



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 FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2020

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**DASIN RETAIL TRUST
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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 5 retail malls which are strategically located in the Zhongshan and Zhuhai cities in the People’s Republic of China (“PRC”) with an aggregate gross floor area (“GFA”) and net lettable area (“NLA”) of approximately 602,836 sq m and 317,390 sq m respectively.

	Shiqi Metro Mall	Xiaolan Metro Mall	Ocean Metro Mall	Dasin E-Colour	Doumen 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	
GFA (sq m)	119,682 (including retail and carpark spaces of 30,170)	108,690 (including carpark spaces of 20,455)	180,338 (including retail, carpark and ancillary facilities spaces of 99,624)	25,857 (including ancillary facilities spaces of 584)	168,269 (including carpark, ancillary facilities and retail spaces of 88,306)	602,836
Net lettable area (sq m)	85,027	73,414	68,332	12,579	78,038	317,390
Carpark lots	545	626	1,991	-	1,200	4,362
Commencement of operations	May 2004	September 2005	December 2014	May 2015	October 2018	

Occupancy rate of the five malls was 97.0% as at 30 June 2020 (31 December 2019: 98.8%).

The initial portfolio of the Trust comprises Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour (the “Initial Portfolio”) 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 with a total acquisition cost of approximately S\$344.1 million which was financed by a private placement, bank borrowings and internal funding. The private placement was about 1.2 times subscribed at an issue price of S\$0.78 per unit with an issuance of about 120.5 million units, raising gross proceeds of about S\$94 million. The term loan facility comprises an offshore facility of up to the equivalent of approximately S\$134.22 million in aggregate and an onshore facility of the equivalent of approximately S\$94.3 million (RMB500 million) in aggregate.

Shunde Metro Mall is a large-scale integrated shopping mall located in Daliang Town of Shunde District, Foshan City with a GFA of about 177,276 sq m and NLA of about 66,678 sq m that provides a one-stop destination for leisure and entertainment, food and beverages (“F&B”) and retail activities, and comprises three basement levels and six levels above ground. Daliang Town, which is the district centre and has the largest residential population in the Shunde District. There are large scale residential communities, schools and relatively mature commercial zone within Daliang Town and the nearby Ronggui Town.

Tanbei Metro Mall is located at Dongsheng Town, Zhongshan with a GFA of about 13,640 sq m and NLA of about 8,952 sq m. It is the only shopping mall in Dongsheng town, and enjoys a strong catchment area with a convenient transportation network and comprehensive supporting municipal facilities, surrounded by many residential quarters and completed supporting commercial facilities. It is a lifestyle shopping mall, with key trade mix including supermarket, retail, F&B and children’s playground.

As at 30 June 2020, the Trust has 15 Right of First Refusal (“ROFR”) properties from the Sponsor, Zhongshan Dasin Real Estate Co., Ltd.

Distribution Policy

The Trustee-Manager will distribute at least 90.0% of the Trust’s amount available for distribution with the actual level of distribution to be determined at the discretion of the Board of Directors of the Trustee-Manager.

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SUMMARY OF DASIN RETAIL TRUST GROUP RESULTS ^{(i), (iii)}

	Actual 1H FY2020 S\$'000	Actual 1H FY2019 S\$'000	% change
Revenue ^{(i), (ii)}	37,077	35,247	5.2
Net property income	30,270	28,456	6.4
Amount available for distribution	8,828	10,651	(17.1)
Distribution per unit (cents):			
- With Distribution Waiver	1.92	3.39	(43.4)
- Without Distribution Waiver	1.35	1.90	(28.7)
Annualised distribution yield (%)			
- Based on Offering price of S\$0.80:			
- With Distribution Waiver	4.83	8.55	(43.5)
- Without Distribution Waiver	3.40	4.79	(28.9)
- Based on closing price ^(iv) :			
- With Distribution Waiver	4.65	7.77	(40.1)
- Without Distribution Waiver	3.28	4.35	(24.7)

	1H FY2020 RMB'000	1H FY2019 RMB'000	% change
Revenue	186,656	175,548	6.0
Net property income	152,383	141,725	8.0

Notes:

- (i) The financial results for the half-year ended 30 June 2020 ("1H FY2020") include contributions from Doumen Metro Mall which was acquired on 12 September 2019.
- (ii) 1H FY2020 includes rental relief extended to tenants in view of the impact of COVID-19.
- (iii) The actual results of the Trust's foreign operations were translated using the average RMB/SGD rate of 5.0343 for 1H FY2020 (1H FY2019: 4.9805).
- (iv) 1H FY2020 based on closing price of S\$0.830 per unit as at 30 June 2020.
1H FY2019 based on closing price of S\$0.880 per unit as at 28 June 2019.

DISTRIBUTION AND BOOK CLOSURE DATE

Distribution	For 1 January 2020 to 30 June 2020
Distribution type	Capital distribution
Distribute rate	1.92 cents per unit
Book closure date	6 July 2020
Payment date	28 September 2020

As announced on 26 June 2020 titled "Notice of Cumulative Distribution Books Closure and Distribution Payment Dates", the distribution for the period from 1 January 2020 to 30 June 2020 ("1H FY2020 Distribution") will be paid together with the distribution for the period from 1 July 2020 to 6 July 2020 ("Advanced Distribution") on 28 September 2020. A distribution of 1.98 cents per unit (comprises 1.92 cents per unit for the 1H FY2020 Distribution and 0.06 cents per unit for the Advanced Distribution) will be made on 28 September 2020.

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1 (a)(i) Consolidated Income Statement and Distribution Statement

	Note	1H FY2020 S\$'000	1H FY2019 S\$'000	% change
Revenue	(1)	37,077	35,247	5.2
Property related taxes		(1,622)	(2,037)	(20.4)
Property and commercial management fees		(736)	(696)	5.7
Other property operating expenses		(4,450)	(4,057)	9.7
Total property operating expenses		(6,807)	(6,790)	0.3
Net property income	(1)	30,270	28,456	6.4
Trustee-Manager's fees	(2)	(2,699)	(2,129)	26.7
Other trust expenses	(3)	(1,075)	(777)	38.4
Exchange (loss)/gain	(4)	(9,145)	1,097	NM
Other expense	(5)	(692)	(1,357)	(49.0)
Finance income	(6)	658	572	15.2
Finance costs	(7)	(16,583)	(13,925)	19.1
Net income		733	11,936	(93.9)
Net change in fair value of investment properties	(8)	(96,311)	(20,872)	NM
Loss before income tax		(95,578)	(8,935)	NM
Income tax expense	(9)	15,352	(2,453)	NM
Loss for the period		(80,226)	(11,388)	NM
Attributable to:				
Unitholders of the Trust		(80,226)	(11,388)	NM
Distributable income attributable to Unitholders				
Loss for the period		(80,226)	(11,388)	
Distribution adjustments	(10)	89,054	22,039	
Amount available for distribution		8,828	10,651	

NM – Not meaningful

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Notes to Consolidated Income Statement and Distribution Statement:

(1) Revenue

Revenue for 1H FY2020 was higher than 1H FY2019 by approximately S\$1.8 million due mainly to the acquisition of Doumen Metro Mall, which contributed approximately S\$8.6 million. This was partially offset by lower rental income from Ocean Metro Mall, Shiqi Metro Mall, Xiaolan Metro Mall and Dasin E-Colour of approximately S\$2.5 million, S\$2.5 million, S\$1.1 million and S\$0.1 million respectively and the weakening of the RMB against SGD of S\$0.5 million. The lower rental was due to the impact of COVID-19 and rental rebates provided to tenants in 1H FY2020.

Net property income

The FY2019 annual net property income margin ("NPI margin") for the Trust is approximately 79%.

NPI margin for 1H FY2020 was approximately 81.6% while that of 1H FY2019 was approximately 80.7%. The NPI margin for 1H FY2020 was higher due mainly to lower operating expenses resulted from lower electricity charges, lower property tax and property tax rebates provided by the local government owing to the government support for businesses in response to COVID-19.

(2) Trustee-Manager's fees

The Trustee-Manager's fees comprise the management fee, trustee fee, acquisition fee and divestment fee.

(i) Management fee

The Trustee-Manager is entitled to receive a base fee calculated at a rate in accordance with the formula below:

- Base fee
 - (a) 0.25% per annum of the value of the trust property of the Group ("Trust Property"), if the value of the Trust Property is less than or equal to S\$10.0 billion; or
 - (b) 0.25% per annum of the value of the Trust Property up to S\$10.0 billion plus 0.20% per annum of the value of the Trust Property which exceeds S\$10.0 billion, if the value of the Trust Property is greater than S\$10.0 billion.

For the purposes of calculating the base fee only, the value of the Trust Property shall not include the value of the investments in vacant land and uncompleted property developments by the Trust. Trust Property has the same meaning ascribed to it in the Business Trusts Act (Chapter 31A).

- Performance fee

The Trustee-Manager is entitled to receive a performance fee of 25.0% of the difference in distribution per unit ("DPU") in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance management fee in each financial year) multiplied by the weighted average number of units in issue for such financial year.

(ii) Trustee fee

The Trustee-Manager is entitled to receive a trustee fee of 0.02% per annum of the value of the Trust Property, excluding out of pocket expenses and GST.

(iii) Acquisition fee

The Trustee-Manager is entitled to receive acquisition fee of 0.75% for acquisition from interested person and 1.0% for all other acquisition price plus any other payments in addition to the acquisition price made to the vendor.

(iv) Divestment fee

The Trustee-Manager is entitled to receive divestment fee of 0.5% of the sale price plus any other payments received in addition to the sale price from the purchaser.

The Trustee-Manager may elect to receive the management fees, trustee fees, acquisition fee and/or divestment fees in cash or units or a combination of cash and/or units (as it may in its sole discretion determine). The Trustee-Manager has elected to receive 100% of the trustee-fee and base fee in the form of unit for 1H FY2020.

Trustee-Manager's fees were higher due to higher value of the Trust Property of the Group following the completion of the acquisition of the Doumen Metro Mall on 12 September 2019.

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Notes to Consolidated Income Statement and Distribution Statement (cont'd):

(3) Other trust expenses

	1H FY2020 S\$'000	1H FY2019 S\$'000
Audit fees	218	162
Facility agent and security agent fees	171	50
Professional fees	204	140
Unclaimable GST expenses	303	193
Investor relations	88	122
Others	91	110
	1,075	777

The professional fees consist of valuation, legal, tax, internal audit and compliance fees.

(4) Exchange (loss)/gain

Exchange loss for 1H FY2020 of S\$9.1 million was due mainly to an unrealised exchange loss from the weakening of the SGD against USD and HKD on the USD and HKD denominated bank loans of US\$134.3 million and HKD 294.0 million respectively. The exchange rates were USD/SGD of 1.3945 in 1H FY2020 (FY2019: 1.3447), and HKD/SGD of 0.1799 (FY2019: 0.1726).

Exchange gain for 1H FY2019 of S\$1.1 million was due mainly to unrealised exchange gain from the strengthening of the SGD against USD on the USD Denominated bank loans of US\$134.3 million.

Unrealised exchange differences do not affect the distributable income of the Trust.

(5) Other expense

	1H FY2020 S\$'000	1H FY2019 S\$'000
Net change in fair value of derivative financial instruments ⁽ⁱ⁾	(692)	(1,357)
	(692)	(1,357)

Note:

⁽ⁱ⁾ Net change in the fair value of derivative financial instruments arose from the re-measurement of the interest rate swaps as at the respective reporting dates, which were entered into by the Trust to hedge 40% of the floating interest rate risk of its Offshore Facilities. The net loss in fair value of derivative financial instruments in 1H FY2020 and 1H FY2019 was due to the current interest rate is lower than the level of interest rate hedged or contracted for the derivative financial instruments.

(6) Finance income

Increase in finance income was owing to higher amounts placed in financial investments as at 30 June 2020 (S\$1.7 million) and 30 June 2019 (S\$nil).

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Notes to Consolidated Income Statement and Distribution Statement (cont'd):

(7) Finance costs

	1H FY2020 S\$'000	1H FY2019 S\$'000
Interest expense on loans and borrowings ⁽ⁱ⁾	11,825	9,189
Amortisation of upfront debt-related transaction costs	4,758	4,734
Others	1	2
	16,583	13,925

- (i) These relate to the Onshore and Offshore Facilities as set out in Section 1(b)(ii) of this announcement. Higher interest expenses in 1H FY2020 was due mainly to drawdown of the onshore syndicated term loan of RMB500.0 million (S\$96.5 million) and the offshore syndicated term loan of approximately S\$106.6 million to finance the acquisition of Doumen Metro Mall. It was partially offset by lower interest expense for Offshore Facilities relating to Initial Portfolio and Shiqi Metro Mall.

(8) Net change in fair value of investment properties

Net change in fair value of investment properties relates to the adjustments of the changes in the carrying value of the investment properties during the respective periods.

	1H FY2020 S\$'000	1H FY2019 S\$'000
Decrease in valuation of the investment properties	(90,043)	(20,451)
Recognition of rental income on a straight-line basis	(6,268)	(420)
	(96,311)	(20,872)

Decrease in valuation of the investment properties in 1H FY2020 compared to 1H FY2019 was mainly due to lower expected rental growth rate, higher discount rate and terminal cap rate assumptions as a result of the COVID-19 pandemic, and adjusted for capital expenditure, lease incentive and government grants related to investment properties. It was partially offset by the weakening of SGD against RMB as the investment properties are RMB denominated assets.

The valuation of investment properties denominated in RMB as at 30 June 2020 and 31 December 2019 was as follows:

	Fair value As at 30 June 2020 RMB million	Fair value As at 31 December 2019 RMB million	%	Fair value As at 30 June 2020 S\$'000	Fair value As at 31 December 2019 S\$'000	%
			change			change
Shiqi Metro Mall	2,853	2,994	(4.7)	563	578	(2.6)
Xiaolan Metro Mall	2,160	2,274	(5.0)	426	439	(2.9)
Ocean Metro Mall	1,716	1,805	(5.0)	339	349	(2.9)
Dasin E-Colour	292	310	(5.7)	58	60	(3.7)
Doumen Metro Mall	2,030	2,100	(3.3)	401	406	(1.2)
	9,050	9,482	(4.6)	1,786	1,831	(2.5)

The details of the investment properties are set out in Section 1(b)(i)(1) of this announcement.

Net change in fair value of investment properties does not affect the distributable income of the Trust.

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Notes to Consolidated Income Statement and Distribution Statement (cont'd):

(9) Income tax expense

Income tax expense comprise the following:

	1H FY2020 S\$'000	1H FY2019 S\$'000
Current income tax expense - PRC ⁽ⁱ⁾	2,763	4,023
Withholding tax expense ⁽ⁱⁱ⁾	396	615
	3,159	4,638
Deferred income tax income ⁽ⁱⁱⁱ⁾	(18,511)	(2,186)
	(15,352)	2,453

(i) While the Group incurred loss in 1H FY2020 and 1H FY2019, the rental management companies of Shiqi Metro Mall and Xiaolan Metro Mall have incurred income tax expenses on their taxable profits of S\$2.8 million and S\$4.0 million for 1H FY2020 and 1H FY2019 respectively. The income tax expense is calculated based on the statutory income tax rate of 25%.

(ii) Withholding tax of 5% is provided on the undistributed statutory earnings of the PRC subsidiaries.

(iii) Deferred income tax income arise mainly from recognition of the temporary differences between the carrying amounts used for financial reporting and taxation purposes (the "Temporary Differences") relating to the investment properties. Increase in deferred income tax income for 1H FY2020 versus 1H FY2019 mainly arose from the decrease in Temporary Differences in respect of the investment properties for Shiqi Metro Mall, Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour due to the lower fair values of these investment properties as at 30 June 2020; offset by such Temporary Differences arising from the acquisition of Doumen Metro Mall.

(10) Distribution adjustments

Distribution adjustments comprise the following:

	1H FY2020 S\$'000	1H FY2019 S\$'000
Amortisation of upfront debt-related transaction costs	4,758	4,734
Deferred income tax income	(18,511)	(2,186)
Depreciation of plant and equipment	77	42
Impairment losses on receivables	1,095	-
Interest income on financial investments	-	(31)
Loan repayment	(894)	(396)
Net change in fair value of derivative financial instruments	692	1,358
Net change in fair value of investment properties	96,311	20,871
Recognition of rental income on a straight line basis over the lease term	(6,268)	(420)
Transfer to statutory reserve	-	(6)
Trustee-Manager's fees paid/payable in units	2,699	2,129
Unrealised exchange loss/(gain)	9,094	(1,250)
Other adjustments ⁽¹⁾	-	(2,805)
	89,054	22,039

Note:

⁽¹⁾ Included in other adjustments for 1H FY2019 is an amount which is set aside for future repayment of interest and related costs of loan facilities.

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1 (a)(ii) Consolidated Statement of Comprehensive Income

	1H FY2020 S\$'000	1H FY2019 S\$'000
Loss for the period	(80,226)	(11,388)
Other comprehensive income:		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences - foreign operations, net of tax ⁽ⁱ⁾	36,328	(5,780)
	36,328	(5,780)
Other comprehensive income for the period, net of tax	36,328	(5,780)
Total comprehensive income for the period	(43,898)	(17,169)
Attributable to:		
Unitholders of the Trust	(43,898)	(17,169)

Note:

⁽ⁱ⁾ Foreign currency translation gain for foreign operations, net of tax, for 1H FY2020 was attributed to the strengthening of the RMB against SGD (1H FY2020: 5.0663 vs FY2019: 5.1781).

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1 (b)(i) Consolidated Statement of Financial Position for the Group and Statement of Financial Position for the Trust

	Note	Group		Trust	
		As at 30 June 2020 ⁽ⁱ⁾ S\$'000	As at 31 December 2019 ⁽ⁱ⁾ S\$'000	As at 30 June 2020 ⁽ⁱ⁾ S\$'000	As at 31 December 2019 ⁽ⁱ⁾ S\$'000
Non-current assets					
Investment properties	(1)	1,786,307	1,831,173	-	-
Plant and equipment		137	197	-	-
Intangible assets		338	327	-	-
Subsidiaries	(2)	-	-	690,626	684,441
Financial derivatives	(3)	161	26	161	26
		1,786,943	1,831,723	690,787	684,467
Current assets					
Trade and other receivables		19,363	12,990	991	849
Cash and bank balances	(4)	100,358	115,691	24,362	20,070
		119,721	128,681	25,353	20,919
Total assets		1,906,664	1,960,404	716,140	705,386
Non-current liabilities					
Loans and borrowings	(5)	277,541	501,644	107,778	335,162
Financial derivatives	(3)	1,459	631	1,459	631
Deferred tax liabilities	(6)	317,365	329,253	-	-
Other payables		2,105	3,040	-	-
		598,470	834,568	109,237	335,793
Current liabilities					
Loans and borrowings	(5)	435,141	203,869	433,584	202,144
Trade and other payables		18,783	18,638	85,013	54,340
Security deposits		16,373	15,822	-	-
Current tax liabilities		1,635	1,779	-	-
		471,932	240,108	518,597	256,484
Total liabilities		1,070,402	1,074,676	627,834	592,277
Net assets		836,262	885,728	88,306	113,109
Represented by:					
Unitholders' funds		836,262	885,728	88,306	113,109

Note:

- (i) The net assets of the Trust's foreign operations were translated using the closing rate RMB/SGD of 5.0663 as at 30 June 2020 (31 December 2019: 5.1781).
- (ii) The Group was in a negative working capital position with net current liabilities of S\$352.2 million as at 30 June 2020. This is mainly due to the reclassification of S\$139.6 million and US\$72.3 million (S\$100.8 million) offshore syndicated term loan equivalent to S\$240.4 million in aggregate relating to the Initial Portfolio and Shiqi Metro Mall, which are due and payable in January 2021 from non-current liabilities to current liabilities. The Trustee-Manager is in discussion with the prospective lenders on the refinancing.

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Notes to Consolidated Statement of Financial Position for the Group and Statement of Financial Position for the Trust:

(1) Investment properties

Investment properties of the Group as at 30 June 2020 and 31 December 2019 amounted to S\$1,786.3 million (RMB9,050.0 million) and S\$1,831.2 million (RMB9,482.0 million) respectively.

The investment properties for Initial Portfolio, Shiqi Metro Mall and Doumen Metro Mall were valued at 30 June 2020 by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), using the average of the Discounted Cash Flows and Income Capitalisation methods as follows:

	Fair value		Fair value	
	As at 30 June 2020		As at 31 December 2019	
	RMB million	S\$ million	RMB million	S\$ million
Shiqi Metro Mall	2,852.5	563.0	2,994.0	578.2
Xiaolan Metro Mall	2,160.0	426.4	2,273.5	439.1
Ocean Metro Mall	1,715.5	338.6	1,805.0	348.6
Dasin E-Colour	292.0	57.6	309.5	59.8
Doumen Metro Mall	2,030.0	400.7	2,100.0	405.5
	<u>9,050.0</u>	<u>1,786.3</u>	<u>9,482.0</u>	<u>1,831.2</u>

As at 31 December 2019, Colliers International (Hong Kong) Limited was the valuer for all properties, except for Doumen Metro Mall, which was valued by JLL.

(2) Subsidiaries (Trust)

	As at 30 June 2020	As at 31 December 2019
	S\$'000	S\$'000
Unquoted equity, at cost	61,300	61,300
Loans to subsidiaries	629,326	623,141
	<u>690,626</u>	<u>684,441</u>

The loans to subsidiaries of the Trust consist of a S\$456.2 million and US\$124.2 million (S\$173.2 million) equivalent to S\$629.3 million in aggregate, which are unsecured, interest-free and repayable with a notice period of 366 days. These loans were provided to subsidiaries to fund the acquisition of the Initial Portfolio, Shiqi Metro Mall and Doumen Metro Mall. The quasi capital loans as at 31 December 2019 have been reclassified from interests in subsidiaries to loans to subsidiaries in accordance with IFRS 9 *Financial Instruments*.

The Trust recognised an unrealised foreign exchange gain of S\$6.2 million on the USD-denominated loans extended to the subsidiaries as at 30 June 2020. The unrealised exchange gain has no impact on the distributable income of the Trust.

(3) Financial derivatives

Derivative financial instruments relate to the fair value of the floating-to-fixed interest rate swaps entered into for the purpose of hedging 40% of the floating interest rate risk on the Offshore Facilities.

(4) Cash and bank balances

Cash and bank balances of the Group and the Trust included restricted cash and financial investments of the Group of S\$1.7 million (31 December 2019: S\$nil), which were placed as security deposit to secure bank borrowings, as at 30 June 2020 of approximately S\$33.2 million (31 December 2019: S\$32.5 million) and S\$10.9 million (31 December 2019: S\$10.7 million) respectively.

Financial investments of the Group relate to investments in RMB denominated income fund managed by the Bank of China in People's Republic of China was included in cash and bank balances. The income fund invests in various short-term quoted and unquoted debt instruments. Such financial investments earn fixed rate of interest ranging from 2.50% to 3.2% (31 December 2019: 2.90% to 3.20%) per annum with tenure ranging from 1 month to 3 months (31 December 2019: 1 month to 3 months), are stated at amortised cost.

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Notes to Consolidated Statement of Financial Position for the Group and Statement of Financial Position for the Trust (cont'd):

(5) Loans and borrowings

Please refer to Section 1(b)(ii) of this announcement for the details.

(6) Deferred tax liabilities

Deferred income tax liabilities comprise the provision of 5% withholding tax for undistributed statutory earnings of the PRC subsidiaries and recognition of the temporary differences between the carrying amounts used for financial reporting and taxation purposes relating to the carrying value of the investment properties.

The decrease of S\$11.9 million in deferred tax liabilities is mainly attributed to deferred tax on the decrease in the temporary differences between the carrying amounts for financial reporting and taxation purposes in respect of the fair value of investment properties of S\$19.1 million; partially offset by the weakening of the SGD against RMB amounted to S\$7.2 million.

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1 (b)(ii) Aggregate Amount of Borrowings and Debt Securities for the Group

	Group		Trust	
	As at 30 June 2020 S\$'000	As at 31 December 2019 S\$'000	As at 30 June 2020 S\$'000	As at 31 December 2019 S\$'000
Secured borrowings:				
- Amount repayable within one year	441,539	204,112	439,763	202,374
- Amount repayable after one year	280,290	512,095	107,779	342,438
	721,831	716,206	547,541	544,812
Unsecured borrowings:				
- Amount repayable within one year	-	-	-	-
- Amount repayable after one year	-	-	-	-
	-	-	-	-
Total gross borrowings	721,831	716,206	547,541	544,812
Less capitalised transaction costs	(9,149)	(10,693)	(6,180)	(7,505)
Total borrowings net of transaction costs	712,682	705,513	541,362	537,306

Details of any collaterals

The Group has a RMB400.0 million (S\$82.2 million) onshore syndicated term loan (the "Onshore Facility") and a S\$242.0 million and US\$134.3 million (S\$179.6 million) offshore syndicated term loan equivalent to S\$421.6 million in aggregate (the "Offshore Facilities") relating to the Initial Portfolio and Shiqi Metro Mall.

The Group has drawdown a RMB500.0 million (S\$96.5 million) onshore syndicated term loan (the "Onshore Facility for Doumen Acquisition") in August 2019 as well as S\$54.9 million and HKD294.0 million (S\$52.0 million) offshore syndicated term loan equivalent to S\$106.9 million in aggregate (the "Offshore Facilities for Doumen Acquisition") in September 2019.

The Onshore Facility and Onshore Facility for Doumen Acquisition are secured by legal mortgage over each of the Initial Portfolio and Shiqi Metro Mall and Doumen Metro Mall respectively, and a pledge over the sales proceeds, rental income and receivables derived from these properties. The Onshore Facility is a 4.5-year term loan facility while the Onshore Facility for Doumen Acquisition is a 10-year term loan. The repayment schedule of the Onshore Facility and Onshore Facility for Doumen Acquisition are as follows:

Onshore Facility repayment schedule (Initial Portfolio and Shiqi Metro Mall):

- 0.5% of the outstanding amount 6 months after the date of the drawdown;
- 0.5% of the outstanding amount for every 6 months thereafter up to 48 months after the date of the drawdown; and
- the remainder of the outstanding amount 54 months after the date of the drawdown.

Onshore Facility repayment schedule (Doumen Metro Mall):

- first loan repayment was on 21 September 2019. 0.25% of the outstanding amount 3 months after the first loan repayment date;
- 0.25% of the outstanding amount for every 3 months thereafter up to 120 months after the date of the drawdown; and
- the remainder of the outstanding amount 120 months after the first repayment date.

During 1H FY2020, the Group repaid RMB2.0 million and RMB2.5 million relating to part of the Onshore Facility and Onshore Facility for Doumen Acquisition respectively, in accordance with the facility agreements.

The Offshore Facilities for the acquisition of the Initial Portfolio and Shiqi Metro Mall as well as Offshore Facilities for Doumen Acquisition are secured by way of first ranking charges over the entire issued share capital of each of the Singapore subsidiary companies and first ranking pledges over the entire issued share capital/equity interest of each of the PRC property companies and rental management companies. The repayment schedule of the Offshore Facilities and Offshore Facilities for Doumen Acquisition are as follows:

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Offshore Facility repayment schedule (Initial Portfolio and Shiqi Metro Mall):

- (a) Facility A: an amount of S\$106.6 million and US\$52.4 million payable after 24 months from the date of its drawdown on 20 January 2017;
- (b) Facility B: an amount of S\$102.4 million and US\$62.0 million payable after 36 months from the date of the Offshore Facilities first drawdown on 20 January 2017; and
- (c) Facility C: an amount of S\$32.9 million and US\$19.9 million payable after 48 months from the date of the Offshore Facilities first drawdown on 20 January 2017.

The Trust has extended the tenure of the Offshore Facility B which was due on 19 January 2020 by another one year to 19 January 2021.

Offshore Facility for Doumen Acquisition repayment schedule (Doumen Metro Mall):

- (a) HKD Tranche: an amount of HKD294.0 million payable after 36 months from the date of its drawdown on 18 September 2019; and
- (b) SGD Tranche: an amount of S\$54.9 million payable after 36 months from the date of its drawdown on 18 September 2019.

In addition to the above facilities, the Group has secured a revolving credit facility ("RCF") for financing the general working capital of the Group. These credit facilities are secured by the restricted cash of the subsidiary in China. The credit facilities are as follows:

- (a) a two-year RCF of RMB50 million (approximately S\$10.3 million) from September 2017 to August 2019. The Group has drawdown an amount of S\$7.0 million in March 2018. The Group repaid in full the amount on 28 March 2019.
- (b) a RCF of up to RMB100 million (approximately S\$19.3 million). The Group has drawdown a total amount of S\$16.6 million as at 31 December 2019 and this amount has been repaid in full in March 2020. The Group has drawdown a total amount of S\$10.5 million in March 2020.

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1 (c) Consolidated Statement of Cash Flows

	Group	
	1H FY2020 S\$'000	1H FY2019 S\$'000
Operating activities		
Loss before income tax	(95,578)	(8,935)
Adjustments for:		
Depreciation of plant and equipment	77	42
Finance costs	16,583	13,925
Finance income	(658)	(572)
Impairment losses on receivables	1,095	-
Net change in fair value of derivative financial instruments	692	1,358
Net change in fair value of investment properties	96,311	20,871
Recognition of rental income on a straight-line basis over the lease term	(6,268)	(420)
Trustee-Manager's fees paid/payable in units	2,699	2,129
Unrealised exchange loss/(gain)	9,094	(1,250)
Operating cash flows before working capital changes	24,047	27,148
Changes in working capital:		
Trade and other receivables	(8,667)	(1,523)
Trade and other payables	5,511	(3,769)
Cash generated from operations	20,891	21,856
Income tax paid	(2,906)	(5,131)
Net cash from operating activities	(1) 17,985	16,725
Investing activities		
Capital expenditure on investment properties	(5,305)	(662)
Interest received	654	383
Net withdrawal of financial investments	-	23,750
Payment of right-of-use assets	(53)	(26)
Purchase of intangible assets	(11)	(54)
Purchase of plant and equipment	(17)	(16)
Government grants	(2) 1,073	-
Net cash generated (used in)/from investing activities	(3) (3,659)	23,375
Financing activities		
Distributions paid	(8,267)	(10,712)
Decrease in cash pledged	(256)	(6,891)
Finance costs paid	(12,235)	(9,003)
Payment of loan transaction costs	(8,565)	(4,000)
Proceeds from borrowings	10,500	9,700
Repayment of borrowings	(17,494)	(7,411)
Net cash used in financing activities	(4) (36,317)	(28,317)
Net (decrease)/increase in cash and cash equivalents	(21,991)	11,783
Cash and cash equivalents at the beginning of the period	83,211	44,981
Effect of exchange rate changes on cash and cash equivalents	5,921	304
Cash and cash equivalents at the end of the period	67,141	57,068

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Notes:

- (a) For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents of the Group as at 30 June 2020 and 30 June 2019 are as follows:

	Group	
	As at 30 June 2020	As at 30 June 2019
	S\$'000	S\$'000
Cash and bank balances in Statement of Financial Position	100,358	87,962
Less: Restricted cash	(33,217)	(30,894)
Cash and cash equivalents in Statement of Cash Flows	67,141	57,068

Cash Flows

- (1) Net cash generated from operating activities in 1H FY2020 was S\$18.0 million versus S\$16.7 million in 1H FY2019 was due mainly to slower settlement of trade and other payables.
- (2) Government grants of S\$1.1 million (RMB5.4 million) from the Chinese government are for upgrading energy savings equipment in 1H FY2020.
- (3) Net cash used in investing activities of S\$3.7 million in 1H FY2020 relates mainly to the capital expenditure of S\$5.3 million spent on asset enhancement initiative ("AEI") for investment properties.

Net cash generated from investing activities of S\$23.4 million in 1H FY2019 relates to the withdrawal of financial investments of S\$23.8 million upon maturity and bank interest received of S\$0.4 million and capital expenditure of S\$0.7 million spent on AEI for investment properties.

- (4) Net cash used in financing activities of S\$36.3 million in 1H FY2020 was due mainly to repayment of borrowings of S\$17.5 million, payment of finance costs of S\$12.2 million, payment of upfront debt-related transaction costs of S\$8.6 million on loan extension and payment of distribution to unitholders of S\$8.3 million. This was partially offset by the net proceeds from borrowings of S\$10.5 million.

A net cash used in financing activities in 1H FY2019 of S\$28.3 million relates to distribution to unitholders of S\$10.7 million, payment of finance costs of S\$9.0 million, increase in restricted cash of S\$6.9 million in relation to additional security deposit placed to secure a RCF (refer to aggregate amount of borrowings and debt securities for the Group on Section 1(b)(ii) for further details), payment of transaction costs on loan extension of S\$4.0 million; offset by the net proceeds from borrowings of S\$2.3 million.

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1 (d)(i) Statement of Changes in Unitholders' Funds for the Group and the Trust

	Units in issue	Statutory surplus reserve ⁽¹⁾	Capital reserve ⁽²⁾	Foreign currency translation reserve ⁽³⁾	Accumulated profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group (1H FY2019)						
As at 1 January 2019	138,727	281	680,619	(72,162)	28,483	775,948
Loss for the period	-	-	-	-	(11,388)	(11,388)
Other comprehensive income:						
Foreign currency translation differences - foreign operations, net of tax	-	-	-	(5,780)	-	(5,780)
Total other comprehensive income for the period	-	-	-	(5,780)	-	(5,780)
Total comprehensive income for the period	-	-	-	(5,780)	(11,388)	(17,168)
Reserves to be set aside under PRC laws	-	6	-	-	(6)	-
Transactions with Unitholders:						
Contributions by and distributions to Unitholders						
Distribution to Unitholders						
- Tax-exempt income	-	-	-	-	(1,505)	(1,505)
- Capital	(9,207)	-	-	-	-	(9,207)
Units issued and to be issued as payment for Trustee-Manager's fees	2,129	-	-	-	-	2,129
Total transactions with Unitholders	(7,078)	-	-	-	(1,505)	(8,583)
As at 30 June 2019	131,649	287	680,619	(77,942)	15,584	750,197
The Group (1H FY2020)						
As at 1 January 2020	194,137	462	782,785	(105,584)	13,928	885,728
Loss for the period	-	-	-	-	(80,226)	(80,226)
Other comprehensive income:						
Foreign currency translation differences - foreign operations, net of tax	-	-	-	36,328	-	36,328
Total other comprehensive income for the period	-	-	-	36,328	-	36,328
Total comprehensive income for the period	-	-	-	36,328	(80,226)	(43,898)
Transactions with Unitholders:						
Contributions by and distributions to Unitholders						
Distribution to Unitholders						
- Tax-exempt income	-	-	-	-	(3,772)	(3,772)
- Capital	(4,495)	-	-	-	-	(4,495)
Units issued and to be issued as payment for Trustee-Manager's fees	2,699	-	-	-	-	2,699
Total transactions with Unitholders	(1,796)	-	-	-	(3,772)	(5,568)
As at 30 June 2020	192,341	462	782,785	(69,256)	(70,070)	836,262

Notes:

- (1) The statutory reserve refers to the reserve as required under the regulations of the PRC where a wholly-owned foreign enterprise must apportion 10% of its after-tax profit to the general reserve account until such reserve reaches 50% of the PRC company's registered capital.
- (2) The reserve represents the excess of the fair value of the net assets of the Initial Portfolio, Shiqi Metro Mall and Doumen Metro Mall acquired over the consideration transferred.
- (3) The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations.
Foreign currency translation gain for foreign operations, net of tax, for 1H FY2020 of approximately S\$36.3 million is attributed to the strengthening of the RMB against SGD (30 June 2020: 5.0663, 31 December 2019: 5.1781).

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1 (d)(i) Statement of Changes in Unitholders' Funds for the Group and the Trust (cont'd)

	Units in issue	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000
The Trust (1H FY2019)			
As at 1 January 2019	138,727	(49,822)	88,905
Loss for the period	-	(5,685)	(5,685)
Total comprehensive income for the period	<u>138,727</u>	<u>(55,507)</u>	<u>83,220</u>
Transactions with Unitholders:			
Contributions by and distributions to Unitholders			
Distribution to Unitholders			
- Tax-exempt income	-	(1,505)	(1,505)
- Capital	(9,207)	-	(9,207)
Units to be issued as payment for Trustee-Manager's fee	2,129	-	2,129
Total transactions with Unitholders	<u>(7,078)</u>	<u>(1,505)</u>	<u>(8,583)</u>
As at 30 June 2019	<u>131,649</u>	<u>(57,012)</u>	<u>74,637</u>
The Trust (1H FY2020)			
As at 1 January 2020	194,137	(81,028)	113,109
Loss for the period	-	(19,235)	(19,235)
Total comprehensive income for the period	<u>194,137</u>	<u>(100,263)</u>	<u>93,874</u>
Transactions with Unitholders:			
Contributions by and distributions to Unitholders			
Distribution to Unitholders			
- Tax-exempt income	-	(3,772)	(3,772)
- Capital	(4,495)	-	(4,495)
Units to be issued as payment for Trustee-Manager's fees	2,699	-	2,699
Total transactions with Unitholders	<u>(1,796)</u>	<u>(3,772)</u>	<u>(5,568)</u>
As at 30 June 2020	<u>192,341</u>	<u>(104,035)</u>	<u>88,306</u>

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1 (d)(ii) Details of any Changes in the Units

Units in issue:

Units in issue as at beginning of period

New Units issued:

- Trustee-Manager's fee paid in Units ⁽ⁱ⁾

Units to be issued:

- Trustee-Manager's fees payable in units ⁽ⁱⁱ⁾

Total issued and issuable units at the end of the period

Group and Trust	
1H FY2020 '000	1H FY2019 '000
647,035	557,649
3,292	2,504
650,326	560,153
1,616	1,196
1,616	1,196
651,943	561,349

Footnotes:

^{i.} In 1H FY2020, it related to payment of Trustee-Manager's fee for the fourth quarter ended 31 December 2019 ("4Q FY2019") and the first quarter ended 31 March 2020 ("1Q FY2020") while in 1H FY2019, it related to payment of Trustee-Manager's fee for the fourth quarter ended 31 December 2018 ("4Q FY2018") and the first quarter ended 31 March 2019 ("1Q FY2019").

^{ii.} 1,615,933 units are to be issued to the Trustee-Manager in relation to their trustee fee and base management fee for the second quarter ended 30 June 2020 ("2Q FY2020").

The Trust does not have any units as subsidiary holdings as at 30 June 2020 and 31 December 2019.

1 (d)(iii) Total number of issued Units excluding treasury Units as at the end of the current financial period and as at the end of the immediately preceding year

The Group and Trust do not hold any treasury units as at 30 June 2020 and 31 December 2019. The total number of issued units excluding treasury units as at 30 June 2020 and 31 December 2019 were 650,326,655 and 647,034,628 respectively.

1 (d)(iv) Statement of all sales, transfers, cancellation and/or use of treasury Units as at the end of the current financial period

Not applicable.

1 (d)(v) Statement of all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation consistent with those used in the audited financial statements for the financial year ended 31 December 2019 in the preparation of the consolidated financial statements for the current reporting period.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

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6 Earnings per Unit and Distribution per Unit

Earnings per Unit ("EPU")

Weighted average number of Units in issue ('000)

Basic EPU¹

Diluted EPU

Weighted average number of Units outstanding ('000)

Diluted EPU²

Distribution per unit ("DPU")³

Number of Units issued and issuable at end of period ('000)

Number of Units not entitled to distribution under Distribution Waiver ('000)

Number of Units entitled to distribution under Distribution Waiver ('000)

Based on the number of Units in issue and issuable at end of period ('000)

- With Distribution Waiver (cents)

- Without Distribution Waiver (cents)

Group	
1H FY2020	1H FY2019
560,153	558,627
-14.32 ¢	-2.04 ¢
649,623	559,822
-12.35 ¢	-2.03 ¢
651,943	561,349
(192,362)	(247,323)
459,579	314,026
1.92	3.39
1.35	1.90

Footnotes:

(1) EPU is calculated based on loss for the period and weighted average number of Units as at the end of each period.

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

(3) DPU is calculated based on the number of Units as at the end of each period.

7 Net Asset Value per Unit

Number of issued units as at end of the period ('000)

Number of issuable units as at end of the period ('000)

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

Net asset value ("NAV") per unit (S\$):

- Based on issued units as at end of the period

- Based on issued and issuable units at end of the period

Group		Trust	
As at 30 June 2020	As at 31 December 2019	As at 30 June 2020	As at 31 December 2019
650,326	647,034	650,326	647,034
1,616	1,594	1,616	1,594
651,943	648,628	651,943	648,628
1.29	1.37	0.14	0.17
1.28	1.37	0.14	0.17

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8 Review of the performance

Revenue by property:

	1H FY2020 RMB'000	1H FY2019 RMB'000	% change	1H FY2020 S\$'000	1H FY2019 S\$'000	% change
Revenue:						
Shiqi Metro Mall	51,451	64,049	(20)	10,220	12,860	(21)
Xiaolan Metro Mall	58,533	63,143	(7)	11,627	12,678	(8)
Ocean Metro Mall	27,418	40,183	(32)	5,446	8,068	(32)
Dasin E-Colour	6,123	8,173	(25)	1,216	1,641	(26)
Doumen Metro Mall	43,131	-	NM	8,567	-	NM
	186,656	175,548	6	37,077	35,247	5

NM – Not meaningful

Net property income by property:

	1H FY2020 RMB'000	1H FY2019 RMB'000	% change	1H FY2020 S\$'000	1H FY2019 S\$'000	% change
Net property income:						
Shiqi Metro Mall	44,218	51,040	(13)	8,783	10,248	(14)
Xiaolan Metro Mall	51,542	54,213	(5)	10,238	10,885	(6)
Ocean Metro Mall	18,384	30,331	(39)	3,652	6,090	(40)
Dasin E-Colour	4,196	6,141	(32)	834	1,233	(32)
Doumen Metro Mall	34,043	-	NM	6,762	-	NM
	152,383	141,725	8	30,270	28,456	6

NM – Not meaningful

Doumen Metro Mall was acquired in September 2019.

Please refer to Section 1(a)(i)(1) for analysis of the performance on revenue and net property income.

9 Variance between Actual and Forecast Results

The Trust has not disclosed any forecast for FY2020.

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10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

China's GDP grew 3.2% in the second quarter of 2020 in view of the impact of COVID-19. National urban disposable income and expenditure per capita dropped 2.0% and 11.2% respectively. For 1H2020, national retail sales decreased 11.4% year-on-year⁽¹⁾.

In 1H2020, amidst the backdrop of the COVID-19 pandemic, Zhongshan's GDP declined by 6.5% year-on-year while retail sales decreased 19.9% year-on-year⁽²⁾. Over the same period, Zhuhai City's GDP and retail sales decreased 2.5% and 16.8% year-on-year respectively⁽³⁾ while Foshan's GDP and retail sales contracted 7.5% and 17.7% year-on-year respectively⁽⁴⁾.

To promote the resumption of work and production, the Chinese government has also introduced consumer vouchers to stimulate consumption. Starting from 1 April 2020, Foshan City launched a month-long campaign and distributed RMB100 million worth of electronic consumer vouchers to local citizens and foreign tourists for free⁽⁵⁾. During the same period, Zhongshan City launched a consumer coupon distribution activity and issued a RMB30 million worth of general, business district and e-commerce coupons⁽⁶⁾. From April 20 to May 31, Zhuhai City also issued a total of RMB100 million worth of consumer coupons⁽⁷⁾. To a certain extent, consumer vouchers can stimulate current consumption and boost economic recovery.

During the COVID-19 outbreak, the Chinese government introduced a series of supportive policies to enterprises. Dasin Retail Trust's four shopping malls in Zhongshan City were exempted from property and land taxes from 1 February to 31 March 2020. Between 1 February and 30 June 2020, employer's medical insurance contribution was calculated at 50%, while subsidiaries in China are exempted from making employer social security contribution, including pension, unemployment and work-related injury insurance, until the end of December 2020. From 1 February to 31 December 2020, electricity bills are settled at 95% of the total bill⁽⁸⁾.

Since March 2020, Dasin Retail Trust's (DRT) malls have gradually resumed its normal operations and shoppers can be seen slowly returning to the malls as the government eases COVID-19 lockdown measures. Starting July 2020, cinemas in China have also been allowed to reopen in low risk areas after being closed for six months which is subject to a strict set of rules. Following this, all cinemas in the Trust's portfolio have resumed operations.

On 8 July 2020, the Trust completed the acquisition of Shunde Metro Mall and Tanbei Metro Mall with a total acquisition cost of approximately S\$344.1 million which was financed by a private placement, bank borrowings and internal funding. The private placement was about 1.2 times subscribed at an issue price of S\$0.78 per unit with an issuance of about 120.5 million units, raising gross proceeds of about S\$94 million. The term loan facility comprises an offshore facility of up to the equivalent of approximately S\$134.22 million in aggregate and an onshore facility of the equivalent of approximately S\$94.3 million (RMB500 million) in aggregate. The contributions from Shunde Metro Mall and Tanbei Metro Mall will be included in the results of the second half of FY2020.

Sources:

⁽¹⁾ National Bureau of Statistics of China.

⁽²⁾ Zhongshan Municipal Bureau of Statistics.

⁽³⁾ Statistics Bureau of Zhuhai.

⁽⁴⁾ Statistics Bureau of Foshan.

⁽⁵⁾ <http://finance.sina.com.cn/money/lczx/2020-03-31/doc-iimxyqwa4355562.shtml>.

⁽⁶⁾ <http://www.zsnews.cn/gundong/index/view/cateid/35/id/647191.html>.

⁽⁷⁾ http://www.gd.xinhuanet.com/newscenter/2020-04/21/c_1125885017.htm.

⁽⁸⁾ http://www.gov.cn/premier/2020-05/29/content_5516072.htm.

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11 Distribution

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

Yes.

Name of distribution	Distribution for the period from 1 January 2020 to 30 June 2020 ⁽ⁱ⁾
Distribution type	Capital distribution
Distribution rate	Capital distribution : 1.92 cents per unit
	<p><u>Capital distribution</u></p> <p>Capital distribution represents a return of capital to Unitholders for Singapore income tax purpose and its therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of DRT units, the amount of capital distribution will be applied to reduce the cost base of their DRT units for Singapore income tax purposes.</p> <p>Note:</p> <p>⁽ⁱ⁾ As announced on 26 June 2020 titled "Notice of Cumulative Distribution Books Closure and Distribution Payment Dates", the distribution for the period from 1 January 2020 to 30 June 2020 ("1H FY2020 Distribution") will be paid together with the distribution for the period from 1 July 2020 to 6 July 2020 ("Advanced Distribution") on 28 September 2020. A distribution of 1.98 cents per unit (comprises 1.92 cents per unit for the 1H2020 Distribution and 0.06 cents per unit for the Advanced Distribution) will be made on 28 September 2020.</p>

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

Yes

Name of distribution	Distribution for the period from 1 January 2019 to 30 June 2019
Distribution type	(a) Tax-exempt income (b) Capital distribution
Distribution rate	(a) Tax-exempt income distribution : 1.66 cents per unit (b) Capital distribution : 1.73 cents per unit
Tax rate	<p><u>Tax-exempt income distribution</u></p> <p>Tax-exempt income distribution is exempt from Singapore income tax in the hand of all Unitholders. Tax-exempt income relateds to one-tier dividend income received by DRT.</p> <p><u>Capital distribution</u></p> <p>Capital distribution represents a return of capital to Unitholders for Singapore income tax purpose and its therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of DRT units, the amount of capital distribution will be applied to reduce the cost base of their DRT units for Singapore income tax purposes.</p>

(a) Date Payable

28 September 2020

(b) Books Closure Date

6 July 2020

12 If no distribution has been declared / recommended, a statement to that effect

Not applicable.

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- 13 If the Group has obtained a general mandate from Unitholders for interested person transactions, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no interested person transactions mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from the Unitholders for interested person transactions for the financial period under review. For reference, descriptions of present and ongoing interested person transactions are set out on pages 304 to 321 of the Prospectus dated 13 January 2017.

14 Use of Proceeds

(a) Use of private placement proceeds raised in September 2019 (acquisition of Doumen Metro Mall)

Gross proceeds of approximately S\$68.8 million was raised pursuant to a private placement of 82,354,000 new units (the "Private Placement 2019"). The Private Placement 2019 completed on 12 September 2019 and the gross proceeds has been used in the following manner.

Use of Proceeds	Announced use of proceeds (S\$ million)	Actual use of proceeds (S\$ million)	Balance of proceeds (S\$ million)
To pay part of the estimated fees and expenses in connection with the Doumen Acquisition and the Private Placement	2.5	2.5	-
To repay part of the existing indebtedness of Jia Xin Investments Pte. Ltd.	39.1	39.1	-
To discharge certain indebtedness of Zhuhai Xinmingyang Investments Co., Ltd.	22.0	21.4	0.6
General working capital purposes of the Trust	5.2	5.8	(0.6)
Total	68.8	68.8	-

The use of proceeds from the Private Placement 2019 set out above is in accordance with the stated use and in accordance with the percentage of the gross proceeds of the Private Placement 2019 to such use as set out in the announcement dated 19 September 2019 titled "Update On The Use Of Proceeds From The Private Placement". The balance of S\$0.6 million from the discharge certain indebtedness of Zhuhai Xinmingyang Investments Co., Ltd. had been redeployed to general working capital purposes.

The breakdown on the use of the proceeds allocated for general working capital as follows:

Uses of general working capital	Actual use of proceeds (S\$ million)
Deposits into interest reserve accounts	2.1
Facility and security agent fees and loan related transaction costs	2.3
Loan interest	1.4
	<u>5.8</u>

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(b) Use of private placement proceeds raised in July 2020 (acquisition of Shunde Metro Mall and Tanbei Metro Mall)

Gross proceeds of approximately S\$94.0 million was raised pursuant to a private placement of 120,512,000 new units (the "Private Placement 2020"). The Private Placement 2020 completed on 6 July 2020 and as at 12 August 2020, the gross proceeds has been used in the following manner.

Use of Proceeds	Announced use of proceeds (\$ million)	Actual use of proceeds (\$ million)	Balance of proceeds (\$ million)
The partial repayment of the onshore construction loan of Foshan Dasin Commercial Management Co., Ltd. (佛山市大信商业管理有限公司) with Guangdong Shunde Rural Commercial Bank Company Limited (广东顺德农村商业银行股份有限公司) ("Purpose A")	77.7	76.1	1.6
The payment of the construction payables of the Shunde PRC Property Company) ("Purpose B")	4.8	4.7	0.1
The payment of the estimated fees and expenses, including (i) the placement commission and related fees and expenses payable to the Joint Bookrunners, and (ii) professional and other fees and expenses to be incurred by Dasin Retail Trust in connection with the Proposed Acquisition and the Private Placement ("Purpose C")	11.5	6.3	5.2
Total	94.0	87.1	6.9

Note:

The use of proceeds from the Private Placement 2020 set out above is in accordance with the stated use and in accordance with the percentage of the gross proceeds of the Private Placement 2020 to such use as set out in the announcement dated 13 July 2020 titled "Use Of Proceeds From Private Placement". In the same announcement, the Trustee-Manager also announced that the balance amounts in Purpose A and Purpose B will be utilised towards Purpose C.

15 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.

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

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 interim financial results of the Group and Trust (comprising the statements of financial position as at 30 June 2020, consolidated income statement and distribution statement, consolidated statement of comprehensive income, consolidated statement of cash flows and statement of movements in Unitholders' funds for the period ended on that date), together with their accompanying notes, to be false or misleading, in any material respect.

On behalf of the Board of the Trustee-Manager
Dasin Retail Trust Management Pte. Ltd.

Zhang Zhencheng
Chairman and Non-Executive Director

Wang Qiu
Chief Executive Officer

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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.

By Order of the Board

Dasin Retail Trust Management Pte. Ltd.

(as Trustee-Manager of Dasin Retail Trust)

(Company registration no. 201531845N)

Lun Chee Leong

Company Secretary

13 August 2020