



DASIN RETAIL TRUST
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Press Release

新闻稿

Dasin Retail Trust achieved 9.0%¹ annualised Distribution Per Unit yield for FY2018

Singapore, 24 February 2019 – Dasin Retail Trust Management Pte. Ltd., the Trustee-Manager of Dasin Retail Trust (“DRT”), is pleased to report for FY2018, net property income increased by 23.1% year-on-year to S\$57.3m, largely attributed to the full-year contribution from Shiqi Metro Mall which was acquired in June 2017, as well as better performance from Xiaolan Metro Mall. Based on FY2018 DPU of 7.22 cents and DRT’s offering price per unit of S\$0.80, DRT’s distribution yield is 9.0%, meeting the projected yield for FY2018. The books closure date is Friday, 15 March 2019 and the 2H 2018 DPU of 3.63 cents is expected to be paid on Thursday, 28 March 2019.

For the Period	FY2018	FY2017	Change (%)
	Actual	Actual	
Revenue (S\$'000)	71,288	57,696	23.6
NPI (S\$'000)	57,323	46,560	23.1
Amount available for distribution	21,217	18,009	17.8
DPU (cents) (With distribution waiver)	7.22	7.16	0.8
DPU (cents) (Without distribution waiver)	3.81	3.25	17.2

Mr. Zhang Zhencheng, Chairman of the Trustee-Manager of DRT, said, “In February 2019, the Chinese Government unveiled the much-anticipated master plan to develop the Guangdong-Hong Kong-Macau Greater Bay Area into a world-class centre of innovation, technology and economic vibrancy. The development of the Greater Bay Area is expected to enhance Zhongshan’s economic development while the Trust’s properties, which are strategically located in the heart of the Greater Bay Area, are well-position to capitalise on the growth of the region.”

¹ Based on FY2018 DPU of 7.22 cents (including Distribution Waiver) and divided by offering price of S\$0.80.

Mr. Li Wen, CEO of the Trustee-Manager of DRT, said, “Dasin Retail Trust’s retail portfolio continued to perform well despite the challenging operating environment, a testament to the quality and resiliency of our assets. Our strategy of proactive asset management has enabled us to consistently maintain a strong portfolio occupancy rate. As at 31 December 2018, our portfolio registered 99.1 % occupancy with healthy weighted average lease to expiry of 6.4 years by net lettable area.”

Proactive Asset Management

In 2018, 288² new leases were signed and renewed with an average increase of 8.2 % over preceding rents. The valuation of the Trust’s portfolio stood at approximately S\$1.5 billion (RMB 7.5 billion) as at 31 December 2018.

The Trustee-Manager regularly review its asset plans and carry out asset enhancement works in the shopping malls to upgrade the amenities and enhance shopper’s experience. In 2018, approximately 9,180 sqm of space at Levels 3 and 4 at Xiaolan Metro Mall were reconfigured and new F&B offerings including Hai Di Lao and other well-known tenants were introduced to achieve a more diverse trade mix and stronger positioning. At Shiqi Metro Mall, approximately 5,621 sqm of space at Level 1 and Basement 1 was reconfigured, introducing Nome and other popular retails brand, thus enhancing the mall’s appeal and overall shopping experience.

Prudent and disciplined capital management

The Trustee-Manager continued its prudent and discipline approach on the capital management front. Despite the rising interest rate environment, on 18 January 2019, the Trust successfully extended the first tranche of the offshore facilities at a reduced interest rate margin as compared to the original loans. With the extension, the all-in interest cost for the first tranche was also lowered. The extension also effectively lengthens the average term-to-maturity of the offshore facilities from 0.8 year to 1.6 years. This extension is an indication of its prudent capital management strategy enabling a healthy capital structure for the Trust.

For FY2018, Dasin Retail Trust’s balance sheet remains healthy with an aggregate leverage of 32.3 % and weighted average cost of debt of 5.5 % for its onshore debt and 5.4 % for its offshore debt. The proportion of fixed-rate loans for its offshore debt stood at approximately 40% as at 31 December 2018. The Trustee-Manager maintains an interest rate management policy to hedge at least 40% of its offshore debt into fixed rates.

² Does not include leases with turnover rent and leases for new space created due to reconfiguration of units. Renewal lease date from January to December 2018.

Inbuilt Potential for Growth with Strong Pipeline

Dasin Retail Trust has a pipeline of 20 “Right of First Refusal” properties from the Sponsor, Zhongshan Dasin Real Estate Co., Ltd. These assets comprise of 14 completed properties and 6 properties under development which are located in Zhongshan, Zhuhai, Shunde and Macau of the Guangdong-Hong Kong-Macau Greater Bay Area. The Trustee-Manager will undertake a prudent investment approach to inject these properties to enhance the portfolio of Dasin Retail Trust.

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ABOUT DASIN RETAIL TRUST

Dasin Retail Trust is the only China retail property trust providing direct exposure to the fast-growing Guangdong-Hong Kong-Macau Greater Bay Area listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 20 January 2017. Dasin Retail Trust’s principal investment mandate is to invest in, own or develop land, uncompleted developments and income-producing real estate in Greater China (comprising People’s Republic of China (“**PRC**”), Hong Kong and Macau), used primarily for retail purposes, as well as real estate-related assets, with an initial focus on retail malls. The portfolio of Dasin Retail Trust comprises four retail malls strategically located in Zhongshan City in PRC.

Dasin Retail Trust is managed by Dasin Retail Trust Management Pte. Ltd. (the “Trustee-Manager”). The Trustee-Manager’s key objectives are to provide unitholders of Dasin Retail Trust with an attractive rate of return on their investment through regular and stable distributions to Unitholders and to achieve long-term sustainable growth in DPU and net asset value per Unit, while maintaining an appropriate capital structure for Dasin Retail Trust.

ABOUT THE SPONSOR – ZHONGSHAN DASIN REAL ESTATE CO., LTD.

Zhongshan Dasin Real Estate Co. Ltd. (中山市大信置业有限公司) (the “**Sponsor**”) was established on 13 July 2001 in Zhongshan City, Guangdong Province, PRC. The Sponsor Group’s principal business is focused on the development and management of real estate, including the development and operation of retail malls, hotels, educational facilities and residential properties.

The Sponsor Group³ has mainly been involved in the construction and development of various real estate projects in the Guangdong-Hong Kong-Macau Greater Bay Area. Over the past 17

³ Refers to the Sponsor, its existing or future subsidiaries, as well as its affiliates.

years, the Sponsor has established itself as one of the leading developers in Zhongshan, winning a number of national-level industry awards.

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IMPORTANT NOTICE

This press release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Dasin Retail Trust (the “Units”). A potential investor should read the Prospectus and make their own assessment of the future performance of Dasin Retail Trust before deciding whether to subscribe for or purchase the Units.

The value of 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, Zhongshan Dasin Real Estate Co., Ltd., as the sponsor to the Offering, DBS Bank Ltd., as the sole financial adviser, global coordinator and issue manager, and a joint bookrunner and underwriter, Bank of China Limited, Singapore Branch, as a joint bookrunner and underwriter, Haitong International Securities (Singapore) Pte. Ltd., as a joint bookrunner and underwriter, or any of its respective affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Trustee-Manager redeem or purchase their Units while the Units are listed. It is intended that holders of Units 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.

This press release may contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements and/or financial information involve a number of factors, risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, the present and future business strategies, the environment in which Dasin Retail Trust will operate in the future, 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, property expenses and governmental and public policy changes, and the continued availability of financing. The actual results, performance or achievements of Dasin Retail Trust or the Trustee-Manager, or industry results, may be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and/or financial information, as these statements and financial information reflect the Manager’s current views concerning future events and necessarily involve risks, uncertainties and assumptions. Prospective investors and Unitholders are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the Trustee-Manager on future events.