

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, THE UNITED KINGDOM, CANADA, JAPAN OR AUSTRALIA



(Constituted in the Republic of Singapore pursuant to a trust deed dated 23 October 2006 (as amended))

ANNOUNCEMENT

LAUNCH OF PRIVATE PLACEMENT TO RAISE GROSS PROCEEDS OF NO LESS THAN S\$120.0 MILLION

1. INTRODUCTION

CapitaLand China Trust Management Limited, as manager of CapitaLand China Trust (“**CLCT**”, and the manager of CLCT, the “**Manager**”), wishes to announce the proposed private placement (the “**Private Placement**”) of 103,005,000 new units in CLCT (“**New Units**”) to institutional, accredited and other investors at an issue price of between S\$1.165 and S\$1.199 per New Unit (both figures inclusive) (the “**Issue Price Range**”) to raise gross proceeds of no less than approximately S\$120.0 million (the “**Private Placement**”).

The Manager may, together with the Joint Global Co-ordinators and Bookrunners (as defined below), decide to increase the size of the Private Placement by up to 25,751,000 New Units to raise additional gross proceeds of up to approximately S\$30.0 million (the “**Upsize Option**”).

2. DETAILS OF THE PRIVATE PLACEMENT

The Manager and DBS Bank Ltd., J.P. Morgan (S.E.A.) Limited and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the “**Joint Global Co-ordinators and Bookrunners**”) have today entered into a placement agreement (the “**Placement Agreement**”) in relation to the Private Placement. Pursuant to the Placement Agreement, each of the Joint Global Co-ordinators and Bookrunners has agreed to procure subscriptions for or place out, as applicable, or failing which, to severally subscribe and pay for, the New Units at the issue price per New Unit (the “**Issue Price**”) to be determined, on the terms and subject to the conditions of the Placement Agreement. The Private Placement shall be subject to certain conditions precedent set out in the Placement Agreement, including the approval in-principle of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of, dealing in, and quotation of the New Units on the Main Board of the SGX-ST. The Private Placement is fully underwritten by the Joint Global Co-ordinators and Bookrunners on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between S\$1.165 and S\$1.199 per New Unit (both figures inclusive) represents a discount of between:

- (i) approximately 4.1% and 6.9% to the volume weighted average price (“**VWAP**”) of

S\$1.2509 per Unit of all trades in the Units on the SGX-ST for the preceding Market Day on 11 October 2021, up to the time the Placement Agreement was signed on 12 October 2021; and

- (ii) (for illustrative purposes only) approximately 2.0% and 4.8% to the Adjusted VWAP (“**Adjusted VWAP**”¹) of S\$1.2239 per Unit.

The Issue Price will be determined by the Manager and the Joint Global Co-ordinators and Bookrunners following a book-building process. The Manager will make an announcement via SGXNET once the Issue Price and the number of New Units to be issued under the Private Placement have been determined.

3. RATIONALE FOR THE PRIVATE PLACEMENT

The Manager intends to use the net proceeds from the Private Placement to finance part of the total acquisition cost of the proposed acquisition of the respective interests in the companies which indirectly own four logistics properties located in Shanghai, Kunshan, Wuhan and Chengdu in the People’s Republic of China (the “**Acquisition**”). The Manager believes that the Acquisition will bring the following benefits to unitholders of CLCT (“**Unitholders**”):

- Deepen presence in New Economy asset classes with entry into the logistics sector
- Strong logistics space demand supported by fast growing China market
- Strategically located, premium logistics facilities with strong tenant base
- Enhance CLCT’s portfolio strength and income diversification
- Strong NPI growth and DPU accretion

Please refer to the announcement of CLCT titled “Proposed Acquisition of Companies Which Hold Four Logistics Properties in Shanghai, Kunshan, Wuhan and Chengdu” dated 12 October 2021 (the “**Acquisition Announcement**”) for further details, including the rationale of the Acquisition.

The Manager believes that the Private Placement is an overall efficient and beneficial method of raising funds to partially finance the Acquisition.

1 The “**Adjusted VWAP**” is computed based on the VWAP of all trades in the Units on the SGX-ST for the preceding Market Day on 11 October 2021, up to the time the Placement Agreement was signed on 12 October 2021, and subtracting the estimated Advanced Distribution of approximately 2.70 Singapore cents per Unit. This amount is only an estimate based on information currently available to the Manager and the actual Advanced Distribution may differ and will be announced at a later date.

4. USE OF PROCEEDS

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S\$120.0 million (based on the lower end of the Issue Price Range, excluding the exercise of the Upsize Option) from the Private Placement in the following manner:

- (i) approximately S\$116.2 million (which is equivalent to 96.8% of the gross proceeds of the Private Placement) to finance part of the total acquisition cost of the proposed Acquisition and the associated costs; and
- (ii) approximately S\$3.8 million (which is equivalent to 3.2% of the gross proceeds of the Private Placement) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by CLCT in connection with the Private Placement,

with the balance of the gross proceeds of the Private Placement, if any, to be used for general corporate and/or working capital purposes.

Notwithstanding its current intention (or in the event the Acquisition does not proceed), the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Private Placement at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in CLCT's announcements on the use of proceeds and in CLCT's annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds of the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

5. AUTHORITY TO ISSUE NEW UNITS

The New Units will be issued in reliance on a general mandate (the "**General Mandate**") as given to the Manager at the annual general meeting ("**AGM**") held on 20 April 2021.

Pursuant to the General Mandate, the Manager may, during the period from 20 April 2021 to (i) the conclusion of the next annual general meeting of CLCT or (ii) the date by which the next AGM of CLCT is required by applicable laws or regulations to be held, whichever is earlier, issue new Units and/or warrants, options, debentures or other instruments convertible into Units ("**Convertible Securities**") such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue as at 20 April 2021 (the "**Base Figure**"), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a *pro rata* basis to existing Unitholders, shall not be more

than 20.0% of the Base Figure.

The Base Figure, being the number of units in issue as at 20 April 2021, is 1,511,793,159.

The number of Units that can be issued under the General Mandate on a *pro rata* basis to existing Unitholders is 755,896,579 Units, of which no more than 302,358,631 Units may be issued on a non *pro rata* basis. The Manager has issued 7,332,674 Units under the General Mandate since 20 April 2021.

The maximum number of 128,756,000 New Units to be issued pursuant to the Private Placement (including the Upsize Option and based on the minimum of the Issue Price Range) would constitute 8.5% of the Base Figure, which is within the 20.0% limit for issue of new Units other than on a *pro rata* basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. ELIGIBILITY TO PARTICIPATE IN THE PRIVATE PLACEMENT

The offer of New Units under the Private Placement will be made to eligible institutional, accredited and other investors.

The New Units to be offered under the Private Placement have not been and will not be registered under the U.S. Securities Act (as defined below) or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States or any other jurisdiction, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with applicable laws.

The Manager, along with the Joint Global Co-ordinators and Bookrunners, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. STATUS OF NEW UNITS

7.1 Entitlement to Advanced Distribution

CLCT's policy is to distribute its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, the Manager intends to declare, in respect of the units in CLCT in issue immediately prior to the issue of the New Units (the "**Existing Units**"), an advanced distribution for the period from 1 July 2021 to the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the "**Advanced Distribution**"). The quantum of distribution per Existing Unit for the period from 1 July 2021 to the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement is currently estimated to be 2.70 Singapore cents.² A further announcement on the actual quantum of the Advanced Distribution will be made by the

² This amount is an estimate only based on information currently available to the Manager and the Manager's estimate of CLCT's revenue and expenses, and the actual Advanced Distribution may differ. The actual quantum of the distribution per Unit under the Advanced Distribution will be announced on a later date.

Manager in due course.

The New Units pursuant to the Private Placement are expected to be issued on or around 21 October 2021. The Advanced Distribution is intended to ensure that the distribution accrued by CLCT up to the day immediately preceding the date of issue of the New Units pursuant to the Private Placement (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The next distribution following the Advanced Distribution will comprise CLCT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 31 December 2021. Semi-annual distributions will resume thereafter.

7.2 Status of New Units issued pursuant to the Private Placement

The New Units are expected to be listed on or around 21 October 2021.

Other than the Advanced Distribution to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units including the right to any distribution which may be paid for the period from the day the New Units are issued pursuant to the Private Placement to 31 December 2021.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Advanced Distribution.

8. APPLICATION TO THE SGX-ST FOR APPROVAL IN-PRINCIPLE

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

BY ORDER OF THE BOARD
CapitaLand China Trust Management Limited
(Registration Number: 200611176D)
As manager of CapitaLand China Trust

Chuo Cher Shing
Company Secretary

12 October 2021

Important Notice:

This announcement is not for distribution, directly or indirectly, in or into the United States and is not an offer of securities for sale in the United States or any other jurisdictions.

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any securities of CLCT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The past performance of CLCT is not necessarily indicative of the future performance of CLCT.

This announcement 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 and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the 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 Manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, the United Kingdom, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The securities in CLCT have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and may not be offered or sold in the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.

This publication has not been reviewed by the Monetary Authority of Singapore.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore:

The New Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).