



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)

Managed by Dasin Retail Trust Management Pte. Ltd.

Unaudited Condensed Interim Consolidated Financial Statements

For the six-month period ended 30 June 2023

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

Table of Contents

No.	Description	Page No.
	INTRODUCTION	3
	CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS	
A.	Condensed interim statements of financial position	4
B.	Condensed interim consolidated statement of profit or loss	5
C.	Condensed interim consolidated statement of comprehensive income	6
D.	Condensed interim statements of changes in uniholders' funds	7
E.	Condensed interim consolidated statement of cash flows	10
F.	Notes to the condensed interim consolidated financial statements	11
	OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGD LISTING MANUAL	
1	Review of performance of the Group	39
2	Analysis of consolidated statement of cash flows	43
3	Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results	43
4	A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months	43
5	Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-	44
6	Distribution	45
7	Interested person transactions	45
8	Confirmation pursuant to rule 720(1) of the Listing Manual	45
9	Confirmation pursuant to rule 705(5) of the Listing Manual	45

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A. Condensed interim statements of financial position

Note	Group		Trust		
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	
Non-current assets					
Investment properties	3	1,695,472	1,848,146	-	-
Plant and equipment		85	569	-	-
Intangible assets		310	357	-	-
Subsidiaries	4	-	-	886,894	893,752
		1,695,867	1,849,072	886,894	893,752
Current assets					
Trade and other receivables	5	10,941	12,750	457	469
Cash and bank balances	7	105,029	98,100	1,563	1,473
		115,970	110,850	2,020	1,942
Total assets		1,811,837	1,959,922	888,914	895,694
Non-current liabilities					
Deferred tax liabilities	9	277,324	306,396	-	-
Trade and other payables	10	-	1,425	21,818	42,880
		277,324	307,821	21,818	42,880
Current liabilities					
Loans and borrowings	8	902,733	910,491	663,163	660,676
Trade and other payables	10	50,739	26,520	130,382	85,450
Loans from uniholders	11	20,493	20,493	20,493	20,493
Security deposits	23	13,868	14,405	-	-
Current tax liabilities		839	1,087	-	-
		988,672	972,996	814,038	766,619
Total liabilities		1,265,996	1,280,817	835,856	809,499
Net assets		545,841	679,105	53,058	86,195
Represented by:					
Units in issue	12	267,560	267,560	267,560	267,560
Other reserves	13	278,281	411,545	(214,502)	(181,365)
		545,841	679,105	53,058	86,195
Net asset value per unit attributable to Uniholders (S\$)	14	0.68	0.84	0.07	0.11

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

B. Condensed interim consolidated statement of profit or loss

	Note	Group	
		6 months ended 30 June 2023	6 months ended 30 June 2022
		S\$'000	S\$'000
Revenue	23	30,965	44,422
Property related taxes		(2,927)	(3,361)
Property and commercial management fees		(639)	(947)
Property operating expenses		(8,876)	(14,190)
Total property operating expenses		(12,442)	(18,498)
Net property income		18,523	25,924
Trustee-Manager's fees		(2,579)	(3,355)
Other trust expenses		(1,050)	(2,155)
Exchange loss		(361)	(7,746)
Other income		-	220
Finance income		410	500
Finance costs	15	(32,406)	(15,353)
Net loss		(17,463)	(1,965)
Net change in fair value of investment properties	3	(77,614)	(64,032)
Loss before income tax		(95,077)	(65,997)
Income tax expenses	16	15,542	9,011
Loss for the period	17	(79,535)	(56,986)
Attributable to:			
Uniholders of the Trust		(79,535)	(56,986)
Earnings per unit (cents)	18		
- Basic		(9.89)	(7.19)
- Diluted		(9.89)	(7.19)

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

C. Condensed interim consolidated statement of comprehensive income

	Group	
	6 months ended 30 June 2023	6 months ended 30 June 2022
	S\$'000	S\$'000
Loss for the period	(79,535)	(56,986)
Other comprehensive income for the period, net of tax items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences - foreign operations, net of tax	(53,729)	(39,336)
Total comprehensive income for the period	(133,264)	(96,322)

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

D. Condensed interim statements of changes in unitholders' funds

	Units in issue	Statutory surplus reserve	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
As at 1 January 2023	267,560	680	910,042	(86,519)	(412,658)	679,105
Loss for the period	-	-	-	-	(79,535)	(79,535)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	(53,729)	-	(53,729)
Other comprehensive income for the period	-	-	-	(53,729)	-	(53,729)
Transactions with Unitholders:						
Contributions by and distributions to Unitholders						
Contributions by and distributions to Unitholders	-	-	-	-	-	-
As at 30 June 2023	267,560	680	910,042	(140,248)	(492,193)	545,841

	Units in issue	Statutory surplus reserve	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
As at 1 January 2022	267,051	674	910,042	57,515	(121,611)	1,113,671
Loss for the period	-	-	-	-	(646)	(646)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	11,425	-	11,425
Other comprehensive income for the period	-	-	-	11,425	-	11,425
Transactions with Unitholders:						
Contributions by and distributions to Unitholders						
Distribution to Unitholders						
- Tax -exempt income	-	-	-	-	(13,093)	(13,093)
- Capital	(2,846)	-	-	-	-	(2,846)
Units issued and to be issued as payment for Trustee-manager's fees	1,692	-	-	-	-	1,692
Total transactions with Unitholders	(1,154)	-	-	-	(13,093)	(14,247)
As at 31 March 2022	265,897	674	910,042	68,940	(135,350)	1,110,203

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

D. Condensed interim statements of changes in unitholders' funds (cont'd)

	Units in issue	Statutory surplus reserve	Capital reserve	Foreign currency translation reserve	Accum- ulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group						
As at 1 April 2022	265,897	674	910,042	68,940	(135,350)	1,110,203
Loss for the period					(56,340)	(56,340)
Other comprehensive income:						
Foreign currency translation differences						
- foreign operations, net of tax	-	-	-	(50,769)	-	(50,769)
Other comprehensive income for the period	-	-	-	(50,769)	-	(50,769)
Transactions with Unitholders:						
Contributions by and distributions to Unitholders						
Distribution to Unitholders						
- Tax -exempt income	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
Units issued and to be issued as payment for Trustee-manager's fees	1,663	-	-	-	-	1,663
Total transactions with Unitholders	1,663	-	-	-	-	1,663
As at 30 June 2022	267,560	674	910,042	18,171	(191,690)	1,004,757

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

D. Condensed interim statements of changes in unitholders' funds (cont'd)

	Units in issue S\$'000	Accumulated losses S\$'000	Total S\$'000
The Trust			
As at 1 January 2023	267,560	(181,365)	86,195
Loss for the period	-	(33,137)	(33,137)
Total comprehensive income for the period	-	(33,137)	(33,137)
Transactions with Uniholders:			
Contributions by and distributions to Uniholders	-	-	-
As at 30 June 2023	267,560	(214,502)	53,058

	Units in issue S\$'000	Accumulated losses S\$'000	Total S\$'000
The Trust			
As at 1 January 2022	267,051	(127,651)	139,400
Loss for the period	-	(5,686)	(5,686)
Total comprehensive income for the period	-	(5,686)	(5,686)

Transactions with Uniholders:			
Contributions by and distributions to Uniholders			
Distribution to Uniholders			
- Tax -exempt income	-	(13,093)	(13,093)
- Capital	(2,846)	-	(2,846)
Units issued and to be issued as payment for Trustee-manager's fees	1,692	-	1,692
Total transactions with Uniholders	(1,154)	(13,093)	(14,247)
As at 31 March 2022	265,897	(146,430)	119,467

As at 1 April 2022	265,897	(146,430)	119,467
Loss for the period	-	(13,778)	(13,778)
Total comprehensive income for the period	-	(13,778)	(13,778)
Transactions with Uniholders:			
Contributions by and distributions to Uniholders			
Distribution to Uniholders			
- Tax -exempt income	-	-	-
- Capital	-	-	-
Units issued and to be issued as payment for Trustee-manager's fees	1,663	-	1,663
Total transactions with Uniholders	1,663	-	1,663
As at 30 June 2022	267,560	(160,208)	107,352

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

E. Condensed interim consolidated statement of cash flows

	Note	Group	
		6 months ended 30 June 2023	6 months ended 30 June 2022
		S\$'000	S\$'000
Operating activities			
Loss before income tax		(95,077)	(65,996)
Adjustments for:			
Amortisation of intangible assets		37	36
Depreciation of plant and equipment		67	44
Finance costs	15	32,406	15,353
Finance income		(410)	(500)
Loss allowance on receivables		2,813	8,835
Net change in fair value of derivative financial instruments		-	(220)
Net change in fair value of investment properties	3	77,614	64,032
Recognition of rental income on a straight-line basis over the lease term		6,034	(428)
Trustee-Manager's fees paid in units		-	3,355
(Gain)/loss on disposal of plant and equipment		(14)	8
Operating cash flows before working capital changes		23,470	24,519
Changes in working capital			
Trade and other receivables		(6,586)	(3,572)
Trade and other payables		4,321	4,724
Cash generated from operations		21,205	25,671
Income tax paid		(2,326)	(4,017)
Net cash generated from operating activities		18,879	21,654
Investing activities			
Capital expenditure on investment properties		(91)	(231)
Interest received		1,097	307
Purchase of intangible assets		(3)	-
Net cash generated from investing activities		1,003	76
Financing activities			
Distribution paid	19	-	(15,939)
Finance costs paid		(8,221)	(13,222)
Interest free loans from unitholders		-	13,959
Payment of lease liabilities		(63)	(47)
Payment of loan transaction costs		(19)	(131)
Prepayment of borrowings		(912)	(14,810)
(Increase)/ decrease in restricted cash		(8,203)	803
Net cash used in financing activities		(17,418)	(29,387)
Net increase/(decrease) in cash and cash equivalents		2,464	(7,657)
Cash and cash equivalents at the beginning of the period		38,000	88,016
Effect of exchange rate changes on cash and cash equivalents		(1,439)	(1,804)
Cash and cash equivalents at the end of the period	7	39,025	78,555

Significant non-cash transactions

The Trustee-Manager's trustee fee and base management fee for the year ended 30 June 2022 ("1H2022") was S\$ 3,355,000. S\$1,692,000 was paid during the period by the issue of the issue of 5,391,000 units. The remaining S\$1,663,000 was issued subsequent to the period end by the issue of 5,068,000 units. Effective from third quarter of FY2022, the Trustee-Manager has elected to receive 100% of the base fee of management fee and trustee fee in cash.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements

1. General

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

The Trust was registered with the Monetary Authority of Singapore on 13 January 2017, and was formally admitted to the Main Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 January 2017 (the "Listing Date").

The Trust is principally regulated by the Securities and Futures Act, 2001 and the Business Trusts Act, 2004. The condensed interim consolidated financial statements of the Trust and its subsidiaries (together referred to as the "Group" and individually as "Group entities") for the six-month period ended 30 June 2023 have not been audited or reviewed.

For financial reporting purposes in accordance with IFRS 10 *Consolidated Financial Statements*, the immediate holding company of the Trust is Aqua Wealth Holdings Limited, a company incorporated in the British Virgin Islands. Aqua Wealth Holdings Limited, is an indirect wholly-owned subsidiary of the Zhang Family Trust. Zhang Family Trust is the ultimate controlling party of the Trust that holds the units owned by Aqua Wealth Holdings Limited for the benefit for its beneficiaries, being Mr. Zhang Chon Meng, son of Mr. Zhang Zhencheng, Mr. Zhang Guiming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Kunming, nephew of Mr. Zhang Zhencheng, Mr. Zhang Shenming, nephew of Mr. Zhang Zhencheng and Mdm. Liang Jinying, sister-in-law of Mr. Zhang Zhencheng.

On 12 October 2021, New Harvest Investments Limited ("New Harvest"), a company incorporated in the British Virgin Islands and Sino-Ocean Capital Holding Limited, a company incorporated in Hong Kong became the immediate holding and ultimate holding companies of the Trustee-Manager following the completion of the sale of the 70% of the total issued and paid-up share capital in the Trustee-Manager from Mr. Zhang Zhencheng to New Harvest. The remaining 29.01% of the issued and paid-up share capital in the Trustee-Manager is owned by Mr. Zhang Zhencheng and 0.99% is owned by Shun Fung Investment Limited ("SFIL") which is controlled by Mr. Zhang Kaicheng who is Mr. Zhang Zhencheng's brother. Prior to the sale, Mr. Zhang Zhencheng owns 100% of the Trustee-Manager.

2. Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements for the year ended 30 June 2023 have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board, and should be read in conjunction with the Trust's last annual consolidated financial statements as at and for the year ended 31 December 2021. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial positions and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with International Financial Reporting Standards ("IFRS"), except for the adoption of new and amended standards as set out in Note 2.3.

The condensed interim financial statements are presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been round to the nearest thousand, unless otherwise stated.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

2.2 Going concern basis of preparation of financial statements

As at 30 June 2023, the Group and the Trust have (i) Singapore dollar and United States dollar denominated offshore syndicated term loans facilities of up to the equivalent of S\$430.0 million in aggregate (the “**IPO Offshore Facility**”) and an onshore syndicated term loan facility of up to RMB400.0 million in aggregate (the “**IPO Onshore Facility**”) to finance the acquisitions of Xiaolan Metro Mall, Ocean Metro Mall and Dasin E-Colour and Shiqi Metro Mall, (ii) Singapore dollar and United States dollar denominated offshore syndicated term loan facility of up to the equivalent of approximately S\$134.2 million in aggregate (the “**Shunde Offshore Facility**”) and an onshore syndicated term loan facility of up to RMB478.0 million in aggregate (the “**Shunde Onshore Facility**”) to finance the acquisition of Shunde Metro Mall and Tanbei Metro Mall; and (iii) the Singapore dollar and Hong Kong dollar denominated offshore syndicated term loan facility of up to the equivalent of approximately S\$106.61 million in aggregate (the “**Doumen Offshore Facility**”) and an onshore term loan facility of up to RMB500.0 million in aggregate (the “**Doumen Onshore Facility**”) to finance the acquisition of Doumen Metro Mall.

The tenures of the IPO Offshore Facility and the IPO Onshore Facility have been extended five times and four times respectively prior to 31 December 2022 as announced by the Trust on 20 January 2021, 20 July 2021, 20 December 2021, 21 March 2022 and 20 June 2022.

The tenure of the Shunde Offshore Facility has been extended once from 15 July 2022 to 31 December 2022 as announced on 14 August 2022, while the tenure of the Doumen Offshore Facility has been extended once from 19 September 2022 to 31 December 2022 as announced on 14 October 2022.

As announced on 2 January 2023, the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility matured on 31 December 2022. The Trustee-Manager also updated in the announcement that discussions with lenders for these facilities to extend the loan maturity date to 30 April 2023 were progressing not withstanding having failed to secure a four-month extension to 30 April 2023 as at 31 December 2022.

Arising from the non-payment of the loans under the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility upon maturity on 31 December 2022, the lenders are contractually entitled to demand for immediate repayment of the outstanding borrowing amounts from the Group. The non-payment of such loans as at 31 December 2022 triggered a cross default under all the facilities, including the Shunde Onshore Facility and the Doumen Onshore Facility. Accordingly, the non-current portion of the borrowings of the Group pertaining to the Shunde Onshore Facility and the Doumen Onshore Facility amounting to RMB949.75 million (equivalent to approximately S\$184.22 million) as at 31 December 2022, which were only supposed to be due in years 2025 and 2029 respectively, have been reclassified from non-current liabilities to current liabilities.

As at 30 June 2023, the Group and the Trust had total net assets of S\$547,145,000 and S\$53,057,000 and net current liabilities of S\$870,963,000 and S\$812,019,000 respectively.

As announced on 9 January 2023, FTI Consulting (Singapore) Pte Ltd (“**FTI Consulting**”) has been appointed by the Trustee-Manager as an advisor to conduct an independent business review of the Trust and its subsidiaries and to progress loan extension discussions with the various lenders.

On 10 January 2023, Luso International Banking Limited (“**Luso Bank**”) issued a statutory demand letter to the Trustee-Manager declaring an event of default under a loan agreement (revolving credit facility) dated 15 December 2022 with Luso Bank for the grant of a loan facility of up to USD13.12 million with a term of 7 months in respect of loans granted by Luso Bank to the Trust and demanding payment of all principal and interest under the aforesaid facilities as announced on 19 January 2023.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

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

As announced on 24 April 2023 and 2 July 2023, due to the decrease in the valuation of the investment properties of the Group by RMB1,763 million (16%) from RMB11,291 million (S\$2,396 million) as at 31 December 2021 to RMB9,528 million (S\$1,848 million) as at 31 December 2022 attributable to a general decline in market performance and rental rates, lower passing rent, lower projected growth in rent, negative reversion rate from some leases contracted in 2022, and an increase in vacancy rates, exchange losses arising from the weakening of Renminbi against Singapore dollar, United States dollar and Hong Kong dollar in which the Trust's offshore loans are denominated, higher interest rates, the Trustee-Manager's exercise of its entitlement for its fees to be paid in cash instead of units with effective from the third quarter of the financial year ended 31 December 2022 and the derecognition of the rental income arising from the early termination of two master leases with a related party of the Sponsor, Zhongshan Dasin Metro-Mall Merchant Investment Co. Ltd, and the lease with a subsidiary of Carrefour China which were recognised for the financial year ended 31 December 2022 in accordance with International Financial Reporting Standards IFRS 16 Leases, there has been a breach of the gearing ratio, loan to valuation ratio and interest coverage ratio which the Trust is obliged to maintain under the terms of the loan facilities.

The onshore facility agent for the IPO Onshore Facility has not allowed and has restricted the remittance of funds out of China via payment of dividends by onshore subsidiaries of the Trust for payment of the interest expenses on the IPO Offshore Facility and essential offshore operating and business expenses of the Trust until such time a restructuring agreement is entered into to cure the loan defaults. In addition, the lenders of the Doumen Offshore Facility have not approved a reduction of share capital of an onshore subsidiary of the Trust for the remittance of funds out of China for payment of interest expenses for the Doumen Offshore Facility and essential offshore operating business expenses of the Trust.

The Trust has been and is seeking to consensually restructure its debt obligations since FTI Consulting was appointed as a consensual restructuring is less invasive and if executed well, should yield the best outcome for all stakeholders. To achieve this, all lenders must unanimously support the restructuring plan. The consensual restructuring exercise has taken longer than originally anticipated on account of there being a myriad of issues which required the unanimous support of 19 onshore and offshore lenders.

The draft term sheet dated 22 May 2023 (the "**2023 Draft Term Sheet**") for the debt restructuring stipulated several conditions which include a condition precedent for signing of a memorandum of understanding (the "**MOU**") by (i) a reputable Chinese entity (a state-owned enterprise) (the "**SOE**"); (ii) the Trustee-Manager; (iii) New Harvest Investment Limited (an indirect subsidiary of Sino-Ocean Capital Holding Limited); and (iv) Zhang Zhencheng ("**ZZC**") who was interested in 43.2% of the units of the Trust. The MOU was for the acquisition of certain of the SOE's assets by the Trust in consideration for new units of the Trust to be issued. The MOU stipulated that the SOE would take the lead to form a new syndicated bank loan for repayment of the existing syndicated bank loans. The SOE was the only strategic investor who had provided a memorandum of understanding to assist the Trust in the refinancing of the loans.

As announced on 6 July 2023, there were meetings with the SOE on 6 and 28 June 2023 in relation to the MOU. During the meeting on 28 June 2023, the reputable SOE stated that it would not proceed further with the MOU and would cease negotiations on the same, for reasons disclosed in the announcement of 6 July 2023. As the 2023 Draft Term Sheet had provided for the entry into the MOU as a condition precedent, the non-fulfilment of such condition precedent led to further negotiations with the lenders.

In July 2023, CBRE (Shanghai) Consulting Management Co., Ltd Guangzhou branch ("**CBRE**") and Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("**JLL**") were appointed as the property marketing agents for the disposal of the retail malls of the Trust within a 24-month timeframe in an orderly and structured manner in accordance with the 2023 Draft Term Sheet. The 2023 Draft Term Sheet also stipulated the appointment of FTI Consulting as the monitoring accountant whose role includes taking custody of company seals and electronic banking tokens to prevent any unauthorised use of the seals and dissipation of assets.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

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

As announced on 11 August 2023, 14 August 2023 and 4 September 2023, the Trustee-Manager received Notices of Demand (the “**Banks’ Notices of Demand**”) dated 4 August 2023, 10 August 2023 and 31 August 2023 from Bank of China Limited, Singapore Branch, Malayan Banking Berhad, Singapore Branch and Bank of China Limited, Zhongshan Branch respectively, declaring that the loans under the Doumen Offshore Facility, the IPO Offshore Facility and the IPO Onshore Facility were immediately payable on demand.

As announced on 4 February 2024, there has been continuing breach of the gearing ratio, interest coverage ratio and loan to valuation ratio which the Trust is obliged to maintain under its offshore facilities as the fair value of the investment properties of the Group decreased by RMB435 million (4.6%) from RMB9,528 million (S\$1,848 million) as at 31 December 2022 to RMB9,093 million (S\$1,695 million) as at 30 June 2023. The primary reasons for the decrease in the valuation are attributable to the generally weaker economy and market environment, lower passing rent, negative reversion in rental rate and lower occupancy rate.

As at the date of this announcement, the Trustee-Manager is unable to instruct an independent valuer to carry out the valuation of the retail malls held by the Trust, which is the most significant asset in the Group’s statement of financial position, which were to be valued as at 31 December 2023 and 30 June 2024 as the Trustee-Manager had not been provided with the rent-rolls of the retail malls.

As announced on 25 November 2023, 14 and 29 December 2023, 24 January 2024, 25 January 2024, 7, 18 and 20 February 2024 and 6 May 2024, certain unitholders requisitioned to convene an extraordinary general meeting (“**EGM**”) of the Trust to remove the Trustee-Manager as the trustee-manager of the Trust and to have the role of the trustee-manager internalized by the Trust. The Trustee-Manager was advised by its legal adviser that the proposed EGM is invalid as announced on 7, 18 and 20 February 2024 and 6 May 2024. There would have been a breach of the terms of the loan facilities if the Trustee-Manager were removed as the trustee-manager of the Trust.

There are further potential breaches of the terms of the Trust’s loan facilities because the Trustee-Manager received winding-up applications from Madam Wang Qiu (whose employment as the chief executive officer was terminated with cause on 14 February 2024) and Mr. Zhang Guiming (nephew of ZCC), as announced on 2, 20 and 26 February 2024 and 15 March 2024, as well as a winding-up application from ZCC as announced on 28 May 2024 and 28 June 2024.

As announced on 20 June 2024, 14 and 31 July 2024 and 3, 7 and 15 August 2024, the Trustee-Manager received a Requisition Notice signed by Aqua Wealth Holdings Limited (controlled by ZCC), Mr. Fong Guomin (associate of ZCC), Mr. Zhang Shenming (nephew of ZCC) and Michael Chui Ka Chun, holding more than 10% of the total voting rights of the Trust requisitioning an EGM to vote on two resolutions, namely Resolution (1): Amendment of the Deed of Trust of the Trust to require prior approval of unitholders by an ordinary resolution for (a) appointment or removal of any director of a Special Purpose Vehicle of the Trust, (b) appointment or termination of Debt Restructuring Advisor for the purpose of negotiating with the lenders for a standstill, re-financing or re-structuring of the Trust’s existing loans, (c) enter into any agreement to commence any action or enter into any scheme or collective procedure in respect of any compromise or arrangement in relation to the Trust, or do anything to restructure, wind up or liquidate the Trust in the event any borrowing of the Trust goes into default, and (d) appointment or removal of any External Party whose fees are expected to exceed S\$50,000; and Resolution (2): Conditional upon the approval of Resolution (1) above, the termination of the appointment of FTI Consulting and appointment of a new advisor via an ordinary resolution by the unitholders of the Trust. If the above Resolutions (1) and (2) were to be carried out, the Trustee-Manager would be likely be effectively managed and controlled by ZCC, as he has a deemed interest in more than 47% of the units of the Trust.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

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

The Trustee-Manager has been working with FTI Consulting and the lenders since early January 2023 and has gone through sixteen iterations of refining the term sheet for the consensual restructuring. The latest term sheet which was submitted to the lenders in or around March 2024 include terms such as (i) extending the tenure of the restructuring period from two years to four years, (ii) enhancing the security position of the offshore lenders via cross collateralization of securities, (iii) appointing CBRE and JLL and formalizing marketing plans for a structured and orderly disposal of the assets of the Trust to deleverage the lenders, mindful at all times to avoid a fire sale situation from developing; (iv) alleviating financial stress to the Trust by deploying a cash sweep mechanism to apply cash surplus towards principal repayment instead of fixed periodic repayments, (v) procuring waiver of default and penalty interest in the event the restructuring is completed successfully with the repayment of all original principal and contractual interest, (vi) searching for a strategic investor, (vii) approving the payment of Trustee-Manager's fees and outward remittance of funds out of China and (viii) appointing a monitoring accountant to safeguard the interest of the stakeholders. As at the date of this announcement, the latest term sheet has yet to be approved by all the lenders.

Notwithstanding the above events which indicate that material uncertainties exist that might affect the prospects of a consensual debt restructuring negatively and cast significant doubt on the ability of the Group and the Trust to continue as going concerns, the Trustee-Manager has prepared these financial statements on a going concern basis, which assumes that the Group and the Trust are able to meet their respective obligations as and when they fall due within the next twelve months of the financial period to which these financial statements relate, as the Trustee-Manager is continuing to negotiate the terms of debt restructuring with the lenders with the assistance of FTI Consulting. However, there is no assurance that the Trustee-Manager will be able to successfully agree the terms of a consensual debt restructuring with the lenders.

If for any reason the Group and the Trust are unable to continue as a going concern, there would be an impact on the classification of assets and liabilities and the ability to realise assets at their recognised values, and to extinguish liabilities in the normal course of business at the amounts stated in these financial statements. No such adjustments have been made to these financial statements. The liabilities of the Group and the Trust disclosed in these financial statements are estimated and computed based on the latest information available to the Trust as at the date of this announcement and may be subject to revisions with passage of time and upon further material information becoming available to the Trust. In addition, the Group and the Trust may have to provide for further liabilities that may arise. It should be noted that the full consequences and implications of the events disclosed above cannot necessarily be appreciated or assessed at the date of this announcement.

2.3 New and amended standards adopted by the Group

A number of new and amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

2.4 Use of estimates and judgements

The preparation of condensed interim financial statements in conformity with IFRS requires the Trustee-Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the Trustee-Manager in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

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

Information about critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements include going concern assessment under Note 2.2.

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

- Note 3 – valuation of investment properties;
- Note 5 – measurement of expected credit loss allowance for trade and other receivables: key assumptions in determining the impairment loss rate

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).
- The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

3. Investment properties

	Group	
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000
At 1 January	1,848,146	2,395,995
Capital expenditure	91	457
	1,848,237	2,396,452
Effects of recognising accounting income on a straight-line basis over the lease term	(6,034)	1,246
Changes in fair value	(77,614)	(361,923)
Translation differences on consolidation	(69,117)	(187,629)
At 30 June 2023 and 31 December 2022	1,695,472	1,848,146

	Group					
	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000	% Change	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	% Change
Investment properties						
Shiqi Metro Mall	2,298,000	2,445,000	(6)	428,483	474,257	(10)
Xiaolan Metro Mall	1,644,000	1,666,000	(1)	306,539	323,154	(5)
Ocean Metro Mall	1,303,500	1,305,000	-	243,049	253,131	(4)
Dasin E-Colour	165,500	188,000	(12)	30,859	36,466	(15)
Doumen Metro Mall	1,593,000	1,676,000	(5)	297,029	325,094	(9)
Shunde Metro Mall	2,024,000	2,185,000	(7)	377,393	423,824	(11)
Tanbei Metro Mall	65,000	63,000	3	12,120	12,220	(1)
	9,093,000	9,528,000	(5)	1,695,472	1,848,146	(8)

Security

The investment properties are pledged as security to secure credit facilities (Note 8).

Measurement of fair value

Investment properties are stated at fair value. The fair values were based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after property marketing wherein the parties had acted knowledgeably, prudently and without compulsion.

The carrying values of the investment properties as at 30 June 2023 were based on desktop valuation undertaken by Savills Real Estate Valuation (Guangzhou) Ltd. ("Savills") and the carrying value of the investment properties as at 31 December 2022 was based on full valuation undertaken by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL").

The carrying values of the investment properties as at 31 December 2022 were based on independent valuation of the investment properties undertaken by JLL, based on the income capitalisation and discounted cash flows methods in arriving at the open market values as at the reporting dates.

In valuing the investment properties, Savills and JLL have complied with all requirements contained in the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of the Surveyors; the International Valuation Standards published by the International Valuation Standards Council; and the Singapore Institute of Surveyors and Valuers as required by Singapore Exchange Limited.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

3. Investment properties (cont'd)

The valuation report of the investment properties as at 31 December 2022 highlighted that several anchor leases which were terminated in early 2023 may have certain impact to property value, the valuation therefore factored into these situations for prudent purpose despite those leases were still valid as at valuation date 31st December 2022. Those leases include: -

1. A related party, Zhongshan Dasin Metro-Mall Merchant Investment Co.Ltd (中山市大信新都汇商业投资有限公司) had terminated their lease early in March 2023, an NLA of 11,534.25 sq.m with an original lease expiration date of 25 September 2027, as announced on 7 April 2023;
2. A related party, Zhongshan Dasin Metro-Mall Merchant Investment Co. Ltd (中山市大信新都汇商业投资有限公司) had terminated their lease early in March 2023, an NLA of 4,593 sq.m with an original lease expiration date of 1 March 2024, as announced on 7 April 2023;
3. A third party, Guangzhou Jia Guang Supermarket Co. Ltd (广州家广超市有限公司), a subsidiary of Carrefour China, had terminated their lease early in March 2023, an NLA of 17,770 sq.m with an original lease expiration date of 27 December 2034, as announced on 24 April 2023;

The fair value of the Group's investment properties is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the income capitalisation method and discounted cash flows method in arriving at the open market value as at the reporting date.

Level 3 fair values

The following table shows the significant unobservable inputs used in the valuation models:

Valuation methods	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows approach	Discounted rates from 7.00% per annum (31 December 2022: from 7.00% to 7.50%) Terminal rate of 4.00% (31 December 2022: 4.50%)	The fair value increases as discount rates and terminal rates decreases.
Income capitalisation approach	Term yield rates from 4.00% (31 December 2022: 2.50% to 4.00%) Reversionary rate of 4.50% (31 December 2022: 3.00% to 4.50%)	The fair value increases as term yield and reversionary rate decreases.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

4 Subsidiaries

	Trust	
	As at 30 June 2023	As at 31 December 2022
	S\$'000	S\$'000
Unquoted equity, at cost	126,400	126,400
Loans to subsidiaries	760,494	767,352
	886,894	893,752

The loans to subsidiaries of the Trust consist of a S\$456.2 million, US\$124.1 million (S\$167.9 million) and RMB731.4 million (S\$136.4 million) equivalent to S\$760.5 million in aggregate, which are unsecured, interest-free and are not expected to be repaid within the next twelve months. These loans were granted to subsidiaries to fund the acquisition of the investment properties of the Group.

5. Trade and other receivables

	Note	Group		Trust	
		As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
		S\$'000	S\$'000	S\$'000	S\$'000
<u>Current</u>					
Trade receivables - third parties	27	23,125	21,002	-	-
Loss allowance on receivables	27	(20,712)	(18,070)	-	-
		2,413	2,932	-	-
Trade receivables - related parties (master Lease) ⁽¹⁾⁽²⁾		641	1,451	-	-
Loss allowance on receivables (master lease)		(641)	(1,451)	-	-
		-	-	-	-
Trade receivables - related parties (others)	27	7,081	7,323	-	-
Loss allowance on receivables (others)	27	(6,153)	(6,252)	-	-
		928	1,071	-	-
Trade receivables (net)		3,341	4,003	-	-
Other receivables (non-trade)	27	9	13	9	8
Amount due from subsidiaries (non-trade)		-	-	428	458
VAT receivables		6,540	7,887	-	-
Interest receivables		267	109	-	1
Trade and other receivables		10,157	12,012	437	467
Contract costs		33	43	-	-
Prepayment		437	366	20	2
Advance to a supplier		314	329	-	-
		10,941	12,750	457	469

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

5. Trade and other receivables (cont'd)

- (1) Zhongshan Dasin Real Estate Co., Ltd. 中山市大信置业有限公司 (the “sponsor”) has provided indemnities on 26 December 2016 to guarantee their obligations of Zhongshan Dasin Metro-Mall Merchant Investment Co., Ltd. 中山市大信管理投资有限公司 (“Dasin Merchant Investment”) or the Master Lessee.

The shareholders of the Sponsor are Mr. Zhang Kaicheng (37.5%), Mr. Zhang Jiucheng (37.5%) and Mr. Zhang Zhongming (25%). Mr. Zhang Kaicheng, Mr. Zhang Jiucheng and Mr. Zhang Zhencheng are brothers (the “Zhang Brothers”). Mr. Zhang Zhongming is the nephew of the Zhang Brothers.

Mr. Zhang Zhencheng is a director of the Trustee-Manager and the largest controlling unitholder of the Trust. Mr. Zhang Zhongming is an alternate director to Mr. Zhang Zhencheng.

- (2) Revenue of S\$1.5 million (30 June 2022: S\$2.8 million) from Master Leases in 1H2023 were derecognised in accordance with IFRS 16 Leases.

The trade receivables are mainly from tenants with the Trust and its subsidiaries (collectively, the “Group”). The Group recognised loss allowance for expected credit losses (ECLs) amounting to S\$27.5 million as at 30 June 2023 (31 December 2022: S\$25.8 million) in accordance with IFRS 9 Financial Instruments. In recognising the loss allowance, the Group uses historical credit loss experience and adjust for current conditions and forward-looking factors specific to the debtors and the economic environment, so as to determine the overall allowance for ECL.

6. Ageing Disclosure

Expected credit loss assessment

The group uses a uniformity allowance matrix to measure the ECLs of trade receivables including third party and related party tenants.

Loss rates are calculated using a “roll rate” method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the risk profile of the lifetime ECL’s for trade and other receivables:

	Group			
	Gross (Trade)		Loss allowance (Trade)	
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000
Not pass due	3,858	654	82	218
Past due 1-30 days	1,138	2,263	784	1,097
Past due 31-60 days	871	1,795	674	1,558
Past due 61-90 days	869	1,268	710	1,195
Past due 91-180 days	2,031	2,691	1,771	2,585
Past due 181-365 days	4,154	7,182	5,558	5,197
Past due 1-2 years	13,575	13,654	13,575	13,654
More than 2 years past due	4,351	269	4,352	269
	30,847	29,776	27,506	25,773

	Group			
	Gross (Non-trade)		Loss allowance (Non-trade)	
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000
Not pass due	6,816	8,009	-	-

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

6. Ageing Disclosure (cont'd)

	Group			
	Gross (Trade and non-trade)		Loss allowance (Trade and non-trade)	
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000
Not pass due	10,675	8,663	83	218
Past due 1-30 days	1,138	2,263	784	1,097
Past due 31-60 days	871	1,795	674	1,558
Past due 61-90 days	869	1,268	710	1,195
Past due 91-180 days	2,031	2,691	1,771	2,585
Past due 181-365 days	4,154	7,182	5,558	5,197
Past due 1-2 years	13,574	13,654	13,574	13,654
More than 2 years past due	4,351	269	4,352	269
	37,663	37,785	27,506	25,773

Movements in loss allowance in respect of trade and other receivables

The movement in the loss allowance in respect of trade and other receivables during the year is as follows:

	Group	
	30 June 2023 S\$'000	31 December 2022 S\$'000
At 1 January	25,773	10,383
Loss allowance on trade and other receivables, net	2,813	17,331
Allowance utilised	-	(173)
Translation difference	(1,080)	(1,768)
At 30 June/31 December	27,506	25,773

7. Cash and bank balances

Cash and bank balances of the Group and the Trust included restricted cash, which were placed as security deposit to secure bank borrowings, as at 30 June 2023 of approximately S\$66.0 million (31 December 2022: S\$60.1 million) and S\$0.7 million (31 December 2022: S\$0.7 million) respectively.

	Group		Trust	
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000
Bank balances	101,711	94,693	981	894
Fixed deposits with financial institutions	3,318	3,407	582	579
Cash and bank balances in Statement of Financial Position	105,029	98,100	1,563	1,473
Less: Restricted cash	(66,004)	(60,100)	(719)	(716)
Cash and cash equivalents in Statement of Cash Flows	39,025	38,000	844	757

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

7. Cash and bank balances (Cont'd)

Fixed deposits have original maturities of one month or less.

Restricted cash included (i) S\$5.3 million (31 December 2022: S\$5.5 million) relating to securities pledged by a subsidiary and the Trust to obtain the term loan facilities (see note 8), (ii) S\$nil million and S\$17.1 million (RMB91.8 million) (31 December 2022: S\$nil million and S\$17.8 million (RMB91.8 million)) relating to security pledged by the Trust and a subsidiary respectively to obtain the revolving credit facility for the Trust (see note 8), (iii) S\$0.6 million (31 December 2022: S\$0.6 million) held by a subsidiary and (iv) S\$42.9 million (31 December 2022: S\$36.1 million) where remittance out of China requires the onshore facility agent's consent.

8. Loans and borrowings

	Group		Trust	
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000
Secured borrowings:				
-Amount repayable within one year	904,628	912,817	663,163	660,676
	904,628	912,817	663,163	660,676
Unsecured borrowings:				
	-	-	-	-
Total gross borrowings	904,628	912,817	663,163	660,676
Less capitalised transaction costs	(1,895)	(2,326)	-	-
Total borrowings net of transaction costs	902,733	910,491	663,163	660,676
Current	902,733	910,491	663,163	660,676
Total	902,733	910,491	663,163	660,676

The above loans and borrowings are secured by legal mortgage over of the investment properties and a pledge over the sales proceeds, rental income and receivables derived from these properties.

The tenures of the IPO Offshore Facility and the IPO Onshore Facility have been extended five times and four times respectively prior to 31 December 2022 as announced by the Trust on 20 January 2021, 20 July 2021, 20 December 2021, 21 March 2022 and 20 June 2022.

The tenure of the Shunde Offshore Facility has been extended once from 15 July 2022 to 31 December 2022 as announced on 14 August 2022, while the tenure of the Doumen Offshore Facility has been extended once from 19 September 2022 to 31 December 2022 as announced on 14 October 2022.

As announced on 2 January 2023, the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility matured on 31 December 2022. The Trustee-Manager also updated in the announcement that discussions with lenders for these facilities to extend the loan maturity date to 30 April 2023 were progressing notwithstanding having failed to secure a four-month extension to 30 April 2023 as at 31 December 2022.

Arising from the non-payment of the loans under the IPO Offshore Facility, the IPO Onshore Facility, the Shunde Offshore Facility and the Doumen Offshore Facility upon maturity on 31 December 2022, the lenders are contractually entitled to demand for immediate repayment of the outstanding borrowing amounts from the Group. The non-payment of such loans as at 31 December 2022 triggered a cross default under all the facilities, including the Shunde Onshore Facility and the Doumen Onshore Facility. Accordingly, the non-current portion of the borrowings of the Group pertaining to the Shunde Onshore Facility and the Doumen Onshore Facility amounting to RMB949.75 million (equivalent to approximately S\$184.22 million) as at 31 December 2022, which were only supposed to be due in years 2025 and 2029 respectively, have been reclassified from non-current liabilities to current liabilities.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

8. Loans and borrowings (cont'd)

	Nominal interest rate per annum %	Year of maturity	Face value Original currency	Face value (\$'000)	Group		Trust	
					Carrying amount (\$'000)	Carrying amount (\$'000)	Carrying amount (\$'000)	Carrying amount (\$'000)
As at 30 June 2023								
Xiaolan Metro Mall, Ocean Metro Mall, Dasin E- Colour and Shiqi Metro Mall								
Onshore secured floating rate term loan	5.575	2022	RMB	350,152	65,289	65,277	-	-
Offshore secured floating rate term loan	5.519-5.663	2022	SGD	234,144	234,144	234,144	234,144	234,144
Offshore secured floating rate term loan	5.930-6.759	2022	USD	129,882	175,667	175,667	175,667	175,667
					475,100	475,088	409,811	
Doumen Metro Mall								
Onshore secured floating rate term loan	4.900	2023-2029	RMB	482,500	89,500	88,690	-	-
Offshore secured floating rate term loan	4.150-5.505	2022	SGD	53,328	53,328	53,328	53,328	53,328
Offshore secured floating rate term loan	4.927-5.210	2022	HKD	285,686	49,306	49,306	49,306	49,306
					192,134	191,324	102,634	
Shunde Metro Mall and Tanbei Metro Mall								
Onshore secured floating rate term loan	4.550	2022-2025	RMB	467,245	86,676	85,603		
Offshore secured floating rate term loan	5.819-5.563	2022	SGD	87,000	87,000	87,000	87,000	87,000
Offshore secured floating rate term loan	5.930-6.359	2022	USD	34,000	45,986	45,986	45,986	45,986
					219,662	218,589	132,986	
Revolving credit facility								
Revolving credit facility	4.290	2024	USD	13,110	17,732	17,732	17,732	17,732
					904,628	902,733	663,163	

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

8. Loans and borrowings (cont'd)

	Nominal interest rate per annum %	Year o f maturity	Face value Original currency	Face value	Group Carrying amount	Trust Carrying amount
			('000)	\$'000	\$'000	\$'000
As at 31 December 2022						
Xiaolan Metro Mall, Ocean Metro Mall, Dasin E- Colour and Shiqi Metro Mall						
Onshore secured floating rate term loan	5.225-5.725	2022	RMB	350,152	67,919	-
Offshore secured floating rate term loan	1.53-4.75	2022	SGD	234,144	234,144	234,144
Offshre secured floating rate term loan	1.41-5.93	2022	USD	129,882	174,061	174,061
					<u>476,124</u>	<u>408,205</u>
Doumen Metro Mall						
Onshore secured floating rate term loan	4.90	2023-2029	RMB	482,500	93,590	-
Offshore secured floating rate term loan	1.83-4.58	2022	SGD	53,328	53,328	53,328
Offshre secured floating rate term loan	1.64-4.93	2022	HKD	285,686	49,009	49,009
					<u>195,927</u>	<u>102,337</u>
Shunde Metro Mall and Tanbei Metro Mall						
Onshore secured floating rate term loan	4.55-4.75	2022-2025	RMB	467,245	90,632	-
Offshore secured floating rate term loan	1.72-5.41	2022	SGD	87,000	87,000	87,000
Offshre secured floating rate term loan	1.32-5.27	2022	USD	34,000	45,565	45,565
					<u>223,197</u>	<u>132,565</u>
Revolving credit facility						
Revolving credit facility	2.91-4.54	2023	USD	13,110	17,569	17,569
					<u>912,817</u>	<u>660,676</u>

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

9. Deferred tax liabilities

	Group								
	At 1 January 2022	Statement of profit or loss	Withholding tax paid	Translation difference	At 31 December 2022	Statement of profit or loss	Withholding tax paid	Translation difference	At 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment properties	421,935	(78,105)	-	(32,582)	311,248	(15,310)	-	(11,605)	284,333
Loss allowance on receivables	(2,595)	(3,979)	-	508	(6,066)	(996)	-	281	(6,781)
Tax on undistributed profits	976	984	(969)	249	1,240	362	-	(29)	1,573
Others	116	106	-	(248)	(26)	(1,782)	-	7	(1,801)
	420,432	(80,994)	(969)	(32,073)	306,396	(17,726)	-	(11,346)	277,324

Deferred tax liabilities comprise the recognition of the temporary differences between the carrying value of the investment properties, the loss allowance on receivables and foreign exchange differences for financial reporting and taxation purposes as well as the provision of 5% withholding tax for undistributed statutory earnings of the PRC subsidiaries.

10. Trade and other payables

	Group		Trust	
	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000	As at 30 June 2023 S\$'000	As at 31 December 2022 S\$'000
<u>Non-current</u>				
Trade payables	-	1,023	-	-
Lease liabilities	-	402	-	-
Amount due to subsidiaries (non-trade, interest bearing)	-	-	21,818	42,880
	-	1,425	21,818	42,880
<u>Current</u>				
Trade payables-third parties	3,059	3,178	-	-
Trade payables-related parties	2,803	3,799	-	-
	5,862	6,977	-	-
Accrued operating expenses	2,217	2,130	1,625	1,430
Amounts due to subsidiaries (non-trade, interest free)	-	-	65,220	65,518
Amounts due to subsidiaries (non-trade, interest bearing)	-	-	28,601	8,590
Amounts due to related parties (non-trade)	5,261	5,846	4,994	5,577
Management fee payable to Trustee-Manager	4,619	3,119	4,619	3,119
Interest payables	18,274	1,746	16,731	155
Other payables	8,726	1,168	8,016	499
Construction cost payable to a third party	3,617	3,763	-	-
	48,576	24,749	129,806	84,888
Receipt in advance from tenants	1,241	879	-	-
Other taxes	922	892	576	562
	50,739	26,520	130,382	85,450

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

10. Trade and other payables (cont'd)

The amounts due to trade payables (related parties) relate to property management and commercial management fees payable and reimbursement of expenses in accordance with the property management and commercial management agreements.

The amounts due to related parties (non-trade) is unsecured, interest-free and repayable on demand. Included in the amounts are mainly relating to trustee and management fee payable to Trustee-Manager and advances from a beneficiary of the ultimate controlling party of the Trust. Advances from a beneficiary of the single largest controlling unitholder of the Trust are amounting to approximately S\$1.86 million (31 December 2022: S\$1.86 million).

Construction cost payable to a third party is unsecured, interest bearing with fixed interest rate of 4.35% (31 December 2022: 4.35%) per annum and repayable within the next 12 months.

11. Loans from unitholders

The loans from unitholders are unsecured, interest free and are subordinated to bank loans and borrowings.

12. Units in issue

	Group and Trust			
	As at 30 June 2023	As at 30 June 2023	As at 31 December 2022	As at 31 December 2022
	Number of units ('000)	S\$'000	Number of units ('000)	S\$'000
Units in issue				
At 1 January	804,473	267,560	794,014	267,051
Units issued arising from:				
Trustee-Manager's fees paid in units	-	-	10,459	3,355
Distribution to unitholders	-	-	-	(2,846)
	804,473	267,560	804,473	267,560
Units to be issued	-	-	-	-
Total issued and issuable units as at 30 June /31 December	804,473	267,560	804,473	267,560

The Group and the Trust had issued a total of 10,458,510 units to the Trustee-Manager, amounting to approximately S\$3,355,000 at unit prices ranging from S\$0.3139 to S\$0.3282 as satisfaction of the base management fee and trustee fee payable in units in respect of first half of FY2022. Effective from third quarter of FY2022, the Trustee-Manager has elected to receive 100% of the base fee of management fee and trustee fee in cash.

The Trust does not have any units as subsidiary holdings as at 30 June 2023 and 31 December 2022.

The Group and the Trust do not hold any treasury units as at 30 June 2023 and 31 December 2022. The total number of issued units excluding treasury units as at 30 June 2023 and 31 December 2022 was 804,472,757 and 804,472,757 respectively.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

13. Other reserves

Note	Group		Trust	
	As at 30 June 2023	As at 31 December 2022	As at 30 June 2023	As at 31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Statutory surplus reserve	(i) 680	680	-	-
Capital reserve	(ii) 910,042	910,042	-	-
Foreign currency translation reserve	(iii) (140,248)	(86,519)	-	-
Accumulated losses	(492,193)	(412,658)	(214,502)	(181,365)
	278,281	411,545	(214,502)	(181,365)

(i) Statutory surplus reserve

The subsidiaries incorporated in PRC are required to transfer 10% of the profit after taxation, as determined under the accounting principles and relevant financial regulations of PRC to the statutory reserve until the reserve balance reaches 50% of registered capital. The transfer to this reserve must be made before distribution of dividends to its shareholders.

Statutory reserve can be used to make good previous years' losses, if any, and may be converted to registered capital in proportion to the existing interests of the shareholders, provided that the balance after such conversion is not less than 25% of the registered capital.

(ii) Capital reserve

Capital reserve represents the excess of the fair value of the net assets acquired over the consideration transferred of the PRC property and rental management companies of the investment properties acquired from a controlling unitholder.

(iii) Foreign currency translation reserve comprises:

- (a) foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Trust; and
- (b) the foreign exchange differences on loans to subsidiaries which form part of the Group's net investment in foreign operations.
- (c) The exchange rates for SGD/RMB, USD/SGD and SGD/HKD are as follows:

	30 Jun 2023	30 June 2022	31 December 2022
Month-end exchange rate SGD/RMB	5.3631	4.8179	5.1554
Month-end exchange rate USD/SGD	1.3296	1.3905	1.3401
Month-end exchange rate SGD/HKD	5.9039	5.6436	5.8293
Average exchange rate SGD/RMB	5.2062	4.7507	4.8926

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

14. Net Asset Value per unit

Net asset value per unit is based on:

- Net assets (S\$'000)
 - Total number of issued and issuable units at the end of the period/year ('000)
- Net asset value per unit (S\$)

Group		Trust	
As at 30 June 2023	As at 31 December	As at 30 June 2023	As at 31 December
545,841	679,105	53,058	86,195
804,473	804,473	804,473	804,473
0.68	0.84	0.07	0.11

15. Finance costs

- Amortisation of capitalised borrowing costs
- Interest expense
- Interest expense on loans and borrowings
- Interest expense on Right-Of-Use (ROU) assets
- Default Interest

6 months ended 30 June 2023	6 months ended 30 June 2022
S\$'000	S\$'000
371	1,876
133	126
24,881	13,336
12	15
7,009	-
32,406	15,353

16. Income tax expense

- Current income tax expense - PRC
- Withholding tax expense
- Deferred tax expense/(credit) relating to origination and reversal of temporary differences

6 months ended 30 June 2023	6 months ended 30 June 2022
S\$'000	S\$'000
2,184	3,030
362	541
2,546	3,571
(18,088)	(12,582)
(15,542)	(9,011)

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

17. Loss for the period

The following items have been included in arriving at the loss for the period:

	6 months ended 30 June 2023	6 months ended 30 June 2022
	S\$'000	S\$'000
Amoritisation of intangible assets	37	36
Audit fees paid/payable to auditors	257	276
Depreciation of plant and equipment	67	44
Facility agent and security agent fees	200	197
GST expenses	58	327
Investor relations	18	71
Loss allowance on receivables	2,813	8,835
Professional fees	501	1,209
Stamp duty	81	99

18. Earnings per unit

	Group	
	6 months ended 30 June 2023	6 months ended 30 June 2022
<u>Earnings per Unit ("EPU")</u>		
Weighted average number of Units in issue ('000)	804,473	792,090
Basic EPU (cents)	(9.89)	(7.19)
<u>Diluted EPU</u>		
Weighted average number of Units outstanding('000)	804,473	792,118
Diluted EPU (cents)	(9.89)	(7.19)

EPU is calculated based on loss for the period/year and weighted average number of units as at the end of each period/year.

Diluted EPU is calculated based on loss for the period/year and weighted average number of units outstanding during the period/year, adjusted for the effects of all dilutive potential units arising from issuance of estimated units of Trustee-Manager's fees.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

19. Distribution per unit

	Group	
	6 months ended 30 June 2023	6 months ended 30 June 2022
<u>Distribution per units ("DPU")</u>		
Number of Units issued and to be issued at end of period ('000)	804,473	804,473
Based on the number of Units in issue and to be issued at end of period ('000)	N.A.(ii)	N.A.(ii)
<u>Annualised distribution yield (%)</u>		
-Based on closing price ⁽ⁱ⁾	N.A.(ii)	N.A.(ii)

- (i) 1H2023 is based on closing price of S\$0.125 per unit as at 30 June 2023.
1H2022 is based on closing price of S\$0.32 per unit as at 30 June 2022.
- (ii) Not applicable as no distribution is declared.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

20. Distribution

	Group	
	6 months ended 30 June 2023	6 months ended 30 June 2022
	S\$'000	S\$'000
Loss for the period	(79,535)	(56,986)
Distribution adjustments	65,489	62,455
Amount available for distribution	(14,046)	5,469
Amount retained (Note A)	-	(5,469)
Amount available for distribution to unitholders at end of the period	-	-
<u>Distribution adjustments</u>		
Amortisation of intangible assets	37	36
Amortisation of capitalised borrowing costs	371	1,876
Deferred income tax expense/(credit)	(18,088)	(12,582)
Depreciation of plant and equipment	67	44
Loan repayment	(912)	(1,015)
Net change in fair value of derivative financial instruments	-	(220)
Net change in fair value of investment properties	77,614	64,032
(Gain)/loss on disposal of plant and equipment	(14)	8
Recognition of rental income on a straight line basis over the lease term	6,034	(428)
Trustee-manager's fees paid/payable in units	-	3,355
Unrealised exchange (gain)/loss	449	7,304
Other adjustments	(69)	45
	65,489	62,455

Note A: The Trust had retained distribution income and deferred distribution for the 6-month period ended 30 June 2022 for prudent cashflow and capital management in view of the continued uncertainties arising from the Covid-19 situation in China.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

21. Distribution paid to Unitholders

Tax-exempt income distribution: Nil cents per unit for the period from 1 July 2022 to 31 December 2022 (FY2022: 1.84 cents per unit for the period from 1 July 2021 to 31 December 2021)

Capital distribution: Nil cents per unit of rht period from 1 July 2022 to 31 December 2022 (FY2022: 0.4 cents per unit for the period 1 July 2021 to 31 December 2021)

Group	
6 months ended 30 June 2023 S\$'000	6 months ended 30 June 2022 S\$'000
-	13,093
-	2,846
-	15,939

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

The Trustee-Manager distributes at least 90.0% of the Trust's amount available for distribution with the actual level of distribution to be determined at the discretion of the Board of Directors of the Trustee-Manager.

22. Segment information

The Group has 7 (2022:7) reportable segments, as described below, which are the Group's investment properties. The investment properties are managed separately because they require different operating and marketing strategies. For each of the investment properties, the Management reviews internal management reports on a monthly basis. All of the Group's reportable segments are investment properties located in PRC used primarily for retail purposes. The reporting segments are as follows:

- Shiqi Metro Mall
- Xiaolan Metro Mall
- Ocean Metro Mall
- Dasin E-Colour
- Doumen Metro Mall
- Shunde Metro Mall
- Tanbei Metro Mall

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

23. Reportable segments (Group)

	Group															
	Shiqi Metro Mall		Xiaolan Metro Mall		Ocean Metro Mall		Dasin E-Colour		Doumen Metro Mall		Shunde Metro Mall		Tanbei Metro Mall		Total	
	6 months ended 30 June 2023	6 months ended 30 June 2022	6 months ended 30 June 2023	6 months ended 30 June 2022	6 months ended 30 June 2023	6 months ended 30 June 2022	6 months ended 30 June 2023	6 months ended 30 June 2022	6 months ended 30 June 2023	6 months ended 30 June 2022	6 months ended 30 June 2023	6 months ended 30 June 2022	6 months ended 30 June 2023	6 months ended 30 June 2022	6 months ended 30 June 2023	6 months ended 30 June 2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External revenues:																
-Gross rental income	7,643	9,950	7,494	8,007	3,551	4,565	470	689	6,432	7,415	6,895	7,666	314	507	32,799	38,799
- Straight-lining adjustments	(584)	(142)	(3,238)	(422)	(1,855)	(29)	(37)	(200)	(296)	371	(70)	867	44	(17)	(6,036)	428
-Others	695	1,032	649	830	915	1,009	63	112	949	1,095	893	1,017	38	100	4,202	5,195
Gross revenue	7,754	10,840	4,905	8,415	2,611	5,545	496	601	7,085	8,881	7,718	9,550	396	590	30,965	44,422
Segment net property income	4,583	5,465	2,744	5,414	1,052	3,048	8	(735)	4,661	5,856	5,352	6,901	123	(25)	18,523	25,924
Finance income	328	379	225	252	342	401	48	22	204	198	43	53	6	8	1,196	1,313
Finance costs	1	3	-	-	1,938	2,019	-	-	2,354	2,610	2,358	2,833	81	90	6,732	7,555
Segment assets	481,322	622,549	358,839	455,313	277,336	373,810	39,894	62,884	326,907	424,845	397,130	530,726	17,328	19,611	1,898,756	2,489,738
Segment liabilities	210,319	249,990	172,598	198,444	220,766	260,986	43,243	50,976	232,341	262,465	265,733	325,505	22,762	24,988	1,167,762	1,373,354
Other segment items:																
Depreciation and amortisation	37	40	11	11	35	9	6	6	6	6	4	3	5	5	104	80
Net change in fair value of investment properties	27,698	11,122	1,004	13,251	(1,554)	13,550	4,285	852	15,666	14,908	30,855	9,340	(340)	1,009	77,614	64,032
Loss allowance on receivables	1,317	3,362	505	1,199	283	762	161	965	87	996	310	1,040	150	512	2,813	8,836
Capital expenditure	45	126	16	33	11	2	-	-	19	221	3	-	-	(151)	94	231

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

Reconciliation of reportable segment revenue, loss before income tax, assets and liabilities and other material items

	Group	
	6 months ended	6 months ended
	30 June 2023	30 June 2022
	S\$'000	S\$'000
Revenue		
Total revenue for reporting segments	30,965	44,422
Total loss before income tax		
Total loss for reportable segments before income tax	(64,627)	(44,347)
Unallocated amounts:		
- Other corporate expenses	(29,656)	(20,827)
- Elimination of intercompany transactions	(794)	(823)
Loss before income tax	(95,077)	(65,997)

	Group	
	As at 30 June	As at 31 December
	2023	2022
	S\$'000	S\$'000
Assets		
Total assets for reportable segments	1,898,756	2,046,276
Other unallocated amounts	1,592	1,489
Elimination of intercompany balances	(88,511)	(87,843)
Consolidated assets	1,811,837	1,959,922
Liabilities		
Total liabilities for reportable segments	1,167,762	1,230,818
Other unallocated amounts	719,841	692,562
Elimination of intercompany balances	(621,607)	(642,563)
Consolidated liabilities	1,265,996	1,280,817

	Reportable segment totals	Unallocated amounts	Elimination of intercompany transactions	Consolidated totals
	S\$'000	S\$'000	S\$'000	S\$'000
Other material items for 6 months ended 30 June 2023				
Finance income	1,196	8	(794)	410
Finance costs	6,732	25,674	-	32,406
Other material items for 6 months ended 30 June 2022				
Finance income	1,313	10	(823)	500
Finance costs	7,555	7,798	-	15,353

Geographical segments

All of the Group's investment properties are located in the People's Republic of China.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

24. Significant related party transactions

Other than as disclosed elsewhere in the financial statements, there were the following significant related party transactions for the financial period/year based on agreed terms between the parties.

	Group	
	6 months ended 30 June 2023 S\$'000	6 months ended 30 June 2022 S\$'000
Commercial management fees paid/payables to a related party		
- management fee	381	469
- reimbursement of expenses at cost	1,462	902
Property management fees paid/payable to a related party		
- management fee	381	469
- reimbursement of expenses at cost	2,233	2,459
Lease rental received/recoverable from related parties		
- lease rental income ⁽¹⁾	349	2,757
- reimbursement of expenses at cost	287	425
Lease rental paid/payable	-	34
Payment of utilities charges on behalf of related parties	16	74
Other property operating expenses paid/payable to related parties	22	36
Interest free loans from shareholders	-	13,959
Advances from related parties	-	124

⁽¹⁾ Included in this amount was rental rebate (excluding the straight-line basis over the term of the lease) of S\$nil (1H2022: S\$42,000) for the six-month period ended 30 June 2023 which has been deducted against the lease rental income.

During the six-month period ended 30 June 2023, the Group waived charges amounting to S\$nil (1H2022: S\$990,000) for late payment of lease rental from related parties in the ordinary course of business.

25. Financial Assets and Financial Liabilities

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Measurement of fair value

The following table shows the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Loans and borrowings	Discounted cash flows: The fair value is based on the present value of future payments, discounted at the market rate of interest at the measurement date.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

25. Financial Assets and Financial Liabilities (cont'd)

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
As at 30 June 2023								
Financial assets not measured at fair value								
Trade and other receivables	10,157	-	-	10,157	-	-	-	-
Cash and cash equivalents	105,029	-	-	105,029	-	-	-	-
	115,186	-	-	115,186	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	48,576	48,576	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Security deposits ⁽¹⁾	-	-	13,868	13,868	-	-	-	-
Loans and borrowings	-	-	902,733	902,733	-	907,812	-	907,812
	-	-	985,670	985,670	-	907,812	-	907,812

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
As at 31 December 2022								
Financial assets not measured at fair value								
Trade and other receivables	12,012	-	-	12,012	-	-	-	-
Cash and cash equivalents	98,100	-	-	98,100	-	-	-	-
	110,112	-	-	110,112	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	26,174	26,174	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Security deposits ⁽¹⁾	-	-	14,405	14,405	-	-	-	-
Loans and borrowings	-	-	910,491	910,491	-	916,602	-	916,602
	-	-	971,563	971,563	-	916,602	-	916,602

(1) The breakdown of the carrying amount of security deposits is as follows: -

Group	1H2023 S\$'000	FY2022 S\$'000
Third parties	13,868	14,403
Related parties	-	2
Master Lessee	-	-
	13,868	14,405

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

25. Financial Assets and Financial Liabilities (cont'd)

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Trust								
As at 30 June 2023								
Financial assets not measured at fair value								
Trade and other receivables	437	-	-	437	-	-	-	-
Cash and cash equivalents	1,563	-	-	1,563	-	-	-	-
	2,000	-	-	2,000	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	129,806	129,806	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Loans and borrowings	-	-	663,163	663,163	-	663,163	-	663,163
	-	-	813,462	813,462	-	663,163	-	663,163

	Carrying amount				Fair value			
	Financial assets at amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Trust								
As at 31 December 2022								
Financial assets not measured at fair value								
Trade and other receivables	467	-	-	467	-	-	-	-
Cash and cash equivalents	1,473	-	-	1,473	-	-	-	-
	1,940	-	-	1,940	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	127,768	127,768	-	-	-	-
Loans from unitholders	-	-	20,493	20,493	-	-	-	-
Loans and borrowings	-	-	660,676	660,676	-	660,896	-	660,896
	-	-	808,937	808,937	-	660,896	-	660,896

26. Contingent Liabilities (Unsecured)

As at 30 June 2023, there were litigations and claims against the Group and the Trust for disputed contracts with values of approximately S\$1.8 million (31 December 2022: S\$1.8 million) and S\$0.6 million (31 December 2022: S\$0.6 million) respectively in relation to construction contracts, lease agreements and a consultancy agreement. The Group and the Trust do not consider the litigations and claims have any merit and have contested or will contest these claims. No provision has been made in the financial statements as the management does not consider that there is any probable loss.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

F. Notes to the condensed interim consolidated financial statements (cont'd)

27. Reclassification of Comparative Figures

Other receivables (non-trade) and amount from related parties (non-trade) relating to utilities charges paid on behalf in accordance with tenancy agreements have been reclassified to trade receivables (third parties) and trade receivables - related parties (others) respectively to reflect the economic substance of such receivables.

	As previously classified as at 31 December 2022	Reclassification	After reclassification as at 31 December 2022
	S\$'000	S\$'000	S\$'000
Other receivables (non-trade)	1,073	(1,060)	13
Trade receivables - third parties	<u>19,942</u>	1,060	<u>21,002</u>
Loss allowance on receivables (non-trade)	(117)	117	-
Loss allowance on receivables	<u>(17,953)</u>	(117)	<u>(18,070)</u>
Amount from related parties (non-trade)	1,907	(1,907)	-
Trade receivables - related parties (others)	<u>5,416</u>	1,907	<u>7,323</u>
Loss allowance on receivables (non-trade)	(1,063)	1,063	-
Loss allowance on receivables (others)	<u>(5,189)</u>	(1,063)	<u>(6,252)</u>

Loss allowance on receivables has been reclassified to property operating expenses for consistency with the current period presentation. This reclassification had no effect on the loss of the period.

	As previously reported as at 30 June 2022	Reclassification	As reported as at 30 June 2022
	S\$'000	S\$'000	S\$'000
Property operating expenses	5,354	8,836	14,190
Loss allowance	<u>8,836</u>	(8,836)	<u>-</u>

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL

1. Review of performance of the Group

A. Investment Properties

The fair value of investment properties (RMB-denominated assets) has decreased by S\$152.7 million due mainly to:

- (a) Decrease in fair value of S\$77.6 million owing to the general decline in market performance and rental rates, lower passing rate, lower projected growth rate in rent, negative reversion in rental rate from some leases contracted in 2023 and an increase in vacancy rates; and
- (b) Decrease in fair value of S\$69.1 million owing to weakening of Renminbi (RMB) against Singapore dollars.

B. Subsidiaries (Trust)

The decrease is due to the capital reduction in Shunde Metro Mall of S\$2.9 million (RMB15.0 million) (31 December 2022: S\$3.7 million) and recognition of a net unrealised foreign exchange loss of S\$3.9 million relating to the USD-denominated and RMB-denominated loans extended to the subsidiaries.

C. Revenue

(i) Breakdown of revenue for the three-month period ended 30 June 2023 ("1H2023") vs 1H2022

	6 months ended 30 June 2023 RMB'000	6 months ended 30 June 2022 RMB'000	Change %	6 months ended 30 June 2023 S\$'000	6 months ended 30 June 2022 S\$'000	Change %
Revenue:						
Shiqi Metro Mall	40,369	51,497	(22)	7,754	10,840	(28)
Xiaolan Metro Mall	25,536	39,977	(36)	4,905	8,415	(42)
Ocean Metro Mall	13,591	26,343	(48)	2,611	5,545	(53)
Dasin E-Colour	2,584	2,855	(9)	496	601	(17)
Doumen Metro Mall	36,888	42,191	(13)	7,085	8,881	(20)
Shunde Metro Mall	40,181	45,368	(11)	7,718	9,550	(19)
Tanbei Metro Mall	2,058	2,803	(27)	396	590	(33)
	161,207	211,034	(25)	30,965	44,422	(30)

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

1. Review of performance of the Group (cont'd)

C. Revenue (cont'd)

- (ii) Breakdown of revenue before adjustment for straight-lining basis over the lease term (SLA) and after adjustment for SLA for the six-month period ended 30 June 2023 ("1H2023") vs 1H2022

	6 months ended 30 June 2023			6 months ended 30 June 2022		
	Before adjustment for SLA	Straight-lining basis over the lease term (SLA)	After adjustment for SLA	Before adjustment for SLA	Straight-lining basis over the lease term (SLA)	After adjustment for SLA
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
Shiqi Metro Mall	8,337	(583)	7,754	10,982	(142)	10,840
Xiaolan Metro Mall	8,143	(3,238)	4,905	8,837	(422)	8,415
Ocean Metro Mall	4,466	(1,855)	2,611	5,574	(29)	5,545
Dasin E-Colour	533	(37)	496	801	(200)	601
Doumen Metro Mall	7,381	(296)	7,085	8,510	371	8,881
Shunde Metro Mall	7,787	(69)	7,718	8,683	867	9,550
Tanbei Metro Mall	352	44	396	607	(17)	590
	36,999	(6,034)	30,965	43,994	428	44,422

	6 months ended 30 June 2023 RMB'000	6 months ended 30 June 2022 RMB'000	% Change	6 months ended 30 June 2023 S\$'000	6 months ended 30 June 2022 S\$'000	% Change
Rental income from operating entities	178,449	199,752	(11)	34,279	42,048	(18)
Other income from operating entities	21,886	24,680	(11)	4,204	5,195	(19)
	200,335	224,432	(11)	38,483	47,243	(19)
Derecognition of revenue arising from Carrefour (Ocean Metro Mall) and master leases (Xiaolan Metro Mall and Dasin E-colour)	(7,705)	(15,431)	NM	(1,484)	(3,249)	NM
Straight-lining adjustments on rental income	(31,416)	2,033	NM	(6,034)	428	NM
	161,214	211,034	(25)	30,965	44,422	(30)

Lower rental income for 1H2023 was due to:

- (i) Lower revenue contribution from several malls as indicated in the table above was mainly due to lower passing rent, negative reversion in rental rate and higher vacancy rates;
- (ii) Weaker foreign exchange of RMB to SGD;
- (iii) De-recognition of revenue arising from Carrefour (Ocean Metro Mall) and master leases (Xiaolan Metro Mall and Dasin E-Colour) amounting to approximately S\$1.5 million in accordance with IFRS16 Leases; and
- (iv) Straight-lining adjustment on lease income of S\$6.0 million.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

D. Property operating expenses

	6 months ended 30 June 2023 S\$'000	6 months ended 30 June 2022 S\$'000	% Change
Property related tax	3,029	3,467	(13)
Property management and commercial management fees	640	947	(32)
Advertising and promotion	925	498	86
Cleaning expenses	1,250	1,361	(8)
Depreciation and amortisation	105	81	30
Impairment loss on receivables	2,813	8,834	(68)
Repair and maintenance	481	484	(1)
Staff and related costs	1,331	1,044	27
Utilities	1,781	1,521	17
Other operating expenses	87	260	(67)
Property operating expenses	12,442	18,497	(33)

The property operating expenses for 1H2023 decreased by 33% as compared to 1H2022 is mainly due to significant decrease in impairment loss on receivables (-68%) as loss allowance has already been provided on long outstanding receivables in previous quarters. The other property operating expenses are generally reduced in 1H2023.

E. Net property income

(i) Breakdown of net property income for 1H2023 vs 1H2022

	6 months ended 30 June 2023 RMB'000	6 months ended 30 June 2022 RMB'000	Change %	6 months ended 30 June 2023 S\$'000	6 months ended 30 June 2022 S\$'000	Change %
Net property income:						
Shiqi Metro Mall	23,861	25,962	(8)	4,583	5,465	(16)
Xiaolan Metro Mall	14,285	25,720	(44)	2,744	5,414	(49)
Ocean Metro Mall	5,475	14,480	(62)	1,052	3,048	(65)
Dasin E-Colour	43	(3,492)	NM	8	(735)	NM
Doumen Metro Mall	24,268	27,820	(13)	4,661	5,856	(20)
Shunde Metro Mall	27,863	32,785	(15)	5,352	6,901	(22)
Tanbei Metro Mall	637	(119)	NM	123	(25)	NM
	96,432	123,156	(22)	18,523	25,924	(29)

The net property income margin ("NPI margin") of the Group is 59.8% for 1H2023 compared to 1H2022 of 58.4%. This was primarily due to lower revenue in 1H2023 of S\$13.5 million offset by lower in loss impairment on receivables in 1H2023 of S\$6.0 million.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

1. Review of performance of the Group (cont'd)

F. Trustee-Manager's fees

The Trustee-Manager's fees comprise the base fee of management fee and trustee fee. The base fee of management fee was calculated based on 0.25% per annum of the value of the trust property of the Group ("Trust Property") and the trustee fee was 0.02% per annum of the value of the Trust Property, excluding out of pocket expenses and GST. The Trustee-Manager has elected to receive 100% of the base fee of management fee and the trustee fee in the form of unit up to first half of FY2022. Subsequently, Trustee-Manager has elected to receive 100% of the base fee of management fee and the trustee fee in cash.

Trustee-Manager's fees for 1Q2023 decreased slightly by S\$0.4 million compared to 1Q2022 due to decrease in total assets.

G. Exchange gain / (loss)

Exchange gain for 1Q2023 of S\$2.6 million was mainly due to unrealised exchange gain of S\$1.9 million arising from the USD denominated bank loan of US\$177.0 million from the strengthening of SGD against USD, as well as unrealised exchange gain arising from HKD denominated bank loan of HKD 285.7 million of S\$0.6 million from the strengthening of SGD against HKD.

H. Other income

This arose from net change in the fair value of derivative financial instruments in the re-measurement of the interest rate swaps as at the respective reporting dates, which were entered into by the Trust to hedge the floating interest rate risk of its loans and borrowings.

I. Finance costs

The increase in finance costs in 2Q2023 as compared to 2Q2022 of S\$17.1 million was mainly due to increase in interest expense on bank borrowings of S\$11.5 million and provision of default interest of S\$7.0 million, offset by decrease in amortisation of S\$1.5 million. The amortisation cost is pertaining to the onshore secured floating rate term loans.

J. Income tax (expense) / credit

Increase in income tax credit in 1H2023 compared to 1H2022 was mainly due to:

- (a) write back of deferred tax of S\$1.8 million arising from the de-recognition of revenue arising from Carrefour (Ocean Metro Mall) and master leases (Xiaolan Metro Mall and Dasin E-Colour) in accordance with IFRS16 Leases.; and
- (b) decrease in deferred tax expenses of S\$5.5 million relating to fair value loss on investment properties.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

2. Analysis of consolidated statement of cash flows

- (i) Net cash generated from operating activities for 1H2023 remained positive and stable at S\$18.9 million compared to S\$21.7 million in 1H2022.
- (ii) Net cash generated from investing activities for 1H2023 as compared to 1H2022 increased by S\$0.9 million mainly due to higher interest of S\$0.8 million received in 1H2023 as well as lower capital expenditure on investment properties of S\$0.1 million in 1H2023.
- (iii) Net cash used in financing activities for 1H2023 was S\$17.4 million. This was mainly due to payment of finance costs of S\$8.2 million, increase utilisation of cash pledged of \$8.2 million and repayment of bank borrowings of S\$0.9 million.

Net cash used in financing activities for 1H2022 was S\$29.4 million. This was mainly due to payment of distributions to unitholders of S\$15.9 million, repayment of bank borrowings of S\$14.8 million and payment of finance costs of S\$13.2 million offset by net receipt of interest free loans from shareholders S\$14.0 million.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Trust has not disclosed any forecast for FY2023.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

China's economy started 2024 on a strong note, achieving 5% year-on-year growth in the first half of 2024, aligning with annual growth targets. However, the economy grew slower than anticipated in the second quarter of 2024 due to a prolonged property downturn and job insecurity, which suppressed domestic demand. China's ongoing property crisis, weak consumer demand, and escalating trade tensions are expected to continue to exert downward pressure¹.

China's retail sales of consumer goods increased by 3.7% year-on-year in the first half of 2024, totaling RMB 23.6 trillion. This marks a slowdown from the 4.7% year-on-year growth observed in the first quarter of 2024 and the 8.4% year-on-year growth in the last quarter of 2023. In view of slowdown in the retail sales, China recently implemented a series of directives to boost household consumption, as weak domestic demand continues to weigh on growth. The initiative focuses on key sectors such as child and elder care, as well as food and beverages². Additionally, the government also reduced the lending rate for one-year medium-term policy loans by 20 basis points to 2.3%, the largest rate cut since the economic downturn caused by the COVID-19 pandemic in 2020³.

¹ China's Q2 GDP misses forecasts, keeps stimulus calls alive, <https://www.businesstimes.com.sg/international/global/chinas-q2-gdp-misses-forecasts-keeps-stimulus-calls-alive>

² China Issues Plan To Boost Household Consumption, <https://www.barrons.com/news/china-issues-plan-to-boost-household-consumption-a26eb501>

³ China cuts 1-year benchmark rate and doubles subsidies for EVs in its 'cash for clunkers' program, <https://apnews.com/article/china-economy-interest-rates-pboc-68cdaa96d33cfb7f60b59f6c13dee132>

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months (cont'd)

Notwithstanding the events as mentioned in Note 2.2 to the condensed interim consolidated financial statements which indicate that material uncertainties exist that might affect the prospects of a consensual debt restructuring negatively and cast significant doubt on the ability of the Group and the Trust to continue as going concerns, the Trustee-Manager has prepared these financial statements on a going concern basis, which assumes that the Group and the Trust are able to meet their respective obligations as and when they fall due within the next twelve months of the financial period to which these financial statements relate, as the Trustee-Manager is continuing to negotiate the terms of debt restructuring with the lenders with the assistance of FTI Consulting. However, there is no assurance that the Trustee-Manager will be able to successfully agree the terms of a consensual debt restructuring with the lenders.

If for any reason the Group and the Trust are unable to continue as a going concern, there would be an impact on the classification of assets and liabilities and the ability to realise assets at their recognised values, and to extinguish liabilities in the normal course of business at the amounts stated in these financial statements. No such adjustments have been made to these financial statements. The liabilities of the Group and the Trust disclosed in these financial statements are estimated and computed based on the latest information available to the Trust as at the date of this announcement and may be subject to revisions with passage of time and upon further material information becoming available to the Trust. In addition, the Group and the Trust may have to provide for further liabilities that may arise. It should be noted that the full consequences and implications of the events disclosed above cannot necessarily be appreciated or assessed at the date of this announcement.

5. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable as the Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

Under Rule 705(2) of the Listing Manual of the SGX-ST ("Listing Manual"), the Group is required to announce its financial statements on a quarterly basis ("Quarterly Reporting") as its auditors had stated that a material uncertainty relating to going concern exists in the Group's latest financial statements ("Emphasis of Matter"). Under Rule 705(2A) of the Listing Manual, the Group had a grace period of one year commencing on 8 Apr 2021 (being the date of the Emphasis of Matter) to comply with the Quarterly Reporting requirement, and the Group must continue to comply with the Quarterly Reporting requirement for so long as any condition in Rule 705(2) is met. Accordingly, as the aforesaid grace period has expired and the Emphasis of Matter (being a condition in Rule 705(2)) is still subsisting, the Group has commenced issuing Quarterly Reporting for the third quarter ended 30 September 2022 and thereafter, for so long as any condition in Rule 705(2) is met.

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

OTHER INFORMATION PURSUANT TO LISTING RULE APPENDIX 7.2 OF SGX LISTING MANUAL (CONT'D)

6. Distribution

(a) Any distribution declared / recommended for the current period?

The Trust is not able to declare distributions as the Group and the Trust have defaulted on the loans in the amount of approximately S\$910 million as announced on 2 and 19 January 2023.

The loan agreements for the IPO Offshore Facility, the Doumen Offshore Facility and the Shunde Offshore Facility contain provisions to the effect that the Trust is entitled to declare distributions only if there is no default under the loan agreements, unless the declaration of the distributions is to facilitate the payment of any indebtedness under the loan agreements.

(b) Any distribution declared / recommended for the previous corresponding period?

No.

7. Interested person transactions

The Group has not obtained a general mandate from the Unitholders for interested person transactions for the financial period under review.

Descriptions of present and ongoing interested person transactions are set out on pages 304 to 321 of the Prospectus dated 13 January 2017, interested person transactions set out on pages 13 and 14 of the Circular in relation to acquisition of Doumen Metro Mall dated 1 August 2019 and set out on pages 22 to 29 of the Circular in relation to acquisition of Shunde Metro Mall and Tanbei Metro Mall dated 5 December 2019.

8. Confirmation pursuant to rule 720(1) of the Listing Manual

The Trustee-Manager confirms that it has procured undertakings from all Directors and Executive Directors and Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

9. Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Trustee-Manager has confirmed to the best of its knowledge, nothing has come to its attention which may render the unaudited condensed interim consolidated financial statements for the six-month period ended 30 June 2023 to be false or misleading, in any material respect.

By order of the Board of the Trustee-Manager
Dasin Retail Trust Management Pte. Ltd.

Dr. Kong Weipeng
Chairman and Non-Executive Director
Date 16 August 2024

Wang Peng
Acting Chief Executive Officer
Date 16 August 2024

Ng Mun Fai
Chief Financial Officer
Date 16 August 2024

DASIN RETAIL TRUST
Unaudited Condensed Interim Consolidated Financial Statements
For the six-month period ended 30 June 2023

This release may contain forward-looking statements that involve assumptions, 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, public policy changes, and the continued availability of financing. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view of future events.

The value of units in the Trust ("Units") and the income derived from them, if any, may fall or 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. The past performance of the Group is not necessarily indicative of the future performance of the Group.

Investors should note that they have no right to request the Trustee-Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

On behalf of the Board of the Trustee-Manager
Dasin Retail Trust Management Pte. Ltd.
(as Trustee-Manager of Dasin Retail Trust)
(Company registration no. 201531845N)

Dr. Kong Weipeng
Chairman and Non-Executive Director
16 August 2024