



**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)

---

**ISSUANCE OF LETTER OF DEMAND TO MR. ZHANG ZHENCHENG AND MR. ZHANG ZHONGMING**

---

The Board of Directors (the “**Board**”) of Dasin Retail Trust Management Pte. Ltd. (the “**Trustee-Manager**”), as trustee-manager of Dasin Retail Trust (the “**Trust**”), refers to the following:

- (i) in relation to the restructuring of the Trust’s debts, the Trustee-Manager’s announcements dated 6 and 10 July 2023, 4 December 2023, 12 and 28 April 2024, 4 July 2024 and 15 August 2024;
- (ii) in relation to the master lease agreements entered into with Zhongshan Dasin Metro-Mall Merchant investment Co., Ltd, the Trustee-Manager’s announcements dated 7 April 2023;
- (iii) in relation to the various legal proceedings, the Trustee-Manager’s announcements dated 27 May 2023, 20 and 26 February 2024, 3 and 28 May 2024;
- (iv) in relation to the various requisitions for the convening of an extraordinary general meeting of the Trust, the Trustee-Manager’s announcements dated 25 November 2023, 14 and 29 December 2023, 24 and 25 January 2024, 7, 18 and 20 February 2024, 20 June 2024, 14 and 31 July 2024, and 3, 7, 15 and 16 August 2024;
- (v) in relation to the failure to comply with the Trust’s financial control procedures and policies with respect to payment to external parties, the Trustee-Manager’s announcement dated 4 August 2024.

The Board wishes to announce that the Trustee-Manager had, on 28 August 2024, issued a letter of demand to Mr. Zhang Zhencheng (“**ZZC**”) and Mr. Zhang Zhongming (“**ZZM**”, and together with ZZC, the “**Minority Directors**”) for breaching their duties owed to the Trustee-Manager and the Trust, in their capacities as director of the Trustee-Manager and ZZC’s alternate director of the Trustee-Manager, respectively.

The letter of demand stated that the Minority Directors have acted in breach of their fiduciary and statutory duties owed to Trustee-Manager and the Trust in at least the following ways:

- a. Acting in concert with ZZC’s associates (including former management of the Trustee-Manager) to frustrate and scupper the deal for a reputable Chinese state-owned entity to invest in the Trust so as not to lose ZZC’s status as the single largest unitholder in the Trust and his shareholding in the Trustee-Manager, and to impede progress on the restructuring of the Trust, even though doing so was not in the best interests of all unitholders of the Trust and the Trustee-Manager (the “**Prospective Investor Deal**”).
- b. Acting in concert with ZZC’s associates (including former management of the Trustee-Manager) to sabotage and obstruct the Trustee-Manager’s further attempts to restructure the Trust’s debts.

- c. Failing to inform the Board and take any action to recover significant amounts of rent in arrears which were owed by Dasin Metro-Mall Merchant Investment Co., Ltd. (which was wholly owned by ZZC's brothers, Mr. Zhang Kaicheng and Mr. Zhang Jiucheng, and ZZM) to the Trust's wholly-owned subsidiary pursuant to the relevant master lease (the "**Xiaolan Master Lease**").
- d. Acting in concert with ZZC's associates (including Ms. Wang Qiu and Mr. Zhang Guiming) to gain control of the Trust and/or the Trustee-Manager in disregard of the interests of all unitholders of the Trust and the Trustee-Manager, including by:
  - i. Requisitioning for the convening of an extraordinary general meeting of the Trust to vote on two resolutions, namely: (1) a resolution that the Trustee-Manager be removed as the trustee-manager of the Trust as soon as practicable after the passing of the resolution; and (2) a resolution approving, amongst other things, the internalisation of the trustee-manager function of the Trust. The details of this are set out in the Trustee-Manager's announcement dated 25 November 2023.
  - ii. Requisitioning for the convening of an extraordinary general meeting of the Trust to vote on two resolutions (the "**Second Set of Resolutions**"), details of which are contained in the Trustee-Manager's announcement dated 20 June 2024. The proposed amendments to the trust deed constituting the Trust, under the Resolution 1 of the Second Set of Resolutions would severely cripple the ability of the Trustee-Manager to manage the assets of the Trust by effectively transferring control over the management of key aspects of the Trust to ZZC, by virtue of his significant interests in the unitholding in the Trust. The Second Set of Resolutions are accordingly neither in the best interests of the Trustee-Manager nor the Trust's unitholders, as a whole.
  - iii. ZZC and his associates have also separately sought to gain control of the Trustee-Manager by attempting to wind up the Trustee-Manager and oust the members of the Board who do not do his bidding, through the pursuit of the following legal proceedings:
    - 1. On 25 May 2023, ZZC commenced an action in HC/OC 325/2023 against Mr Tan Huay Lim and the Trustee-Manager (see the Trustee-Manager's announcement dated 27 May 2023).
    - 2. On 17 February 2024, Mr. Zhang Guiming commenced a winding up application against the Trustee-Manager for the sum of \$272,000 which is now the subject of proceedings in HC/CWU 55/2024 and HC/OC 108/2024 (see the Trustee-Manager's announcement dated 20 February 2024).
    - 3. On 26 February 2024, Ms. Wang Qiu commenced a winding up application against the Trustee-Manager for the sum of \$437,660 which is now the subject of proceedings in HC/CWU 57/2024 and HC/OC 140/2024 (see the Trustee-Manager's announcement dated 26 February 2024).
    - 4. On 30 April 2024, ZZC had LVM Law Chambers LLC issue letters against three directors of the Trustee-Manager, Dr. Kong Weipeng, Mr Lyu Guoliang and Mr Sonny Tan Hock Sun, alleging various misconduct in relation to their running of the Trustee-Manager (which were baseless and without merit) and sought their resignation as members of the Board within 48 hours of receipt of the letters (see the Trustee-Manager's announcement dated 3 May 2024).
    - 5. On 22 May 2024, ZZC commenced a winding up application in HC/CWU 133/2024 against the Trustee-Manager (see the Trustee-Manager's announcement dated 28 May 2024).

6. On or around 18 July 2024, the PRC legal adviser of ZZM issued three letters to Mr Wang Peng, which amongst other things, stated ZZM's refusal to recognise the Board's actions to appoint Mr Wang Peng to be legal representative and director of the PRC SPVs in place of ZZM. The legal adviser of ZZM sent seven further letters dated 23 July 2024 to Mr Wang Peng setting out similar allegations in the previous letters.
  7. On or around 29 July 2024, ZZM had arranged for it to be reported to the Chinese authorities that Mr Wang Peng had allegedly falsely declared to Chinese newspapers and to the relevant Chinese authorities that the company seals and licenses were lost.
- e. Failing to comply with the Trust's financial control procedures and policies with respect to payment to external parties. ZZC had approved payments from subsidiaries of the various PRC and Singapore SPVs to third parties in violation of the Trust's internal procedures and policies on at least four occasions on 12 and 13 March 2024.

The Trustee-Manager is demanding that the Minority Directors, amongst other things:

- a. Compensate the Trustee-Manager for the losses it suffered as a result of the failed Prospective Investor Deal, including, the capital injection that the Trust could potentially have received from the Prospective Investor Deal, the costs and expenses incurred in negotiating the Prospective Investor Deal, and losses flowing from the delay of the refinancing process, and indemnify the Trustee-Manager for the fees that the Trustee-Manager's financial advisor is entitled to for work done on the refinancing process.
- b. Compensate the Trustee-Manager for the total rental arrears owed under the Xiaolan Master Lease as at 31 March 2023.
- c. Compensate the Trustee-Manager for the losses suffered as a result of the failure to comply with the Trust's financial control procedures and policies.
- d. Cease their continuing attempts to obstruct and frustrate the Trust's restructuring efforts.
- e. Cease their attempts to internalise the management of the Trust and indemnify the Trustee-Manager for all costs and expenses that have been incurred in the resisting of the same.
- f. Cease their attempts to transfer the Trustee-Manager's powers to ZZC through having the requisitionists issue the requisition notice to convene a general meeting of unitholders to pass the Second Set of Resolutions.
- g. Cease all legal proceedings commenced against the Trustee-Manager and indemnify the Trustee-Manager for all costs and expenses that have been incurred in resisting the same.

Given that this announcement pertains to claims against the Minority Directors, who are therefore conflicted in respect of the matters relating to the announcement, this announcement has not been reviewed by the Minority Directors and the opinion of the Board (other than the Minority Directors) set out in this announcement should not be taken to represent the views of the Minority Directors.

The Trustee-Manager will make further announcement(s) on the SGXNet in the event there are any material developments which warrant disclosure, in compliance with its obligations under the Listing Manual.

On behalf of the Board

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

(Company Registration No. 201531845N)  
(in its capacity as trustee-manager of Dasin Retail Trust)

Dr. Kong Weipeng  
Chairman and Non-Executive Director

29 August 2024

## **IMPORTANT NOTICE**

The value of the units of Dasin Retail Trust (the “**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that unitholders of Dasin Retail Trust may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager’s current view on future events.