



DASIN RETAIL TRUST
大信商用信托

BUILDING TODAY FOR TOMORROW.

ANNUAL REPORT 2021



The COVID-19 pandemic continued to plague the world in 2021, presenting many challenges for Dasin Retail Trust. However, we remained undaunted and resilient. Eventually, we went above and beyond to deliver a strong performance for 2021 as well as realised a strategic partnership which will take the Trust into the next stage of growth. Staying focused and on track to our mission, we are committed to build on our current momentum and proactively explore arising opportunities that create sustainable growth and value for our unitholders. We are – **building today for tomorrow.**

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CORPORATE PROFILE

Listed on the Mainboard of Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 January 2017, Dasin Retail Trust ("DRT" or the "Trust") is the only China retail property trust listed on SGX-ST providing direct exposure to the Guangdong-Hong Kong-Macau Greater Bay Area ("Greater Bay Area").

The Trust's mandate is to invest in, own or develop land, uncompleted developments and income-producing real estate in Greater China (comprising the People's Republic of China ("PRC"),

Hong Kong and Macau), used primarily for retail purposes, as well as real estate-related assets, with a focus on retail malls.

As at 31 December 2021, the Trust's portfolio comprises seven retail malls located in Foshan, Zhuhai and Zhongshan cities in Guangdong, PRC, valued at approximately RMB11.3 billion (S\$2.4 billion). These properties host a tenant base of over 500 local and international retailers.

Dasin Retail Trust is managed by Dasin Retail Trust Management Pte. Ltd. in its capacity as the Trustee-

Manager ("Trustee-Manager"). The Trustee-Manager strives to provide unitholders of Dasin Retail Trust ("Unitholders") with an attractive rate of return on their investment through regular and stable distributions and achieve long-term sustainable growth in distribution per unit, while maintaining an appropriate capital structure.

As at 31 December 2021, the Trust has 12 right of first refusal ("ROFR") properties in the pipeline, which includes eight completed properties and four under development, located in the core of the Greater Bay Area.

Note:

Any discrepancies in the table and charts between the listed figures and total thereof are due to rounding.

PORTFOLIO HIGHLIGHTS

As at 31 December 2021, Dasin Retail Trust's investment portfolio comprises seven retail malls strategically located in Zhongshan, Zhuhai and Foshan cities within the Greater Bay Area.

SHIQI METRO MALL

Zhongshan City

119,682

Gross Floor Area (sqm)

95.7%

Occupancy

S\$22.6m

Gross Revenue (FY2021)



XIAOLAN METRO MALL

Zhongshan City

108,690

Gross Floor Area (sqm)

95.3%

Occupancy

S\$23.1m

Gross Revenue (FY2021)



DASIN E-COLOUR

Zhongshan City

25,857

Gross Floor Area (sqm)

84.1%

Occupancy

S\$2.8m

Gross Revenue (FY2021)



DOUMEN METRO MALL

Zhuhai City

168,269

Gross Floor Area (sqm)

97.4%

Occupancy

S\$18.2m

Gross Revenue (FY2021)



SHUNDE METRO MALL

Foshan City

177,276

Gross Floor Area (sqm)

93.3%

Occupancy

S\$19.1m

Gross Revenue (FY2021)



OCEAN METRO MALL

Zhongshan City

180,338

Gross Floor Area (sqm)

88.6%

Occupancy

S\$14.0m

Gross Revenue (FY2021)



TANBEI METRO MALL

Zhongshan City

13,905

Gross Floor Area (sqm)

90.4%

Occupancy

S\$1.5m

Gross Revenue (FY2021)



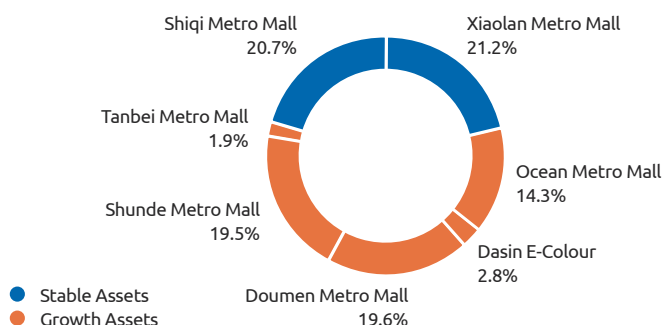
INTRINSIC ORGANIC GROWTH



- Fixed Rent
- Fixed Rent with Built-up Escalation
- Higher of Base Rent or Turnover Rent
- Pure Turnover Rent

(1) Based on GRI in December 2021.
 (2) Based on NLA as at 31 December 2021.

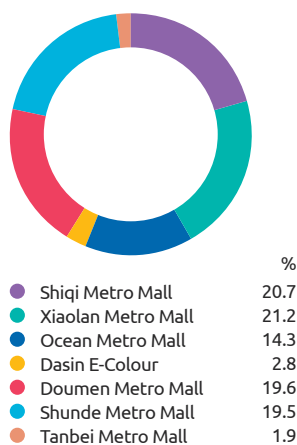
BALANCED MIX OF STABLE AND GROWTH ASSETS⁽¹⁾



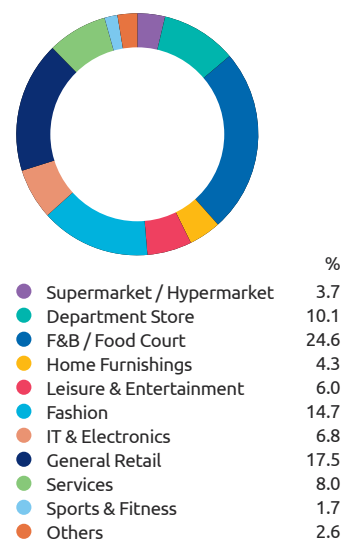
(1) Based on revenue in RMB in December 2021, excluding rental income on a straight-line basis over the lease term.

WELL-DIVERSIFIED PORTFOLIO

Existing Portfolio⁽¹⁾



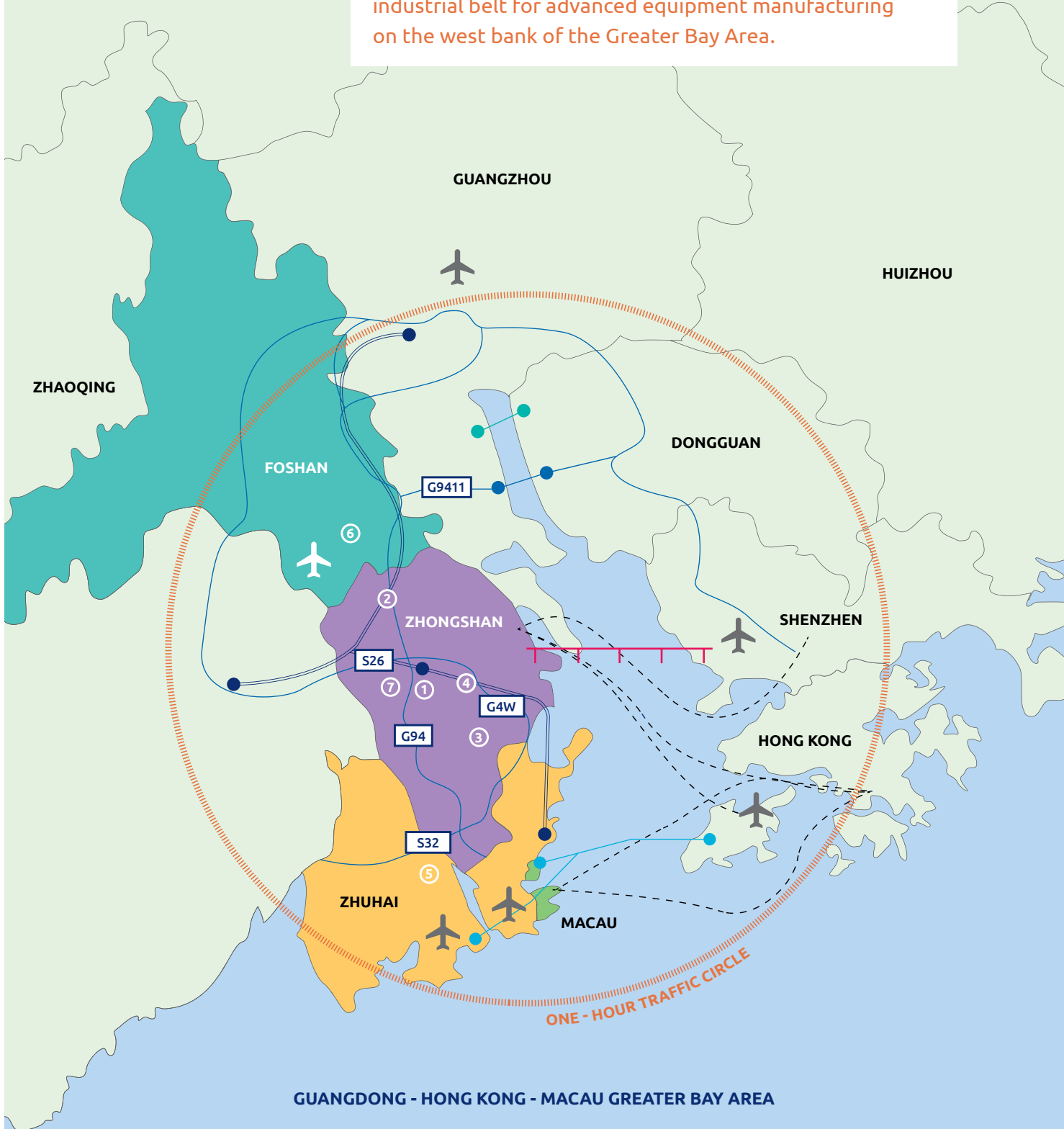
Trade Sector⁽²⁾



(1) Based on revenue in RMB in December 2021, excluding rental income recognised on a straight-line basis over the lease term.
 (2) Based on GRI in December 2021.

CORE MARKETS

According to the provincial government's 2017-2030 plan, as the central city within the area, Zhongshan is positioned to become a high-end equipment manufacturing industry as well as regional technology and biomedical research and development centre. Zhuhai city is slated to become a world-class centre for leisure and tourism and general aviation industry, while Foshan city is positioned to be an industrial belt for advanced equipment manufacturing on the west bank of the Greater Bay Area.





- ① Shiqi Metro Mall
- ② Xiaolan Metro Mall
- ③ Ocean Metro Mall
- ④ Dasin E-Colour
- ⑤ Doumen Metro Mall
- ⑥ Shunde Metro Mall
- ⑦ Tanbei Metro Mall

LEGEND

- Nansha Bridge
- Humen Bridge
- Zhongshan-Shenzhen River Taxi
- Shenzhen-Zhongshan Bridge (Under Construction)
- Hong Kong-Zhuhai-Macau Bridge
- Guangzhou-Zhuhai City Rail

MAIN HIGHWAY

- G4W Guangdong-Macau Highway
- S32 Western Coastal Highway
- G9411 Guangdong-Foshan Highway
- G94 Pearl River Delta Region Highway
- S26 Shenzhen-Luoding Expressway

The Trust is expected to benefit positively from the rapid development of the Guangdong-Hong Kong-Macau Greater Bay Area.

The “Development Plan for the Guangdong-Hong Kong-Macau Greater Bay Area” released in 2019 aims to fully leverage the combined advantages of Guangdong, Hong Kong and Macau transforming it into a vibrant and extensive bay area that can compete with first-rate megacities of the world.

According to the provincial government’s 2017-2030 plan, as the central city within the Greater Bay Area, Zhongshan is positioned to become a high-end equipment manufacturing industry as well as regional technology and biomedical research and development centre. Zhuhai city is slated to become a world-class centre for leisure and tourism and general aviation industry, while Foshan city is positioned to be an industrial belt for advanced equipment manufacturing on the west bank of the Greater Bay Area.

These cities are set to become regional transportation hubs linking the Greater Bay Area region and the west of Guangdong through the development of large-scale transportation infrastructures such as the Hong Kong-Zhuhai-Macau Bridge, which was completed in 2018, and the Shenzhen-Zhongshan Bridge, which is expected to be completed by 2024.

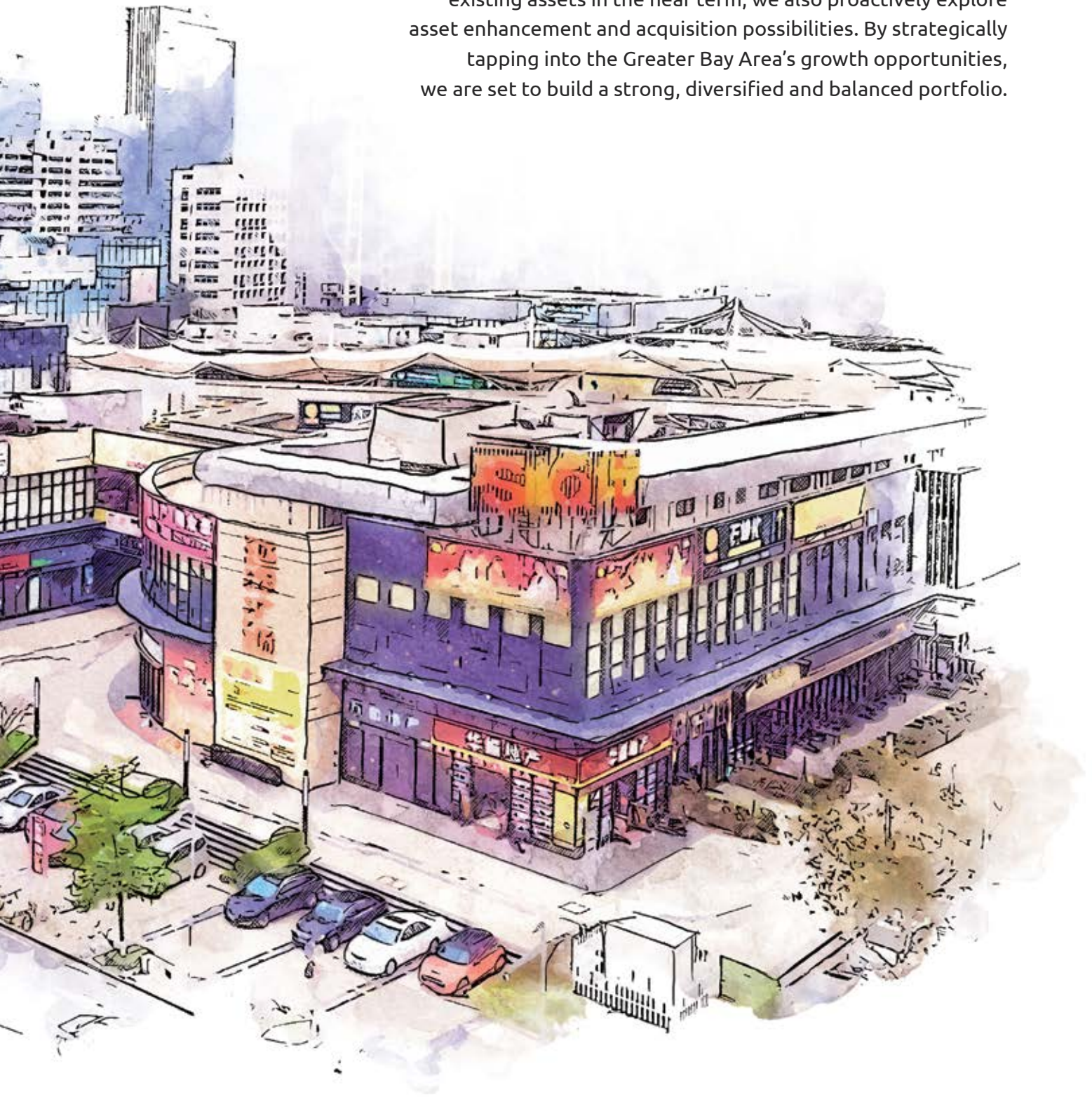
The National Development and Reform Commission approved the Greater Bay Area’s intercity railway construction plan in August 2020, which is to build 13 intercity railways and five hub projects with a total mileage of about 775 kilometres. With these, the “one-hour traffic circle” will be realised in the Greater Bay Area, which will inevitably promote the integration of urban agglomerations in the area.

In addition, the population of the Greater Bay Area is estimated to grow by approximately 43% to 100 million over the next 15 years. It is also expected to be the driving force of China’s innovation economy given the further opening-up and improvement of the business environment, which will attract global investors to increase investment in the region. With these, the core markets of Dasin Retail Trust will undoubtedly introduce unparalleled market momentum and growth opportunities.



STRATEGIC MOVES TODAY. STRONGER PORTFOLIO TOMORROW.

Our asset portfolio defines Dasin Retail Trust. That is why as we look to optimise trade mix and increase retail brands at our existing assets in the near term, we also proactively explore asset enhancement and acquisition possibilities. By strategically tapping into the Greater Bay Area's growth opportunities, we are set to build a strong, diversified and balanced portfolio.



LETTER TO UNITHOLDERS

Dear Unitholders,

In 2021, the world continued to grapple with the pandemic as the surfacing of new and more infectious variants such as Delta and Omicron continued to impact global production capacity and pose challenges to international shipping and supply chains. Notwithstanding this volatile environment, the steady rollout of COVID-19 vaccination programmes around the world paved the way for border reopening, relaxation of restriction measures and global recovery. China's economy also recorded a steady pace of recovery.

Against this backdrop, Dasin Retail Trust remained focused, building on the growth momentum to report a 15.8% increase in revenue of S\$101.3 million in 2021 as compared to S\$87.5 million in 2020. Our net property income also grew by 10.9% year-on-year to report S\$78.4 million. In addition, our distributable income surged 79.4% to S\$36.9 million in 2021 from S\$20.6 million in 2020, while our distribution per unit ("DPU") increased from 3.94 cents in 2020 to 5.22 cents in 2021.

The relatively better performance was attributed to the recovering macro environment, lower rental rebates granted to tenants and improved revenue from Shiqi Metro Mall, Ocean Metro Mall and Dasin E-Colour as well as contributions from full year operations of Shunde Metro Mall and Tanbei Metro Mall.



Shunde Metro Mall

FOCUSING ON PROACTIVE ASSET MANAGEMENT

As at 31 December 2021, Dasin Retail Trust recorded a stable occupancy of 93.9%, weighted lease to expiry of 3.6 years by gross rental income and 5.6 years by net lettable area. This was the result of our steadfast efforts in pushing forth our asset management strategy.

Dasin Retail Trust has seven retail malls – strategically located in Zhongshan, Zhuhai and Foshan cities – in its portfolio. No single property contributed to more than 22.0% of the Trust's revenue. Additionally, no single trade sector contributed to more than 25.0% of the Trust's gross rental income. This strategy empowered the portfolio to maintain its resilience and balance.

Through continuously improving and optimising existing tenant mix, the Trustee-Manager was not only able to improve footfall traffic and tenants' businesses at our malls, but also enhance mall visitors' overall shopping experience. At the same time, the introduction of new, popular brands and refreshment of offerings at the malls ensured that Dasin Retail Trust stays relevant to shoppers' evolving demands.

During the year, we completed our asset enhancement works at Xiaolan Metro Mall. The asset enhancement initiative ("AEI") also saw the mall bolstering its tenant mix with new tenants from food & beverage, children and retail sectors. The aim is to provide novel, fun and engaging experiences for young families while repositioning Xiaolan Metro Mall as a family-friendly leisure destination.



15.8%

Revenue Growth
in 2021

5.22 cents

DPU in 2021

93.9%

Portfolio Occupancy

CAPITAL MANAGEMENT

As at 31 December 2021, the Trust's gearing stood at 37.8%. Both lenders of the onshore and offshore facilities in relation to the offshore syndicated term loan facilities of up to the equivalent of S\$430.0 million in aggregate, and the onshore syndicated term loan facilities of up to the equivalent of RMB400.0 million in aggregate, granted the Trust extensions of the tenure from 20 January 2021 to 19 July 2021, 20 July to 19 December 2021 and 20 December 2021 to 19 March 2022. Subsequently, another three-month extension was granted from 19 March 2022 to allow the Trust to explore the proposal in the non-binding memorandum of understanding with Wuhe Yuanche Bisheng Investment Center on the potential divestment of Shiqi Metro Mall and Xiaolan Metro Mall.

STRENGTHENING OUR RESILIENCE FOR THE FUTURE

Committed to providing Unitholders with an attractive rate of return on their investment and achieve long-term sustainable growth for the Trust, the Trustee-Manager entered into a strategic partnership in July 2021 with Sino-Ocean Capital – a top domestic real estate fund management company and an outstanding alternative asset management company in China.

On 19 July 2021, Mr. Zhang Zhencheng who is the Trustee-Manager's Chairman and controlling shareholder together with Aqua Wealth Holdings Limited, a controlling unitholder of the Trust, entered into a sale and purchase agreement with New Harvest Investments Limited ("New Harvest") relating to the transfer of the 70% of the total issued and paid-up capital in the Trustee-Manager to New Harvest. New Harvest is a wholly owned subsidiary of Sino-Ocean Capital Holding Limited which is a long-time partner of the Sponsor, Zhongshan Dasin Retail Estate, and Mr. Zhang Zhencheng.

The transfer of shares that was completed on 12 October 2021 saw New Harvest acquiring 70.0% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng. Having them onboard as our major shareholder serves as a testimony to the Trust's promising outlook and strong track record. Significantly, the successful completion of the share transfer enables the Trust to leverage on Sino-Ocean Capital's reputation and strong, wide network to expand the Trust's presence in China. It will also pave the way for the Trust to enter into the next stage of growth.

The successful onboarding of Sino-Ocean Capital as Dasin Retail Trust's major shareholder enables the Trust to leverage Sino-Ocean Capital's reputation and strong, wide network to expand the Trust's presence in China. It will also pave the way for the Trust to enter into the next stage of growth.

LETTER TO UNITHOLDERS

ADVANCING OUR SUSTAINABILITY AGENDA

Despite registering a notable performance in 2021, it remained a fact that the operating environment presented much challenges posed by the ongoing pandemic. However, Dasin Retail Trust continued to drive our sustainability development plans forward by dedicating ourselves to upholding best practices in material environmental, social and governance (“ESG”) issues.

Besides aligning the sustainability framework, comprising five key pillars and 12 identified material ESG issues, to our principles of credibility and integrity, the

Trustee-Manager also engaged internal and external stakeholders regularly to understand their expectations and concerns. Furthermore, performance is measured against targets set in the preceding year to assess areas for improvements as well as determine targets for the following year.

In 2021, the Trust met all targets. Among which, the Trust had zero incidence of corruption reported and there was no significant incident of non-compliance with applicable laws and regulations. The Trust also continued to update our registry of property managers and suppliers against a strict and ongoing evaluation of their performance.

The Trust also positively impacted our community through proactive engagement. In one such initiative, personnel were activated to help out with nucleic acid testing at the community stations. In all, the Trust achieved over 500 volunteer hours during the year.

Towards reducing the Trust’s environmental impact, the central air conditioning systems at Shiqi Metro Mall and Xiaolan Metro Mall were retrofitted with energy saving models. Resultantly, the energy consumption of air conditioners in these two malls decreased by 29% and 28% respectively, enabling the Trust to reduce energy costs while doing good for the environment.



Shiqi Metro Mall

LOOKING AHEAD

China's economic numbers suggest that 2021 was a good year, but the recovery was uneven across sectors. Particularly, the waves of emerging new variants and China's "zero-COVID" policy had moderated the pace of recovery for consumption. Although the consumption rate registered an increase of 12.5% year-on-year against the low base in 2020 for consumer goods retail sales, the average two-year growth rate of 4.0% was still far below pre-pandemic levels. Nonetheless, the Trust concluded the year of 2021 with a commendable set of results, underpinned by our team's solid execution capabilities and our resilient business model.

However, the Trust recognised that the de-leveraging of the real estate industry in the second half of 2021 continued to cast a long shadow on the buoyancy of the investment and bond markets, depressing financing activities in the economy. With the goal of fortifying the Trust's current capital structure, the Trust will prioritise our efforts in expediting the completion of the refinancing exercise by working closely with our lenders as well as exploring any potential asset divestment opportunities.

On an operational level, the Trust will continue to look into ways to realise organic growth – be it through improving tenant mix, introducing trending brands, or undertaking AEI initiatives. Barring the recurrence of the pandemic or weakening growth during the economic transition period, we are cautiously optimistic that the recovery originally expected in 2021 will manifest in the second half of 2022 and Dasin will be able to maintain our growth momentum.



Doumen Metro Mall

ACKNOWLEDGEMENTS

To repeat the positive performance in 2019 and 2020 amidst an ongoing pandemic is no simple feat. The Trust's performance speaks volumes about the Trustee-Manager leadership strength, strong corporate culture and values as a socially responsible business. The dedication of our Board of Directors, senior management team and people were instrumental to this journey. We would also like to thank our Unitholders, tenants, shoppers, partners, suppliers

and bankers for their ongoing confidence and trust in us.

Looking into the future, we are confident that our unwavering building efforts today will place Dasin Retail Trust in a stronger position tomorrow.

Dr. Kong Weipeng
Chairman

Wang Qiu
Chief Executive Officer

致单位持有人的一封信



大信·新都汇顺德店

尊敬的单位持有人：

2021年，世界仍在与新冠肺炎疫情博弈：随着德尔塔和奥密克戎等传染性更强的新变种陆续出现，全球产能持续受到影响，国际航运和供应链也面临严峻挑战。尽管形势动荡，但全球范围内新冠疫苗接种计划稳步推进，为各国重新开放边境、放松限制措施和全球复苏铺平了道路。与此同时，中国经济也在稳步复苏。

在此背景下，大信商用信托以良好的增长势头为基础持续发力：2021年总收入达到1.013亿新元，与2020年的8,750万新元相比增长15.8%。净物业收入同比增长10.9%，达到7,840万新元。另外，可分配收入从2020年的2,060万新元增长到2021年的3,690万新元，增幅达79.4%，每股份单位分配额（“DPU”）也从2020年的3.94分增至2021年的5.22分。

相对较好的表现主要受益于宏观环境的复苏，给予租户租金折扣收窄，石岐店、远洋店和溢彩荟租金收入增以及顺德店和坦背店的全年运营贡献。

专注于积极主动的资产管理

截至2021年12月31日，大信商用信托实现了93.9%的稳定出租率，加权平均租赁期为3.6年（按总租金收入）和5.6年（按可出租净面积）。这个成绩的取得是我们持续稳步推进资产管理策略的结果。

大信商用信托的资产组合包括七处零售购物中心，分别位于中山市、珠海市和佛山市——选址极具战略意义。单一物业对信托收入的贡献率不超过22.0%。此外，单一业态在总租金收入中所占比例不超过25.0%。凭借这一策略，信托的投资组合得以保持弹性和均衡性。

通过持续完善和优化购物中心现有租户组合，信托管理公司不仅提升了购物中心的人流量和租户业务，还改善了购物中心访客的整体购物体验。与此同时，通过引入流行新品牌以及升级购物中心相关服务，大信商用信托确保了不断变化的购物者需求始终得到满足。

2021年，我们完成了小榄店的资产升级改造计划（“AEI”）。该处购物中心引入的新租户主要来自餐饮、儿童和零售业态，其目的是为年轻家庭提供新颖、有趣和引人入胜的体验，同时为小榄店重塑家庭友好型休闲娱乐场所的定位。



资本管理

截至2021年12月31日，大信商用信托的杠杆率为37.8%。境内和境外贷款方两次同意信托延长涉及总计不超过4.3亿新元的境外银团定期贷款融资以及总计不超过4亿人民币等值的境内银团定期贷款融资期限，从2021年1月20日延期至2021年7月19日，2021年7月20日延期至2021年12月19日和从2021年12月20日延期至2022年3月19日。此后，融资期限从2022年3月19日起再次延长三个月，以便信托与 Wuhe Yuanche Bisheng Investment Center 就石岐店和小榄店的潜在撤资达成无约束力的谅解备忘录中的提案。

提高未来发展的韧性

信托致力于为单元持有者提供有吸引力的投资回报率并实现自身的长期可持续增长。为此，信托管理公司于2021年7月与中国顶级地产基金管理公司、杰出另类资产管理公司远洋资本建立了战略合作伙伴关系。

2021年7月19日，信托管理公司主席兼控股股东张镇成先生与信托控股单位持有人 Aqua Wealth Holdings Limited 与新沃投资公司有关信托管理公司已发行及缴足资本总额的70%转让予新沃投资公司。新沃投资公司是远洋资本控股公司的全资附属子公司，也是发起人中山市大信置业有限公司与张镇成先生的长期合作伙伴。

股权转让已于2021年10月12日顺利完成。购入张镇成先生转让的股权后，新沃投资公司共持有信托管理公司已发行及缴足股本总额的70%。他们的加入成为我们的大股东，证明了信托公司的良好前景和强劲的业绩记录。此次股权加入意义重大，将帮助信托利用远洋资本的良好声誉和强大网络扩大自身在中国的影响，同时为信托进入下一个增长阶段铺平道路。

15.8%

2021年总收入增长

5.22分

2021年的每股份单位分配额

93.9%

出租率

此次，新沃投资公司股权加入意义重大。他们的加入不仅证明了信托公司的良好前景和强劲的业绩记录，更将帮助信托利用远洋资本的良好声誉和强大网络扩大自身在中国的影响，同时为信托进入下一个增长阶段铺平道路。

致单位持有人的一封信

推进可持续发展议程

尽管在2021年创造了亮眼的业绩，我们的运营环境仍然面临疫情持续所带来的诸多挑战，这是不争的事实。但是，大信商用信托将致力于在重大环境、社会和治理（“ESG”）问题上坚持最佳实践，继续推动我们的可持续发展计划。

除了将可持续发展框架（包括五个关键支柱和12个已确定的重大ESG问题）与我们的诚信原则保持一致外，信託管理公司还定期与内部和外部利益相关方接触，以了解他们的期望和担忧。此外，我们还根据上一年设定的目标对业绩进行衡量，以便评估有待改进的领域并确定下一年的目标。

2021年，信託全面实现了各项目标。其中，信託报告的腐败事件为零，未发生重大违反适用法律法规的事件。信託还对物业经理和供应商业绩进行严格的持续评估，并根据评估结果淘汰不合格供应商。通过积极参与相关工作，信託对自身所在社区产生了积极影响，例如动员工作人员前往社区检测站协助对居民进行核酸检测。2021年，信託累计贡献了500多小时志愿服务。

为了减少自身对环境的影响，信託对石岐店和小榄店的中央空调系统进行了升级改造，增加了节能模式。改造后，两处购物中心的空调能耗分别降低了29%和28%，助力信託在降低能源成本的同时造福环境。





大信·新都汇斗门店

展望未来

统计数据表明，2021年中国经济运行情况良好，但各行业的复苏程度不尽相同。尤为显著的是，新冠病毒新变种的出现和中国的“清零”政策减缓了消费复苏的步伐。虽然消费率同比增长12.5%，但消费品零售额基数处于20年来最低水平，而4.0%的两年平均增长率也远低于疫情爆发前的水平。尽管如此，凭借强大的团队执行能力和灵活的经营模式，信托在2021年取得了一系列亮眼的成绩。

信托认识到，2021年下半年房地产行业的去杠杆化给投资和债券市场的繁荣蒙上了挥之不去的阴影，经济融资活动也因此而受到抑制。为了强化当前的资本

结构，信托将把加快完成再融资作为重中之重，在与贷款方密切合作的同时深挖潜在的资产剥离机会。

在运营层面，信托将继续探索实现有机增长的方法，包括完善租户组合、引入时尚品牌以及实施AEI计划。除非疫情再度爆发或经济转型期增长乏力，我们谨慎乐观地认为，2021年预测的复苏景象将在2022下半年开始显现，信托也将保持良好的增长势头。

鸣谢

在疫情反复的背景下，要重现2019年和2020年的强劲业绩并非易事。信托的表现充分证明了信托管理公司出众的领导能力、强大的企业文化，以及作为一

家积极承担社会责任的企业所具有的价值。在这个过程中，公司董事会、高管团队和员工的奉献精神起到了重要作用。广大单位持有人、租户、消费者、合作伙伴、供应商和银行也持续给予我们持续的信心和信任，在此一并致谢。

展望未来，我们相信，今天的努力奋斗将帮助大信商用信托在明天占据更有利的地位。

孔维鹏博士

主席

王秋

首席执行官

FLEXIBILITY TODAY. SUSTAINABILITY TOMORROW.

We are committed to deliver sustainable value to unitholders. For that reason, we adopt a prudent approach towards managing our assets and investments today, while proactively fostering synergistic partnerships that will take the Trust into the next stage of growth – creating sustainable value for our unitholders tomorrow.





FINANCIAL REVIEW

GROSS REVENUE

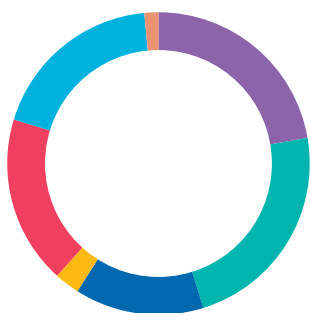
Revenue for FY2021 was higher than FY2020 by approximately S\$13.8 million or 16% mainly due to contribution from Shunde Metro Mall and Tanbei Metro Mall which were acquired on 8 July 2020, and higher revenue from Shiqi Metro Mall, Ocean Metro Mall and Dasin E-Colour due to recovery of impact from COVID-19 and lower rental rebates granted to tenants in FY2021.

Revenue before adjustment for straight-lining basis over the lease term (non-cash) for Shiqi Metro Mall, Xiaolan Metro Mall, Ocean Metro Mall, Dasin E-Colour and Doumen Metro Mall for FY2021 was higher by approximately S\$10.6 million or 15%, compared to those of FY2020, owing to recovery of the impact from COVID-19 and, lesser amount of rental rebates granted to tenants in FY2021.

	FY2021 RMB'M	FY2020 RMB'M	% change	FY2021 ⁽¹⁾ S\$'M	FY2020 ⁽¹⁾ S\$'M	% change
Shiqi Metro Mall	108.4	105.6	3	22.6	21.1	7
Xiaolan Metro Mall	110.9	118.0	(6)	23.1	23.6	(2)
Ocean Metro Mall	67.2	60.8	11	14.0	12.1	16
Dasin E-Colour	13.3	12.3	8	2.8	2.5	12
Doumen Metro Mall	87.3	87.7	-	18.2	17.5	4
Shunde Metro Mall ¹	91.4	49.5	85	19.1	9.9	93
Tanbei Metro Mall ¹	6.7	3.7	81	1.5	0.8	88
Portfolio	485.2	437.6	11	101.3	87.5	16

	FY2021 ⁽¹⁾			FY2020 ⁽¹⁾		
	Before adjustment for SLA S\$'M	Straight- lining basis over the lease term (SLA) S\$'M	After adjustment for SLA S\$'M	Before adjustment for SLA S\$'M	Straight- lining basis over the lease term (SLA) S\$'M	After adjustment for SLA S\$'M
Shiqi Metro Mall	23.1	(0.5)	22.6	20.7	0.4	21.1
Xiaolan Metro Mall	23.8	(0.7)	23.1	21.6	2.0	23.6
Ocean Metro Mall	14.2	(0.2)	14.0	11.9	0.2	12.1
Dasin E-Colour	2.9	(0.1)	2.8	2.5	-	2.5
Doumen Metro Mall	18.7	(0.5)	18.2	15.4	2.1	17.5
Shunde Metro Mall ⁽²⁾	18.5	0.6	19.1	9.1	0.8	9.9
Tanbei Metro Mall ⁽²⁾	1.4	0.1	1.5	0.7	0.1	0.8
Portfolio	102.6	(1.3)	101.3	81.9	5.6	87.5

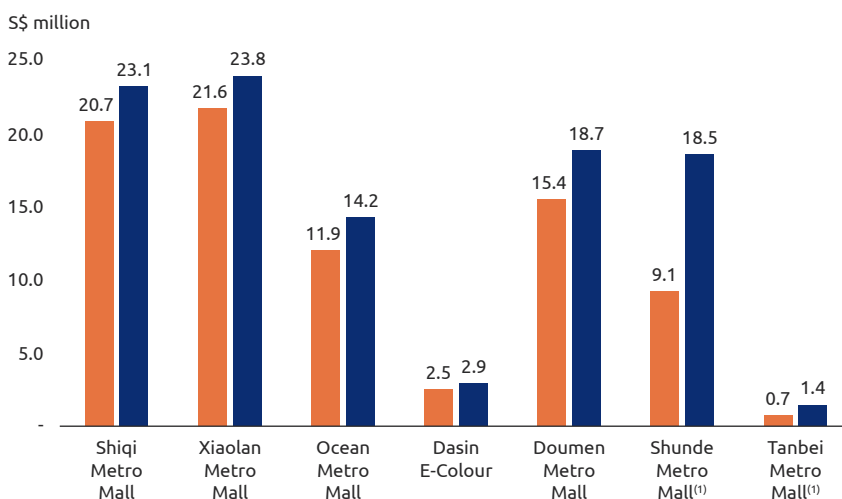
FY2021 GROSS REVENUE CONTRIBUTION (%)



Shiqi Metro Mall	22.3
Xiaolan Metro Mall	22.9
Ocean Metro Mall	13.8
Dasin E-Colour	2.7
Doumen Metro Mall	18.0
Shunde Metro Mall	18.8
Tanbei Metro Mall	1.5

REVENUE BEFORE ADJUSTMENT FOR SLA

- Before adjustment for SLA FY2020
- Before adjustment for SLA FY2021



⁽¹⁾ The actual results of the Trust's foreign operations were converted using the average RMB/SGD rate of 4.7893 for the full year ended 31 December 2021 ("FY2021") (FY2020: 5.0030).

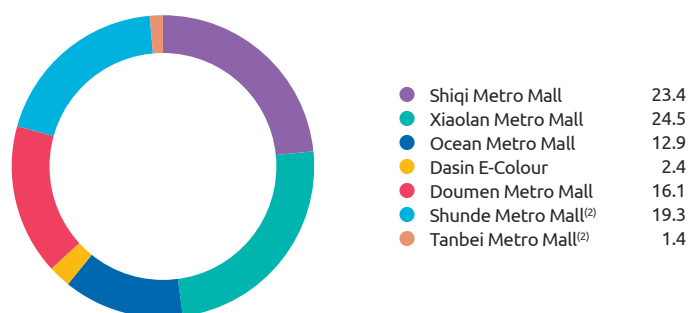
⁽²⁾ Shunde Metro Mall and Tanbei Metro Mall were acquired by the Trust on 8 July 2020. FY2020 of Shunde Metro Mall and Tanbei Metro Mall refers to the period from 9 July 2020 to 31 December 2020.

NET PROPERTY INCOME

The net property income margin (“NPI margin”) of the Group was approximately 77% for FY2021 compared to approximately 81% for FY2020. Slightly lower NPI margin was mainly due to higher staff and related costs, higher utilities expense and higher property tax expense. With effect from 1 January 2021, the Property Manager and the Commercial Manager recover the staff and related costs of not exceeding 1.5% of the gross revenue of the property each from the Trust for Shiqi Metro Mall, Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour, resulting in higher staff and related costs. The staff and related costs were borne by the Property Manager and Commercial Manager in previous years. Higher property tax expense in FY2021 was due to property tax rebates granted by the local government in response to COVID-19 in FY2020.

	FY2021 RMB'M	FY2020 RMB'M	% change	FY2021 ⁽¹⁾ S\$'M	FY2020 ⁽¹⁾ S\$'M	% change
Shiqi Metro Mall	87.7	88.7	(1)	18.3	17.7	3
Xiaolan Metro Mall	92.1	102.8	(10)	19.2	20.6	(7)
Ocean Metro Mall	48.4	43.1	12	10.1	8.6	17
Dasin E-Colour	9.0	8.6	5	1.9	1.7	12
Doumen Metro Mall	60.5	67.4	(10)	12.7	13.5	(6)
Shunde Metro Mall ⁽²⁾	72.4	40.0	81	15.1	8.0	89
Tanbei Metro Mall ⁽²⁾	5.4	3.1	74	1.1	0.6	83
Portfolio	375.5	353.7	6	78.4	70.7	11

FY2021 NET PROPERTY INCOME CONTRIBUTION (%)



DISTRIBUTION

Total distribution per unit (“DPU”) for the financial year ended 31 December 2021 was 5.22 cents, higher than FY2020 DPU of 3.94 cents by approximately 32.5%. The DPU translated to a yield of 6.53% (based on offering price of S\$0.80) and 14.11% (based on the closing price of S\$0.37 as at 31 December 2021).

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

	FY2021	FY2020	% change
Distribution per unit (cents):			
- With Distribution Waiver	5.22	3.94	33
- Without Distribution Waiver	4.67	2.87	63
Annualised distribution yield (%)			
- Based on offering price of S\$0.80:			
- With Distribution Waiver	6.53	4.93	33
- Without Distribution Waiver	5.84	3.59	63
- Based on closing price of S\$0.370 at 31 December 2021 and S\$0.785 at 31 December 2020			
- With Distribution Waiver	14.11	5.02	N.M.
- Without Distribution Waiver	12.63	3.66	N.M.

N.M. = Not meaningful

⁽¹⁾ The actual results of the Trust’s foreign operations were converted using the average RMB/SGD rate of 4.7893 for the full year ended 31 December 2021 (“FY2021”) (FY2020: 5.0030).

⁽²⁾ Shunde Metro Mall and Tanbei Metro Mall were acquired by the Trust on 8 July 2020. FY2020 of Shunde Metro Mall and Tanbei Metro Mall refers to the period from 9 July 2020 to 31 December 2020.

FINANCIAL REVIEW

INDEPENDENT VALUATION OF INVESTMENT PROPERTIES

The investment properties of the Group were valued at 31 December 2021 by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), using the Discounted Cash Flows ("DCF") and Income Capitalisation methods as follows:

	As at 31 Dec 2021 RMB'M	As at 31 Dec 2020 RMB'M	As at 31 Dec 2021 ⁽¹⁾ S\$'M	As at 31 Dec 2020 ⁽¹⁾ S\$'M
Shiqi Metro Mall	2,813	2,864	597	580
Xiaolan Metro Mall	2,024	2,149	429	435
Ocean Metro Mall	1,675	1,705	356	345
Dasin E-Colour	265	282	56	57
Doumen Metro Mall	1,974	2,015	419	408
Shunde Metro Mall	2,468	2,498	524	506
Tanbei Metro Mall	72	74	15	15
Portfolio	11,291	11,587	2,396	2,346

The investment properties are RMB-denominated assets. Decrease in fair value of the investment properties of RMB296 million as at FY2021 compared to FY2020 was mainly due to lower expected rental growth rate as a result of the COVID-19 pandemic, and adjusted for capital expenditure and lease incentive. However, increase in fair value of the investment properties of S\$50 million in SGD term was due to the strengthening of RMB against SGD.

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

CAPITAL MANAGEMENT

As at 31 December 2021, the Group has three onshore syndicated term loans of RMB360.2 million (S\$76.4 million), RMB487.5 million (S\$103.4 million) and RMB472.0 million (S\$100.2 million) (collectively "Onshore Facilities"), and three offshore syndicated term loans of S\$242.0 million and US\$134.3 million (S\$181.1 million) equivalent to S\$423.1 million in aggregate, a S\$54.9 million and HK\$294.0 million (S\$50.8 million) equivalent to S\$105.7 million in aggregate and a S\$87.0 million and US\$34.0 million (S\$45.9 million) equivalent to S\$132.9 million in aggregate (collectively "Offshore Facilities").

The Onshore Facilities are secured by legal mortgage over the Initial Portfolio, Shiqi Metro Mall, Doumen Metro Mall, Shunde Metro Mall and Tanbei Metro Mall and a pledge over the sales proceeds, rental income and receivables derived from these properties.

The Offshore Facilities 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.

⁽¹⁾ Converted using the month-end RMB/SGD rate of 4.7125 for the full year ended 31 December 2021 ("FY2021") (FY2020: 4.9396).

The Group has been granted by the lenders of both the onshore and offshore facilities in relation to the initial portfolio and Shiqi Metro Mall's offshore syndicated term loan facilities of up to the equivalent of S\$423.1 million in aggregate, and the onshore syndicated term loan facilities of up to the equivalent of RMB360.2 million (S\$76.4 million) in aggregate, an extension of three months from 19 March 2022 to allow the Trust to explore the proposal in the non-binding memorandum of understanding with Wuhu Yuanche Bisheng Investment Center on the potential divestment of Shiqi Metro Mall and Xiaolan Metro Mall (the "Proposed Divestment").

During the year 2021, the Group repaid totalling RMB35.6 million (S\$7.6 million) in relation to the Onshore Facilities in accordance with the facility agreements.

In addition to the above facilities, the Group has secured a revolving credit facility ("RCF") of up to US\$13.8 million (approximately S\$18.6 million) for financing the general working capital of the Group. The Group has drawn down a total of US\$13.1 million (approximately S\$17.7 million) as at 31 December 2021. This RCF is secured by the restricted cash of RMB90.0 million (S\$19.1 million) of a subsidiary of the Trust in China.

As at 31 December 2021, the Group does not have any investment in other property funds and other material investments.

Key Financial Indicators

As at 31 December 2021

Gearing⁽¹⁾ 37.8%

Weighted Average Term to Maturity (years)

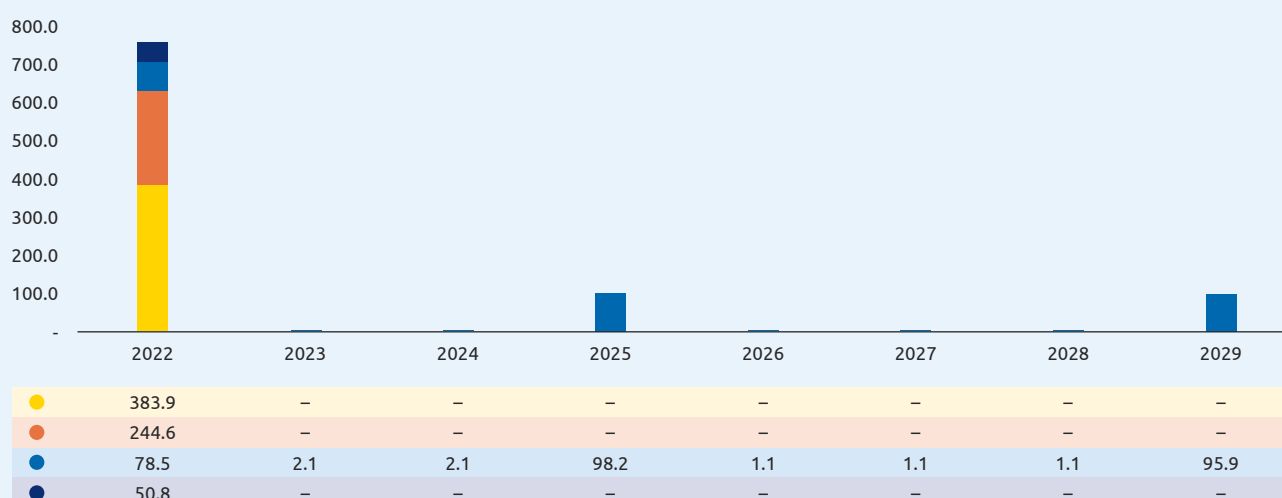
Onshore 4.0
Offshore⁽²⁾ 0.4

NET ASSET VALUE ("NAV") PER UNIT

As at 31 December 2021, the Group's NAV of S\$1.40 per unit, was 0.7% lower than the NAV of S\$1.41 per unit as at 31 December 2020.

DEBT MATURITY PROFILE (\$ MILLION)

- SGD
- USD
- RMB
- HKD



⁽¹⁾ Gearing was computed based on total gross borrowings of S\$959,406,000 divided by total assets of S\$2,540,017,000 as at 31 December 2021.

⁽²⁾ On 21 March 2022, the Trust announced that the lenders of both the onshore and offshore facilities of the Initial Portfolio and Shiqi Metro Mall have granted an extension of three months from 19 March 2022 to allow the Trust to explore the proposal in the announcement on 20 March 2022 titled *Entry Into Non-Binding Memorandum of Understanding* on the potential divestment of Shiqi Metro Mall and Xiaolan Metro Mall.

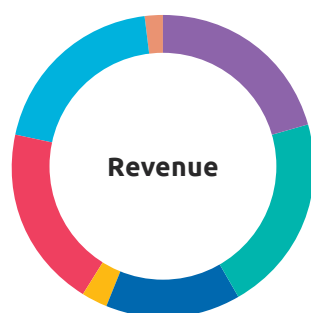
OPERATIONS REVIEW

Despite the challenges posed by the COVID-19 pandemic in FY2021, the Trustee-Manager remained focused on executing its asset management strategy to improve the quality of its retail malls, product offerings as well as enhance overall shopping experience to meet demands of consumers. The asset enhancement initiative (AEI) at Xiaolan Metro Mall was completed in October 2021. Following the completion, traditional furniture and furnishing as well as retail trade sectors were phased out and the mall's tenant mix was enhanced with new tenants from F&B, children and retail sectors, providing new learning and fun experience and attracting more families to the mall.

As at 31 December 2021, DRT's portfolio comprises seven retail malls strategically located in Zhongshan, Zhuhai and Foshan cities. Proactive asset management

efforts have resulted in a resilient and diversified portfolio with no single property contributing more than 22% of the Trust's revenue in December 2021.

EXISTING PORTFOLIO⁽¹⁾



	%
Shiqi Metro Mall	20.7
Xiaolan Metro Mall	21.2
Ocean Metro Mall	14.3
Dasin E-Colour	2.8
Doumen Metro Mall	19.6
Shunde Metro Mall	19.5
Tanbei Metro Mall	1.9

⁽¹⁾ Based on revenue in RMB in December 2021, excluding rental income recognised on a straight line basis over the lease term.

1. OCCUPANCY RATE

As a result of the Trust's efforts in optimising tenant mix and introducing trending brands to enhance customers' shopping experience, DRT maintained a stable occupancy rate of 93.9% as at 31 December 2021.

	As at 31 December 2021	As at 31 December 2020
Shiqi Metro Mall	95.7%	96.7%
Xiaolan Metro Mall	95.3%	97.2%
Ocean Metro Mall	88.6%	96.7%
Dasin E-Colour	84.1%	86.0%
Doumen Metro Mall	97.4%	97.9%
Shunde Metro Mall	93.3%	95.8%
Tanbei Metro Mall	90.4%	96.3%
Portfolio	93.9%	96.5%

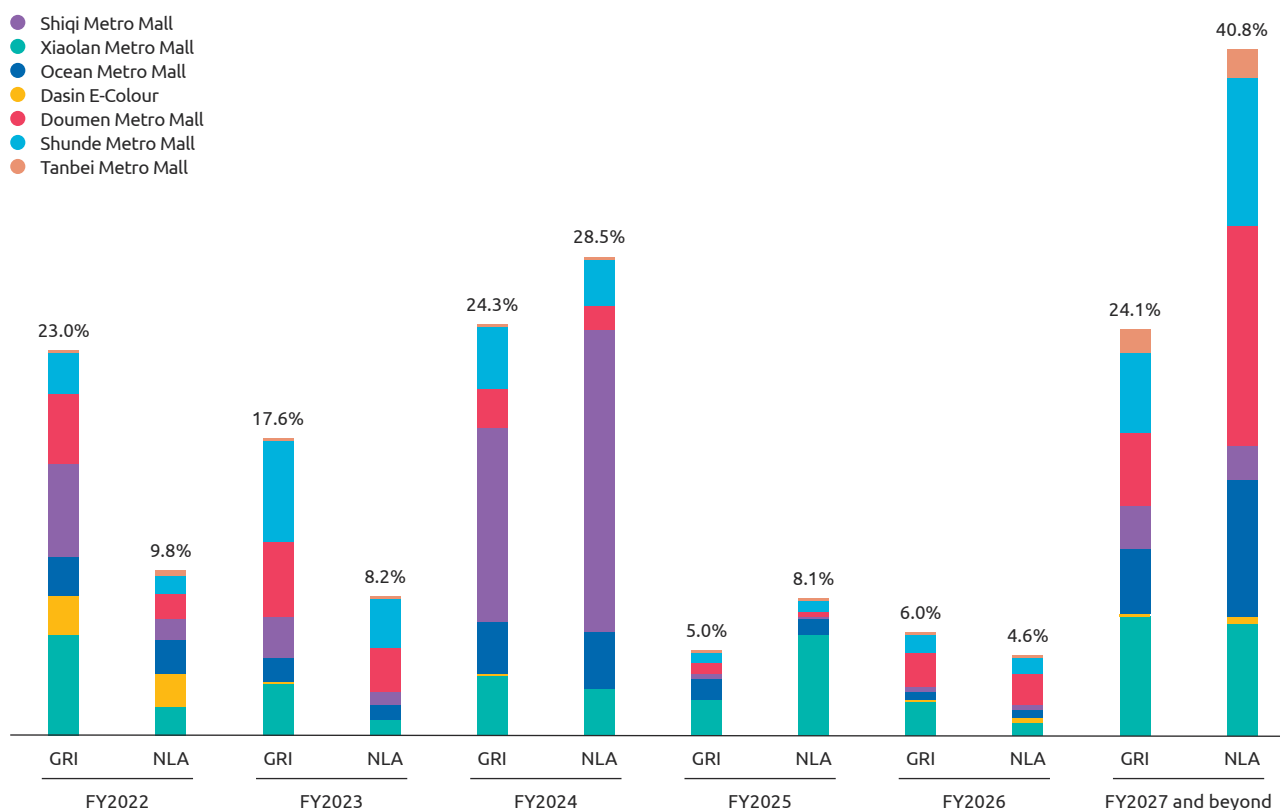
2. LEASE EXPIRY PROFILE

As at 31 December 2021, the portfolio weighted average lease expiry by NLA was 5.6 years. Approximately 40.8% of leases by NLA are due to expire in FY2027 and beyond mainly due to anchor tenants with long leases. The long WALE of DRT will support long-term stable and recurring income.

	As at 31 December 2021	
	By Net Lettable Area (NLA)	By Gross Rental Income (GRI)
FY2022 ⁽¹⁾	9.8%	23.0%
FY2023	8.2%	17.6%
FY2024	28.5%	24.3%
FY2025	8.1%	5.0%
FY2026	4.6%	6.0%
FY2027 and beyond	40.8%	24.1%
Total	100%	100%

⁽¹⁾ Includes leases expiring on 31 December 2021.

LEASE EXPIRY PROFILE (BY PROPERTIES) (%)



OPERATIONS REVIEW

LEASE EXPIRY FOR 2022⁽¹⁾

	No. of leases ⁽²⁾	NLA		GRI	
		(sqm)	% of Total ⁽³⁾	RMB'000	% of Total ⁽⁴⁾
Shiqi Metro Mall	69	5,846	1.3%	1,998	5.6%
Xiaolan Metro Mall	53	7,343	1.6%	2,146	6.0%
Ocean Metro Mall	54	7,129	2.0%	840	2.3%
Dasin E-Colour	29	4,744	2.0%	831	2.3%
Doumen Metro Mall	86	5,404	1.5%	1,519	4.2%
Shunde Metro Mall	44	4,241	1.2%	868	2.4%
Tanbei Metro Mall	3	860	0.2%	60	0.2%
Total	338	35,566	9.8%	8,263	23.0%

⁽¹⁾ Included Ocean Metro Mall and Shiqi Metro Mall's leases which expired on 31 December 2021.

⁽²⁾ Based on the signed lease agreements on or before 31 December 2021.

⁽³⁾ Based on the total NLA as at 31 December 2021.

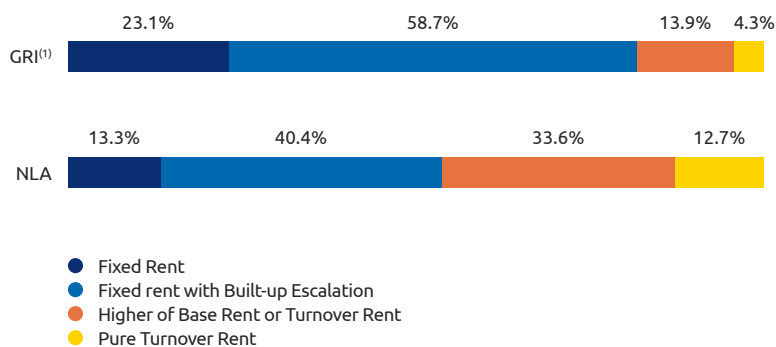
⁽⁴⁾ Based on the total GRI of December 2021.

3. WALE

	As at 31 December 2021	
	WALE (By NLA)	WALE (by GRI)
Shiqi Metro Mall	2.6	2.3
Xiaolan Metro Mall	3.9	3.3
Ocean Metro Mall	6.3	4.9
Dasin E-Colour	1.8	1.0
Doumen Metro Mall	9.3	4.2
Shunde Metro Mall	6.9	4.5
Tanbei Metro Mall	5.4	6.1
Portfolio	5.6	3.6

LEASE STRUCTURE

The Trust's portfolio lease structure comprises four components including fixed rent, fixed rent with built-up escalation, higher of base rent or turnover rent and pure turnover rent. The fixed rent and fixed rent with built-up escalation components provide the Trust with stable rental income while the lease structures with turnover rent provide growth to the portfolio and allows the Trustee-Manager to track tenants' sales.

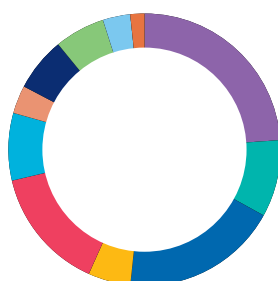


(1) Based on GRI in December 2021.

4. TRADE SECTOR

Dasin Retail Trust's tenants are from diverse sectors with no single trade sector contributing more than 25.0% of its gross rental income, providing resiliency to the portfolio.

TRADE SECTOR BY NLA (%)



Supermarket / Hypermarket	23.9
Department Store	9.2
Food & Beverage / Food Court	18.6
Home Furnishings	5.0
Leisure & Entertainment	14.6
Fashion	8.0
IT & Electronics	3.3
General Retail	6.4
Services	6.0
Sports & Fitness	3.3
Others	1.7

TRADE SECTOR BY GRI (%)



Supermarket / Hypermarket	3.7
Department Store	10.1
Food & Beverage / Food Court	24.6
Home Furnishings	4.3
Leisure & Entertainment	6.0
Fashion	14.7
IT & Electronics	6.8
General Retail	17.5
Services	8.0
Sports & Fitness	1.7
Others	2.6

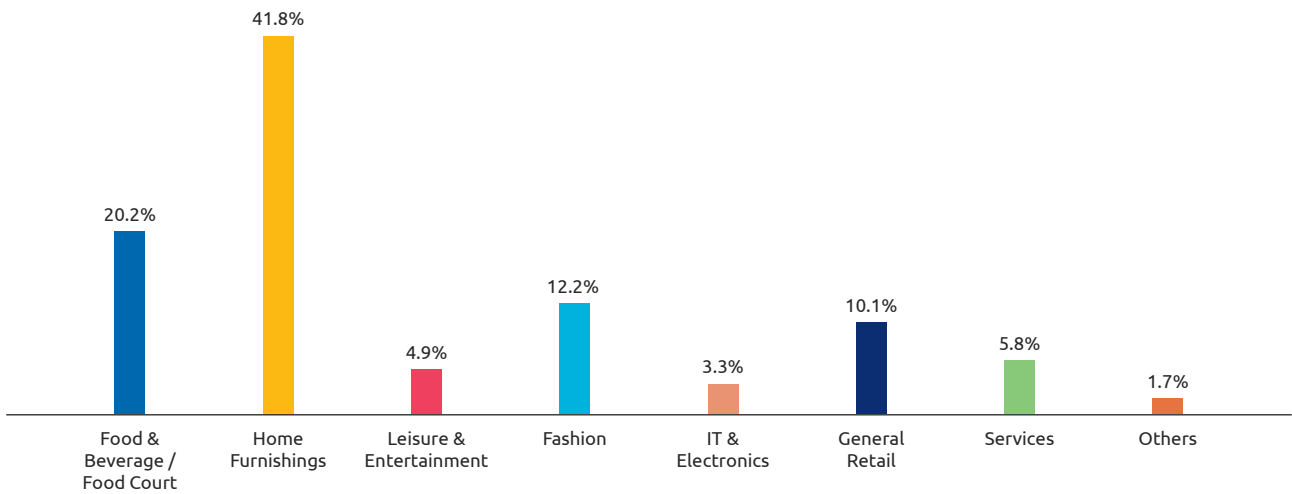
OPERATIONS REVIEW

5. NEW LEASES SIGNED

Dasin Retail Trust's new leases signed in FY2021 were supported by tenants from diverse sectors, a testament to Trustee Manager's proactive asset management efforts in achieving a well-diversified portfolio trade mix and strengthening resilience.

NEW LEASES SUPPORTED BY TENANTS FROM DIVERSE SECTORS

Trade mix of leases signed in FY2021⁽¹⁾



Shunde Metro Mall

⁽¹⁾ Based on NLA as at 31 December 2021.

6. TOP 10 TENANTS

No.	Tenants	Brand Name	Property	Trade Sector	Lease Expiry	NLA (sqm)	NLA	GRI
1	中山市大信新都汇商业投资有限公司 Dasin Merchant Investment	主租赁协议 Master Lease	Xiaolan Metro Mall	Department Store	Sep/27	28,427	7.35%	8.49%
			Ocean Metro Mall	Leisure & Entertainment	Nov/21 (expired)			
			Dasin E-Colour	Department Store	Mar/22			
2	中山市优越城百货管理有限公司 Zhongshan Youyuecheng Store Management Co., Ltd.	Superior City Department Store	Shiqi Metro Mall	Department Store	Apr/24	19,842	5.13%	4.03%
3	昆山润华商业有限公司中山小榄分公司 Kunshan Runhua Business Co., Ltd. Xiaolan Branch	大润发 RT Mart	Xiaolan Metro Mall	Supermarket / Hypermarket	Sep/25	61,818	15.99%	3.74%
			Shiqi Metro Mall		Mar/24			
			Doumen Metro Mall		Dec/38			
4	中山市简美家居有限公司小榄分公司 Zhongshan Jianmei Jane Eyre Home Furnishing Co., Ltd., Xiaolan Branch	简美家居 Jane Eyre Furniture Mall	Xiaolan Metro Mall	Home Furnishings	Jun/21 ⁽¹⁾	22,353	5.78%	3.16%
			Shiqi Metro Mall		Sep/21 ⁽²⁾			
5	中山市东升大信餐饮服务有限公司 Zhongshan Dongsheng Dasin Food Services Co., Ltd.	信轩酒家 Xin Xuan Restaurant	Tanbei Metro Mall	Food & Beverage	Aug/21 ⁽³⁾	14,446	3.74%	2.15%
			Ocean Metro Mall		Nov/24			
			Doumen Metro Mall		Aug/30			
			Shiqi Metro Mall		Apr/24			
			Dasin E-Colour		Jan/22 ⁽⁴⁾			
	中山市远洋大信餐饮服务有限公司 Zhongshan Dasin Restaurant Service Co., Ltd. (Yuan Yang Dasin Food Services)							
	珠海市斗门信轩餐饮服务有限公司 Zhuhai Doumen Xinxuan Catering Service Co., Ltd.							
	中山市石岐大信餐饮服务有限公司 Zhongshan Dasin Food Services Co., Ltd. (Shiqi Food Services)							
	中山市溢彩大信餐饮服务有限公司 Zhongshan Yicai Dasin Food Service Co., Ltd.							

⁽¹⁾ Early termination based on mutual agreement in June 2021.

⁽²⁾ The lease agreement with Zhongshan Jianmei Household Co., Ltd. was terminated in September 2021.

⁽³⁾ The lease agreement with Zhongshan Dongsheng Dasin Food Services Co., Ltd. was terminated in August 2021.

⁽⁴⁾ Early termination based on mutual agreement in January 2022.

OPERATIONS REVIEW

No.	Tenants	Brand Name	Property	Trade Sector	Lease Expiry	NLA (sqm)	NLA	GRI
6	中山市国美电器有限公司 Zhongshan GOME Electric Appliance Co., Ltd.	国美电器 GOME	Shiqi Metro Mall	IT & Electronics	Apr/27	3,417	0.88%	2.03%
7	中山苏宁易购商贸有限公司 Zhongshan Suning Yunshang Trading Co., Ltd	苏宁易购 Suning.com	Xiaolan Metro Mall	IT & Electronics	Jun/28	6,587	1.70%	1.61%
	佛山市苏宁易购销售有限公司 Foshan Suning Tesco Sales Co., Ltd.		Shunde Metro Mall		Sep/28			
	珠海苏宁易购销售有限公司 Zhuhai Suning Tesco Sales Co., Ltd.		Doumen Metro Mall		Jan/29			
8	中山市金逸电影城有限公司博爱分公司 Zhongshan Jinyi Film City Co., Ltd. Boai Branch	金逸影城 Jinyi Cinema	Ocean Metro Mall	Leisure & Entertainment	Sep/34	17,983	4.65%	1.34%
	中山市金逸电影城有限公司 Zhongshan Jinyi Film City Co., Ltd.		Shiqi Metro Mall		Jul/35			
	中山市小榄镇金逸电影城有限公司 Jinyi Film City Co., Ltd., Xiaolan Town, Zhongshan City		Xiaolan Metro Mall		May/28			
	广州金逸影视传媒股份有限公司 顺德彩虹分公司 Guangzhou Jinyi Film and Television Media Co., Ltd. Shunde Rainbow Branch		Shunde Metro Mall		Dec/38			
9	刘兆勇 Liu Zhaoyong	华为plus, 永成通讯 Huawei plus, Yongcheng Communication	Xiaolan Metro Mall	General Retail	Nov/22, Sep/26	1,127	0.29%	1.22%
		永成通讯 Yongcheng Communication	Ocean Metro Mall	IT & Electronics	Mar/25			
10	珠海市威尼斯西餐有限公司 Zhuhai Venice Western Food Co., Ltd.	威尼斯西餐牛扒城 Venice Steak City	Doumen Metro Mall	餐饮 Food & Beverage	Oct/28	6,165	1.59%	1.05%
	珠海市威尼斯西餐有限公司大良分公司 Zhuhai Venice Western Food Co., Ltd. Daliang Branch		Shunde Metro Mall		Jun/21 ⁽¹⁾			
	中山市小榄镇威尼斯西餐厅 Zhongshan Xiaolan Venice Western Restaurant		Xiaolan Metro Mall		Sep/24			

⁽¹⁾ Early termination based on mutual agreement in June 2021.

7. MASTER LEASE AGREEMENT

As disclosed in the Prospectus dated 13 January 2017, Dasin Merchant Investment entered into the separate Master Lease Agreements for certain units on the first and the third floors of Xiaolan Metro Mall (the "Xiaolan Master Lease Agreement") and for certain units on the fourth, eighth and ninth floors as well as the entire seventh floor of Dasin E-Colour (the "E-Colour Master Lease Agreement").

The Trustee-Manager is to provide updates on the status of the Master Lease Agreements, including whether the assumptions originally projected in the Prospectus (such as the rental amount) have been achieved or provide an explanation otherwise.

On 26 December 2016, the Trust entered into the Xiaolan Master Lease Agreement for GFA of 14,940.5 sqm for 10 years from 26 September 2017 to 25 September 2027. The Xiaolan Master Lessee paid a security deposit of RMB21 million (equivalent to 12 months of rental in 2018) according to the Xiaolan Master Lease Agreement. On 15 September 2021, the security deposit was reduced from RMB21 million to approximately RMB4.05 million (equivalent to two months of current rental) based on the current market practice and normal commercial terms. On 31 December 2021, the GFA of Xiaolan Master Lease Agreement reduced by 523 sqm to 14,417 sqm following an AEI at Xiaolan Metro Mall.

The E-Colour Master Lease Agreement was renewed for three years to 1 March 2022 when it expired on 1 March 2019. On 22 February 2022, the E-Colour Master Lease Agreement was renewed on the same terms for two years to 1 March 2024.

As at 31 December 2021, the following results have been achieved:

	Mall	NLA (sqm)	Lease Period		GRI (FY2021) (RMB)	GRI for Remaining Lease Period (RMB)	Remaining Lease Period (years)
			from	to			
Dasin Merchant Investment 大信新都汇商业投资 有限公司	Xiaolan Metro Mall	11,534.3	26 September 2017	25 September 2027	24,097,371.7	159,249,153.9	5.8
	Dasin E-Colour	4,593.0	2 March 2019	1 March 2022 ⁽¹⁾	3,968,628.0	672,106.4	0.3

The security deposits provided under the Master Lease Agreements are in cash.

⁽¹⁾ Dasin Merchant Investment's Master Lease Agreement at Dasin E-Colour which expired on 1 March 2022, was renewed on the same terms for two years to 1 March 2024 on 22 February 2022.

KEY PROPERTIES

SHIQI METRO MALL

Shiqi Metro Mall, with over 17 years of history, is the first shopping mall in Zhongshan. It has a broad trade mix targeting primarily middle-income households in the core urban area of Zhongshan. Shiqi Metro Mall's anchor tenants include RT Mart, Superior City Department Store and other tenants such as Watsons, KFC, Starbucks and Xin Xuan Restaurant. Due to its mature position in the market as well as its strategic location, Shiqi Metro Mall has always enjoyed a high occupancy rate and has a strong brand awareness among local residents in the city.

Shiqi Metro Mall is centrally located in the downtown area of the Shiqi District. In addition to the convenient road network, the shopping mall is well served by many local public bus routes, including one which stops directly in front of the property. Shiqi Metro Mall also provides free shuttle bus services to surrounding communities as well as to other shopping malls to generate steady customer footfall.

PROPERTY INFORMATION

As at 31 December 2021

119,682

Gross Floor Area (sqm)

85,247

Net Lettable Area (sqm)

596.9

Valuation (S\$m)

95.7%

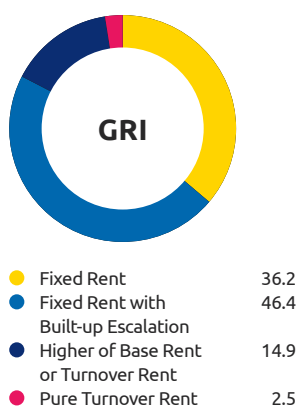
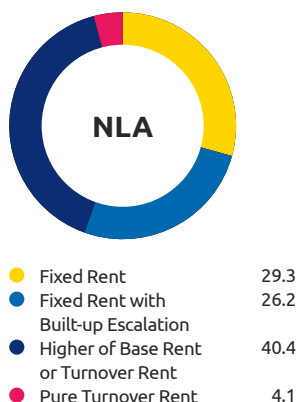
Occupancy

2.6/2.3

WALE (NLA/GRI)



LEASE STRUCTURE (%)

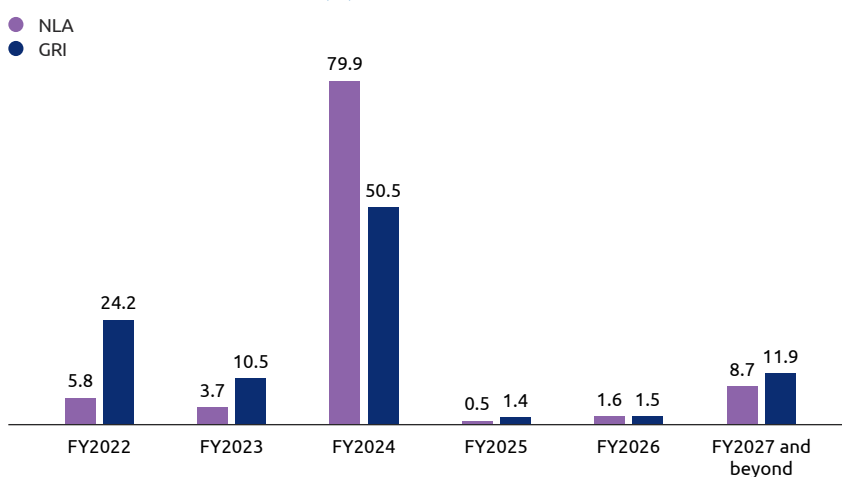


TRADE SECTOR

As at 31 December 2021

	NLA (%)	GRI (%)
Supermarket / Hypermarket	21.4	0.6
Department Store	25.1	19.7
Food & Beverage / Food Court	9.6	15.6
Home Furnishings	20.6	14.8
Leisure & Entertainment	9.2	3.8
Fashion	2.6	10.5
IT & Electronics	6.6	15.9
General Retail	4.4	17.6
Services	0.1	0.3
Sports & Fitness	0.3	0.4
Others	0.1	0.8

LEASE EXPIRY PROFILE (%)



MAP



KEY PROPERTIES

XIAOLAN METRO MALL

Xiaolan Metro Mall is located in Xiaolan Town, one of the largest suburban towns in terms of residential population. The shopping mall enjoys convenient transportation and is well served by many local public bus routes, including one which stops directly in front of Xiaolan Metro Mall. Some of its tenants include leading retail and Food & Beverage brands such as Chow Tai Fook, McDonald's, KFC and Pizza Hut.

Xiaolan Metro Mall is situated in the largest shopping district in Northern Zhongshan where there are several large-scale residential communities in the area. In addition, Xiaolan Metro Mall is in close vicinity to Xiaolan Town Government, Xiaolan Gymnasium and Zhongshan Xiaolan Middle School, which has more than 3,000 students and employees. In order to drive shoppers' traffic, the shopping mall also provides free shuttle bus services to the surrounding communities.

PROPERTY INFORMATION

As at 31 December 2021

108,690

Gross Floor Area (sqm)

69,755

Net Lettable Area (sqm)

429.5

Valuation (S\$m)

95.3%

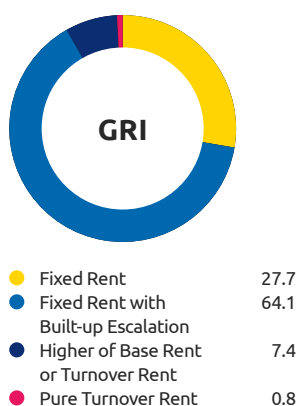
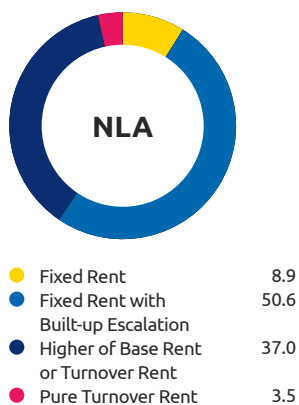
Occupancy

3.9/3.3

WALE (NLA/GRI)



LEASE STRUCTURE (%)



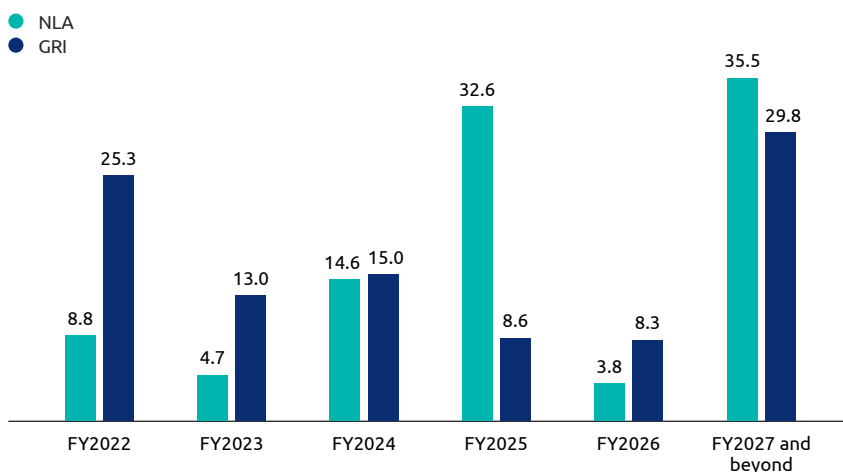
TRADE SECTOR

As at 31 December 2021

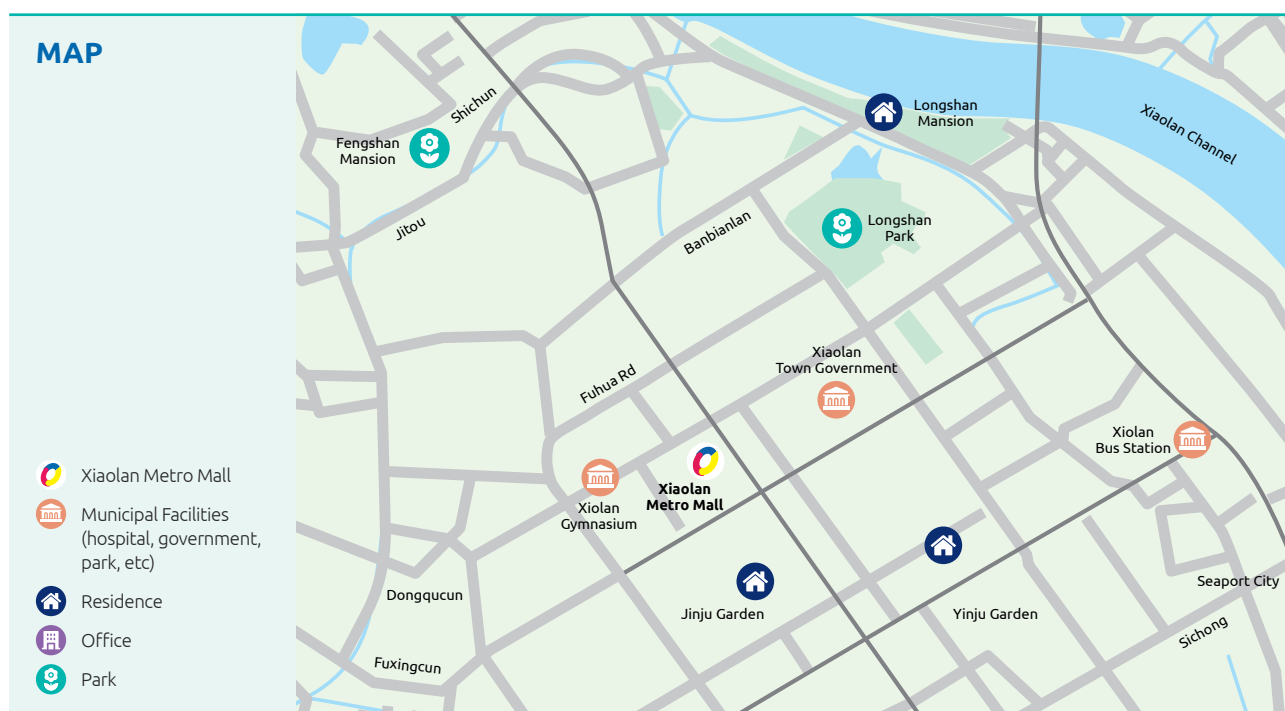
	NLA (%)	GRI (%)
Supermarket / Hypermarket	28.9	3.0
Department Store	17.4	23.1
Food & Beverage / Food Court	20.2	20.6
Home Furnishings	0.2	0.4
Leisure & Entertainment	10.4	-1.5 ⁽¹⁾
Fashion	10.1	21.0
IT & Electronics	5.4	8.8
General Retail	3.9	19.5
Services	3.3	4.3
Others	0.2	0.8

⁽¹⁾ Due to approximately one quarter of rental rebate provided to tenants in FY2021.

LEASE EXPIRY PROFILE (%)



MAP



KEY PROPERTIES

OCEAN METRO MALL

Strategically located in the Eastern District within the core urban area of Zhongshan, Ocean Metro Mall is easily accessible via many local public bus routes. Opened in December 2014, the mall is positioned as a mid-to-high-end modern and experiential lifestyle destination offering a comprehensive shopping experience. It has a wide variety of retail, dining and entertainment options catering to different customer segments. Its spacious walkways and large atrium allow the mall to host a wide variety of promotional activities and events.

Adjacent to Ocean Metro Mall is the Zhongshan Expo Centre with an area of 110,000 sqm, bringing additional visitor traffic to the mall.

Ocean Metro Mall houses a number of leading local and international names such as Carrefour, Top Party KTV, Win Fitness, Jinyi Cinema, Starbucks and McDonald's. It also offers free shuttle bus services to other districts and towns, providing easy access for local residents to shop at the complex.

PROPERTY INFORMATION

As at 31 December 2021

180,338

Gross Floor Area (sqm)

64,642

Net Lettable Area (sqm)

355.5

Valuation (S\$m)

88.6%

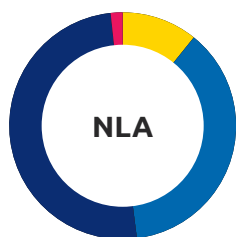
Occupancy

6.3/4.9

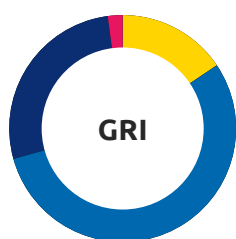
WALE (NLA/GRI)



LEASE STRUCTURE (%)



Fixed Rent	10.8
Fixed Rent with Built-up Escalation	37.2
Higher of Base Rent or Turnover Rent	50.3
Pure Turnover Rent	1.7



Fixed Rent	15.6
Fixed Rent with Built-up Escalation	55.1
Higher of Base Rent or Turnover Rent	27.2
Pure Turnover Rent	2.1

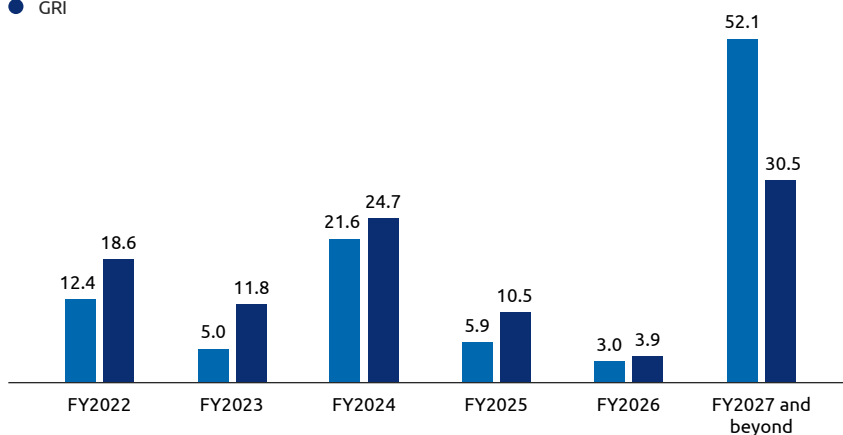
TRADE SECTOR

As at 31 December 2021

	NLA (%)	GRI (%)
Supermarket / Hypermarket	30.9	7.4
Department Store	2.2	1.3
Food & Beverage / Food Court	18.6	33.8
Home Furnishings	0.2	0.7
Leisure & Entertainment	13.7	7.2
Fashion	7.6	14.8
IT & Electronics	0.6	1.8
General Retail	3.6	9.0
Services	10.3	12.1
Sports & Fitness	9.9	4.1
Others	2.4	7.8

LEASE EXPIRY PROFILE (%)

● NLA
● GRI



MAP

- Ocean Metro Mall
- School
- Municipal Facilities (hospital, government, park, etc)
- Residence
- Office
- Park



KEY PROPERTIES

DASIN E-COLOUR

Situated opposite the University of Electronic Science and Technology of China (Zhongshan) Institute, Dasin E-Colour was originally a furniture mall which underwent asset enhancement initiatives ("AEI") to transform it into a shopping destination prior to the listing of Dasin Retail Trust. As a result of the convenience that it brings to the campus' 20,000-strong population, the institute's students and faculty members form the top customer segment of the mall.

Dasin E-Colour is positioned as a mid-end community mall housing fashionable retail outlets, popular Food & Beverage stores and entertainment facilities. In addition, the mall regularly organises promotional activities on Valentine's Day, Christmas and other festive seasons to attract footfall.

PROPERTY INFORMATION

As at 31 December 2021

25,857

Gross Floor Area (sqm)

12,569

Net Lettable Area (sqm)

56.2

Valuation (\$m)

84.1%

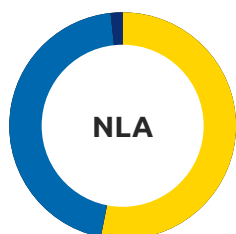
Occupancy

1.8/1.0

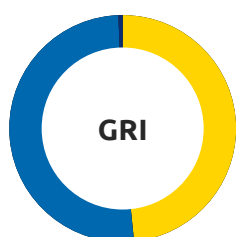
WALE (NLA/GRI)



LEASE STRUCTURE (%)



- Fixed Rent 53.1
- Fixed Rent with Built-up Escalation 45.2
- Higher of Base Rent or Turnover Rent 1.7



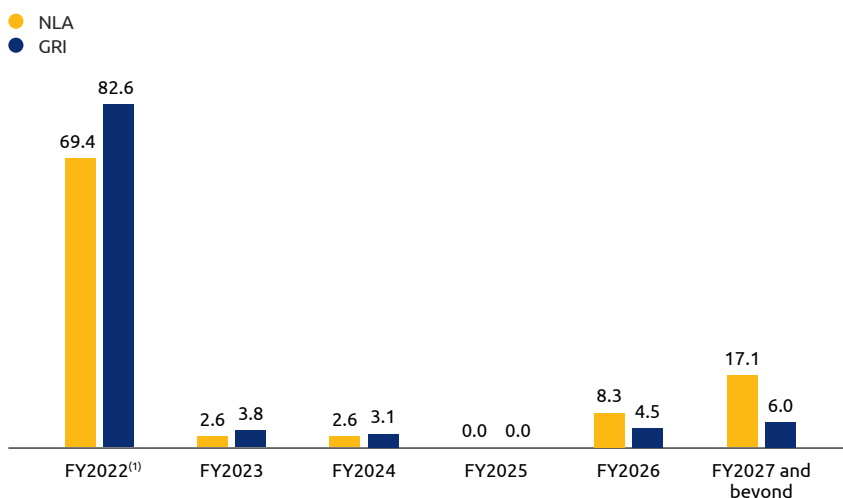
- Fixed Rent 48.4
- Fixed Rent with Built-up Escalation 51.0
- Higher of Base Rent or Turnover Rent 0.6

TRADE SECTOR

As at 31 December 2021

	NLA (%)	GRI (%)
Food & Beverage / Food Court	24.7	22.7
Leisure & Entertainment	60.5	35.4
Fashion	0.4	0.7
General Retail	2.3	3.6
Services	11.5	36.6
Others	0.6	1.0

LEASE EXPIRY PROFILE (%)



⁽¹⁾ Leases due in FY2022 mainly include the E-Colour Master Lease which was renewed for two years from 1 March 2022 to 1 March 2024.

MAP

- Dasin E-Colour
- School
- Residence
- Office
- Park



KEY PROPERTIES

DOUMEN METRO MALL

Doumen Metro Mall is a large-scale integrated shopping mall that provides a one-stop destination for leisure, entertainment, Food & Beverage and retail activities.

Doumen district, where the shopping mall is located, is the second largest district in Zhuhai in terms of resident population. The district is sited at the intersection of Zhuhai, Zhongshan and Jiangmen and within the core circle of Guangdong, Hong Kong and Macau. Some of its tenants include leading Food & Beverage and retail brands including Uniqlo, Starbucks, McDonald's, Suning, RT Mart, Hutaoli and HaidiLao Hot Pot.

Doumen Metro Mall is situated along Zhongxing Road, a thoroughfare with substantial traffic flow. Zhongxing Road is easily accessible via the Guangdong Western Coastal Expressway, which intersects the Jiangmen-Zhuhai Expressway near the Property. The strategic location of the shopping mall makes it easily accessible to shoppers within its vicinity and from the surrounding areas, contributing to strong footfall.

PROPERTY INFORMATION

As at 31 December 2021

168,269

Gross Floor Area (sqm)

77,660

Net Lettable Area (sqm)

418.9

Valuation (S\$m)

97.4%

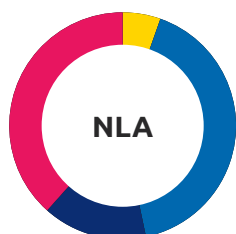
Occupancy

9.3/4.2

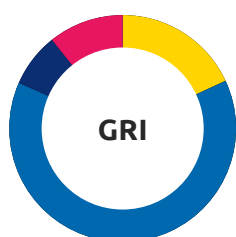
WALE (NLA/GRI)



LEASE STRUCTURE (%)



Fixed Rent	5.4
Fixed Rent with Built-up Escalation	41.3
Higher of Base Rent or Turnover Rent	14.9
Pure Turnover Rent	38.4



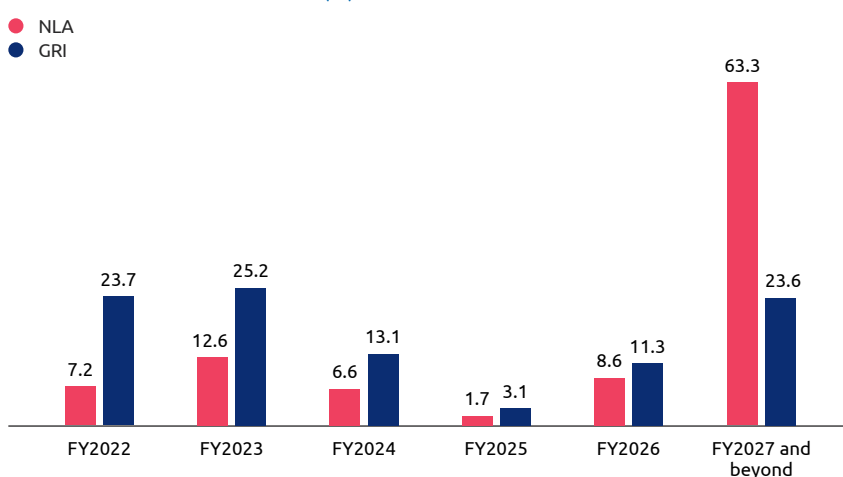
Fixed Rent	18.1
Fixed Rent with Built-up Escalation	63.5
Higher of Base Rent or Turnover Rent	7.7
Pure Turnover Rent	10.7

TRADE SECTOR

As at 31 December 2021

	NLA (%)	GRI (%)
Supermarket / Hypermarket	33.3	5.7
Food & Beverage / Food Court	21.2	30.7
Home Furnishings	1.1	2.8
Leisure & Entertainment	16.9	10.8
Fashion	10.4	17.6
IT & Electronics	2.4	2.0
General Retail	6.4	17.0
Services	5.4	8.7
Others	2.9	4.7

LEASE EXPIRY PROFILE (%)



MAP

- Domen Metro Mall
- School
- Municipal Facilities (hospital, government, park, etc)
- Hotel
- Shopping Centre
- Residence
- Park



KEY PROPERTIES

SHUNDE METRO MALL

Shunde Metro Mall is a large-scale integrated shopping destination for leisure, entertainment, Food & Beverage and retail activities. The mall benefits from the convenient transportation network with close proximity to Shunde Bus Terminal, Shunde College Railway Station and an upcoming subway station. It is also within walking distance to the Sheraton Hotel and the InterContinental Hotel, two leading tourist establishments. Shunde Metro Mall's notable tenants include AEON, JY Cinema, Starbucks, HaidiLao Hot Pot, Starbucks, Haagen Dazs, Pizza Hut and KFC.

Shunde Metro Mall enjoys the benefit of being located in Daliang Town, which is the district centre and has the largest residential population in the Shunde District. There are also, among others, large scale residential communities, universities, colleges and relatively mature commercial zone within Daliang Town and the nearby Ronggui Town. The straight-line distance between Shunde Metro Mall and the Shunde district government office is approximately one kilometre. These municipal facilities and the high residential population provide a large catchment of customers for Shunde Metro Mall.

PROPERTY INFORMATION

As at 31 December 2021

177,276

Gross Floor Area (sqm)

67,665

Net Lettable Area (sqm)

523.8

Valuation (S\$m)

93.3%

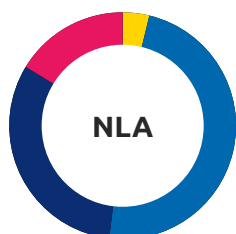
Occupancy

6.9/4.5

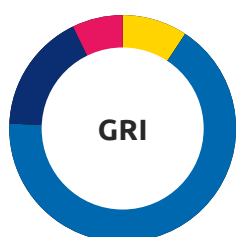
WALE (NLA/GRI)



LEASE STRUCTURE (%)



Fixed Rent	3.8
Fixed Rent with Built-up Escalation	48.1
Higher of Base Rent or Turnover Rent	31.8
Pure Turnover Rent	16.3



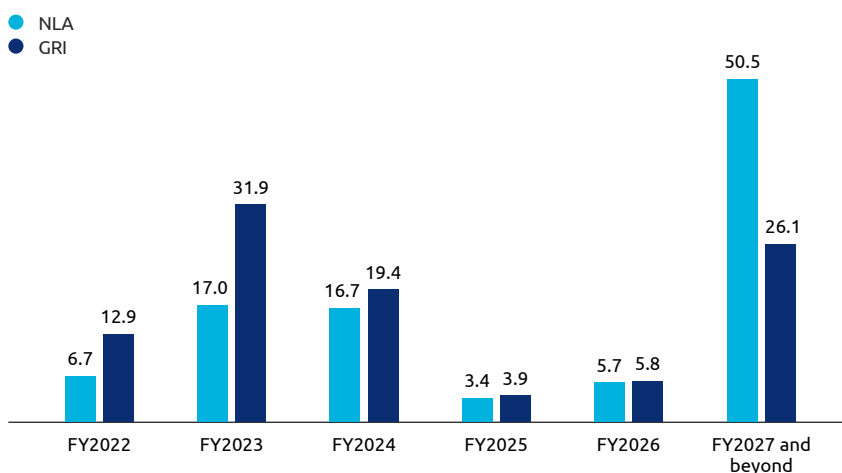
Fixed Rent	9.3
Fixed Rent with Built-up Escalation	66.4
Higher of Base Rent or Turnover Rent	17.1
Pure Turnover Rent	7.2

TRADE SECTOR

As at 31 December 2021

	NLA (%)	GRI (%)
Supermarket / Hypermarket	8.8	3.1
Food & Beverage / Food Court	22.7	29.0
Home Furnishings	0.8	1.2
Leisure & Entertainment	17.2	7.9
Fashion	12.6	12.4
IT & Electronics	1.4	2.7
General Retail	14.9	24.5
Services	9.7	11.4
Sports & Fitness	8.5	5.6
Others	3.43	2.3

LEASE EXPIRY PROFILE (%)



MAP

- Shunde Metro Mall
- School
- Municipal Facilities (hospital, government, park, etc)
- Hotel
- Shopping Centre
- Residence
- Park



KEY PROPERTIES

TANBEI METRO MALL

Tanbei Metro Mall is the only shopping mall in Dongsheng Town (now part of Xiaolan Town). Dongsheng is a growing township with upcoming schools, hospitals and commercial zones. The shopping mall enjoys a strong catchment of customers with the nearby residential quarters, municipal and commercial facilities and convenient transportation network. It is a lifestyle destination with key tenants including a premium supermarket, a department store, Food & Beverage outlets and childcare service providers.

Tanbei Metro Mall, sited in the centre of Dongsheng Town, is within approximately five-kilometre straight-line distance to the Dongsheng Bus Terminal and Dongsheng Railway Station. Established in 2018 as the town's first shopping mall, it is well-positioned to capitalise on opportunities from its expanding community.

PROPERTY INFORMATION

As at 31 December 2021

13,905

Gross Floor Area (sqm)

8,992

Net Lettable Area (sqm)

15.2

Valuation (S\$m)

90.4%

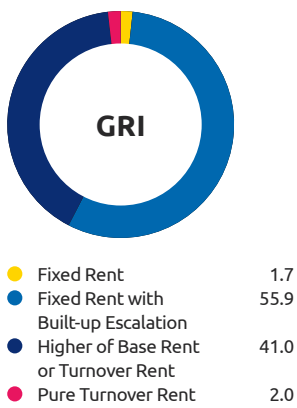
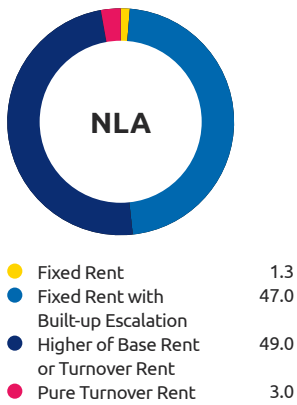
Occupancy

5.4/6.1

WALE (NLA/GRI)



LEASE STRUCTURE (%)

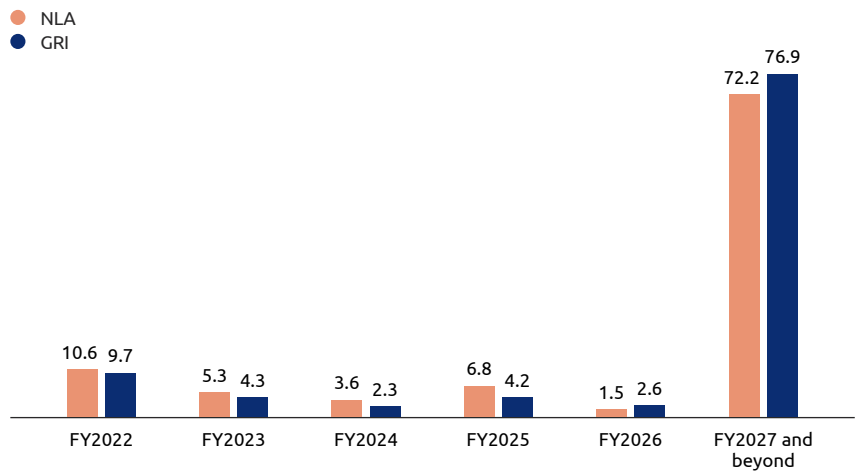


TRADE SECTOR

As at 31 December 2021

	NLA (%)	GRI (%)
Supermarket / Hypermarket	19.5	19.3
Food & Beverage / Food Court	32.2	23.3
Leisure & Entertainment	9.5	8.4
Fashion	0.3	0.4
General Retail	6.0	5.6
Services	25.7	38.8
Sports & Fitness	6.8	4.2

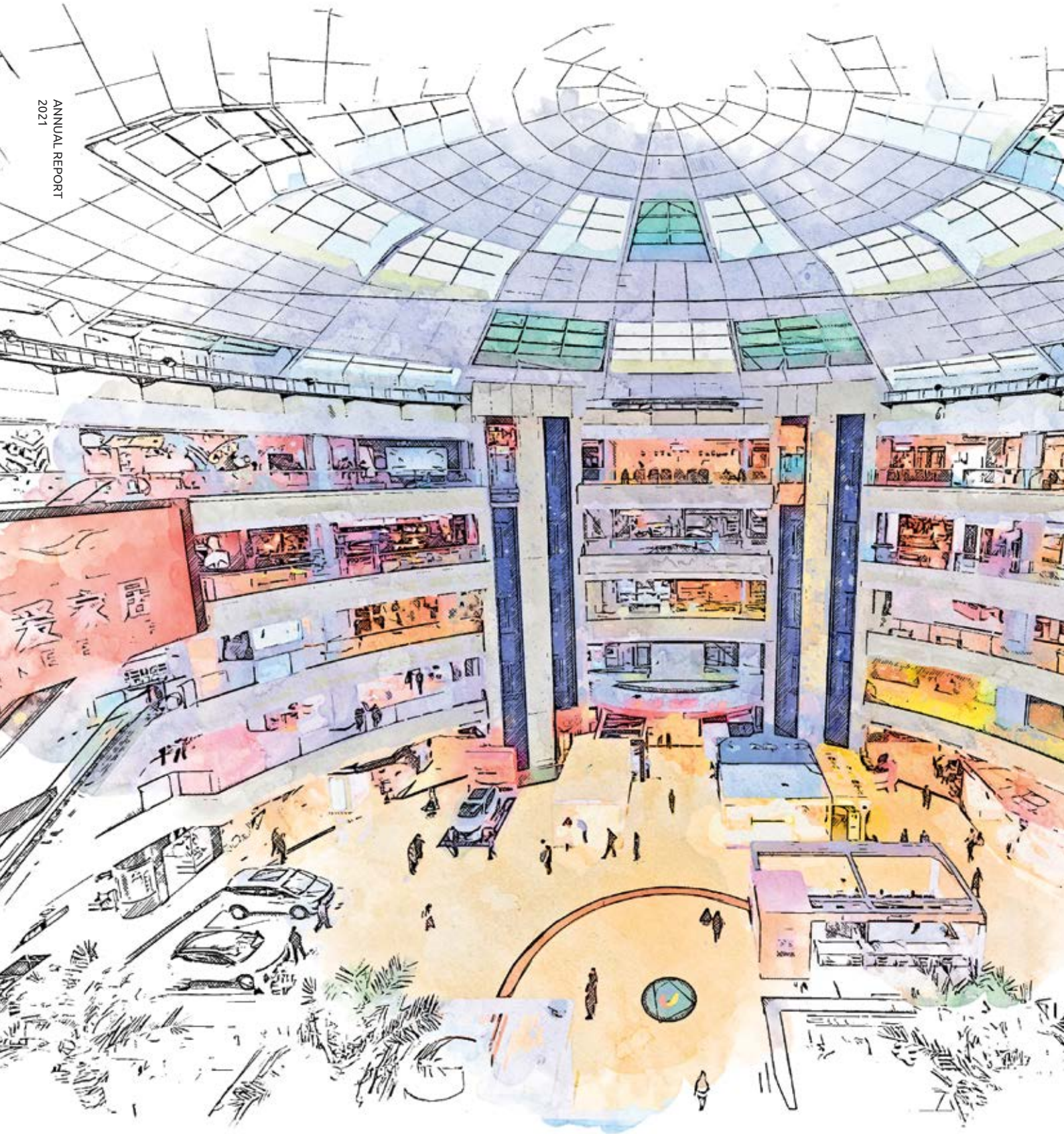
LEASE EXPIRY PROFILE (%)



MAP



MARKET REVIEW



MACRO OVERVIEW

In 2021, the global economy showed signs of recovery at varying paces under the impact of the pandemic. The adoption of proactive fiscal and monetary policies by advanced economies to restore the economy has aggravated the level of inflation. The pandemic also continued to impact global production capacity, preventing it from recovering to pre-pandemic levels. Coupled with international shipping challenges and continued supply chain tensions, economic recovery in the near future is uncertain. Additionally, persistent inflation risks are expected to accelerate the tightening of monetary policy in advanced economies. As a result, the International Monetary Fund

(IMF) adjusted its global growth forecast for 2022 down to 4.4%.

In 2021, China's economy recorded a steady pace of recovery, despite signs of slowing growth in the second half of the year. Achieving an annual GDP of RMB114 trillion and a two-year average growth rate of 5.1%, the China economy grew 8.1% year-on-year, higher than the general market expectation. On the back of this increase, China's per capita GDP reached US\$12,500 in 2021, exceeding the world's average and approaching the World Bank's definition of high-income (US\$12,695). China is on track to be officially included as a high-income economy in 2022, and doubling the world's high-income population from the current 1.2 billion to 2.6 billion.

In the fourth quarter of 2021, China's real GDP growth weakened as a result of the emergence of the new Omicron variant in some parts of China sparking a fresh round of pandemic prevention measures tightening. With consumption expenditure coming under pressure, the consumption expenditure growth rate eventually stands at 3.4% in the fourth quarter, down 0.4% from the third quarter⁽¹⁾.

In an IMF report⁽²⁾, it is observed that China's recovery is progressing well, but unevenly. Uncertainties stemming from the emergence of new COVID-19 variants continue to plague the recovery of consumption expenditure. Concurrently, the de-leveraging of the real estate industry has led to a slowdown in investments and adverse impact on the overall bond market, thereby depressing financing activities in the economy. The introduction of a series of governance measures for digital and online industries to strengthen fair competition, protect consumer privacy and improve data governance in recent times has also made market participants question their appropriateness in China's current situation, in favour of a more gradual approach to prevent shocks and reduce policy uncertainty.



Shunde Metro Mall

⁽¹⁾ National Bureau of Statistics of China.

⁽²⁾ IMF Executive Board Concludes 2021 Article IV Consultation with the People's Republic of China, <https://www.imf.org/en/News/Articles/2022/01/26/pr2217-imf-executive-board-concludes-2021-article-iv-consultation-with-the-peoples-republic-of-china>.

MARKET REVIEW

CHINA'S RETAIL INDUSTRY

Impacted by the waves of emerging new variants and China's "zero-COVID" policy, the pace of recovery for consumption was below expectation. Hence, despite registering an increase of 12.5% year-on-year against the low base in 2020 for consumer goods retail sales, the average two-year growth rate of 4.0% was still far below pre-pandemic levels. In terms of consumption channels, online retail sales continue to grow, albeit slower as the year-on-year growth rate dropped from 13.2% to 12%. The proportion of total retail sales of consumer goods is unchanged at 24.5%.

Overall, China's consumption remained relatively stable in 2021, attributed by a buoyant job market and steadily growing income levels. The job market saw the creation of 12.69 million new urban jobs in 2021, an increase of 830,000 over 2020. Although the national urban survey reported that the unemployment rate went up by 0.1 percentage point to 5.1% in December, this was 0.1 percentage point lower than the same period in 2021. Improvement is also observed in the unemployment rate for the 16-24 age group, compared to September. In addition, flexible employment arrangements offered by food delivery and livestreaming platforms have attracted widespread workforce engagement. These factors in turn contributed to steadily increasing residents' income. In 2021, the national per capita disposable income of residents increased 8.1% year-on-year with a two-year average growth of 5.1%, in line with economic growth⁽³⁾.

According to the economic data released by the Statistics Bureau of Zhongshan, Zhongshan City's GDP was RMB356.6 billion in 2021, an increase of 8.2% year-on-year, and a two-year growth rate of 4.8%. The total consumer goods retail sales was RMB153.0 billion, up 8.7% from the previous year. Disposable income per capita grew 9.8% to RMB57,901, significantly higher than the national disposable income per capita of RMB35,128⁽⁴⁾.

For Zhuhai, the Statistics Bureau of Zhuhai reported that the city's GDP grew 6.9% year-on-year to RMB3,881.8 billion in 2021, and a two-year average growth rate of 4.9%. Total consumer goods retail

sales increased 13.8% year-on-year to RMB104.8 billion. Compared to the national disposable income per capita of RMB35,128, Zhuhai's disposable income per capita was RMB61,390, up 9.8%⁽⁵⁾.

Economic data from the Statistics Bureau of Foshan showed that Foshan's GDP in 2021 was RMB1,215.7 billion, 4.9% higher than the previous year, and a two-year growth rate of 4.9%. Total consumer goods retail sales registered 8.1% growth year-on-year at RMB355.7 billion. Disposable income per capita rose 9.7% to RMB61,700, almost double that of the national disposable income per capita of RMB35,128⁽⁶⁾.



Xiaolan Metro Mall

⁽³⁾ National Bureau of Statistics of China.

⁽⁴⁾ Statistics Bureau of Zhongshan.

⁽⁵⁾ Statistics Bureau of Zhuhai.

⁽⁶⁾ Statistics Bureau of Foshan.

REGIONAL PLANNING AND DEVELOPMENT

On 5 September 2021, the Central Committee of the Communist Party of China and the State Council jointly issued the “Overall Plan for the Construction of Hengqin Guangdong-Macao Deep Cooperation Zone” (hereinafter referred to as the “Overall Plan for Hengqin”). Separated by a river and a bridge, this plan offers inherent advantages in enhancing Guangdong-Macao cooperation and enabling Macau’s economy to garner moderate and diversified development. More significantly, its implementation is conducive to promoting the long-term prosperity and stability of Macau and its integration into China’s development plan.

Then, on 10 September 2021, the People’s Bank of China together with other departments launched the “Pilot Implementation of Cross-border Wealth Management Connect Business Initiative” (hereinafter referred to as the “Implementation Rules for Cross-border Wealth Management Connect”). Through the establishment of the “Cross-border Wealth Management Connect” business pilot, the asset allocation market is expected to broaden and offer greater convenience to residents in the Greater Bay Area, meeting their diverse cross-border investment needs and eventually expanding domestic and overseas capital flow channels.



Doumen Metro Mall

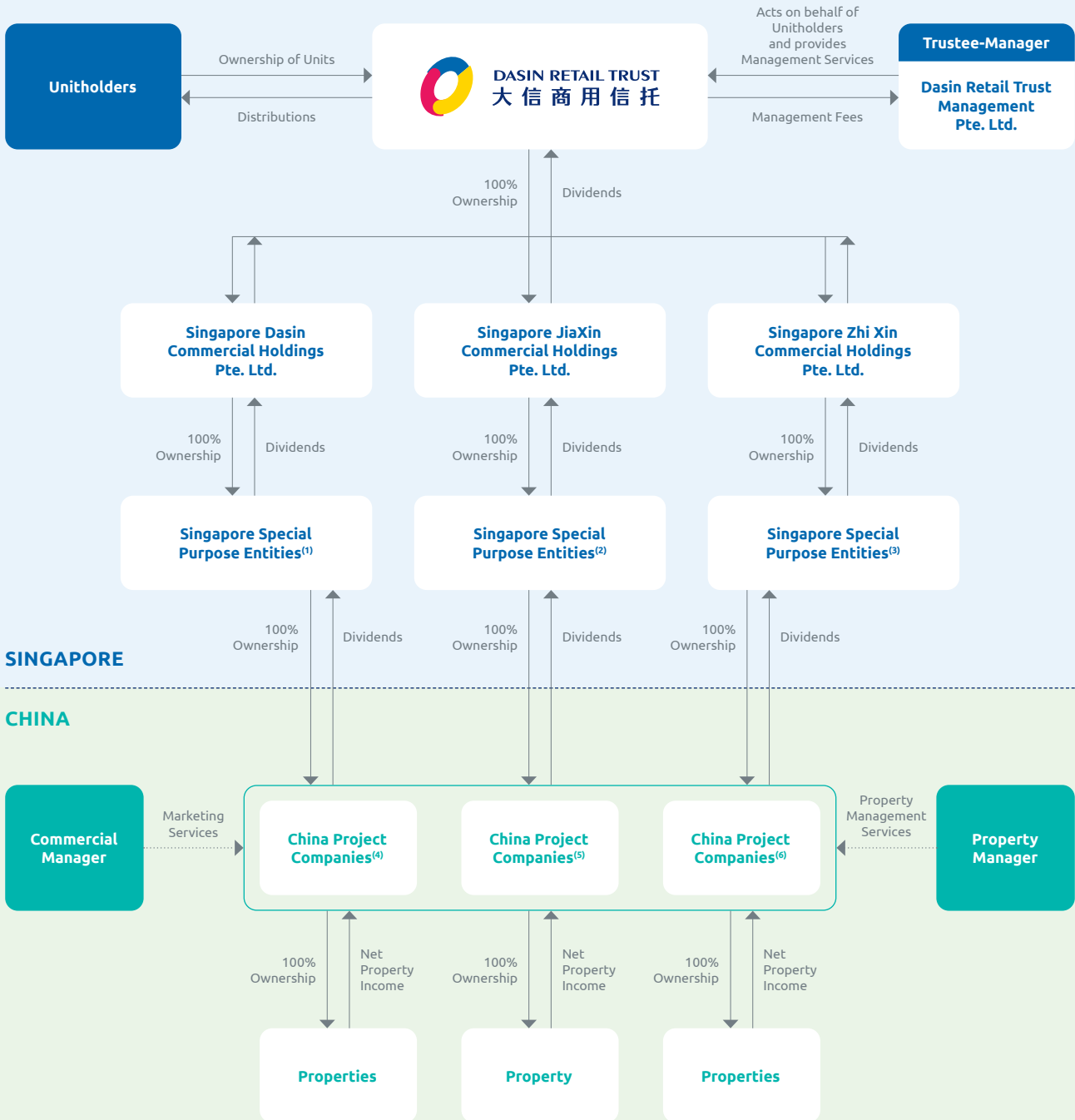
OUTLOOK

The global economy is going through a period of self-adjustment to become more resilient under the influence of the epidemic. While it is almost certain that the Omicron variant will have a certain impact on the economy in 2022, its impact is expected to subside in the second quarter. The global economy as a whole continues on the recovery trajectory. However, it is necessary to note the varying pace of recovery between different economies. The IMF projects that advanced economies will stay on track in their recovery, with total output returning to pre-pandemic levels in 2022. In contrast, emerging and developing markets’ limited fiscal policies, low vaccination rates, high inflation and high debt will not only continue to burden their economies and impede their recoveries in the near term, but also have a lasting impact on the momentum of their economic recovery in the future⁽⁷⁾.

In China, the adverse impact of the pandemic is expected to gradually decrease, but China’s “zero-COVID” policy is likely to keep the country in a relatively tense anti-pandemic mode for a longer time. However, the policy of rapid leverage reduction in 2021 is starting to bear fruits. Concurrently, strategic macro policies are positively impacting the economy. The two required reserved ratio (RRR) cuts in July and December have also increased liquidity and boosted market confidence while the government’s structural credit policy stance on giving small and medium sized enterprises easy access to financing remains unchanged. Notwithstanding a recurrence of the epidemic or weakening growth during the economic transition period, we believe that the recovery originally expected in 2021 will manifest in the second half of 2022.

⁽⁷⁾ International Monetary Fund “World Economic Outlook Update” report, January 2022.

TRUST STRUCTURE



Notes:

- ⁽¹⁾ Includes Yi Xin Investments Pte. Ltd., Lan Xin Investments Pte. Ltd., Yuan Xin Investments Pte. Ltd., Yi Xin Management Pte. Ltd., Lan Xin Management Pte. Ltd., Sheng Xin Holdings Pte. Ltd., Sheng Xin Management Pte. Ltd. and Sheng Xin Properties Pte. Ltd.
- ⁽²⁾ Includes Jia Xin Holdings Pte. Ltd., Jia Xin Investments Pte. Ltd. and Jia Xin Management Pte. Ltd.
- ⁽³⁾ Includes Singapore Xu Xin Commercial Holdings Pte. Ltd., Singapore Tan Xin Commercial Holdings Pte. Ltd., Xu Xin Holdings Pte. Ltd., Tan Xin Holdings Pte. Ltd., Xu Xin Investments Pte. Ltd., Xu Xin Management Pte. Ltd. and Tan Xin Investments Pte. Ltd.
- ⁽⁴⁾ Includes Zhongshan Xinteng Commercial Management Co., Ltd., Zhongshan Xinrui Commercial Management Co., Ltd., Zhongshan Yuanxin Commercial Management Co., Ltd., Zhongshan Yicai Dasin Xinduhui Commercial Management Co., Ltd., Zhongshan Xiaolan Dasin Xinduhui Commercial Management Co., Ltd., Zhongshan Shiqi Dasin Xinduhui Commercial Management Co., Ltd. and Zhongshan Xinkong Commercial Management Co., Ltd.
- ⁽⁵⁾ Includes Zhuhai Xinmingyang Investment Co., Ltd. and Zhuhai Doumen Dasin Metro-Mall Commercial Management Co., Ltd.
- ⁽⁶⁾ Includes Foshan Dasin Commercial Management Co., Ltd, Foshan Shunde Dasin Metro-Mall Commercial Management Co., Ltd. and Zhongshan Yuanteng Commercial Property Management Co., Ltd.

BOARD OF DIRECTORS

DR. KONG WEIPENG

Chairman and Non-Executive Director

Dr. Kong Weipeng joined the Board on 12 October 2021. Dr. Kong Weipeng is the Chairman and Non-Executive Director of the Board of the Trustee-Manager. He is also a member of the Audit and Risk Committee and the Nominating Committee.

Dr. Kong Weipeng joined Sino-Ocean Capital in 2021 as the Deputy General Manager and Head of the Capital Market Division. Prior to joining Sino-Ocean Capital, Dr. Kong held various positions with Haitong International Securities Group (665. HK). Dr. Kong was the Joint Group Head of Global Markets, Head of Fixed Income, Currency and Commodities (FICC), as well as member of the Executive Committee and multiple decision-making committees.

Prior to joining Haitong International, Dr. Kong was a proprietary trader at Bear Stearns' New York headquarters and chief bond analyst at Penghua Fund. He has more than 17 years of market experience in the field of capital market transactions and investments. Dr. Kong holds a Doctor of Philosophy (Finance) from Pennsylvania State University and a Bachelor of International Economics from Peking University.

MR. ZHANG ZHENCHENG

Non-Executive Director

Mr. Zhang Zhencheng joined the Board on 14 August 2015. Mr. Zhang Zhencheng is the Non-Executive Director of the Board of the Trustee-Manager. He is also a member of the Audit and Risk Committee, the Remuneration Committee and the Nominating Committee.

Prior to joining the Trustee-Manager, Mr. Zhang had been an Executive Director at Zhongshan Dasin Holdings Co., Ltd., a wholly-owned subsidiary of the Sponsor, from February to September 2015, where he was responsible for the investment strategies of the company. Prior to that, from August 2009 to August 2013, Mr. Zhang was Chairman of the Board of the Sponsor and from September 2013 to January 2015, Mr. Zhang held the position of Executive Director and General Manager of the Sponsor. During this time, he was responsible for investment decisions of the Sponsor, development and management of engineering and commercial projects as well as financial and human resource management. From October 2003 to July 2009, Mr. Zhang was the Deputy General Manager of the Sponsor, where he was primarily responsible for the management of construction projects.

Mr. Zhang graduated with a Financial Accounting major from Zhongshan University of Electronic Science and Technology (Zhongshan Institute), PRC, in July 1997.

MR. LYU GUOLIANG

Non-Executive Director

Mr. Lyu Guoliang joined the Board on 12 October 2021. Mr. Lyu Guoliang is the Non-Executive Director of the Board of the Trustee-Manager. He is also a member of the Audit and Risk Committee and the Remuneration Committee.

Mr. Lyu has been a Managing Director at Sino-Ocean Capital since April 2015 to present. He is in charge of commercial real estate investments, real estate fund management and REITs investments. Prior to joining Sino-Ocean Capital, Mr. Lyu served for leading real estate investment bank, real estate fund and developer in China, including CITIC Securities Co., CITIC Prosperity Fund, and China Investment Development.

He obtained a Master Degree in Real Estate Finance and Investment from Cornell University, U.S.

BOARD OF DIRECTORS

MR. SONNY TAN HOCK SUN *Independent Director*

Mr. Sonny Tan Hock Sun joined the Board on 12 October 2021. Mr. Tan is the Lead Independent Director of the Trustee-Manager. He is also the Chairman of the Nominating Committee and a member of the Audit and Risk Committee as well as the Remuneration Committee.

Mr. Tan runs his management consulting business (Wysdom Advisory) focusing on mergers and acquisitions. He is currently a Senior Research Fellow (Adjunct) at the Institute of Real Estate and Urban Studies, National University of Singapore, where he focuses on REIT-related research, and also teaches real estate wealth management. He is also an Adjunct Lecturer at the Singapore Management University, teaching at the Lee Kong Chian School of Business since 2013.

From 2014 to 2017, Mr. Tan was the Chief Executive Officer of the REIT Association of Singapore where he worked with regulatory agencies to improve operating environment for REITs, promoted awareness and understanding of REITs to the general public and supported the government's efforts to grow the REIT industry. Mr. Tan was also an associate trainer/instructor at the Civil Service College (2014 to 2019) teaching courses on economic development, industrial policy, investment promotion strategies etc. Mr. Tan was a senior executive with the listed Frasers & Neave Ltd (1997-2009), and a senior officer with the Economic Development Board (1983-1994).

Mr. Tan had previously served as Independent Director of Surface Mount Technology (Holdings) Ltd (2013-2014), Independent Director of Goldtron Ltd (2011-2012), and Non-Executive Director of Fung Choi Media Group Ltd (2004-2009). He is currently a director on the board of Yeoman Asia Fund and Yeoman Japan Fund, and a member of the EDB Society.

Mr. Tan obtained his Bachelor of Technology (Hons) (Industrial Engineering) and his Master of Business Administration from Massey University, New Zealand.

MR. TAN HUAY LIM *Independent Director*

Mr. Tan Huay Lim joined the Board on 23 December 2016. Mr. Tan is an Independent Director of the Trustee-Manager and the Chairman of the Audit and Risk Committee.

Mr. Tan has more than 30 years of experience in audit, accounting and finance. He served as a partner at KPMG Singapore for 23 years until his retirement in September 2015.

Mr. Tan has extensive experience in auditing companies in a wide range of industries. He was a Banking Partner involved in the audit of financial institutions and was involved in a number of initial public offerings as well as merger and acquisition transactions. Mr. Tan was the Singapore Head of KPMG Global China Practice from September 2010 to September 2015.

Mr. Tan is an Independent Non-Executive Director of three other companies listed on the mainboard of the Singapore Stock Exchange, namely (i) Zheneng Jinjiang Environment Holding Company Limited; (ii) Elite Commercial REIT Management Pte Ltd, the Manager of Elite Commercial REIT; and (iii) Sheng Siong Group Ltd. Mr. Tan is also an Independent Non-Executive Director of two companies listed on the mainboard of the Hong Kong Stock Exchange, (i) Linklogis Inc.; and (ii) SF REIT Asset Management Limited, the Manager of SF Real Estate Investment Trust.

Mr. Tan received his Bachelor of Commerce (Accountancy) from Nanyang University, Singapore, in 1978. He is a Fellow Member of the Institute of Singapore Chartered Accountants, the Association of Chartered Certified Accountants (United Kingdom) and the Certified Practising Accountants (Australia).

MR. SUN SHU*Independent Director*

Mr. Sun Shu joined the Board on 23 December 2016. Mr. Sun Shu is an Independent Director of the Trustee-Manager. He is also the Chairman of the Remuneration Committee as well as a member of the Audit and Risk Committee and the Nominating Committee.

From September 1985 to December 2012, Mr. Sun held various positions in the Bank of China before retiring in January 2013. From August 2002 to December 2012, Mr. Sun was the Secretary of the Disciplinary Examination Committee of the Communist Party of China for the Guangdong Provincial Branch of the Bank of China, where he was responsible for building and managing the internal control system for the bank. Prior to that, from September 1985 to August 2002, Mr. Sun held the position of General Manager in two different departments in the Anhui Provincial Branch of the Bank of China. From September 1985 to February 1997, he was the general manager of the International Settlement Department where he was responsible for checking and issuing export and import documentation of the Anhui Provincial Branch. From February 1997 to December 2002, he was the general manager of the Chaohu City Branch where he was responsible for the management of its business.

Mr. Sun is the Vice Chairman of the Board of Directors, the Lead Independent Non-Executive Director, Chairman of the Remuneration Committee and member of the Audit and Nominating committees of Shen Yao Holdings Limited (formerly known as Lianggold Corp Ltd).

Mr. Sun graduated with an English Major from Hefei Normal College, PRC, in July 1980. He also obtained a Masters in Law from the Central China Normal University in Wuhan, PRC, in September 1985.

DR. CAO YONG*Independent Director*

Dr. Cao Yong joined the Board on 23 December 2016. Dr. Cao Yong is an Independent Director of the Trustee-Manager. He is also a member of the Audit and Risk Committee, the Remuneration Committee and the Nominating Committee.

Dr. Cao joined Nanyang Technological University, Singapore, as a lecturer at the Nanyang Business School in March 1993 and was subsequently appointed Associate Professor and Vice Dean. He is currently a part-time Professor in Nanyang Technological University, teaching economics and finance. Dr. Cao is also a Professor at the Nanjing University's Business School in PRC, where he teaches finance and supervises PhD students. His areas of research include finance, risk management and the Chinese economy.

Dr. Cao Yong was the Non-Executive Director of Chinese Global Investors Group Ltd, a Singapore listed company (delisted on 13 April 2020), from July 2010 to April 2020, and served as the Chairman of the Audit Committee as well as a member of the Remuneration and Nominating committees.

Dr. Cao graduated with a Bachelor of Economics from Sichuan University, PRC, in July 1982. He obtained a Master of Economics from the Chinese Academy of Social Sciences Graduate School, PRC, in July 1985. Between January 1987 and December 1992, Dr. Cao attended the Australia National University in Australia, where he obtained a Master of Economics of Development in January 1989 and a Doctor of Philosophy (Economics) in December 1992.

SENIOR MANAGEMENT

MS. WANG QIU

Chief Executive Officer

Ms. Wang Qiu was appointed Chief Executive Officer (“CEO”) of the Trustee-Manager on 13 March 2020. As the CEO of the Trustee-Manager, she is responsible for leading the growth and development of Dasin Retail Trust, and overseeing its overall operations. She engages the Board of Directors regularly on strategic matters as well as business strategy execution.

Prior to her appointment as CEO, Ms. Wang held various appointments within Zhongshan Dasin Holdings Co., Ltd. From November 2011 to February 2020, she was Secretary to the Board of Directors. She took on the additional role of General Manager of the company’s Risk Management division in February 2015 to March 2020. In October 2014 and January 2017, she was the team lead spearheading Dasin Retail Trust’s initial public offering.

During her tenure with Zhongshan Sheng Xing Co., Ltd from 1999 to 2011, Ms. Wang had assumed a number of positions, including taking on dual roles at different points in time: Assistant to the Chairman cum Assistant to the General Manager, Assistant to the Chairman cum Head of Design, Secretary to the Chairman cum Head of Engineering, and Engineering Technician.

Ms. Wang graduated with a Bachelor of Construction Engineering from Harbin Engineering University. She has received national level recognition for “Design Architecture and Engineering” in China.

MR. STEVEN NG MUN FAI

Chief Financial Officer

Mr. Steven Ng Mun Fai is the Chief Financial Officer of the Trustee-Manager. Mr. Ng has more than 23 years of experience in accounting and finance-related work, including group accounting and reporting, accounting system implementation, compliance, strategic planning and financial statements preparation.

Prior to joining the Trustee-Manager, Mr. Ng was an Audit Senior Manager with KPMG LLP, Singapore, for more than eight years, from December 2006 to September 2015, where he provided audit services to public listed companies, subsidiaries, foreign multinationals, government-linked and private companies in real estate, manufacturing, consumer and industrial market industries.

During this period, he was also responsible for the audit of a number of commercial, industrial and hospitality real estate investment and business trusts. During his employment, Mr. Ng was appointed as head of the “Real Estate, Consumer and Tourism” business unit in 2011 where he served till 2013. He was responsible for operational efficiencies and also oversaw critical functions of the business unit. Between 2008 and 2011, Mr. Ng was department head for an audit unit where he was in charge of overseeing an audit unit of around 70 staff members.

From December 2003 to December 2006, Mr. Ng was an Audit Manager with KPMG in Kuala Lumpur, Malaysia, where he was responsible for planning audit work and also supervising the preparation of financial statements and regulatory reports. Prior to that, he was an Assistant Audit Manager with Ernst & Young in Malaysia from September 1998 to December 2003 where he assisted in preparing statutory financial statements and undertook audit procedures for audit assignments.

Mr. Ng obtained a Bachelor of Commerce degree from Griffith University, Australia. He is a non-practising Chartered Accountant with the Institute of Singapore Chartered Accountants, and a Chartered Accountant with the Malaysian Institute of Accountants. In addition, he is also a member of CPA Australia, Chartered Accountants of Australia and New Zealand, the Chartered Institute of Management Accountants, the Malaysian Institute of Certified

Public Accountants, the Chartered Tax Institute of Malaysia and the Malaysian Association of Company Secretaries.

MR. LU ZHIQI

General Manager of the Investment Division

Mr. Lu Zhiqi is the General Manager of the Investment Division of the Trustee-Manager.

Prior to joining the Trustee-Manager, Mr. Lu was the General Manager of Investment & Planning Department at Kaisa Commercial Group Co., Ltd. from July 2014 till October 2015, where he was in charge of investment and capital sourcing for the group commercial unit, as well as product planning for the commercial assets.

From July 2013 to July 2014, he was the Investment Director of Thaihot Group Co., Ltd., where he was responsible for investment affairs in the Guangdong area. From December 2007 to July 2013, Mr. Lu was the Manager of Investment and Asset Management at CapitalLand China Holding Ltd, where he led a regional team in a number of investment and asset management assignments, such as the acquisition of shares in Panyu LiFung Industrial Estate by CapitaLand, and the divestment of Guangzhou Ascott to Ascott Holding.

From April 2005 to December 2007, he was with Evergrande Real Estate Group Limited. During his tenure there, he was Investment Supervisor from April 2005 to February 2006 and was responsible for conducting investment affairs in the Pearl River Delta region, and was subsequently Assistant Manager of Investment and Development from February 2006 to December 2007 where he was responsible for regional investment and project development affairs in the Kunming branch.

Mr. Lu graduated with a Bachelor of Civil Engineering from Anhui University of Science & Technology, PRC, in July 2003. He also obtained a Master of Business Administration from Hong Kong Baptist University, Hong Kong, in November 2012. Mr. Lu is a CFA® Charterholder.

CORPORATE GOVERNANCE

ABOUT DRT AND THE TRUSTEE-MANAGER

Dasin Retail Trust (“DRT” or the “Trust”) is a business trust constituted on 15 January 2016 under the Business Trusts Act, 2004. DRT was listed on the Mainboard of Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 20 January 2017.

DRT is managed by Dasin Retail Trust Management Pte. Ltd. (the “Trustee-Manager”) under the Trust Deed constituting DRT dated 15 January 2016, supplemented by a first supplemental deed dated 27 December 2016. DRT is also principally regulated by:

- (a) the Securities and Futures Act, 2001 (the “SFA”);
- (b) the Business Trusts Act, 2004 (the “BTA”);
- (c) the Business Trusts Regulations (the “BTR”); and
- (d) the listing manual of the SGX-ST (the “Listing Manual”).

The Trustee-Manager is committed to achieving high standards of corporate governance, business integrity and professionalism in all its activities and has adopted corporate governance practices which are in line with the Code of Corporate Governance 2018 (the “Code”). The Trustee-Manager also ensures that all applicable laws, rules and regulations including the SFA, the BTA, the BTR and the Listing Manual, are duly complied with.

Throughout the financial year ended 31 December 2021 (“FY2021”) and at the date of issue of this Corporate Governance Report, the Trustee-Manager complied with the principles and the provisions set out in the Code and where it has varied from any provisions in the Code, appropriate explanations of the reason for variation and an explanation on how the practices it had adopted are consistent with the intent of the relevant principle are provided.

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Role of the Board: The Board of Directors of the Trustee-Manager (the “Board”) is responsible for the overall corporate governance of the Trustee-Manager. The Board sets the tone to ensure that its affairs are conducted with the highest standards of probity and in compliance with law.

The key roles of the Board are formalised in a Board Charter as follows:

- (a) guiding corporate strategy and directions of the Trustee-Manager to focus on value creation, innovation and sustainability;
- (b) ensuring that the necessary resources are in place for DRT to meet its objectives;
- (c) setting the values and ethical standards of the Trustee-Manager;
- (d) overseeing the performance and proper conduct of the Trustee-Manager;
- (e) establishing and maintaining adequate and effective risk management and internal control systems to monitor and manage risks to an acceptable level; and
- (f) identifying and engaging with key stakeholder groups.

Culture: All the Directors of the Trustee-Manager (the “Directors”) are to discharge their duties and responsibilities objectively as fiduciaries in the best interests of DRT at all times and hold the management team of the Trustee-Manager (“Management”) accountable for performance.

The Trustee-Manager has in place a Code of Conduct (“Code of Conduct”) which sets an appropriate tone-from-the-top and desired organisational culture and ensures proper accountability. The Code of Conduct addresses concerns relating to conflict of interests between employees, the directors and the Group, the strict prohibition of corruption, business and workplace behaviour and the safeguarding of assets, proprietary rights and intellectual property. The Code of Conduct states that the Trustee-Manager does not tolerate any malpractice, impropriety, statutory non-compliance or wrongdoing by staff in the course of their work. The management will not hesitate to take disciplinary action should there be any instances of breach. The Trustee-Manager has in place a Conflicts of Interest (“Conflicts of Interest”) policy as disclosed in pages 74 to 75 of this Annual Report to deal with potential conflicts of interest issues.

Provision 1.1 of the Code provides that Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict. Please refer to the Conflicts of Interest policy on pages 74 to 75 of this Annual Report which sets out the internal rules and procedures that Directors should observe when facing conflicts of interest.

Training: All Directors understand the Trust’s business and were familiarised with their duties and obligations since their appointment and through training sessions. In addition, all Directors are provided with updates and training by professional firms relating to changes to laws and regulations, corporate governance, accounting standards, continuing listing obligations and relevant commercial risks, the costs of which are borne by DRT. Where required or

CORPORATE GOVERNANCE

requested by Directors, site visits in Zhongshan, Foshan and Zhuhai in the People's Republic of China ("PRC") are also arranged for Directors to meet with the local PRC management team and the operational team to gain more knowledge of the properties and local economic conditions. Newly appointed Directors will receive appropriate training and orientation programmes to familiarise themselves with the operations of the Group and its major business processes. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. In compliance with the training requirements under Rule 210(5)(a) of the Listing Manual, Dr. Kong Weipeng and Mr. Lyu Guoliang, both of whom were appointed to the Board on 12 October 2021, have completed the following eight modules of the Listed Entity Director Programme in March 2022:

- LED 1 – Listed Entity Director Essentials
- LED 2 – Board Dynamics
- LED 3 – Board Performance
- LED 4 – Stakeholder Engagement
- LED 5 – Audit Committee Essentials
- LED 6 – Board Risk Committee Essentials
- LED 7 – Nominating Committee Essentials
- LED 8 – Remuneration Committee Essentials

Letter of appointment: Directors understand the Trust's business and were familiarised with their duties and obligations from the appointment and through induction training sessions. All newly-appointed directors during FY2021 have received letters of appointment explaining their roles, duties and obligations as a director of the Trustee-Manager.

Matters reserved for the Board:

The Trustee-Manager has formalised a set of internal guidelines for matters reserved for the Board's approval which is clearly communicated to Management in writing. These include:

- constitution of the Trust;
- business, strategy and capital expenditure budgets;
- acquisitions and investments exceeding certain threshold limits and any disposals;
- overall corporate strategy and changes to the corporate structure;
- distribution, financial reporting and internal controls;
- company resolutions and announcements;
- material regulatory matters or litigation;
- appointment and removal of Board members, the Company Secretary of the Trustee-Manager ("Company Secretary") and terms of reference for the Board and Board committees;
- guarantee, indemnity or security; and
- compliance matters associated with the Listing Manual, the BTA or other relevant laws and regulations.

In addition, there is a formalised delegation of authority matrix that sets out financial approval limits for the Board and the Management regarding operational expenditure, capital expenditure, investments, financial costs and cheque signatory arrangements. The Board did not make any delegations of authority to any Board committee or Management to make decisions on any board matters in FY2021 and to date.

Board committees: The Board is supported by the Audit and Risk Committee ("ARC"), Nominating Committee ("NC") and Remuneration Committee ("RC") (collectively "Board committees") in the discharge of its functions. As the Board retains ultimate responsibility on all decisions, all matters discussed at the Board committee meetings are presented to the Board for approval prior to implementation. The terms of reference of the respective Board committees, as well as other relevant information on the Board committees, can be found in the subsequent sections of this Annual Report.

Meetings: Directors attend and actively participate in Board and Board committee meetings. The Board meets at least half-yearly, and on an ad-hoc basis if required, as deemed appropriate by the Board members, to review and discuss the performance of DRT and key activities of the Trustee-Manager. For the quarter where no financial statement was issued, the Board reviewed and approved the business updates voluntarily provided to Unitholders during that quarter, if any. The Constitution of the Trustee-Manager and terms of reference for each individual Board committee allow for meetings to be held via telephonic or video conferencing. The Board and Board committees may also make decisions by way of resolutions in writing.

Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company. As disclosed on page 59, the Nominating Committee is satisfied that all Directors gave sufficient time and attention to the affairs of the Trustee-Manager and were able to and have adequately carried out their duties as a Director of the Trustee-Manager for FY2021.

The number of Board and Board committee meetings and attendance of each Director at such meetings for FY2021 are set out in the table below.

		Board	Audit and Risk Committee	Nominating Committee	Remuneration Committee
Number of meetings held for FY2021		4	5	2	1
Board member	Membership				
Dr. Kong Weipeng ^{(1). (3)}	Chairman, Non-Executive Director, member of the ARC and NC	3 out of 3	3 out of 3	1 out of 1	1 out of 1*
Mr. Zhang Zhencheng ⁽²⁾	Non-Executive Director, member of the ARC, RC and NC	4 out of 4	2 out of 3	2 out of 2	1 out of 1
Mr. Lyu Guoliang ⁽³⁾	Non-Executive Director, member of the ARC and RC	3 out of 3	3 out of 3	1 out of 1*	1 out of 1
Mr. Zhang Zhongming ⁽⁴⁾		1 out of 1	N.A.	1 out of 1*	N.A.
Mr. Sonny Tan Hock Sun ⁽³⁾	Lead Independent Director, Chairman of the NC and member of the ARC and RC	3 out of 3	3 out of 3	1 out of 1	1 out of 1
Mr. Tan Huay Lim	Independent Director, Chairman of the ARC	4 out of 4	5 out of 5	2 out of 2*	1 out of 1*
Mr. Sun Shu	Independent Director, Chairman of the RC and member of the ARC and NC	4 out of 4	5 out of 5	2 out of 2	1 out of 1
Dr. Cao Yong	Independent Director, member of the ARC, RC and NC	4 out of 4	5 out of 5	2 out of 2	1 out of 1

* By invitation

N.A. = Not applicable

⁽¹⁾ Dr. Kong Weipeng was appointed as Chairman of the Board with effect from 5 November 2021.

⁽²⁾ Mr. Zhang Zhencheng resigned as Chairman of the Board with effect from 5 November 2021.

⁽³⁾ Dr. Kong Weipeng, Mr. Lyu Guoliang and Mr. Sonny Tan Hock Sun were appointed as Director with effect from 12 October 2021.

⁽⁴⁾ Mr. Zhang Zhongming resigned as Deputy Chairman and Director with effect from 12 October 2021.

Board information: Management provides the Board with complete and adequate information, in advance of Board meetings and as required, that enables the Board to make timely and informed decisions to effectively discharge its duties and make a balanced and informed assessment of the performance, position and prospects of DRT.

Management presents the Board with monthly management accounts that include performance summaries. Such reports include a comparison of actual results and explanatory notes for significant variances for the quarter and year-to-date performance, updates on

financial results, market trends and business and operating environment developments. In addition, Management presents the ARC and Board with the relevant ARC and Board papers and related materials, background and explanatory information relating to matters brought before the Board, and copies of disclosure documents. The information is designed to keep Directors updated on the financial and operational performance and position of DRT. Where the situation requires, Directors are entitled to request for any additional information from Management.

Board's access: The Board has separate and independent access to Management and the Company Secretary at all times.

Company Secretary: The Company Secretary attends to corporate secretarial administration matters and is present at all Board meetings. The role of the Company Secretary has been formally established in the letter of engagement with the Trustee-Manager's and DRT's outsourced corporate secretarial firm. The responsibilities set out include advising the Board on governance matters, facilitating the orientation of new Directors, assisting the Chairman of the Board

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in ensuring good information flows within the Board and its Board committees and between Management and Directors, attending all Board and Board committee meetings and circulating minutes in a timely manner. The Company Secretary also provides the Board with updates to regulations and legislations that the Trustee-Manager and DRT are required to comply with, as required.

According to the matters reserved for the Board, the appointment and removal of the Company Secretary is to be decided by the Board as a whole. The current Company Secretary was formally approved by the Board through written resolution.

Professional advice: The Board has access to external legal advisers, external compliance advisers, Company Secretary and independent professional advisers where appropriate. Any such advice will be sought at DRT's expense.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board composition: The Board comprises seven members, four of whom are Independent Non-Executive Directors and three of whom are Non-Executive Directors. On 12 October 2021, (a) Dr. Kong Weipeng and Mr. Lyu Guoliang were appointed as Non-Executive Directors; (b) Mr. Sonny Tan Hock Sun was appointed as Independent Non-Executive Director; and (c) Mr. Zhang Zhongming resigned as Deputy Chairman and Director.

On 5 November 2021, (a) Dr. Kong Weipeng, who is a Non-Executive Director, was appointed as Chairman of the Board in succession to Mr. Zhang Zhencheng, who resigned as Chairman of the Board; and (b) Mr. Sonny Tan Hock Sun, Independent Non-Executive Director was appointed as Lead Independent Director in succession to Dr. Cao Yong, who resigned as Lead Independent Director. There are no Executive Directors appointed to the Board.

At all times, Independent Directors made up a majority of the Board. The Trustee-Manager is in compliance with Rule 210(5)(c) of the Listing Manual of the SGX-ST, which requires the Board to have at least two Non-Executive Directors who are independent and free of any material business or financial connection with the Trustee-Manager and is in compliance with Provision 2.2 of the Code which requires Independent Directors to make up a majority of the Board where the Chairman is not independent.

The composition of the Board complies with the requirements of the BTA and is determined on the following principles:

- (a) at least a majority of the Directors shall be independent from Management and business relationships with the Trustee-Manager;
- (b) at least one-third of the Directors shall be independent from Management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
- (c) at least a majority of the Directors shall be independent from any single substantial shareholder of the Trustee-Manager.

Board independence: The Board assesses the independence of each Director in accordance with the guidance provided in the Code, the Listing Manual and the BTR. Under the Code, an Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Trustee-Manager, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of DRT.

Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent. In particular, pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, which came into effect on 1 January 2022, a director will not be independent if, *inter alia*, he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by certain classes of unitholders (a "two-tier unitholders' vote"). There is currently no Independent Director who has served on the Board for more than nine years. In the event that any Independent Director has served on the Board for an aggregate period of nine years or more, the NC will subject the independence of such a Director to particular rigorous review. In addition, such a Director will also seek approval for his continued appointment as an Independent Director under a two-tier unitholders' vote in a general meeting.

Taking into account the views of the NC that has conducted an annual review of the independence declarations submitted by each of the Independent Directors, the Board has determined for FY2021, that Mr. Sonny Tan Hock Sun, Mr. Tan Huay Lim, Mr. Sun Shu and Dr. Cao Yong are independent in accordance with the guidance from the Code and the Listing Manual, and also, for the purposes of Regulation 12 of the BTR, independent from Management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager under the BTR.

On 12 October 2021, New Harvest Investments Limited ("New Harvest"), a company incorporated in the British Virgin Islands and Sino-Ocean Capital Holding Limited, a company incorporated in Hong Kong became the immediate holding and ultimate holding companies of the Trustee-Manager following the completion of the transfer of the 70% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng to New Harvest. The remaining 30% of the issued and paid-up share capital in the Trustee-Manager is owned by Mr. Zhang Zhencheng. Prior to the transfer, Mr. Zhang Zhencheng owns 100% of the Trustee-Manager.

The remaining Directors, namely, Dr. Kong Weipeng and Mr. Lyu Guoliang are employees of Sino-Ocean Capital Holding Limited group ("Sino Ocean Group") and are not considered to be independent.

The NC also examined the different relationships identified by the Code and the Listing Manual that might impair each Independent Director's independence and objectivity and concluded that all the Independent Directors are able to exercise independent business judgement in the best interests of DRT and the Unitholders.

Board size: The size and composition of the Board is reviewed at least annually to ensure that the Board has the appropriate balance and mix of skills, knowledge, expertise, experience and other aspects of diversity for effective decision-making. The Board, in concurrence with the NC, is of the view that the current number of seven Directors and the composition are appropriate and effective, taking into consideration the scope and nature of DRT's operations. No individual or small group of individuals dominate the Board's decision-making.

Board diversity: The Board has a board diversity policy. The NC will monitor and implement this policy. The Board is committed to ensuring diversity on the Board and will consider establishing an appropriate balance and mix of skills, knowledge, experience, gender, age and the core competencies of accounting or finance, legal and regulatory, business or management experience, industry knowledge, and strategic planning, to avoid groupthink and foster constructive debate. The current Board provides diversity of expertise and knowledge in areas such as real estate, accounting, finance, risk management and business management. This diversity, together with clear allocation of roles and responsibilities, facilitates constructive debate on the business activities of the Trustee-Manager

and enables Management to benefit from a diverse and objective set of perspectives on issues that are brought before the Board. The Board may consider gender diversity in future.

Non-Executive Directors: The Non-Executive Directors review the performance of the Trustee-Manager, provide constructive views to Management and assist to develop strategic proposals of the Trustee-Manager.

To facilitate a more effective review of Management, the Non-Executive and Independent Directors, led by the Chairman or other Independent Director as appropriate, communicate on an ad-hoc basis without the presence of Management to discuss Management's performance and any matters of concern.

The Independent Directors meet periodically as required without the presence of other directors, and feedback from these meetings is provided by the Lead Independent Director to the Chairman.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Chairman and CEO separation:

To ensure an appropriate balance of power, increased accountability and greater capacity for independent decision-making, the positions of Chairman of the Board and Chief Executive Officer of the Trustee-Manager ("CEO") are held by two separate persons who are not related to each other. Mr. Zhang Zhencheng was the Chairman of the Board till he

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stepped down on 5 November 2021, and Dr. Kong Weipeng was appointed as the Chairman of the Board in succession to Mr. Zhang Zhencheng on the same day. The CEO is Ms. Wang Qiu.

The roles of the Chairman and CEO have been clearly separated, with the division of responsibilities set out in writing and approved by the Board as a whole.

The Chairman is responsible for the overall management of the Board as well as ensuring that the members of the Board and Management have appropriate relations and work together with integrity and competency and that the Board engages Management in constructive debate on strategy, business operations, enterprise risk and other plans. Externally, the Chairman ensures effective communication with Unitholders and other stakeholders. The overall role of the Chairman includes:

- (a) leading the Board to ensure its effectiveness on all aspects of its role;
- (b) setting the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (c) promoting a culture of openness and debate at the Board;
- (d) ensuring that the directors receive complete, adequate and timely information;
- (e) ensuring effective communication with Unitholders;
- (f) encouraging constructive relations within the Board and between the Board and Management;
- (g) facilitating the effective contribution of non-executive directors; and

(h) promoting high standards of corporate governance.

The CEO has full executive responsibilities over the business directions and operational decisions in the day-to-day management of the Trustee-Manager.

Lead Independent Director: As the Chairman of the Board is not independent, the Board has a Lead Independent Director. Dr. Cao Yong was the Lead Independent Director till he stepped down on 5 November 2021, and Mr. Sonny Tan Hock Sun was appointed as the Lead Independent Director in succession to Dr. Cao Yong on the same day. The Lead Independent Director is available to Unitholders where they have concerns and for which contact through the normal channels of the Chairman, the CEO or the Chief Financial Officer of the Trustee-Manager ("CFO") has failed to resolve or is inappropriate or inadequate.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nominating Committee's composition: The Board has established an NC that comprises five Directors as of the date of this report. The NC comprised three Directors before the appointment of the additional two NC members on 5 November 2021. The members of the NC are Mr. Sonny Tan Hock Sun, Mr. Sun Shu, Dr. Kong Weipeng, Mr. Zhang Zhencheng, and Dr. Cao Yong, all of whom are Non-Executive Directors. Mr. Sonny Tan Hock Sun,

who is also the Lead Independent Director, is the Chairman of the NC. Mr. Sonny Tan Hock Sun was appointed as the Chairman of the NC on 5 November 2021 in succession to Mr. Sun Shu who stepped down as the Chairman of the NC on the same day. Other than Dr. Kong Weipeng and Mr. Zhang Zhencheng, who are Non-Executive Directors, all the other members of the NC are Independent Directors.

Nominating Committee's role: The NC makes recommendations to the Board on all Board appointments. The NC has a formal set of terms of reference approved by the Board that is disclosed on pages 76 to 77 of this Annual Report. A summary of the NC's key responsibilities includes:

- (a) making recommendations to the Board on the review of succession plans for Directors, particularly the Chairman, the CEO and other key management personnel;
- (b) carrying out, at least annually, a formal assessment of the performance and effectiveness of the Board as a whole and that of each of its Board committees and individual Directors, based on the criteria and process implemented by the Board;
- (c) making recommendations to the Board on the review of training and professional development programmes for the Board and its Directors; and
- (d) making recommendations to the Board on matters relating to the appointment and re-appointment of Directors (including Alternate Directors, if any).

Multiple directorships: The NC is responsible for reviewing the ability of Directors to devote sufficient time and attention to the affairs of the Trustee-Manager and in particular will take into account multiple directorships and significant principal commitments held by Directors. The Board has discussed and arrived at the conclusion that at present, it will not impose any limits as it has taken the view that the number of directorships and principal commitments that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors. The NC requires Directors to declare any new additional directorships or significant principal commitments during the year to enable the ongoing monitoring of the time commitment, attendance and contributions of Directors to DRT.

Directors' time commitment: The NC ensures that new directors are aware of their duties and obligations. Newly appointed Directors will receive appropriate training and orientation programmes to familiarise themselves with the operations of the Group and its major business processes. Dr. Kong Weipeng, Mr. Lyu Guoliang and Mr. Sonny Tan Hock Sun, the newly appointed Directors in FY2021 were provided with relevant orientation to familiarise themselves with the operations and the business processes of the Group. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. Dr. Kong Weipeng and Mr. Lyu Guoliang have completed the eight modules of the Listed Entity Director Programme in March 2022. The NC also decides if a Director is able to and has been adequately

carrying out his duties as a director of the Trustee-Manager. As part of the assessment of the performance of each individual Director, there is consideration of whether the Director has carried out his duties adequately where he holds a significant number of listed company directorships. The NC is satisfied that all Directors were able to and have adequately carried out their duties as a Director of the Trustee-Manager for FY2021.

For FY2021, the NC is of the view that the other directorships and principal commitments of the Directors do not hinder them from carrying out their duties and that they have devoted sufficient time and attention in discharging their responsibilities towards the affairs of DRT. The Board is satisfied and has agreed with the view of the NC.

Alternate Directors: The Constitution of the Trustee-Manager and the Trust Deed of DRT contain provisions that allow for Directors to appoint Alternate Directors. No Alternate Director was appointed to the Board in FY2021.

Director appointment and re-appointment: The NC conducts an annual review of the balance, diversity and size of the Board to determine whether any changes are required in relation to the Board composition. Where new Directors are required, the NC will clarify the required skill sets, experience and characteristics of the position and work with external consultants to source candidates. The NC will review and shortlist candidates and provide a recommendation for Board approval. Sufficient information will accompany all resolutions for the Director appointments and re-appointments to enable the Board to make informed decisions.

The current Directors were predominantly sourced through external channels (such as lawyers and bankers) during the IPO process and acquisition of controlling shareholding in the Trustee-Manager. The Trustee-Manager conducted a due diligence on each Director to ensure their eligibility for the role.

Board independence: The Board assesses the independence of each Director in accordance with the guidance provided in the Code, the Listing Manual and the BTR. Under the Code, an independent director is one who is independent in conduct, character and judgement, and has no relationship with the Trustee-Manager, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of DRT.

Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent. In particular, pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, which came into effect on 1 January 2022, a director will not be independent if, *inter alia*, he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by certain classes of unitholders (a "two-tier unitholders' vote"). There is currently no Independent Director who has served on the Board for more than nine years. In the event that any Independent Director has served on the Board for an aggregate period of nine years or more, the NC will subject the independence of such a Director to particular rigorous review. In addition, such a

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Director will also seek approval for his continued appointment as an Independent Director under a two-tier unitholders' vote in a general meeting.

Taking into account the views of the NC that has conducted an annual review of the independence declarations submitted by each of the Independent Directors, the Board has determined for FY2021, that Mr. Sonny Tan Hock Sun, Mr. Tan Huay Lim, Mr. Sun Shu and Dr. Cao Yong are independent in accordance with the guidance from the Code and the Listing Manual, and also, for the purposes of Regulation 12 of the BTR, independent from Management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager under the BTR.

On 12 October 2021, New Harvest became the immediate holding company of the Trustee-Manager following the completion of the transfer of the 70% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng to New Harvest. The remaining 30% of the issued and paid-up share capital in the Trustee-Manager is owned by Mr. Zhang Zhencheng. Prior to the transfer, Mr. Zhang Zhencheng owns 100% of the Trustee-Manager.

The NC also examined the different relationships identified by the Code and the Listing Manual that might impair each Independent Director's independence and objectivity and concluded that all the Independent Directors are able to exercise independent business judgement in the best interests of DRT and the Unitholders.

Directors' profile: In respect of each Director, the academic and professional qualifications, Board committees served on (as member or Chairman), date of first appointment as a Director, directorships and chairmanships both present and past held over the preceding three years in other listed companies, and other principal commitments, whether executive or non-executive, are set out in pages 49 to 51 of this Annual Report while their unitholding in DRT and its related corporations as at FY2021 is found on page 103.

Summary of Nominating Committee activities: The NC carried out its function and performed activities to fulfil its responsibilities specified in its terms of reference approved by the Board as disclosed on pages 76 and 77 of this Annual Report.

The NC has reviewed and determined the independence of the Independent Directors, and decided whether the Directors were able to and have been adequately carrying out his duties as a director of the Trustee-Manager.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Board evaluation and criteria: The Board has implemented a formal annual process for collectively assessing the performance of the Board as a whole, and of each Board committees separately, as well as the contribution by the Chairman and each individual Director to the Board. Each Director is required to complete

evaluation questionnaires to submit an assessment of the Board and the Board Committees, and a peer assessment of each of the other Directors on the Board to assess the contributions by the Chairman and each individual Director to the effectiveness of the Board. In FY2021, the Board performance criteria (as recommended by the NC and approved by the Board) included the composition, structure, processes, access to information, corporate strategy, internal controls, risk management and standard of conduct of the Board and its committees. Board committees are evaluated on the performance of their roles and responsibilities with regards to their respective terms of references and their provision of information to the Board while individual Directors are collectively evaluated on attendance and contributions at Board and Board committee meetings held during the year, and on whether each Director continues to contribute effectively and demonstrate commitment to his roles.

The completed evaluation questionnaires were collated by the outsourced external Company Secretary, and the results were discussed by the NC, with recommendations made to the Board. Based on the review conducted in FY2021, the NC was of the opinion that the Board and Board Committees have met their performance objectives and that each Director has contributed to the overall effectiveness of the Board. The Board accepted the recommendations of the NC.

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Remuneration Committee's composition:

The Board has established a RC that comprises five Directors as of the date of this report. On 12 October 2021, Mr. Zhang Zhongming resigned and ceased to be a RC member. Mr. Tan Huay Lim ceased to be a RC member on 5 November 2021. On 5 November 2021, three additional RC members were appointed. The members of the RC are Mr. Sun Shu, Mr. Sonny Tan Hock Sun, Dr. Cao Yong, Mr. Zhang Zhencheng and Mr. Lyu Guoliang, all of whom are Non-Executive Directors. Mr. Sun Shu was appointed on 5 November 2021 as the Chairman of the RC in succession to Dr. Cao Yong who stepped down as the Chairman of the RC on the same day. Other than Mr. Zhang Zhencheng and Mr. Lyu Guoliang, all the other members of the RC are Independent Directors.

Remuneration Committee's role:

The RC makes recommendations to the Board on all remuneration matters. The RC has a formal set of terms of reference approved by the Board that is disclosed on page 77 of this Annual Report. A summary of the RC's key responsibilities includes:

- (a) reviewing and recommending to the Board a general framework of remuneration for the Board and key management personnel;
 - (b) reviewing and recommending to the Board the specific remuneration packages for each individual Director and key management personnel; and
 - (c) reviewing the Trustee-Manager's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of services to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.
- Although the remuneration of the Directors and employees of the Trustee-Manager is paid by the Trustee-Manager, and not by DRT, the Trustee-Manager is disclosing the information on the remuneration of its Directors, CEO and other key management personnel.
- At the RC meeting, the committee discussed and submitted the remuneration framework and specific remuneration packages of each individual Director and key management personnel to the Board for its approval. The RC reviewed all aspects of remuneration including Director's fees, salaries, allowances, bonuses, share options, share-based incentives and awards, benefits-in-kind, termination payments and termination terms to ensure they are fair. The Board accepted the recommendations of the RC. No Director or member of the Remuneration Committee is involved in deciding his or her own remuneration.

Termination clauses: Termination clauses are included in the service agreements for key management personnel. The RC has reviewed and recommended to the Board, which has concurred, that the termination clauses are fair and reasonable and not overly generous. There was no

termination of any key management personnel during FY2021.

Remuneration experts: The RC has access to expert advice from external remuneration consultants where required. The Directors sought views on market practice and benchmarks from external remuneration consultants to determine the specific remuneration packages for Directors and key management personnel during the IPO. The Trustee-Manager does not have any relationship with the external remuneration consultants that could affect their independence and objectivity. The Directors' fees received by the Chairman and the Deputy Chairman up to 11 October 2021 and the Independent Directors are determined by benchmarking against Directors' fees across the industry. Dr. Kong Weipeng and Mr. Lyu Guoliang, the Non-Executive Directors, who are management appointees of Sino Ocean Group do not receive any Directors' fees. Mr. Zhang Zhencheng, Non-Executive Director voluntarily elected not to receive any form of remuneration with effect from 12 October 2021. The RC will continue to monitor the need to engage further remuneration consultation services going forward and where applicable, will review the independence of the external firm consulted.

Summary of Remuneration Committee activities:

The RC carried out its function and performed activities to fulfil its responsibilities specified in its terms of reference approved by the Board as disclosed on page 77 of this Annual Report.

The RC has reviewed and recommended the remuneration of the Directors, all of whom are Non-Executive Directors and

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key management personnel, proposed the payment of Directors' fees for the financial year ending 31 December 2022 and submitted the same to the Board for recommendation to the shareholders of the Trustee-Manager for approval at the forthcoming Annual General Meeting of the Trustee-Manager. There are no employees of the Trustee-Manager who is a substantial Unitholder, a substantial shareholder of the Trustee-Manager, or an immediate family member of a Director, the CEO or a substantial Unitholder or a substantial shareholder of the Trustee-Manager.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Remuneration framework: The approved remuneration framework caters for the alignment of remuneration of key management personnel and Directors with each individual's performance and the performance of DRT as a whole. The corporate and individual performance-related elements of remuneration have been established to align the interests of key management personnel with those of Unitholders and other stakeholders with the aim of providing for the long-term interests of Unitholders and to promote the long-term success of DRT, taking into account risk policies and the time horizon of

risks. Appropriate and meaningful measures have been established to assess key management personnel's performance. A significant and appropriate proportion of key management personnel's remuneration is structured so as to link rewards to corporate and individual performance.

Performance conditions: The annual performance incentive is mainly tied to the performances of the Trustee-Manager and DRT and the individual employee across a balanced set of performance indicators including financial, operational, compliance and information technology focus areas to drive value creation. The Trustee-Manager's aim in the long term is to motivate employees to achieve superior performance through such annual performance incentive. Executives who have greater ability to influence strategic outcomes have a greater proportion of overall reward at risk. A significant and appropriate proportion of key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. The corporate and individual performance-related elements of remuneration are designed to align the interests of Directors and key management personnel with those of Unitholders and other stakeholders and to promote the long-term success of the Trustee-Manager.

The RC is of the view that the overall level of remuneration is unlikely to promote behaviour contrary to the Trustee-Manager's risk profile.

Long-term incentives: There are no Executive Directors appointed to the Board and given that DRT was only listed in 2017, the Trustee-Manager

currently does not have any plans for long-term incentives in place for key management personnel. The computation of Management Fees is based on market practice and incorporated into the Trustee-Manager's framework to encourage key management personnel to strive for the long-term interests of DRT.

Non-Executive Director remuneration: The Chairman (who is also a Non-Executive Director), Dr. Kong Weipeng was appointed on 5 November 2021 in succession to Mr. Zhang Zhencheng who was the Chairman between 1 January 2021 and 4 November 2021. the Deputy Chairman Mr. Zhang Zhongming (who was also a Non-Executive Director) was the Deputy Chairman between 1 January 2021 and 12 October 2021. Independent Directors each receives a uniform Directors' fee benchmarked against Directors' fees across the industry. The fees are reviewed and in line with the level of contribution, taking into consideration the effort and time spent, as well as roles and responsibilities. Dr. Kong Weipeng and Mr. Lyu Guoliang who are management appointees of Sino Ocean Group do not receive any Directors' fees, and Mr. Zhang Zhencheng voluntarily elected not to receive any form of remuneration with effect from 12 October 2021. The fees are reviewed annually to ensure that the Independent Directors are not over-compensated to the extent that their independence may be compromised.

The remuneration packages are appropriate to attract, retain and motivate the Directors to provide good stewardship of the Trustee-Manager and key management personnel to successfully manage DRT for the long term.

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration disclosures: The remuneration of Directors and staff of the Trustee-Manager is paid by the Trustee-Manager, and not by DRT. Nonetheless, the Trustee-Manager is disclosing the information on the remuneration of its Directors, and the remuneration of the CEO and other key management personnel in bands of \$250,000 and a breakdown of the remuneration of the CEO and other key management personnel of the Trustee-Manager in percentage terms with a total remuneration of the key management personnel (including CEO) disclosed on page 64 in this report.

The Board has established the RC although the Trustee-Manager is not a listed entity. With regards to remuneration policies, the terms of reference of the RC include reviewing and recommending to the Board a general framework of remuneration for the Board and key management personnel.

The Trustee-Manager has put in place a remuneration policy with an aim towards retention of talent, building the strength of Management, value creation and developing key management personnel. This ensures that the business of the Trustee-Manager remains sustainable, and provides a stable environment with room for continual growth and improvement.

The remuneration package of key management personnel comprises a base fixed cash component, including the base salary and compulsory employer contribution to the key management personnel's Central

Provident Fund ("CPF") account, and a variable cash component.

The variable cash component is linked to whether a key management personnel meets performance targets, and that of the Trustee-Manager and DRT. This aligns the achievements of key management personnel with that of Unitholders.

Key management personnel do not receive any remuneration in units.

The Trustee-Manager believes the current remuneration framework it has in place allows it to attract sufficiently qualified talent. Each employee's salary comprises a fixed and variable component. The fixed component consists of the base salary and compulsory contributions to the employee's CPF account. The variable component consists of an annual bonus plan, which is linked to the performance of the employee and that of the Trustee-Manager and DRT across the preceding year.

The level and mix of each Director's and key management personnel's remuneration are set out below:

Name of Director	Base/ Fixed Salary and Statutory Contributions (\$)	Variable or Performance-Related Income/ Bonuses (\$)	Directors' Fees (\$)	Benefits-in-Kind (\$)
Dr. Kong Weipeng ⁽¹⁾	-	-	-	-
Mr. Zhang Zhencheng ⁽²⁾	-	-	93,333	-
Mr. Zhang Zhongming ⁽³⁾	-	-	93,333	-
Mr. Lyu Guoliang ⁽¹⁾	-	-	-	-
Mr. Sonny Tan Hock Sun ⁽⁴⁾	-	-	26,667	-
Mr. Tan Huay Lim	-	-	120,000	-
Mr. Sun Shu	-	-	120,000	-
Dr. Cao Yong	-	-	120,000	-

⁽¹⁾ Dr. Kong Weipeng and Mr. Lyu Guoliang, Non-Executive Directors who are management appointees of Sino Ocean Group do not receive Directors' fees.

⁽²⁾ Mr. Zhang Zhencheng, Non-Executive Director, voluntarily elected not to receive director's fee with effect from 12 October 2021.

⁽³⁾ Mr. Zhang Zhongming resigned as Director with effect from 12 October 2021.

⁽⁴⁾ Mr. Sonny Tan Hock Sun was appointed as Director with effect from 12 October 2021.

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Name of Key Management Personnel	Base/ Fixed Salary and Statutory Contributions (%)	Variable or Performance-Related Income/ Bonuses (%)	Benefits-in-Kind (%)
Above \$250,000 to \$500,000			
Wang Qiu, CEO	100	-	-
Ng Mun Fai, CFO	100	-	N.M.
Lu Zhiqi, General Manager of Investment Division	100	-	-
Total for CEO and Key Officers		\$807,600	

Provision 8.1 of the Code provides, *inter alia*, that the amounts of remuneration of each individual director and the CEO is disclosed in the annual report. Principle 8 of the Code states that the company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation. The Trustee-Manager has reviewed, assessed and decided to disclose the CEO's remuneration in bands of \$250,000 (instead of on a quantum basis), which constitutes a variation from Provision 8.1 of the Code. This has taken into consideration the commercial sensitivity and confidential nature of remuneration matters, the competitive nature of the real estate management industry, the competitive business environment in which the Trustee-Manager operates and the importance of ensuring stability and continuity of business operations with a competent and experienced management team in place. DRT and the Trustee-Manager is of the view that the intent of Principle 8 was met. The Trustee-Manager is of the view that disclosure in such manner is not prejudicial to the interests of Unitholders as the indicative range for the CEO's remuneration, as well as the total remuneration for the CEO and other key management

personnel of the Trustee-Manager, is made known to Unitholders, and sufficient information is provided on the Trustee-Manager's remuneration framework to enable Unitholders to understand the link between DRT's performance and the remuneration of the CEO and other key management personnel. In addition, the remuneration of the CEO and other key management personnel of the Trustee-Manager is paid out of the management fees that the Trustee-Manager receives, with the quantum being disclosed in the table above and the basis disclosed on page 63, rather than borne by DRT.

Substantial shareholders and immediate family remuneration:

Mr. Zhang Zhencheng and Mr. Zhang Zhongming are Non-Executive Directors of the Board before Mr. Zhang Zhongming resigned as Director on 12 October 2021. DBS Trustee Limited holds the entire issued share capital of Aqua Wealth Holdings Limited as the trustee of the Zhang Family Trust, of which Mr. Zhang Zhencheng is the settlor, and Mr. Zhang Chon Meng, son of Mr. Zhang Zhencheng, Mr. Zhang Guiming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Kunming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Shenming, nephew of Mr. Zhang Zhencheng and Mdm. Liang Jinying, sister-in-law of

Mr. Zhang Zhencheng are the beneficiaries. The power to make investment decisions on behalf of the Zhang Family Trust is conferred solely on an investment committee, of which Mr. Zhang Zhencheng is the sole member. In addition, Mr. Zhang Zhencheng holds 30% of the interests in the Trustee-Manager following the completion of the transfer of 70% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng to New Harvest on 12 October 2021. Mr. Zhang Zhongming is the nephew of Mr. Zhang Zhencheng and is also the son of Mdm. Liang Jinying, one of the beneficiaries of the Zhang Family Trust. Each of Mr. Zhang Zhencheng's and Mr. Zhang Zhongming's remuneration was less than \$100,000 during FY2021. There are no employees of the Trustee-Manager who is a substantial Unitholder, a substantial shareholder of the Trustee-Manager, or an immediate family member of a Director, the CEO, or a substantial Unitholder of the Trust or a substantial shareholder of the Trustee-Manager and whose remuneration exceeded \$100,000 during FY2021.

Employee share schemes: Based on an assessment of market practices, the Trustee-Manager has determined that it is not necessary to establish an employee share scheme. The RC will continuously reassess the need to implement employee share schemes.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Risk governance: The Board has overall responsibility for the governance of risk and with the support of the ARC, determines the levels of risk tolerance and risk policies and oversees the design, implementation and monitoring of the risk management and internal control systems in order to achieve strategic objective and value creation. The Trustee-Manager has established adequate and effective risk management and internal control systems addressing financial, operational, compliance and information technology risks.

The Trustee-Manager has adopted the Enterprise Risk Assessment and Assurance Framework (“ERAAF”), which was developed during the IPO process to help the Board formally identify DRT’s financial, operational, compliance and information technology risks. An outline of the Trustee-Manager’s Enterprise Risk Management framework is set out on pages 80 to 82 of this Annual Report.

The Trustee-Manager maintains and reviews a risk register which identifies the material risks DRT faces and the corresponding internal controls it has in place to mitigate those risks. These risks are prioritised based on risk appetite and risk tolerance levels that the Board has adopted. Key risks are escalated to, and discussed at the Board level, while all other risks are handled at Management level and reported to the Board on an exceptional basis.

Compliance: The Board is responsible for ensuring compliance with legislative and regulatory requirements, including requirements under the listing rules of SGX-ST. Directors are updated by the external legal advisers, Company Secretary, independent professional advisers and Compliance Manager as required on developments and changes in the laws and regulations affecting DRT and the Trustee-Manager. Policies and reporting obligation checklists have been established with internal procedures pertaining to announcements to SGX-ST and circulars to Unitholders, Interested Person Transactions, ARC reporting and other compliance matter relevant to the rules of the SGX-ST, Monetary Authority of Singapore (the “MAS”) and BTA.

Annual review: The ARC, through the assistance of Management, internal and external auditors, reviews and reports to the Board on the adequacy and effectiveness of the Trustee-Manager’s system of risk management and internal controls, including financial, operational, compliance and information technology controls. Management and the outsourced internal auditor (Ernst & Young Advisory Pte. Ltd.) conduct reviews and audit on a regular basis, and the external auditor (Deloitte & Touche LLP) conducts audits on an annual basis that involve testing the adequacy and effectiveness of material internal controls on key risks. Any material non-compliance or lapses in internal controls and its corresponding mitigating actions are reported to the ARC.

Letter of assurance: On a quarterly basis, the Board receives assurance from the CEO, CFO, General Manager of Investment Division and other key management personnel who are responsible that:

- (a) the financial records have been properly maintained and the financial statements give a true and fair view of DRT’s operations and finances; and
- (b) the risk management and internal control systems are adequate and effective in addressing the financial, operational, compliance and information technology risks faced by DRT.

Board’s conclusion: Based on the existing practices and reviews conducted by Management and DRT’s internal auditors and external auditors, and in concurrence with the ARC, the Board is of the opinion that the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, are adequate and effective to meet the needs of DRT in its current business environment as at 31 December 2021.

The risk management and internal control systems established by the Trustee-Manager provide reasonable, but not absolute, assurance that the Trustee-Manager will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Separate risk committee: The Board has established an ARC to assist in overseeing the risk management framework and policies and has determined, given the size, scope and nature of the business, it is currently not necessary to establish a separate Board Risk Committee.

CORPORATE GOVERNANCE

AUDIT AND RISK COMMITTEE

Principle 10: The Board has an Audit and Risk Committee ("ARC") which discharges its duties objectively.

Audit and Risk Committee's composition:

The Board has established an ARC that comprises seven Directors as of the date of this report. On 5 November 2021, four additional ARC members were appointed. The members of the ARC are Mr. Tan Huay Lim, Mr. Sonny Tan Hock Sun, Mr. Sun Shu, Dr. Cao Yong, Dr. Kong Weipeng, Mr. Zhang Zhencheng and Mr. Lyu Guoliang, all of whom are Non-Executive Directors. Other than Dr. Kong Weipeng, Mr. Zhang Zhencheng and Mr. Lyu Guoliang, all the other members of the ARC including the ARC Chairman, Mr. Tan Huay Lim are Independent Directors.

The Board is of the view that all the members of the ARC are appropriately qualified to discharge their responsibilities and have the recent and relevant accounting or related financial management expertise or experience. According to the Directors' profiles that are disclosed on pages 49 to 51 of this Annual Report:

- (a) Mr. Tan Huay Lim has more than 30 years of experience in audit, accounting and finance and served as a partner at KPMG Singapore for 23 years before his retirement in September 2015;
- (b) Mr. Sonny Tan Hock Sun is currently a Senior Research Fellow (Adjunct) at the Institute of Real Estate and Urban Studies, National University of Singapore and also an Adjunct Lecturer at the Singapore Management University, teaching at the Lee Kong Chian School of Business since 2013;

- (c) Mr. Sun Shu has held various positions in a national Chinese bank including responsibilities for building and managing its internal control systems;
- (d) Dr. Cao Yong was an Adjunct Professor in Singapore and a Professor in China, teaching finance and economics;
- (e) Dr. Kong Weipeng holds a doctorate in finance from Pennsylvania State University and a bachelor's degree in international economics from Peking University and has more than 17 years of market experience in the field of capital market transactions and investments;
- (f) Mr. Zhang Zhencheng has held various positions in Zhongshan Dasin Real Estate Co., Ltd including responsibilities for investment strategies, development and management of engineering and commercial projects as well as financial and human resource management; and
- (g) Mr. Lyu Guoliang has extensive experience in real estate investments with a focus on private and public REITs investments in China and Singapore.

None of the ARC members were former partners or directors of DRT's external auditor, Deloitte & Touche LLP within the previous two years, nor do they hold any financial interest in the external auditor.

Audit and Risk Committee's role:

The ARC has explicit authority to investigate any matters within its terms of reference and is entitled full access to Management, especially in terms of resources and information to enable the committee to discharge its duties properly. The ARC has full discretion to invite any Director or Management to attend its meetings.

The Board has established an ARC broadly to make recommendations to the Board on all matters pertaining to the integrity of the financial statements, risk management and internal control systems, internal auditors, external auditors and whistleblowing. The ARC has a formal Board approved terms of reference that is disclosed on pages 105 to 108 of this Annual Report. A summary of the ARC's key responsibilities includes:

- (a) reviewing the significant financial reporting issues and judgements to ensure the integrity of the financial statements and any announcements relating to financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of the risk management and internal control systems, including financial, operational, compliance and information technology risks and controls;
- (c) reviewing the assurance from the CEO and CFO on the financial records, financial statements, risk management and internal controls system;
- (d) reviewing the adequacy, effectiveness, independence, scope and results of the Internal Audit function;
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit;
- (f) making recommendations to the Board on the appointment, re-appointment, remuneration and terms of engagement of the internal and external auditors; and
- (g) reviewing the whistleblowing policy and incidents reported.

Auditors: The ARC meets with the internal and external auditors at least once annually to discuss audit findings and recommendations, without the presence of Management.

The Trustee-Manager has complied with Rules 712 and 715 of the Listing Manual of the SGX-ST in relation to the appointment of external auditors of DRT. The ARC has undertaken a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services do not affect the independence and objectivity of the external audit. The aggregate amount of audit fees paid and payable by DRT to the external auditors for FY2021 was \$421,000. There was no non-audit fee paid and payable to the external auditor for FY2021.

Whistleblowing: The ARC has reviewed the Whistleblowing Policy that the Trustee-Manager has established and uploaded on DRT's corporate website. The Whistleblowing Policy provides mechanisms such as a secure and confidential channel that allows employees and external parties to report possible improprieties and disclose any wrongdoings such as fraud, misconduct, breach of any laws or any other illegal acts directly to the ARC Chairman. Reports can be lodged via email to whistleblowing@dasintrust.com. In addition, there are policies and reporting mechanisms for employees and customers to raise concerns to Management, who will escalate significant issues to the Board as required. Employees making the report in good faith and without malice are protected from reprisals or victimisation. There was no whistleblowing report received in FY2021.

The ARC is satisfied that arrangements are in place to ensure independent investigation of such matters and for appropriate follow-up action to be taken.

Summary of Audit and Risk

Committee activities: The ARC carried out its function in accordance with Regulation 13(6) of the BTR and the Listing Manual and performed activities to fulfil its responsibilities specified in its terms of reference approved by the Board as disclosed on pages 105 to 108 of this Annual Report.

During FY2021, the ARC has reviewed the first quarter ended 31 March 2021 business updates, the half-yearly condensed financial statements, the annual financial statements, the quality and reliability of information for inclusion in financial reports, policies and practices put in place by Management, reviewed the nature, volume and disclosure of Interested Person Transactions (including (i) the yearly budget and its usage and the payment approval process of the interested person property management agreements and interested person commercial management agreements during the year; (ii) the outstanding balance and loss allowance made for related parties and interested persons; (iii) waiver of late payment charges on lease rental income granted to related parties and interested persons; (iv) reduction of security deposit from 12 months to 2 months based on the current market practice and normal commercial terms and its settlement arrangement, and reduction of lease area size relating to Xiaolan Master Lease; (v) the entry into lease agreements with interested persons

relating to Dasin E-Colour and Shiqi Metro Mall; (vi) the entry into renewal of master lease agreement at Dasin E-Colour for another two years from 2 March 2022 to 1 March 2024 on the same terms; (vii) the entry into construction contracts with interested persons relating to part of the asset enhancement initiative of Xiaolan Metro Mall and refurbishment at Shunde Metro Mall; and (viii) the entry into termination lease agreements with interested persons relating to Jane Eyre at Xiaolan Metro Mall, Jane Eyre at Shiqi Metro Mall and Xinxuan Restaurant at Tanbei Metro Mall), nominated and recommended the re-election of the external auditors, reviewed the adequacy, effectiveness and independence of the internal auditors and external auditors, evaluated the performance and approved the remuneration of the internal auditors of the Trust, reviewed the audit plans of the internal auditors and external auditors, and reviewed the whistleblowing policy to be in compliance with the requirements of the Listing Manual. The ARC has assisted the Board to review the adequacy and effectiveness of the risk management and internal control systems, addressing financial, operational, compliance and information technology risks and concurs with the Board's opinion that the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, are adequate and effective to meet the needs of DRT in its current business environment as at 31 December 2021.

Additionally, the ARC has also met with the internal and external auditors, without the presence of Management.

CORPORATE GOVERNANCE

Changes to the accounting standards and issues that have direct impact on financial statements were reported to and discussed with the ARC by the Management and external auditors, in order for the ARC members to keep abreast of changes to such accounting standards and issues.

In the review of the Group's financial statements, the ARC discussed with Management the accounting principles that were applied and considered the clarity of key disclosures in the financial statements.

ARC's Commentary on Significant Financial Reporting Matters

The most significant financial reporting matters considered by the ARC and discussed with both the Management and the external auditors in relation to the Group's financial statements for FY2021 were as follows:

Going Concern Basis of Preparation of Financial Statements

The application of the going concern basis for the preparation of the financial statements requires making assumptions and significant judgement about future events and cash flows which are inherently uncertain.

As disclosed in Note 2.2 to the financial statements, the Group and the Trust were in net current liabilities of \$663,169,000 and \$719,864,000 respectively as at 31 December 2021, as the offshore and onshore syndicated term loans pertaining to the Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour (the "Initial Portfolio") and Shiqi Metro Mall of \$499,520,000 in aggregate are due and payable on 19 June 2022,

the offshore syndicated term loans pertaining to Shunde Metro Mall and Tanbei Metro Mall of \$132,851,000 in aggregate are due and payable on 15 July 2022 and the offshore syndicated term loans pertaining to Doumen Metro Mall of \$105,728,000 in aggregate are due and payable on 18 September 2022. The tenure of both the offshore and onshore loans of the Initial Portfolio and Shiqi Metro Mall have been extended to 19 June 2022 as announced by the Trust on 20 January 2021, 20 July 2021, 20 December 2021 and 21 March 2022. In addition, the Group and the Trust drawdown the 24-month credit loan facility of USD13,120,000 (\$17,693,000) in September 2021 which is revolving every 12 months and is due on 20 September 2022. These conditions indicate that a material uncertainty exists that may cast significant doubt on the ability of the Group and of the Trust to continue as going concerns.

The Audit and Risk Committee held discussion with the management on their plans and measures taken and assessed the ability of the Group and the Trust to continue operating as a going concern and the relevant factors and bases considered in analysing the validity of the going concern have been made in Note 2.2 to the financial statements.

Valuation of Investment Properties

The valuation of the Group's investment properties is a key risk due to its significance in the context of the Group's net assets value and that the valuation methodology requires significant judgement about future performance of the investment properties which is inherently uncertain.

The ARC reviewed the independency, objectivity and competency of the external valuer and the appropriateness of the valuation methodologies applied by the valuer in arriving at the fair value of the investment properties based on their existing use.

The ARC reviewed the valuation reports and held discussions with the Management, the valuer and the external auditors to review the reasonableness of the key assumptions, the estimation and projection of rental income stream and the underlying key data including the growth rate, occupancy rate, discount, capitalisation and terminal yield rates used in the valuation.

The ARC noted that the valuation reports have been prepared in accordance with the International Valuation Standards ("IVS") and the Royal Institution of Chartered Surveyors' RICS Valuation – Global Standards and have considered the impact of COVID-19.

The ARC was satisfied with the valuation process and concurred with the Management's assessment to support the carrying value of the investment properties.

The above significant financial reporting matters were also areas of focus for the external auditors who have included these as key audit matters in their audit report set out in this Annual Report.

Internal Audit function: The Trustee-Manager has outsourced its internal audit function to Ernst & Young Advisory Pte. Ltd. (“EY”) under a four-year plan from 2019 to 2022 for its retail malls in China. During the year, EY conducted a review of the internal controls and information technology of Ocean Metro Mall and Shunde Metro Mall, and the internal controls of the office of Dasin Retail Trust in the People’s Republic of China. The Trust also has two qualified and experienced internal auditors, who are based in the PRC. During 2021 and up to the date of this report, the internal auditors of the Trust have completed the audit of the internal controls of Shiqi Metro Mall, Xiaolan Metro Mall, Ocean Metro Mall, Dasin E-Colour, Doumen Metro Mall and Tanbei Metro Mall. In addition, the internal auditors of the Trust conducted three audits on the interested person transactions and audited the waiver of late payment charges granted to third parties and interested persons twice during the year.

EY and the internal auditors of the Trust report directly to the ARC and administratively to the CFO. The ARC approved the hiring, evaluation, and compensation of EY and the internal auditors based in the PRC put in place by the Trust. EY and the internal auditors of the Trust audit the malls of the Trust separately and independently. EY and the internal

auditors of the Trust submit their internal audit plans to the ARC separately for approval at the beginning of each financial year. The role of EY and the internal auditors of the Trust is to perform internal controls review for areas as set out in the approved internal audit plan to enable the ARC to assess the adequacy and effectiveness of the risk management and internal control systems.

EY and the internal auditors of the Trust have confirmed their independence to the ARC.

Internal Audit standards: The scope of the internal audit covers key aspects of the Trustee-Manager’s internal controls established to address financial, operational, compliance and information technology risks. The internal auditor’s activities performed by EY and the internal auditors of the Trust with the assistance of the internal auditors of the Sponsor are guided by EY’s global internal auditing methodology and the PRC’s internal auditing standards, both of which are in line with the Standards for the Professional Practice of Internal Auditing as set by The Institute of Internal Auditors, the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) and Control Objectives for Information and Related Technologies (“COBIT”) models.

Internal Audit resources and experience: During the appointment of the internal audit function, the ARC ensured that the internal audit function is staffed with qualified and experienced personnel. The EY internal audit team is led by a partner with significant experience performing internal audit services, and supported by dedicated team members with relevant qualification and experience. The internal auditors of the Trust are qualified internal auditors in the PRC.

The ARC is of the view that the internal audit function has adequate resources to perform its functions and is independent from the activities that it audits. The internal audit function has unfettered access to all documents, records, properties and personnel, including access to the ARC and has appropriate standing within the Trustee-Manager. The ARC is of the view that the internal audit function was independent, effective and adequately resourced for FY2021.

CORPORATE GOVERNANCE

UNITHOLDERS RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all unitholders fairly and equitably in order to enable them to exercise unitholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives unitholders a balanced and understandable assessment of its performance, position and prospects.

Board's accountability: The Board is responsible to Unitholders for providing a balanced and understandable assessment of DRT's performance, position and prospects, including interim and other price sensitive public reports and reports to the regulators (where required). Financial reports and other price sensitive information are disseminated to Unitholders through announcements via SGXNET, press releases and DRT's website. The Annual Report and the circulars are sent to all Unitholders and are made available on DRT's website.

Unitholder's rights: All Unitholders are treated fairly and equitably, and the Trustee-Manager strives to disclose information to inform them of changes in DRT and its business that could materially impact the price and value of its units in a timely manner, so as to facilitate the exercise of ownership rights by all Unitholders.

Voting procedures: At general meetings, all Unitholders are entitled to attend, participate effectively and vote in person or by proxy, if they are unable to attend in person. Unitholders are informed of such meetings through the annual report or circulars sent to all Unitholders and/or notices published in the newspapers and via SGXNET. The rules governing such meetings and voting procedures are set out in the notice of general meetings.

Provision 11.4 of the Code provides that the company's constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders. Principle 11 of the Code provides, *inter alia*, that the company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. Voting in absentia by email, mail or fax is not implemented currently, which constitutes a variation from Provision 11.4 of the Code. The Trustee-Manager is of the view that the existing arrangement whereby shareholders have the opportunity to vote by proxy is adequate in enabling Unitholders to exercise their rights and have the opportunity to vote. Moreover, to allow voting in absentia by mail, facsimile or email would lead to authentication and other security related concerns.

Proxy forms must be deposited at the office of Boardroom Corporate & Advisory Services Pte. Ltd., the Unit Registrar of DRT, not less than 48 hours before the time appointed for holding the general meetings.

Conduct of general meetings:

General meetings of Unitholders will be convened at least once annually in accordance with applicable laws and regulations. At general meetings, Unitholders will be allowed to participate effectively by putting forth any questions they may have on the resolutions to be debated and decided upon.

Resolutions: Each distinct issue is proposed as a separate resolution at general meetings. The Trustee-Manager tables separate resolutions at general meetings of Unitholders on each substantially separate issue unless the issues are interdependent

and linked so as to form one significant proposal. Where the resolutions are "bundled", the Trust explains the reasons and material implications in the notice of meeting. All resolutions proposed at general meetings shall be put to vote by way of electronic polling pursuant to Rule 730A(2) of the Listing Manual of the SGX-ST. All votes cast, for or against, and the respective percentages, in respect of each resolution are tallied and displayed at the meeting and announced via SGXNET after the general meetings.

Attendance at general meetings:

All Directors, the respective Chairmen of the ARC, NC and RC, are usually present and available to address Unitholders' queries at these general meetings. The external auditor will also be present to address queries regarding the conduct of the audit and the preparation and content of the auditor's report and circular. Due to the then prevailing COVID-19 restrictions in Singapore, Unitholders were not able to attend the 4th Annual General Meeting ("AGM 2021") held on 29 April 2021 in person. Instead, the AGM 2021 was held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"), and Unitholders were invited to participate at the virtual AGM 2021 by (a) observing and/or listening to the AGM 2021 proceedings via live audiovisual webcast or live audio-only stream; (b) submitting questions in advance of the AGM 2021; and (c) appointing the Chairman of the Meeting as proxy to vote on their behalf at the AGM 2021. All Directors attended the AGM 2021 virtually by way of video conference, other than Mr. Zhang Zhencheng who was not available to attend.

Minutes of general meetings:

Minutes of general meetings recording the substantial and relevant comments and queries raised by Unitholders, together with responses from the Board and Management, are prepared by the Company Secretary and are available on DRT's website at www.dasintrust.com.

AGM 2022: As a precautionary measure due to the current COVID-19 situation in Singapore, the forthcoming 5th Annual General Meeting ("AGM 2022") will be held on 26 April 2022 by way of electronic means in compliance with the Order, and Unitholders will not be able to attend the AGM 2022 in person. Alternative arrangements relating to attendance at the AGM 2022 via electronic means (including arrangements by which the meeting can be electronically accessed via live audiovisual webcast or live audio-only stream), submission of questions relating to the AGM 2022 in advance of the meeting, addressing of substantial and relevant questions at least 48 hours prior to the closing date and time for lodgement of the proxy forms and voting by appointing the chairman of the meeting as proxy at the AGM 2022, are set out in the Trust's announcement dated 11 April 2022.

An electronic copy of this Annual Report for FY2021 has been published on the Trust's website at www.dasintrust.com and on the SGXNET. In view of the prevailing COVID-19 situation, the Annual Report, Notice of AGM and Proxy form will be made available to unitholders solely by electronic means via publication on the Trust's website and on SGXNET.

Distribution Policy: The Trustee-Manager has established an approved Distribution Policy for DRT to distribute 100% of distributable income to Unitholders for the period from 20 January 2017 to 31 December 2018, and from 1 January 2019 onwards, the Trustee-Manager shall make distributions of at least 90% of distributable income to Unitholders.

ENGAGEMENT WITH UNITHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Investor Relations Policy: The Trustee-Manager has in place an Investor Relations Policy which sets out principles and practices that it applies when providing Unitholders and prospective investors with pertinent information necessary to make well-informed investment decisions. Additionally, the Trustee-Manager has a dedicated Investor Relations Manager to handle, facilitate and promote regular, effective and fair communications on an ongoing basis between the Trustee-Manager and DRT, and Unitholders, analysts, media as well as the investing community. The Investor Relations Policy sets out a mechanism, being the email address of ir@dasintrust.com, through which Unitholders may contact the Trust with questions and through which the Trustee-Manager may respond to such questions to facilitate dialogue and queries from unitholders. Unitholders are actively encouraged to communicate their views and queries to DRT and the Trustee-Manager.

Disclosure of information: All material information including DRT's half-year and full-year financial statements are publicly available on the SGXNET and DRT's corporate website. For ease of access, DRT's key information, such as disclosed financial information, circulars, reports to Unitholders, SGX announcements, investor presentation slides, distribution notices, annual reports, press releases, other material developments and corporate information are made available on SGXNET and DRT's corporate website (www.dasintrust.com) as soon as practicable. The Trustee-Manager has established protocols to actively avoid inadvertent disclosure to a select group. In rare occasions that such information is inadvertently disclosed, it will be immediately announced to the public via SGXNET. In its disclosure of information, the Trustee-Manager strives to be as descriptive, detailed and forthcoming as possible, rather than give boilerplate disclosures.

Investor engagement: In conjunction with the release of half-year and full-year financial statements, the Trustee-Manager conducts meetings with Unitholders and the investing community that may include analysts and the media, to present an update on DRT's performance and developments while having a dialogue with them to solicit and understand their views and feedback in relation to DRT and address their concerns. Presentation slides prepared for these briefings are promptly released on SGXNET and DRT's corporate website to ensure consistency in dissemination of information.

CORPORATE GOVERNANCE

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Material stakeholders: DRT has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Trustee-Manager, Property Manager, Commercial Manager and the Sponsor identify and engage with their internal and external stakeholders on an ongoing basis to understand the stakeholders' expectations and concerns, for example the employees, investment community, suppliers, tenants, shoppers, government and regulators and local communities as such matters are tailored to their differing needs, and on an annual basis in conjunction with DRT's preparations for sustainability reporting.

Stakeholder engagement: DRT's Sustainability Report at pages 85 to 100 discloses its strategy and key areas of focus in relation to the management of stakeholder relationship in FY2021.

Current corporate website: DRT maintains a current corporate website (www.dasintrust.com) to communicate and engage with its stakeholders.

INTERESTED PERSON TRANSACTIONS

The Trustee-Manager has adopted an Interested Person Transactions policies and procedures ("IPT Policies and Procedures") and established controls and reporting measures for handling Interested Person Transactions. These ensure that such transactions are conducted on normal commercial terms and are not prejudicial to the interests of DRT and its minority Unitholders.

Further, the Trustee-Manager maintains a register to record all transactions which may be considered as Interested Person Transactions. The register is subject to regular review by the ARC to ensure that the Trustee-Manager's conduct is in accordance with the Listing Manual.

Transactions (whether a single transaction or a series of transactions involving the same Interested Person aggregated over the duration of the financial year) which exceed \$100,000 in value but are below 3% of DRT's net tangible assets are subject to regular review by the Trustee-Manager and quarterly review by the ARC.

Transactions (whether a single transaction or a series of transactions involving the same Interested Person aggregated over the duration of the financial year) which are valued between 3%-5% of DRT's net tangible assets are required to be announced by the Trustee-Manager on SGXNET and are further subject to review by the Trustee-Manager, the ARC and the Directors prior to carrying out such transaction.

Transactions (whether a single transaction or a series of transactions involving the same Interested Person aggregated over the duration of the

financial year) which are valued at 5% or above of DRT's net tangible assets are required to be announced by the Trustee-Manager on SGXNET, and are further subject to prior approval from Unitholders, as well as review by the Trustee-Manager, the ARC, the Directors and an independent financial advisor.

The Interested Person Transactions undertaken by DRT in FY2021 are set out on pages 200 and 201 of this Annual Report.

DEALINGS IN DASIN RETAIL TRUST UNITS

The Trustee-Manager has adopted a dealing policy ("Dealing in Securities Policy") and an internal compliance code of conduct with regard to dealings in securities of DRT, in compliance with the principles of Rule 1207(19) of the Listing Manual.

In general, the Trustee-Manager's policy encourages Directors and employees of the Trustee-Manager to hold DRT's units and not deal in such units for short-term considerations.

The policy also prohibits the Trustee-Manager, its Directors and employees from dealing in DRT's units during the period as prescribed in Rule 1207(19) (c) of the Listing Manual ("Prohibition Period") and at any time while in possession of unpublished price sensitive information. Prior to the commencement of the Prohibition Period, an email will be sent out to all Directors, executive officers and employees of the Trustee-Manager as well as certain relevant executives of the Sponsor to inform them of the duration of the period. The Trustee-Manager will also not deal with DRT's securities during the Prohibition Period.

STATEMENT OF POLICIES AND PRACTICES

The Trustee-Manager and the Board are responsible for safeguarding the interests of Unitholders and managing the business conducted by DRT. The Trustee-Manager has general powers of management over the business and assets of DRT and its main responsibility is to manage DRT's assets and liabilities for the benefit of its Unitholders as a whole.

The Trustee-Manager, in exercising its powers and carrying out its duties as DRT's trustee-manager, is required to:

- treat unitholders who hold Units in the same class fairly and equally;
- ensure that all payments out of the trust property of DRT (the "Trust Property") are made in accordance with the BTA and the Trust Deed;
- report to the Monetary Authority of Singapore any contravention of the BTA or BTR by any other person that:
 - (i) relates to DRT; and
 - (ii) has had, has or is likely to have, a material adverse effect on the interests of all Unitholders, or any class of Unitholders, as a whole, as soon as practicable after the Trustee-Manager becomes aware of the contravention;
- ensure that the Trust Property is properly accounted for; and
- ensure that the Trust Property is kept distinct from the property held in its own capacity.

The Board will meet regularly to review DRT's business activities and strategies pursuant to its then prevailing investment strategy. Such regular review is aimed at ensuring adherence to the Trust Deed and compliance with any applicable legislation, regulations and guidelines.

The Trustee-Manager also has the following statutory duties under the BTA:

- at all times act honestly and exercise reasonable diligence in the discharge of its duties as DRT's Trustee-Manager in accordance with the BTA and the Trust Deed;
- act in the best interests of all Unitholders as a whole and give priority to the interests of all Unitholders as a whole over its own interests in the event of a conflict between the interests of all the Unitholders as a whole and its own interests;
- not make improper use of any information acquired by virtue of its position as DRT's trustee-manager to gain, directly or indirectly, an advantage for itself or for any other person to the detriment of the Unitholders; and
- hold the Trust Property on trust for all Unitholders as a whole in accordance with the terms of the Trust Deed.

The Board, in exercising its powers and carrying out its duties as the Trustee-Manager of DRT, has put in place measures in relation to the management and governance of DRT to ensure that the following are met:

- the Trust Property is properly accounted for and is kept distinct from the property held by the Trustee-Manager in its own capacity;
- adherence with the business scope of DRT as set out in the Trust Deed;
- potential conflicts between the interests of the Trustee-Manager and the interests of all the Unitholders of DRT as a whole are appropriately managed;
- interested person transactions are transparent, properly recorded and reviewed;

- expenses and cost allocations payable to the Trustee-Manager out of the Trust Property, and that fees and expenses charged to DRT are appropriate and in accordance with the BTA and the Trust Deed; and
- compliance with the BTA and the Listing Manual.

Trust Property is Properly Accounted For

The Trust Property of the Trust is properly accounted for and kept distinct from the property of the Trustee-Manager held in its own capacity. Different bank accounts are maintained for the Trustee-Manager in its capacity as Trustee-Manager of DRT and the Trustee-Manager in its own capacity, and regular internal reviews are carried out to ascertain that all Trust Property has been fully accounted for.

The financial statements for DRT and the Trustee-Manager are kept separate and distinct and each of the financial statements are duly audited by the external auditor on an annual basis to ensure that the Trust Property is properly accounted for and kept distinct from the property of the Trustee-Manager held in its own capacity.

Adherence to the Business Scope of DRT

The Management provides regular updates to the Board and the ARC about potential projects that it is looking into on behalf of DRT. The Board and the ARC ensure that all such projects are within the permitted business scope under the Trust Deed.

Prior to the carrying out of any significant business transaction, the Board, the ARC and/or the Management will have careful regard to the provisions of the Trust Deed and when in doubt, seek advice from professional advisers.

CORPORATE GOVERNANCE

Potential Conflicts of Interest

The Trustee-Manager has instituted company-wide procedures to deal with conflicts of interest issues. Please refer to pages 74 to 75 of this report for further details.

Interested Person Transactions

The Trustee-Manager has established an internal control system to ensure that all future Interested Person Transactions will be undertaken on normal commercial terms and will not be prejudicial to the interests of DRT and its minority Unitholders. Please refer to page 72 of this report for further details.

Fees payable to the Trustee-Manager

On a quarterly basis, the ARC and Board carry out reviews of the fee and expense payable to the Trustee-Manager in its capacity as trustee-manager of DRT out of the Trust Property. In such reviews, the ARC and Board ensure that fees and expenses charged to DRT are appropriate and in accordance with the Trust Deed.

The fees payable to the Trustee-Manager in respect of its services to DRT are disclosed on pages 123 and 124 of this Annual Report. The fees paid/payable to the Trustee-Manager out of the Trust Property for FY2021 are disclosed in page 169 of this Annual Report.

For the year under review, no expenses were paid to the Trustee-Manager from the Trust Property.

Compliance with the BTA and the Listing Manual

The Trustee-Manager has engaged the services of and obtained advice from external legal advisers, external compliance adviser and independent professional advisers from time to time to ensure compliance with the requirements of the BTA and the Listing Manual.

POTENTIAL CONFLICT OF INTEREST

The Trustee-Manager has instituted the following measures to deal with conflicts of interest issues:

- (a) The Trustee-Manager will not manage any other business trust which invests in the same type of properties as DRT.
- (b) All resolutions in writing of the Directors in relation to matters concerning DRT must be approved by a majority of the Directors, including at least one Independent Director.
- (c) Every Director shall observe the provisions of Section 12 of the BTA and Section 156 of the Companies Act relating to the disclosure of the interests of the Directors in transactions or proposed transactions with the Trustee-Manager or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director. Each Director who is, directly or indirectly, interested in a transaction or proposed transaction with the Trust has to, as soon as practicable after the relevant facts have come to his

knowledge, declare the nature of his interest at a meeting of the Board. A Director shall not vote in respect of any transaction, contract or arrangement or any other proposal whatsoever in which he has any personal material interest, directly or indirectly. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is disqualified from voting.

- (d) In respect of matters in which the Sponsor and/or their subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or their subsidiaries to the Board to represent its/their interests will abstain from voting. In such matters, the quorum must be any two Directors who are not nominated by the Sponsor and/or their subsidiaries.
- (e) In respect of matters in which Sino Ocean and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by Sino Ocean and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must be any two Directors who are not nominated by Sino Ocean and/or its subsidiaries.
- (f) Save as to resolutions relating to the removal of the Trustee-Manager, the Trustee-Manager and its associates are prohibited from voting or being counted as part of a quorum for any meeting of Unitholders convened to approve any matter in which the Trustee-Manager and/or any of its associates has a material interest.

- (g) Where matters concerning DRT relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of DRT with an Interested Person of the Trustee-Manager (which would include relevant associates thereof) or DRT, the Board is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of DRT and the Unitholders, and in accordance with all applicable requirements of the Listing Manual and the BTA relating to the transaction in question. If the Trustee-Manager is to sign any contract with an Interested Person of the Trustee-Manager or DRT, the Trustee-Manager will review the contract to ensure that it complies with the provisions of the Listing Manual and the BTA relating to Interested Person Transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to business trusts.
- (h) It is also provided in the Trust Deed that if the Trustee-Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee-Manager for and on behalf of DRT with an Interested Person of the Trustee-Manager (acting in its capacity as the trustee-manager of DRT), the Trustee-Manager shall be obliged to consult with a reputable law firm which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee-Manager, on behalf of DRT, has a prima facie case against the party allegedly in breach under such agreement, the Trustee-Manager shall be obliged to take appropriate action in relation to such agreement. The Directors of the Trustee-Manager (including the Independent Directors) will have a duty to ensure that the Trustee-Manager so complies. Any decision by the Trustee-Manager not to take action against an Interested Person of the Trustee-Manager shall not constitute a waiver of the Trustee-Manager's right to take such action as it deems fit against such Interested Person and shall, without prejudice to the responsibilities of the ARC in relation to Interested Person Transactions, be notified to the ARC.
- In addition, to demonstrate the commitment of the Zhang Vendors⁽¹⁾ and Mr. Zhang Zhencheng to DRT and to mitigate any potential conflict of interests, each of the Zhang Vendors and Mr. Zhang Zhencheng (in his personal capacity) had entered into the Sponsor ROFR⁽²⁾.
- Pursuant to the Sponsor ROFR, the Zhang Vendors and Mr. Zhang Zhencheng granted rights of first refusal to the Trustee-Manager over future sales of any income-producing real estate or any property development located in the Greater China used primarily for retail purposes, by (i) any one of the Zhang Vendors, Mr. Zhang Zhencheng, any of the entities in which any one of the Zhang Vendors and Mr. Zhang Zhencheng hold more than 50% of the voting rights or controls ("Controlled Entities"), (ii) any existing or future private fund managed by a Controlled Entity, (iii) any associate of the Zhang Vendors or Mr. Zhang Zhencheng, or (iv) any entity in which such associate(s) holds more than 50% of the voting rights or controls. The Zhang Family Trust⁽³⁾ will not be acquiring or holding any real estate or real estate-related assets used for retail purposes apart from the Units and the Zhang Family Trust will not be used to hold any real estate or real estate-related assets used for retail purposes.
- In addition to his personal undertakings, Mr. Zhang Zhencheng has also, in his capacity as the settlor of the Zhang Family Trust, undertaken in the Sponsor ROFR to procure the Family Trustee, as the trustee of the Zhang Family Trust, to grant a right of first refusal to the Trustee-Manager in the event the Zhang Family Trust or its associates, being any entity in which the Zhang Family Trust has a direct or indirect aggregate interest of 30% or more, acquires or holds any Relevant Asset⁽⁴⁾.

⁽¹⁾ Mr. Zhang Kaicheng, Mr. Zhang Jiucheng and Mr. Zhang Zhongming, and each a "Zhang Vendor".

⁽²⁾ Please refer to Appendix III.

⁽³⁾ The family trust which holds the Units owned by Aqua Wealth Holdings Limited for the benefit for its beneficiaries, being Mr. Zhang Chon Meng, son of Mr. Zhang Zhencheng, Mr. Zhang Guiming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Kunming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Shenming, nephew of Mr. Zhang Zhencheng and Mdm. Liang Jinying, sister-in-law of Mr. Zhang Zhencheng.

⁽⁴⁾ Refer to Appendix III – Sponsor ROFR on pages 78 and 79 of this Annual Report for definition of "Relevant Asset".

CORPORATE GOVERNANCE

MATERIAL CONTRACTS

There are no material contracts (whether subsisting or expired / terminated) entered into by DRT or any of its subsidiary that involve the interests of the CEO, any Director, any controlling Unitholder or any controlling shareholder of the Trustee-Manager, other than (where applicable):

- (a) as disclosed on pages 303 to 339 of the Prospectus dated 13 January 2017; and
- (b) interested person transactions as listed in the Interested Person Transactions section on pages 200 and 201 of this Annual Report.

TERMS OF REFERENCE OF BOARD COMMITTEES

The terms of reference of the following board committees approved by the Board included in this Annual Report are as follows:

- (a) Nominating Committee is on pages 76 and 77;
- (b) Remuneration Committee is on page 77; and
- (c) Audit and Risk Committee is on pages 105 to 108.

APPENDIX I – TERMS OF REFERENCE FOR THE NOMINATING COMMITTEE (as approved by the Board on 26 February 2020)

The duties and responsibilities of the NC shall include the following:

- (a) determining annually, and as and when circumstances require, whether a Director is independent (for the purposes of the Code, the Listing Manual and the BTR), and providing its views to the Board in relation thereto for the Board's consideration;
- (b) reviewing the independence of any Director who has served on the Board for an aggregate period of more than nine (9) years (whether before or after listing) and whose continued appointment as an independent Director has not been sought and approved in separate resolutions by (i) all Unitholders; and (ii) all Unitholders, excluding Unitholders who also serve as the Directors or the Chief Executive Officer of the Trustee-Manager, and associates of such Directors and Chief Executive Officer;
- (c) where a Director or proposed Director has multiple board representations, deciding whether the Director is able to and has been diligently discharging his duties as a Director, taking into consideration the Director's number of listed company board representations and other principal commitments;
- (d) establish guidelines on what a reasonable and maximum number of such listed company directorships and principal commitments for each Director (or type of Director) should be;
- (e) where the appointment of an Alternate Director to a Director is proposed, determining whether the Alternate Director is familiar with DRT's affairs and is appropriately qualified. Pursuant to Practice Guidance 4 of the Code – Appointment of Alternate Directors, companies should not appoint alternate directors for Independent Directors;
- (f) making recommendations to the Board on relevant matters relating to:
 - a. the review of succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel;
 - b. the process and criteria for evaluation of the performance of the Board, its Board committees and Directors;
 - c. the review of training and professional development programmes for the Board and its Directors; and
 - d. the appointment and re-appointment of Directors (including Alternate Directors, if any);
- (g) reviewing the size and composition of the Board and the Board committees to ensure an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate;
- (h) ensuring that new Directors are aware of their duties and obligations;

- (i) proposing objective performance criteria (including the use of peer comparisons and other objective third party benchmarks) and process for the evaluation of the effectiveness of the Board as a whole, taking into consideration the Board's composition (balance of skills, experience, independence, knowledge of DRT, and diversity), Board practices and conduct, and how the Board as a whole adds value to DRT;
- (j) proposing objective performance criteria and process for the evaluation of the effectiveness of each board committee separately, as well as the contribution by the Chairman and each individual Director to the Board;
- (k) carrying out, at least annually, a formal assessment of the performance and effectiveness of the Board as a whole, and that of each of its Board committees and individual Directors, based on the criteria and process implemented by the Board;
- (l) based on the results of the performance evaluation, provide its views and recommendations to the Board, including any appointment of new members;
- (m) reviewing the appointments and reasons for resignations or terminations of appointment of senior management staff such as the CEO (if not a Director), Chief Operating Officer, Chief Investment Officer, CFO and other relevant senior management staff; and
- (n) reviewing employment of all managerial staff and employees who are related to any of the Directors, substantial Unitholders of DRT, substantial shareholders of the Trustee-Manager or the CEO, and the proposed terms of their employment. A "substantial shareholder" or "substantial unitholder" is a shareholder or unitholder (as the case may be) who has an interest or interests in one or more voting shares (excluding treasury shares) or units (excluding treasury units) in the company or trust (as the case may be) and the total votes attached to that share or unit, or those shares or units, is not less than 5% of the total votes attached to all voting shares (excluding treasury shares) or units (excluding treasury units) in the company or trust, in line with the definition set out in section 2 of the Securities and Futures Act, 2001.
- (c) reviewing all aspects of remuneration, including Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits-in-kind, termination payments and termination terms to ensure they are fair;
- (d) reviewing annually the remuneration of employees who are substantial Unitholders, substantial shareholders of the Trustee-Manager, or are immediate family members of a Director, the CEO, a substantial Unitholder or substantial shareholder of the Trustee-Manager and whose remuneration exceeds \$100,000 during the year;
- (e) reviewing the Trustee-Manager's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;
- (f) where an external remuneration consultant is appointed, reviewing whether the remuneration consultant has any relationship with the Trustee-Manager that could affect his or her independence and objectivity; and
- (g) generally, perform such other functions and duties as may be required by the relevant laws or provisions of the Listing Manual and the Code of Corporate Governance (as may be amended from time to time).

APPENDIX II – TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE (as approved by the Board on 26 February 2020)

The duties and responsibilities of the RC shall include the following:

- (a) reviewing and recommending to the Board, a general framework of remuneration for the Directors and key management personnel;
- (b) reviewing and recommending to the Board, the specific remuneration packages for each Director as well as for the key management personnel;

CORPORATE GOVERNANCE

APPENDIX III – SPONSOR ROFR

(as defined in the Prospectus dated 13 January 2017)

Each of the Zhang Vendors and Mr. Zhang Zhencheng (in his personal capacity) has on 27 December 2016 granted a right of first refusal to the Trustee-Manager for so long as:

- Dasin Retail Trust is listed and quoted on the Main Board of the Singapore Exchange Securities Trading Limited;
- any one of the Zhang Vendors, Mr. Zhang Zhencheng, any of the entities in which any one of the Zhang Vendors and Mr. Zhang Zhencheng hold more than 50.0% of the voting rights or controls (“Controlled Entities”), any of the immediate family of any of the Zhang Vendors and/or Mr. Zhang Zhencheng, and/or any of the entities in which their immediate family hold more than 50.0% of the voting rights or controls, alone or in aggregate, remains as a controlling shareholder of the Trustee-Manager; and
- any one of DBS Trustee Limited (or any replacement or substitute trustee), in its capacity as the trustee of the Zhang Family Trust, the Zhang Vendors, Mr. Zhang Zhencheng, any of the Controlled Entities, any of the immediate family of any of the Zhang Vendors and/or Mr. Zhang Zhencheng, and/or any of the entities in which their immediate family hold more than 50.0% of the voting rights or controls, alone or in aggregate, remains a controlling unitholder of Dasin Retail Trust,

(the “**Right of First Refusal Period**”).

For the purposes of the Sponsor ROFR:

- “**control**” means the capacity to dominate decision-making, directly or indirectly, in relation to the financial or operating policies of an entity;
- a “**Relevant Entity**” means any associate of the Zhang Vendors or Mr. Zhang Zhencheng, any entity in which such associate(s) holds more than 50.0% of the voting rights or controls, any of the Controlled Entities or any existing or future private fund managed by a Controlled Entity; and
- a “**Relevant Asset**” refers to any income-producing real estate or any property development, located in the Greater China, which is used primarily for retail purposes. Where such income producing real estate or property development is held by a Relevant Entity through a special purpose company, vehicle or entity (an “**SPV**”) established solely to own such real estate or property development, the term “**Relevant Asset**” shall refer to the shares or equity interests, as the case may be, in that SPV. Where such real estate or property development is co-owned by a Relevant Entity as a tenant-in-common, the term “**Relevant Asset**” shall refer to the ownership share of the Relevant Entity in such real estate or property development. For the avoidance of doubt, “**Relevant Asset**” includes any real-estate related asset which is incidental to such real estate or property development.

The Sponsor ROFR shall cover any proposed offer by Mr. Zhang Zhencheng, the Zhang Vendors or a Relevant Entity to dispose of any interest in any Relevant Asset which is owned by Mr. Zhang Zhencheng, the Zhang Vendors or the Relevant Entity (as the case may be) (“**Proposed Disposal**”).

If the Relevant Asset is (a) owned jointly by a Relevant Entity together with one or more third parties and if consent of any of such third parties to offer the Relevant Asset to Dasin Retail Trust is required; or (b) owned by a Relevant Entity which is not wholly-owned by each of the Zhang Vendors or Mr. Zhang Zhencheng (as the case may be) and whose other shareholder(s) or private fund investors is/are third parties, and if consent from such shareholder(s) or private fund investors to offer the Relevant Asset to Dasin Retail Trust is required, each of the Zhang Vendors and Mr. Zhang Zhencheng (as the case may be) shall use his best endeavors to obtain the consent of the relevant third party(ies) or other shareholder(s) or private fund investors, failing which the Sponsor ROFR will exclude the disposal of such Relevant Asset. For the avoidance of doubt, the grant by any Relevant Entity of a lease (including a long-term lease) over any such Relevant Asset (or any part thereof) for a rent or other service income shall not constitute or be deemed to constitute a Proposed Disposal for the purposes of this paragraph.

The Sponsor ROFR shall:

- be subject to any prior overriding contractual obligations which the Relevant Entity may have in relation to the Relevant Assets and/or the third parties that hold these Relevant Assets;
- exclude the disposal of any interest in the Relevant Assets by a Relevant Entity to its related corporation (as well as transfer of any interest in the Relevant Assets between the Zhang Family) pursuant to a reconstruction, amalgamation, restructuring, merger and/or any analogous event or transfer of shares of the Relevant Entity between the shareholders as may be provided in any shareholders agreement, provided that such related corporation shall first execute and deliver a right of first refusal to the Trustee-Manager on the same terms and conditions; and
- be subject to the applicable laws, regulations and government policies and the listing rules of the SGX-ST, and order, judgement, decree of any court and any other approval required from any regulatory bodies, governmental bodies or other authorities.

In addition to his personal undertakings, Mr. Zhang Zhencheng has also, in his capacity as the settlor of the Zhang Family Trust, undertaken in the Sponsor ROFR to procure the Family Trustee, as the trustee of the Zhang Family Trust, to grant a right of first refusal to the Trustee-Manager in the event the Zhang Family Trust or its associates, being any entity in which the Zhang Family Trust has a direct or indirect aggregate interest of 30.0% or more, acquires or holds any Relevant Asset.

Right of First Refusal – Proposed Disposal

Each of the Zhang Vendors and Mr. Zhang Zhencheng shall issue a written notice ("**Offer Notice**"), any time on or after the date the units in Dasin Retail Trust are first listed on the SGX-ST and during the Right of First Refusal Period, to the Trustee-Manager of any Proposed Disposal.

The Offer Notice shall serve as an offer to sell the interest in the Relevant Asset to the Trustee-Manager, which is the subject of the Proposed Disposal on the terms and conditions as set out in the Offer Notice ("**Sponsor Offer**"). Upon receipt of an Offer Notice, the Trustee-Manager shall have 30 calendar days (or such other period as the parties may agree in writing) to give a written notice of its acceptance ("**Acceptance Notice**") of all the terms and conditions of the Sponsor Offer, failing which the Trustee-Manager shall be deemed to have declined to accept the Sponsor Offer.

Upon receipt of the Acceptance Notice from the Trustee-Manager, the Zhang Vendors or Mr. Zhang Zhencheng or the Relevant Entity (as the case may be) and the Trustee-Manager shall enter into and carry out negotiations in good faith with each other with a view to entering into a binding definitive agreement for the sale and purchase of the Relevant Asset within 60 calendar days (or such other period as the parties may agree) after receipt of such Acceptance Notice.

Failure to Exercise Right of First Refusal

In the event that the Trustee-Manager fails or does not wish to exercise the Sponsor ROFR, the Relevant Entity shall be entitled to dispose of its interest in the Relevant Asset to a third party on terms and conditions no more favourable to the third party than those offered by the Relevant Entity to the Trustee-Manager.

However, if the completion of the disposal of the Relevant Assets by the Relevant Entity does not occur within 12 months from the date of the Offer Notice, any proposal to dispose of such Relevant Asset after the aforesaid 12-month period shall then remain subject to the Sponsor ROFR.

ENTERPRISE RISK MANAGEMENT 2021

Dasin Retail Trust (the “Trust” or “DRT”) and its subsidiaries (collectively, the “DRT Group”) practice a proactive approach towards risk management, which enables the DRT Group to manage risks in a systematic and consistent manner. Under DRT Group’s Enterprise Risk Management (“ERM”) Framework, the Group’s risk parameters and risk appetite are clearly defined and agreed upon by the Board of Directors. These risk limits further delineate the specific boundaries at an operational level.

The Board of Directors (the “Board”) is responsible for the governance of risks across the DRT Group. Their responsibilities include establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including

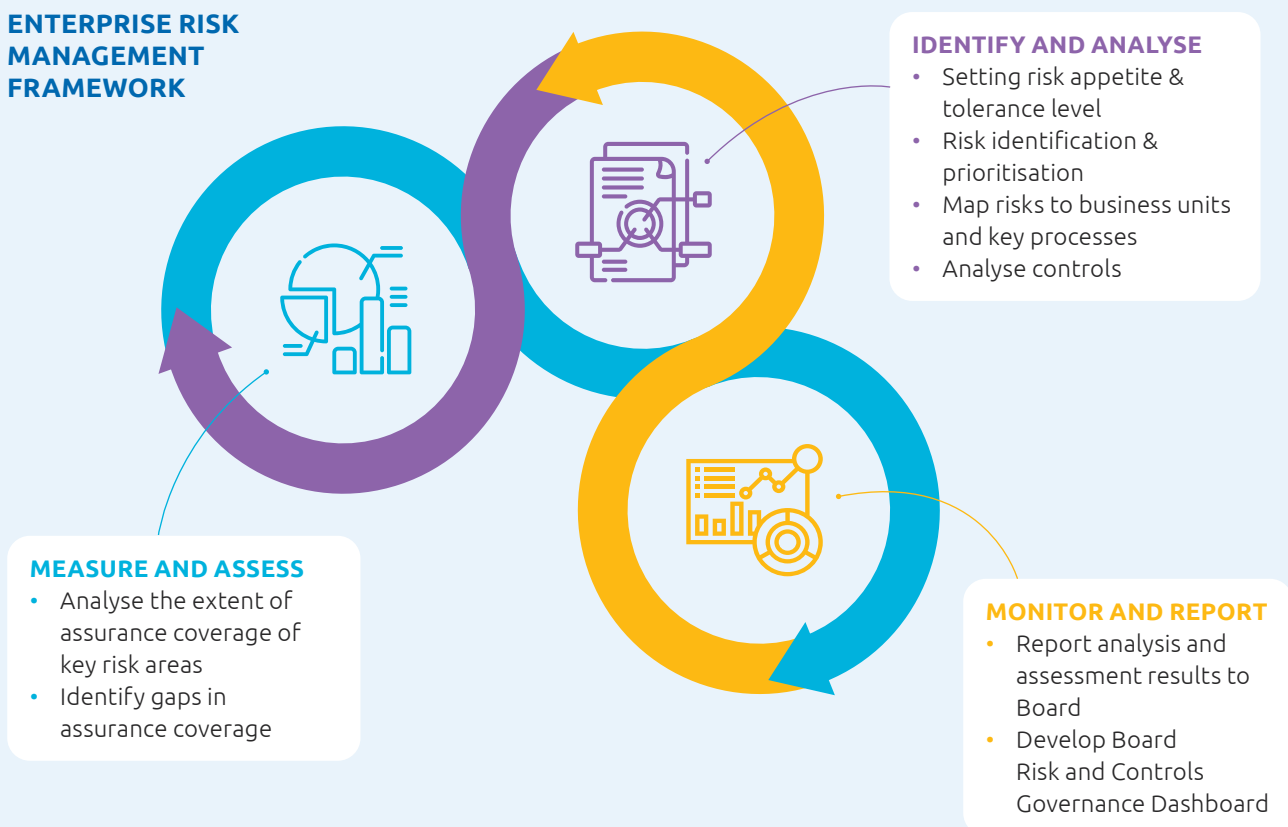
the safeguarding of Unitholders’ interests and the assets of DRT. For these purposes, it is assisted by the Audit and Risk Committee (the “ARC”), which provides oversight over risk management policies and guidelines.

The ARC reports to the Board annually on its review of the adequacy and effectiveness of the risk management system and internal controls including financial, operational, compliance and information technology controls of the DRT Group and the Trustee-Manager, and on the work performed by the ARC during the year based on the terms of reference. At the same time, DRT has outsourced its internal audit function to Ernst & Young Advisory Pte. Ltd. (“EY”) under a four-year

plan from 2019 to 2022 to perform internal controls review for areas as set out in the approved internal audit plan to enable the ARC to assess the adequacy and effectiveness of the internal control system. The internal audit performed by EY and the internal auditors of the Trust are set out on page 69 of this Annual Report. The ARC may incorporate in its report its observations on any matters under its purview, and may make any recommendations to the Board as it thinks fit.

Management is responsible for the implementation and practice of ERM across the DRT Group. Management proactively manages key risks through identified risk owners and embeds the risk management process in their planning and decision making process.

ENTERPRISE RISK MANAGEMENT FRAMEWORK



MANAGING MATERIAL RISKS

The Trustee-Manager undertakes an iterative and comprehensive approach in identifying, managing, monitoring and reporting material risks across DRT Group. Such material risks include:

Financing, Funding and Liquidity Risk

The Trustee-Manager manages the capital structure of DRT Group to ensure its debt maturity profile is spread out over a range of years and monitors covenants closely to ensure loan compliance.

The Trustee-Manager constantly and proactively engages the banks on its re-financing plans ahead of the maturity date.

DRT Group's liquidity profile is reviewed in the context of current money market and credit conditions and will be revised from time to time as necessary by the Finance Department. A minimum level of cash balances is maintained and senior management will be informed if there is insufficient cash. Liquidity targets are set out to achieve an optimal balance between the certainties of cash flow and the cost of obtaining the funding.

The Trustee-Manager monitors the Trust's investment deposits and borrowings to ensure sufficient liquidity of DRT Group in the form of cash and banking facilities.

An annual budget and forecast for revenue and expenses is established and monitored by management on a periodic basis. Expenses exceeding the budgeted amount are subjected to special approval by senior management.

Loans are obtained prior to commencement of acquisition of assets and refinanced before their maturity dates.

Foreign Exchange Risk

DRT Group is exposed to fluctuations of the Chinese Renminbi ("RMB"), United States Dollar ("USD") and Hong Kong Dollar ("HKD") against the Singapore Dollar ("SGD").

In order to manage this exposure, the Finance Department proactively monitors the currency exchange market for favourable currency trends. As DRT Group's operations are localised in China, the DRT Group's exposure to foreign exchange risk is primarily due to the remittance of dividends.

Interest Rate Risk

DRT Group is exposed to interest rate risk arising from the onshore and offshore loans. To manage this exposure, the Board has established a hedging policy in line with DRT Group's risk appetite and tolerance. The Trustee-Manager operates within the parameters of this guidelines for transacting in interest rate swaps. On a quarterly basis or as and when there are changes to the hedging status, hedging status is reported to the Board.

Further to this, the Finance Department actively monitors the interest rate trends and favourable rates are communicated immediately to the General Manager of Investment Division, Chief Executive Officer and a Non-Executive Director for discussion and confirmation of the interest rate swap.

As at 31 December 2021, the Trustee-Manager has hedged 20% interest rate exposure of its offshore debt.

Fraud, Business Ethics and Conflicts of Interest Risk

DRT Group is committed to holding a high standard of business ethics in its operations. Training on legal, business ethics and relevant updates in the code of conduct are provided to new and existing employees as and when the need arises. Background checks are carried out on all new employees or when staff are promoted to a key position. A clearly delineated delegation of authority has been established and conflicting duties are segregated from each other.

The Trustee-Manager has established clear policies and procedures on conflict of interest, gifts and entertainment, and whistleblowing and communicated these policies to all staff. An independent whistleblowing email channel has been made available for all staff.

Further to the policies and procedures around conflict of interests, controls have been implemented for the maintenance of list of related companies and interested persons, and the transactions. The Internal Audit Department of DRT and the Sponsor further ensure the completeness and accuracy of all related and interested person transactions by carrying out an audit on a quarterly basis. The results of the audit are subsequently reported to the ARC.

Annual and quarterly declarations and ad-hoc declarations for conflict of interest are made by the Directors and Chief Executive Officer.

ENTERPRISE RISK MANAGEMENT 2021

Leakage of Confidential Data Risk

DRT is subjected to the Personal Data Protection Act ("PDPA"). Personal data (in the form of customer, employees and business partners) is an integral part of DRT Group's operations and the potential misuse or loss of such data can be damaging to the Group's reputation. The Information Technology ("IT") team has put in place end user policies and procedures to govern the handling of confidential data and enhancement of IT general controls.

In the event that confidential data has to be disclosed to third parties, non-disclosure agreements are signed with these parties to protect DRT Group's interests.

Economic and Market Risk

DRT Group is exposed to adverse macroeconomic developments in the economy. These adverse developments may take the form of a slowdown in consumer consumption and property value or rental rate volatility, which in turn, will lead to a reduction in revenue or inflationary pressure resulting in an increase in costs of DRT.

The Trustee-Manager manages this risk by monitoring significant economic developments in both the global and local financial markets. On a monthly basis, a review of actual results is performed. Key variances are highlighted and explained to the Board of Directors. The Finance Department also monitors closely the debt maturity of financing instruments to support business operations.

Asset Management and Operating Risk

Asset management and operating risk relates to the risk of underperformance of the assets in DRT Group's portfolio.

The Trustee-Manager manages asset management and operating risk by adopting a proactive asset management strategy. Trade mix, arrears and sales performance of tenants are closely monitored to ensure that existing assets are optimised to target customers in the area, thereby increasing revenue.

The Commercial Manager, the Property Manager and other outsourced service providers provide regular reports on regulatory compliance to the Trustee-Manager. Regular audits are conducted on the Commercial Manager and the Property Manager. The Commercial Manager and the Property Manager are also regularly assessed against their key performance indicators.

Business Interruption Risk

DRT Group is exposed to business interruption risk arising from external unforeseen events such as fire, earthquakes, outbreak of contagious diseases or other major infrastructure failures, which may significantly disrupt operations at the malls. The Trustee-Manager manages these risks by ensuring that standard operating procedures on dealing with unforeseen circumstances are established and communicated to all staff and ensuring appropriate insurance coverage for property damage, fire and terrorism. Business Continuity Plans for the malls have been developed including table top exercises for crisis events.

INVESTOR RELATIONS

The Trustee-Manager is committed to providing clear, timely and unbiased information on Dasin Retail Trust to the investment community and key stakeholders. The Trust's financial results, announcements, presentation slides, annual reports as well as minutes of annual general meetings (AGMs) and extraordinary general meetings (EGMs) are published on the Trust's website at www.dasintrust.com. The Trustee-Manager strives to keep its stakeholders abreast of its latest developments through timely and accurate disclosures. Market sensitive news and corporate actions are filed with the Singapore

Exchange via the SGXNET and are made available on the Trust's corporate website on the same day of release. Investors can also sign up for email alerts to receive the latest updates on the Trust.

During the year, the Trustee-Manager continued to proactively engage the investment community to articulate its strategy and developments through teleconferences and webinars. The Trust also supported investor education through its participation in the Virtual REITs Symposium in May 2021.

Dasin Retail Trust's AGM was convened in a virtual format on 29 April 2021. The Board and senior management were present at the virtual AGM to report the Trust's performance for the year and minutes of the AGM were made available to all Unitholders on SGXNet as well as the Trust's corporate website.

As at 31 December 2021, the Trust is covered by a total of five research houses including DBS Group Research, FPA Financial Corporation, iFAST Financial, Philips Securities Research and SooChow CSSD Capital Markets (Asia).



Dasin Retail Trust's virtual Annual General Meeting convened on 29 April 2021.

INVESTOR RELATIONS

FINANCIAL CALENDAR

Event	FY2021	FY2022 (Tentative)
1Q business update	17 May 2021	May 2022
Half-year results announcement	9 August 2021	August 2022
Payment of first half distribution	4 October 2021	September 2022
3Q business update/results announcement	N.A.	November 2022
Full-year results announcement	27 February 2022	February 2023
Payment of second half distribution	30 March 2022	March 2023
Annual General Meeting	26 April 2022	April 2023

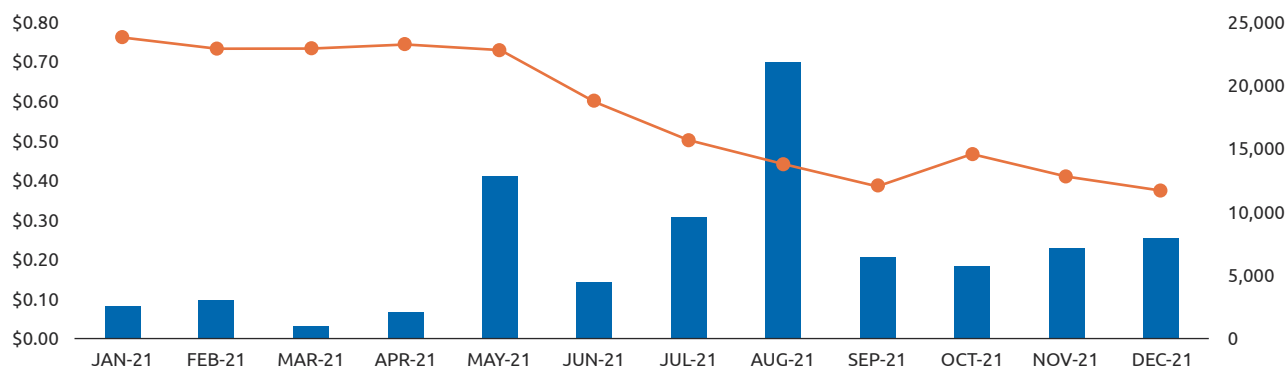
DASIN RETAIL TRUST UNIT PRICE PERFORMANCE

	FY2020	FY2021
Opening price on first trading day of the year	S\$0.840	S\$0.780
Highest Unit Price	S\$0.860	S\$0.785
Lowest Unit Price	S\$0.745	S\$0.365
Closing price on last trading day of the year	S\$0.785	S\$0.370
Trading volume ('000 units)	89,462	83,738
Market Capitalisation (\$ million)	S\$610.32 ⁽¹⁾	S\$291.99 ⁽²⁾

⁽¹⁾ Based on closing price of \$0.835 as at 31 December 2020.

⁽²⁾ Based on closing price of \$0.370 as at 31 December 2021.

DASIN RETAIL TRUST MONTHLY TRADING PERFORMANCE IN FY2021



—	\$0.75	\$0.73	\$0.73	\$0.74	\$0.72	\$0.59	\$0.50	\$0.44	\$0.38	\$0.46	\$0.41	\$0.37
●	2,567	2,975	1,049	2,157	12,675	4,447	9,433	21,526	6,388	5,667	7,055	7,801

● Volume ('000) — Closing Price as at last trading date of each month (S\$)

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SUSTAINABILITY REPORT

BOARD STATEMENT

The Board of Directors (the "Board") at Dasin Retail Trust (the "Trust") is pleased to present the Trust's Sustainability Report (the "Report") in accordance with the Global Reporting Initiative ("GRI") Standards: Core Option.

This report discloses Dasin Retail Trust's environmental, social and governance ("ESG") impact and its commitment towards sustainability.

The Board is supported by the Sustainability Steering Committee ("SSC") which comprises senior management representatives from the Trust and Trustee-Manager. The SSC develops the Trust's sustainability objectives and strategy and manages overall sustainability performance through close monitoring of the data collection process and reporting of key sustainability matters to the Chief Executive Officer of the Trustee-Manager.

The SSC is supported by the Sustainability Task Force ("STF") which undertakes the role of implementing and executing sustainable policies and procedures to drive sustainability programmes across the organisation. The STF comprises representatives across business functions and divisions of the Trustee-Manager and the Sponsor.

The Board endeavours to maintain a balanced approach towards sustainability. In addition to maintaining a sustainable cash flow with the goal of maximising investor returns, the Board, together with the management, seeks to manage relevant ESG risks and opportunities across the Trust's assets, to create long-term value for stakeholders. The Trust's sustainability approach is aligned with the Sponsor's belief in giving back to the society. Through the Trust's investment in quality shopping malls, these malls serve

as destinations for local communities to get together and foster strong social bonds. Further, as the Trust continues to tap into opportunities in the Greater Bay Area, it seeks to contribute to the sustainability development of the region through the provision of employment and business opportunities.

This report is aligned with the SGX-ST Listing Rules Practice Note 7.6 Sustainability Reporting Guide and charts the Trust's sustainability practices and performance in FY2021 and its targets for the upcoming year.

The Board is committed to continuously improve the Report to address stakeholders' interests as well as enhance accountability and transparency.

BOARD OF DIRECTORS

Dasin Retail Trust Management Pte. Ltd. in its capacity as Trustee-Manager of Dasin Retail Trust



Shunde
Metro Mall

SUSTAINABILITY REPORT OVERVIEW

About this Report

This is DRT's fifth report on its approach and efforts towards sustainability and ESG performance for the financial year ended 31 December 2021.

The Report covers the following entities which has a significant impact to the Trust's business and operations.

- Dasin Retail Trust
- Dasin Retail Trust Management Pte. Ltd. – includes description of selection process of property managers
- Zhongshan Dasin Real Estate Co., Ltd. – includes only CSR activities of the Sponsor

The Report and additional corporate information are available on the Trust's website www.dasintrust.com.

The Trustee-Manager values feedback from all stakeholders as they are integral to the Trust's sustainability reporting process. Please send your questions and comments to ir@dasintrust.com.

Materiality Assessment

As part of the sustainable development of the Trust, materiality assessment exercises are carried out annually to determine the key ESG material issues for its business portfolio. Through a three-step approach, 12 material ESG factors were identified through background research on the Trust's internal and external factors. Stakeholders involved in the materiality prioritisation process included representatives from the Board, the Trustee-Manager and the Sponsor. The 12 material factors were approved by the Board. DRT's material factors in FY2021 remained relevant as those identified in FY2020.

The Trustee-Manager's sustainability framework, which is aligned to its principles of credibility and integrity, covers five key pillars and 12 material ESG factors as outlined in the following diagram.

SUSTAINABILITY FRAMEWORK

ECONOMIC PERFORMANCE

Material Factors

- Direct Economic Contribution

Key Focus

Direct Economic Contribution

The Trustee-Manager focuses on improving the economic performance and resilience of the Trust to achieve sustainable growth.

Indirect Economic Contribution

As the Trustee-Manager taps into the opportunities of the growing Guangdong-Hong Kong-Macau Greater Bay Area, it also contributes to the region's sustainable development into a metropolis.



GOVERNANCE

Material Factors

- Socioeconomic Compliance
- Anti-corruption

Key Focus

Compliance

The Trust's core principles of credibility and integrity are demonstrated through compliance with all relevant laws and regulations.



EMPLOYEES

Material Factors

- Talent Management
- Training & Education
- Labour/Management Relations

Key Focus

People Management

The Trustee-Manager has various policies and practices in place to attract, engage, empower and retain talent to support business growth.



PRODUCT AND SERVICE RESPONSIBILITY

Material Factors

- Property Managers and Suppliers Assessment
- Marketing and Labelling
- Customer Health and Safety
- Environmental Compliance

Key Focus

Property Managers and Suppliers Assessment

The Trustee-Manager practises responsible procurement by assessing the quality and behaviour of property managers and suppliers.



COMMUNITY

Material Factors

- CSR Activities and Local Communities

Key Focus

CSR Activities

It is part of the Trustee-Manager and the Sponsor's corporate culture to give back to the community through engaging employees in volunteering activities.



SUSTAINABILITY REPORT






Stakeholder Engagement

The Trustee-Manager, Property Manager and the Sponsor engage with both internal and external stakeholders regularly through various channels to understand their expectations and concerns. The table below details engagement activities with key stakeholders.

Key Stakeholders	Engagement Methods	Frequency	Key Topics of Interest
Board of Directors	<ul style="list-style-type: none"> • Half-yearly Board Meeting • Regular reporting to the Board 	<ul style="list-style-type: none"> • Half-yearly • Regular 	<ul style="list-style-type: none"> • Sound corporate governance practices • Alignment of sustainability practices with business strategy • Transparent reporting
Employees	<ul style="list-style-type: none"> • Use of an Office Automation System to make timely important announcements to employees • Annual Staff Summary Meeting • Recreational and team cohesion activities • Training programmes • Employee handbook 	<ul style="list-style-type: none"> • Ad hoc • Annual • Regular • Regular • Active 	<ul style="list-style-type: none"> • Equitable remuneration • Fair and competitive employment practices and policies • Safe and healthy work environment • Focus on employee development and well-being
Investment Community (Investors, analysts, media)	<ul style="list-style-type: none"> • Annual General Meeting • Extraordinary General Meeting • Annual Report • Press announcements and SGX filings • Contact channels with the Investor Relations team • One-on-one meetings/roadshows • Site visits for investors/analysts • Website updates 	<ul style="list-style-type: none"> • Annual • Ad hoc • Annual • Regular • Ad hoc • Regular • Ad hoc • Regular 	<ul style="list-style-type: none"> • Sustain profitability and enhance investor returns • Transparent reporting • Sound corporate governance practices • Active portfolio management
Property Managers	<ul style="list-style-type: none"> • Regular and random audits and interviews 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Regular and punctual payments upon enlistment of service
Suppliers	<ul style="list-style-type: none"> • Regular audits and interviews 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Equitable treatment of business partners • Regular and punctual payments upon enlistment of service
Tenants	<ul style="list-style-type: none"> • Annual meetings for tenants • Tenant activities at the malls such as the annual Production Safety Month Programme 	<ul style="list-style-type: none"> • Annual • Regular 	<ul style="list-style-type: none"> • Safety and security of the malls • Competitive rent • Responsiveness to tenant requests and feedback
Shoppers	<ul style="list-style-type: none"> • Customer Service Centre • Activities at the malls 	<ul style="list-style-type: none"> • Ad hoc • Ad hoc 	<ul style="list-style-type: none"> • Shopping Experience • Quality of Service • Safety and hygiene of the malls
Government and Regulators	<ul style="list-style-type: none"> • Mandatory reporting as required for compliance purpose 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Compliance with local laws and regulations
Local Communities	<ul style="list-style-type: none"> • Various volunteer activities as described in the section "CSR Activities and Local Communities (Pages 96 to 97)" 	<ul style="list-style-type: none"> • Regular 	<ul style="list-style-type: none"> • Contributions to local communities • Responsible and ethical business practices

Sustainability Development Goals

The Trustee-Manager is supportive of the United Nations (“UN”) 2030 Sustainability Development Goals (“SDGs”). SDGs and corresponding activities relevant to the five key sustainability pillars are outlined in the table below.

Sustainability Pillar	Material ESG Factors	UN SDGs	Activities
Community	<ul style="list-style-type: none"> CSR Activities and Local Communities 	  	<p>The Trustee-Manager and the Sponsor make philanthropic donations and carry out various volunteer activities to help those in need such as people suffering from major diseases, accidents, natural disasters or family poverty.</p> <p>The Trustee-Manager and the Sponsor also actively participate in other health-related programmes such as charity walk, health awareness outreach programmes and blood donation events.</p>
Employees	<ul style="list-style-type: none"> Talent Management Training and Education Labour/Management Relations 		<p>The Trustee-Manager takes a holistic approach to ensure that it provides a fair, open and rewarding environment for its employees.</p>
Economic Performance	<ul style="list-style-type: none"> Direct Economic Contribution 		<p>The Trustee-Manager contributes to the sustainable development of the Guangdong-Hong Kong-Macau Greater Bay Area through providing jobs and business opportunities, facilitating community bonding, and indirectly improving the standard of living.</p>

SUSTAINABILITY REPORT

MATERIAL FACTORS

Economic Performance

The Trustee-Manager focuses on improving the Trust's resilience through active asset management as well as value-adding acquisitions to achieve sustainable growth. The Trust's economic performance has a positive impact on its stakeholders. Internally, it allows the Trust to deliver stable distributions to Unitholders, and offer performance incentives to employees. Externally, the Trust contributes positively to the local economy, community and environment through the provision of employment and business opportunities.

Please refer to the Financial Statements on pages 103 to 196 of this Annual Report for more information.

Governance

Socioeconomic Compliance

The Trustee-Manager recognises the importance of robust corporate governance practices, and adheres to the highest standards of these practices, which entail compliance to applicable laws and regulations. The Trustee-Manager conducts its business operations in line with its core principles of credibility and integrity. Details of the Trust's corporate governance framework and policies can be found on pages 53 to 79 of this Annual Report.

Annual compliance checks are put in place by the Trust's Compliance Department to monitor and manage risks of non-compliance of Property Managers with laws and regulations. The compliance officer works closely with various heads of functions to oversee

all compliance related matters. In addition, staff training is provided to raise awareness and knowledge of applicable laws and regulations.

There was no significant incident of non-compliance with relevant socioeconomic laws and regulations in 2021.

The Trustee-Manager will continue to keep abreast of changes in relevant laws and regulations and maintain the Trust's compliance status to uphold a strong reputation on governance.

Anti-Corruption

The Trustee-Manager maintains a zero-tolerance attitude towards bribery, fraud and corruption, and complies with the Independent Commission Against Corruption (ICAC) national and organisational standards to protect stakeholder interests.

To safeguard the Trust's interest and prevent any improper or illegal behaviour, the Trustee-Manager has in place a robust system of internal controls, including anti-corruption and anti-violation management procedures, to identify and monitor

compliance risks. Policies such as the anti-corruption policy and whistle-blowing policy are also installed and expected to be adhered to. All staff has access to an independent whistle-blowing email channel.

The Trustee-Manager's zero tolerance towards any wrongdoings is communicated to all employees. All new employees are required to sign the Confidentiality Agreement, and thoroughly briefed on key policies. In addition, the Trustee-Manager has a staff training management system which provides clear guidance and regular training on ethics and professional conduct. The Trustee-Manager has also established clear policies and procedures regarding conflicts of interest, gifts and entertainment. During the year, training on key changes to the SGX listing rules was conducted.

The Trustee-Manager aims to maintain zero incidence of corruption in the coming year through continuous efforts in educating staff, building awareness of anti-corruption initiatives and maintaining strong ethics and integrity.

Performance against 2021 Targets

- Achieved zero incidence of material non-compliance with applicable laws and regulations and corruption

2022 Targets for Socioeconomic Compliance and Anti-Corruption

- Continue to maintain zero incidence of material non-compliance with applicable laws and regulations
- Continue to maintain zero incidence of corruption

Employees

Talent Management

The Trustee-Manager recognises that employees are vital to the Trust’s success, and the ability to attract and retain talent is critical to the long-term sustainability of its business. The Trustee-Manager’s human capital initiatives place strong emphasis on talent development, employee wellness and competitive compensation. To motivate and retain talent, the Trustee-Manager has in place employee engagement initiatives encompassing career development, training and upskilling, reward and recognition, health and well-being, employee feedback and volunteering.

The Trustee-Manager has a set of Human Resource (“HR”) policies which adheres strictly to relevant labour laws and regulations in Singapore as well as China. These policies are in place to not only govern staff recruitment, retention and development, but also cover areas such as promotion and performance appraisals, labour contract, and training that enhances the Trust and employees’ overall effectiveness. All human resource policies are made available to employees with the Employee Handbook.

The Trustee-Manager believes fair employment principles are essential for the Trust to remain competitive. Fair employment principles are stated in the HR Hiring Policy where selection and recruitment as well as employees’ benefits and compensation are subject to a comprehensive assessment process based on merits of skills, experience and performance.

A positive work environment is vital to motivate, attract and retain talent. The Trustee-Manager aligns and benchmarks its remuneration framework to industry best practices. Employees in Singapore and China are incentivised through the provision of annual performance bonuses. Other employee benefits include family visits, birthday leave, mobile allowance, over-time compensation and meal allowance for employees below managerial levels. Employees are protected under a comprehensive company insurance plan which covers term life, critical illnesses, hospitalisation, and specialists and outpatient visits.

The Trustee-Manager actively promotes a positive and productive working environment. To forge stronger bonds among employees, quarterly team-building activities and annual celebrations during festive seasons are organised. However, these activities and celebrations were put on hold in FY2021 due to COVID-19 restrictions.

The Trustee-Manager will continue to uphold fair employment practices for talent attraction, retention and motivation, and constantly review and maintain competitive employee compensation and benefits packages by referencing industry practices.

Training and Education

The Trustee-Manager provides training and development to ensure that employees have knowledge and skills to excel in their roles. The HR Department of the Trustee-Manager works closely with various Heads of Departments to identify and manage learning development needs. A comprehensive Training Management System is in place to support the professional development of all staff. Employees are also encouraged to take the initiative to discuss with their Head of Department on their individual training goals and needs.

Training Category	Examples of Training Topics
Professional	<ul style="list-style-type: none"> New inventory statistics office training
Law and Compliance	<ul style="list-style-type: none"> High-risk inspection and response of enterprise audit in the era of financial big data
Finance	<ul style="list-style-type: none"> 2021 adjustment and practical application of Chinese accounting standards Kingdee EAS system training

SUSTAINABILITY REPORT

Labour/Management Relations

The Trustee-Manager encourages a culture of open communication as part of a nurturing work environment. Two-way feedback between employer and employee is highly encouraged. Processes and platforms are in place for employees to highlight issues and provide feedback to higher levels of management or the HR Department of the Trustee-Manager.

An annual Staff Strategic Meeting is conducted at the end of every year to review and commend work done, and set strategies for the forthcoming year.

Staff are kept abreast of the latest Trust announcements and updates via the internal Office Automation System, an intranet developed specifically for staff of the Trustee-Manager. This automated system allows for dissemination of important messages such as company policies as well as operational changes to employees in a timely manner.

Performance against 2021 Targets

- Commitment to maintain a competitive employee compensation and benefits package
- Various suitable training programmes were identified and offered to employees
- Commitment to ensure frequent and effective communication between senior management and employees through weekly team meetings
- Quarterly team bonding activities were put on hold in FY2021 due to COVID-19 restrictions

2022 Targets for Talent Management, Training and Education and Labour/Management Relations

- Continue to review and maintain a competitive employee compensation and benefits package, with reference to industry practices, for talent attraction and retention
- Continue to develop and review training programmes that help employees reach their full potential
- Identify and recommend suitable training programmes to employees
- Continue to improve the frequency and effectiveness of communication between senior management and employees
- Organise quarterly activities for team bonding



Products and Service Responsibility

Property Managers and Suppliers Social Assessment

Dasin Retail Trust prioritises fairness, integrity and transparency in all business transactions. Recognising the important role its suppliers play in enabling this, the Trust is prudent in supplier selection, and subjects all prospective suppliers through a robust supplier evaluation exercise. Beyond selecting suppliers who share the same values, the Trust seeks to establish an open, communicative and win-win partnership with them.

The Trust outsources the bulk of its property and operation management services to third party property management companies (“property managers”). To safeguard the property managers’ supplier quality, an independent procurement department puts up a tender bid, verifies submitted price and conducts a qualification review of interested suppliers prior to the final appointment. Additionally, a supplier evaluation feedback mechanism offers a platform for continued cooperation.

The property managers created the “Business Partners Red and Blacklist Management System” as part of its management of supplier selection and evaluation. Individual and corporate suppliers who are trustworthy, dependable, responsive and collaborative are added to the “red list” and identified to be suitable for continued cooperation. In contrast, companies and individuals deemed to be untrustworthy will be sorted into the “black list” and will be disqualified from opportunities of further cooperation. Depending on the severity of the breach of trust, the Trust may also disallow its partners from working with these entities.

The audit department reviews both “red” and “black” lists periodically and randomly to ensure the relevance of assessment criteria and their proper implementation by responsible parties. Meanwhile, respective departments are responsible for supervising and inspecting partners in their areas of concern to ensure compliance, and where necessary, issue formal feedback. Blacklisted entities that undertake prompt rectification measures, provide proactive cooperation, strictly adhere to the requirements with good performance in ongoing projects and after-sales services, can apply for release from the black list.

In 2021, no supplier in partnership with the Trust were added to the “red list” while two suppliers in the “black list” were removed from the list after demonstrating good cooperation attitude.

Marketing and Labelling

Confronted with changing consumer demand in 2021, the Trust strove to create fresh, fun and engaging marketing content. During the year, the malls not only organised

bazaars and music festivals to activate and engage brand merchants and consumers, but also put up art displays, installations and exhibitions to strengthen brand uniqueness in the minds of consumers. Cognisant of the Trust’s sustainability commitment, all Dasin Metro Malls proactively balance consumer demands and business objectives with environmental goals when implementing their marketing activities.

Additionally, the Trust has put in place strict guidelines about content publishing and misinformation. Besides subjecting all publicity content to a strict review and approval process, all publicity content has to be compliant with the law and not false advertising. This is to ensure that consumers only receive information that is reliable, accurate and in line with social ethics.

In November 2021, Shunde Metro Mall was awarded the title of “Demonstration Business Cluster for Reliable Consumption” in Shunde District, Foshan City, Guangdong Province.



SUSTAINABILITY REPORT

Customer Health and Safety Safety

Dasin Retail Trust is committed to building a healthy and safe consumption and business environment for merchants, employees and consumers. During the COVID-19 pandemic, the Trust adopted a multipronged approach to keep customers and employees safe. On one hand, all business employees were required to wear masks when conducting business activities. On the other, consumers were also required to wear masks, show their health codes, and take their temperatures when entering the shopping malls. As part of the hygiene and safety protocol, the malls availed alcohol hand sanitisers, thermometers and personal protection slogans in conspicuous places like passages, entrances and exits to guide customers on consciously improving their self-protection.

To better prepare for various emergencies that may occur in malls, the property manager kept up with the organisation of regular emergency drills for fires, terrorist attacks, gas leaks, flooding, power outage, stalled lifts and elevators accidents involving people and Ferris wheel emergency incidents. These drills ensure that emergencies can be dealt with in the fastest and most reasonable way.

Dasin holds the “Production Safety Month” campaign in June every year. During this period, the Trust mandates that each mall focuses on production safety by implementing flood control, fire protection, food hygiene, pandemic prevention and control, and other safety information and management work. Thereafter, the best performing mall will be crowned as “Production Safety



Xiaolan Metro Mall won the Bronze Award and Excellent Organisation Award in the Fire Fighting Skills Competition

Month” champion. In the eighth “Production Safety Month” campaign held by Dasin Holdings in 2021, Shunde Metro Mall claimed the top spot. It also won the championship in the “119” Firefighting Skills Competition organised by the Daliang Sub-district Office.

During the year, Xiaolan Metro Mall also participated in a Firefighting Skills Competition organised by the Trade Union of Xiaolan Town. It eventually bagged the Bronze and the Outstanding Organisation Awards. It also received recognition

as an “Excellent Enterprise” from Xiaolan Town Headquarters for Combating and Controlling New Types of Telecom and Network Crimes.

Shiqi Metro Mall won the “Xiangshan Craftsman Cup” in the first Zhongshan Vocational Skills Competition organised by Zhongshan Federation of Trade Unions, Zhongshan Human Resources and Social Security Bureau, Zhongshan Health Bureau, and Zhongshan Fire Rescue Detachment.



Shiqi Metro Mall won the “Xiangshan Craftsman Cup” in the first Zhongshan Vocational Skills Competition

Hygiene

To provide consumers with clean and comfortable shopping experiences, the Trust has appointed a professional integrated cleaning service company with “Class A” qualification to provide cleaning services at the malls. Particularly, in tandem with the ongoing pandemic, a special focus is placed on disinfecting and cleaning key common areas such as toilets and lifts. The property managers evaluate the quality of these cleaning services against a set of strict hygiene assessment indicators from time to time. The Trust has also provided guidance to property managers to hire professional pest extermination companies to carry out pest management, inspection and control at the malls.

The Trustee-manager team inspects hygiene conditions of catering tenants monthly to ensure that raw and cooked food are stored properly and separately. Catering employees are also required to adhere to standardised operations and clean up cooking fumes promptly. Further, all catering tenants are required to obtain a “food operation license” before conducting business operations. Complaints about hygiene conditions from merchants and customers are quickly responded to and dealt with.

Shiqi Metro Mall, Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour were accredited the status of “Demonstration Street for Food Safety” by relevant government departments.

Environmental Compliance

Dasin Retail Trust is a firm believer that economic gains can be realised synergistically with environmental advancement. That is why the Trust is unwavering in strengthening energy conservation awareness among its staff, suppliers and tenants, and advocating waste emission management and adoption of energy saving technologies at its malls. Through these simultaneous measures, the Trust was able to effectively cap energy consumption at a reasonable level.

Notably, after Shiqi Metro Mall and Xiaolan Metro Mall retrofitted their central air conditioning systems with energy saving models which automatically switch the air conditioners on and off at optimal timings, the power consumption of air conditioners in these two malls decreased by 29% and 28% respectively in 2021 compared to 2019 before the air conditioners were

retrofitted. (Power consumption comparison with 2020 is not conducted, after considering impact of the severe pandemic situation and the construction period.)

Dasin Metro Mall brought its annual “Earth Hour” activity online in March 2021. This was a departure from the format in previous years. During the live broadcast ceremony online, the mall turned off lights for an hour to effectively convey the concept of energy saving and environmental protection.

Other environmentally friendly measures were also implemented at the shopping malls. They include putting up “water conservation” signs in public toilets, opening up parking areas according to volume of vehicles at the car park, installing sensor lights at all fire-fighting passages, and setting light-up timing for mall and peripheral lightings based on actual weather conditions.

Performance against 2021 Targets

- All new suppliers were assessed using social criteria
- Environmental and social considerations were part of the due diligence procedures for property managers of newly acquired malls
- Commitment to assess and supervise compliance as well as monitor the environmental and social performance of property managers

2022 Targets for Property Managers and Suppliers Assessment and Selection, Marketing and Labelling, Customer Health and Safety and Environmental Compliance

- Continue to assess all new suppliers using social criteria
- Continue to include environmental and social considerations as part of acquisition due diligence procedures for property managers of newly acquired malls
- Continue to monitor the environmental and social performance of existing property managers
- Continue to assess and supervise compliance of all property managers, and requiring them to maintain a clean compliance record in the forthcoming year

SUSTAINABILITY REPORT

CSR Activities & Local Communities

Community

On 7 and 8 June 2021, the personnel of Dasin Holdings and its subsidiaries, including Dasin Medical, Dasin Property, Zhongshan Tong and Dasin Commercial joined the frontline to help stop and control the spread of COVID-19 community and imported cases. Garbed in airtight protective clothing, the medical staff of Dasin Medical helped out with nucleic acid testing for the masses at the community stations in the hot summer. Volunteers from Dasin Commonwealth Volunteer Team, Dasin Commercial, Dasin Property, Zhongshan Tong and related companies also played an active part in pandemic prevention and control by explaining the nucleic acid testing process, managing order on site, and delivering drinking water to residents and logistical support and medical staff.

Education and Donation

The 34th Zhongshan Charity Parade was held in February 2021. Sharing the "fraternity" spirit of Mr Sun Yat-sen, Dasin Holdings celebrated the occasion by reinforcing its mission and purpose – to courageously pursue dreams with love and show kindness in the collective journey forward with its stakeholders. Due to the pandemic, the 2021 Charity Parade was conducted both online and offline. This allowed overseas Zhongshan people to also join in the activity during this extraordinary period. More significantly, the event reignited Dasin people's passion for progress, innovation and one another.

In March 2021, Xiaolan Metro Mall participated in the Charity Run in Xiaolan Town, donating RMB5,000 for charity.



2021 Xiaolan District Charity Run

Volunteerism

Since its establishment in 2016, the Dasin Public Welfare Service Volunteer Team has persistently carried out good deeds every month. By offering friendship, home repairs and cleaning support to socially disadvantaged groups such as widows, elders living alone, disabled, children and families with financial difficulties, the Dasin Public Welfare Service Volunteer Team aims to uplift lives and make a difference to the community.

In conjunction with the arrival of the Spring Festival, Dasin Public Welfare Service Centre together with employees of Dasin Liantang Outpatient Department and Dasin volunteers, conducted home visits to show care for those in need in

Zhongshan from 18 to 29 January 2021.

Since its launch in November 2017, the Dasin Public Welfare Service Volunteer Team "Childcare Programme" has been providing befriending, counselling, sharing and caring services to neglected children and teenagers every month. To date, the service has been offered more than 60 times.

Caring for the Community

At the heart of Dasin Metro Mall's day-to-day operations is its mission to do good for the community. This aspiration underpinned Dasin Metro Mall's active participation in various community initiatives in 2021, fulfilling its social responsibility and reinforcing its reputation as a socially engaged mall.



Doumen Metro Mall was conferred the "Advanced Unit for Public Welfare" title



Xiaolan Metro Mall's "Caring Enterprise" Award



Doumen Metro Mall won the "Love Cooperation Unit" recognition



Ocean Metro Mall was conferred the "Loving Partner" Award

On 24 March 2021, Changjiang Sanxi Community in the East District collaborated with Dasin Public Welfare Service Centre and Ocean Metro Mall to organise a voluntary blood donation drive at the mall. The event saw many Dasin employees, merchants and members of the general public coming forward to donate blood and show support for the blood donation drive through their actions.

Blood Donation Drive organised by Dasin



During the year, Dasin’s “Caring Visit on the Mid-Autumn Festival” activity returned for the sixth instalment since its launch in 2016. The flagship corporate social responsibility initiative counts over 40 caring visits and a variety of interesting outreach activities to date. Staying true to its core purpose, the programme strengthens societal harmony by inculcating virtues of “truth”, “kindness” and “beauty”, and spreading positive energy to elderlies who are lonely and widowed, people with disabilities, low-income families, and other vulnerable groups.

Dasin “Caring Visit on the Mid-Autumn Festival” activity



In September 2021, Dasin Public Welfare Service Centre, Dasin Metro Mall and Dasin Property joined Zhongshan Disabled Persons Federation and other community service organisations, volunteers and merchants to spread warmth and positive energy to people with disabilities, low-income families, and lonely and widowed elderlies. Beyond befriending and interacting with these beneficiaries, festive gifts were also prepared for them.

Dasin Public Welfare Service at a voluntary festive visit



Performance against 2021 Targets

- Achieved more than 500 volunteer hours and participated in more than 10 CSR events

2022 Targets for CSR Activities and Local Communities

- Achieve 500 volunteer hours
- Participate in 10 CSR events

SUSTAINABILITY REPORT

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102-3	Location of headquarters	Singapore
102-4	Location of operations	Singapore and China
102-5	Ownership and legal form	Trust Structure, Page 48
102-6	Markets served	China
102-7	Scale of the organisation	Talent Management, Page 91 Net Property Income, Page 19 Financial Statements, Pages 103 to 196
102-8	Information on employees and other workers	Talent Management, Page 91
102-9	Supply chain	Property Managers and Suppliers Assessment, Page 93
102-10	Significant changes to the organisation and its supply chain	There were no significant changes to the organisation and its supply chain in FY2021.
102-11	Precautionary Principle or approach	The Trust does not specifically address the Precautionary Principle
102-12	External initiatives	CSR Activities and Local Communities, Pages 96 to 97
102-13	Membership of associations	Not applicable
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102-18	Governance structure	Board Statement, Page 86
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102-40	List of stakeholder groups	Stakeholders Engagement, Page 88
102-41	Collective bargaining agreements	Not applicable
102-42	Identifying and selecting stakeholders	Stakeholders Engagement, Page 88 Materiality Assessment, Page 87
102-43	Approach to stakeholder engagement	Stakeholders Engagement, Page 88 Materiality Assessment, Page 87
102-44	Key topics and concerns raised	Stakeholders Engagement, Page 88 Materiality Assessment, Page 87

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102-46	Defining report content and topic boundaries	About this Report, Page 87
102-47	List of material topics	Material Assessment, Page 87
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	About this Report, Page 87
102-51	Date of the most recent report	March 2021
102-52	Reporting cycle	About this Report, Page 87
102-53	Contact point for questions regarding the report	About this Report, Page 87
102-54	Claims of reporting in accordance with GRI Standards	About this Report, Page 87 Board Statement, Page 86
102-55	GRI content index	GRI Content Index, Pages 98 to 100
102-56	External assurance	We did not seek external assurance of this Report. However, we will consider seeking external assurance for the report in future.
Management Approach		
103-1	Explanation of the material topic and its boundary	• Direct Economic Contribution, Page 90
103-2	The management approach and its components	• Anti-Corruption, Page 90
103-3	Evaluation of the management approach	• Socioeconomic Compliance, Page 90 • Talent Management, Page 91 • Training and Education, Page 91 • Labour/Management Relations, Page 92 • Property Managers and Suppliers Assessment, Page 93 • Marketing and Labelling, Page 93 • Customer Health and Safety, Pages 94 to 95 • Environmental Compliance, Page 95 • CSR Activities and Local Communities, Pages 96 to 97

SUSTAINABILITY REPORT

GRI Standards		Details/Notes/Page no.	
Specific Disclosures			
Economic			
Economic Performance	201-1	Direct economic value generated and distributed	Direct Economic Contribution, Page 90 Financial Statements, Pages 103 to 196
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption, Page 90
Environmental			
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Environmental Compliance, Page 95
Social			
Employment	401-2	Benefits provided to full time employees that are not provided to temporary or part time employees	Talent Management, Page 91
Training and Education	404-2	Programmes for upgrading employee skills and career development programmes	Training and Education, Page 91
Labour/ Management Relations	402-1	Minimum notice periods regarding operational changes	Labour/Management Relations, Page 92
Marketing and Labelling	417-2	Incidents of non-compliance concerning product and service information and labelling	Marketing and Labelling, Page 93
	417-3	Incidents of non-compliance concerning marketing communications	
Property Managers* and Suppliers Social Assessment	414-1	New suppliers that were screened using social criteria	Property Managers and Suppliers Assessment, Page 93
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Health and Safety, Pages 94 to 95
Local Communities	413-1	Operations with local community engagement, impact assessments and development programmes	CSR Activities and Local Communities, Pages 96 to 97
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Socioeconomic Compliance, Page 90

* Suggested disclosure as it is not an aspect under specific disclosures of GRI Standards

CORPORATE DIRECTORY

THE TRUSTEE-MANAGER

Dasin Retail Trust Management
Pte. Ltd.

Company registration number:
201531845N

REGISTERED OFFICE

138 Market Street
CapitaGreen #26-02
Singapore 048946
Telephone: (65) 6509 8626
Fax: (65) 6509 8625
Email: ir@dasintrust.com
Website: www.dasintrust.com

BOARD OF DIRECTORS

Dr. Kong Weipeng
(Chairman and
Non-Executive Director)

Mr. Zhang Zhencheng
(Non-Executive Director)

Mr. Lyu Guoliang
(Non-Executive Director)

Mr. Sonny Tan Hock Sun
(Lead Independent Director)

Mr. Tan Huay Lim
(Independent Director)

Mr. Sun Shu
(Independent Director)

Dr. Cao Yong
(Independent Director)

AUDIT AND RISK COMMITTEE

Mr. Tan Huay Lim
(Chairman)

Mr. Sonny Tan Hock Sun

Mr. Sun Shu

Dr. Cao Yong

Dr. Kong Weipeng

Mr. Zhang Zhencheng

Mr. Lyu Guoliang

NOMINATING COMMITTEE

Mr. Sonny Tan Hock Sun
(Chairman)

Mr. Sun Shu

Dr. Cao Yong

Dr. Kong Weipeng

Mr. Zhang Zhencheng

REMUNERATION COMMITTEE

Mr. Sun Shu
(Chairman)

Mr. Sonny Tan Hock Sun

Dr. Cao Yong

Mr. Zhang Zhencheng

Mr. Lyu Guoliang

COMPANY SECRETARY

Mr. Lun Chee Leong

UNIT REGISTRAR

**Boardroom Corporate & Advisory
Services Pte Ltd**

1 Harbourfront Avenue #14-07
Keppel Bay Tower
Singapore 098632
Phone: (65) 6536 5355
Fax: (65) 6536 1360

AUDITOR

Deloitte & Touche LLP

6 Shenton Way
OUE Downtown 2 #33-00
Singapore 068809
Phone: (65) 6224 8288
Fax: (65) 6538 6166

Partner-in-charge:
Mr. Toh Yew Kuan Jeremy
(Appointed since financial year
ended 31 December 2019)

SGX STOCK SYMBOL

CEDU.SI

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Proxy Form

REPORT OF THE TRUSTEE-MANAGER OF DASIN RETAIL TRUST

The Board of Directors of Dasin Retail Trust Management Pte. Ltd. (the “Trustee-Manager”), the Trustee-Manager of Dasin Retail Trust (the “Trust”) and its subsidiaries (together referred to as the “Group”), are pleased to submit this report to unitholders, together with the consolidated financial statements of the Group and the statement of financial position of the Trust for the financial year ended 31 December 2021.

DIRECTORS

The directors of the Trustee-Manager in office at the date of this report are as follows:

Dr. Kong Weipeng	Chairman and Non-Executive Director <i>Chairman of the Board</i>	(Appointed on 12 October 2021)
Mr. Zhang Zhencheng	Non-Executive Director	
Mr. Lyu Guoliang	Non-Executive Director	(Appointed on 12 October 2021)
Mr. Sonny Tan Hock Sun	Lead Independent Director <i>Chairman of the Nominating Committee</i>	(Appointed on 12 October 2021)
Mr. Tan Huay Lim	Independent Director <i>Chairman of the Audit and Risk Committee</i>	
Mr. Sun Shu	Independent Director <i>Chairman of the Remuneration Committee</i>	
Dr. Cao Yong	Independent Director	

DIRECTORS' INTERESTS

According to the register kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Business Trusts Act, 2004 (the “Act”), particulars of interests of directors who held office at the end of the financial year (including those held by immediate family) in units of the Trust (“Units”) are as follows:

Name of director	Direct interest		Deemed interest	
	At beginning of the financial year or date of appointment, if later	At end of the financial year	At beginning of the financial year or date of appointment, if later	At end of the financial year
Interest in the Trust (Units)				
Dr. Kong Weipeng	–	–	–	–
Mr. Zhang Zhencheng	–	4,243,958	415,368,165	418,408,781
Mr. Lyu Guoliang	–	–	–	–
Mr. Sonny Tan Hock Sun	–	–	–	–
Mr. Tan Huay Lim	–	–	312,500	312,500
Mr. Sun Shu	–	–	–	–
Dr. Cao Yong	–	–	–	–

REPORT OF THE TRUSTEE-MANAGER OF DASIN RETAIL TRUST

DIRECTORS' INTERESTS (CONT'D)

Except as disclosed in this report, no director who held office at the end of the financial year had interests in units, debentures, warrants or unit options of the Trust, either at the beginning or at the end of the financial year.

There were no changes in any of the above mentioned interests in the Trust between the end of the financial year and 21 January 2022.

During the financial year ended 31 December 2021, in accordance with the Trust Deed, the Trust issued/issuable 14,298,110 (2020: 7,655,578) units of the Trust with carrying values totalling \$6,945,000 (2020: \$6,100,000) in satisfaction for payment of the trustee fee and management fee. No acquisition fee was paid/payable in the financial year 2021.

Pursuant to the sale and purchase agreement of the announcement dated 19 July 2021 (see note 27) between Mr. Zhang Zhencheng, a director and a shareholder of the Trustee-Manager, Aqua Wealth Holdings Limited, a controlling unitholder of the Trust and New Harvest Investments Limited, the Trustee-Manager has assigned its rights on receiving the trustee fee and base management fee for the third quarter of the financial year 2021 which were payable in units of the Trust amounting to approximately \$1,677,000 to Mr. Zhang Zhencheng.

Except as disclosed above, neither at the end of, nor at any time during the financial year, was the Trustee-Manager a party to any arrangement whose object is to enable the directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in or debentures of the Trust.

UNIT OPTIONS

During the financial year, there were:

- (i) no options granted by the Trustee-Manager to any person to take up unissued units in the Trust; and
- (ii) no units issued by virtue of any exercise of option to take up unissued units of the Trust.

As at the end of the financial year, there were no unissued units of the Trust under option.

REPORT OF THE TRUSTEE-MANAGER OF DASIN RETAIL TRUST

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee comprises seven directors. The members of the Audit and Risk Committee during the year and at the date of this report are:

Mr. Tan Huay Lim (Chairman)	
Mr. Sonny Tan Hock Sun	(Appointed as member on 12 October 2021)
Mr. Sun Shu	
Dr. Cao Yong	
Dr. Kong Weipeng	(Appointed as member on 12 October 2021)
Mr. Zhang Zhencheng	(Appointed as member on 12 October 2021)
Mr. Lyu Guoliang	(Appointed as member on 12 October 2021)

The Audit and Risk Committee carried out its function in accordance with Regulation 13(6) of the Business Trusts Regulations and the Listing Manual of Singapore Exchange Securities Trading Limited (the "Listing Manual").

The Audit and Risk Committee held five meetings for the financial year ended 31 December 2021. In performing its functions, the Audit and Risk Committee met with the Trust's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Group's internal accounting control system. The Audit and Risk Committee's responsibilities also include, but are not limited to, the following:

- (a) reviewing with the internal and external auditors of the Trust:
 - (i) the audit plan of the Trust;
 - (ii) the internal auditors' evaluation of the system of internal accounting controls of the Trustee-Manager;
 - (iii) the external auditors' audit report for the Trust; and
 - (iv) the adequacy, effectiveness and independence of the external audit and the internal audit function.
- (b) reviewing:
 - (i) the assistance given by the management of the Trustee-Manager to the auditors of the Trust;
 - (ii) the adequacy, effectiveness, independence, scope and results of the external audit;
 - (iii) the adequacy, effectiveness and independence of the internal audit function including scope and results of the internal audit procedures;
 - (iv) the assurance from the chief executive officer ("CEO") and chief financial officer ("CFO") on the financial records, financial statements, risk management and internal control systems;
 - (v) the appointment, termination and remuneration of the internal auditors;
 - (vi) the policies and practices put in place by the Trustee-Manager to ensure compliance with the Listing Manual, the Act and the Trust Deed;
 - (vii) the procedures put in place by the Trustee-Manager to manage any conflict that may arise between the interests of the unitholders and the interests of the Trustee-Manager, including interested person transactions, the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees or charges payable out of the property of the Trust ("Trust Property");

REPORT OF THE TRUSTEE-MANAGER OF DASIN RETAIL TRUST

AUDIT AND RISK COMMITTEE (CONT'D)

- (b) reviewing: (cont'd)
 - (viii) interested person transactions for potential conflicts of interest;
 - (ix) and recommending the nature and extent of significant risks which the Trustee-Manager is willing to take in achieving its strategic objectives and value creation;
 - (x) risk management policies and guidelines and monitor compliance therewith;
 - (xi) the adequacy and effectiveness of the risk management and internal controls system, including financial, operational, compliance and information technology risks and controls;
 - (xii) the whistleblowing policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, including the particular incidences reported during the year; and
 - (xiii) any matters relating to suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations or rules of the SGX-ST or any other regulatory authority in Singapore, of which the Audit and Risk Committee is aware, which has or is likely to have a material impact on the Trust's or the Group's operating results and/or financial position, and the findings of any internal investigations, and management's response thereto;
- (c) reviewing the statement of financial position, statement of profit or loss of the Trustee-Manager and the statement of financial position, statement of profit or loss, statement of comprehensive income and statement of cash flows of the Trust submitted to it by the Trustee-Manager, and thereafter submit them to the Board;
- (d) reviewing significant reporting issues and judgements to ensure the integrity of the financial statements and any announcements relating to financial performance;
- (e) discussing problems and concerns, if any, arising from the final audits, in consultation with the external auditors and the internal auditors where necessary;
- (f) reporting to the Board:
 - (i) any inadequacies, deficiencies or matters of concern of which the Audit and Risk Committee becomes aware or that it suspects arising from its review of the items referred to in sub-paragraphs (a) to (d) above; and
 - (ii) any breach of the Act or any breach of the provisions of the Trust Deed, of which the Audit and Risk Committee becomes aware or that it suspects;
- (g) reporting to the Monetary Authority of Singapore if the Audit and Risk Committee is of the view that the Board has not taken, or does not propose to take, appropriate action to deal with a matter reported under sub-paragraph (f):
 - (i) the procedures established to regulate interested person transactions, including ensuring compliance with the provisions of the Listing Manual relating to "interested person transactions"; and
 - (ii) the procedures established to ensure compliance with applicable legislation and the Listing Manual;

REPORT OF THE TRUSTEE-MANAGER OF DASIN RETAIL TRUST

AUDIT AND RISK COMMITTEE (CONT'D)

- (h) nominating or removing a person or persons as auditor of the Trust (including the review of their fees and scope of work), notwithstanding anything contained in the Trust Deed;
- (i) approving and reviewing all policies and instruments to be implemented by the Trust to the Board;
- (j) monitoring the implementation of outstanding internal control recommendations highlighted by the auditors in the course of their audit of the financial statements of the Trust and their respective subsidiaries taken as a whole;
- (k) meeting with the external and internal auditors, in each case without the presence of management, at least on an annual basis;
- (l) reviewing the adequacy of the compliance functions and the appointment, reappointment of the external compliance advisers on an annual basis;
- (m) making recommendations to the Board on: (i) the proposals to the unitholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- (n) procuring that each of Aqua Wealth Holdings Limited ("Aqua Wealth") and Bounty Way Investments Limited ("Bounty Way") enter into an undertaking to immediately inform the Trust of any changes to the arrangement in relation to the moratorium securities account for the units in the Trust which are the subject of the waiver for entitlements of distributions from the Trust and which was locked pursuant to the lock-up arrangement provided by each of Aqua Wealth and Bounty Way;
- (o) overseeing:
 - (i) the updates made by the Trustee-Manager in the Trust's annual report regarding the status of the Distribution Waiver (as defined in the Prospectus dated 13 January 2017), including whether the assumptions originally projected in the Prospectus have been achieved or the Trustee-Manager's provision of an explanation otherwise;
 - (ii) the announcement made by the Trustee-Manager on the impending expiry of the Distribution Waiver at least a year prior to the expiry of the Distribution Waiver Undertakings (as defined in the Prospectus dated 13 January 2017); and
 - (iii) information provided by the Trustee-Manager on the status of the Distribution Waiver in the Trust's full year financial results and annual reports (including the Trust's distribution policy, the amounts of distribution waived and duration remaining until the date on which the Distribution Waiver Undertakings would expire);
- (p) reviewing and providing its views on all hedging policies and instruments to be implemented by the Trust to the Board;
- (q) ensuring that there is no overlap of roles, duties and responsibilities between each of the Trustee-Manager, the Rental Management Companies, the Property Manager and the Commercial Manager;
- (r) reviewing on a quarterly basis, where there are any updates or changes, the master list of the Trustee-Manager's directors and controlling shareholders, as well as the Trust's controlling unitholders;

REPORT OF THE TRUSTEE-MANAGER OF DASIN RETAIL TRUST

AUDIT AND RISK COMMITTEE (CONT'D)

- (s) reviewing the Trustee-Manager's internal audit reports twice a year to ascertain that the guidelines and procedures established to monitor interested person transactions have been complied with, such review to include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the Audit and Risk Committee, as well as ascertaining whether the subsidiaries and associated companies of the Trust have been complying with the requirement to inform the Trustee-Manager of any upcoming transactions with interested persons so as to obtain the prior approval from the chief executive officer of the Trustee-Manager, the Audit and Risk Committee or unitholders, as applicable, in accordance with the provisions of Chapter 9 of the Listing Manual. If a member of the Audit and Risk Committee has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction;
- (t) investigating any matters within the Audit and Risk Committee's terms of reference, whenever it deems necessary;
- (u) exercising oversight over the undertakings given by the Master Lessee to the Trustee-Manager that it will:
 - (i) immediately inform the Trustee-Manager of any matter that has a material adverse effect on its ability to fulfil its obligations under the Master Lease Agreements; and
 - (ii) not unilaterally novate or assign any of the Master Lease Agreements to any other party and will inform the Trustee-Manager of any changes to any of the Master Lease Agreements (as defined in the Prospectus dated 13 January 2017);
- (v) exercising oversight over the undertakings of the Trustee-Manager under the Master Lease Undertakings (as defined in the Prospectus dated 13 January 2017) (including the disclosures required in the annual financial statements and annual reports of the Trust pursuant to the Master Lease Undertakings);
- (w) in relation to the security deposits received from the Master Lessee pursuant to the Master Lease Agreements, overseeing
 - (i) the withdrawal or utilisation of the security deposits by the Trust during the terms of the Master Lease Agreements, including assessing the Trust's ability to repay the security deposits at the end of the terms of the Master Lease Agreements; and
 - (ii) where the security deposits fall below the equivalent of 2 months' rent due to (where applicable), among others, utilisation of the security deposits to satisfy late payment of rentals, that the Master Lessee makes up the shortfall.
- (x) undertaking such other functions as may be agreed to by the Audit and Risk Committee and the Board.

REPORT OF THE TRUSTEE-MANAGER OF DASIN RETAIL TRUST

INDEPENDENT AUDITOR

The independent auditor, Deloitte & Touche LLP, has expressed its willingness to accept re-appointment.

**For and on behalf of the Board of Directors of the Trustee-Manager,
Dasin Retail Trust Management Pte. Ltd.**

Lyu Guoliang
Director

Zhang Zhencheng
Director

8 April 2022

STATEMENT BY THE TRUSTEE-MANAGER

In our opinion, as the Directors of the Trustee-Manager,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Trust as set out on pages 116 to 196 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2021, and of the consolidated financial performance, consolidated changes in unitholders' funds and consolidated cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Business Trusts Act, 2004 (the "Act") and International Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil, out of the trust property of the Trust, the liabilities of the Trust as and when they fall due.

In accordance with Section 86(2) of the Act, we further certify:

- the fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed dated 15 January 2016 (date of constitution), supplemented by a first supplemental deed dated 27 December 2016;
- the interested person transactions are not detrimental to the interests of all the Unitholders of the Trust as a whole based on the circumstances at the time of the transaction; and
- the Board of Directors is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

The Board of Directors has, on the date of this statement authorised these financial statements for issue.

**For and on behalf of the Board of Directors of the Trustee-Manager,
Dasin Retail Trust Management Pte. Ltd.**

Lyu Guoliang
Director

Zhang Zhencheng
Director

8 April 2022

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

In accordance with Section 86 of the Business Trusts Act, 2004, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

Wang Qiu

Chief Executive Officer

8 April 2022

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF DASIN RETAIL TRUST

For the financial year ended 31 December 2021

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Dasin Retail Trust (the "Trust") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Trust as at 31 December 2021, and the consolidated statement of profit or loss and consolidated statement of comprehensive income, consolidated statement of changes in unitholders' funds and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 116 to 196.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Trust are properly drawn up in accordance with the provisions of the Singapore Business Trusts Act, 2004 ("the Act"), and the International Financial Reporting Standards ("IFRS") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2021 and of the consolidated financial performance, consolidated changes in unitholders' funds and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 *Going concern* to the financial statements, which indicates that as at 31 December 2021, the Group and the Trust were in a negative working capital position with net current liabilities of \$663,169,000 and \$719,864,000 respectively. These conditions, along with other matters as set forth in Note 2.2 *Going concern*, indicate that a material uncertainty exists that may cast significant doubt on the Group's and Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF DASIN RETAIL TRUST

For the financial year ended 31 December 2021

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters	How the scope of our audit responded to the key audit matters
<p>Valuation of investment properties</p> <p>The Group owns a portfolio of investment properties comprising 7 retail properties located in the People's Republic of China.</p> <p>The investment properties represent the single largest category of assets on the Statement of Financial Position.</p> <p>The Group has adopted the fair value model under IAS 40 <i>Investment Property</i> which requires all the investment properties to be measured at fair value.</p> <p>The Group has engaged external independent valuers ("external valuers") to perform the fair value assessment of the investment properties.</p> <p>The fair valuation of investment properties is considered to be a matter of significance as the valuation process requires the application of judgement in determining the appropriate valuation method, use of subjective assumptions and various unobservable inputs. The valuations are sensitive to key assumptions, including discount rates, terminal rates, term yields and reversionary rates. A change in these key assumptions will have an impact on the valuation.</p> <p>The external valuer has highlighted in their valuation reports that the outbreak of the Novel Coronavirus (COVID-19) has caused much disruption to economic activities around the world, including China. At the date of their reports, China's economy saw signs of gradual recovery and it is anticipated that disruption to business activities will steadily reduce. While the external valuers saw stability in both the market activities and sentiment in this market sector, they remain cautious due to uncertainty for the pace of global economic recovery in the midst of COVID-19. Accordingly, the external valuers recommend that the valuation of the property be kept under frequent review.</p> <p>The valuation methods and the key assumptions used are disclosed in note 4 to the financial statements.</p>	<p>We performed the following procedures, among others:</p> <ul style="list-style-type: none"> • tested the design and implementation of the relevant key controls over the valuation of investment properties. • obtained an understanding and evaluated the Group's process of appointment and determination of the scope of work of the external valuers, as well as their process of reviewing, and accepting the external valuers' investment property valuations. • assessed the external valuers' competence and capabilities and read their terms of engagement with the Group to determine that there were no matters that affected the external valuers' independence and objectivity or scope limitations imposed upon them. • discussed with the external valuers to understand the valuation methods and key assumptions used in valuing the investment properties and the market evidence used by the external valuers that support their valuation. • involved our internal valuation specialist to assist us in evaluating the appropriateness of the valuation methods and key assumptions used by the external valuers for the respective investment properties. Taking into account the nature of each investment property, we benchmarked and challenged the key assumptions used in their valuation by reference to externally published industry data and comparable property transactions, where available, and we considered whether these assumptions are consistent with the current market environment. <p>Based on our procedures, we noted that the valuation methods and key assumptions used by the external valuers in the valuations to be within a reasonable range of our expectations.</p> <p>We have also reviewed the adequacy and appropriateness of the disclosures made in the financial statements.</p>

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF DASIN RETAIL TRUST

For the financial year ended 31 December 2021

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Dasin Retail Trust Management Pte. Ltd. (the "Trustee-Manager") is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE TRUSTEE-MANAGER AND DIRECTORS OF THE TRUSTEE-MANAGER FOR THE FINANCIAL STATEMENTS

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and IFRS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the Trustee-Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee-Manager either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The responsibilities of the directors of the Trustee-Manager include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF DASIN RETAIL TRUST

For the financial year ended 31 December 2021

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee-Manager.
- (d) Conclude on the appropriateness of the Trustee-Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the Trustee-Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of the Trustee-Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors of the Trustee-Manager, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager on behalf of the Trust, have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Toh Yew Kuan Jeremy.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants

Singapore
8 April 2022

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

	Note	Group		Trust	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Non-current assets					
Investment properties	4	2,395,995	2,345,729	-	-
Plant and equipment	5	237	365	-	-
Intangible assets	6	427	387	-	-
Subsidiaries	7	-	-	912,373	901,568
Other receivables	8	466	-	-	-
		2,397,125	2,346,481	912,373	901,568
Current assets					
Trade and other receivables	8	23,623	20,304	589	515
Derivative financial assets	9	47	-	47	-
Cash and bank balances	10	119,222	142,504	11,720	18,900
		142,892	162,808	12,356	19,415
Total assets		2,540,017	2,509,289	924,729	920,983
Non-current liabilities					
Loans and borrowings	11	198,233	422,744	-	233,066
Derivative financial liabilities	9	-	890	-	890
Deferred tax liabilities	12	420,432	406,612	-	-
Trade and other payables	13	1,620	7,190	53,109	8,098
		620,285	837,436	53,109	242,054
Current liabilities					
Loans and borrowings	11	755,851	516,730	677,378	437,123
Derivative financial liabilities	9	27	-	27	-
Trade and other payables	13	31,459	31,122	54,815	63,940
Security deposits		17,362	19,938	-	-
Current tax liabilities		1,362	1,712	-	-
		806,061	569,502	732,220	501,063
Total liabilities		1,426,346	1,406,938	785,329	743,117
Net assets		1,113,671	1,102,351	139,400	177,866
Represented by:					
Units in issue	14	267,051	282,032	267,051	282,032
Other reserves	15	846,620	820,319	(127,651)	(104,166)
		1,113,671	1,102,351	139,400	177,866
Net asset value per unit attributable to unitholders (\$)					
	17	1.40	1.41	0.18	0.23

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2021

	Note	Group	
		2021 \$'000	2020 \$'000
Revenue	18	101,311	87,476
Property related tax		(7,794)	(4,827)
Property and commercial management fees		(2,007)	(1,733)
Property operating expenses	19	(13,100)	(10,223)
Total property operating expenses		(22,901)	(16,783)
Net property income		78,410	70,693
Trustee-Manager's fees	20		
- Base management fee		(6,430)	(5,648)
- Trustee fee		(515)	(452)
- Acquisition fee		-	(2,278)
Other trust expenses		(2,744)	(4,300)
Exchange (loss)/gain		(7,290)	2,427
Other income/(expense)		909	(284)
Loss allowance		(9,212)	(645)
Finance income		1,071	1,292
Finance costs		(38,527)	(35,988)
Net finance costs	21	(37,456)	(34,696)
Net income		15,672	24,817
Net change in fair value of investment properties	4	(62,844)	(104,722)
Loss before income tax		(47,172)	(79,905)
Income tax (expense)/credit	22	(1,743)	7,779
Loss for the year	23	(48,915)	(72,126)
Attributable to:			
Unitholders of the Trust		(48,915)	(72,126)
Distributable income attributable to unitholders			
Loss for the year		(48,915)	(72,126)
Distribution adjustments		85,782	92,705
Amount available for distribution	24	36,867	20,579
Distribution per unit (cents)			
- With Distribution Waiver		5.22	3.94
- Without Distribution Waiver		4.67	2.87
Earnings per unit (cents)	25		
- Basic		(6.26)	(10.18)
- Diluted		(6.22)	(10.15)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2021

	Group	
	2021 \$'000	2020 \$'000
Loss for the year	(48,915)	(72,126)
Other comprehensive income for the year, net of tax items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences – foreign operations, net of tax	85,730	77,369
	85,730	77,369
Total comprehensive income for the year	36,815	5,243
Total comprehensive income attributable to:		
Unitholders of the Trust	36,815	5,243

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

Year ended 31 December 2021

	Group					
	Units in issue \$'000	Statutory surplus reserve \$'000	Capital reserve \$'000	Foreign currency translation reserve \$'000	Accumulated profits/(losses) \$'000	Total \$'000
As at 1 January 2020	194,137	462	782,785	(105,584)	13,928	885,728
Loss for the year	-	-	-	-	(72,126)	(72,126)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	77,369	-	77,369
Total other comprehensive income for the year	-	-	-	77,369	-	77,369
Total comprehensive income for the year	-	-	-	77,369	(72,126)	5,243
Reserves to be set aside under PRC laws	-	92	-	-	(92)	-
Transactions with unitholders:						
Contributions by and distribution to unitholders						
Distribution to unitholders						
- Tax-exempt income	-	-	-	-	(3,772)	(3,772)
- Capital (note 14)	(13,562)	-	-	-	-	(13,562)
Reserve arising from Shunde and Tanbei Acquisition (note 29)	-	-	127,257	-	-	127,257
Issue of units - Private Placement	93,999	-	-	-	-	93,999
Issue expenses	(920)	-	-	-	-	(920)
Units issued as payment for Trustee-Manager's acquisition fees	2,278	-	-	-	-	2,278
Units issued and to be issued as payment for Trustee-Manager's fees	6,100	-	-	-	-	6,100
Total transactions with unitholders	87,895	-	127,257	-	(3,772)	211,380
As at 31 December 2020	282,032	554	910,042	(28,215)	(62,062)	1,102,351

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)

Year ended 31 December 2021

	Group					
	Units in issue \$'000	Statutory surplus reserve \$'000	Capital reserve \$'000	Foreign currency translation reserve \$'000	Accumulated profits/(losses) \$'000	Total \$'000
As at 1 January 2021	282,032	554	910,042	(28,215)	(62,062)	1,102,351
Loss for the year	-	-	-	-	(48,915)	(48,915)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	85,730	-	85,730
Total other comprehensive income for the year	-	-	-	85,730	-	85,730
Total comprehensive income for the year	-	-	-	85,730	(48,915)	36,815
Reserves to be set aside under PRC laws	-	120	-	-	(120)	-
Transactions with unitholders:						
Contributions by and distribution to unitholders						
Distribution to unitholders						
- Tax-exempt income	-	-	-	-	(10,514)	(10,514)
- Capital (note 14)	(21,926)	-	-	-	-	(21,926)
Units issued and to be issued as payment for Trustee-Manager's fees	6,945	-	-	-	-	6,945
Total transactions with unitholders	(14,981)	-	-	-	(10,514)	(25,495)
As at 31 December 2021	267,051	674	910,042	57,515	(121,611)	1,113,671

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2021

	Note	Group	
		2021 \$'000	2020 \$'000
Operating activities			
Loss before income tax		(47,172)	(79,905)
Adjustments for:			
Amortisation of intangible assets		63	50
Depreciation of plant and equipment		143	133
Finance costs		38,527	35,988
Finance income		(1,071)	(1,292)
Impairment loss allowance on trade and other receivables		9,212	645
Net change in fair value of derivative financial instruments		(909)	284
Net change in fair value of investment properties		62,844	104,722
Recognition of rental income on a straight-line basis over the lease term		1,267	(5,598)
Trustee-Manager's acquisition fees paid in units	(i)	-	2,278
Trustee-Manager's fees paid/payable in units	(i)	6,945	6,100
Operating cash flows before working capital changes		69,849	63,405
Changes in working capital:			
Trade and other receivables		(10,048)	7,127
Trade and other payables		(9,253)	2,593
Cash generated from operations		50,548	73,125
Income tax paid		(7,855)	(7,587)
Net cash from operating activities		42,693	65,538
Investing activities			
Capital expenditure on investment properties		(2,343)	(6,005)
Interest received		1,121	1,274
Net cash outflow from acquisition of subsidiaries	(ii)	-	(100,168)
Purchase of intangible assets		(86)	(97)
Purchase of plant and equipment		-	(1)
Government grants		-	1,073
Net cash used in investing activities		(1,308)	(103,924)
Financing activities			
Distribution to Unitholders		(32,440)	(17,334)
Withdrawal/(Placement) in cash pledged		13,905	(10,067)
Finance costs paid		(25,709)	(24,591)
Payment of lease liabilities		(98)	(56)
Payment of transaction costs on issuance of units		-	(920)
Payment of transaction costs related to loans and borrowings		(9,406)	(9,008)
Proceeds from borrowings		17,693	249,182
Repayment of borrowings		(20,302)	(231,063)
Proceeds from issuance of new units		-	93,999
Net cash (used in)/generated from financing activities		(56,357)	50,142

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Year ended 31 December 2021

	Note	Group	
		2021 \$'000	2020 \$'000
Net (decrease)/increase in cash and cash equivalents		(14,972)	11,756
Cash and cash equivalents at the beginning of the year		98,790	83,211
Effect of foreign exchange rate changes on cash and cash equivalents		4,198	3,823
Cash and cash equivalents at the end of the year	10	88,016	98,790

Notes:

Significant non-cash and other transactions

- (i) The Trustee-Manager's trustee fee and base management fee for the year ended 31 December 2021 was \$6,945,000 (2020: \$6,100,000) as disclosed in notes 14 and 20 to the financial statements. \$5,173,000 (2020: \$4,392,000) was paid during the year through the issue of 9,454,000 (2020: 5,420,000) units. The remaining \$1,772,000 (2020: \$1,708,000) was paid subsequent to the year end through the issuance of 4,844,000 (2020: 2,236,000) units. No acquisition fee was paid/payable in year 2021. An acquisition fee of \$2,278,000 in relation to acquisition of Shunde Metro Mall and Tanbei Metro Mall was paid through issuance of 2,920,000 units during the financial year ended 31 December 2020.
- (ii) Net cash outflow on acquisition of subsidiaries is provided below:

	Note	Group
		2020 \$'000
Investment properties		508,594
Plant and equipment		106
Trade and other receivables		13,995
Cash and cash equivalents		7,104
Trade and other payables		(40,597)
Special Purpose Entities ("SPE") purchase consideration		(20,859)
Loans and borrowings		(201,034)
Deferred tax liabilities	12	(74,952)
Net identifiable assets acquired and liabilities assumed		192,357
Excess of fair value of net assets acquired over purchase consideration recognised as capital reserve		(127,257)
Purchase consideration		65,100
Add: SPE purchase consideration		20,859
Add: Trade and other payables assumed		36,259
Less: Cash and cash equivalents of subsidiaries acquired		(7,104)
Less: Trade and other payable not yet paid		(16,806)
Net cash outflow on Shunde and Tanbei Acquisition		98,308
Trade and other payable paid for Doumen Acquisition (note 1)		1,860
Net cash outflow on acquisition of subsidiaries		100,168

Note 1: Doumen Metro Mall was acquired on 12 September 2019.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors of the Trustee-Manager on 8 April 2022.

1. GENERAL

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

The Trust was registered with the Monetary Authority of Singapore on 13 January 2017, and was formally admitted to the Main Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 January 2017 (the "Listing Date"). The Trust is principally regulated by the Securities and Futures Act, 2001 and the Business Trusts Act, 2004.

The registered office of the Trustee-Manager was changed from 8 Marina Boulevard #14-02, Marina Bay Financial Centre Singapore 018981 to 138 Market Street, CapitaGreen #26-02, Singapore 048946 on 6 October 2021.

The financial statements of the Trust as at and for the year ended 31 December 2021 comprise the Trust and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The principal activities of the Trust are to invest in, own or develop land, uncompleted developments and income-producing real estate in the Greater China (comprising PRC, Hong Kong and Macau), used primarily for retail purposes, as well as real estate-related assets with a focus on retail malls.

The principal activities of the subsidiaries are disclosed in note 8.

On 12 October 2021, New Harvest Investments Limited ("New Harvest"), a company incorporated in the British Virgin Islands and Sino-Ocean Capital Holding Limited, a company incorporated in Hong Kong became the immediate holding and ultimate holding companies of the Trustee-Manager following the completion of the transfer of the 70% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng to New Harvest. The remaining 30% of the issued and paid-up share capital in the Trustee-Manager is owned by Mr. Zhang Zhencheng. Prior to the transfer, Mr. Zhang Zhencheng owns 100% of the Trustee-Manager.

The Group has entered into several service agreements in relation to the management of the Trust and its property operations. The main fee structures for these services are as follows:

1.1 Trustee-Manager's fees

- (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, if the value of the Trust Property is less than or equal to \$10.0 billion; or

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL (CONT'D)

1.1 Trustee-Manager's fees (Cont'd)

(i) Management fee (Cont'd)

- Base fee (Cont'd)

- (b) 0.25% per annum of the value of the Trust Property up to \$10.0 billion plus 0.20% per annum of the value of the Trust Property which exceeds \$10.0 billion, if the value of the Trust Property is greater than \$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.

- 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 acquisitions from Interested Person and 1.0% for all other acquisitions of the 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 fees 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, Base Fee, Performance Fee and Acquisition Fee in the form of Units for 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL (CONT'D)

1.2 Commercial Manager

- (i) Commercial management fee and reimbursement of expenses

The Commercial Manager is entitled to receive commercial management fee of 1% of the monthly gross revenue of the properties and reimbursement of expenses as incurred for each property. The commercial management fee and reimbursement of expenses are payable to the Commercial Manager in the form of cash.

- (ii) Lease-up commission

The Commercial Manager is entitled to receive a one-time fee of two months' gross rent for newly completed buildings or buildings undergoing major asset enhancement and/or renovation works.

This lease-up commission is payable to the Commercial Manager in the form of cash.

1.3 Property Manager

The Property Manager is entitled to receive property management fee of 1% of the monthly gross revenue of the properties and reimbursement of expenses incurred for each property. The property management fee and reimbursement of expenses are payable to the Property Manager in the form of cash.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS").

2.2 Going concern basis of preparation of financial statements

As at 31 December 2021, the Group and the Trust were in net current liabilities of \$663,169,000 and \$719,864,000 respectively as the syndicated term loans pertaining to the Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour (the "Initial Portfolio") and Shiqi Metro Mall of \$499,520,000 in aggregate are due and payable on 19 June 2022, the offshore syndicated term loans pertaining to Shunde Metro Mall and Tanbei Metro Mall of \$132,851,000 in aggregate are due and payable on 15 July 2022 and the offshore syndicated term loans pertaining to Doumen Metro Mall of \$105,728,000 in aggregate are due and payable on 18 September 2022. The tenure of both the offshore and onshore loans of the Initial Portfolio and Shiqi Metro Mall have been extended to 19 June 2022 as announced by the Trust on 20 January 2021, 20 July 2021, 20 December 2021 and 21 March 2022. In addition, the Group and the Trust drawdown the 24-month credit loan facility of USD13,120,000 (\$17,693,000) in September 2021 which is revolving every 12 months and is due on 20 September 2022. These conditions indicate that a material uncertainty exists that may cast significant doubt on the ability of the Group and of the Trust to continue as going concerns.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

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

Notwithstanding the above, the financial statements have been prepared on a going concern basis as the Trustee-Manager is in active negotiations with the lenders and have assessed that it is appropriate to do so after considering the following factors and bases:

- (i) New Harvest and Sino-Ocean Capital became the immediate holding and the ultimate holding companies of the Trustee-Manager respectively on 12 October 2021. Sino-Ocean Capital holds 6.3% of the total issued units in the Trust via its affiliate Glory Class Ventures Limited. In addition, Aqua Wealth Holdings Limited, the controlling unitholder of the Trust, has granted a call option to New Harvest (or any of its designated affiliates) for a period of one (1) year following the completion of the sale of the Sale Shares (the "Option") over units in the Trust (the "Units") which, in aggregate, shall not exceed the lower of (a) the total Units owned by Aqua Wealth; and (b) 26.0% of the total Units, in each case as of the date when the Option is exercised;
- (ii) the potential divestment of Shiqi Metro Mall and Xiaolan Metro Mall (the "Proposed Divestment") to a buyout fund managed jointly by GSUM Real Estate Fund Management Co., Ltd. and Sino-Ocean Capital for repayment of the offshore and onshore syndicated loans pertaining to the Initial Portfolio and Shiqi Metro Mall as announced by the Trust on 20 March 2022;
- (iii) the Trust's property portfolio is strategically located in the core cities of the Guangdong-Hong Kong-Macau Greater Bay Area ("Greater Bay Area") where there are limited competing properties. The portfolio has stable growth potential from its resilient lease structure, diversified tenants and business mix as well as balanced mix of mature and growth assets;
- (iv) the business fundamentals of the Group are reasonably stable throughout the COVID-19 pandemic;
- (v) the Group has sufficient cash and cash equivalents and is able to generate positive cash flow from its operations to meet its day-to-day working capital needs; and
- (vi) the Group met its loan repayment obligations and complied with the stated financial covenants during the year and up to the date of this financial statements.

Notwithstanding the plans and measures above taken by management, material uncertainties exist as to whether the Group and the Trust is able to continue as a going concern would depend on the following:

- (i) the Group is successful in its efforts to divest Shiqi Metro Mall and Xiaolan Metro Mall before the stipulated repayment date;
- (ii) the Group is successful in its efforts to timely execute the re-financing of its loans which are due for repayment in 2022 before the above stipulated repayment dates;
- (iii) the Group continues to generate positive cash flows from its operations; and
- (iv) the Group is able to obtain sufficient financial support from Sino-Ocean Capital when needed.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

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

The financial statements did not include any adjustments relating to the realisation and classification of assets and liabilities that may be necessary if the Group and the Trust were unable to continue as a going concern. Should the going concern assumption be inappropriate, adjustments may have to be made to (i) reflect the situation that assets may need to be realised other than their carrying amounts; (ii) provide for further liabilities that might arise; (iii) reclassify non-current assets and non-current liabilities as current. Such adjustments have not been made to the financial statements.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.4 Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency"). The consolidated financial statements of the Group are presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.5 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the Trustee-Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Information about critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements includes deferred taxation on investment properties under note 12 and going concern assessment under note 2.2.

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

- Note 4 – valuation of investment properties;
- Note 8 – measurement of expected credit loss ("ECL") allowance for trade receivables: key assumptions in determining the impairment loss rate.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D)

2.5 Use of estimates and judgements (Cont'd)

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the note 4 - investment properties.

2.6 Changes in accounting policies

The Group has applied the following amendments to and interpretations of IFRSs for the first time for the annual period beginning on 1 January 2021:

- *Interest Rate Benchmark Reform – Phase 2* (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

These amendments represent the second phase of IFRSs amendments ('Phase 2' amendments), which were issued due to global reform of interest rate benchmarks, such as Interbank Offered Rates (IBORs), including replacing them with Alternative Reference Rates (ARRs). The application of the above amendments to standards of IFRSs does not have a material effect on the Group's and the Trust's financial statements. Further information about the reform is included in the note 31 *capital and financial risk management – interest rate risk*.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see note ii). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. When the acquisition transaction is with controlling unitholder, the excess of fair value of the net assets acquired and liabilities assumed over the purchase consideration is recognised as a reserve arising from a transaction with controlling unitholder.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

(i) Business combinations (Cont'd)

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by IFRSs.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in the profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiaries.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Accounting for subsidiaries by the Trust

Investments in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rates at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in profit or loss, except for differences arising on the translation of monetary items that in substance form part of the Group's net investment in a foreign operation (see note 3.2(ii)) which are recognised in other comprehensive income ("OCI").

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on the acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the foreign currency translation reserve. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the profit or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to the NCI.

(iii) Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of the Group's net investment in a foreign operation are recognised in OCI, and are presented within equity in the foreign currency translation reserve. When the foreign operation is disposed of, the cumulative amount in the foreign currency translation reserve is transferred to profit or loss as part of gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

- (ii) Classification and subsequent measurement (Cont'd)

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flow through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

- (ii) Classification and subsequent measurement (Cont'd)

Financial assets at FVTPL (Cont'd)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

The Group has the following non-derivative financial liabilities: trade and other payables, security deposits and loans and borrowings. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

- (iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(iii) Derecognition (Cont'd)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Group also derecognised a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carry amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, pledged deposits are excluded in cash and cash equivalents.

(vi) Derivative financial instruments

The Group holds derivative financial instruments to hedge its interest rate risk exposures.

Derivatives are initially measured at fair value; any attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are accounted for as non-current assets and are stated at initial cost on acquisition and at fair value thereafter.

The cost of a purchased property comprises its purchase price and any directly attributable expenditure. Transaction costs are included in the initial measurement.

Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers at least once a year.

Any increase or decrease on revaluation is credited or charged to profit or loss as a net change in fair value of the investment properties.

Subsequent expenditure relating to investment properties that have already been recognised is added to the carrying amount when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset will flow to the Group.

All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss is the difference between the net disposal proceeds and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above.

3.5 Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains or losses arising from the retirement or disposal of plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

(ii) Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Plant and equipment (Cont'd)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset. Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

Motor vehicles	-	5 years
Furniture, fittings and equipment	-	3 to 5 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting period.

3.6 Intangible assets

Computer software licence

Computer software licence is measured at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over the licence term or the estimated useful life of 5 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Costs associated with maintaining the software are expensed when incurred.

3.7 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs and lease receivables.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (Cont'd)

- (i) Non-derivative financial assets (Cont'd)

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables (including lease receivables). The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (Cont'd)

(i) Non-derivative financial assets (Cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (Cont'd)

(ii) Non-financial assets (Cont'd)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Unitholders' funds

Unitholders' funds represent the residual interests in the Group's net assets upon termination and are classified as equity.

Expenses incurred in connection with the issuance of Units in the Trust are deducted directly against the Unitholders' funds.

3.9 Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit or loss as incurred.

(ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(iii) Retirement benefit costs

The Group participates in state-managed retirement benefit schemes, which are defined contribution schemes, pursuant to which the Group pays a fixed percentage of its qualifying staff's wages as contributions to the plans. Payments to such retirement benefit schemes are recognised in the profit or loss when employees have rendered service entitling them to the contributions.

3.10 Distribution policy

The Trust's distribution policy is to distribute 100% of its amount available for distribution to Unitholders for the period from 20 January 2017 ("Listing Date") to 31 December 2018. Thereafter, the Trustee-Manager will distribute at least 90% 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. Distribution to Unitholders will be made semi-annually based on the half-yearly results of the Trust.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and the Group comply with the conditions associated with the grants.

Government grants relating to assets are deducted against the carrying amount of the assets, and released to profit or loss over the expected useful life of the relevant asset or over the benefits received by the Group related to the assets.

3.12 Revenue recognition

(i) Rental income

Rental income under operating leases is recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on an earned basis. No contingent rental is recognised if there are uncertainties due to the possible return of the amounts received.

(ii) Other income

Other income pertains to carpark revenue, advertising revenue, tenant promotional fee and other income attributable to the operation of the Properties. Such services are of short duration and is recognised when the services are rendered.

(iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

3.13 Leases

At inception of a contract, the Group assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This assessment involves the exercise of judgement about whether it depends on a specified asset, whether the Group obtains substantially all the economic benefits from the use of that asset, and whether the Group has the right to direct the use of the asset.

(i) As a lessee

The Group recognises a right-of-use (ROU) asset and a lease liability at the commencement of the lease. The ROU asset is initially measured based on the present value of lease payments, plus initial direct costs and the cost of obligations to refurbish the asset, less any incentives received. The ROU asset is depreciated using the straight-line method over the shorter of lease term or the useful life of the underlying asset from the commencement of the lease. The ROU asset is subject to testing for impairment if there is an indicator for impairment. The lease liability is measured at amortised cost using the effective interest method. The Group uses its incremental onshore borrowing rate as the discount rate.

The ROU asset is included in the caption plant and equipment, and the lease liability is included in the captions current and non-current trade and other payables.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.13 Leases (Cont'd)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

3.14 Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis.

(ii) Trustee-Manager's management fee (base and performance fees) and trustee fee, Property Manager's property management fee and Commercial Manager's commercial management fees

These are recognised on an accrual basis based on the applicable formula stipulated in note 1.

3.15 Finance income and finance costs

Finance income comprises interest income recognised in the profit or loss as it accrues, using the effective interest method.

Finance costs which comprise interest expense on borrowings and expense incurred in connection with borrowings are recognised in the profit or loss, using the effective interest method over the period of the borrowings.

3.16 Taxation

Tax expenses comprises current and deferred tax. Current tax and deferred tax are recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in Unitholders' funds.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Taxation (Cont'd)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit; and
- temporary differences related to investments in subsidiaries to the extent that the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Where investment properties are carried at their fair values in accordance with the accounting policy set out in note 3.4, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Except for the tax exemption as described below, taxable income earned by the Trust will be subject to Singapore income tax at the prevailing corporate tax rate.

Dividend received by the Trust from its subsidiary in Singapore is exempt from Singapore income tax under Section 13(1)(za) of the Singapore Income Tax Act, 1947 on the dividend income from its subsidiary in Singapore. This is provided the subsidiary is a tax resident of Singapore.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Earnings per unit

The Group presents basic and diluted earnings per unit ("EPU") data for its Units. Basic EPU is calculated by dividing the profit or loss attributable to Unitholders of the Group by the weighted average number of ordinary Units outstanding during the year. Diluted EPU is determined by adjusting the profit or loss attributable to Unitholders and the weighted average number of Units outstanding for the effects of all dilutive potential Units.

3.18 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the management of the Trustee-Manager (the "Management").

Segment results that are reported to the Management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly financial derivative assets/liabilities, other receivables, cash and bank balances, trade and other payables, and interest-bearing borrowings.

Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment and capital expenditure on investment properties.

3.19 New standards and interpretations not yet adopted

A number of new IFRSs, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however the Group has not early applied the new or amended standards and interpretations in preparing these financial statements.

The following new IFRSs, interpretations and amendments to IFRSs are not expected to have a significant impact to the Group's financial statements and the Trust's statement of financial position:

- IFRS 17 *Insurance Contracts* and amendments to IFRS 17 *Insurance Contracts*
- Initial Application of IFRS 17 and IFRS 9 – *Comparative Information*
- *COVID-19-Related Rent Concessions beyond 30 June 2021* (Amendments to IFRS 16)
- *Reference to the Conceptual Framework* (Amendments to IFRS 3)
- *Property, plant and equipment – Proceeds before Intended Use* (Amendments to IAS 16)
- *Onerous Contracts – Cost of Fulfilling a Contract* (Amendment to IAS 37)
- *Classification of Liabilities as Current or Non-current* (Amendment to IAS 1)
- Annual Improvements to IFRS 2018 – 2020
- *Disclosure of Accounting Policies* (Amendments to IAS 1 and IFRS Practice Statement 2)
- *Definition of Accounting Estimates* (Amendments to IAS 8)
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (Amendments to IAS 12)

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES

	Note	Group	
		2021 \$'000	2020 \$'000
At 1 January		2,345,729	1,831,173
Acquisition through business combinations	29	-	508,594
Capital expenditure		2,343	4,932
		2,348,072	2,344,699
Effects of recognising accounting income on a straight-line basis over the lease term		(1,267)	5,598
Changes in fair value		(62,844)	(104,722)
Translation differences on consolidation		112,034	100,154
At 31 December		2,395,995	2,345,729

Investment properties comprise retail properties that are held mainly for use by tenants under operating leases.

No government grant was received in the financial year 2021. During the year ended 31 December 2020, the Group received government grant of approximately \$1,073,000 from the local government by the PRC subsidiaries in relation to installation of enhancement of energy savings equipment for the investment properties. The government grant was included in the capital expenditure.

On 8 July 2020, the Group completed the acquisition of 100% of the equity interests in Singapore Zhi Xin Commercial Holdings Pte. Ltd. ("Singapore Holdco") and its subsidiaries. Singapore Holdco and its seven Singapore subsidiaries are investment holding companies while the three PRC subsidiaries comprise two property companies of Shunde Metro Mall and Tanbei Metro Mall and a rental management company of Shunde Metro Mall.

The following retail properties of the Group are stated at fair value based on valuations expressed in RMB performed by independent professional valuers as at the reporting date and converted into Singapore dollar at the exchange rate prevailing on the reporting date.

Investment properties	Term of lease (years)	Lease expiry	Group			
			2021 \$'000	2020 \$'000	2021 RMB'000	2020 RMB'000
Shiqi Metro Mall	24	27 July 2041 ⁽¹⁾	596,906	579,840	2,812,900	2,864,200
Xiaolan Metro Mall	28	1 April 2043	429,456	435,052	2,023,800	2,149,000
Ocean Metro Mall	31	21 February 2046	355,546	345,268	1,675,500	1,705,500
Dasin E-Colour	30	28 July 2045	56,234	57,089	265,000	282,000
Doumen Metro Mall	40	12 October 2052	418,889	407,925	1,974,000	2,015,000
Shunde Metro Mall	40	6 March 2057	523,770	505,665	2,468,250	2,497,800
Tanbei Metro Mall	40	23 September 2038 ⁽²⁾	15,194	14,890	71,600	73,550
			2,395,995	2,345,729	11,291,050	11,587,050

⁽¹⁾ The expiry date of the land use rights of Shiqi Metro Mall is 27 July 2041 (for commercial use).

⁽²⁾ The expiry date of the land use rights of Tanbei Metro Mall is 23 September 2038 (for commercial use).

Contingent rents, representing income based on sales achieved by certain tenants, recognised in the consolidated statement of profit or loss during the year amounted to \$7,061,000 (2020: \$6,521,000).

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES (CONT'D)

Security

The investment properties are pledged as security to secure credit facilities (note 11).

Measurement of fair value

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

The carrying value of the investment properties as at 31 December 2021 and 31 December 2020 were based on independent valuation undertaken by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), having considered available information including economic, market and other conditions existed as of the valuation date. The valuation report highlighted that the disruption to economic activities caused by the outbreak of the COVID-19 around the world. Although China economy has recovered and most business activities have been back to normal, due to uncertainty for the pace of global economic recovery in the midst of the outbreak that may have future impact on the real estate market, the independent valuer has recommended to keep the valuation of the investment properties under frequent review.

The valuers have considered valuation techniques including the income capitalisation and discounted cash flows approaches (2020: income capitalisation and discounted cash flows approaches) in arriving at the open market value as at the reporting dates.

The fair value of the Group's investment properties is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the income capitalisation approach discounted cash flows approach in arriving at the open market value as at the reporting date. The income capitalisation approach assesses the value of a property by capitalising the current passing rental income and estimates reversionary rental income of the property. The discounted cash flows method involves the estimation and projection of an income stream over a period and discounting the income stream with a risk adjusted discount rates to arrive at the market value.

There has been no change to the valuation technique during the year.

Level 3 fair values

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

Valuation methods	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows approach	Discount rates from 7.00% to 7.50% per annum (2020: from 7.00% to 7.50% per annum) Terminal rate of 4.50% (2020: 4.50%)	The fair value increases as discount rates and terminal rates decreases.
Income capitalisation approach	Term yield rates from 2.50% to 4.00% (2020: from 3.00% to 4.00%) Reversionary rate of 3.00% to 4.50% (2020: 4.50%)	The fair value increases as term yield and reversionary rate decreases.

NOTES TO THE FINANCIAL STATEMENTS

5. PLANT AND EQUIPMENT

	Note	Group			Total \$'000
		Motor vehicles \$'000	Furniture, fittings and equipment \$'000	Right-Of- Use asset \$'000	
Cost					
At 1 January 2020		407	149	146	702
Acquisition through business combinations	29	-	106	-	106
Additions during the year		-	1	183	184
Translation difference on consolidation		20	9	6	35
At 31 December 2020		427	265	335	1,027
Additions during the year		-	-	-	-
Translation difference on consolidation		16	13	16	45
At 31 December 2021		443	278	351	1,072
Accumulated depreciation					
At 1 January 2020		338	64	103	505
Charge for the year		36	53	44	133
Translation difference on consolidation		14	4	6	24
At 31 December 2020		388	121	153	662
Charge for the year		5	75	63	143
Translation difference on consolidation		14	8	8	30
At 31 December 2021		407	204	224	835
Carrying amounts					
At 1 January 2020		69	85	43	197
At 31 December 2020		39	144	182	365
At 31 December 2021		36	74	127	237

During the financial year ended 31 December 2020, the right-of-use asset relates to the lease of an office premises expired in year 2020. The expired contract was replaced by a new lease for three years in year 2020. This has resulted in additions to right-of-use asset of \$183,000 in year 2020.

NOTES TO THE FINANCIAL STATEMENTS

6. INTANGIBLE ASSETS

	Group
	Computer software licence \$'000
<hr/>	
Cost	
At 1 January 2020	327
Additions during the year	97
Translation difference on consolidation	15
At 31 December 2020	<u>439</u>
Additions during the year	86
Translation difference on consolidation	20
At 31 December 2021	<u>545</u>
 Accumulated amortisation	
At 1 January 2020	-
Amortisation	50
Translation difference on consolidation	2
At 31 December 2020	<u>52</u>
Amortisation	63
Translation difference on consolidation	3
At 31 December 2021	<u>118</u>
 Carrying amounts	
At 1 January 2020	<u>327</u>
At 31 December 2020	<u>387</u>
At 31 December 2021	<u>427</u>

7. SUBSIDIARIES

	Trust	
	2021	2020
	\$'000	\$'000
<hr/>		
Unquoted equity, at cost	126,400	126,400
Loans to subsidiaries	785,973	775,168
	<u>912,373</u>	<u>901,568</u>

The loans to subsidiaries are unsecured, interest-free and are not expected to be repaid within the next twelve months. The loans to subsidiaries were provided to subsidiaries to fund the acquisition of the investment properties of the Group.

NOTES TO THE FINANCIAL STATEMENTS

7. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Place of incorporation	Effective equity held by the Group	
			2021 %	2020 %
(i) Direct subsidiaries				
Singapore Dasin Commercial Holdings Pte. Ltd. ⁽²⁾ ("Singapore Dasin Commercial Holdings")	Investment holding	Singapore	100	100
Singapore Jiaxin Commercial Holdings Pte. Ltd. ⁽²⁾ ("Singapore Jiaxin Commercial Holdings")	Investment holding	Singapore	100	100
Singapore Zhi Xin Commercial Holdings Pte. Ltd. ⁽²⁾ ("Singapore Zhi Xin Commercial Holdings")	Investment holding	Singapore	100	100
(ii) Indirect subsidiaries				
Subsidiaries of Singapore Dasin Commercial Holdings				
Lan Xin Investments Pte. Ltd. ⁽²⁾ ("Lan Xin Investments")	Investment holding	Singapore	100	100
Lan Xin Management Pte. Ltd. ⁽²⁾ ("Lan Xin Management")	Investment holding	Singapore	100	100
Yuan Xin Investments Pte. Ltd. ⁽²⁾ ("Yuan Xin Investments")	Investment holding	Singapore	100	100
Yi Xin Investments Pte. Ltd. ⁽²⁾ ("Yi Xin Investments")	Investment holding	Singapore	100	100
Yi Xin Management Pte. Ltd. ⁽²⁾ ("Yi Xin Management")	Investment holding	Singapore	100	100
Sheng Xin Holdings Pte. Ltd. ⁽²⁾ ("Sheng Xin Holdings")	Investment holding	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

7. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal activities	Place of incorporation	Effective equity held by the Group	
			2021 %	2020 %
(ii) Indirect subsidiaries (Cont'd)				
Subsidiary of Lan Xin Investments				
Zhongshan Xinrui Commercial Management Co., Ltd. ⁽¹⁾ (中山市信瑞商业管理有限公司 ⁽³⁾) ("Xinrui Commercial")	Property investment (Xiaolan Metro Mall)	People's Republic of China	100	100
Subsidiary of Lan Xin Management				
Zhongshan Xiaolan Dasin Xinduhui Commercial Management Co., Ltd. ⁽¹⁾ (中山市小榄大信新都汇商业管理有限公司 ⁽³⁾) ("Xiaolan Dasin Xinduhui")	Rental management (Xiaolan Metro Mall)	People's Republic of China	100	100
Subsidiary of Yuan Xin Investments				
Zhongshan Yuanxin Commercial Property Management Co., Ltd. ⁽¹⁾ (中山市远信商用物业管理有限公司 ⁽³⁾) ("Yuanxin Commercial")	Property investment and rental management (Ocean Metro Mall)	People's Republic of China	100	100
Subsidiary of Yi Xin Investments				
Zhongshan Xinteng Commercial Management Co., Ltd. ⁽¹⁾ (中山市信腾商业管理有限公司 ⁽³⁾) ("Xinteng Commercial")	Property investment (Dasin E-Colour)	People's Republic of China	100	100
Subsidiary of Yi Xin Management				
Zhongshan Yicai Dasin Xinduhui Commercial Management Co., Ltd. ⁽¹⁾ (中山市溢彩大信新都汇商业管理有限公司 ⁽³⁾) ("Yicai Dasin Xinduhui")	Rental management (Dasin E-Colour)	People's Republic of China	100	100

NOTES TO THE FINANCIAL STATEMENTS

7. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal activities	Place of incorporation	Effective equity held by the Group	
			2021 %	2020 %
(ii) Indirect subsidiaries (Cont'd)				
Subsidiaries of Sheng Xin Holdings				
Sheng Xin Properties Pte. Ltd. ⁽²⁾ ("Sheng Xin Properties")	Investment holding	Singapore	100	100
Sheng Xin Management Pte. Ltd. ⁽²⁾ ("Sheng Xin Management")	Investment holding	Singapore	100	100
Subsidiary of Sheng Xin Properties				
Zhongshan Xinkong Commercial Management Co., Ltd. ⁽¹⁾ (中山市信控商业管理有限公司 ⁽³⁾) ("Xinkong Commercial")	Property investment (Shiqi Metro Mall)	People's Republic of China	100	100
Subsidiary of Sheng Xin Management				
Zhongshan Shiqi Dasin Xinduhui Commercial Management Co., Ltd. ⁽¹⁾ (中山市石岐大信新都汇商业管理有限公司 ⁽³⁾) ("Shiqi Dasin Xinduhui")	Rental management (Shiqi Metro Mall)	People's Republic of China	100	100
Subsidiary of Singapore Jiaxin Commercial Holdings				
Jia Xin Holdings Pte. Ltd. ⁽²⁾ ("Jia Xin Holdings")	Investment holding	Singapore	100	100
Subsidiaries of Jia Xin Holdings				
Jia Xin Investments Pte. Ltd. ⁽²⁾ ("Jia Xin Investments")	Investment holding	Singapore	100	100
Jia Xin Management Pte. Ltd. ⁽²⁾ ("Jia Xin Management")	Investment holding	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

7. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal activities	Place of incorporation	Effective equity held by the Group	
			2021 %	2020 %
(ii) Indirect subsidiaries (Cont'd)				
Subsidiary of Jia Xin Investments				
Zhuhai Xinmingyang Investment Co., Ltd. ⁽¹⁾ (珠海新名扬投资有限公司 ⁽³⁾) ("Xinmingyang")	Property investment (Doumen Metro Mall)	People's Republic of China	100	100
Subsidiary of Jia Xin Management				
Zhuhai Doumen Dasin Metro-Mall Commercial Management Co., Ltd. ⁽¹⁾ (珠海市斗门大信新都汇商业管理有限公司 ⁽³⁾) ("Doumen Dasin Metro-Mall")	Rental management (Doumen Metro Mall)	People's Republic of China	100	100
Subsidiaries of Singapore Zhi Xin Commercial Holdings				
Singapore Xu Xin Commercial Holdings Pte. Ltd. ⁽²⁾ ("Singapore Xu Xin Commercial Holdings")	Investment holding	Singapore	100	100
Singapore Tan Xin Commercial Holdings Pte. Ltd. ⁽²⁾ ("Singapore Tan Xin Commercial Holdings")	Investment holding	Singapore	100	100
Subsidiary of Singapore Xu Xin Commercial Holdings				
Xu Xin Holdings Pte. Ltd. ⁽²⁾ ("Xu Xin Holdings")	Investment holding	Singapore	100	100
Subsidiaries of Xu Xin Holdings				
Xu Xin Investments Pte. Ltd. ⁽²⁾ ("Xu Xin Investments")	Investment holding	Singapore	100	100
Xu Xin Management Pte. Ltd. ⁽²⁾ ("Xu Xin Management")	Investment holding	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

7. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal activities	Place of incorporation	Effective equity held by the Group	
			2021 %	2020 %
(ii) Indirect subsidiaries (Cont'd)				
Subsidiary of Xu Xin Investments				
Foshan Dasin Commercial Management Co., Ltd. ⁽¹⁾ (佛山市大信商业管理有限公司 ⁽³⁾) ("Foshan Dasin")	Property investment (Shunde Metro Mall)	People's Republic of China	100	100
Subsidiary of Xu Xin Management				
Foshan Shunde Dasin Metro-Mall Commercial Management Co., Ltd. ⁽¹⁾ (佛山市顺德大信新都汇商业管理有限公司 ⁽³⁾) ("Shunde Dasin Metro-Mall")	Rental management (Shunde Metro Mall)	People's Republic of China	100	100
Subsidiary of Singapore Tan Xin Commercial Holdings				
Tan Xin Holdings Pte. Ltd. ⁽²⁾ ("Tan Xin Holdings")	Investment holding	Singapore	100	100
Subsidiary of Tan Xin Holdings				
Tan Xin Investments Pte. Ltd. ⁽²⁾ ("Tan Xin Investments")	Investment holding	Singapore	100	100
Subsidiary of Tan Xin Investments				
Zhongshan Yuanteng Commercial Property Management Co., Ltd. ⁽¹⁾ (中山市远腾商用物业管理有限公司 ⁽³⁾) ("Yuanteng Commercial")	Property investment and rental management (Tanbei Metro Mall)	People's Republic of China	100	100

⁽¹⁾ Audited by a member firm of Deloitte & Touche Tohmatsu Limited for consolidation purposes only.

⁽²⁾ Audited by Deloitte & Touche LLP.

⁽³⁾ The English names of those companies established in the PRC are for reference only and have not been registered.

NOTES TO THE FINANCIAL STATEMENTS

8. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Non-current				
Other receivable	466	-	-	-
Current				
Trade receivables – third parties	9,519	4,257	-	-
Loss allowance on receivables	(4,623)	(967)	-	-
	4,896	3,290	-	-
Trade receivables – related parties	9,331	633	-	-
Loss allowance on receivables	(5,758)	(5)	-	-
	3,573	628	-	-
Trade receivables (net)	8,469	3,918	-	-
Other receivables	12,811	15,514	9	8
Loss allowance on receivables	(2)	(2)	-	-
	12,809	15,512	9	8
Interest receivables	119	162	-	19
Amount due from related parties (non-trade)	1,242	44	-	44
Amounts due from subsidiaries (non-trade)	-	-	380	240
Trade and other receivables	22,639	19,636	389	311
Contract costs	77	156	-	-
Prepayment	540	512	200	204
Advances to a supplier	367	-	-	-
	23,623	20,304	589	515

Concentration of credit risk relating to trade and other receivables is limited as the Group has many varied tenants and a credit policy of obtaining security deposits from tenants for the lease of units in the Group's investment properties. These tenants comprise third parties and related parties retailers engaged in a wide variety of consumer trades. The credit terms of these tenants varying from five days to 35 days.

Included in other receivables was a recoverable net input value-added tax ("VAT") of approximately \$12,348,000 (2020: \$15,021,000).

Non-current other receivable of \$466,000 (2020: Nil) relate to a finance lease receivable from a tenant for a period of ten-year. Contractual undiscounted cash flows of the finance lease receivable of the Group are disclosed in note 30(b)(ii).

Amount due from related parties (non-trade) is unsecured, interest free and repayable on demand. There is no allowance for doubtful debts arising from these outstanding balances as the ECL is not material.

NOTES TO THE FINANCIAL STATEMENTS

8. TRADE AND OTHER RECEIVABLES (CONT'D)

A one-time lease-up commission of the first two months' gross rent of each lease to the Commercial Manager for securing minimum term of two years committed lease after undergone the major asset enhancement. Such commissions are incremental costs and are capitalised. These costs are amortised on a straight-line over the period of the lease. During the year, contract costs \$55,000 (2020: \$30,000) were amortised to profit or loss. There was no loss allowance recognised on contract costs.

Expected credit loss assessment

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

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

The Trustee-Manager believes that no loss allowance for impairment beyond the amounts provided for is necessary in respect of trade receivables as these receivables relate mainly to tenants that have good records with the Group or have sufficient security deposits as collateral. The following table provides information about the risk profile of the lifetime ECL's for trade and other receivables:

	Group			
	Gross		Loss allowance	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Not past due	16,098	17,284	260	-
Past due 1 - 30 days	3,124	1,732	940	16
Past due 31 - 60 days	2,671	475	1,120	28
Past due 61 - 90 days	3,194	226	1,904	39
More than 90 days past due	8,401	893	6,159	891
	33,488	20,610	10,383	974

Movements in loss allowance in respect of trade and other receivables

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

	Group	
	2021	2020
	\$'000	\$'000
At 1 January	974	223
Loss allowance on trade and other receivables, net	9,212	645
Acquisition through business combinations	-	98
Allowance utilised	-	(14)
Translation difference	197	22
At 31 December	10,383	974

The majority of the trade receivables are mainly from tenants that have good credit records with the Group. The loss allowance account in respect of trade and other receivables is used to record loss allowance for expected credit losses in accordance with IFRS 9 unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts are considered irrecoverable and are written off against the financial asset directly.

NOTES TO THE FINANCIAL STATEMENTS

8. TRADE AND OTHER RECEIVABLES (CONT'D)

Trust

Amounts due from subsidiaries (non-trade) are unsecured, interest free and repayable on demand. There is no loss allowance arising from these outstanding balances as the ECL is not material.

The ageing of the other receivables of the Trust at the reporting date are not past due and credit impaired.

9. FINANCIAL DERIVATIVES

	Group and Trust	
	2021 \$'000	2020 \$'000
Derivative financial assets	47	-
Derivative financial liabilities	(27)	(890)

The following are the contractual maturities of derivative financial liabilities, including estimated interest payments:

	Group and Trust				
	Carrying amount \$'000	Contractual cash flow \$'000	Within 1 year \$'000	Within 2 to 5 years \$'000	After 5 years \$'000
Financial derivative assets					
2021					
Interest rate swaps	47	149	149	-	-
2020					
There were no financial derivative assets as at 31 December 2020.					
Financial derivative liabilities					
2021					
Interest rate swaps	(27)	87	87	-	-
2020					
Interest rate swaps	(890)	937	702	235	-

As at reporting date, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The table also indicates the periods in which the cash flows associated with derivatives that are expected to occur and impact the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

10. CASH AND BANK BALANCES

	Group		Trust	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Bank balances	94,373	104,623	9,023	10,212
Fixed deposits with financial institutions	24,849	37,881	2,697	8,688
Cash and bank balances in statements of financial position	119,222	142,504	11,720	18,900
Less: Restricted cash	(31,206)	(43,714)	(5,950)	(11,917)
Cash and cash equivalents in statement of cash flows	88,016	98,790	5,770	6,983

Fixed deposits have original maturities of one month or less.

Restricted cash included (i) \$11,004,000 (2020: \$16,683,000) relating to cash pledged by a subsidiary and the Trust to obtain the term loan facilities (see note 11), (ii) \$354,000 and \$19,098,000 (RMB90,000,000) (2020: \$26,318,000 (RMB130,000,000)) relating to cash pledged by the Trust and a subsidiary respectively to obtain the revolving credit facility for the Trust (see note 11), and (iii) \$750,000 (2020: \$713,000) held by a subsidiary.

11. LOANS AND BORROWINGS

	Group		Trust	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Secured bank loans (see notes below)	959,406	948,788	679,367	674,416
Less: Unamortised transactions costs	(5,322)	(9,314)	(1,989)	(4,227)
	954,084	939,474	677,378	670,189
Non-current	198,233	422,744	-	233,066
Current	755,851	516,730	677,378	437,123
	954,084	939,474	677,378	670,189

NOTES TO THE FINANCIAL STATEMENTS

11. LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of the outstanding interest-bearing secured bank loans are as follows:

	Nominal interest rate per annum %	Year of maturity	Original currency	Face value in thousand	Group		Trust
					Face value \$'000	Carrying amount \$'000	
2021							
Initial Portfolio and Shiqi Metro Mall							
Onshore secured floating rate term loan	5.225	2022	RMB	360,152	76,425	76,386	-
Offshore secured floating rate term loan	1.31-1.83	2022	SGD	242,000	242,000	242,000	242,000
Onshore secured floating rate term loan	1.29-1.82	2022	USD	134,286	181,095	181,095	181,095
					499,520	499,481	423,095
Doumen Metro Mall							
Onshore secured floating rate term loan	4.9	2022-2029	RMB	487,500	103,449	102,284	-
Offshore secured floating rate term loan	1.69-1.82	2022	SGD	54,880	54,880	54,247	54,247
Offshore secured floating rate term loan	1.64-1.88	2022	HKD	294,000	50,848	50,262	50,262
					209,177	206,793	104,509
Shunde Metro Mall and Tanbei Metro Mall							
Onshore secured floating rate term loan	4.7	2022-2025	RMB	472,025	100,165	98,036	-
Offshore secured floating rate term loan	1.67-1.77	2022	SGD	87,000	87,000	86,496	86,496
Offshore secured floating rate term loan	1.33-1.42	2022	USD	34,000	45,851	45,585	45,585
					233,016	230,117	132,081
Revolving credit facility							
Revolving credit facility	2.91	2022	USD	13,120	17,693	17,693	17,693
					959,406	954,084	677,378

NOTES TO THE FINANCIAL STATEMENTS

11. LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule (Cont'd)

Terms and conditions of the outstanding interest-bearing secured bank loans are as follows:

	Nominal interest rate per annum %	Year of maturity	Original currency	Face value in thousand	Group		Trust
					Face value \$'000	Carrying amount \$'000	Carrying amount \$'000
2020							
Initial Portfolio and Shiqi Metro Mall							
Onshore secured floating rate term loan	4.28	2021	RMB	386,000	78,143	77,649	-
Offshore secured floating rate term loan	1.37-3.08	2021	SGD	242,000	242,000	241,794	241,794
Onshore secured floating rate term loan	1.42-4.39	2021	USD	134,286	177,483	177,329	177,329
					497,626	496,772	419,123
Doumen Metro Mall							
Onshore secured floating rate term loan	4.90	2021-2029	RMB	492,500	99,704	97,746	-
Offshore secured floating rate term loan	1.66-3.03	2021-2022	SGD	54,880	54,880	53,538	53,538
Offshore secured floating rate term loan	2.10-3.91	2021-2022	HKD	294,000	50,115	48,891	48,891
					204,699	200,175	102,429
Shunde Metro Mall and Tanbei Metro Mall							
Onshore secured floating rate term loan	4.75	2021-2025	RMB	476,805	96,525	93,890	-
Offshore secured floating rate term loan	1.67-1.68	2021-2022	SGD	87,000	87,000	86,142	86,142
Offshore secured floating rate term loan	1.42-1.47	2021-2022	USD	34,000	44,938	44,495	44,495
					228,463	224,527	130,637
Revolving credit facility							
Revolving credit facility	1.60-1.65	2021	SGD	18,000	18,000	18,000	18,000
					948,788	939,474	670,189

NOTES TO THE FINANCIAL STATEMENTS

11. LOANS AND BORROWINGS (CONT'D)

Security

As at 31 December 2021, the Group has three onshore syndicated term loans of Renminbi (“RMB”) 360,152,000 (\$76,425,000), RMB487,500,000 (\$103,449,000) and RMB472,025,000 (\$100,165,000) (collectively “Onshore Facilities”), and three offshore syndicated term loan of a \$242,000,000 and United States Dollar (“USD”) 134,286,000 (\$181,095,000) equivalent to \$423,095,000 in aggregate, a \$54,880,000 and Hong Kong Dollar (“HKD”) 294,000,000 (\$50,848,000) equivalent to \$105,728,000 in aggregate and a \$87,000,000 and USD34,000,000 (\$45,851,000) equivalent to \$132,851,000 in aggregate (collectively “Offshore Facilities”).

The Onshore Facilities are secured by legal mortgage over the investment properties of the Group with carrying amount of \$2,395,995,000 (2020: \$2,345,729,000) and a pledge over the sales proceeds, rental income and receivables derived from these properties.

The Offshore Facilities are secured by way of first ranking charges over the entire issued share capital of each of the Singapore holding 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 all-in-interest rate of the Onshore Facilities and Offshore Facilities for 2021 were 5.5% and 3.3% (2020: 5.3% and 3.7%) respectively.

In addition to the above facilities, the Group has a two-year revolving credit facility of USD13,797,000 (\$18,606,000) (2020: \$20,400,000) as at 31 December 2021. The Group has drawn down USD13,120,000 (\$17,693,000) (2020: \$18,000,000) of the revolving credit facility as at 31 December 2021. The facility was obtained mainly for the purpose of financing the general working capital of the Group. The revolving credit facility is secured by the restricted cash (see note 10) from a subsidiary in PRC.

During the year ended 31 December 2021, the Group and the Trust extended the tenure of the onshore syndicated term loan and the offshore syndicated term loans comprising RMB360,152,000 (\$76,425,000), and \$242,000,000 and USD134,286,000 (\$181,095,000) equivalent to \$423,095,000 in aggregate respectively relating to acquisition of the Initial Portfolio and Shiqi Metro Mall to 19 March 2022. Subsequent to the year end, the tenure of these onshore syndicated term loan and the offshore syndicated term loans have been extended to 19 June 2022.

NOTES TO THE FINANCIAL STATEMENTS

11. LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Group		
	Loans and borrowings \$'000	Interest payable \$'000	Total \$'000
Balance at 1 January 2020	705,513	2,320	707,833
Changes from financing cash flows			
Finance costs paid	-	(24,591)	(24,591)
Payment of transaction costs related to loans and borrowings	(9,008)	-	(9,008)
Proceeds from loans and borrowings	249,182	-	249,182
Repayment of loans and borrowings	(224,853)	-	(224,853)
Total changes from financing cash flows	15,321	(24,591)	(9,270)
Non-cash changes			
The effect of changes in foreign exchange rates and translation differences on consolidation	7,267	242	7,509
Acquisition through business combinations	201,034	-	201,034
Amortisation of capitalised transaction costs	10,339	-	10,339
Interest expense	-	25,649	25,649
Total non-cash changes	218,640	25,891	244,531
Balance at 31 December 2020 and 1 January 2021	939,474	3,620	943,094
Changes from financing cash flows			
Finance costs paid	-	(25,709)	(25,709)
Payment of transaction costs related to loans and borrowings	(9,406)	-	(9,406)
Proceeds from loans and borrowings	17,693	-	17,693
Repayment of loans and borrowings	(20,302)	-	(20,302)
Total changes from financing cash flows	(12,015)	(25,709)	(37,724)
Non-cash changes			
The effect of changes in foreign exchange rates and translation differences on consolidation	13,012	(303)	12,709
Amortisation of capitalised transaction costs	13,613	-	13,613
Interest expense	-	24,862	24,862
Total non-cash changes	26,625	24,559	51,184
Balance at 31 December 2021	954,084	2,470	956,554

NOTES TO THE FINANCIAL STATEMENTS

12. DEFERRED TAX LIABILITIES

The movement in deferred tax liabilities during the financial year is as follows:

	Group									
	At 1 January 2020 \$'000	Statement of profit or loss (Note 22) \$'000	Withholding tax paid \$'000	Acquisition through business combinations (Note 29) \$'000	Translation difference \$'000	At 31 December 2020 \$'000	Statement of profit or loss (Note 22) \$'000	Withholding tax paid \$'000	Translation difference \$'000	At 31 December 2021 \$'000
Deferred tax liabilities										
Investment properties	328,072	(14,913)	-	74,847	17,780	405,786	(3,618)	-	19,767	421,935
Deferred income tax expenses	11	(117)	-	105	(107)	(108)	(2,278)	-	(93)	(2,479)
Tax on undistributed profits	1,170	972	(1,180)	-	(28)	934	1,029	(1,001)	14	976
	329,253	(14,058)	(1,180)	74,952	17,645	406,612	(4,867)	(1,001)	19,688	420,432

Deferred tax assets of \$19,394,000 (2020: \$18,651,000) have not been recognised in respect of the following item because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom:

	Group	
	2021 \$'000	2020 \$'000
Tax losses	77,574	74,606

The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the country in which the subsidiaries operate. These tax losses can be carried forward up to five consecutive years and will expire on the fifth year from which the tax losses arise. The tax losses of approximately \$8,094,000 (2020: \$5,610,000) expired in current year.

NOTES TO THE FINANCIAL STATEMENTS

13. TRADE AND OTHER PAYABLES

	Group		Trust	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Non-current				
Trade payables – third parties	1,061	7,070	-	-
Other payables	559	120	-	-
Amounts due to subsidiaries (non-trade, interest bearing)	-	-	53,109	8,098
	1,620	7,190	53,109	8,098
Current				
Trade payables – third parties	11,233	8,849	-	-
Trade payables – related parties	3,700	3,000	-	-
Trade payables	14,933	11,849	-	-
Accrued operating expenses	1,215	2,000	402	335
Amounts due to subsidiaries (non-trade, interest free)	-	-	48,284	44,368
Amounts due to subsidiaries (non-trade, interest bearing)	-	-	-	15,069
Amounts due to related parties (non-trade)	5,265	2,934	5,042	2,682
Interest payables	2,470	3,620	721	1,377
Other payables	5,316	8,042	263	-*
	29,199	28,445	54,712	63,831
Receipt in advance from tenants	1,385	1,751	-	-
Other taxes	875	926	103	109
	31,459	31,122	54,815	63,940

* less than \$1,000

The amounts due to related parties (non-trade) is unsecured, interest-free and repayable on demand. Included in the amounts due to related parties were advances from a beneficiary of the ultimate controlling party of the Trust amounting to approximately \$1,860,000 (2020: nil).

Included in other payables was a construction cost payable to a third party of approximately \$4,382,000 (2020: \$7,045,000) which is unsecured, interest bearing with fixed interest rate of 4.35% (2020: 4.35%) per annum and repayable within the next twelve months.

Included in other payables was also the net lease liabilities of the Group of \$634,000 (2020: \$183,000) related to a right-of-use asset (note 5) and a finance lease receivable (note 8). Contractual undiscounted cash flows of the lease liabilities of the Group are disclosed in note 30(c).

Trust

The amounts due to subsidiaries (non-trade, interest free) are unsecured and repayable on demand.

The amounts due to subsidiaries (non-trade, interest bearing) are unsecured, interest range between 1% and 3.85% (2020: 1.5% and 4.35%) per annum with tenure of 36 to 59 months (2020: 24 to 36 months).

NOTES TO THE FINANCIAL STATEMENTS

14. UNITS IN ISSUE

	Group and Trust			
	2021		2020	
	Number of units '000	\$'000	Number of units '000	\$'000
Units in issue				
At 1 January	777,480	280,324	647,034	192,805
Units issued arising from:				
- Trustee-Manager's fees paid in units	11,690	6,881	7,014	5,724
- Acquisition fee paid in units	-	-	2,920	2,278
- Private placement	-	-	120,512	93,999
Issue expenses	-	-	-	(920)
Distribution to unitholders	-	(21,926)	-	(13,562)
	789,170	265,279	777,480	280,324
Units to be issued				
Trustee-Manager's fees payable in units	4,844	1,772	2,236	1,708
Total issued and issuable units as at 31 December	794,014	267,051	779,716	282,032

Units issued during the year ended 31 December 2021 are as follows:

- On 12 March 2021, the Trust issued 2,235,704 units at an issue price of \$0.76415 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 October 2020 to 31 December 2020;
- On 27 May 2021, the Trust issued 2,320,713 units at an issue price of \$0.72388 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 January 2021 to 31 March 2021;
- On 20 August 2021, the Trust issued 2,658,051 units at an issue price of \$0.64893 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 April 2021 to 30 June 2021;
- On 30 December 2021, the Trust issued 4,474,906 units at an issue price of \$0.39515 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 July 2021 to 30 September 2021 (see note 27).

Units issued during the year ended 31 December 2020 are as follows:

- On 12 March 2020, the Trust issued 1,593,673 units at an issue price of \$0.83597 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 October 2019 to 31 December 2019;
- On 29 June 2020, the Trust issued 1,698,354 units at an issue price of \$0.79983 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 January 2020 to 31 March 2020;
- On 7 July 2020, the Trust issued 120,512,000 units at an issue price of \$0.78000 per unit in respect of a private placement exercise for the acquisition of Shunde Metro Mall and Tanbei Metro Mall;

NOTES TO THE FINANCIAL STATEMENTS

14. UNITS IN ISSUE (CONT'D)

- (h) On 24 September 2020, the Trust issued 1,615,933 units at an issue price of \$0.82939 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 April 2020 to 30 June 2020;
- (i) On 25 September 2020, the Trust issued 2,920,258 units at an issue price of \$0.78000 per unit as payment of the acquisition fee for the acquisition of Shunde Metro Mall and Tanbei Metro Mall; and
- (j) On 29 December 2020, the Trust issued 2,105,587 units at an issue price of \$0.80402 per unit as payment of the Trustee Fee and the Base Fee component of the Trustee-Manager's Management Fee for the period from 1 July 2020 to 30 September 2020.

The issue prices for items (a) to (f), (h) and (j) were determined based on the volume weighted average traded price for all trades done on the SGX-ST in the ordinary course of trading for the last 10 business days of the relevant periods in which the trustee fee and management fees accrue.

Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of unitholders are contained in the Trust Deed and include the right to:

- one vote per unit;
- receive income and other distributions attributable to the units held;

Each of Aqua Wealth and Bounty Way has on 13 January 2017 provided the Trustee-Manager a Distribution Waiver Undertaking pursuant to which each of Aqua Wealth and Bounty Way has agreed to waive a portion of its entitlement to distributions from the Trust over a period of approximately five years, commencing from the Listing Date (the "Distribution Waiver Period") to 31 December 2021.

Distribution Waiver Period	Aggregate number of Aqua Wealth and Bounty Way units not entitled to Distributions	% of total number of units on Listing Date
Listing Date to 31 December 2017	302,283,481	55.0%
1 January 2018 to 31 December 2018	263,811,038	48.0%
1 January 2019 to 31 December 2019	247,322,848	45.0%
1 January 2020 to 31 December 2020	192,362,214	35.0%
1 January 2021 to 31 December 2021	82,440,948	15.0%

- participate in the winding up or liquidation of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any Trust Property (or any part thereof) or any real estate, any interest in any asset and real estate-related Trust Property (or any part thereof); and
- attend all unitholders' meetings. The Trustee-Manager may (and the Trustee-Manager shall at the request in writing of not less than two unitholders and constitutes not less than five-percent in number of unitholders, whichever is higher; or not less than two unitholders and hold in aggregate not less than 10% of the total voting rights of all the unitholders having at the date of calling of the meeting a right to vote at general meetings of the unitholders of the registered business trust) at any time convene a meeting of unitholders in accordance with the provisions of the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS

14. UNITS IN ISSUE (CONT'D)

The restrictions of a unitholder include the following:

- a unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a unitholder has no right to request the Trustee-Manager to redeem his units while the units are listed on the SGX-ST

A unitholder's liability is limited to the amount paid or payable for any unit in the Trust. The provisions of the Trust Deed provide that no unitholder will be personally liable to indemnify the Trustee-Manager or any creditor of the Trustee-Manager in the event that the liabilities of the Trust exceed its assets.

15. OTHER RESERVES

	Note	Group		Trust	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Statutory surplus reserve	(i)	674	554	-	-
Capital reserve	(ii)	910,042	910,042	-	-
Foreign currency translation reserve	(iii)	57,515	(28,215)	-	-
Accumulated losses		(121,611)	(62,062)	(127,651)	(104,166)
		846,620	820,319	(127,651)	(104,166)

(i) Statutory surplus reserve

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

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

(ii) Capital reserve

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

(iii) Foreign currency translation reserve comprises:

- foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Trust; and
- the foreign exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

NOTES TO THE FINANCIAL STATEMENTS

16. TOTAL UNITHOLDERS' DISTRIBUTION

Unitholders' distribution for the year is accounted for as distribution from operations and distribution from unitholders' contributions:

(a) Distribution from operations

This refers to distribution made by the Trust that is represented by income received or receivable during the financial year, as the case may be, net of expenses. Such income comprises mainly the following:

- dividend from subsidiaries in PRC paid out of dividend declared by the subsidiaries.

The above income originates from income derived by the subsidiaries in PRC in respect of the current financial year.

(b) Distribution from unitholders' contributions

This refers to the amount of distribution made by the Trust for the financial year where the underlying cash is not, or may not be, received or receivable as income by the Trust during that period. Distribution is calculated based on profits from operations arising from the investment properties which are declared as dividend income after the financial year, as the case may be, and accordingly also received as dividends by the Trust after that year, and after adjusting for the following:

- changes in fair value and the related deferred taxation of investment properties;
- amortisation of capitalised transaction costs and commitment fee expense;
- depreciation of plant and equipment;
- fair value changes of derivative financial instruments;
- rental income recognised on a straight-line basis;
- trust expenses that are paid in Units and certain unrealised expenses;
- cash allocated for interest and principal repayments for loan facilities;
- unrealised exchange differences; and
- non-recurring expenses.

Income available for distribution to Unitholders at end of the year

Distributions are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. In accordance with the provisions of the Trust Deed, the Trustee-Manager is required to pay distributions within 90 days from the end of each distribution period. Distributions, when paid, will be in Singapore dollars.

Distributions for the period from 1 January 2021 to 30 June 2021 had been paid on 4 October 2021. Distribution for the period from 1 July 2021 to 31 December 2021 will be paid within 90 days of the end of the distribution period, in accordance with the provisions of the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS

17. NET ASSET VALUE PER UNIT

	Group		Trust	
	2021	2020	2021	2020
Net asset value per unit is based on:				
- Net assets (\$'000)	1,113,671	1,102,351	139,400	177,866
- Total number of issued and issuable units at the end of the year ('000)	794,014	779,716	794,014	779,716
Net asset value per unit (\$)	1.40	1.41	0.18	0.23

18. REVENUE

	Group	
	2021 \$'000	2020 \$'000
Rental income	88,869	77,378
Other operating income	12,442	10,098
	101,311	87,476

Other operating income includes carpark revenue, advertising revenue, tenant promotional fee and other income attributable to the operation of the investment properties. Such services are of short duration and is recognised when the services are rendered. Payment is due when services are rendered except when credit term is granted.

19. OTHER PROPERTY OPERATING EXPENSES

	Note	Group	
		2021 \$'000	2020 \$'000
Advertising and promotion		1,678	1,398
Amortisation of intangible assets	6	63	50
Cleaning services		2,925	2,612
Depreciation of plant and equipment	5	143	133
Repair and maintenance		2,003	2,302
Staff costs		2,157	454
Utilities		3,075	2,557
Others		1,056	717
		13,100	10,223

Included in others was a net loss on derecognition of right-of-use asset of \$24,000 (2020: nil) (see note 30(b)(ii)).

NOTES TO THE FINANCIAL STATEMENTS

20. TRUSTEE-MANAGER'S FEES

	Group	
	2021 \$'000	2020 \$'000
Management fee - base fee	6,430	5,648
Trustee fee	515	452
Acquisition fee	-	2,278
	6,945	8,378

The Trustee-Manager's management and trustee fees for the year ended 31 December 2021 was \$6,945,000 (2020: \$6,100,000). \$5,173,000 (2020: \$4,392,000) was paid during the year through the issuance of 9,454,000 (2020: 5,420,000) units, at unit prices ranging from \$0.39515 to \$0.72388 (2020: \$0.79983 to \$0.82939) per unit. The remaining \$1,772,000 (2020: \$1,708,000) was paid through the issuance of 4,844,000 (2020: 2,236,000) units at a unit price of \$0.36569 (2020: \$0.76415) subsequent to the year end.

During the financial year 2020, an acquisition fee \$2,278,000 in relation to acquisition of Shunde Metro Mall and Tanbei Metro Mall was paid through issuance of 2,920,000 units. No acquisition fee was paid for the financial year 2021.

No performance fee was paid/payable for the financial year 2021 and 2020.

21. FINANCE INCOME AND FINANCE COSTS

	Group	
	2021 \$'000	2020 \$'000
Finance income		
- banks	1,071	1,292
Finance costs		
- bank loans and borrowings	(37,819)	(35,324)
- interest expense on lease liabilities	(52)	-*
- interest expense on other payable	(255)	(424)
- unwinding of discount on non-current liabilities	(401)	(240)
Net finance costs recognised in statement of profit or loss	(37,456)	(34,696)

* less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

22. INCOME TAX (EXPENSE)/CREDIT

	Note	Group	
		2021 \$'000	2020 \$'000
Current taxation			
Current year		6,610	6,279
Withholding tax	12	1,029	972
		7,639	7,251
Deferred taxation			
Origination of temporary differences	12	(5,896)	(15,030)
Income tax expense/(credit)		1,743	(7,779)
Reconciliation of effective tax rate			
		Group	
		2021 \$'000	2020 \$'000
Loss before income tax		(47,172)	(79,905)
Tax calculated using Singapore tax rate of 17%		(8,019)	(13,584)
Adjustments:			
Effect of different tax rates in foreign jurisdictions		(289)	(3,326)
Income not subject to tax		(3,835)	(5,653)
Expenses not deductible for tax purposes		10,802	10,935
Deferred tax assets not recognised		2,156	3,429
Tax-exempt income		(56)	(136)
Utilisation of previously unrecognised tax losses		(45)	(416)
Withholding tax		1,029	972
		1,743	(7,779)

NOTES TO THE FINANCIAL STATEMENTS

23. LOSS FOR THE YEAR

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

	Group	
	2021	2020
	\$'000	\$'000
Audit fees paid/payable to:		
- auditors of the Group for current year	421	398
- auditors of the Group overprovision for current year	30	-
- other auditors	35	26
Depreciation and amortisation expense	206	183
Expenses relating to acquisition through business combinations	-	1,885
Facility agent and security agent fees	397	385
GST expenses	655	543
Investor relations	117	172
Loss allowance on receivables	9,212	645
Net change in fair value of derivative financial instruments	909	284
Net change in fair value of investment properties	62,844	104,722
Professional fees	962	596
Stamp duty	-	130

Included in professional fees were fee relating to legal, valuation, tax agent, internal audit and compliance fees.

Included in expenses relating to acquisition through business combinations was non-audit fees paid to the external auditors relating to acquisition of subsidiaries during the financial year 2020 amounted to \$158,000. No such fee was paid for in the financial year 2021.

NOTES TO THE FINANCIAL STATEMENTS

24. AMOUNT AVAILABLE FOR DISTRIBUTION

	Group	
	2021 \$'000	2020 \$'000
Loss for the year attributable to unitholders	(48,915)	(72,126)
Net adjustments (Note A)	85,782	92,705
Amount available for distribution	36,867	20,579
Amount available for distribution to unitholders at 1 January	11,512	8,267
Amount available for distribution for the current year	36,867	20,579
Total amount available for distribution	48,379	28,846
Distribution to unitholders during the year:		
Distribution of 2.06 cents per unit for the period from 12 September 2019 to 31 December 2019	-	(8,267)
Distribution of 1.98 cents per unit for the period from 1 January 2020 to 30 June 2020	-	(8,792)
Distribution of 0.06 cents per unit for the period from 1 July 2020 to 6 July 2020	-	(275)
Distribution of 1.96 cents per unit for the period from 7 July 2020 to 31 December 2020	(11,512)	-
Distribution of 2.98 cents per unit for the period from 1 January 2021 to 30 June 2021	(20,928)	-
	(32,440)	(17,334)
Amount available for distribution to unitholders at 31 December	15,939	11,512

Note A

Net distribution adjustments comprise:

Amortisation of intangible assets	63	50
Amortisation of upfront debt-related transaction costs	13,613	10,339
Deferred income tax expense/(income)	(5,896)	(15,030)
Depreciation of plant and equipment	143	133
Expenses relating to acquisition of subsidiaries written off	-	1,885
Loan repayment	(7,560)	(2,038)
Loss allowance on receivables	9,212	645
Net change in fair value of derivative financial instruments	(909)	284
Net change in fair value of investment properties	62,844	104,722
Recognition of rental income on a straight line basis over the lease term	1,267	(5,598)
Stamp duty	-	130
Transfer to statutory reserve	(120)	(92)
Trustee-Manager's acquisition fees paid in units	-	2,278
Trustee-Manager's fees paid/payable in units	6,945	6,100
Unrealised exchange loss/(gain)	7,471	(4,854)
Other adjustments	(1,291)	(6,249)
	85,782	92,705

NOTES TO THE FINANCIAL STATEMENTS

24. AMOUNT AVAILABLE FOR DISTRIBUTION (CONT'D)

The Trustee-Manager declared a distribution of 2.24 cents (2020: 1.96 cents) per unit to unitholders in respect of the period from 1 July 2021 to 31 December 2021 (2020: from 7 July 2020 to 31 December 2020), amounting to \$15,939,000 (2020: \$11,512,000).

Included in other adjustments are amounts set aside for future repayment of interest and related costs of loan facilities.

25. EARNINGS PER UNIT

	Group	
	2021 \$'000	2020 \$'000
Loss for the year	(48,915)	(72,126)

Basic earnings per unit

The calculation of basic earnings per unit is based on weighted average number of units during the year and loss for the year after taxation before distribution.

	Group	
	2021 Number of units '000	2020 Number of units '000
Issued units at beginning of the year	777,480	647,035
Effect of weighted average number of units issued during the year		
- Trustee-Manager's trustee and management fees paid in units	4,168	2,583
- Trustee-Manager's acquisition fee paid in units	-	774
- Private placement	-	58,280
Weighted average number of issued units at the end of the year	781,648	708,672

Diluted earnings per unit

The calculation of diluted earnings per Unit is based on weighted average number of Units during the year and loss for the year after taxation before distribution.

	Group	
	2021 Number of units '000	2020 Number of units '000
Issued units at beginning of the year	777,480	647,035
Effect of weighted average number of units issued during the year		
- Trustee-Manager's trustee and management fees paid in units	4,168	2,583
- Trustee-Manager's acquisition fee paid in units	-	774
- Private placement	-	58,280
Number of units issued subsequent to the year end	4,844	2,235
Weighted average number of issued and issuable units at the end of the year	786,492	710,907

Diluted earnings per share is the same as basic earnings per share as the effects of potential ordinary shares is anti-dilutive for years 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS

26. IMMEDIATE HOLDING COMPANY AND ULTIMATE CONTROLLING PARTY

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

27. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals or other entities.

On 12 October 2021, New Harvest Investments Limited ("New Harvest"), a company incorporated in the British Virgin Islands and Sino-Ocean Capital Holding Limited, a company incorporated in Hong Kong became the immediate holding and ultimate holding companies of the Trustee-Manager following the completion of the transfer of the 70% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng to New Harvest.

The Commercial Manager, being Zhongshan Dasin Commercial Property Management Co., Ltd., Zhongshan Dasin Commercial Property Management Co., Ltd., Zhuhai Branch and Zhongshan Dasin Commercial Property Management Co., Ltd., Foshan Branch. The associates of Mr. Zhang Zhencheng collectively have an effective equity interest of 100% in the Commercial Manager. The Commercial Manager is entitled to receive a management fee, lease-up commission and reimbursement of expenses at cost (see note 1.2).

The Property Manager, being Zhongshan Jixin Property Management Co., Ltd., Shiqi Branch, Zhongshan Jixin Property Management Co., Ltd., Zhuhai Branch and Zhongshan Jixin Property Management Co., Ltd., Foshan Branch. The Sponsor of the Trust has an effective interest of approximately 58% in the Property Manager. The Property Manager is entitled to receive a management fee and reimbursement of expenses at cost (see note 1.3).

In the normal course of the operations of the Trust, the Trustee-Manager's management fees and the trustee's fees have been paid or are payable to the Trustee-Manager. The commercial management fees and reimbursement of expenses at cost have been paid or are payable to the Commercial Manager. The property management fees and reimbursement of expenses at cost have been paid or are payable to the Property Manager.

NOTES TO THE FINANCIAL STATEMENTS

27. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

Other related party transactions

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

	Group		Trust	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Commercial management fees paid/payable to a related party				
- management fee	1,016	810	-	-
- lease-up commission	55	30	-	-
- reimbursement of expenses at cost	2,452	1,598	-	-
Property management fees paid/payable to a related party				
- management fee	1,016	810	-	-
- reimbursement of expenses at cost	8,385	6,032	-	-
Lease rental received/receivable from related parties				
- lease rental income ⁽¹⁾	18,149	12,104	-	-
- reimbursement of expenses at cost	1,974	1,322	-	-
Lease rental paid/payable	63	60	-	-
Other revenue from related parties	766	683	-	-
Other property operating expenses paid/payable to related parties	285	54	-	-
Dividend income from a subsidiary	-	-	15,000	12,000
Advances from a beneficiary of the ultimate controlling party of the Trust	2,460	2,263	2,460	2,263
Advances from related parties	62	125	153	125
Advances from subsidiaries	-	-	20,753	23,753
Advances to subsidiaries	-	-	167	78
Interest expense paid/payable to subsidiaries	-	-	1,413	745
Loans from subsidiaries	-	-	26,875	7,824

⁽¹⁾ Included in this amount was rental rebate (excluding the straight-line basis over the term of the lease) of \$42,000 (2020: \$1,539,000) which has been deducted against the lease rental income.

NOTES TO THE FINANCIAL STATEMENTS

27. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

Other related party transactions (Cont'd)

During the financial year ended 31 December 2021, the Group waived charges for late payment of lease rental from related parties, in the ordinary course of business, amounting to \$1,094,000 (2020: \$179,000).

Pursuant to the sale and purchase agreement of the announcement dated 19 July 2021 between Mr. Zhang Zhencheng, a director and a shareholder of the Trustee-Manager, Aqua Wealth Holdings Limited, a controlling unitholder of the Trust and New Harvest Investments Limited, the Trustee-Manager assigned an amount owing from the Trust amounting to approximately \$2,607,000 to a shareholder of the Trustee-Manager during the financial year ended 31 December 2021. In addition, the Trustee-Manager has also assigned its rights on receiving the trustee fee and base management fee for the third quarter of the financial year 2021 which are payable in units of the Trust amounting to approximately \$1,677,000 to a shareholder of the Trustee-Manager.

28. OPERATING SEGMENTS

The Group has 7 (2020: 7) reportable segments, as described below, which are the Group's investment properties. The investment properties are managed separately because they require different operating and marketing strategies. For each of the investment properties, the Management reviews internal management reports on a monthly basis.

All of the Group's reportable segments are investment properties located in PRC used primarily for retail purposes. The reporting segments are as follows:

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

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the Management for the purpose of assessment of segment performance. In addition, the Management monitors the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly the Trust's financial assets and liabilities and its expenses. Segment capital expenditure is the total cost incurred during the year to improve segment assets that are expected to be used for more than one year.

Information regarding the Group's reportable segments is presented in the tables in the following pages.

NOTES TO THE FINANCIAL STATEMENTS

28. OPERATING SEGMENTS (CONT'D)

Information about reportable segments

	Group												Total				
	Shiqi Metro Mall		Xiaolan Metro Mall		Ocean Metro Mall		Dasin E-Colour		Doumen Metro Mall		Shunde Metro Mall ⁽ⁱ⁾		Tanbei Metro Mall ⁽ⁱ⁾		2021	2020	
	\$'000	2020	\$'000	2021	\$'000	2020	\$'000	2021	\$'000	2020	\$'000	2021	\$'000	2020	\$'000	\$'000	
External revenues:																	
- Gross rental income	20,176	18,878	21,223	21,921	11,627	10,247	2,427	2,148	15,515	14,989	16,642	8,527	1,259	668	88,869	77,378	
- Others	2,462	2,224	1,923	1,673	2,396	1,897	346	317	2,721	2,530	2,449	1,377	145	80	12,442	10,098	
Gross revenue	22,638	21,102	23,146	23,594	14,023	12,144	2,773	2,465	18,236	17,519	19,091	9,904	1,404	748	101,311	87,476	
Segment net property income	18,314	17,718	19,232	20,555	10,102	8,615	1,870	1,710	12,639	13,473	15,114	8,000	1,139	622	78,410	70,693	
Finance income	788	675	444	488	707	500	65	72	226	88	123	84	22	13	2,375	1,920	
Finance costs	7	-	-	-	4,859	4,357	-	-	5,235	5,377	5,776	3,117	254	424	16,131	13,275	
Segment assets	643,661	620,496	472,969	477,556	394,369	383,180	64,972	64,042	447,498	431,338	550,342	524,602	21,842	24,317	2,595,653	2,525,531	
Segment liabilities	258,767	248,802	204,917	204,339	269,396	261,233	51,535	49,215	270,079	265,378	336,113	321,422	26,356	28,461	1,417,163	1,378,850	
Other segment items:																	
Depreciation and amortisation	77	63	22	19	17	39	11	9	22	22	45	24	12	7	206	183	
Decrease in fair value of investment properties	10,385	28,410	27,759	29,117	6,582	20,475	3,468	5,526	8,131	19,407	6,210	1,354	309	433	62,844	104,722	
Loss allowance on receivables	3,147	18	1,858	123	1,386	118	1,141	93	521	104	723	169	436	20	9,212	645	
Capital expenditure	147	1,705	1,759	2,773	430	400	16	20	65	297	9	16	3	2	2,429	5,213	

⁽ⁱ⁾ Shunde Metro Mall and Tanbei Metro Mall were acquired by the Trust on 8 July 2020. Financial year 2020 of Shunde Metro Mall and Tanbei Metro Mall refers to the period from 9 July 2020 to 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

28. OPERATING SEGMENTS (CONT'D)

Reconciliations of reportable segment revenue, profit before income tax, assets and liabilities and other material items

	Group	
	2021 \$'000	2020 \$'000
Revenue		
Total revenue for reporting segments	101,311	87,476
Total loss before income tax		
Total loss for reportable segments before income tax ⁽¹⁾	(7,402)	(46,029)
Unallocated amounts:		
- Other corporate expenses	(38,437)	(33,173)
- Elimination of intercompany transactions	(1,333)	(703)
Loss before income tax	(47,172)	(79,905)
Assets		
Total assets for reportable segments	2,595,653	2,525,531
Other unallocated amounts	11,987	19,186
Elimination of intercompany balances	(67,623)	(35,428)
Consolidated assets	2,540,017	2,509,289
Liabilities		
Total liabilities for reportable segments	1,417,163	1,378,850
Other unallocated amounts	683,978	675,633
Elimination of intercompany balances	(674,795)	(647,545)
Consolidated liabilities	1,426,346	1,406,938

⁽¹⁾ Total loss for reportable segments before income tax derived from net of segment net property income, finance income, finance costs, changes in fair value of investment properties and loss allowance on receivables.

NOTES TO THE FINANCIAL STATEMENTS

28. OPERATING SEGMENTS (CONT'D)

Reconciliations of reportable segment revenue, profit before income tax, assets and liabilities and other material items (Cont'd)

	Group			Consolidated totals \$'000
	Reportable segment totals \$'000	Unallocated amounts \$'000	Elimination of intercompany transactions \$'000	
Other material items 2021				
Finance income	2,375	29	(1,333)	1,071
Finance costs	16,131	22,396	-	38,527
Other material items 2020				
Finance income	1,920	75	(703)	1,292
Finance costs	13,275	22,713	-	35,988

Geographical segments

All of the Group's investment properties are used for retail purposes and are located in PRC.

Major tenant

Tenant who contributed revenue of 10% or more to the Group is considered major tenant. Revenue from one of the tenants of the Group represents approximately \$10,482,000 of the Group's total revenue in 2021. The major tenant of 2021 is a related party of the Group. None of the revenue from a tenant contributed 10% or more to the Group in 2020.

NOTES TO THE FINANCIAL STATEMENTS

28. OPERATING SEGMENTS (CONT'D)

Disaggregation of revenue

In the following table, revenue is disaggregated by type of tenants of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's seven reportable segments.

	Group							Total \$'000
	Shiqi Metro Mall \$'000	Xiaolan Metro Mall \$'000	Ocean Metro Mall \$'000	Dasin E-Colour \$'000	Doumen Metro Mall \$'000	Shunde Metro Mall ⁽¹⁾ \$'000	Tanbei Metro Mall ⁽¹⁾ \$'000	
2021								
Trade sector								
Departmental store	3,645	4,522	2,276	-	-	-	-	10,443
Fashion	1,999	3,964	1,420	29	2,896	2,108	6	12,422
Food and Beverage	3,075	4,093	2,924	546	4,856	4,962	423	20,879
General retail	3,360	3,910	759	111	2,441	3,717	82	14,380
Home Furnishings	2,783	256	123	-	419	272	-	3,853
IT and electronics	3,171	1,841	103	-	241	401	-	5,757
Leisure and entertainment	699	336	509	805	1,707	828	-	4,884
Services	109	836	290	864	574	1,180	237	4,090
Sports and fitness	90	-	370	-	-	1,026	64	1,550
Supermarket/Hypermarket	1,068	1,177	636	-	1,103	631	279	4,894
Others	2,639	2,211	4,613	418	3,999	3,966	313	18,159
Gross revenue	22,638	23,146	14,023	2,773	18,236	19,091	1,404	101,311
2020								
Trade sector								
Departmental store	3,707	4,832	1,534	-	-	-	-	10,073
Fashion	1,732	4,010	1,300	46	2,798	1,104	3	10,993
Food and Beverage	2,911	3,856	2,568	523	4,734	2,724	271	17,587
General retail	3,094	3,662	558	127	2,069	1,842	35	11,387
Home Furnishings	2,622	1,227	(50)	-	573	163	-	4,535
IT and electronics	2,660	1,872	29	-	594	212	-	5,367
Leisure and entertainment	620	210	585	780	1,693	383	-	4,271
Services	69	808	205	581	409	643	114	2,829
Sports and fitness	80	16	813	-	-	469	29	1,407
Supermarket/Hypermarket	1,201	1,247	611	-	1,078	313	134	4,584
Others	2,406	1,854	3,991	408	3,571	2,051	162	14,443
Gross revenue	21,102	23,594	12,144	2,465	17,519	9,904	748	87,476

⁽¹⁾ Shunde Metro Mall and Tanbei Metro Mall were acquired by the Trust on 8 July 2020. Financial year 2020 of Shunde Metro Mall and Tanbei Metro Mall refers to the period from 9 July 2020 to 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

29. ACQUISITION OF SUBSIDIARIES

On 8 July 2020, the Trust completed the acquisition of 100% of the equity interest in Singapore Zhi Xin Commercial Holdings Pte. Ltd. ("Singapore Holdco") and its subsidiaries for a purchase consideration of \$65,100,000. The sale and purchase agreement was entered into with a director of the Trustee-Manager and the Sponsor on 13 November 2019. Singapore Holdco and its seven Singapore subsidiaries are investment holding companies while the three PRC subsidiaries comprise two property companies and a rental management company of Shunde Metro Mall and Tanbei Metro Mall.

From 9 July 2020 to 31 December 2020, Singapore Holdco and its subsidiaries contributed revenue of \$10,652,000 and a net loss of \$2,572,000 to the consolidated net loss for the year. If the acquisition had occurred on 1 January 2020, the Group's consolidated revenue would increase by \$7,351,000 and consolidated net loss would increase by \$2,255,000. The excess of the fair value of assets acquired and liabilities assumed over the purchase consideration of Singapore Holdco and its subsidiaries of about \$127,257,000 has been recognised as a reserve arising from a transaction with a controlling unitholder.

The Group incurred an acquisition-related costs of \$130,000 on stamp duties incurred directly due to the acquisition transaction. These costs have been included in "other trust expenses".

The effect of acquisitions of subsidiaries and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition was set out below:

	Note	Group 2020 \$'000
Investment properties		508,594
Plant and equipment		106
Trade and other receivables		13,995
Cash and cash equivalents		7,104
Trade and other payables		(40,597)
SPE purchase consideration		(20,859)
Loans and borrowings		(201,034)
Deferred tax liabilities	12	(74,952)
Net identifiable assets acquired and liabilities assumed		192,357
Excess of fair value of net assets acquired over purchase consideration recognised as capital reserve		(127,257)
Purchase consideration		65,100

NOTES TO THE FINANCIAL STATEMENTS

29. ACQUISITION OF SUBSIDIARIES (CONT'D)

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Investment properties	<p><i>Discounted cash flow method and income capitalisation method:</i></p> <p>The income capitalisation method capitalises an income stream into a present value using a single-year capitalisation rate. The discounted cash flow method considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate and occupancy rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.</p>

The fair value of the investment property as at 30 April 2020 was based on independent valuation undertaken by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (based on the values derived by the Discounted Cash Flow and Income Capitalisation methods).

At the date of acquisition, included in current assets are trade and other receivables of \$13,995,000. As at 31 December 2020, the Group has collected \$5,412,000 of the trade and other receivable and recorded an ECL \$208,000. The remaining balance of the trade and other receivables was mainly relating to input VAT, prepayment and receivable deposit.

30. COMMITMENTS AND LEASES

(a) Capital commitments

	Group	
	2021 \$'000	2020 \$'000
Payable:		
- contracted but not provided for	88	109

NOTES TO THE FINANCIAL STATEMENTS

30. COMMITMENTS AND LEASES (CONT'D)

(b) Leases as lessor

The Group leases out its investment properties consisting of its owned properties (see note (i) below) as well as leased property (see note (ii) below).

(i) Operating lease

Operating lease rentals are fixed rent and fixed rent with built-up escalation receivable according to lease agreements. These lease agreements are cancellable with no enforceable rights to receive rental of unexpired terms upon early termination, with rental deposits being non-refundable to the tenants as follows:

	Group	
	2021	2020
	\$'000	\$'000
Receivable:		
- within 1 year	76,577	75,631
- after 1 year but within 2 years	62,123	54,212
- after 2 years but within 3 years	42,816	47,215
- after 3 years but within 4 years	31,060	34,035
- after 4 years but within 5 years	25,807	26,317
- after 5 years	62,218	81,511
	300,601	318,921

The unguaranteed residual values do not represent a significant risk for the Group, as they relate to properties which are located in a location with a constant increase in value over the last 10 years. The Group did not identify any indications that this situation will change.

During the year, the Group provided rent concessions of \$1,458,000 (2020: \$8,614,000) to its lessees. The rent concessions given by the group were not part of the original terms and conditions of the lease and are accounted for as lease modifications.

(ii) Finance lease

During the year 2021, the Group sub-leased an unit of right-of-use asset and recognised a loss of \$24,000 on derecognition of the right-of-use asset pertaining to the unit (see note 19).

During the year 2021, the Group recognised interest income on lease receivables of \$42,000 (2020: nil).

	Group	
	2021	2020
	\$'000	\$'000
Receivable:		
- within 1 year	35	-
- after 1 year but within 2 years	70	-
- after 2 years but within 3 years	72	-
- after 3 years but within 4 years	72	-
- after 4 years but within 5 years	72	-
- after 5 years	281	-
	602	-

NOTES TO THE FINANCIAL STATEMENTS

30. COMMITMENTS AND LEASES (CONT'D)

(c) Leases as lessee

The Group leases an office from a related party and an unit adjacent to an investment property of the Group that has sub-leased to a tenant (see note (b)(ii) above). The maturity analysis of the contractual undiscounted cash flows is presented as follows:

	Group	
	2021 \$'000	2020 \$'000
Payable:		
- within 1 year	105	63
- after 1 year but within 2 years	144	65
- after 2 years but within 3 years	75	67
- after 3 years but within 4 years	75	-
- after 4 years but within 5 years	76	-
- after 5 years	296	-
	771	195

31. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Group's objectives when managing capital are to optimise unitholders' value through the combination of available capital sources which include debt and equity instruments whilst complying with statutory and constitutional capital and distribution requirements, maintaining aggregate leverage and interest service coverage ratio within approved limits. As a key part of the Group's overall strategy, the Board of Directors of the Trustee-Manager reviews the Group and the Trust's debt and capital management and financing policy regularly so as to optimise the Group and the Trust's funding structure. The Board of Directors also monitors the Group and the Trust's exposure to various risk elements by closely adhering to clearly established management policies and procedures.

The Group is subject to the aggregate leverage limit as set out in the Trust Deed and bank loan agreements (note 11). The aggregate leverage limit stipulates in the Trust Deed that the total borrowings and deferred payments of the Trust should not exceed 60% of the value of the Trust Property. The gearing ratio of the bank loan agreements stipulate that the total liabilities exclude deferred tax liabilities shall not exceed 45% of the total consolidated total assets. The Group's aggregate gearing ratio did not exceed 45% during the year, and was 40% as at 31 December 2021 (2020: 40%).

There were no changes in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk management

Overview

The Group's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity, interest rate and foreign currency risks.

Financial risk management is integral to the whole business of the Group. The Group adopts an integrated approach to manage the financial risks arising in the normal course of the Group's business. The Group has written risk management policies and guidelines, and established processes to monitor and manage significant exposures. Risk management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group adheres to standardised accounting and financial policies and exercises effective controls over the financial affairs of its subsidiaries. This is achieved by ensuring group-wide adherence to a comprehensive set of guidelines covering contracts, policies and procedures and other requirements. Adequate measures are in place to ensure that the reliability and integrity of financial information compiled from subsidiaries are kept intact.

Credit risk

While it is necessary to assume a certain level of tenant credit risks to remain competitive in the PRC, the Group has established credit limits for tenants and monitors their balances on an ongoing basis. Risks associated with credit limits are reflected in the level of security deposits in respect of the leases. Appropriate risk mitigating actions are in place to manage trade receivables.

The Group establishes loss allowance that represents the ECL in respect of financial assets. The loss allowance account comprises (i) the lifetime ECL for trade receivables using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of condition at the reporting date, including the time value of money where appropriate; (ii) 12-month ECL for all other instruments when there is default events on a financial instrument that are possible within the 12 months after the reporting date; and (iii) the lifetime ECL which is recognised when there is a significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

The loss allowance account in respect of financial assets is used to record loss allowance unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the loss allowance account is written off against the carrying amount of the impaired financial asset.

The Group uses a provision matrix to measure the ECL of trade receivables collectively, which comprise a very large number of small balances.

Cash and fixed deposits are placed with banks and financial institutions which are regulated.

The Group considers that its cash and fixed deposits have low credit risk based on the external credit ratings of the counterparties.

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. The Group also relies on external financing to meet its liquidity needs.

The following are the contractual maturities of non-derivative financial liabilities, including estimated interest payments and excluding the impact of netting agreements and derivative instrument that settles on a net basis:

	Carrying amount \$'000	Contractual cash flow \$'000	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000
2021					
Group					
Loans and borrowings	954,084	1,017,548	771,657	134,949	110,942
Derivative financial liabilities	27	87	87	-	-
Trade and other payables	30,819	31,207	29,358	1,849	-
Security deposits	17,362	17,362	17,362	-	-
	1,002,292	1,066,204	818,464	136,798	110,942
Trust					
Loans and borrowings	677,378	682,530	682,530	-	-
Derivative financial liabilities	27	87	87	-	-
Trade and other payables	107,821	112,929	54,711	58,218	-
	785,226	795,546	737,328	58,218	-
2020					
Group					
Loans and borrowings	939,474	1,018,590	533,943	373,113	111,534
Derivative financial liabilities	890	937	702	235	-
Trade and other payables	35,635	36,417	28,701	7,716	-
Security deposits	19,938	19,938	19,938	-	-
	995,937	1,075,882	583,284	381,064	111,534
Trust					
Loans and borrowings	670,189	680,703	442,437	238,266	-
Derivative financial liabilities	890	937	702	235	-
Trade and other payables	71,929	54,107	54,107	-	-
	743,008	735,747	497,246	238,501	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Interest rate risk

The Trustee-Manager adopts a proactive interest rate management policy to manage the risk associated with changes in interest rates on the Group's loan facilities while also seeking to ensure that the ongoing cost of debt remains competitive.

As at 31 December 2021, the Group has interest rate swaps ("IRS") with notional contract amount of \$132,851,000 (2020: \$226,466,000). The Group pays a fixed rate interest and receives a variable rate equal to the Swap Offer Rate ("SOR") on the notional contract amount. The Group classifies the IRS as fair value hedges through statement of profit or loss to hedge the exposure in interest rate fluctuations on certain of its term loans.

The relevant term loans and the underlying IRS have the same terms and conditions.

The Trustee-Manager proactively seeks to minimise the level of interest rate risk by hedging certain amounts of the Group's borrowings at fixed rates. As at 31 December 2021, the Group has hedged approximately 14% (2020: 24%) of its borrowings at fixed rates. Excluding the RMB denominated loan and the revolving credit facility, which are not hedged, the Group has hedged approximately 20% (2020: 34%) of its borrowings at fixed rates.

Interest rate risk is the risk that future cash flows of a financial instrument may fluctuate because of changes in interest rates in the market.

The Group's exposure to interest rate risk arises mainly from bank borrowings based on USD LIBOR, SOR, SIBOR and HIBOR. USD LIBOR would discontinue after 30 June 2023 and will be replaced by USD Secured Overnight Financing Rate (SOFR). The SOR, which relies on USD LIBOR in its computation would similarly be discontinued immediately after 30 June 2023 and the SIBOR would be discontinued by end-2024. The replacement benchmark rate for SOR and SIBOR is Singapore Overnight Rate Average (SORA). No replacement plan for HIBOR as of the date of this financial statements.

The Group's borrowings referencing SOR, SIBOR and LIBOR are due for renewal in year 2022. New benchmark rates will be adopted in the new loan contracts.

Cash flow sensitivity analysis for variable rate instruments

Effects of a 100 basis point ("bp")* movement in interest rate at the reporting date would increase/(decrease) statement of profit or loss and Unitholders' funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2020.

* 100 basis point is equivalent to 1 percentage point

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Interest rate risk (Cont'd)

	Group and Trust	
	Statements of profit or loss	
	100 bp increase \$'000	100 bp decrease \$'000
2021		
Interest rate swaps	1,329	(1,329)
Variable rate instruments	(9,594)	9,594
Cash flow sensitivity (net)	(8,265)	8,265
2020		
Interest rate swaps	2,265	(2,265)
Variable rate instruments	(9,488)	9,488
Cash flow sensitivity (net)	(7,223)	7,223

Foreign currency risk

The Group is exposed to foreign currency risk on cash holdings and operating expenses that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily the USD, RMB and HKD.

As the Trust intends to be a long-term investor in PRC, the Trustee-Manager has taken a view not to hedge the RMB equity exposure arising from its investments in PRC unless certain risks are specifically identified. The Trustee-Manager's strategy is to achieve a natural hedge through local RMB financing and any non-RMB denominated loan will be hedged into RMB where possible, to protect the going concern of the Trust in the event of large currency fluctuation. However, the Trustee-Manager will hedge the RMB cash flow from operations if it is determined with certainty that they are to be remitted back to Singapore for distribution purposes.

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign currency risk (Cont'd)

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group			Total \$'000
	USD \$'000	RMB \$'000	HKD \$'000	
2021				
Cash and bank balances	2,881	59	1,101	4,041
Loans and borrowings	(244,639)	-	(50,848)	(295,487)
Financial derivative liabilities	(27)	-	-	(27)
Trade and other payables	(336)	(21)	(139)	(496)
	(242,121)	38	(49,886)	(291,969)
2020				
Cash and bank balances	4,989	115	1,627	6,731
Loans and borrowings	(222,420)	-	(50,115)	(272,535)
Financial derivative liabilities	(353)	-	-	(353)
Trade and other payables	(626)	(20)	(73)	(719)
	(218,410)	95	(48,561)	(266,876)
	Trust			Total \$'000
	USD \$'000	RMB \$'000	HKD \$'000	
2021				
Loans to subsidiaries	167,449	162,352	-	329,801
Cash and bank balances	2,850	12	1,101	3,963
Loans and borrowings	(244,639)	-	(50,848)	(295,487)
Financial derivative liabilities	(27)	-	-	(27)
Trade and other payables	(1,135)	(55,866)	(139)	(57,140)
	(75,502)	106,498	(49,886)	(18,890)
2020				
Loans to subsidiaries	164,110	154,886	-	318,996
Cash and bank balances	4,935	51	1,627	6,613
Loans and borrowings	(222,420)	-	(50,115)	(272,535)
Financial derivative liabilities	(353)	-	-	(353)
Trade and other payables	(1,388)	(25,646)	(73)	(27,107)
	(55,116)	129,291	(48,561)	25,614

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign currency risk (Cont'd)

Sensitivity analysis

A 10% strengthening of Singapore dollar against the USD, RMB and HKD at the reporting date would (decrease)/increase (2020: (decrease)/increase) loss for the year by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2020.

	Group	Trust
	Statements of profit or loss	
	\$'000	\$'000
2021		
USD	(24,212)	(7,550)
RMB	4	10,650
HKD	(4,989)	(4,989)
2020		
USD	(21,841)	(5,512)
RMB	10	12,929
HKD	(4,856)	(4,856)

A 10% weakening of Singapore dollar against the USD, RMB and HKD would have had equal but opposite effect on the USD, RMB and HKD to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Accounting classifications and fair values

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

There were no transfers between the levels during the year.

	Note	Group							
		Carrying amount			Fair value				
		Financial assets at amortised cost \$'000	FVTPL \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2021									
Financial assets not measured at fair value									
Trade and other receivables	8	23,105	-	-	23,105	-	-	-	-
Cash and bank balances	10	119,222	-	-	119,222	-	-	-	-
		<u>142,327</u>	<u>-</u>	<u>-</u>	<u>142,327</u>				
Financial assets measured at fair value									
Financial derivative assets	9	-	47	-	47	-	47	-	47
Financial liabilities not measured at fair value									
Trade and other payables	13	-	-	30,819	30,819	-	-	-	-
Security deposits		-	-	17,362	17,362	-	-	-	-
Loans and borrowings	11	-	-	954,084	954,084	-	961,816	-	961,816
		<u>-</u>	<u>-</u>	<u>1,002,265</u>	<u>1,002,265</u>				
Financial liabilities measured at fair value									
Financial derivative liabilities	9	-	27	-	27	-	27	-	27

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Accounting classifications and fair values (Cont'd)

	Note	Group							
		Carrying amount			Fair value				
		Financial assets at amortised cost \$'000	FVTPL \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2020									
Financial assets not measured at fair value									
Trade and other receivables	8	19,636	-	-	19,636	-	-	-	-
Cash and bank balances	10	142,504	-	-	142,504	-	-	-	-
		<u>162,140</u>	<u>-</u>	<u>-</u>	<u>162,140</u>				
Financial liabilities not measured at fair value									
Trade and other payables	13	-	-	35,635	35,635	-	-	-	-
Security deposits		-	-	19,938	19,938	-	-	-	-
Loans and borrowings	11	-	-	939,474	939,474	-	951,074	-	951,074
		<u>-</u>	<u>-</u>	<u>995,047</u>	<u>995,047</u>				
Financial liabilities measured at fair value									
Financial derivative liabilities	9	-	890	-	890	-	890	-	890

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Accounting classifications and fair values (Cont'd)

	Note	Trust							
		Carrying amount			Fair value				
		Financial assets at amortised cost \$'000	Derivative financial instruments \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2021									
Financial assets not measured at fair value									
Trade and other receivables	8	389	-	-	389	-	-	-	-
Cash and bank balances	10	11,720	-	-	11,720	-	-	-	-
		12,109	-	-	12,109				
Financial assets measured at fair value									
Financial derivative assets	9	-	47	-	47	-	47	-	47
Financial liabilities not measured at fair value									
Trade and other payables	13	-	-	107,821	107,821	-	-	-	-
Loans and borrowings	11	-	-	677,378	677,378	-	679,329	-	679,329
		-	-	785,199	785,199				
Financial liabilities measured at fair value									
Financial derivative liabilities	9	-	27	-	27	-	27	-	27

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Accounting classifications and fair values (Cont'd)

	Note	Trust							
		Carrying amount			Fair value				
		Financial assets at amortised cost \$'000	Derivative financial instruments \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2020									
Financial assets not measured at fair value									
Trade and other receivables	8	311	-	-	311	-	-	-	-
Cash and bank balances	10	18,900	-	-	18,900	-	-	-	-
		<u>19,211</u>	<u>-</u>	<u>-</u>	<u>19,211</u>				
Financial liabilities not measured at fair value									
Trade and other payables	13	-	-	71,929	71,929	-	-	-	-
Loans and borrowings	11	-	-	670,189	670,189	-	674,441	-	674,441
		<u>-</u>	<u>-</u>	<u>742,118</u>	<u>742,118</u>				
Financial liabilities measured at fair value									
Financial derivative liabilities	9	-	890	-	890	-	890	-	890

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Estimation of fair value

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and the Trust.

Financial derivatives

The fair values of non-deliverable interest rates are based on banks' quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the Group entity and counterparties when appropriate.

Interest-bearing borrowings

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities (including non-trade amounts due from subsidiaries, trade and other receivables, cash and bank balances, trade and other payables and current security deposits) are assumed to approximate their fair values because they are either short term in nature, or effect of discounting is immaterial. All other financial assets and liabilities are discounted to determine their fair values.

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are based on the Swap Offer Rate, London Interbank Offered Rate and Bank of China base interest rate as at 31 December 2021 and 2020 plus an adequate constant credit spread, and are as follows:

	Group		Trust	
	2021 % p.a.	2020 % p.a.	2021 % p.a.	2020 % p.a.
Interest-bearing borrowings	1.41-5.23	1.39-4.90	1.41-1.96	1.39-1.85
Trade and other payables	4.35-5.46	4.90-5.46	-	-

NOTES TO THE FINANCIAL STATEMENTS

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Trust's statements of financial position; or
- are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the statement of financial position.

Financial instruments such as loans and receivables, financial assets at amortised cost and financial liabilities are not disclosed in the tables below unless they are offset in the statements of financial position.

The Trust's derivative transactions that are not transacted on an exchange are entered into under International Swaps and Derivatives Association ("ISDA") Master Agreements. In certain circumstances, for example when a termination event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions.

Under the agreements signed, the Trust and its counterparties neither have a legal obligation nor intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously. In addition, the right of set-off of recognised amounts is enforceable only following the occurrence of a termination event as set out in the agreements. Accordingly, the ISDA agreements do not meet the criteria for offsetting and the derivatives financial instruments presented below are not offset in the Statement of Financial Position.

Financial assets and liabilities subject to offsetting and enforceable master netting arrangement under termination events

	Group and Trust				
	Gross amounts of recognised financial instruments \$'000	Gross amount of recognised financial instruments offset in the statement of financial position \$'000	Net amounts of financial instruments presented in the statement of financial position \$'000	Related amounts not offset in the statement of financial position \$'000	Net amounts \$'000
2021					
Financial assets					
Interest rate swaps	47	-	47	(27)	20
Financial liabilities					
Interest rate swaps	(27)	-	(27)	47	20

2020

There were none for year 2020.

STATISTICS OF UNITHOLDINGS

As at 1 April 2022

Issued and Fully Paid-Up Units

794,014,247 units (Voting rights: one vote per unit)

Market Capitalisation S\$250.1 million (based on closing price of S\$0.315) as at 1 April 2022

TOP 20 UNITHOLDERS

As listed in the Register of Unitholders

	Name of Unitholder	No. of Units	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	283,628,274	35.72
2	DBS NOMINEES (PRIVATE) LIMITED	151,556,411	19.09
3	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	107,229,300	13.50
4	RAFFLES NOMINEES (PTE.) LIMITED	105,174,900	13.25
5	PHILLIP SECURITIES PTE LTD	43,094,468	5.43
6	DASIN RETAIL TRUST MANAGEMENT PTE LTD	33,097,958	4.17
7	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	16,563,136	2.09
8	DB NOMINEES (SINGAPORE) PTE LTD	16,500,000	2.08
9	IFAST FINANCIAL PTE. LTD.	2,556,200	0.32
10	TAN HAI PENG MICHEAL	1,369,600	0.17
11	ATMA SINGH S/O NAND SINGH	1,174,200	0.15
12	GOH BEE LAN	1,010,000	0.13
13	KHOO CHOW HUAT (QIU ZHOUFA)	1,000,000	0.13
14	UOB KAY HIAN PRIVATE LIMITED	638,600	0.08
15	LEOW WEI CHIEH (LIU WEIJIE)	600,000	0.08
16	HSBC (SINGAPORE) NOMINEES PTE LTD	583,000	0.07
17	TIGER BROKERS (SINGAPORE) PTE. LTD.	552,000	0.07
18	HSBC (SINGAPORE) NOMINEES PTE LTD	545,200	0.07
19	TSE YIU KUEN OR VICTORIA KO MIU HA	540,000	0.07
20	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	503,700	0.06
	Total	767,916,947	96.73

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	0	0.00	0	0.00
100 – 1,000	191	16.09	172,900	0.02
1,001 – 10,000	566	47.68	2,342,600	0.30
10,001 - 1,000,000	418	35.22	28,544,300	3.59
1,000,001 and Above	12	1.01	762,954,447	96.09
Grand Total	1,187	100.00	794,014,247	100.00

Pursuant to Listing Rule 723 of the Listing Manual of the SGX-ST, a listed issuer must ensure that at least 10% of its listed securities is at all times held by the public.

Based on the information made available to the Trustee-Manager as at 1 April 2022, approximately 32.78% of Dasin Retail Trust's units are held in public hands.

STATISTICS OF UNITHOLDINGS

As at 1 April 2022

SUBSTANTIAL UNITHOLDERS AS AT 1 APRIL 2022

Name of Substantial Unitholder	Direct Interest	Deemed Interest
Mr. Zhang Zhencheng ⁽¹⁾	4,243,958	423,138,421
Aqua Wealth Holdings Limited	361,831,704	
DBS Trustee Limited ⁽²⁾	-	361,831,704
Mr. Zhang Chon Meng ⁽³⁾	-	361,831,704
Mr. Zhang Guiming ⁽⁴⁾	-	361,831,704
Mr. Zhang Kunming ⁽⁵⁾	-	361,831,704
Mr. Zhang Shenming ⁽⁶⁾	-	361,831,704
Mdm. Liang Jinying ⁽⁷⁾	-	361,831,704
Bounty Way Investments Limited ⁽⁸⁾	28,208,759	-
China Orient Asset Management (International) Holding Limited	52,100,000	-
Wise Leader Assets Ltd. ⁽⁹⁾	-	52,100,000
Dong Yin Development (Holdings) Limited ⁽⁹⁾	-	52,100,000
China Orient Asset Management Co., Ltd ⁽⁹⁾	-	52,100,000
Glory Class Ventures Limited	49,700,900	-
Oceangroup International Investments Limited ⁽¹⁰⁾	-	49,700,900
Sino-Ocean Capital Holding Limited ⁽¹¹⁾	-	49,700,900
Fortune Joy Ventures Limited ⁽¹²⁾	-	49,700,900
Heroic Peace Limited ⁽¹³⁾	-	49,700,900
Sino-Ocean Land (Hong Kong) Limited ⁽¹⁴⁾	-	49,700,900
Faith Ocean International Limited ⁽¹⁵⁾	-	49,700,900
Shine Wind Development Limited ⁽¹⁶⁾	-	49,700,900
Sino-Ocean Group Holding Limited ⁽¹⁷⁾	-	49,700,900
Oriental Model Limited ⁽¹⁸⁾	-	49,700,900
Joyful Clever Limited ⁽¹⁹⁾	-	49,700,900
New Harvest Investment Limited ⁽²⁰⁾	-	49,700,900
Beijing Dehui Tou Zi Guan Li You Xian Gong Si (北京德暉投資管理有限公司) ⁽²¹⁾	-	49,700,900
Beijing Yuan Yu Zi Chan Guan Li You Xian Gong Si (北京遠譽資產管理有限公司) ⁽²²⁾	-	49,700,900
Yuan Yang Zi Ben You Xian Gong Si (遠洋資本有限公司) ⁽²³⁾	-	49,700,900
Ning Bo Mei Shan Bao Shui Gang Qu Ao Shen Yi Yang Tou Zi You Xian Gong Si (寧波梅山保稅港區奧莘億洋投資有限公司) ⁽²⁴⁾	-	49,700,900
Ning Bo Mei Shan Bao Shui Gang Qu Sheng De Ming Wang Tou Zi You Xian Gong Si (寧波梅山保稅港區盛德明旺投資有限公司) ⁽²⁵⁾	-	49,700,900
Team Bloom Investment Limited ⁽²⁶⁾	-	49,700,900
Oceanland Global Investment Limited ⁽²⁷⁾	-	49,700,900

⁽¹⁾ DBS Trustee Limited holds the entire issued share capital of Aqua Wealth Holdings Limited ("Aqua Wealth") as the trustee of the Zhang Family Trust, of which Mr. Zhang Zhencheng is the settlor of the Zhang Family Trust and Mr. Zhang Chon Meng, son of Mr. Zhang Zhencheng, Mr. Zhang Gui Ming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Kunming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Shenming, nephew of Mr. Zhang Zhencheng and Mdm. Liang Jinying, sister-in-law of Mr. Zhang Zhencheng are the beneficiaries. The power to make investment decisions on behalf of the Zhang Family Trust is conferred solely on an investment committee, of which Mr. Zhang Zhencheng is the sole member. Therefore, Mr. Zhang Zhencheng is deemed to be interested in the Units held by Aqua Wealth. Mr. Zhang Zhencheng holds 100.0% of the interests in Bounty Way. Therefore, Mr. Zhang Zhencheng is deemed to be interested in the Units held by Bounty Way. In addition, Mr. Zhang Zhencheng holds 30.0% of the interests in the Trustee-Manager, which in turn holds 28,253,518 Units, representing approximately 3.58% of the total number of Units in issue as at the Latest Practicable Date. Out of the 28,253,518 units held by DRTM, 25,301,553 units are held in trust of Mr. Zhang Zhencheng pursuant to an internal restructuring exercise. Therefore, Mr. Zhang Zhencheng is deemed to be interested in the Units held by the Trustee-Manager.

⁽²⁾ DBS Trustee Limited holds the entire issued share capital of Aqua Wealth as the trustee of the Zhang Family Trust. DBS Trustee Limited is therefore deemed to be interested in the Units held by Aqua Wealth.

⁽³⁾ Mr. Zhang Chon Meng is a beneficiary of the Zhang Family Trust and is therefore deemed to be interested in the Units held by Aqua Wealth.

⁽⁴⁾ Mr. Zhang Gui Ming is a beneficiary of the Zhang Family Trust and is therefore deemed to be interested in the Units held by Aqua Wealth.

⁽⁵⁾ Mr. Zhang Kunming is a beneficiary of the Zhang Family Trust and is therefore deemed to be interested in the Units held by Aqua Wealth.

⁽⁶⁾ Mr. Zhang Shenming is a beneficiary of the Zhang Family Trust and is therefore deemed to be interested in the Units held by Aqua Wealth.

⁽⁷⁾ Mdm. Liang Jinying is a beneficiary of the Zhang Family Trust and is therefore deemed to be interested in the Units held by Aqua Wealth.

⁽⁸⁾ Mr. Zhang Zhencheng holds 100.0% of the interests in Bounty Way. Therefore, Mr. Zhang Zhencheng is deemed to be interested in the Units held by Bounty Way.

STATISTICS OF UNITHOLDINGS

As at 1 April 2022

SUBSTANTIAL UNITHOLDERS AS AT 1 APRIL 2022 (CONT'D)

- ⁽⁹⁾ China Orient Asset Management Co., Ltd. ("COAMC") is a company incorporated in the PRC and is one of the state-owned asset management companies in the PRC. COAMC is the holding company of Dong Yin Development (Holdings) Limited ("Dong Yin"), a company incorporated in Hong Kong. Dong Yin is the indirect holding company of China Orient Asset Management (International) Holding Limited ("COAMI"), a company incorporated in Hong Kong, through its direct 50.0% shareholding and indirectly through its wholly-owned subsidiary Wise Leader Assets Ltd ("Wise Leader"), a company incorporated in the BVI. Each of COAMC, Dong Yin and Wise Leader are deemed to be interested in the Units held by COAMI.
- ⁽¹⁰⁾ Oceangroup International Investment Limited holds 100% of the shareholding in Team Bloom Investment Limited and is therefore deemed to be interested in the 49,700,900 units in Dasin (the "Relevant Units") held by Glory Class Ventures Limited ("Glory Class").
- ⁽¹¹⁾ Sino-Ocean Capital Holding Limited holds 100% of the shareholding in Oceangroup International Investment Limited and 100% of the shareholding in Oriental Model Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹²⁾ Fortune Joy Ventures Limited holds 100% of the shareholding in Sino-Ocean Capital Holding Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹³⁾ Heroic Peace Limited holds approximately 49.00% of the shareholding in Fortune Joy Ventures Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹⁴⁾ Sino-Ocean Land (Hong Kong) Limited holds 100% of the shareholding in Heroic Peace Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹⁵⁾ Faith Ocean International Limited holds 100% of the shareholding in Sino-Ocean Land (Hong Kong) Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹⁶⁾ Shine Wind Development Limited holds 100% of the shareholding in Faith Ocean International Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹⁷⁾ Sino-Ocean Group Holding Limited holds 100% of the shareholding in Shine Wind Development Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹⁸⁾ Oriental Model Limited holds approximately 70.00% of the shareholding in Oceanland Global Investment Limited is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽¹⁹⁾ Joyful Clever Limited holds approximately 30.00% of the shareholding in Oceanland Global Investment Limited is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²⁰⁾ New Harvest Investment Limited holds 100% of the shareholding in Joyful Clever Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²¹⁾ 北京德暉投資管理有限公司 holds 100% of the shareholding in New Harvest Investment Limited and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²²⁾ 北京远誉资产管理有限公司 holds 100% of the shareholding in 北京德暉投資管理有限公司 and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²³⁾ 遠洋資本有限公司 holds 100% of the shareholding in 北京远誉资产管理有限公司 and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²⁴⁾ 寧波梅山保稅港區奧華德洋投資有限公司 holds 100% of the shareholding in 遠洋資本有限公司 and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²⁵⁾ 寧波梅山保稅港區盛德明旺投資有限公司 holds 100% of the shareholding in 寧波梅山保稅港區奧華德洋投資有限公司 and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²⁶⁾ Team Bloom Investment Limited holds 100% of the shareholding in 寧波梅山保稅港區盛德明旺投資有限公司 and is therefore deemed to be interested in the Relevant Units held by Glory Class.
- ⁽²⁷⁾ Oceanland Global Investment Limited holds 100% of the shareholding in Glory Class and is therefore deemed to be interested in the Relevant Units held by Glory Class.

UNITHOLDINGS OF THE DIRECTORS OF THE TRUSTEE-MANAGER AS AT 21 JANUARY 2022

Name of Unitholder	Direct Interest	Deemed Interest
Dr. Kong Weipeng	-	-
Mr. Zhang Zhencheng ⁽¹⁾	4,243,958	418,408,781
Mr. Lyu Guoliang	-	-
Mr. Sonny Tan Hock Sun	-	-
Mr. Tan Huay Lim ⁽²⁾	-	312,500
Mr. Sun Shu	-	-
Dr. Cao Yong	-	-

⁽¹⁾ Mr. Zhang Zhencheng owns 30% of the equity interest of Dasin Retail Trust Management Pte. Ltd. ("DRTM") directly, and is accordingly deemed to be interested in the Units of Dasin Retail Trust held by DRTM. Out of the 28,253,518 units held by DRTM, 25,301,553 units are held in trust of Mr. Zhang Zhencheng pursuant to an internal restructuring exercise. DBS Trustee Limited holds the entire issued share capital of Aqua Wealth Holdings Limited as the trustee of the Zhang Family Trust, of which Mr. Zhang Zhencheng is the settlor, and Mr. Zhang Chon Meng, son of Mr. Zhang Zhencheng, Mr. Zhang Guiming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Kunming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Shenming, nephew of Mr. Zhang Zhencheng and Ms. Liang Jinying, sister-in-law of Mr. Zhang Zhencheng are the beneficiaries. The power to make investment decisions on behalf of the Zhang Family Trust is conferred solely on an investment committee, of which Mr. Zhang Zhencheng is the sole member. Therefore, Mr. Zhang Zhencheng is deemed to be interested in the Units of Dasin Retail Trust held by Aqua Wealth Holdings Limited. Mr. Zhang Zhencheng owns 100% of the equity interest in Bounty Way Investments Limited ("Bounty Way"). Therefore, Mr. Zhang Zhencheng is deemed to be interested in Bounty Way's direct interest in Dasin Retail Trust.

⁽²⁾ Mr. Tan Huay Lim is deemed to be interested in the 312,500 units in the Trust held by a nominee company.

ADDITIONAL INFORMATION

INTERESTED PERSON TRANSACTIONS

The aggregate value of transactions entered into with interested persons for the financial year ended 31 December 2021, which fall under the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST") (excluding transactions of less than \$100,000 each) are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions of less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions during the financial year under review under Unitholders' mandate pursuant to Rule 920 (excluding transactions of less than \$100,000) \$'000
Dasin Retail Trust Management Pte Ltd	The Trustee-Manager of the Trust		
- Trustee-Manager's base management fee ⁽¹⁾⁽²⁾		6,430	N.A.
- Trustee-Manager's trustee fee ⁽¹⁾⁽²⁾		515	N.A.
Zhongshan Dasin Real Estate Co., Ltd. (the Sponsor) and its subsidiaries or associates	The Sponsor of the Trust		
- Commercial management fee ⁽²⁾			
- management fee		1,016	N.A.
- reimbursement of expenses at cost ⁽⁴⁾		2,452	N.A.
- Property management fee ⁽³⁾			
- management fee		1,016	N.A.
- reimbursement of expenses at cost ⁽⁴⁾		8,385	N.A.
Zhongshan Dasin Management and Investment Co., Ltd and its subsidiaries	Company controlled by associates of Mr Zhang Zhencheng		
- Lease rental income agreements ⁽⁶⁾		2,388	N.A.
- Waived charges for late payment of lease rental		906	N.A.
- Reimbursable of expenses at cost ⁽⁴⁾		1,040	N.A.
- Other income ⁽⁵⁾		397	N.A.
- Construction contracts ⁽⁶⁾		1,020	N.A.
- Reduction in security deposit for a master lease agreement		3,530	N.A.
- Reduction in lease area size for a master lease agreement		1,215	N.A.
Zhongshan Lixin Construction Engineering Co., Ltd.	Company controlled by associates of Mr Zhang Zhencheng		
- Construction contract ⁽⁶⁾		127	N.A.

ADDITIONAL INFORMATION

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions of less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions during the financial year under review under Unitholders' mandate pursuant to Rule 920 (excluding transactions of less than \$100,000)
		\$'000	\$'000
Zhongshan Jianmei Household Co., Ltd.	Company controlled by associates of Mr Zhang Zhencheng		
- Lease rental income agreements ⁽⁶⁾		951	N.A.
- Waived charges for late payment of lease rental		117	N.A.
- Reimbursable of expenses at cost ⁽⁴⁾		285	N.A.

N.A. = Not applicable

⁽¹⁾ For the purposes of Rule 907 of the Listing Manual of the SGX-ST, in arriving at this figure, the market price of the units (based on the volume weighted average traded price for all trades done on the Singapore Exchange Securities Trading Limited (the "SGX-ST") in the ordinary course of trading for the last ten business days immediately preceding and including the last day of each quarter end, being the latest business day of each of the financial quarter) issued to the Trustee-Manager for its management fees and trustee fees, was used to determine the amount of the aggregate asset management fees and trustee fees paid to the Trustee-Manager for the period from 1 January 2021 to 31 December 2021.

Pursuant to the sale and purchase agreement of the announcement dated 19 July 2021 between Mr. Zhang Zhencheng, a director and a shareholder of the Trustee-Manager, Aqua Wealth Holdings Limited, a controlling unitholder of the Trust and New Harvest Investments Limited, the Trustee-Manager assigned its rights on receiving the trustee fee and base management fee for the third quarter of the financial year 2021 which are payable in units of the Trust amounting to approximately \$1,677,000 to Mr. Zhang Zhencheng to set-off its amount due to Mr. Zhang Zhencheng.

⁽²⁾ The entry into and fees and charges payable by DRT to the Trustee-Manager under the Trust Deed, and to the Commercial Manager under the Commercial Management Agreements, each of which constitutes or will, when entered into, constitute an Interested Person Transaction, are deemed to have been specifically approved by the Unitholders upon purchase for the Units and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will affect DRT. However, any renewal of the agreements will be subject to Rules 905 and 906 of the Listing Manual.

⁽³⁾ The Property Manager, Zhongshan Jixin Property Management Co., Ltd., Shiqi Branch became an associated company of the Sponsor of the Trust on 8 July 2018 when the Sponsor acquired an effective equity interest of 33% of the Property Manager.

⁽⁴⁾ For the purpose of the disclosure, the reimbursement of expenses at cost related to expenses paid by the interested persons on behalf of the Trust during the financial year.

⁽⁵⁾ For the purpose of the disclosure, other income are transactions during the financial year.

⁽⁶⁾ For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Save as disclosed above, there were no additional interested person transactions (excluding transactions of less than \$100,000 each) or other material transactions entered into during the financial year under review.

The above interested person transactions were carried out on normal commercial terms and were not prejudicial to the interests of the Trust and its minority unitholders.

Please also see Related Party Transactions in Note 27 of the financial statements.

Subscription of DRT Units

Dasin Retail Trust issued totaling 11,689,374 units during the year and 4,844,440 units subsequent to 31 December 2021, as consideration in satisfaction for the payment of the Trustee-Manager's base management fee and trustee fee for the financial year ended 31 December 2021 and the fourth quarter ended 31 December 2020 (which were accrued for as at 31 December 2020).

ADDITIONAL INFORMATION

USE OF PRIVATE PLACEMENT PROCEEDS

On 6 July 2020, the Trust issued 120,512,000 new Units from a private placement at an issue price of \$0.78 per unit (the "Private Placement") and raised gross proceeds of approximately \$94.0 million in connection with the acquisition of Shunde Metro Mall and Tanbei Metro Mall on 8 July 2020. Total gross proceeds have 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. with Guangdong Shunde Rural Commercial Bank Company Limited (" 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	13.2	(1.7)
Total	94.0	94.0	0.0

The use of proceeds from the Private Placement set out above is in accordance with the stated use and in accordance with the percentage of the gross proceeds of the Private Placement 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. Included in Purpose C was payment of loan interest of S\$1.69 million.

NOTICE OF ANNUAL GENERAL MEETING



(Business Trust Registration Number: 2017001)
(a business trust constituted on 15 January 2016 under the laws of the Republic of Singapore)

MANAGED BY
DASIN RETAIL TRUST MANAGEMENT PTE. LTD.
(Company Registration Number: 201531845N)
(as Trustee-Manager of Dasin Retail Trust)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the unitholders of DASIN RETAIL TRUST (“**Dasin Retail Trust**”, and the unitholders of Dasin Retail Trust, “**Unitholders**”) will be held by electronic means on 26 April 2022 at 4.30 p.m. (Singapore time) and any adjournment thereof (the “**Annual General Meeting**”) to transact the following business:

AS ORDINARY BUSINESS

(Resolution 1)

1. To receive and adopt the Report of the Trustee-Manager issued by Dasin Retail Trust Management Pte. Ltd. (the “**Trustee-Manager**”), the Statement by the Trustee-Manager and the Audited Financial Statements of Dasin Retail Trust for the financial year ended 31 December 2021 and the Auditors’ Report thereon.

(Resolution 2)

2. To re-appoint Messrs Deloitte & Touche LLP as Auditors of Dasin Retail Trust and to hold office until the conclusion of the next Annual General Meeting of Dasin Retail Trust, and to authorise the Trustee-Manager to fix their remuneration.

AS SPECIAL BUSINESS

3. To consider and, if thought fit, to pass with or without any modifications, the following resolutions as an Ordinary Resolution:

(Resolution 3)

That pursuant to Clause 5 of the trust deed constituting Dasin Retail Trust dated 15 January 2016, as supplemented by a first supplemental deed dated 27 December 2016 (the “**Trust Deed**”), Section 36 of the Business Trusts Act, 2004 (the “**Business Trusts Act**”) and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Trustee-Manager be authorised and empowered to:

- (a) (i) issue units in Dasin Retail Trust (“**Units**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Units to be issued, including but not limited to the creation and issuance of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Trustee-Manager may in its absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) issue Units in pursuance of any Instrument made or granted by the Trustee-Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed 50.0% of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders shall not exceed 20.0% of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);
- (2) subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) shall be based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for (i) any new Units arising from the conversion or exercise of any Instruments which were issued and outstanding or subsisting at the time when this Resolution is passed and (ii) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Trustee-Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), the Trust Deed for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore) and the Business Trusts Act for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of Dasin Retail Trust or (ii) the date by which the next Annual General Meeting of Dasin Retail Trust is required by applicable regulations to be held, whichever is earlier;
- (5) where the terms of the issuance of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the Trustee-Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Trustee-Manager and any of its Directors, Chief Executive Officer and Chief Financial Officer be and is/ are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Trustee-Manager or, as the case may be, the Director, Chief Executive Officer or Chief Financial Officer may consider expedient or necessary or in the interest of Dasin Retail Trust to give effect to the authority conferred by this Resolution.

BY ORDER OF THE BOARD

Dasin Retail Trust Management Pte. Ltd.
as Trustee-Manager of Dasin Retail Trust

Lun Chee Leong
Company Secretary

11 April 2022

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

Ordinary Resolution 3

Ordinary Resolution 3, if passed, will empower the Trustee-Manager, effective until the conclusion of the next Annual General Meeting of Dasin Retail Trust, or the date by which the next Annual General Meeting of Dasin Retail Trust is required by applicable regulations to be held or such authority is varied or revoked by the Unitholders in a general meeting, whichever is the earliest, to issue 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), of which up to 20.0% may be issued other than on a pro rata basis to existing Unitholders.

For determining the aggregate number of Units that may be issued, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) will be calculated based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time Ordinary Resolution 3 in item 3 above is passed, after adjusting for (i) any new Units arising from the conversion or exercise of any Instruments which were issued and outstanding or subsisting at the time when this Resolution is passed and (ii) any subsequent bonus issue, consolidation or subdivision of Units.

Notes:

- (a) The Annual General Meeting is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"). The Notice and the accompanying proxy form for the Annual General Meeting will also be published electronically on (i) the SGX website at <https://www.sgx.com/securities/company-announcements>; and (ii) the Trust's corporate website at <http://ir.dasintrust.com/newsroom.html>.
- (b) Pursuant to the Order, alternative arrangements relating to attendance at the Annual General Meeting by electronic means (including arrangements by which the Annual General Meeting can be electronically accessed via live audio-visual webcast or audio-only means), submission of questions to the Chairman of the Annual General Meeting in advance of the Annual General Meeting, addressing of substantial and relevant questions and voting by appointing the Chairman of the Annual General Meeting as proxy at the Annual General Meeting will be implemented.

NOTICE OF ANNUAL GENERAL MEETING

- (c) **As a precautionary measure due to the current COVID-19 situation in Singapore, a Unitholder will not be able to attend the Annual General Meeting in person.** Unitholders and investors holding Units through the Central Provident Fund (“CPF”) or Supplementary Retirement Scheme (“SRS”) (“CPF/SRS investors”) may watch the Annual General Meeting proceedings through a live audio-visual webcast using their computers, tablets or mobile phones or listen to the Annual General Meeting proceedings using their mobile phones. The live audio-visual webcast can be accessed through an online platform that will be provided to registered and authenticated Unitholders on the day before the Annual General Meeting, and the audio-only means can be accessed through a telephone number that will be provided to registered and authenticated Unitholders on the day before the Annual General Meeting.

To access the live audio-visual webcast and/or the audio-only means, Unitholders and CPF/SRS investors need to register no later than 4.30 p.m. on 23 April 2022, being 72 hours before the time fixed for the Annual General Meeting (“Registration Deadline”) to enable the Trustee-Manager to verify their status. Following the verification, authenticated Unitholders and CPF/SRS investors will receive an email a day before the Annual General Meeting, containing the link and the telephone number through which the live audio-visual webcast and the audio-only means can be accessed, and the login details and credentials.

Unitholders and CPF/SRS investors can register at the link below (“**Registration Link**”) and we advise all Unitholders to register as early as possible.

<http://ir.dasintrust.com/agm2022/register>

Unitholders and CPF/SRS investors are advised to also check the Junk folder of their email in case the emails are directed there instead of Inbox.

Unitholders and CPF/SRS investors who do not receive an email by 4.30 p.m. on 25 April 2022 but have duly registered by the Registration Deadline should contact Dasin Retail Trust’s Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6536 5355, during its operating hours from Monday to Friday at 9.00 a.m. to 5.30 p.m., or via email at AGM.TeamE@boardroomlimited.com.

- (d) Persons holding Units through relevant intermediaries (“Investors”) (other than CPF/SRS investors) will not be able to pre-register at <http://ir.dasintrust.com/agm2022/register> for the live broadcast of the Annual General Meeting. An Investor (other than CPF/SRS investors) who wishes to participate in the Annual General Meeting should instead approach his/her relevant intermediary as soon as possible in order to make the necessary arrangements. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) to the Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, via email to AGM.TeamE@boardroomlimited.com no later than 4.30 p.m. on 23 April 2022.

“**relevant intermediary**” means:

- (i) a banking corporation licensed under the Banking Act, 1970, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, 2001, and who holds Units in that capacity; or
- (iii) the Central Provident Fund Board (“CPF Board”) established by the Central Provident Fund Act, 1953, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

NOTICE OF ANNUAL GENERAL MEETING

- (e) **As a precautionary measure due to the current COVID-19 situation in Singapore, a Unitholder will not be able to attend the Annual General Meeting in person.** As the Trustee-Manager does not utilise real-time remote electronic voting through an electronic voting system at the Annual General Meeting, a Unitholder (whether individual or corporate) who wishes to exercise his/her/its voting rights at the Annual General Meeting must appoint the Chairman of the Annual General Meeting as his/her/its proxy vote on his/her/its behalf at the Annual General Meeting. Please note that a Unitholder may not vote at the Annual General Meeting otherwise than by way of appointing the Chairman of the Annual General Meeting as the Unitholder's proxy.
- (f) In appointing the Chairman of the Annual General Meeting as proxy, a Unitholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Annual General Meeting as proxy for that resolution will be treated as invalid.
- (g) The Chairman of the Annual General Meeting, as proxy, need not be a Unitholder of the Dasin Retail Trust.
- (h) The proxy form appointing the Chairman of the Annual General Meeting as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted in the following manner:
- (i) if submitted by post, be lodged with Dasin Retail Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (ii) if submitted electronically, be submitted via email to Dasin Retail Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd at AGM.TeamE@boardroomlimited.com.

in either case, no later than 4.30 p.m. on 24 April 2022, being at least 48 hours before the time for holding the Annual General Meeting.

Due to the current COVID-19 situation in Singapore, which may make it difficult for Unitholders to submit completed proxy forms by post, Unitholders are strongly encouraged to submit completed proxy forms electronically via email.

- (i) Unitholders will not be able to ask questions "live" during the broadcast of the Annual General Meeting. A Unitholder who wishes to raise any matters at the Annual General Meeting must submit such matters or any questions related to the Annual General Meeting:
- (i) via email to Dasin Retail Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd at AGM.TeamE@boardroomlimited.com;
 - (ii) by post to Dasin Retail Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (iii) via the Registration Link at <http://ir.dasintrust.com/agm2022/register>.

Unitholders are required to submit the matters they wish to be heard on and/or their questions no later than 4.30 p.m. on 19 April 2022, being seven (7) days before the time fixed for the Annual General Meeting.

When sending in your questions via email or by post, please also provide us with the following details:

- your full name;
- your address;
- number of Units held in Dasin Retail Trust; and
- the manner in which you hold Units in Dasin Retail Trust (e.g., via CDP, CPF or SRS).

NOTICE OF ANNUAL GENERAL MEETING

Due to the current COVID-19 situation in Singapore, which may make it difficult to submit questions by post, Unitholders are strongly encouraged to submit their questions via email. The Trustee-Manager will address all substantial and relevant questions received from Unitholders no later than 22 April 2022, 4.30 p.m., being 48 hours prior to the closing date and time for the lodgement of the proxy forms by publishing our responses on (i) the SGX website at <https://www.sgx.com/securities/company-announcements>; and (ii) the Trust's corporate website at <http://ir.dasintrust.com/newsroom.html>.

- (j) The proxy form is not valid for use by Investors (including CPF/SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor (other than CPF/SRS investors) who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instructions.
- (k) In addition, a CPF/SRS investor who wishes to vote should approach his/her CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the Annual General Meeting (i.e. by 4.30 p.m. on 14 April 2022).
- (l) The Annual Report for the financial year ended 31 December 2021 ("**Annual Report 2021**") has been published on the Trust's corporate website at <http://ir.dasintrust.com/ar.html> and on the SGX website at <https://www.sgx.com/securities/company-announcements>.
- (m) Due to the constantly evolving COVID-19 situation in Singapore, the Trustee-Manager may be required to change the arrangements for the Annual General Meeting at short notice. Unitholders are advised to check SGXNET and/or the Trust's corporate website at <http://ir.dasintrust.com/newsroom.html> for the latest updates on the status of the Annual General Meeting.

Personal data privacy:

By (a) submitting an instrument appointing the Chairman of the Meeting as proxy to vote at the Annual General Meeting and/or any adjournment thereof, (b) or submitting details for the registration to observe the proceedings of the Annual General Meeting via live audio-visual webcast or audio-only stream, or (c) submitting any question prior to the Annual General Meeting in accordance with this Notice, a Unitholder consents to the collection, use and disclosure of the Unitholder's personal data by the Trustee-Manager (or its agents or service providers) for the following purposes: (i) the processing and administration by the Trustee-Manager (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof); (ii) processing of the registration for purpose of granting access to Unitholders (or their corporate representatives in the case of Unitholders which are legal entities) to the live audio-visual webcast or audio-only stream to observe the proceedings of the Annual General Meeting of the Company and providing them with any technical assistance where necessary; (iii) answering substantial and relevant questions from Unitholders received before the Annual General Meeting of the Trust and, if necessary, following up with the relevant Unitholders in relation to such questions; and (iv) and in order for the Trustee-Manager (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

Photographic, sound and/or video recordings of the Annual General Meeting may be made by the Trustee-Manager (or its agents or service providers) for record keeping and to ensure the accuracy of the minutes prepared of the Annual General Meeting. Accordingly, the personal data of a Unitholder may be recorded by the Trustee-Manager (or its agents or service providers) for such purposes.

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PROXY FORM

ANNUAL GENERAL MEETING

IMPORTANT:

1. The AGM (as defined below) is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"). The Notice and the accompanying proxy form for the AGM will also be published electronically on (i) the SGX website at <https://www.sgx.com/securities/company-announcements>; and (ii) the Trust's corporate website at <http://ir.dasintrust.com/newsroom.html>.
2. Pursuant to the Order, alternative arrangements relating to attendance at the AGM by electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or audio-only means), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions and voting by appointing the Chairman of the AGM as proxy at the AGM will be implemented.
3. **As a precautionary measure due to the current COVID-19 situation in Singapore, a Unitholder will not be able to attend the AGM in person. If a Unitholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy vote on his/her/its behalf at the AGM.**
4. This Proxy Form is not valid for use by investors holding units in Dasin Retail Trust ("Units") through relevant intermediaries ("Investors") (including investors holding through Central Provident Fund ("CPF") or Supplementary Retirement Scheme ("SRS") ("CPF/SRS Investors")) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor (other than a CPF/SRS investor) who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator to submit their votes at least seven (7) working days before the AGM (i.e. by 4.30 p.m. on 14 April 2022).
5. **Personal Data Privacy:** By submitting an instrument appointing the Chairman of the AGM as proxy, the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice dated 11 April 2022.
6. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman as a Unitholder's proxy to vote on his/her/its behalf at the AGM.**

*I/We _____ (Name) _____ (NRIC/Passport No.) of
_____ (Address)

being *a Unitholder/Unitholders of Dasin Retail Trust, hereby appoint the **Chairman of the Annual General Meeting** (the "AGM") as *my/our proxy to vote for *me/us on *my/our behalf at the AGM of Dasin Retail Trust to be held by electronic means on 26 April 2022 at 4.30 p.m. and any adjournment thereof.

*I/We direct the Chairman of the AGM as *my/our proxy to vote for or against, or to abstain from voting in relation to the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

No.	Ordinary Resolutions	For#	Against#	Abstain#
1.	To receive and adopt the Report of the Trustee-Manager, the Statement by the Trustee-Manager and the Financial Statements of Dasin Retail Trust for the financial year ended 31 December 2021 and the Auditors' Report.			
2.	To re-appoint Messrs Deloitte & Touche LLP as Auditors of Dasin Retail Trust to hold office until the conclusion of the next AGM of Dasin Retail Trust, and to authorise the Trustee-Manager to fix its remuneration.			
3.	To authorise the Trustee-Manager to issue Units and to make or grant convertible instruments, subject to the limits specified in that resolution.			

If you wish to use all your votes "For", "Against" or to "Abstain", please indicate with an "X" within the relevant box provided. Otherwise, please indicate the number of votes as appropriate for each resolution within the relevant box provided.

* Delete appropriately

Dated this _____ day of _____ 2022

Signature(s) of Unitholder(s) / Common Seal of Corporate Unitholder
Important: Please read the notes to the proxy form.

Total number of Units held

Notes:

1. **As a precautionary measure due to the current COVID-19 situation in Singapore, a unitholder of Dasin Retail Trust ("Unitholder") will not be able to attend the AGM in person.** As the Trustee-Manager does not utilise real-time remote electronic voting through an electronic voting system at the Annual General Meeting, a Unitholder (whether individual or corporate) who wishes to exercise his/her/its voting rights at the AGM must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM. Please note that a Unitholder may not vote at the AGM otherwise than by way of appointing the Chairman of the AGM as the Unitholder's proxy.
2. In appointing the Chairman of the AGM as proxy, a Unitholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
3. The Proxy Form is not valid for use by Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor (other than a CPF/SRS investor) who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instructions. A CPF/SRS investor who wishes to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 4.30 p.m. on 14 April 2022).
4. The Chairman of the AGM, as proxy, need not be a Unitholder of Dasin Retail Trust.
5. A Unitholder should insert the total number of Units held in the Proxy Form. If the Unitholder has Units entered against his/her name in the Depository Register (as defined under Section 81SF of the Securities and Futures Act, 2001) maintained by The Central Depository (Pte) Limited ("CDP"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of Dasin Retail Trust, he/she should insert that number of Units. If the Unitholders has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, the Proxy Form will be deemed to relate to all the Units held by the Unitholder.
6. The Proxy Form appointing the Chairman of the AGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted in the following manner: (i) if submitted by post, be lodged with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or (2) if submitted electronically, be submitted via email to Dasin Retail Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd at AGM.TeamE@boardroomlimited.com, in either case, no later than 4.30 p.m. on 24 April 2022, being at least 48 hours before the time for holding the AGM.

Due to the current COVID-19 situation in Singapore, which may make it difficult for Unitholders to submit completed proxy forms by post, Unitholders are strongly encouraged to submit completed proxy forms electronically via email.

1st fold



DASIN RETAIL TRUST
大信商用信托

Affix Stamp

Dasin Retail Trust Management Pte. Ltd.
(As Trustee-Manager of Dasin Retail Trust)

c/o Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

2nd fold

7. Unitholders should take note that after the deadline for the submission of Proxy Forms, the deadline being 4.30 p.m. on 24 April 2022, i.e., 48 hours before the time for holding the AGM, they cannot change their vote as indicated in the box provided above.
8. The Proxy Form must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under the common seal or under the hand of an officer or attorney so authorised. The Trustee-Manager shall be entitled and be bound, in determining the rights to vote and other matters in respect of a completed Proxy Form submitted to it, to have regard to any instructions and/or notes set out in the Proxy Form.
9. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarial certified copy of such power of authority must (failing previous registration with the Trustee-Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
10. A corporation which is a Unitholder may, by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, 1967.
11. The Trustee-Manager shall have the right to reject a Proxy Form which has not been properly completed. In addition, in the case of Units entered in the Depository Register, the Trustee-Manager shall be entitled and bound:
 - (a) to reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by CDP to Dasin Retail Trust; and
 - (b) to accept as the maximum number of votes which in aggregate that Unitholder and his proxy or proxies (if any) are able to cast on a poll a number which is the number of Units entered against the name of that Unitholder in the Depository Register as at 48 hours before the time of the relevant meeting as certified by the CDP to Dasin Retail Trust, whether that number is greater or smaller than that specified by the Unitholder or in the Proxy Form.
12. No instrument appointing a proxy or proxies shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Unitholder.
13. All Unitholders will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.



DASIN RETAIL TRUST
大信商用信托

DASIN RETAIL TRUST MANAGEMENT PTE. LTD.

(As Trustee-Manager of Dasin Retail Trust)

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