended 30 September 2023 S\$'000	3 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
Amoritisement of intangible assets	19	18	56	54
Audit fees paid/payable to auditors	114	27	371	303
Depreciation of plant and equipment	20	21	87	65
Facility agent and security agent fees	100	115	300	312
GST expenses	42	220	100	547
Investor relations	9	(18)	27	53
Loss allowance on receivables	1,352	2,283	4,165	11,118
Professional fees	787	277	1,288	1,486
Stamp duty	10	10	91	109

18. Earnings per unit

	Group			
	3 months ended 30 September 2023	3 months ended 30 September 2022	9 months ended 30 September 2023	9 months ended 30 September 2022
<u>Earnings per Unit ("EPU")</u>				
Weighted average number of Units in issue ('000)	804,473	799,460	804,473	794,574
Basic EPU (cents)	(1.99)	(1.17)	(11.88)	(8.36)
<u>Diluted EPU</u>				
Weighted average number of Units outstanding('000)	804,473	799,460	804,473	794,574
Diluted EPU (cents)	(1.99)	(1.17)	(11.88)	(8.36)

EPU is calculated based on loss for the period/year and weighted average number of units as at the end of each period/year.

Diluted EPU is calculated based on loss for the period/year and weighted average number of units outstanding during the period/year, adjusted for the effects of all dilutive potential units arising from issuance of estimated units of Trustee-Manager's fees.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

19. Distribution per unit

	Group	
	9 months ended 30 September 2023	9 months ended 30 September 2022
<u>Distribution per units ("DPU")</u>		
Number of Units issued and to be issued at end of period ('000)	804,473	804,473
Based on the number of Units in issue and to be issued at end of period ('000)	N.A.(i)	N.A.(i)
<u>Annualised distribution yield (%)</u>		
-Based on closing price	N.A.(i)	N.A.(i)

(i) Not applicable as no distribution is declared.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

20. Distribution

	Group			
	3 months ended 30 September 2023 S\$'000	3 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
Loss for the period	(16,055)	(9,471)	(95,590)	(66,457)
Distribution adjustments	(1,191)	11,493	64,298	73,948
Amount available for distribution	(17,246)	2,022	(31,292)	7,491
Amount retained (Note A)	-	(2,022)	-	(7,491)
Amount available for distribution to unitholders at end of the period	(17,245)	-	(31,292)	-
Distribution adjustments				
Amortisation of intangible assets	19	18	56	54
Amortisation of capitalised borrowing costs	207	655	578	2,531
Deferred income tax expense/(credit)	2,537	2,218	(15,551)	(10,364)
Depreciation of plant and equipment	20	21	87	65
Loan repayment	(6,810)	(464)	(7,722)	(1,479)
Net change in fair value of derivative financial instruments	-	239	-	19
Net change in fair value of investment properties	(595)	(241)	77,019	63,791
(Gain)/loss on disposal of plant and equipment	-	-	(14)	8
Recognition of rental income on a straight line basis over the lease term	106	(448)	6,140	(876)
Trustee-manager's fees paid/payable in units	-	1,594	-	4,949
Unrealised exchange (gain)/loss	3,325	7,877	3,774	15,181
Other adjustments	-	24	(69)	69
	(1,191)	11,493	64,298	73,948

Note A: The Trust had retained distribution income and deferred distribution for the 9-month period ended 30 September 2022 for prudent cashflow and capital management in view of the continued uncertainties arising from the Covid-19 situation in China.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

21. Distribution paid to Unitholders

Tax-exempt income distribution: Nil cents per unit for the period from 1 July 2022 to 31 December 2022 (FY2022: 1.84 cents per unit for the period from 1 July 2021 to 31 December 2021)

Capital distribution: Nil cents per unit of rht period from 1 July 2022 to 31 December 2022 (FY2022: 0.4 cents per unit for the period 1 July 2021 to 31 December 2021)

Group	
9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
-	13,093
-	2,846
-	15,939

The distribution waiver arrangement of the Trust as disclosed in Prospectus dated 13 January 2017 had ended after the books closure date for distributions in respect of the distribution period up to and including 31 December 2021.

22. Segment information

The Group has 7 (2022:7) reportable segments, as described below, which are the Group's investment properties. The investment properties are managed separately because they require different operating and marketing strategies. For each of the investment properties, the Management reviews internal management reports on a monthly basis. All of the Group's reportable segments are investment properties located in PRC used primarily for retail purposes. The reporting segments are as follows:

- Shiqi Metro Mall
- Xiaolan Metro Mall
- Ocean Metro Mall
- Dasin E-Colour
- Doumen Metro Mall
- Shunde Metro Mall
- Tanbei Metro Mall

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F. Notes to the condensed interim consolidated financial statements (cont'd)

23. Reportable segments (Group)

	Group															
	Shiqi Metro Mall		Xiaolan Metro Mall		Ocean Metro Mall		Dasin E-Colour		Doumen Metro Mall		Shunde Metro Mall		Tanbei Metro Mall		Total	
	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
External revenues:																
-Gross rental income	11,075	14,608	11,346	11,887	5,099	6,792	690	1,006	9,710	10,757	10,208	11,203	489	729	48,617	56,982
- Straight-lining adjustments	(805)	(109)	(3,358)	(298)	(1,834)	(50)	(25)	(199)	(121)	564	(53)	981	57	(13)	(6,139)	876
-Others	1,063	1,524	1,082	1,256	1,378	1,569	105	169	1,432	1,653	1,416	1,655	66	142	6,542	7,968
Gross revenue	11,333	16,023	9,070	12,845	4,643	8,311	770	976	11,021	12,974	11,571	13,839	612	858	49,020	65,826
Segment net property income	6,620	8,722	5,734	8,349	2,158	4,130	(39)	(790)	7,165	8,606	7,888	10,211	95	63	29,621	39,291
Finance income	485	565	339	358	301	588	72	27	279	298	61	80	9	12	1,546	1,928
Finance costs	1	3	-	-	2,877	3,099	-	-	3,511	3,883	3,485	4,187	119	133	9,993	11,305
Segment assets	486,267	607,152	364,864	442,922	279,330	363,370	40,543	61,394	329,989	413,740	391,792	516,043	16,972	19,000	1,909,757	2,423,621
Segment liabilities	211,847	242,540	174,918	190,987	223,332	253,939	43,983	49,976	233,401	258,074	258,745	315,558	22,546	24,275	1,168,772	1,335,349
Other segment items:																
Depreciation and amortisation	55	59	18	16	38	13	9	9	9	9	6	5	8	8	143	119
Net change in fair value of investment properties	27,367	11,022	870	13,214	(1,432)	13,369	4,257	841	15,694	14,977	30,587	9,373	(324)	995	77,019	63,791
Loss allowance on receivables	1,789	4,210	814	1,538	327	1,266	294	1,184	279	1,161	357	1,117	305	641	4,165	11,117
Capital expenditure	195	124	41	33	114	3	-	-	19	261	-	21	-	-	369	442

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F. Notes to the condensed interim consolidated financial statements (cont'd)

Reconciliation of reportable segment revenue, loss before income tax, assets and liabilities and other material items

	Group	
	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000
Revenue		
Total revenue for reporting segments	49,020	65,826
Total loss before income tax		
Total loss for reportable segments before income tax	(55,849)	(33,877)
Unallocated amounts:		
- Other corporate expenses	(50,603)	(36,562)
- Elimination of intercompany transactions	(1,183)	(1,235)
Loss before income tax	(107,635)	(71,674)

	Group	
	As at 30 September 2023 S\$'000	As at 31 December 2022 S\$'000
Assets		
Total assets for reportable segments	1,909,757	2,046,276
Other unallocated amounts	1,206	1,489
Elimination of intercompany balances	(90,801)	(87,843)
Consolidated assets	1,820,162	1,959,922
Liabilities		
Total liabilities for reportable segments	1,168,772	1,230,818
Other unallocated amounts	732,626	692,562
Elimination of intercompany balances	(620,046)	(642,563)
Consolidated liabilities	1,281,352	1,280,817

	Reportable segment totals S\$'000	Unallocated amounts S\$'000	Elimination of intercompany transactions S\$'000	Consolidated totals S\$'000
Other material items for 9 months ended 30 September 2023				
Finance income	1,546	5	(1,183)	368
Finance costs	9,993	40,311	-	50,304
Other material items for 9 months ended 30 September 2022				
Finance income	1,928	12	(1,235)	705
Finance costs	11,305	13,326	-	24,631

Geographical segments

All of the Group's investment properties are located in the People's Republic of China.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

24. Significant related party transactions

Other than as disclosed elsewhere in the financial statements, there were the following significant related party transactions for the financial period/year based on agreed terms between the parties.

	Group			
	3 months ended 30 September 2023	3 months ended 30 September 2022	9 months ended 30 September 2023	9 months ended 30 September 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Commercial management fees paid/payables to a related party				
- management fee	181	222	562	691
- reimbursement of expenses at cost	734	525	2,196	1,427
Property management fees paid/payable to a related party				
- management fee	181	222	562	691
- reimbursement of expenses at cost	1,308	1,424	3,541	3,883
Lease rental received/recoverable from related parties				
- lease rental income ⁽¹⁾ (Note)	701	1,336	1,050	4,093
- reimbursement of expenses at cost ^(Note)	117	272	404	697
Lease rental paid/payable	-	16	-	50
Payment of utilities charges on behalf of related parties ^(Note)	-	34	16	108
Other property operating expenses paid/payable to related parties ^(Note)	-	30	22	66
Interest free loans from shareholders	-	3,044	-	17,003
Advances from related parties	-	1,031	-	1,155

⁽¹⁾ Included in this amount was rental rebate (excluding the straight-line basis over the term of the lease) of S\$nil (9M2022: S\$26,000) for the nine-month period ended 30 September 2023 which has been deducted against the lease rental income.

Note: Estimates have been used as the information for the 3 months ended and 9 months ended 30 September 2023 are not available.

During the nine-month period ended 30 September 2023, the Group waived charges amounting to S\$nil (9M2022: S\$1,839,000) for late payment of lease rental from related parties in the ordinary course of business.

25. Financial Assets and Financial Liabilities

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Measurement of fair value

The following table shows the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Loans and borrowings	Discounted cash flows: The fair value is based on the present value of future payments, discounted at the market rate of interest at the measurement date.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

25. Financial Assets and Financial Liabilities (cont'd)

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
As at 30 September 2023								
Financial assets not measured at fair value								
Trade and other receivables	9,829	-	-	9,829	-	-	-	-
Cash and cash equivalents	102,095	-	-	102,095	-	-	-	-
	111,924	-	-	111,924	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	60,880	60,880	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Security deposits ⁽¹⁾	-	-	14,091	14,091	-	-	-	-
Loans and borrowings	-	-	900,640	900,640	-	907,812	-	907,812
	-	-	996,104	996,104	-	907,812	-	907,812

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
As at 31 December 2022								
Financial assets not measured at fair value								
Trade and other receivables	12,012	-	-	12,012	-	-	-	-
Cash and cash equivalents	98,100	-	-	98,100	-	-	-	-
	110,112	-	-	110,112	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	26,174	26,174	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Security deposits ⁽¹⁾	-	-	14,405	14,405	-	-	-	-
Loans and borrowings	-	-	910,491	910,491	-	916,602	-	916,602
	-	-	971,563	971,563	-	916,602	-	916,602

⁽¹⁾ The breakdown of the carrying amount of security deposits is as follows: -

	9M2023	FY2022
Group	S\$'000	S\$'000
Third parties	14,091	14,403
Related parties	-	2
Master Lessee	-	-
	14,091	14,405

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F. Notes to the condensed interim consolidated financial statements (cont'd)

25. Financial Assets and Financial Liabilities (cont'd)

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Trust								
As at 30 September 2023								
Financial assets not measured at fair value								
Trade and other receivables	436	-	-	436	-	-	-	-
Cash and cash equivalents	1,172	-	-	1,172	-	-	-	-
	1,608	-	-	1,608	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	165,122	165,122	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Loans and borrowings	-	-	662,716	662,716	-	663,163	-	663,163
	-	-	848,331	848,331	-	663,163	-	663,163

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Trust								
As at 31 December 2022								
Financial assets not measured at fair value								
Trade and other receivables	467	-	-	467	-	-	-	-
Cash and cash equivalents	1,473	-	-	1,473	-	-	-	-
	1,940	-	-	1,940	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	127,768	127,768	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Loans and borrowings	-	-	660,676	660,676	-	660,896	-	660,896
	-	-	808,937	808,937	-	660,896	-	660,896

26. Contingent Liabilities (Unsecured)

As at 30 September 2023, there were litigations and claims against the Group and the Trust for disputed contracts with values of approximately S\$1.8 million (31 December 2022: S\$1.8 million) and S\$0.6 million (31 December 2022: S\$0.6 million) respectively in relation to construction contracts, lease agreements and a consultancy agreement. The Group and the Trust do not consider the litigations and claims have any merit and have contested or will contest these claims. No provision has been made in the financial statements as the management does not consider that there is any probable loss.

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F. Notes to the condensed interim consolidated financial statements (cont'd)

27. Reclassification of Comparative Figures

Other receivables (non-trade) and amount from related parties (non-trade) relating to utilities charges paid on behalf in accordance with tenancy agreements have been reclassified to trade receivables (third parties) and trade receivables - related parties (others) respectively to reflect the economic substance of such receivables.

	As previously classified as at 31 December 2022	Reclassification	After reclassification as at 31 December 2022
	S\$'000	S\$'000	S\$'000
Other receivables (non-trade)	1,073	(1,060)	13
Trade receivables - third parties	<u>19,942</u>	<u>1,060</u>	<u>21,002</u>
Loss allowance on receivables (non-trade)	(117)	117	-
Loss allowance on receivables	<u>(17,953)</u>	<u>(117)</u>	<u>(18,070)</u>
Amount from related parties (non-trade)	1,907	(1,907)	-
Trade receivables - related parties (others)	<u>5,416</u>	<u>1,907</u>	<u>7,323</u>
Loss allowance on receivables (non-trade)	(1,063)	1,063	-
Loss allowance on receivables (others)	<u>(5,189)</u>	<u>(1,063)</u>	<u>(6,252)</u>

Loss allowance on receivables has been reclassified to property operating expenses for consistency with the current period presentation. This reclassification had no effect on the loss of the period.

	As previously reported as at 30 September 2022	Reclassification	As reported as at 30 September
	S\$'000	S\$'000	S\$'000
Property operating expenses	8,940	11,118	20,058
Loss allowance	<u>11,118</u>	<u>(11,118)</u>	<u>-</u>

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F. Notes to the condensed interim consolidated financial statements (cont'd)

28. Subsequent events

There are material subsequent events as follows:

- (i) As announced on 12 June 2025, the Trustee-Manager has been informed by one of the lending banks that, when asked by a lending bank for the reason that the income of four of the PRC malls owned by DRT had decreased significantly by over 80% from April to May 2025, the PRC onshore personnel of the PRC Subsidiaries had informed the lending banks that the PRC Subsidiaries have entered into master lease arrangements with unknown party(ies) for Ocean Metro Mall, Shiqi Metro Mall, Xiaolan Metro Mall, Dasin E-Colour and Doumen Metro Mall with effect from 1 May 2025. The 5 malls are PRC assets of DRT, and it is understood that the entire malls have been leased to unknown parties.

The legal representative of the PRC Subsidiaries is Zhang Zhongming ("ZMZ") who is the nephew of Zhang Zhencheng ("ZZC") and who was alternate to ZZC as director of the Trustee-Manager until 15 April 2025.

The master lease arrangements have not been authorised by the Board and are a severe breach of the internal controls of DRT. It would appear that these arrangements were carried out by the PRC Subsidiaries, whose legal representative is ZMZ, in breach of the internal controls of DRT.

- (ii) As announced on 23 June 2025, 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 ("ZMZ"), who is the nephew of Zhang Zhencheng ("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.

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OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL

1. Review of performance of the Group

A. Investment Properties

The fair value of investment properties (RMB-denominated assets) has decreased by S\$141.0 million as at 30 September 2023 compared to 31 December 2022 due mainly to:

- (a) Decrease in fair value of S\$75.2 million owing to the general weaker economic and market environment, lower passing rate, negative reversion in rental rate from some leases contracted in 2023 and an increase in vacancy rates; and
- (b) Decrease in fair value of S\$58.2 million owing to weakening of Renminbi (RMB) against Singapore dollar, United States dollar and Hong Kong dollar in which the Trust's offshore loans are denominated.

B. Subsidiaries (Trust)

The decrease is due to the capital reduction in Shunde Metro Mall of S\$9.3 million (RMB49.5 million) (31 December 2022: S\$3.7 million) and recognition of a net unrealised foreign exchange loss of S\$1.0 million relating to the USD-denominated and RMB-denominated loans extended to the subsidiaries.

C. Revenue

(i) Breakdown of revenue for 3Q2023 vs 3Q2022

	3 months ended 30 September 2023 RMB'000	3 months ended 30 September 2022 RMB'000	Change %	3 months ended 30 September 2023 S\$'000	3 months ended 30 September 2022 S\$'000	Change %
Revenue:						
Shiqi Metro Mall	19,175	25,532	(25)	3,578	5,183	(31)
Xiaolan Metro Mall	22,118	21,774	2	4,163	4,430	(6)
Ocean Metro Mall	10,806	13,611	(21)	2,032	2,766	(27)
Dasin E-Colour	1,467	1,837	(20)	275	375	(27)
Doumen Metro Mall	21,023	20,180	4	3,936	4,093	(4)
Shunde Metro Mall	20,625	21,161	(3)	3,854	4,289	(10)
Tanbei Metro Mall	1,163	1,322	(12)	217	268	(19)
	96,377	105,417	(9)	18,055	21,404	(16)

(ii) Breakdown of revenue for 9M2023 vs 9M2022

	9 months ended 30 September 2023 RMB'000	9 months ended 30 September 2022 RMB'000	Change %	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	Change %
Revenue:						
Shiqi Metro Mall	59,544	77,029	(23)	11,332	16,023	(29)
Xiaolan Metro Mall	47,654	61,751	(23)	9,068	12,845	(29)
Ocean Metro Mall	24,397	39,954	(39)	4,643	8,311	(44)
Dasin E-Colour	4,051	4,692	(14)	771	976	(21)
Doumen Metro Mall	57,911	62,371	(7)	11,021	12,974	(15)
Shunde Metro Mall	60,806	66,529	(9)	11,572	13,839	(16)
Tanbei Metro Mall	3,221	4,125	(22)	613	858	(29)
	257,584	316,451	(19)	49,020	65,826	(26)

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OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

1. Review of performance of the Group (cont'd)

C. Revenue (cont'd)

(iii) Breakdown of revenue before adjustment for straight-lining basis over the lease term (SLA) and after adjustment for SLA for the nine-month period ended 30 September 2023 ("9M2023") vs 9M2022

	9 months ended 30 September 2023			9 months ended 30 September 2022		
	Before adjustment for SLA	Straight-lining basis over the lease term	After adjustment for SLA	Before adjustment for SLA	Straight-lining basis over the lease term	After adjustment for SLA
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
Shiqi Metro Mall	12,136	(804)	11,332	16,132	(109)	16,023
Xiaolan Metro Mall	12,428	(3,360)	9,068	13,143	(298)	12,845
Ocean Metro Mall	6,477	(1,834)	4,643	8,361	(50)	8,311
Dasin E-Colour	796	(25)	771	1,175	(199)	976
Doumen Metro Mall	11,142	(121)	11,021	12,410	564	12,974
Shunde Metro Mall	11,624	(52)	11,572	12,858	981	13,839
Tanbei Metro Mall	556	57	613	871	(13)	858
	55,159	(6,139)	49,020	64,950	876	65,826

	9 months ended 30 September 2023	9 months ended 30 September 2022	%	9 months ended 30 September 2023	9 months ended 30 September 2022	%
	RMB'000	RMB'000	Change	S\$'000	S\$'000	Change
Rental income from operating entities	263,164	297,201	(11)	50,083	61,822	(19)
Other income from operating entities	34,385	38,301	(10)	6,543	7,967	(18)
	297,549	335,502	(11)	56,626	69,789	(19)
Derecognition of revenue arising from Carrefour (Ocean Metro Mall) and master leases (Xiaolan Metro Mall and Dasin E-colour)	(7,708)	(23,261)	NM	(1,467)	(4,839)	NM
Straight-lining adjustments on rental income	(32,257)	4,210	NM	(6,139)	876	NM
	257,584	316,451	(19)	49,020	65,826	(26)

Lower rental income for 9M2023 was due to:

- (i) Lower revenue contribution from several malls as indicated in the table above was mainly due to lower passing rent, negative reversion in rental rate and higher vacancy rates;
- (ii) Weaker foreign exchange of RMB to SGD, USD and HKD;
- (iii) De-recognition of revenue arising from Carrefour (Ocean Metro Mall) and master leases (Xiaolan Metro Mall and Dasin E-Colour) amounting to approximately S\$1.5 million in accordance with IFRS16 Leases; and
- (iv) Straight-lining adjustment on lease income of S\$6.1 million.

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OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

D. Property operating expenses

	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	% Change
Property related tax	4,297	5,077	(15)
Property management and commercial management fees	1,000	1,400	(29)
Advertising and promotion	1,362	755	80
Cleaning expenses	1,857	1,981	(6)
Depreciation and amortisation	143	119	20
Impairment loss on receivables	4,165	11,118	(63)
Repair and maintenance	882	1,022	(14)
Staff and related costs	2,059	1,696	21
Utilities	3,258	2,514	30
Other operating expenses	376	853	(56)
Property operating expenses	19,399	26,535	(27)

The property operating expenses for 9M2023 decreased by 27% as compared to 9M2022 is mainly due to significant decrease in impairment loss on receivables (63%) as loss allowance has already been provided on long outstanding receivables in previous quarters. The other property operating expenses are generally reduced in 9M2023.

E. Net property income

(i) Breakdown of net property income for 9M2023 vs 9M2022

	9 months ended 30 September 2023 RMB'000	9 months ended 30 September 2022 RMB'000	Change %	9 months ended 30 September 2023 S\$'000	9 months ended 30 September 2022 S\$'000	Change %
Net property income:						
Shiqi Metro Mall	34,785	41,930	(17)	6,620	8,722	(24)
Xiaolan Metro Mall	30,114	40,138	(25)	5,731	8,349	(31)
Ocean Metro Mall	11,339	19,853	(43)	2,158	4,130	(48)
Dasin E-Colour	(199)	(3,793)	NM	(38)	(790)	NM
Doumen Metro Mall	37,654	41,372	(9)	7,166	8,606	(17)
Shunde Metro Mall	41,448	49,088	(16)	7,888	10,211	(23)
Tanbei Metro Mall	505	303	NM	96	63	NM
	155,646	188,891	(18)	29,621	39,291	(25)

The net property income margin ("NPI margin") of the Group is 59.0% for 9M2023 compared to 9M2022 of 59.7%. This was primarily due to lower revenue in 9M2023 of S\$18.7 million offset by lower in loss impairment on receivables in 9M2023 of S\$7.0 million.

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OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

1. Review of performance of the Group (cont'd)

F. Trustee-Manager's fees

The Trustee-Manager's fees comprise the base fee of management fee and trustee fee. The base fee of management fee was calculated based on 0.25% per annum of the value of the trust property of the Group ("Trust Property") and the trustee fee was 0.02% per annum of the value of the Trust Property, excluding out of pocket expenses and GST. The Trustee-Manager has elected to receive 100% of the base fee of management fee and the trustee fee in the form of unit up to first half of FY2022. Subsequently, Trustee-Manager has elected to receive 100% of the base fee of management fee and the trustee fee in cash.

Trustee-Manager's fees for 9M2023 decreased by S\$1.1 million compared to 9M2022 due to decrease in total assets.

G. Exchange gain / (loss)

Exchange loss for 9M2023 of S\$3.8 million was mainly due to unrealised exchange loss of S\$2.4 million arising from the USD denominated bank loan of US\$176.1 million from the strengthening of USD against SGD, as well as unrealised exchange loss arising from HKD denominated bank loan of HKD 285.7 million of S\$0.5 million from the strengthening of HKD against SGD.

H. Other income

This arose from net change in the fair value of derivative financial instruments in the re-measurement of the interest rate swaps as at the respective reporting dates, which were entered into by the Trust to hedge the floating interest rate risk of its loans and borrowings.

I. Finance costs

The increase in finance costs in 9M2023 as compared to 9M2022 of S\$25.7 million was mainly due to increase in interest expense on bank borrowings of S\$16.1 million and provision of default interest of S\$11.5 million, offset by decrease in amortisation of S\$2.0 million. The amortisation cost is pertaining to the onshore secured floating rate term loans.

J. Income tax (expense) / credit

Increase in income tax credit in 9M2023 compared to 9M2022 was mainly due to:

- (a) write back of deferred tax of S\$1.8 million arising from the de-recognition of revenue arising from Carrefour (Ocean Metro Mall) and master leases (Xiaolan Metro Mall and Dasin E-Colour) in accordance with IFRS16 Leases.; and
- (b) decrease in deferred tax expenses of S\$12.5 million relating to fair value loss on investment properties.

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

2. Analysis of consolidated statement of cash flows

- (i) Net cash generated from operating activities for 9M2023 remained positive and stable at S\$27.5 million compared to S\$32.2 million in 9M2022.
- (ii) Net cash generated from investing activities for 9M2023 as compared to 9M2022 increased by S\$1.1 million mainly due to higher interest of S\$1.0 million received in 9M2023 as well as lower capital expenditure on investment properties of S\$0.1 million in 9M2023.
- (iii) Net cash used in financing activities for 9M2023 was S\$34.0 million. This was mainly due to payment of finance costs of S\$14.4 million, increase utilisation of cash pledged of \$12.2 million and repayment of bank borrowings of S\$7.7 million.

Net cash used in financing activities for 9M2022 was S\$36.8 million. This was mainly due to payment of distributions to unitholders of S\$15.9 million, repayment of bank borrowings of S\$18.5 million and payment of finance costs of S\$20.9 million offset by net receipt of interest free loans from shareholders S\$17.0 million.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Trust has not disclosed any forecast for FY2023.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

China's gross domestic product (GDP) grew by 5.0% in 2024, falling short of the 5.2% expansion recorded in 2023, as the economy continues to struggle with a post-pandemic recovery. This marks one of the lowest GDP growth rates China has seen since 1990, excluding the financially turbulent years of the COVID-19 pandemic. In response to persistent challenges, including a prolonged property market debt crisis and sluggish consumer spending, China has implemented a series of measures in recent months to bolster the economy. These efforts include cutting key interest rates, easing local government debt burdens, and expanding subsidy programs for household goods. While these measures have contributed to stabilizing the economy in the fourth quarter, sustaining the recovery and revitalizing economic momentum will require substantial and ongoing policy stimulus¹.

China's retail sales of consumer goods rose by 3.5% to RMB48.8 trillion in 2024, a significant slowdown from the 7.2% growth recorded in 2023². Amid weak consumer confidence and a prolonged property market downturn, the Chinese government has prioritized boosting domestic consumption as a key driver of economic growth. Recent initiatives, such as expanding the consumer goods trade-in program to include more home appliances and offering subsidies for the purchase of digital products, will further stimulate consumer spending, support the recovery of consumption, and inject renewed momentum into the country's economic growth³.

¹ <https://www.businesstimes.com.sg/international/global/chinese-economic-growth-among-slowest-decades>

² China's retail sales up 3.5 pct in 2024,
https://english.www.gov.cn/archive/statistics/202501/17/content_WS6789bffdcd0868f4e8eee38.html

³ Expanded trade-ins set to boost consumption,
https://english.www.gov.cn/policies/policywatch/202501/13/content_WS67847a4ec6d0868f4e8eec4a.html

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OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

- 4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months (cont'd)**

Notwithstanding the events as mentioned in Note 2.2 and Note 28 to the condensed interim consolidated financial statements which indicate that material uncertainties exist that might affect the prospects of a debt restructuring negatively and cast significant doubt on the ability of the Group and the Trust to continue as going concerns, the Trustee-Manager has prepared these financial statements on a going concern basis, which assumes that the Group and the Trust are able to meet their respective obligations as and when they fall due within the next twelve months of the financial period to which these financial statements relate, as the Trustee-Manager is continuing to negotiate the terms of debt restructuring with the lenders with the assistance of FTI Consulting. However, there is no assurance that the Trustee-Manager will be able to successfully agree the terms of a consensual debt restructuring with the lenders.

If for any reason the Group and the Trust are unable to continue as a going concern, there would be an impact on the classification of assets and liabilities and the ability to realise assets at their recognised values, and to extinguish liabilities in the normal course of business at the amounts stated in these financial statements. No such adjustments have been made to these financial statements. The liabilities of the Group and the Trust disclosed in these financial statements are estimated and computed based on the latest information available to the Trust as at the date of this announcement and may be subject to revisions with passage of time and upon further material information becoming available to the Trust. In addition, the Group and the Trust may have to provide for further liabilities that may arise. It should be noted that the full consequences and implications of the events disclosed above cannot necessarily be appreciated or assessed at the date of this announcement.

- 5. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

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(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable as the Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

Under Rule 705(2) of the Listing Manual of the SGX-ST ("Listing Manual"), the Group is required to announce its financial statements on a quarterly basis ("Quarterly Reporting") as its auditors had stated that a material uncertainty relating to going concern exists in the Group's latest financial statements ("Emphasis of Matter"). Under Rule 705(2A) of the Listing Manual, the Group had a grace period of one year commencing on 8 Apr 2021 (being the date of the Emphasis of Matter) to comply with the Quarterly Reporting requirement, and the Group must continue to comply with the Quarterly Reporting requirement for so long as any condition in Rule 705(2) is met. Accordingly, as the aforesaid grace period has expired and the Emphasis of Matter (being a condition in Rule 705(2)) is still subsisting, the Group has commenced issuing Quarterly Reporting for the third quarter ended 30 September 2022 and thereafter, for so long as any condition in Rule 705(2) is met.

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OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

6. Distribution

(a) Any distribution declared / recommended for the current period?

The Trust is not able to declare distributions as the Group and the Trust have defaulted on the loans in the amount of approximately S\$910 million as announced on 2 and 19 January 2023.

The loan agreements for the IPO Offshore Facility, the Doumen Offshore Facility and the Shunde Offshore Facility contain provisions to the effect that the Trust is entitled to declare distributions only if there is no default under the loan agreements, unless the declaration of the distributions is to facilitate the payment of any indebtedness under the loan agreements.

(b) Any distribution declared / recommended for the previous corresponding period?

No.

7. Interested person transactions

The Group has not obtained a general mandate from the Unitholders for interested person transactions for the financial period under review.

Descriptions of present and ongoing interested person transactions are set out on pages 304 to 321 of the Prospectus dated 13 January 2017, interested person transactions set out on pages 13 and 14 of the Circular in relation to acquisition of Doumen Metro Mall dated 1 August 2019 and set out on pages 22 to 29 of the Circular in relation to acquisition of Shunde Metro Mall and Tanbei Metro Mall dated 5 December 2019.

8. Confirmation pursuant to rule 720(1) of the Listing Manual

The Trustee-Manager confirms that it has procured undertakings from all Directors and Executive Directors and Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

9. Confirmation pursuant to Rule 705(5) of the Listing Manual

Subject to the completeness and accuracy of the information on significant related party transactions as disclosed in note 24, the Board of Directors of the Trustee-Manager has confirmed to the best of its knowledge, nothing has come to its attention which may render the unaudited condensed interim consolidated financial statements for the nine-month period ended 30 September 2023 to be false or misleading, in any material respect.

By order of the Board of the Trustee-Manager
Dasin Retail Trust Management Pte. Ltd.

Lyu Guoliang
Chairman and Non-Executive Director
Date 14 July 2025

Wang Peng
Chief Executive Officer
Date 14 July 2025

Ng Mun Fai
Chief Financial Officer
Date 14 July 2025

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This release may contain forward-looking statements that involve assumptions, 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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental, public policy changes, and the continued availability of financing. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view of future events.

The value of units in the Trust ("Units") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of the Group is not necessarily indicative of the future performance of the Group.

Investors should note that they have no right to request the Trustee-Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

On behalf of the Board of the Trustee-Manager
Dasin Retail Trust Management Pte. Ltd.
(as Trustee-Manager of Dasin Retail Trust)
(Company registration no. 201531845N)

Lyu Guoliang
Chairman and Non-Executive Director