

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, EUROPEAN UNION, CANADA, JAPAN OR AUSTRALIA. THIS ANNOUNCEMENT IS NOT AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, SECURITIES IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), EUROPEAN ECONOMIC AREA, EUROPEAN UNION, CANADA, JAPAN, AUSTRALIA OR ANY OTHER JURISDICTION. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY U.S. PERSON, ABSENT REGISTRATION PURSUANT TO THE SECURITIES ACT OR PURSUANT TO AN APPLICABLE EXEMPTION UNDER THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE OR LOCAL SECURITIES LAWS. NO PUBLIC OFFERING OF SECURITIES OF DASIN RETAIL TRUST IS BEING MADE, OR WILL BE MADE, IN THE UNITED STATES.



DASIN RETAIL TRUST  
大信商用信托

(a business trust constituted on 15 January 2016  
under the laws of the Republic of Singapore)

## ANNOUNCEMENT

### LAUNCH OF PRIVATE PLACEMENT OF NEW UNITS IN DASIN RETAIL TRUST TO RAISE GROSS PROCEEDS OF UP TO APPROXIMATELY S\$94.0 MILLION

*Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the announcement of Dasin Retail Trust dated 3 December 2019 titled "Receipt of Approval In-Principle for Listing of Up To 120.0 Million New Units (The "Private Placement")" (the "AIP Announcement")"*

#### 1. Introduction

Further to the AIP Announcement and the business update released by Dasin Retail Trust dated 18 May 2020 titled "Business Update 18 May 2020" (the "Business Update"), Dasin Retail Trust Management Pte. Ltd., in its capacity as trustee-manager of Dasin Retail Trust (the "Trustee-Manager"), wishes to announce the launch of a private placement (the "Private Placement") of up to 120,512,000 new units in Dasin Retail Trust (the "Units", and the new Units to be issued pursuant to the Private Placement, the "New Units") at an issue price of between S\$0.78 and S\$0.80 per New Unit (the "Issue Price Range") to raise gross proceeds of up to approximately S\$94.0 million.

#### 2. Details of the Private Placement

The Trustee-Manager has appointed AMTD Global Markets Limited<sup>1</sup>, Bank of China Limited, Singapore Branch, CLSA Singapore Pte. Ltd., DBS Bank Ltd., Haitong International Securities (Singapore) Pte. Ltd., Phillip Securities Pte. Ltd. and Soochow CSSD Capital Markets (Asia) Pte. Ltd., as the joint bookrunners in relation to the Private Placement (the "Joint

<sup>1</sup> AMTD will not offer or sell or procure subscriptions for any New Units in Singapore.

**Bookrunners**"), in accordance with the terms of a placement agreement entered into today between the Trustee-Manager and the Joint Bookrunners (the "**Placement Agreement**"), pursuant to which the Joint Bookrunners have been appointed to, on a best efforts basis, manage the Private Placement and to procure subscribers for the New Units at the Issue Price (as defined below), on the terms and subject to the conditions of the Placement Agreement. The Private Placement shall be subject to certain conditions precedent set out in the Placement Agreement.

The Issue Price Range of between S\$0.78 and S\$0.80 per New Unit (both figures inclusive) represents a discount of between:

- (i) approximately 6.0% and 3.6% respectively to the volume weighted average price ("**VWAP**") of S\$0.83 per Unit of all trades in the Units done on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the preceding Market Day<sup>2</sup> on 25 June 2020, up to the time the Placement Agreement was signed on 26 June 2020; and
- (ii) (for illustrative purposes only) approximately 3.5% and 1.0% to the adjusted VWAP<sup>3</sup> of S\$0.80835 per Unit.

The issue price per New Unit for the Private Placement (the "**Issue Price**") will be determined by the Trustee-Manager and the Joint Bookrunners following a book-building process, and will be announced by the Trustee-Manager thereafter via SGXNET.

Pursuant to the Placement Agreement, the Trustee-Manager will pay to the Joint Bookrunners a commission of up to 2.5% of the Gross Proceeds (as defined below).

### 3. Use of Proceeds

Subject to relevant laws and regulations and assuming the Private Placement raises gross proceeds of approximately S\$94.0 million ("**Gross Proceeds**"), the Trustee-Manager intends to use the Gross Proceeds in the following manner in connection with the proposed acquisition of the properties known as (i) Shunde Metro Mall, which is located at No. 1 Rainbow Road, Xincheng District, Dehe Community Residents Committee, Daliang Street Office, Shunde District, Foshan City, Guangdong Province, PRC; and (ii) Tanbei Metro Mall, a shopping mall located at No. 153, Xierma Road, Tanbei, Dongsheng Town, Zhongshan City, Guangdong Province, PRC (the "**Proposed Acquisition**"):<sup>4</sup>

- (a) approximately S\$77.7 million (which is equivalent to 82.7% of the Gross Proceeds) to make partial repayment of the onshore construction loan of Foshan Dasin Commercial Management Co., Ltd. (佛山市大信商业管理有限公司) with a PRC commercial bank, Guangdong Shunde Rural Commercial Bank Company Limited (广东顺德农村商业银行股份有限公司);
- (b) approximately S\$4.8 million (which is equivalent to 5.1% of the Gross Proceeds) to pay the construction payables of the Shunde PRC Property Company; and
- (c) approximately S\$11.5 million (which is equivalent to 12.2% of the Gross Proceeds) to pay the estimated fees and expenses, including (i) the placement commission and

<sup>2</sup> "**Market Day**" refers to a day on which the SGX-ST is open for securities trading.

<sup>3</sup> The adjusted VWAP is computed based on the VWAP of all trades in the Units on the SGX-ST for the preceding Market Day on 25 June 2020, up to the time the Placement Agreement was signed on 26 June 2020, and excluding the estimated Cumulative Distribution (as defined herein) of approximately 2.165 Singapore cents per Unit (which represents the mid-point of the estimated Cumulative Distribution Range (as defined herein)). This amount is only an estimate based on information currently available to the Trustee-Manager, and the actual Cumulative Distribution may differ. The actual quantum of the Cumulative Distribution will be announced in due course.

<sup>4</sup> The balance of the Proposed Acquisition will be funded by debt and internal funding.

related fees and expenses payable to the Joint Bookrunners, and (ii) professional and other fees and expenses to be incurred by Dasin Retail Trust in connection with the Proposed Acquisition and the Private Placement.

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

The Trustee-Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where the proceeds are to be used for general working capital purposes, the Trustee-Manager will disclose a breakdown with specific details on the use of proceeds for working capital in Dasin Retail Trust's announcements on the use of proceeds and in Dasin Retail Trust's annual report, and where there is any material deviation from the stated use of proceeds, the Trustee-Manager will announce the reasons for such deviation.

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

#### **4. Subscription by Aqua Wealth under the Private Placement**

To demonstrate its commitment to Dasin Retail Trust and to align its interest with other unitholders of Dasin Retail Trust ("**Unitholders**"), Aqua Wealth Holdings Limited ("**Aqua Wealth**") may subscribe for up to 44.0 million New Units under the Private Placement (the "**Aqua Wealth New Units**").

Pursuant to Rules 805(1) and 812(2) of the Listing Manual of the SGX-ST, approval for the subscription by Aqua Wealth of the Aqua Wealth New Units has been granted at the extraordinary general meeting of Dasin Retail Trust held on 20 December 2019.

#### **5. Rationale for the Private Placement**

It is intended that the Proposed Acquisition will be financed by a combination of debt and equity financing and internal funding so as to ensure that Dasin Retail Trust continues to maintain an optimum level of gearing. The Trustee-Manager believes that the Private Placement, in combination with debt and equity financing and internal funding, is an efficient and overall beneficial method of raising funds to finance the Proposed Acquisition, as well as allow for the participation of more potential institutional and accredited investors, which will in turn raise the profile of Dasin Retail Trust among investors. The increase in the total number of Units in issue and enlarged Unitholder base is also expected to enhance the trading liquidity of the Units. Please refer to pages 20 to 25 of the Business Update in respect of the financial effects of the Proposed Acquisition.

#### **6. Eligibility to Participate in the Private Placement**

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

The New Units to be offered under the Private Placement have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States or to or for the account or benefit of any U.S. person, absent registration pursuant to the Securities Act or pursuant to an applicable exemption under the Securities Act and in compliance with any

applicable U.S. state or local securities laws. The New Units are being offered and sold to non U.S. persons in offshore transactions as defined in and in reliance on Regulation S under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act.

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

## 7. Authority to Issue Units

The Trustee-Manager intends to rely on (i) the approval given by Unitholders to the Trustee-Manager at the extraordinary general meeting of Dasin Retail Trust held on 20 December 2019 to issue up to 120.0 million New Units pursuant to the Private Placement, and (ii) the general mandate obtained at the annual general meeting of Dasin Retail Trust held on 18 April 2019 to issue the balance number of New Units pursuant to the Private Placement (the "**Balance Placement Units**").

## 8. Cumulative Distribution

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

In connection with the Private Placement, the Trustee-Manager intends to declare in respect of the Units in issue immediately prior to the issue of the New Units (the "**Existing Units**"), a Cumulative Distribution (as defined below), which comprises a semi-annual distribution of the distributable income for the period from 1 January 2020 to 30 June 2020 ("**1HFY2020 Distribution**") and an advanced distribution of the distributable income for the period from 1 July 2020 to 6 July 2020 (the "**Advanced Distribution**" and together with the 1HFY2020 Distribution, the "**Cumulative Distribution**"), being the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement.

The quantum of distribution per Unit under the Cumulative Distribution (comprising the 1HFY2020 Distribution and the Advanced Distribution) is currently estimated to be between 2.00 Singapore cents to 2.33 Singapore cents<sup>5</sup> (the "**Cumulative Distribution Range**"). A further announcement on the actual quantum of the Cumulative Distribution will be made by the Trustee-Manager in due course.

The New Units are expected to be issued on or around 7 July 2020.

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

The next distribution following the Cumulative Distribution will comprise Dasin Retail Trust's distributable income for the period from 7 July 2020 to 31 December 2020. Semi-annual distributions will resume thereafter.

---

5

The estimated distribution for the period from 1 January 2020 to 6 July 2020, being the day immediately prior to the date on which the New Units will be issued pursuant to the Private Placement, is based on the Trustee-Manager's estimate of Dasin Retail Trust's revenue and expenses for the relevant period on a pro-rata basis. This amount is only an estimate based on information currently available to the Trustee-Manager, and the actual Cumulative Distribution may differ. The actual quantum of the Cumulative Distribution will be announced in due course.

(Please refer to the announcement dated 26 June 2020 issued by the Trustee-Manager in relation to the notification of the time and date on which the transfer books and register of Unitholders will be closed to determine Unitholders' entitlement to the Cumulative Distribution.)

**9. Status of New Units**

The New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributable income from the day of issuance of the New Units pursuant to the Private Placement, as well as all distributions thereafter, other than in respect of the Cumulative Distribution.

**For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Cumulative Distribution.**

**10. Application to the SGX-ST**

The Trustee-Manager had previously announced on 3 December 2019 that approval in-principle has been obtained from the SGX-ST for the listing of, and dealing in, and quotation on the Main Board of the SGX-ST for up to 120.0 million New Units to be issued pursuant to the Private Placement. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Private Placement, the New Units, the Trustee-Manager and/or Dasin Retail Trust and/or its subsidiaries. Please refer to the AIP Announcement for further information, including on the conditions to which the approval in-principle of the SGX-ST is subject.

Following the close of the Private Placement, the Trustee-Manager will, if required, make a further application to the SGX-ST for the listing of, dealing in, and quotation for the Balance Placement Units on the Main Board of the SGX-ST. An announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

By Order of the Board

**Dasin Retail Trust Management Pte. Ltd.**

(Company Registration No. 201531845N)

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

26 June 2020

## **IMPORTANT NOTICE**

This Announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

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

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

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

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

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

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

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

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