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)

RESIGNATION OF ALTERNATE DIRECTOR

The Board of Directors (the "**Board**") of Dasin Retail Trust Management Pte. Ltd. (the "**Trustee-Manager**" or "**DRTM**"), as trustee-manager of Dasin Retail Trust (the "**Trust**" or "**DRT**"), refers to its announcements dated 16 and 30 April 2025 relating to the receipt of the notice of resignation (the "**Resignation Letter**") from Mr. Zhang Zhongming ("**ZZM**") (the alternate Director of Mr. Zhang Zhencheng ("**ZZC**")) in respect of his position as alternate Director of DRTM with effect immediately from 15 April 2025 by way of an email from ZZM timestamped on or around 8.58 pm on 15 April 2025.

A copy of the Resignation Letter in its entirety is enclosed for the information of the unitholders (as pursuant to the request by ZZM to announce the reasons for his resignation set out in the Resignation Letter).

Various allegations have been made by ZZM in the Resignation Letter. The Board (excluding ZZC) (the "**Majority Directors**") disagrees with his allegations and its responses thereto are as follows:

Ignoring requests, suggestions and feedback of ZZM

(a) The Majority Directors had valid reasons and grounds for not agreeing to certain requests, suggestions and feedback of ZZM. Examples include:

(i) ZZM's repeated insistence that the invalid extraordinary general meeting of DRT held on 19 February 2024 (the "**19 February Invalid EGM**") was valid, contrary to the legal advice received by the Trustee-Manager; and

(ii) ZZM's continued wrongful refusal to facilitate the replacement of his appointment as legal representative and executive director of the Chinese subsidiaries of DRT with a replacement legal representative and executive director duly approved by DRTM and the relevant Singapore subsidiaries that are the shareholders of the Chinese subsidiaries, notwithstanding the resolutions passed by the Majority Directors and the board of directors of the relevant Singapore subsidiaries of DRT that are the shareholders of the Chinese subsidiaries. Such refusal by ZZM to facilitate the change of legal representative and executive director is now even more unjustified given that he no longer holds any position in DRTM after his resignation from the Board.

Lack of Board meetings

(b) The constitution of DRTM (the "**Constitution**") provides that a Director may and the company secretary of DRTM on the requisition of a Director shall at any time summon a meeting of the Directors. It has always been open for ZZM to convene a Board meeting in accordance with the Constitution. However, he has elected not to exercise

his power to convene a Board meeting. The following instances also suggest to the Majority Directors that ZZM was not interested to participate in open discussions:

(i) the management team of DRTM tried to organise a Board meeting to be held on 16 July 2024, which key purpose was to discuss and approve the unaudited condensed interim consolidated financial statements of DRT for financial periods ended 31 March 2023 and 30 June 2023. However, ZZM responded that the date for holding the Board meeting should be set only after the unaudited condensed interim consolidated financial statements have been reviewed and approved by the Audit and Risk Committee of DRTM (the "**ARC**"). The ARC subsequently reviewed the unaudited condensed interim consolidated financial statements and held a meeting on 16 July 2024 for which all Directors were sent a link for the meeting. The Directors (other than ZZC and ZZM) joined the ARC meeting. The unaudited condensed interim consolidated financial statements were circulated to the Board again on 9 August 2024 and approval of the Board were sought. ZZM stated that he had comments and requested for a Board meeting to be held. The Chief Financial Officer of DRTM ("the **CFO**") replied by email with an offer to go through the unaudited condensed interim consolidated financial statements with ZZM and any other Directors who may wish to join the discussion. This offer was not taken up by ZZM;

(ii) DRTM held a board discussion on 3 June 2024 to discuss the directorships of the Singapore subsidiaries of DRT, the financial approval authority policy of the DRT and the commercial and property management contracts for Doumen Metro Mall. ZZM and ZZM were invited but they did not attend; and

(iii) DRTM held a board discussion on 14 February 2025 via Teams to discuss certain questions received from SGX RegCo. Although a participant named "zzm" joined the Teams meeting, when the participant was asked to verify its identity, there was no response from the participant. An email was also sent to ZZM to ask if he was the participant. As there was no response, the participant was removed from the meeting. ZZM only replied by email approximately four hours after the meeting was concluded to state that he joined the meeting at the scheduled time but as the commencement of the meeting was delayed, he had stepped away to take a phone call at the time when he was asked to verify his identity.

Failure to publish H2 2023 and Q3 2023 financial statements and to convene AGM

(c) DRTM had announced the reasons for the failure to comply with the requirements to publish its financial statements and to issue audited financial statements through its announcements dated 3 September 2024 and 28 February 2025. The Majority Directors and the CFO disagree with ZZM's assertion that the relevant Chinese financial personnel have already provided the support required to produce the relevant interim financial statements of DRT. In particular, the CFO has represented to the Majority Directors that he has used his best efforts to produce the relevant interim financial statements and had sent information requests to the relevant Chinese personnel and they did not co-operate to provide the requested information. The relevant Chinese personnel had also not provided the assistance requested by the valuer in order to value the real estate of DRT. The AGM cannot be convened without audited financial statements.

Risk of wrongful trading

(d) ZZM's statement that the Board is carrying on business without assessing if there is a risk of wrongful trading is patently untrue. As announced on 14 July 2025, DRTM has made an application under section 64 of the Insolvency, Restructuring and Dissolution Act 2018 in HC/OA 1257/2024 ("**HC/OA 1257/2024**") and was granted, among others, a six-month moratorium. In rendering its judgement, the High Curt of Singapore found, among others, that there was "*a reasonable prospect of the intended scheme of arrangement working and being acceptable to the general run of creditors*". Various offshore lending banks had also signified their support for the grant of moratorium in HC/OA 1257/2024 and no offshore lending bank had indicated that they objected to the grant of the moratorium.

The financial position of DRT would be vastly improved if ZZC and his associates repay the amounts that are owing to DRT and cease their wrongful diversion of the cashflow of the Chinese subsidiaries of DRT as can be seen from the following:

(i) as announced on 15 August 2024, as of 31 December 2022, trade and other receivables (before derecognition of revenue in accordance with IFRS 16 Leases and accounting for loss allowance) from associates of ZZC amounted to S$14,322,002, which included S$6,184,234 and S$1,563,087 due from Zhongshan Dasin Metro-Mall Merchant Investment Co., Ltd. ("**Dasin Merchant Investment**"), the then master lessee of Xiaolan Metro Mall and Dasin E-Colour Mall of DRT in relation to the respective malls. During the time Dasin Merchant Investment defaulted on its obligations to pay rent to DRT, a sub-leasee, Youyuecheng, continued to pay rent to Dasin Merchant Investment as disclosed in DRTM's announcement of 7 April 2023;

(ii) as announced on 4 August 2024 (the "**4 August 2024 Announcement**"):

1) a lending bank sent a reminder letter to a Chinese subsidiary of DRT: (a) stating that (i) pursuant to the loan agreement entered into with the lending bank, the occupancy rate should not be less than 90% and the audited financial statements must be provided within 120 days after the financial year ended 2023; and (ii) a tenant related to ZZC and ZZM engaging in restaurant business in Doumen Metro Mall has not paid rental and management fees for an extended period and, excluding the floor area leased by such tenant, occupancy rate of Doumen Metro Mall is less than 90%; and

2) a Chinese bank has issued a letter to a Chinese subsidiary of DRT requesting for a reasonable explanation for certain funds transfers from the Chinese subsidiary to external parties from 16 April 2024 to 19 April 2024 aggregating to RMB4,821,500 that the Chinese bank suspected may have breached the third party account supervision agreement entered into with the Chinese bank; and

(iii) as announced on 28 February 2025 (the "**28 February 2025 Announcement**"), certain onshore lenders discovered that ZZM and the rental management company for Shunde Metro Mall, one of the malls owned by DRT, had sent a notice to tenants, without the consent of the onshore lenders, to change the bank account receiving rental payments from the tenants to a bank account operated by an associate of ZZC whose shareholders are relatives of ZZC and ZZM.

Exclusion from Participation and/or Communications

(e) The Majority Directors have not sought to exclude ZZC and ZZM in relation to the relevant communications insofar as they are not conflicted. However, there are multiple issues where there are conflicts of interests for ZZC and ZZM, including:

(i) the outstanding receivables owing by the associates of ZZC and ZZM;

(ii) the diversion of the cashflow of DRT to the associates of ZZC and ZZM;

(iii) the insistence of ZZC and ZZM that DRT is wrongfully trading when their associates are a significant cause of cashflow challenges of DRT;

(iv) ZZM is the legal representative of the Chinese subsidiaries of DRT that lending banks had raised questions as to the propriety of actions taken by the Chinese subsidiaries;

(v) the interested person transactions involving associates of ZZC;

(vi) the continued wrongful refusal of ZZM to facilitate the replacement of his appointment as legal representative and director of the Chinese subsidiaries of DRT;

(vii) the multiple legal proceedings initiated by ZZC and the affiliates of ZZC and ZZM against DRTM and the other Directors;

(viii) the breach by ZZC of the undertaking that he has given to Singapore Exchange Securities Trading Limited to, among others, refrain from transferring his interests in units of the Trust as announced on 15 January 2025; and

(ix) the report lodged with the Commercial Affairs Department of the Singapore Police Force, the Monetary Authority of Singapore and Singapore Exchange Regulation Pte. Ltd. regarding possible breaches of the Securities and Futures Act 2001 by ZZC and ZZM as announced on 2 December 2024.

1) Singapore Exchange Securities Trading Limited

The Majority Directors further note that in various correspondences with Singapore Exchange Securities Trading Limited and the Monetary Authority of Singapore, ZZC and ZZM had declined to participate in the communications sent by the Majority Directors and had instead indicated that they would provide their responses separately. ZZC and ZZM did not subsequently inform the Majority Directors of their separate responses.

2) *Banks*

The Majority Directors note that ZZM had, among others, by way of an email on 14 May 2024, wrongfully alleged to the lending banks that, among others, (i) the 19 February Invalid EGM was valid, (ii) the Board had no authority to represent DRTM because the composition of the Board was not in compliance with applicable regulations, and (iii) Mr. Wang Peng ("**WP**") was not legally appointed as the Chief Executive Officer of DRTM (the "**CEO**") and had no authority to represent DRTM or DRT. Under such circumstances, it is clear that ZZM and ZZC had no intention to progress the restructuring efforts by DRTM as their position was that the Board and WP had no authority to progress the discussions. The subsequent conduct of ZZC and

persons affiliated to him to wind up DRTM and oppose the moratorium have made it clear that ZZC and ZZM did not have any genuine intention to progress the restructuring and instead sought to obstruct the restructuring progress. It is farcical that ZZM is now protesting that he was not included in discussions that he alleged that the Board and WP had no authority to engage in. The issues raised in the 4 August 2024 Announcement and the 28 February 2025 Announcement also further highlight the conflicts of interests that ZZM has in such discussions.

3) FTI Consulting (Singapore) Pte. Ltd. and Rajah & Tann Singapore LLP

It is incongruous for ZZM to complain about the lack of engagement and consultation with FTI Consulting (Singapore) Pte. Ltd. ("**FTI**") and Rajah & Tann Singapore LLP ("**R&T**") given (i) ZZM's and ZZC's attempt to obstruct the restructuring and (ii) the position of ZZC and his affiliates stated through the requisition notices and court affidavit that DRTM has been unable to achieve any progress in its restructuring. To put matters in perspective, HC/OA 1257/2024 was opposed by, among others, ZZC, Aqua Wealth Holdings Limited, Bounty Way Investments Limited, Zhang Guiming (the nephew of ZZC) and Zhang Jieyan (the niece of ZZC). It is unreasonable to expect R&T to consult with ZZM in respect of HC/OA 1257/2024 given his connections with the opposing parties. Further, ZZM has the contact particulars of the relevant personnel of FTI and R&T and can reach out to them at any time to discuss the restructuring if he was genuinely interested to assist in progressing the restructuring.

4) Solitaire LLP

Solitaire LLP had indicated to ZZM and ZZC that it has been engaged by the Board as a whole and is not acting for any individual director. Solitaire LLP has copied ZZM and ZZC on several occasions for email correspondence for matters in which there are no conflicts of interests, for example, the board resolutions for the addition of bank signatories for the bank accounts of DRTM and its Singapore subsidiaries (to improve the internal controls of DRTM from the situation where ZZC is the sole bank signatory) and in the correspondence with the Monetary Authority of Singapore regarding the composition of the Board. ZZM has the contact particulars of the relevant personnel of Solitaire LLP and the Majority Directors have not restricted Solitaire LLP from communicating with ZZM in relation to matters for which there is no conflict of interests.

5) Chief Executive Officer and Chief Financial Officer of DRTM

Similar to the other parties, ZZC and ZZM have access to the CEO and the CFO and could have reached out to them.

Failure of CEO to report to ZZC and ZZM

(f) As can be seen from the above and the announcements made by DRTM, a number of critical issues that DRTM is handling are matters in which ZZC and ZZC have conflicts of interests. It is unreasonable to expect the CEO to report to ZZC and ZZM in respect of such matters. In particular, as announced by DRTM, ZZM had made complaints to regulatory authorities in the People's Republic of China (the "**PRC**") and even initiated legal proceedings in the PRC against WP in relation to DRTM's efforts to change the legal representative of the Chinese subsidiaries of DRT. As regards other matters, ZZM has the contact particulars of the CEO and was not restricted from contacting the CEO in relation to matters in which there is no conflict of interests.

*Directors' Resolutions in Writing ("**DRIWs**")*

(g) ZZC and ZZM have been informed of, and copied on, DRIWs for matters in which they are not conflicted. ZZC had, on 7 March 2025, requested for the Board and shareholder resolutions of DRTM and the subsidiaries of DRTM from 1 January 2024 to 7 March 2025.

The Majority Directors and DRTM reserve their rights against ZZM, including in relation to his wrongful allegations in the Resignation Letter, the other matters set out above and also the letter of demand dated 28 August 2025 issued to ZZC and ZZM as announced on 29 August 2024.

The Majority Directors are of the view that ZZC is conflicted in respect of the matters referred to in this announcement. This announcement has not been reviewed by the ZZC or ZZM prior to its publication. Accordingly, the opinion of the Majority Directors set out in this announcement should not be taken to represent the views of ZZC or ZZM.

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

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

By Order of the Board
Dasin Retail Trust Management Pte. Ltd.
(Company Registration No. 201531845N)
(in its capacity as trustee-manager of Dasin Retail Trust)

Mr. Lyu Guoliang
Chairman and Non-Executive Director
20 May 2025