DASIN RETAIL TRUST
MANAGEMENT PTE. LTD.
(Registration No. 201531845N)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

CONTENTS

DIRECTORS' STATEMENT

The directors present their statement together with the financial statements of the Company for the financial year ended 31 December 2017.

In the opinion of the directors, the financial statements as set out on pages 5 to 25 are drawn up so as to give a true and fair view of financial position of the Company as at 31 December 2017 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended and at the date of this statement, with the continuing financial support from its related parties, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Zhang Zhencheng
Zhang Zhongming
Cao Yong
Sun Shu
Tan Huay Lim

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

As disclosed in Note 12 to the financial statements, the trustee fee and management fee received/receivable from the Trust (as defined therein) in accordance with the trust deed during the financial year ended 31 December 2017 amounted to $253,529 and $3,169,108 respectively. The fees were received/receivable from the Trust in the form of 4,186,615 units of the Trust with carrying values totalling $3,422,637.

Except as disclosed above, neither at the end of, nor at any time during the financial year, did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act except as follows:

Name of directors and companies in which interests are held	**Shareholdings registered in name of director**		**Shareholdings in which director is deemed to have an interest**	
	At beginning of year	**At end of year**	**At beginning of year**	**At end of year**
Company				
Dasin Retail Trust Management Pte. Ltd. (Ordinary shares)	Number of shares			
Zhang Zhencheng	500,001	500,001	5,000	5,000

DIRECTORS' STATEMENT

4 SHARE OPTIONS

(a) *Option to take up unissued shares*

During the financial year, no option to take up unissued shares of the Company was granted.

(b) *Option exercised*

During the financial year, there were no shares of the Company issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the Company under option.

5 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Zhang Zhencheng

Zhang Zhongming

26 March 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DASIN RETAIL TRUST MANAGEMENT PTE. LTD.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Dasin Retail Trust Management Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 25.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2017 and financial performance, changes in equity and cash flows of the Company 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 Company 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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 Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, 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, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company'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 Company's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management'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 Company'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 Company 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.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

26 March 2018

STATEMENT OF FINANCIAL POSITION
31 December 2017

	Note	2017	2016
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	4	441,743	574,509
Amount due from related parties	5	3,589,548	2,603,823
Other receivables and deposits	6	277,534	235,642
Total current assets		4,308,825	3,413,974
Non-current assets			
Available-for-sale financial assets	7	2,482,682	-
Plant and equipment	8	389,373	9,299
Total non-current assets		2,872,055	9,299
Total assets		7,180,880	3,423,273
LIABILITIES AND CAPITAL DEFICIENCY			
Current liabilities			
Amount due to related parties	5	8,743,524	5,550,699
Other payables	9	346,845	5,668
Total current liabilities		9,090,369	5,556,367
Capital and accumulated losses			
Share capital	10	505,001	505,001
Revaluation reserves	11	163,109	-
Accumulated losses		(2,577,599)	(2,638,095)
Net capital deficiency		(1,909,489)	(2,133,094)
Total liabilities and net capital deficiency		7,180,880	3,423,273

See accompanying notes to financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Financial year ended 31 December 2017

	Note	2017	14 August 2015 (date of incorporation) to 31 December 2016
		$	$
Revenue	12	3,422,637	-
Other gains and losses	13	252,363	(199,403)
Administrative expenses		(3,614,504)	(2,438,692)
Profit (Loss) before income tax		60,496	(2,638,095)
Income tax expense	14	-	-
Profit (Loss) for the year/period	15	60,496	(2,638,095)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Fair value gain on available-for-sale financial assets		163,109	-
Other comprehensive income for the year/period, net of tax		163,109	-
Total comprehensive income for the year/period		223,605	(2,638,095)

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN EQUITY
Financial year ended 31 December 2017

	Share capital	Revaluation reserve	Accumulated losses	Total
	$	$	$	$
Transactions with owners, recognised directly in equity:				
Issue of shares on 14 August 2015 (date of incorporation)	1	-	-	1
Issuance of shares	505,000	-	-	505,000
Loss for the period, representing total comprehensive income for the period	-	-	(2,638,095)	(2,638,095)
Balance at 31 December 2016	505,001	-	(2,638,095)	(2,133,094)
Total comprehensive income for the year:				
Profit for the year	-	-	60,496	60,496
Other comprehensive income for the year	-	163,109	-	163,109
Total	-	163,109	60,496	223,605
Balance at 31 December 2017	505,001	163,109	(2,577,599)	(1,909,489)

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS
Financial year ended 31 December 2017

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Operating activities		
Profit (Loss) before income tax	60,496	(2,638,095)
Adjustment for:		
Depreciation of plant and equipment	39,449	2,562
Trustee fee received in units (Note A)	(171,820)	-
Management fee received in units (Note A)	(2,147,753)	-
Foreign exchanges	(247,764)	-
Operating cash flows before movements in working capital	(2,467,392)	(2,635,533)
Movements in working capital		
Other receivables and deposits	(41,892)	(235,642)
Other payables	341,177	5,668
Net cash used in operating activities	(2,168,107)	(2,865,507)
Investing activities		
Purchase of plant and equipment (Note B)	(10,472)	(11,861)
Increase in amounts due from related parties	(985,725)	(2,603,823)
Net cash used in investing activities	(996,197)	(2,615,684)
Financing activities		
Proceeds from share issuance	-	505,001
Increase in amounts due to related parties (Note B)	3,031,538	5,550,699
Net cash from financing activities	3,031,538	6,055,700
Net (decrease) increase in cash and cash equivalents	(132,766)	574,509
Cash and cash equivalents at beginning of year/period	574,509	-
Cash and cash equivalents at end of year/period (Note 4)	441,743	574,509

Significant non-cash and other transactions

Note A: Trustee fee and Management fee
During the financial year, 2,837,351 units were issued to the Company at various unit prices in satisfaction of trustee fee and management fee, amounting to $2,319,573.

On 12 March 2018, the Trust issued 1,349,264 units at a unit price of $0.81753 per unit to the Company, amounting to $1,103,064.

Note B: Purchase of plant and equipment
During the financial year, a related party transferred plant and equipment at net book value amounting to $409,051 (2016 : $Nil) to the Company.

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

Financial year ended 31 December 2017

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash from financing activities.

			Non-cash changes	
	1 January 2017	Cash flows (i)	Foreign exchange movement	31 December 2017
	$	$	$	$
Liabilities arising from financing activities				
Amount due to related parties (Note 5)	5,550,699	3,440,589	(247,764)	8,743,524
	5,550,699	3,440,589	(247,764)	8,743,524

(i) The cash flows make up the net amount of advances from amount due to related parties and the transfer of plant and equipment as disclosed in Note B of the statement of cash flows.

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

1 GENERAL

The Company (Registration No. 201531845N) is incorporated in the Republic of Singapore with its principal place of business and registered office at 8 Marina Boulevard, #14-02 Marina Bay Financial Centre, Singapore 018981. The financial statements are expressed in Singapore dollars ("SGD"), which is also the functional currency of the Company.

The principal activity of the Company is to act as the trustee-manager of Dasin Retail Trust (the "Trust"), a trust constituted in Singapore under the trust deed dated 15 January 2016 and listed on the Main Board of the Singapore Exchange Securities Trading Limited on 20 January 2017. The immediate and ultimate controlling party of the Company is Zhang Zhencheng.

The financial statements of the Company for the year ended 31 December 2017 were authorised for issue by the directors on 26 March 2018.

2 SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Financial Reporting Standards in Singapore ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS - In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the financial year beginning on and after 1 January 2017. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior year.

At the date of authorisation of these financial statements, certain FRSs that are relevant to the Company were issued but not effective.

- FRS 109 Financial Instruments[1]
- FRS 115 Revenue from Contracts with Customers (with clarifications issued)[1]
- FRS 116 Leases[2]

1 Applies to annual periods beginning on or after 1 January 2018 with early application permitted.
2 Applies to annual periods beginning on or after 1 January 2019 with early application permitted for entities that apply FRS 115 at or before the date of initial application of FRS 116.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Management anticipates that the adoption of the FRSs in future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption except for the following:

FRS 109 ***Financial Instruments***

FRS 109 was issued in December 2014 to replace FRS 39 Financial Instruments: Recognition and Measurement and introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities, (ii) general hedge accounting and (iii) impairment requirements for financial assets.

Key requirements of FRS 109:

- All recognised financial assets that are within the scope of FRS 39 are now required to be subsequently measured at amortised cost or fair value through profit or loss (FVTPL). Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (FVTOCI). All other debt investments and equity investments are measured at FVTPL at the end of subsequent accounting periods. In addition, under FRS 109, entities may make an irrevocable election, at initial recognition, to measure an equity investment (that is not held for trading) at FVTOCI, with only dividend income generally recognised in profit or loss.

- With some exceptions, financial liabilities are generally subsequently measured at amortised cost. With regard to the measurement of financial liabilities designated as at FVTPL, FRS 109 requires that the amount of change in fair value of such financial liability that is attributable to changes in the credit risk be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch to profit or loss. Changes in fair value attributable to the financial liability's credit risk are not subsequently reclassified to profit or loss.

- In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in FRS 39. Under FRS 109, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The application of FRS 109 in the future may potentially have an impact on amounts reported in respect of the Company's financial assets and financial liabilities in the year of implementation depending on the profile of assets exposed to credit risks and extent of the Company's usage of derivative financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FRS 116 *Leases*

FRS 116 was issued in June 2016 and will supersede FRS 17 Leases and its associated interpretative guidance.

The Standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets). The Standard maintains substantially the lessor accounting approach under the predecessor FRS 17.

The total operating lease commitments of the Company in respect of leased premises as at 31 December 2017 are set out in Note 16. As at 31 December 2017, the Company has non-cancellable operating lease commitments of $658,492 (2016 : $1,536,482). A preliminary assessment indicates that these arrangements will meet the definition of a lease under FRS 116, and hence the Company will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of FRS 116. In addition, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

<u>Impairment of non-financial assets</u>

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial assets

Available-for-sale financial assets

Certain shares held by the Company are classified as being available for sale and are stated at fair value. Fair value is determined in the manner described in Note 7. Gains and losses arising from changes in fair value are recognised in other comprehensive income with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income and accumulated in revaluation reserve is reclassified to profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the group's right to receive payments is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at end of the reporting period. The change in fair value attributable to translation differences that result from a change in amortised cost of the available-for-sale monetary asset is recognised in profit or loss, and other changes are recognised in other comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, amount due from related parties and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment loss on financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For available-for-sale equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment.

For financial assets held by the Company, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Breach of contract, such as a default or delinquency in interest or principal payments; or
- It becoming probable that the counterparty will enter bankruptcy or financial re-organisation

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the assets' carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade or other receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial assets (cont'd)

Impairment loss on financial assets (cont'd)

For financial assets measured at amortised cost, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any subsequent increase in fair value after an impairment loss is recognised in other comprehensive income and accumulated under the heading of revaluation reserves.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Company are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Financial liabilities

Financial liabilities (including other payables and amounts due to related parties) are subsequently measured at amortised cost, using the effective interest method except for short-term payables when the effect of discounting would be immaterial.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred financial asset, the Company continues to recognise to the extent of its continuing involvement and recognises an associated liability. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Derecognition (cont'd)

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the financial statements when the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost over their estimated useful lives, using the straight-line method, on the following bases:

Computers and office equipment - 1 to 5 years.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss for the year.

Foreign currency transactions

The financial statements of Company are measured and presented in SGD which is the currency of the primary economic environment in which the Company operates (its functional currency).

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Foreign currency transactions (cont'd)

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

Revenue recognition

Trustee-Manager Fees

Fees are recognised on an accrual basis and in accordance with the terms and conditions of the trust deed that the Company has entered into with Dasin Retail Trust. Under the trust deed, the Trustee-Manager is entitled to a management fee (comprising a base fee and a performance fee), trustee fee, acquisition fee and divestment fee, computed as follows:

- Management fee

  (i) a base fee of

  0.25% per annum of the value of the property of the Trust ("Trust Property") up to an amount of $10 billion; and

  0.20% per annum of the value of the Trust Property which exceeds $10 billion.

  (ii) 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 fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

- Trustee fee of 0.02% per annum of the value of the Trust's properties.

- Acquisition fee of 0.75% for acquisitions from Related Parties and 10% for all other acquisitions price plus any other payments in addition to the acquisition price made to the vendor.

- Divestment fee of 0.50% of the sale price plus any other payments received in addition to the sale price from the purchaser.

The Company may elect to receive the management fees, trustee fees, acquisition fees and/or divestment fees in cash or units of the Trust ("Units") or a combination of cash and/or Units.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit (loss) before income tax" as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Company's management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

Management is of the opinion that there are no critical judgements made in applying the Company's accounting policies that may have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, is discussed below:

Allowance for doubtful debts

Management assesses at the end of each reporting period whether there is any objective evidence that amount due from related parties and other receivables are impaired. If there is objective evidence that an impairment loss on the receivables has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the loss is recognised in profit or loss. Where the loss is subsequently reversed, the reversal is recognised in profit or loss. The carrying amounts of the amount due from related parties and other receivables are disclosed in Note 5 and 6 to the financial statements.

4 CASH AND CASH EQUIVALENTS

	2017	2016
	$	$
Cash at bank	441,743	574,509

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

5 AMOUNT DUE FROM / TO RELATED PARTIES

Some of the Company's transactions and arrangements are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. These balances are unsecured, interest-free and repayable on demand unless otherwise stated.

The following balances were outstanding at the end of the reporting period:

	2017	2016
	$	$
Amount due from related parties:		
Companies in which a director holds significant financial interests		
Amount due from a related party (non-trade)	2,402,000	2,402,000
Amount due from Dasin Retail Trust (trade) (Note A)	1,103,064	-
Amount due from Dasin Retail Trust (non-trade)	84,484	201,823
	3,589,548	2,603,823

Note A

This relates to the trustee fee and mangement fee receivable from the Trust for the period from 1 October 2017 to 31 December 2017. On 12 March 2018, the Trust issued 1,349,264 units at an unit price of $0.81753 per unit to the Company (Note 7).

	2017	2016
	$	$
Amount due to related parties:		
Companies in which the directors hold significant financial interests		
Amount due to related parties (non-trade)	7,753,623	5,198,781
A director of the Company		
Amount due to a related party (non-trade)	210,000	-
An individual who is related to the directors		
Amount due to a related party (non-trade)	779,901	351,918
	8,743,524	5,550,699

During the financial year, a related party transferred plant and equipment at net book value amounting to $409,051 (2016: $Nil) to the Company.

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Short-term benefits	1,313,428	1,162,644
Post-employment benefits	12,240	15,254
	1,325,668	1,177,898

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

6 OTHER RECEIVABLES AND DEPOSITS

	2017	2016
	$	$
Deposits	219,497	219,497
Other receivables	20,162	-
GST receivables	-	16,071
Prepayment	37,875	74
	277,534	235,642

7 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2017	2016
	$	$
Quoted equity shares, at fair value	2,482,682	-

During the financial year, the Company has elected to receive the trustee fees and management fees in units. An aggregate of 2,837,351 units, amounting to $2,319,573, have been issued to the Company in satisfaction of trustee fee and management fee, at unit prices ranging from $0.80512 to $0.82900 per unit.

The units issued by the Trust offers the Company the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of these securities are based on the quoted bid market prices on the last market day of the financial year.

8 PLANT AND EQUIPMENT

	Computers and office equipment
	$
Cost:	
Additions and balance as at 31 December 2016	11,861
Additions	419,523
Balance as at 31 December 2017	431,384
Accumulated depreciation:	
Depreciation and balance as at 31 December 2016	(2,562)
Depreciation	(39,449)
Balance as at 31 December 2017	(42,011)
Carrying amount:	
At 31 December 2017	389,373
At 31 December 2016	9,299

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

9 OTHER PAYABLES

	2017	2016
	$	$
Other payables	71,479	4,668
GST and withholding tax payables	60,726	-
Accrued expenses	214,640	1,000
	346,845	5,668

10 SHARE CAPITAL

	2017	2016	2017	2016
	Number of ordinary shares		$	$
Issued and paid up:				
At beginning of year/date of incorporation	505,001	1	505,001	1
Issued for cash	-	505,000	-	505,000
At end of year/period	505,001	505,001	505,001	505,001

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

11 REVALUATION RESERVES

The investments revaluation reserves arise on the revaluation of available-for-sale financial assets.

Movement in investments revaluation reserves

	2017	2016
	$	$
At beginning of year/date of incorporation	-	-
Fair value gain during the year	163,109	-
At end of year/period	163,109	-

12 REVENUE

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Trustee fee	253,529	-
Management fee	3,169,108	-
	3,422,637	-

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

13 OTHER GAINS AND LOSSES

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Temporary employment credit	1,710	256
Foreign exchange gains (losses)	249,596	(199,659)
Others	1,057	-
	252,363	(199,403)

14 INCOME TAX EXPENSE

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Current tax	-	-

Domestic income tax is calculated at 17% of the estimated assessable income for the year.

Income tax for the year/period can be reconciled to the accounting profit (loss) as follows:

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Profit (Loss) before income tax	60,496	(2,638,095)
Income tax expense (benefit) at statutory rate of 17%	10,284	(448,476)
Effects of partial tax exemptions	(25,529)	-
Effect of gains that are exempt from tax	(42,431)	-
Effect of expenses that are not deductible in determining taxable income	66,205	88,652
Utilisation of previously unrecognised tax losses	(8,529)	-
Effect of unused tax losses not recognised as deferred tax assets	-	359,824
	-	-

Subject to the agreement by the tax authorities, at the end of the reporting period, the Company had unutilised tax losses of $2,066,422 (2016 : $2,116,615) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. These losses may be carried forward indefinitely subject to conditions imposed by law, including the retention of majority shareholders.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

15 PROFIT (LOSS) FOR THE YEAR/PERIOD

Profit (loss) for the year/period has been arrived at after charging:

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Employee benefits expense (including directors' remuneration)	2,019,378	1,285,334
Cost of defined contribution plans included in employee benefits expense	77,246	31,583
Depreciation of plant and equipment	39,449	2,562

16 OPERATING LEASE ARRANGEMENTS

The Company as lessee

	2017	14 August 2015 (date of incorporation) to 31 December 2016
	$	$
Minimum lease payments paid during the year under operating lease	877,990	979,241

Future minimum rental payable under non-cancellable leases as at the end of reporting period is as follows:

	2017	2016
	$	$
Within 1 year	658,492	877,990
In the second to fifth years inclusive	-	658,492
	658,492	1,536,482

The lease has a tenure of three years, with a renewal option included in the contracts.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

17 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) *Categories of financial instruments*

The following table sets out the financial instruments as at the end of the reporting period:

	2017	2016
	$	$
Financial assets		
Loans and receivables (including cash and cash equivalents)	4,270,950	3,397,829
Available-for-sale financial assets	2,482,682	-
Financial liabilities		
At amortised cost	9,029,643	5,556,367

(b) *Financial risk management policies and objectives*

Management of the Company monitors and manages the financial risks relating to the operations of the Company to ensure appropriate measures are implemented in a timely and effective manner. The key financial risks are market risk (including foreign exchange risk and equity price risk), credit risk and liquidity risk.

The Company does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

Foreign currency risk occurs as a result of the Company's transactions that are not denominated in its functional currency.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the functional currency of the Company are as follows:

	Assets		Liabilities	
	2017	2016	2017	2016
United States dollars ("USD")	1,247	7,232	2,994,215	2,938,014
Renminbi ("RMB")	3,083	78,038	3,083	3,122
Hong Kong dollars ("HKD")	-	62,664	1,506,498	-

Foreign currency sensitivity

The sensitivity rate used when reporting foreign currency risk of the Company to key management personnel is 10%, which is the change in foreign exchange rate that management deems reasonably possible which will affect outstanding foreign currency denominated monetary items at period end.

If USD were to strengthen / weaken by 10% against SGD, the Company's profit for the year ended will decrease / increase by approximately $299,297 (2016: loss will increase / decrease by approximately $293,078).

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

17 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(b) Financial risk management policies and objectives (cont'd)

(i) Foreign exchange risk management (cont'd)

If HKD were to strengthen / weaken by 10% against SGD, the Company's profit for the year ended will decrease / increase by approximately $150,650 (2016: loss will decrease / increase by approximately $6,266).

(ii) Liquidity risk management

The Company maintains sufficient cash and cash equivalents to finance its activities. All financial assets and financial liabilities are repayable on demand or due within 1 year from the end of the reporting period.

As of 31 December 2017, the Company has net liabilities of $1,909,489 (2016 : $2,133,094). The financial statements of the Company, however have been prepared on the basis of accounting principles applicable to a going-concern. The Company's continuation as a going concern is dependent on its related parties agreeing to provide support and to not demand repayment of the amount due to them if the Company has any financial difficulty. In this connection, letters of financial support have been obtained from its related parties to continue providing financial support to the Company.

(iii) Credit risk management

The Company's credit risk is primarily attributable to its amount due from related parties and other receivables as disclosed in Note 5 and 6 respectively. Cash is held with credit worthy financial institutions.

(iv) Equity price risk management

The Company is exposed to equity risks arising from equity investments classified as available-for-sale. Available-for-sale equity investments are held for strategic rather than trading purposes. The Company does not actively trade available-for-sale investments.

Further details of these equity investments can be found in Note 7 to the financial statements.

Equity price sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

In respect of available-for-sale equity investments, if the inputs to the valuation model had been 10% higher/ lower while all other variables were held constant:

The Company's profit for the year ended 31 December 2017 would have been unaffected as the equity investments are classified as available-for-sale and no investments were disposed of or impaired.

The Company's asset revaluation reserves would decrease/increase by $249,687.

(v) Fair value of financial assets and financial liabilities

Except as detailed in the following table, where the equity investments of the Company are measured at fair value at the end of each reporting period, the financial assets and financial liabilities are carried at amortised cost and the carrying values are approximate their respective fair values due to the relatively short term maturity of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2017

17 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(b) Financial risk management policies and objectives (cont'd)

(v) Fair value of financial assets and financial liabilities (cont'd)

The following table gives information about how the fair values of the equity investments are determined.

	Assets		Fair value hierarchy	Valuation techniques and key inputs
	2017	**2016**		
Available-for-sale financial assets (Note 7)				
Equity investments	2,482,682	-	Level 1	Quoted bid market prices on the last market day of the financial year

(c) Capital risk management policies and objectives

Management reviews the Company's capital structure at least annually to ensure that it will be able to continue as a going concern. The capital structure of the Company comprises only issued capital, revaluation reserves and accumulated losses. The Company's overall strategy remains unchanged from 2016.

18 COMPARATIVES

The financial statements for 2017 covered the twelve months ended 31 December 2017.
The financial statements for 2016 covered the period from 14 August 2015 to 31 December 2016.