



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)

**RESPONSE TO THE SGX-ST'S QUERIES REGARDING
THE TRUST'S ANNOUNCEMENT DATED 28 SEPTEMBER 2021**

The Board of Directors (the "**Board**") of Dasin Retail Trust Management Pte. Ltd. (the "**Trustee-Manager**"), as trustee-manager of Dasin Retail Trust (the "**Trust**"), wishes to announce the information set out below in response to the queries from the Singapore Exchange Securities Trading Limited (the "**SGX Queries**") received on 29 September 2021 in relation to the announcement made by the Trust on SGXNet dated 28 September 2021 on the Trust's update on payment date of distribution.

SGX Query

1. "The Trust stated in its SGXNET announcement on 28 September 2021 that, "the distribution to unitholders will be paid on Monday, 4 October 2021 instead of 28 September 2021. The delay in the payment is due to technical issues in the transfer of funds.
 - (a) Please elaborate further on the specific technical issues and whether and how these have been resolved; and
 - (b) Please provide confirmation that the funds have been successfully remitted for the distribution to be paid on Monday, 4 October 2021."

Trustee-Manager's response

- (i) The technical issues were due to delay in the processing of remittance of funds from Macau to Singapore as the remitting bank requires credible witnesses to witness the signing by the authorised signatories and the use of company stamp on the original remittance instructions/forms. Due to COVID-19 restriction, the witnessing of the signing by the authorised signatories by credible witnesses and courier of the original remittance instruction/forms from Singapore to Macau (bearing the authorised signature and company stamp) were delayed. These have since been provided to and approved by the remitting bank.
- (ii) As at 29 September 2021, the funds have been successfully remitted from Macau to Singapore, for the distribution to be paid on Monday, 4 October 2021.

SGX Query

2. "In the Trust's SGXNET announcement dated 9 August 2021 on the Trust's Results announcement for the six months ended 30 June 2021 ("1HFY2021"), it is noted that the Group has, inter alia, secured syndicated term loan in aggregate of S\$500.8 million due and payable on 19 December 2021. On 16 August 2021, in response to SGX's query, the

Trust had also disclosed its views of its ability to meet debt repayment obligations, which also made reference to an SPA with New Harvest who will acquire 70.0% of the total issued and paid up share capital (the "Sale Shares") in the Trustee-Manager from Mr. Zhang Zhencheng." It was stated that, "It is currently expected that the transfer of the Sale Shares will be completed in August 2021.

- (a) Please confirm whether the SPA has been completed in August 2021 and if not, to provide details why it has not been completed;
- (b) To disclose whether there are any issues in completing the SPA and if not, to disclose the expected completion date;
- (c) To confirm whether the delay in remittance of funds for distribution to unitholders is connected to ongoing discussions with the relevant financial institution(s); and
- (d) To provide further details on New Harvest, the potential new controlling shareholder of the Trustee Manager and how it is "an affiliate of Sino-Ocean Capital". To provide background information on New Harvest and Sino-Ocean Capital and disclose whether the expected completion had been delayed by impact on liquidity or developments arising from the unfolding events relating to the Evergrande crisis."

Trustee-Manager's response

- (i) The SPA was delayed in August 2021 as the syndicated loan facilities agreements require the major shareholder to maintain a majority control of not less than 51% of the Trust's total issued units as well as 100% of the total issued and paid-up capital in the Trustee-Manager. The SPA with Sino-Ocean required a waiver from all 16 members of the syndicated loan facilities for the above two requirements. The waiver was not obtained fully until today, 30 September 2021.
- (ii) Following the waivers obtained today, there are no significant issues faced and the SPA is currently expected to be completed in the first half of October 2021.
- (iii) As explained in (a)(i) above, the delay in the payment is due to technical issues in the transfer of funds and is not connected to the ongoing discussions with the relevant financial institutions.
- (iv) Please refer to section "Substantial Shareholder/Unitholder I" on page 18 of the Form 3 attached in the announcement dated 23 July 2021, which detailed that "New Harvest Investments Limited is an indirect wholly-owned subsidiary of Sino-Ocean Capital Holding Limited." The link to the announcement is appended below for ease of reference, <http://ir.dasintrust.com/news.html/id/2344015>.

Background information of Sino-Ocean Capital was shared in slide 14 of Dasin Retail Trust's 1HFY2021 Results Presentation Slides dated 9 August 2021, which include:

- Sino Ocean Capital's businesses include real estate investment, private equity investment, structured investment, strategic and innovative investment;
- Previously clinched awards including "TOP 10 Best Investment Institute (Real Estate Industry)", "TOP 10 Real Estate Fund Management Institute", "Best Real Estate Equity Investment Institute";
- Assets under management exceeds RMB 133 billion as at end 2020.

The developments arising from the unfolding events relation to the Evergrande crisis do not affect the expected completion. As mentioned in (2)(i) above, the Trustee-Manager understands from its major shareholder that the SPA is currently at an advanced stage

of completion pending procurement of all necessary consents, approvals and authorisations from the parties involved and is expected to be completed in the first half of October 2021.

SGX Query

3. "In the Trust's SGXNET announcement dated 16 August 2021 in response to SGX Queries, the Trust disclosed that, "The Group receives continued financial support from the lenders; and (viii) The Trustee-Manager is in active negotiations with the lenders and the Board believes that the refinancing of the term loans as mentioned in (i) above is achievable within the stipulated timeframes based on the indicative terms discussed with the lenders.
- (a) Please provide an update on the negotiations with the banks and confirm if there are any material information which should be brought to the attention of investors in relation to the Trust achieving the refinancing of the term loans within the "stipulated timeframes". Please disclose what are these "stipulated timeframes".
- (b) Please elaborate on how the Sale Shares (as defined in Question #2 above) will enable the Trust to meet its debt obligations and/or its significant current liabilities."

Trustee-Manager's response

- (i) The Trustee-Manager is still in active negotiations with the lenders and nothing material has developed since 16 August 2021, which warrants further disclosure to unitholders. In the event of any material developments, the Trustee-Manager will release further announcements as necessary on the matter. Stipulated timeframes refer to the tenure of both the Offshore Facilities and Onshore Facilities which have been extended by approximately five months from 20 July 2021 to 19 December 2021 as set out in the Trust's SGXNET announcement dated 20 July 2021.
- (ii) By bringing on board an affiliate of Sino-Ocean Capital as a shareholder of the Trustee-Manager, the parties plan to work together to take the Trust into the next stage of growth and also explore other partnership opportunities. Leveraging Sino-Ocean Capital's established track record and credibility, Dasin Retail Trust is confident of completing its refinancing by 19 December 2021.

SGX Query

4. "Please elaborate on whether the unfolding events relating to the Evergrande crisis will have any direct and indirect impact on the Trust's operations and its ability to meet its short term obligations as and when they fall due and its ability to obtain refinancing of its term loans."

Trustee-Manager's response

We are unable to provide comments on the unfolding events relating to the Evergrande crisis given that we do not have the full details of the matter. Nonetheless, this will not have any direct and indirect impact on the Trust's operations and its ability to meet its short-term obligations as and when they fall due and its ability to obtain refinancing of its term loans.

As disclosed in (5)(iii) below, the Group has sufficient cash and cash equivalent and able to generate positive operating cash flow to meet its short-term obligations as and when they fall due. In addition, as disclosed in 3(i) and 3(ii), the Trustee-Manager is still in active negotiations with the lenders and by leveraging Sino-Ocean Capital's established track record and credibility, Dasin Retail Trust is confident of completing its refinancing by 19 December 2021.

SGX Query

5. "In view of the questions above, please have the Board provide a detailed assessment in addressing the following queries:
- (a) the Board of Directors' assessment of the Group's ability to continue operating as a going concern and the bases for the said assessment;

Trustee-Manager's response

- (i) As stated in the Trust's announcement in response to SGX's queries dated 16 August 2021, the significant current liabilities as of 30 June 2021 were mainly due to classification of (i) S\$242,000,000 and USD134,286,000 (S\$180,655,000) offshore syndicated term loan equivalent to S\$422,655,000 in aggregate of the Group, and (ii) RMB375,152,000 (S\$78,143,000) onshore syndicated term loan of the Group, which are due and payable on 19 December 2021.

In considering the payment obligations in the next 12 months, the Trustee-Manager has considered the following:

- (ii) The Group's business fundamentals are reasonably sound throughout the COVID-19 pandemic;
- (iii) As disclosed on page 12 of the unaudited condensed interim consolidated financial statements for the six months period ended 30 June 2021, the Group has sufficient cash and cash equivalents and expects that adequate cashflow will be generated from its operations to meet working capital needs, and that the Group will receive continued financial supports from its lenders;
- (iv) The controlling unitholders of the Trust and the potential incoming shareholder of the Trustee-Manager remain supportive to the Trust and the Group;
- (v) The Group had on 19 July 2021 announced that the Chairman and controlling shareholder of the Trustee-Manager entered into a sale and purchase agreement with New Harvest Investment Limited, an affiliate of Sino-Ocean Capital which is a top domestic real estate fund management company, and an outstanding alternative asset management company in China.
- (vi) The Trustee-Manager understands from its major shareholder that the SPA is currently at an advanced stage of completion pending procurement of all necessary consents, approvals and authorisations from the parties involved and is currently expected to be completed in the first half of October 2021.
- (vii) The Group met the stipulated financial covenants during the year and up to the date of this announcement;
- (viii) The Group receives continued financial support from the lenders; and
- (ix) The Trustee-Manager is in active negotiations with the lenders and the Board believes that the refinancing of the term loans as mentioned in (i) above is achievable within the stipulated timeframes based on the indicative terms discussed with the lenders.

SGX Query

5. “In view of the questions above, please have the Board provide a detailed assessment in addressing the following queries:
- (a) the Board of Directors’ opinion as to whether trading of the Company’s shares should be suspended pursuant to Listing Rule 1303(3); and

Trustee-Manager’s response

Based on (5)(a) above, the Board is of the view that the Group will be able to continue as a going concern, and therefore, trading in the Trust’s units should not be suspended.

SGX Query

5. “In view of the questions above, please have the Board provide a detailed assessment in addressing the following queries:
- (b) the Board of Directors’ confirmation as to whether all material disclosures have been provided for trading of the Company’s shares to continue in an orderly manner; and the bases for its views.”

Trustee-Manager’s response

The Board is continuously monitoring the Group’s operations and receives reports from management in relation to the Group’s performance and financial status, and nothing material has come to the Board’s attention that warrants further disclosure to unitholders. In this regard, to the best of its knowledge and belief, the Board is of the opinion that sufficient information has been disclosed to unitholders to enable trading of the Group’s units to continue in an orderly manner.

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

By Order of the Board

Dasin Retail Trust Management Pte. Ltd.

(Company Registration No. 201531845N)

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

Wang Qiu

Chief Executive Officer

30 September 2021

IMPORTANT NOTICE

The value of the units of Dasin Retail Trust (the “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 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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), 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.