



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)

UPDATES ON APPLICATION UNDER SECTION 64 OF THE INSOLVENCY, RESTRUCTURING AND DISSOLUTION ACT 2018

The Board of Directors (the “**Board**”) of Dasin Retail Trust Management Pte. Ltd. (the “**Trustee-Manager**”) wishes to announce the information set out below in response to queries from the Singapore Exchange Securities Trading Limited (“**SGX**”) received on 10 and 11 December 2024 in relation to the Trustee-Manager’s announcement dated 6 December 2024, which was made in response to queries received from the SGX on 4 December 2024 on HC/OA 1257/2024 (“**OA 1257**”) filed by the Trustee-Manager under section 64 of the Insolvency, Restructuring and Dissolution Act 2018 (“**IRDA**”).

SQX Query 1

The Trustee-Manager’s response to SGX Query 1 states “OA 1257 was filed to give the Trustee-Manager time to propose a scheme of arrangement to creditors as part of the exercise to restructure the liabilities of Dasin Retail Trust (the “Trust”) and its subsidiaries, and to provide protection to the Trustee-Manager who was at risk of being wound up in winding up proceedings commenced by Zhang Zhencheng (a non-independent and non-executive director of the Trustee-Manager, and the largest controlling unitholder of the Trust) in HC/CWU 133/2024.”.

(a) Please confirm whether the “scheme of arrangement to creditors” refers to creditors of the Trustee-Manager or the Trust.

(b) Please elaborate on the basis for the Trustee-Manager’s filing of OA 1257 under Section 64 of the IRDA (i.e. how the conditions under Section 64 of the IRDA have been met).

Trustee-Manager’s response to SGX Query 1

(a) The scheme of arrangement is intended to apply to creditors of the Trustee-Manager whether or not they are creditors of the Trustee-Manager in the Trustee-Manager’s personal capacity or creditors of the Trustee-Manager as trustee-manager of the Trust.

(b) The conditions under section 64(1) and (2) of IRDA are met as:

- (i) the Trustee-Manager intends to propose a scheme of arrangement between the company (i.e. the Trustee-Manager) and its creditors (i.e. whether they are creditors of the Trustee-Manager in the Trustee-Manager’s personal capacity or creditors of the Trustee-Manager as trustee-manager of the Trust);

- (ii) no order has been made and no resolution has been passed for the winding up of the Trustee-Manager;
- (iii) the Trustee-Manager has undertaken in OA 1257 to make as soon as possible an application under: (i) section 210(1) of the Companies Act 1967 (“**Companies Act**”) for the Court to order to be summoned a meeting of creditors or class of creditors to consider the proposed scheme or arrangement or compromise; or (ii) an application under section 71(1) of IRDA to approve the proposed scheme of arrangement or compromise; and
- (iv) the Trustee-Manager has not made an application under section 210(10) of the Companies Act.

As regards the requirements under section 64(4) of IRDA, these have been addressed in the Affidavit of Tan Hock Sun Sonny dated 2 December 2024 filed in support of OA 1257.

SGX Query 2

The Trustee-Manager’s response to SGX Query 2 states “OA 1257 should improve the Trust’s prospects of continuing as a going concern if it leads to the implementation of a successful scheme of arrangement.”. Please explain how OA 1257 impacts the Trust’s “implementation of a successful scheme of arrangement”.

Trustee-Manager’s response to SGX Query 2

If allowed by the Court, OA 1257 will assist the implementation of a successful scheme of arrangement by providing the Trustee-Manager time and breathing space to work towards a restructuring of the liabilities. Such work will include the following (i) preparing a scheme of arrangement for the consideration of creditors; (ii) preparing and filing an application to Court for leave to convene a meeting of creditors to consider, and if thought fit, to pass the said scheme of arrangement; (iii) preparing for and holding the meeting of creditors; (iv) preparing and filing an application to obtain sanction of the Court as necessary for the said scheme of arrangement; and (v) implementing the terms of the scheme of arrangement as approved.

Without OA 1257, the Trustee-Manager will have to expend substantial time, effort and resources to dispute various proceedings and issues against inter alios Zhang Zhencheng, which would significantly reduce its capabilities to work on and progress the intended restructuring.

SGX Query 3

3. Please elaborate on how the Trust and its operations will be affected, including but not limited to the Trust’s ability to continue operating as a going concern and the bases for the said assessment, under the following scenarios:

- (a) based on the Trustee-Manager's current situation; and
- (b) in the event that the Trustee-Manager is wound up.

Trustee-Manager’s response to SGX Query 3

- (a) As stated at page 15 of the Trust's Unaudited Condensed Interim Consolidated Financial Statements for the six-month period ended 30 June 2023, as announced on 16 August 2024, the financial statements were prepared on a going concern basis, assuming that the Trust is able to meet its obligations as and when they fall due within the next 12 months of the financial period to which the financial statements relate to as the Trustee-Manager is continuing to negotiate the terms of a debt restructuring with lenders with the assistance of FTI Consulting (Singapore) Pte Ltd ("**FTI Consulting**"). The Trustee-Manager continues to be in the process of negotiating the terms of a debt restructuring with lenders with the assistance of FTI Consulting. The filing of OA 1257 gives the Trustee-Manager time to continue this process and to propose a scheme of arrangement to creditors.
- (b) The Trust's ability to continue as a going concern may be negatively impacted. If the Trustee-Manager is wound up, given the ongoing opposition of some creditors to the winding up proceedings commenced by Zhang Zhencheng, such creditors may or may not continue to support the Trust as a going concern.

The Board (other than Zhang Zhencheng and his alternate, Zhang Zhongming (together, the "**Minority Directors**")) (the "**Majority Directors**") are of the view that the Minority Directors are conflicted in matters referred to in this announcement. Accordingly, this announcement has not been reviewed by the Minority Directors prior to its publication and the opinion of the Majority Directors set out in this announcement should not be taken to represent the views of the Minority Directors.

The Trustee-Manager will make further announcements on SGXNet in the event there are any material developments which warrant disclosure, in compliance with its obligations pursuant to the Listing Manual of Singapore Exchange Securities Trading Limited.

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

Dasin Retail Trust Management Pte. Ltd.
(Company Registration No. 201531845N)
(in its capacity as Trustee-Manager of Dasin Retail Trust)

Lyu Guoliang
Chairman and Non-Executive Director
13 December 2024