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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)

ANNOUNCEMENT

LAUNCH OF PRIVATE PLACEMENT OF NEW UNITS IN DASIN RETAIL TRUST TO RAISE GROSS PROCEEDS OF UP TO APPROXIMATELY S\$68.8 MILLION

1. Introduction

Dasin Retail Trust Management Pte. Ltd., as trustee-manager of Dasin Retail Trust (the “**Trustee-Manager**”), wishes to announce the launch of a private placement (the “**Private Placement**”) of 82,354,000 new units in Dasin Retail Trust (“**Units**”, and the new Units to be issued pursuant to the Private Placement, the “**New Units**”) at an issue price of S\$0.836 per New Unit (the “**Issue Price**”) so as to raise gross proceeds of up to approximately S\$68.8 million.

2. Details of the Private Placement

The Trustee-Manager has appointed Bank of China Limited, Singapore Branch, CLSA Singapore Pte. Ltd., DBS Bank Ltd., Haitong International Securities (Singapore) Pte. Ltd., Industrial and Commercial Bank of China Limited, Singapore Branch, Phillip Securities Pte. Ltd. and Soochow CSSD Capital Markets (Asia) Pte. Ltd., as the joint bookrunners in relation to the Private Placement (the “**Joint Bookrunners**”).

The Trustee-Manager has today entered into a placement agreement with the Joint Bookrunners (the “**Placement Agreement**”), pursuant to which the Joint Bookrunners have been appointed to, on a best efforts basis, manage the Private Placement and to procure subscribers for the New Units at the Issue Price of S\$0.836 per New Unit, on the terms and subject to the conditions of the Placement Agreement. The Private Placement shall be subject

to certain conditions precedent set out in the Placement Agreement, including the approval in-principle of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the New Units on the Main Board of the SGX-ST.

The Issue Price represents a discount of:

- (i) 2.4% to the volume weighted average price of S\$0.8563 per Unit; and
- (ii) (for illustrative purposes only) 0.9% to the adjusted volume weighted average price¹ of S\$0.84365 per Unit,

for trades in the Units done on the SGX-ST for the preceding Market Day² on 2 September 2019, up to the time the Placement Agreement was signed on 3 September 2019.

3. Use of Proceeds

Subject to relevant laws and regulations and assuming the Private Placement is fully taken up, the Trustee-Manager intends to use the gross proceeds of approximately S\$68.8 million from the Private Placement in the following manner:

- (a) approximately S\$61.3 million (which is equivalent to 89.1% of the gross proceeds of the Private Placement) to fund the purchase consideration payable to the vendor in connection with the proposed acquisition of the property known as Doumen Metro Mall, which is located at No. 328 Zhongxing Middle Road, Jing’an Town, Doumen District, Zhuhai, Guangdong Province, the People’s Republic of China (the “**Proposed Acquisition**)³; and
- (b) approximately S\$7.5 million (which is equivalent to 10.9% of the gross proceeds of the Private Placement) to pay 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.

Notwithstanding its current intention, the Trustee-Manager may, at its discretion and subject to applicable laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

The Trustee-Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Trustee-Manager will announce the reasons for such deviation.

¹ The adjusted volume weighted average price is computed based on the volume weighted average price of all trades in the Units on the SGX-ST for the preceding Market Day on 2 September 2019, up to the time the Placement Agreement was signed on 3 September 2019, and excluding the estimated Advanced Distribution (as defined herein) of approximately 1.265 cents per Unit (which represents the mid-point of the range of the estimated Advanced Distribution). This amount is only an estimate based on information currently available to the Trustee-Manager, and the actual Advanced Distribution may differ. The actual quantum of the Advanced Distribution will be announced on a later date after the closure of the Transfer Books and Register of Unitholders.

² “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

³ The balance of the Proposed Acquisition will be funded by debt.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Trustee-Manager may, in its absolute discretion, deem fit.

4. Subscription by Aqua Wealth under the Private Placement

To demonstrate its commitment to Dasin Retail Trust and to align its interest with other unitholders of Dasin Retail Trust ("**Unitholders**"), Aqua Wealth Holdings Limited ("**Aqua Wealth**") may subscribe for up to 14 million New Units under the Private Placement (the "**Aqua Wealth New Units**") in order to maintain a post-placement percentage unitholding of up to 54.49%.

Pursuant to Rules 805(1) and 812(2) of the Listing Manual of the SGX-ST, approval for the subscription by Aqua Wealth of the Aqua Wealth New Units has been granted at the extraordinary general meeting of Dasin Retail Trust held on 16 August 2019.

As at the date of this announcement, Aqua Wealth holds 336,757,772 Units, which is equivalent to approximately 59.99% of the total number of Units in issue. Therefore, the Aqua Wealth New Units may comprise up to 14,000,000 New Units issued under the Private Placement.

Assuming that Aqua Wealth subscribes for the maximum number of 14,000,000 Aqua Wealth New Units, Aqua Wealth's percentage unitholding in Dasin Retail Trust will not increase after the Private Placement.

5. Rationale for the Private Placement

It is intended that the Proposed Acquisition will be financed by a combination of debt and equity so as to ensure that Dasin Retail Trust continues to maintain an optimum level of gearing. The Trustee-Manager believes that the Private Placement, in combination with debt financing, is an efficient and overall beneficial method of raising funds to finance the Proposed Acquisition, as well as allow for the participation of more potential institutional and accredited investors, which will in turn raise the profile of Dasin Retail Trust among investors. The increase in the total number of Units in issue and enlarged Unitholder base is also expected to enhance the trading liquidity of the Units.

6. Eligibility to Participate in the Private Placement

The offer of New Units under the Private Placement will be made to institutional and accredited investors.

The New Units have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States or to or for the account or benefit of any U.S. person, absent registration pursuant to the Securities Act or pursuant to an applicable exemption under the Securities Act and in compliance with any applicable U.S. state or local securities laws. The New Units are being offered and sold to non U.S. persons in offshore transactions as defined in and in reliance on Regulation S under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act.

The Trustee-Manager, along with the Joint Bookrunners, reserves the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. Authority to Issue Units

The New Units will be issued pursuant to a general mandate (the "**General Mandate**") given to the Trustee-Manager at the annual general meeting ("**AGM**") of Dasin Retail Trust held on 18 April 2019, pursuant to which the Trustee-Manager may, during the period from 18 April 2019 to (i) the conclusion of the next AGM of Dasin Retail Trust or (ii) the date by which the next AGM of Dasin Retail Trust is required by applicable regulations to be held or such authority is varied or revoked by Unitholders in a general meeting, whichever is earlier, issue new Units, make or grant instruments convertible into Units and to issue Units pursuant to such instruments, up to a number not exceeding the aggregate of 50.0% of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) as at 18 April 2019 (the "**Base Figure**"), of which up to 20.0% may be issued other than on a pro-rata basis to existing Unitholders.

The Base Figure, being the number of Units in issue as at 18 April 2019, was 558,906,106 Units.

The number of Units that can be issued under the General Mandate is 279,453,053 Units, of which no more than 111,781,221 Units may be issued on a non pro-rata basis. As at the date of this Announcement, the Trustee-Manager has issued 2,443,051 Units under the General Mandate on a non pro-rata basis.

The 82,354,000 New Units to be issued pursuant to the Private Placement would constitute 14.7% of the Base Figure, which in aggregate with 2,443,051 Units already issued under the General Mandate on a non pro-rata basis, is within the 20.0% limit for issue of new Units on a non pro-rata basis.

Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

8. Advanced Distribution

Dasin Retail Trust's policy is to distribute its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, the Trustee-Manager intends to declare in respect of the Units in issue immediately prior to the issue of the New Units (the "**Existing Units**"), a distribution of the distributable income for the period from 1 July 2019 to 11 September 2019, the day immediately preceding the date on which the New Units will be issued under the Private Placement (the "**Advanced Distribution**").

The current expectation of the Trustee-Manager is that the quantum of distribution per Unit ("**DPU**") under the Advanced Distribution is estimated to range from 1.16 Singapore cents per Unit to 1.37⁴ Singapore cents per Unit.

The next distribution following the Advanced Distribution will comprise Dasin Retail Trust's distributable income for the period from 12 September 2019 to 31 December 2019. Semi-annual distributions will resume thereafter.

⁴ The estimated distribution for the period from 1 July 2019 to 11 September 2019, the day immediately prior to the date on which the New Units will be issued pursuant to the Private Placement, is based on the Trustee-Manager's estimate of Dasin Retail Trust's revenue and expenses for the relevant period on a pro-rata basis. This amount is only an estimate based on information currently available to the Trustee-Manager, and the actual Advanced Distribution may differ. The actual quantum of the Advanced Distribution will be announced on a later date after the closure of the Transfer Books and Register of Unitholders.

The Advanced Distribution is intended to ensure that the distributable income accrued by Dasin Retail Trust up to the day immediately prior to the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The New Units are expected to be issued on or around 12 September 2019.

(Please see the announcement dated 3 September 2019 issued by the Trustee-Manager in relation to the notification of the time and date on which the transfer books and register of Unitholders will be closed to determine Unitholders' entitlement to the Advanced Distribution.)

9. Status of New Units

Other than the Advanced Distribution to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributable income from the day of issuance of the New Units pursuant to the Private Placement, as well as all distributions thereafter.

10. Application to the SGX-ST for Approval-in-Principle

The Trustee-Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

By Order of the Board

Dasin Retail Trust Management Pte. Ltd.

(Company Registration No. 201531845N)

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

3 September 2019

IMPORTANT NOTICE

This Announcement may contain forward-looking statements that involve 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 and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view on future events.

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The value of Units and the income derived from them may fall as well as 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.

Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that Unitholders of Dasin Retail Trust may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Dasin Retail Trust is not necessarily indicative of the future performance of Dasin Retail Trust.

This announcement is not an offer to sell, or a solicitation of an offer to buy, securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), European Economic Area, European Union, Canada, Japan, Australia or any other jurisdiction. The securities referred to herein have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States or to or for the account or benefit of any U.S. person, absent registration pursuant to the Securities Act or pursuant to an applicable exemption under the Securities Act and in compliance with any applicable U.S. state or local securities laws. No public offering of securities of Dasin Retail Trust is being made, or will be made, in the United States.

The information in this Announcement must not be published outside the Republic of Singapore and in particular, but without limitation, must not be published in any United States edition of any publication.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore:

The New Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).