
**CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

INTRODUCTION

CapitaLand China Trust (“CLCT”) was constituted as a private trust on 23 October 2006 under a trust deed entered into between CapitaLand China Trust Management Limited (as manager of CLCT) (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (as trustee of CLCT) (the “Trustee”). CLCT was listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 8 December 2006.

CLCT is a Singapore-based real estate investment trust (“REIT”) established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate and real estate-related assets in mainland China, Hong Kong and Macau that are used primarily for retail, office and industrial purposes (including business parks, logistics facilities, data centres and integrated developments).

As at 31 December 2022, CLCT owns and invests in a portfolio of 11 retail malls, 5 business parks and 4 logistics parks located in 12 cities in mainland China.

Retail Malls	Business Parks	Logistics Parks
1. CapitaMall Xizhimen	1. Ascendas Xinsu Portfolio	1. Shanghai Fengxian Logistics Park
2. Rock Square	2. Ascendas Innovation Towers	2. Wuhan Yangluo Logistics Park
3. CapitaMall Wangjing	3. Ascendas Innovation Hub	3. Chengdu Shuangliu Logistics Park
4. CapitaMall Grand Canyon	4. Singapore-Hangzhou Science & Technology Park (Phase I)	4. Kunshan Bacheng Logistics Park
5. CapitaMall Xuefu	5. Singapore-Hangzhou Science & Technology Park (Phase II)	
6. CapitaMall Xinnan		
7. CapitaMall Nuohemule		
8. CapitaMall Yuhuating		
9. CapitaMall Shuangjing		
10. CapitaMall Aidemengdun		
11. CapitaMall Qibao		

**CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022**

TABLE OF CONTENTS

Item No.	Description	Page No.
-	Introduction	1
-	Condensed Interim Financial Statements for the six-month period and year ended 31 December 2022	3
1(a)	Condensed Interim Statements of Financial Position	4
1(b)(i)	Condensed Interim Consolidated Statements of Total Return	5
1(b)(ii)	Condensed Interim Distribution Statements	6 – 7
1(b)(iii)	Condensed Interim Statements of Movements in Unitholders' Funds	8 – 9
1(c)	Portfolio Statement	10 – 12
1(d)	Condensed Interim Consolidated Statement of Cash Flows	13 – 15
1(e)	Notes to the Condensed Interim Consolidated Financial Statements	16 – 28
-	Other information required by Listing Rule Appendix 7.2	29 – 42

CapitaLand China Trust and its Subsidiaries

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

Condensed Interim Financial Statements
For the six-month period and year ended 31 December 2022

CapitaLand China Trust and its Subsidiaries
Condensed Interim Financial Statements
For the six-month period and year ended 31 December 2022

1(a) Condensed Interim Statements of Financial Position
As at 31 December 2022

	Note	Group		Trust	
		31 Dec 2022 \$'000	31 Dec 2021 \$'000	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Non-current assets					
Investment properties	3	4,909,377	5,249,617	-	-
Plant and equipment		2,979	3,749	-	-
Subsidiaries		-	-	2,941,302	2,946,142
Financial derivatives		41,559	5,735	41,559	5,735
Other receivables		1,204	1,365	-	-
		<u>4,955,119</u>	<u>5,260,466</u>	<u>2,982,861</u>	<u>2,951,877</u>
Current assets					
Non-trade amounts due from subsidiaries		-	-	4,390	2,247
Financial derivatives		2,805	7	2,805	7
Trade and other receivables		37,134	26,567	173	329
Cash and cash equivalents		231,048	288,860	2,157	15,994
		<u>270,987</u>	<u>315,434</u>	<u>9,525</u>	<u>18,577</u>
Total assets		<u>5,226,106</u>	<u>5,575,900</u>	<u>2,992,386</u>	<u>2,970,454</u>
Current liabilities					
Trade and other payables		130,671	149,996	42,655	60,830
Security deposits		49,161	51,352	-	-
Financial derivatives		-	821	-	821
Interest-bearing borrowings	4	326,140	215,001	283,765	179,953
Lease liabilities		4,997	5,147	-	-
Provision for taxation		6,472	7,716	-	10
		<u>517,441</u>	<u>430,033</u>	<u>326,420</u>	<u>241,614</u>
Non-current liabilities					
Financial derivatives		825	2,820	825	2,820
Other payables		6,969	24,131	-	-
Security deposits		57,020	66,035	-	-
Interest-bearing borrowings	4	1,619,800	1,774,520	1,405,048	1,416,154
Lease liabilities		138	5,505	-	-
Deferred tax liabilities		340,871	318,493	-	-
		<u>2,025,623</u>	<u>2,191,504</u>	<u>1,405,873</u>	<u>1,418,974</u>
Total liabilities		<u>2,543,064</u>	<u>2,621,537</u>	<u>1,732,293</u>	<u>1,660,588</u>
Net assets		<u>2,683,042</u>	<u>2,954,363</u>	<u>1,260,093</u>	<u>1,309,866</u>
Represented by:					
Unitholders' funds		2,306,231	2,588,199	1,160,483	1,210,256
Perpetual securities holders		99,610	99,610	99,610	99,610
Non-controlling interests		277,201	266,554	-	-
		<u>2,683,042</u>	<u>2,954,363</u>	<u>1,260,093</u>	<u>1,309,866</u>
Units in issue ('000)	5	<u>1,673,893</u>	<u>1,659,528</u>	<u>1,673,893</u>	<u>1,659,528</u>
Net asset value per Unit attributable to Unitholders (\$)	6	<u>1.38</u>	<u>1.56</u>	<u>0.69</u>	<u>0.73</u>

The accompanying notes form an integral part of these condensed interim financial statements.

1(b)(i) Condensed Interim Consolidated Statements of Total Return
Six-month period and year ended 31 December 2022

	Note	Group			
		Six-month period ended		Year ended	
		31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
		\$'000	\$'000	\$'000	\$'000
Gross rental income		172,915	184,621	356,441	348,569
Other income		10,961	16,454	26,730	29,398
Gross revenue		183,876	201,075	383,171	377,967
Property related tax		(16,741)	(17,093)	(30,300)	(32,927)
Business tax		(1,041)	(1,137)	(2,138)	(2,143)
Property management fees and reimbursables		(12,425)	(12,732)	(25,584)	(24,067)
Other property operating expenses		(38,985)	(40,028)	(70,933)	(68,403)
Total property operating expenses		(69,192)	(70,990)	(128,955)	(127,540)
Net property income		114,684	130,085	254,216	250,427
Manager's management fees	7	(10,344)	(10,846)	(21,782)	(20,938)
Trustee's fees		(361)	(350)	(729)	(677)
Audit fees		(305)	(316)	(693)	(582)
Valuation fees		(40)	(69)	(87)	(136)
Other operating income		642	1,600	185	808
Foreign exchange gain/(loss) - realised		1,883	(697)	1,083	1,307
Finance income		2,925	2,328	4,169	3,941
Finance costs		(32,714)	(25,617)	(60,399)	(48,118)
Net finance costs	8	(29,789)	(23,289)	(56,230)	(44,177)
Net income		76,370	96,118	175,963	186,032
(Loss)/gain on disposal/liquidation of subsidiaries ⁽¹⁾		(1,831)	(164)	(1,831)	13,164
Change in fair value of investment properties	3	67,845	(10,220)	67,845	(10,220)
Change in fair value of financial derivatives		1,115	51	1,861	1,230
Foreign exchange (loss)/gain - unrealised		(923)	141	(927)	(612)
Total return for the period/year before taxation		142,576	85,926	242,911	189,594
Taxation		(56,892)	(32,788)	(87,785)	(66,792)
Total return for the period/year after taxation		85,684	53,138	155,126	122,802
Attributable to:					
Unitholders		59,846	41,961	119,618	103,303
Perpetual securities holders		1,701	1,701	3,375	3,375
Non-controlling interests		24,137	9,476	32,133	16,124
Total return for the period/year after taxation		85,684	53,138	155,126	122,802
Earnings per Unit (cents)	9				
- Basic		3.68	2.77	7.36	6.92
- Diluted		3.66	2.76	7.30	6.86

(1) For the six-month period and year ended 31 Dec 2022, the loss relates to the liquidation of the Group's subsidiary, CapitaRetail China Investments (B) Gamma Pte. Ltd., following the company's voluntary deregistration with the Corporate Affairs and Intellectual Property Office of Barbados which was completed on 10 Nov 2022.

For the six-month period and year ended 31 Dec 2021, the loss/gain relates to the disposal of 100% interest in the companies which held CapitaMall Saihan and CapitaMall Minzhongleyuan.

1(b)(ii) Condensed Interim Distribution Statements
Six-month period and year ended 31 December 2022

	Note	Group		Group	
		Six-month period ended		Year ended	
		31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
		\$'000	\$'000	\$'000	\$'000
Amount available for distribution to Unitholders at beginning of the period/year		69,601	64,916	30,771	9,582
Total return for the period/year attributable to Unitholders and perpetual securities holders		61,547	43,662	122,993	106,678
Less: Total return attributable to perpetual securities holders		(1,701)	(1,701)	(3,375)	(3,375)
Distribution adjustments	A	(7,497)	29,484	4,708	32,213
Income for the period/year available for distribution to Unitholders		52,349	71,445	124,326	135,516
Capital distribution ⁽¹⁾		949	-	1,289	-
Amount available for distribution to Unitholders		122,899	136,361	156,386	145,098
Distribution to Unitholders during the period/year:					
- Distribution of 4.10 cents per Unit for the period from 1 January 2022 to 30 June 2022		(68,537)	-	(68,537)	-
- Distribution of 1.80 cents per Unit for the period from 21 October 2021 to 31 December 2021		-	-	(29,871)	-
- Distribution of 0.58 cents per Unit for the period from 26 November 2020 to 31 December 2020		-	-	-	(8,737)
- Distribution of 4.23 cents per Unit for the period from 1 January 2021 to 30 June 2021		-	(64,259)	-	(64,259)
- Distribution of 2.70 cents per Unit for the period from 1 July 2021 to 20 October 2021		-	(41,331)	-	(41,331)
		(68,537)	(105,590)	(98,408)	(114,327)
Amount released/(retained)	B	3,616	-	-	-
Amount available for distribution to Unitholders at end of the period/year		57,978	30,771	57,978	30,771
Distribution per Unit ("DPU") (cents)		3.40	4.50	7.50	8.73

(1) This relates to the rental support (which was previously deducted from the amount paid to the vendor) for the vacancy loss and rent free period provided to existing tenants for Chengdu Shuangliu Logistics Park and Wuhan Yangluo Logistics Park.

The accompanying notes form an integral part of these condensed interim financial statements.

1(b)(ii) Condensed Interim Distribution statements (cont'd)
Six-month period and year ended 31 December 2022

Note A – Distribution adjustments

	Group			
	Six-month period ended		Year ended	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
Distribution adjustment items:				
- Loss/(gain) on disposal/liquidation of subsidiaries	1,831	144	1,831	(8,232)
- Straight line rental and leasing commission adjustments ⁽¹⁾	478	1,271	3,180	2,311
- Manager's management fees payable in Units	7,183	7,483	15,355	14,292
- Change in fair value of financial derivatives	(1,115)	(51)	(1,861)	(1,230)
- Change in fair value of investment properties ⁽¹⁾	(51,744)	8,799	(51,744)	8,799
- Deferred taxation ⁽¹⁾	35,024	12,395	43,650	21,130
- Transfer to general reserve ⁽¹⁾	(3,161)	(3,308)	(7,756)	(6,783)
- Unrealised foreign exchange loss/(gain) ⁽¹⁾	877	(143)	859	608
- Other adjustments ⁽¹⁾	3,130	2,894	1,194	1,318
Net effect of distribution adjustments	(7,497)	29,484	4,708	32,213

(1) Excludes non-controlling interest's share

Note B

For the six-month period and year ended 31 Dec 2022, CLCT released S\$3.6 million from the amount available for distribution to Unitholders that was previously retained in the six-month period ended 30 Jun 2022.

1(b)(iii) Condensed Interim Statements of Movements in Unitholders' Funds
For the year ended 31 December 2022

	Group		Trust	
	31 Dec 2022 \$'000	31 Dec 2021 \$'000	Year ended 31 Dec 2022 \$'000	31 Dec 2021 \$'000
Operations				
Unitholders' funds as at beginning of the year	2,588,199	2,245,244	1,210,256	972,682
Change in Unitholders' funds resulting from operations	122,993	106,678	(5,537)	149,621
Total return attributable to perpetual securities holders	(3,375)	(3,375)	(3,375)	(3,375)
Transfer to general reserve	(7,756)	(6,783)	-	-
Net increase/(decrease) in net assets resulting from operations	111,862	96,520	(8,912)	146,246
Movements in hedging reserve				
Effective portion of changes in fair value of cash flow hedges	39,576	19,197	39,576	19,197
Movements in foreign currency translation reserve				
Translation differences from financial statements of foreign operations	(341,572)	134,406	-	-
Exchange differences on monetary items forming part of net investment in foreign operations	(19,153)	13,918	-	-
Net (loss)/gain recognised directly in Unitholders' funds	(321,149)	167,521	39,576	19,197
Movement in general reserve	7,756	6,783	-	-
Unitholders' transactions				
New Units issued				
- Units issued in connection with private placement	-	150,001	-	150,001
Creation of Units payable/paid to Manager				
- Units issued and to be issued as satisfaction of the portion of Manager's management fees payable in Units	15,355	14,292	15,355	14,292
- Units issued in respect of acquisition fees	-	10,055	-	10,055
- Units issued in respect of the distribution reinvestment plan	2,616	15,910	2,616	15,910
Distributions to Unitholders	17,971	190,258	17,971	190,258
Equity issue expenses	(98,408)	(114,327)	(98,408)	(114,327)
	-	(3,800)	-	(3,800)
Net (decrease)/increase in net assets resulting from Unitholders' transactions	(80,437)	72,131	(80,437)	72,131
Unitholders' funds as at end of the year	2,306,231	2,588,199	1,160,483	1,210,256
Perpetual securities holders' funds				
Balance as at beginning of the year	99,610	99,610	99,610	99,610
Amount reserved for distribution to perpetual securities holders	3,375	3,375	3,375	3,375
Distribution to perpetual securities holders	(3,375)	(3,375)	(3,375)	(3,375)
Balance as at end of the year	99,610	99,610	99,610	99,610

The accompanying notes form an integral part of these condensed interim financial statements.

1(b)(iii) Condensed Interim Statements of Movements in Unitholders' Funds (cont'd)
For the year ended 31 December 2022

	Group		Trust	
	31 Dec 2022 \$'000	31 Dec 2021 \$'000	Year ended 31 Dec 2022 \$'000	31 Dec 2021 \$'000
Non-controlling interests				
Balance as at beginning of the year	266,554	-	-	-
Acquisition of subsidiaries	-	240,401	-	-
Total return attributable to non-controlling interests	32,133	16,124	-	-
Dividend declared	-	(620)	-	-
Translation differences from financial statements of foreign operations	(21,486)	10,649	-	-
Balance as at end of the year	277,201	266,554	-	-
Total	2,683,042	2,954,363	1,260,093	1,309,866

The accompanying notes form an integral part of these condensed interim financial statements.

1(c) Portfolio Statement
As at 31 December 2022

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
				RMB'000	RMB'000	\$'000	\$'000	%	%
Group									
<u>Retail Malls</u>									
CapitaMall Xizhimen	No. 1, Xizhimenwai Street, Xicheng District, Beijing	40 - 50	22 - 32	3,638,000	3,620,000	706,863	766,608	30.7	29.6
Rock Square	No. 106-108 Gongye Avenue North, Haizhu District, Guangzhou City, Guangdong Province	40	23	3,410,000	3,422,000	662,563	724,677	28.7	28.0
CapitaMall Wangjing	No. 33, Guangshunbei North Road, Chaoyang District, Beijing	38 - 48	21 - 31	2,884,000	2,795,000	560,361	591,897	24.3	22.9
CapitaMall Grand Canyon	No. 16, South Third Ring West Road, Fengtai District, Beijing	40 - 50	22 - 32	1,901,000	2,022,000	369,364	428,199	16.0	16.6
CapitaMall Xuefu	No. 1, Xuefu Road, Nangang District, Harbin, Heilongjiang Province	40	23	1,789,000	1,789,000	347,603	378,857	15.0	14.6
CapitaMall Xinnan	No. 99, Shenghe First Road, Gaoxin District, Chengdu, Sichuan Province	40	25	1,538,000	1,611,000	298,833	341,162	13.0	13.2
CapitaMall Nuohemule	Block A Jinyu Xintiandi, E'erdusi Street, Yuquan District, Hohhot, Inner Mongolia Autonomous Region	40	27	1,030,000	1,020,000	200,129	216,005	8.7	8.3
CapitaMall Yuhuating	No. 421, Shaoshan Middle Road, Yuhua District, Changsha, Hunan Province	39	22	800,000	770,000	155,440	163,063	6.7	6.3
CapitaMall Shuangjing	No. 31, Guangqu Road, Chaoyang District, Beijing	40	20	616,000	616,000	119,689	130,450	5.2	5.0
CapitaMall Aidemengdun	No. 38, Aidemengdun Road, Daoli District, Harbin, Heilongjiang Province	40	20	424,000	446,000	82,383	94,449	3.6	3.6
CapitaMall Qibao ⁽¹⁾	No. 3655, Qixin Road, Minhang District, Shanghai	19	2	29,000	55,000	5,635	11,647	0.2	0.5
Balance carried forward				18,059,000	18,166,000	3,508,863	3,847,014	152.1	148.6

The accompanying notes form an integral part of these condensed interim financial statements.

1(c) Portfolio Statement (cont'd)
As at 31 December 2022

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
				RMB'000	RMB'000	\$'000	\$'000	%	%
Group									
Balance brought forward									
Business Parks									
Ascendas Xinsu Portfolio	Suzhou Industrial Park, Suzhou City, Jiangsu Province	50	24 - 35	2,320,000	2,294,000	450,776	485,800	19.6	18.8
Ascendas Innovation Towers	No. 88 Tian Gu Seventh Road, Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province	50	42	902,000	794,000	175,259	168,145	7.6	6.5
Ascendas Innovation Hub	No. 38 Gao Xin Sixth Road, Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province	50	29	353,000	305,000	68,588	64,590	3.0	2.5
Singapore-Hangzhou Science & Technology Park (Phase I)	No. 2 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Jianggan District, Hangzhou, Zhejiang Province	50	34	848,000	672,000	164,766	142,310	7.1	5.4
Singapore-Hangzhou Science & Technology Park (Phase II)	No. 20 & 57 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Jianggan District, Hangzhou, Zhejiang Province	50	38	1,055,000	814,000	204,987	172,381	8.9	6.7
				23,537,000	23,045,000	4,573,239	4,880,240	198.3	188.5

The accompanying notes form an integral part of these condensed interim financial statements.

1(c) Portfolio Statement (cont'd)
As at 31 December 2022

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
				RMB'000	RMB'000	\$'000	\$'000	%	%
Group									
Balance brought forward				23,537,000	23,045,000	4,573,239	4,880,240	198.3	188.5
Logistics Parks									
Shanghai Fengxian Logistics Park	No. 435 Haishang Road, Fengxian District, Shanghai	50	37	629,000	624,000	122,215	132,144	5.3	5.1
Wuhan Yangluo Logistics Park	10 Qiuli Road, Yangluo Development Zone, Xinzhou District, Wuhan	50	42	384,000	383,000	74,611	81,108	3.2	3.1
Chengdu Shuangliu Logistics Park	No. 86 Tongguan Road, Shuangliu District, Chengdu, Sichuan Province	50	40	357,000	357,000	69,365	75,602	3.0	2.9
Kunshan Bacheng Logistics Park	No. 998 Yuyang Road Yushan Town, Kunshan, Jiangsu Province	50	42	334,000	330,000	64,896	69,884	2.9	2.7
Investment properties, at valuation (Note 3)				25,241,000	24,739,000	4,904,326	5,238,978	212.7	202.3
Other assets and liabilities (net)						(2,221,284)	(2,284,615)	(96.3)	(88.3)
						<u>2,683,042</u>	<u>2,954,363</u>	<u>116.4</u>	<u>114.0</u>
Net assets attributable to perpetual securities holders						(99,610)	(99,610)	(4.3)	(3.8)
Net assets attributable to non-controlling interests						(277,201)	(266,554)	(12.1)	(10.2)
Net assets attributable to Unitholders						2,306,231	2,588,199	100.0	100.0

(1) CapitaMall Qibao is held under a master lease by CapitaRetail Dragon Mall (Shanghai) Co., Ltd, a subsidiary of CapitaRetail China Investments (B) Alpha Pte. Ltd. The master lease was entered with Shanghai Jin Qiu (Group) Co., Ltd ("Jin Qiu"), the legal owner of CapitaMall Qibao and expires on 7 January 2024. CLCT did not exercise the option to renew the master lease which expired on 31 January 2021.

The accompanying notes form an integral part of these condensed interim financial statements.

1(d) Condensed Interim Consolidated Statement of Cash Flows
For the year ended 31 December 2022

	Note	Group	
		Year ended	
		31 Dec 2022	31 Dec 2021
		\$'000	\$'000
Operating activities			
Total return for the period after taxation		155,126	122,802
Adjustments for:			
Finance income		(4,169)	(3,941)
Finance costs		60,399	48,118
Depreciation and amortisation		1,228	1,368
Taxation		87,785	66,792
Manager's management fees payable in Units	A	15,355	14,292
Plant and equipment written off		33	40
Change in fair value of investment properties		(67,845)	10,220
Change in fair value of financial derivatives		(1,861)	(1,230)
Gain on disposal of subsidiaries		-	(13,164)
Impairment losses on trade receivables, net		595	159
Operating income before working capital changes		246,646	245,456
Changes in working capital:			
Trade and other receivables		(11,001)	11,969
Trade and other payables		(21,475)	4,940
Cash generated from operating activities		214,170	262,365
Income tax paid		(32,089)	(44,899)
Net cash from operating activities		182,081	217,466
Investing activities			
Interest received		4,169	3,941
Capital expenditure on investment properties		(37,996)	(26,539)
Net cash outflow on acquisition of subsidiaries	B	(9,355)	(616,380)
Proceeds from disposal of subsidiaries	C	-	169,720
Deposit refund for divestment of subsidiaries		-	(46,982)
Acquisition of investment properties		-	(15,996)
Purchase of plant and equipment		(786)	(1,189)
Proceeds from disposal of plant and equipment		7	3
Net cash used in investing activities		(43,961)	(533,422)
Financing activities			
Proceeds from issuance of new units		-	150,001
Distribution to Unitholders		(95,792)	(98,417)
Distribution to perpetual securities holders		(3,375)	(3,375)
Payment of equity issue expenses		(166)	(2,887)
Payment of financing expenses		(2,523)	(1,485)
Payment of lease liabilities		(3,769)	(5,757)
Proceeds from draw down of interest-bearing borrowings		343,000	811,300
Repayment of interest-bearing borrowings		(355,715)	(440,601)
Settlement of derivative contracts		1,284	(1,098)
Interest paid		(56,452)	(44,922)
Net cash (used in)/from financing activities		(173,508)	362,759
Net (decrease)/increase in cash and cash equivalents		(35,388)	46,803
Cash and cash equivalents at 1 January		288,860	208,440
Effect of foreign exchange rate changes on cash balances		(22,424)	8,813
Changes in cash and cash equivalents reclassified to assets held for sale		-	24,804
Cash and cash equivalents at 31 December		231,048	288,860

The accompanying notes form an integral part of these condensed interim financial statements.

1(d) Condensed Interim Consolidated statement of cash flows (cont'd)
For the year ended 31 December 2022

Notes:

(A) Significant non-cash and other transactions

\$15.4 million of the Manager's management fees (performance and partial base fees) in 2022 will be paid through the issuance of new Units subsequent to the year end.

\$14.3 million of the Manager's management fees (performance and partial base fees) in 2021 was paid through the issuance of 12,106,981 new Units in March 2022.

(B) Net cash outflow on the acquisition of subsidiaries

Net cash outflow on acquisition of subsidiaries is provided below:

The Group paid a total consideration of \$801.4 million for acquisitions completed in 2021, relating to the acquisition of 51% of the shares in Singapore Suzhou Industrial Holdings Pte. Ltd., which holds Ascendas – Xinsu Development (Suzhou) Co., Ltd. for Ascendas Xinsu Portfolio, 100.0% of the shares in Ascendas Xi An Hi-Tech Development Co., Ltd., which holds Ascendas Innovation Towers, 80.0% of the shares in Xi An Ascendas-Science Technology Investment Co., Ltd. which holds Ascendas Innovation Hub, 80.0% of the shares in Ascendas Hangzhou Science & Technology Co., Ltd. and Ascendas Hangzhou Data Processing Co., Ltd. which hold Singapore Hangzhou Science & Technology Park Phase I and Phase II, 100% of the shares ABM KS Investment Pte. Ltd., Wuhan Logistics Pte. Ltd., Forum Court Limited and Hanson Logistics Limited, which holds Kunshan Bacheng Logistics Park, Wuhan Yangluo Logistics Park, Chengdu Shuangliu Logistics Park and Shanghai Fengxian Logistics Park respectively.

	Group Year ended 31 Dec 2021 \$'000
Investment properties	1,314,909
Plant and equipment	1,379
Trade and other receivables	6,845
Cash and cash equivalents	89,350
Trade and other payables	(24,605)
Security deposits	(30,964)
Interest-bearing borrowings	(249,628)
Shareholder loan	(54,047)
Provision for taxation	(2,286)
Net identifiable assets and liabilities acquired	1,050,953
Non-controlling interest	(240,401)
Net identifiable assets and liabilities based on percentage acquired	810,552
Cash of the subsidiaries acquired	(73,774)
Deposit paid in 2020	(115,604)
Consideration payable ⁽¹⁾	(9,148)
Cash paid to vendor in respect of acquisition of subsidiary in 2020	4,354
Net cash outflow	616,380

(1) The consideration payable was paid in 2022.

1(d) Condensed Interim Consolidated statement of cash flows (cont'd)
For the year ended 31 December 2022

(C) Net cash inflow on the divestment of subsidiaries

Net cash inflow on divestment of subsidiaries is provided below:

	Group Year ended 31 Dec 2021 \$'000
Investment properties	201,274
Plant and equipment	53
Trade and other receivables	954
Cash and cash equivalents	607
Trade and other payables	(19,258)
Lease liabilities	(13,685)
Security deposits	(529)
Deferred tax liabilities	(13,175)
Provision for taxation	(9)
Net identifiable assets and liabilities divested	156,232
Gain on disposal of subsidiary	13,164
Realisation of translation reserves	5,864
Sale consideration	175,260
Tax paid	(4,933)
Cash of the subsidiary divested	(607)
Net cash inflow	169,720

1(e) Notes to the Condensed Interim Financial Statements

These notes form an integral part of the Condensed Interim Financial Statements.

These Condensed Interim Financial Statements as at and for the six-month period and year ended 31 December 2022 relate to CLCT and its subsidiaries (the "Group").

1. General

CapitaLand China Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 23 October 2006 (as amended by a first supplemental deed dated 8 November 2006, a second supplemental deed dated 15 April 2010, a third supplemental deed dated 5 April 2012, a fourth supplemental deed dated 14 February 2014, a fifth supplemental deed dated 6 May 2015, a sixth supplemental deed dated 29 April 2016, a seventh supplemental deed dated 5 June 2018, an eighth supplemental deed dated 17 April 2019, a ninth supplemental deed dated 2 April 2020, a first amending and restating deed dated 20 October 2020, and a tenth supplemental deed dated 26 January 2021) (collectively the "Trust Deed") between CapitaLand China Trust Management Limited, (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust held by it or through its subsidiaries (the "Group") in trust for the holders ("Unitholders") of Units in the Trust (the "Units").

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 8 December 2006 (the "Listing Date") and was included under the Central Provident Fund ("CPF") Investment Scheme on 8 December 2006.

The principal activities of the Trust are those relating to investment in a diversified portfolio of income-producing properties located primarily in the mainland China, Hong Kong and Macau and used primarily for retail, office and industrial purposes (including business parks, logistics facilities, data centres and integrated developments).

The Group has entered into several service agreements in relation to the management of the Trust and its property operations. The fee structures for these services are as follows:

(a) Trustee's fees

Pursuant to Clause 14.3 of the Trust Deed, the Trustee's fee shall not exceed 0.03% per annum of the value of all the assets of the Group ("Deposited Property"), subject to a minimum of \$15,000 per month, excluding out-of-pocket expenses and Goods and Service Tax.

(b) Manager's management fees

The Manager is entitled under Clauses 14.1.3, 14.1.4 and 14.1.6 of the Trust Deed to the following management fees:

- a base fee of 0.25% per annum of the value of the Deposited Property;
- a performance fee of 4.0% per annum of the net property income in the relevant financial year (calculated before accounting for the performance fee in that financial year); and
- an authorised investment management fee of 0.5% per annum of the value of authorised investments which are not real estate. Where such authorised investment is an interest in a property fund (either a real estate investment trust or private property fund) wholly managed by a wholly-owned subsidiary of CapitaLand Limited, no authorised investment management fee shall be payable in relation to such authorised investment.

The Manager may, in accordance with Clause 14.1.8(i) of the Trust Deed elect to receive the management fees in cash or Units or a combination of cash and/or Units (as it may in its sole discretion determine). Pursuant to Clauses 14.1.3 and 14.1.4 of the Trust Deed, the base fee and performance fee are computed and payable on a quarterly and annual basis respectively.

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

(c) Property management fees

Under the property management agreements in respect of each property, the Property Managers will provide lease management services, property tax services and marketing co-ordination services in relation to that property. The Property Managers are entitled to the following fees:

Retail:

- 2.0% per annum of the gross revenue; and
- 2.5% per annum of the net property income.

Business Parks¹ / Logistics Parks:

- 1.5% - 3.0% per annum of the gross revenue; and
- (a) a commission equivalent to one (1) time of the monthly gross rent (including service charges and advertisement and promotional fees if any), for each new lease of a term of three (3) years or less;
- (b) a commission equivalent to two (2) times of the monthly gross rent (including property management fee and marketing fee if any), for each new lease of a term of more than (3) years and equal to or less than five (5) years (together with (a) above, the "Marketing Commission Fee");
- (c) a commission equivalent to 50% of the relevant Marketing Commission Fee, for each renewal of lease; and
- (d) for leases of a term of less than one (1) year or longer than five (5) years, the respective Property Managers and the respective Target Companies may review and adjust the Marketing Commission Fee on a case by case basis.
- if any lease is referred by a third-party agent and if so requested by the respective Property Managers, the respective Target Companies shall pay to the third-party agent such amount of commission as notified by the respective Property Managers and concurrently pay to the respective Property Managers 20% of the amount payable to the third-party agent as marketing support and administrative charges.

¹ Except for the Business parks in Hangzhou, where the property management fees is computed as 8.4% per annum of the gross rental income, in lieu of leasing commission and any services to be provided by the property manager.

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

(d) Acquisition fee

For any authorised investment acquired from time to time by the Trustee on behalf of the Trust, the acquisition fee payable to the Manager under Clause 14.2 of the Trust Deed shall be:

- up to 1.5% of the purchase price in the case of any authorised investment (as defined in the Trust Deed) acquired by the Trust for less than \$200 million; and
- 1.0% of the purchase price in the case of any authorised investment acquired by the Trust for \$200 million or more.

The acquisition fee payable in respect of any authorised investment acquired from time to time by the Trustee on behalf of the Trust from CapitaLand Mall China Income Fund I, CapitaLand Mall China Income Fund II, CapitaLand Mall China Income Fund III, CapitaLand Mall China Development Fund III, or CapitaLand Mall Asia Limited shall be 1.0% of the purchase price paid by the Trust.

No acquisition fee was payable for the acquisition of the initial property portfolio of the Trust.

The acquisition fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect) at the prevailing market price provided that in respect of any acquisition of real estate assets from interested parties, such a fee should, if required by the applicable laws, rules and/or regulations, be in the form of Units issued by the Trust at prevailing market price(s) and subject to such transfer restrictions as may be imposed.

Any payment to third party agents or brokers in connection with the acquisition of any authorised investments for the Trust shall be paid by the Manager to such persons out of the Deposited Property of the Trust or the assets of the relevant special purpose vehicle, and not out of the acquisition fee received or to be received by the Manager.

(e) Divestment fee

Under Clause 14.2 of the Trust Deed, the Manager is entitled to receive a divestment fee of 0.5% of the sale price of any authorised investment disposed directly or indirectly by the Trust, prorated if applicable to the proportion of the Trust's interest.

The divestment fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect) at the prevailing market price provided that in respect of any divestment of real estate assets to interested parties, such a fee should, if required by the applicable laws, rules and/or regulations, be in the form of Units issued by the Trust at prevailing market price(s) and subject to such transfer restrictions as may be imposed.

Any payment to third party agents or brokers in connection with the divestment of any authorised investments for the Trust shall be paid by the Manager to such persons out of the Deposited Property of the Trust or the assets of the relevant special purpose vehicle, and not out of the divestment fee received or to be received by the Manager.

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

2. Summary of significant accounting policies

(a) Basis of preparation

The Condensed Interim Financial Statements has been prepared in accordance with the *Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Investment Funds"* issued by the Institute of Singapore Chartered Accountants, and the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2021. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Financial Reporting Standards in Singapore ("FRS").

The Condensed Interim Financial Statements does not include all of the information required for full annual financial statements and should be read in conjunction with the Group's last annual consolidated financial statements as at 31 December 2021.

These Condensed Interim Financial Statements are presented in Singapore Dollars, which is the Trust's functional currency. All financial statements presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The preparation of the Condensed Interim Financial Statements in conformity with RAP 7 requires the 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.

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

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Condensed Interim Financial Statements are described in Note 3 – Valuation of investment properties.

The accounting policies applied by the Group in this Condensed Interim Financial Statements are the same as those applied by the Group in the financial statements as at and for the year ended 31 December 2021.

(b) New standards and amendments

The Group applied the recognition and measurement principles of a number of amendments to standards for the financial period beginning 1 January 2022.

The application of these amendments to standards does not have a material effect on the financial statements.

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

3. Investment properties

	Group	
	31 Dec 2022	31 Dec 2021
	\$'000	\$'000
At 1 January	5,249,617	3,726,433
Acquisition of investment properties ⁽¹⁾	-	1,330,787
Expenditure capitalised	29,132	18,688
Changes in fair value	67,845	(10,220)
Translation differences	(437,217)	183,929
At 31 December	4,909,377	5,249,617

(1) Includes acquisition fees and acquisition related expenses of \$15.9 million for 31 December 2021.

Security

At 31 December 2022, investment properties of the Group with carrying amounts of \$1,519.0 million (31 December 2021: \$1,813.0 million) are pledged as security to secure bank loans (see Note 4).

Measurement of fair value

Investment properties are stated at fair value based on valuation performed by independent professional valuers having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. In determining the fair value, the valuers have used valuation methods which involve certain estimates. The Manager reviews the key valuation parameters and underlying data including discount, capitalisation and terminal yield rates adopted by the valuers and is of the view that the valuation methods and estimates are reflective of the current market conditions.

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion.

The fair value measurement for all of the investment properties of \$4.9 billion (2021: \$5.2 billion) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

	31 Dec 2022	31 Dec 2021
	\$'000	\$'000
Fair value of investment properties (based on valuation reports)	4,904,326	5,238,978
Add: Carrying amount of lease liabilities	5,051	10,639
Carrying amount of investment properties	4,909,377	5,249,617

The valuers have considered valuation techniques including the market comparable, capitalisation and discounted cash flows approaches in arriving at the open market value as at the reporting date. The market comparable approach involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment property.

The capitalisation approach is an investment approach whereby the estimated gross passing income (on both passing and market rent basis) is adjusted to reflect anticipated operating costs to produce a net income on a fully leased basis. The adopted fully leased net income is capitalised over the remaining term of the lease from the valuation date at an appropriate capitalisation rate. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with risk adjusted discount rates to arrive at the market value.

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

3. Investment properties (cont'd)

Fair value of the investment properties were based on independent professional full valuations carried out by the following valuers on the dates stated below:

Valuers	Valuation Date	Valuation Date
Beijing Colliers International Real Estate Valuation Co., Ltd.	-	31 December 2021
CBRE (Shanghai) Management Limited	31 December 2022	31 December 2021
Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd.	31 December 2022	31 December 2021
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	31 December 2022	31 December 2021

The valuation reports obtained from the independent valuers for certain of our properties draw attention to heightened market volatility over the short-to-medium term due to global inflationary pressures and the ongoing market effects of the COVID-19 pandemic. There will be less certainty as to how long the valuation may sustain and property prices may fluctuate over a short period of time, therefore a higher degree of caution should be attached to the valuations when making investment decisions.

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
Capitalisation approach	<ul style="list-style-type: none"> • Capitalisation rates (from 4.00% to 6.75%) (31 December 2021: from 4.00% to 7.00%) 	The fair value increases (decreases) as capitalisation rates decrease (increase).
Discounted cash flows approach	<ul style="list-style-type: none"> • Discount rates (from 7.00% to 8.85%) (31 December 2021: from 7.00% to 10.50%) • Terminal rates (from 4.80% to 6.25%) (31 December 2021: from 4.80% to 7.25%) 	The fair value increases (decreases) as discount rates and terminal rates decrease (increase).

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

4. Aggregate amount of borrowings and debt securities

	Group		Trust	
	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000	31 Dec 2022 S\$'000	31 Dec 2021 S\$'000
Unsecured borrowings				
- Amount repayable within one year ⁽¹⁾	283,800	180,000	283,800	180,000
- Amount repayable after one year	1,410,000	1,420,000	1,410,000	1,420,000
Secured borrowings⁽²⁾				
- Amount repayable within one year	42,375	35,048	-	-
- Amount repayable after one year	214,752	358,366	-	-
	1,950,927	1,993,414	1,693,800	1,600,000
Less: Unamortised transaction costs	(4,987)	(3,893)	(4,987)	(3,893)
	1,945,940	1,989,521	1,688,813	1,596,107
Current	326,140	215,001	283,765	179,953
Non-current	1,619,800	1,774,520	1,405,048	1,416,154
	1,945,940	1,989,521	1,688,813	1,596,107

(1) The group has secured refinancing for a total of S\$250.0 million of the term loans due within one year.

(2) CapitaMall Xuefu, Rock Square, Singapore-Hangzhou Science & Technology Park Phase I and II, Kunshan Bacheng Logistics Park and Wuhan Yangluo Logistics Park were acquired with a legal mortgage and an assignment of the properties' insurance policies in favour of the lender over the properties as at 31 December 2022 (see Note 3).

5. Units in issue

	Six-month period ended		Year ended	
	31 Dec 2022 Number of Units	31 Dec 2021 Number of Units	31 Dec 2022 Number of Units	31 Dec 2021 Number of Units
Balance as at beginning of period/year	1,671,634,631	1,511,793,159	1,659,527,650	1,506,433,415
New Units issued:				
- Units in connection with private placement exercise	-	128,756,000	-	128,756,000
- As payment of distribution through distribution reinvestment plan	2,258,266	11,645,817	2,258,266	11,645,817
- As payment of Manager's acquisition fee	-	7,332,674	-	7,332,674
- As payment of Manager's management fees	-	-	12,106,981	5,359,744
Total issued Units as at end of period/year	1,673,892,897	1,659,527,650	1,673,892,897	1,659,527,650
New Units to be issued:				
- As payment of Manager's management fees	6,494,755	7,171,811	13,495,621	12,106,981
Total issued and issuable Units as at end of period/year	1,680,387,652	1,666,699,461	1,687,388,518	1,671,634,631

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

6. Net asset value (“NAV”) and net tangible asset (“NTA”) per Unit based on issued Units

	Group		Trust	
	31 Dec 2022	31 Dec 2021 ⁽¹⁾	31 Dec 2022	31 Dec 2021 ⁽¹⁾
NAV/NTA per Unit ⁽¹⁾	1.38	1.56	0.69	0.73
Adjusted NAV/NTA per Unit (excluding distributable income)	1.34	1.54	0.66	0.71

(1) NAV/NTA per Unit is computed based on net assets attributable to Unitholders over the issued Units at the end of the year.

7. Manager’s management fees

Manager’s management fees comprise base fee of \$12.8 million (31 December 2021: \$12.0 million) and performance fee of \$9.0 million (31 December 2021: \$8.9 million). The Manager has elected to receive partial manager’s management fees in the form of Units. The performance component of the Manager’s management fee amounting to \$9.0 million (31 December 2021: \$8.9 million) and base fee amounting to \$6.4 million (31 December 2021: \$5.4 million) will be paid through the issue of 13,495,621 (31 December 2021: 12,106,981) new Units subsequent to the year end (the “Management Fee Units”). The issuance of the Management Fee Units is subject to and conditional upon the grant by Securities Industry Council of a whitewash waiver and the satisfaction of all the conditions of the whitewash waiver which would include, among others, approval of independent unitholders of CLCT. In the event that the whitewash waiver is not obtained or the conditions are not satisfied, the Manager will manage the issuance of the Management Fee Units in a manner such that the unitholding of the Manager and its concert parties would not exceed 30%.

8. Finance income and finance costs

	Group			
	Six-month period ended		Year ended	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
Interest income:				
- financial institutions	2,925	2,328	4,169	3,941
Finance income	<u>2,925</u>	<u>2,328</u>	<u>4,169</u>	<u>3,941</u>
Interest expenses:				
- financial institutions	(38,386)	(20,392)	(63,215)	(37,665)
- related parties	(273)	(869)	(605)	(910)
	<u>(38,659)</u>	<u>(21,261)</u>	<u>(63,820)</u>	<u>(38,575)</u>
Cash flow hedges - gain/(losses) reclassified from hedging reserve	6,131	(4,041)	3,865	(8,858)
Finance lease expenses	(186)	(315)	(444)	(685)
Finance costs	<u>(32,714)</u>	<u>(25,617)</u>	<u>(60,399)</u>	<u>(48,118)</u>
Net finance costs recognised in statement of total return	<u>(29,789)</u>	<u>(23,289)</u>	<u>(56,230)</u>	<u>(44,177)</u>

1(e) Notes to the Condensed Interim Financial Statements (cont'd)

9. Earnings per Unit

Basic earnings per Unit

The calculation of basic earnings per Unit is based on weighted average number of Units during the period/year and total return for the period/year after taxation and non-controlling interest before distribution.

	Group			
	Six-month period ended		Year ended	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
Total return for the period/year after taxation and non-controlling interest before distribution	61,547	43,662	122,993	106,678
Less: Total return attributable to perpetual securities holders	(1,701)	(1,701)	(3,375)	(3,375)
Total return attributable to Unitholders	59,846	41,961	119,618	103,303

	Trust	
	Year ended	
	31 Dec 2022	31 Dec 2021
	Number of Units	
	'000	'000
Issued Units at beginning of year	1,659,528	1,506,433
Effect of creation of new Units:		
- Units in connection with private placement	-	25,398
- Distribution to Unitholders in respect of distribution reinvestment plan	625	3,159
- Manager's management fees paid/payable in Units	10,087	4,468
- Units issued in respect of acquisition fees	-	3,114
Weighted average number of issued and issuable Units at end of the year	1,670,240	1,542,572

Diluted earnings per Unit

Diluted earnings per Unit is calculated based on total return for the year after taxation and non-controlling interest and weighted average number of Units outstanding during the year, adjusted for the effects of all dilutive potential Units.

	Trust	
	Year ended	
	31 Dec 2022	31 Dec 2021
	Number of Units	
	'000	'000
Issued Units at beginning of year	1,659,528	1,506,433
Effect of creation of new Units:		
- Units in connection with private placement	-	25,398
- Distribution to Unitholders in respect of distribution reinvestment plan	625	3,159
- Manager's management fees paid/payable in Units	23,546	16,542
- Units issued in respect of acquisition fees	-	3,114
Weighted average number of issued and issuable Units at end of the year	1,683,699	1,554,646

1(e) Notes to the Condensed Consolidated Financial Statements (cont'd)

10. Segment information

For the purpose of making resource allocation decisions and the assessment of segment performance, the Group's Chief Operating Decision Makers ("CODMs") review internal/management reports of its strategic divisions. This forms the basis of identifying the operating segments of the Group consistent with the principles of FRS 108 Operating Segments.

The Group is organised into the following main business segments:

- Retail Malls: management of retail properties in China;
- Business Parks: management of business parks in China; and
- Logistics Parks: management of logistics parks in China.

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODMs for the purpose of assessment of segment performance. In addition, the CODMs monitor the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly the Trust's financial assets and liabilities and its expenses. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

Information regarding the Group's reportable segments is presented in the tables in the following pages.

For the purpose of monitoring segment performance, the Group's CODMs monitor the non-financial assets as well as financial assets attributable to each segment.

CapitaLand China Trust and its Subsidiaries
Condensed Interim Financial Statements
For the six-month period and year ended 31 December 2022

1(e) Notes to the Condensed Consolidated Financial Statements (cont'd)

10. Segment information (cont'd)

	Retail Malls		Business Parks		Logistics Parks		Group	
	Year ended							
	31 Dec 2022 \$'000	31 Dec 2021 \$'000	31 Dec 2022 \$'000	31 Dec 2021 \$'000	31 Dec 2022 \$'000	31 Dec 2021 \$'000	31 Dec 2022 \$'000	31 Dec 2021 \$'000
External revenue:								
- Gross rental income	239,338	255,213	99,696	90,758	17,407	2,598	356,441	348,569
- Others	20,967	23,263	5,399	6,100	364	35	26,730	29,398
- Gross revenue	260,305	278,476	105,095	96,858	17,771	2,633	383,171	377,967
Segment net property income	164,129	179,727	77,065	68,844	13,022	1,856	254,216	250,427
Finance income	2,429	2,571	1,449	1,321	270	42	4,148	3,934
Finance costs	(7,008)	(8,024)	(7,355)	(8,033)	(2,905)	(556)	(17,268)	(16,613)
Reportable segment total return/(loss) before taxation	28,465	148,408	192,862	80,405	14,143	(1,842)	235,470	226,971
Segment assets	3,664,833	4,040,250	1,137,946	1,130,935	352,180	382,169	5,154,959	5,553,354
Segment liabilities	596,363	648,148	192,735	257,055	45,384	80,725	834,482	985,928
Other segment items:								
Depreciation and amortisation (Impairment losses)/Write-back on trade receivables, net	(870)	(977)	(266)	(374)	(92)	(17)	(1,228)	(1,368)
Net change in fair value of investment properties and Right-of-Use assets	(58,071)	(25,575)	122,064	18,520	3,852	(3,165)	67,845	(10,220)
Capital expenditure	(29,239)	(16,929)	(2,295)	(3,028)	1,673	28	(29,861)	(19,929)

1(e) Notes to the Condensed Consolidated Financial Statements(cont'd)

10. Segment information (cont'd)

Reconciliations of reportable segment revenue, total return, assets and liabilities and other material items

	For the year ended	
	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Revenue		
Total revenue for reporting segments	383,171	377,967
Total return		
Total return for reportable segments before taxation	235,470	226,971
Unallocated amounts:		
- Other corporate expenses	7,441	(37,377)
Total return before taxation	242,911	189,594
Assets		
Total assets for reportable segments	5,154,959	5,553,354
Other unallocated amounts	71,147	22,546
Consolidated assets	5,226,106	5,575,900
Liabilities		
Total liabilities for reportable segments	834,482	985,928
Other unallocated amounts	1,708,582	1,635,609
Consolidated liabilities	2,543,064	2,621,537

	Reportable segment totals \$'000	Unallocated amounts \$'000	Consolidated totals \$'000
Other material items 2022			
Finance income	4,148	21	4,169
Finance costs	(17,268)	(43,131)	(60,399)
Other material items 2021			
Finance income	3,934	7	3,941
Finance costs	(16,613)	(31,505)	(48,118)

Geographical segments

All of the Group's investment properties are used for retail malls, business parks and logistics parks purposes. All properties are in China.

1(e) Notes to the Condensed Consolidated Financial Statements(cont'd)

11. Financial ratios

	Group	
	Year ended	
	31 Dec 2022	31 Dec 2021
	%	%
Ratio of expenses to average net asset value ⁽¹⁾		
- including performance component of Manager's management fees	0.79	0.85
- excluding performance component of Manager's management fees	0.48	0.52
Portfolio turnover rate ⁽²⁾	-	6.68

(1) *The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses and finance costs.*

(2) *The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.*

Aggregate leverage and interest coverage ratios

	Group	
	Year ended	
	31 Dec 2022	31 Dec 2021
Aggregate leverage (%) ⁽¹⁾	39.6	37.7
Interest coverage (times) ⁽²⁾	3.8	4.9
Adjusted Interest coverage (times) ⁽²⁾	3.6	4.5

(1) *In accordance with the Property Funds Appendix, the aggregate leverage is calculated based on the proportionate share of total borrowings over deposited properties.*

(2) *Ratio of EBITDA over consolidated interest expenses (excludes finance lease interest expenses under FRS 116) in accordance with MAS guidelines. Ratio is calculated by dividing the trailing 12 months EBITDA by the trailing 12 months interest expense (excluding FRS 116 finance expense) in accordance with MAS guidelines. The adjusted interest coverage ratio includes the distribution to perpetual securities holders.*

Other information required by Listing Rule Appendix 7.2

CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022

2. Summary of CLCT Results^{1,2}

The Condensed Interim Financial Statements of CapitalLand China Trust and its subsidiaries (the "Group") as at 31 December 2022, which comprise the Statements of Financial Position of the Group and the Trust and Portfolio Statement of the Group as at 31 December 2022, the Statement of Total Return, Distribution Statement, Statement of Cash Flows of the Group and the Statements of Movements in Unitholders' Funds of the Group and the Trust for the year ended and certain explanatory notes have not been audited or reviewed.

	1 July to 31 December 2022 (2H 2022)	1 July to 31 December 2021 (2H 2021)	1 January to 31 December 2022 (FY 2022)	1 January to 31 December 2021 (FY 2021)
	Actual S\$'000	Actual S\$'000	Actual S\$'000	Actual S\$'000
Gross Revenue ³	183,876	201,075	383,171	377,967
Net Property Income	114,684	130,085	254,216	250,427
Amount available for distribution to Unitholders ⁴	53,298	71,445	125,615	135,516
Amount released/(retained) ⁵	3,616	-	-	-
Distributable amount to Unitholders	56,914	71,445	125,615	135,516

Distribution Per Unit ("DPU") (cents)⁶				
For the period/year	3.40	4.50	7.50	8.73

	2H 2022	2H 2021	FY 2022	FY 2021
	Actual RMB'000	Actual RMB'000	Actual RMB'000	Actual RMB'000
Gross Revenue ³	911,266	965,152	1,851,516	1,826,147
Net Property Income	570,102	624,180	1,228,393	1,209,901

Footnotes:

1. The financial results exclude contribution from CapitaMall Saihan which was divested on 7 June 2021. The financial results include contributions from Ascendas Xinsu Portfolio, Ascendas Innovation Towers and Ascendas Innovation Hub as the acquisitions of these properties were completed on 4 January 2021, 10 February 2021 and 26 February 2021 respectively. While the acquisitions of the Singapore-Hangzhou Science & Technology Park Phase I and Phase II were completed on 18 June 2021, the risk and reward have been transferred from 15 February 2021. In addition, the results include contributions from Kunshan Bacheng Logistics Park, Wuhan Yangluo Logistics Park, Chengdu Shuangliu Logistics Park and Shanghai Fengxian Logistics Park as the acquisitions of these properties were completed on 10 November 2021.

2. Average exchange rate for SGD/RMB.

2H 2022	2H 2021	Change %	FY 2022	FY 2021	Change %
4.971	4.798	3.6	4.832	4.831	-

3. The financial results include rental relief extended to tenants in view of the COVID-19 situation.

4. Includes rental support (which was previously deducted from the amount paid to the vendor) for the vacancy loss and rent free provided to existing tenants for Chengdu Shuangliu Logistics Park and Wuhan Yangluo Logistics Park which will be distributed as capital distribution.

5. In 2H 2022, CLCT released S\$3.6 million from the amount available for distribution to Unitholders that was previously retained in 1H 2022.

6. The DPU is computed based on total issued units of 1,673.9 million and 1,659.5 million as at 31 December 2022 and 31 December 2021 respectively.

**CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022**

2. Summary of CLCT Results (cont'd)

DISTRIBUTION & RECORD DATE

Distribution	For 1 July 2022 to 31 December 2022
Distribution type	Tax exempt income and Capital distribution
Distribution rate	3.40 cents per Unit
Record date	13 February 2023
Payment date	30 March 2023

CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022

2(a) Statement of total return for the Group (2H 2022 vs 2H 2021 and FY 2022 vs FY 2021)¹

	Group					
	2H 2022	2H 2021	Change	FY 2022	FY 2021	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross rental income	172,915	184,621	(6.3)	356,441	348,569	2.3
Other income ²	10,961	16,454	(33.4)	26,730	29,398	(9.1)
Gross revenue³	183,876	201,075	(8.6)	383,171	377,967	1.4
Property related tax	(16,741)	(17,093)	(2.1)	(30,300)	(32,927)	(8.0)
Business tax	(1,041)	(1,137)	(8.4)	(2,138)	(2,143)	(0.2)
Property management fees and reimbursables ⁴	(12,425)	(12,732)	(2.4)	(25,584)	(24,067)	6.3
Other property operating expenses ⁵	(38,985)	(40,028)	(2.6)	(70,933)	(68,403)	3.7
Total property operating expenses	(69,192)	(70,990)	(2.5)	(128,955)	(127,540)	1.1
Net property income	114,684	130,085	(11.8)	254,216	250,427	1.5
Manager's management fees	(10,344)	(10,846)	(4.6)	(21,782)	(20,938)	4.0
Trustee's fees	(361)	(350)	3.1	(729)	(677)	7.7
Audit fees	(305)	(316)	(3.5)	(693)	(582)	19.1
Valuation fees	(40)	(69)	(42.0)	(87)	(136)	(36.0)
Other trust operating income	642	1,600	(59.9)	185	808	(77.1)
Foreign exchange gain/(loss) - realised ⁷	1,883	(697)	N.M.	1,083	1,307	(17.1)
Finance income ⁸	2,925	2,328	25.6	4,169	3,941	5.8
Finance costs ⁹	(32,714)	(25,617)	27.7	(60,399)	(48,118)	25.5
Net finance costs	(29,789)	(23,289)	27.9	(56,230)	(44,177)	27.3
Net income	76,370	96,118	(20.5)	175,963	186,032	(5.4)
(Loss)/gain on disposal/liquidation of subsidiaries ¹⁰	(1,831)	(164)	N.M.	(1,831)	13,164	N.M.
Change in fair value of investment properties ¹¹	67,845	(10,220)	N.M.	67,845	(10,220)	N.M.
Change in fair value of financial derivatives	1,115	51	N.M.	1,861	1,230	51.3
Foreign exchange (loss)/gain - unrealised	(923)	141	N.M.	(927)	(612)	51.5
Total return for the period/year before taxation	142,576	85,926	65.9	242,911	189,594	28.1
Taxation ¹²	(56,892)	(32,788)	73.5	(87,785)	(66,792)	31.4
Total return for the period/year after taxation	85,684	53,138	61.2	155,126	122,802	26.3
Attributable to:						
Unitholders	59,846	41,961	42.6	119,618	103,303	15.8
Perpetual securities holders	1,701	1,701	-	3,375	3,375	-
Non-controlling interests ¹³	24,137	9,476	N.M.	32,133	16,124	99.3
Total return for the period/year after taxation	85,684	53,138	61.2	155,126	122,802	26.3

N.M. – not meaningful

Footnotes:

1. The financial results exclude contribution from CapitaMall Saihan which was divested on 7 June 2021. The financial results include contributions from Ascendas Xinsu Portfolio, Ascendas Innovation Towers and Ascendas Innovation Hub as the acquisitions of these properties were completed on 4 January 2021, 10 February 2021 and 26 February 2021 respectively. While the acquisitions of the Singapore-Hangzhou Science & Technology Park Phase I and Phase II were completed on 18 June 2021, the risk and reward have been transferred from 15 February 2021. In addition, the results include contributions from Kunshan Bacheng Logistics Park, Wuhan Yangluo Logistics Park, Chengdu Shuangliu Logistics Park and Shanghai Fengxian Logistics Park as the acquisitions of these properties were completed on 10 November 2021.

CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022

2(a) Statement of total return for the Group (2H 2022 vs 2H 2021 and FY 2022 vs FY 2021) (cont'd)

2. Other income comprises mainly income earned from atrium space, carpark revenue, trolley carts and advertisement panels.
3. Includes rental relief of approximately 0.8 month in FY 2022 and 0.3 month in FY 2021 of corresponding monthly gross rental income of the total portfolio respectively.
4. Includes reimbursement of costs to property manager.
5. Includes items in the table below as part of the other property operating expenses.

	Group					
	2H 2022	2H 2021	Change	FY 2022	FY 2021	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation and amortisation	(603)	(689)	(12.5)	(1,228)	(1,368)	(10.2)
Impairment losses on trade receivables, net ⁶	(590)	(65)	N.M.	(595)	(159)	N.M.
Plant and equipment written off	(33)	(40)	(17.5)	(33)	(40)	(17.5)

6. Impairment losses mainly relate to tenants with higher and potential credit risk.
7. In FY 2022, realised foreign exchange gain arose mainly from the net settlement of foreign currency forwards. In FY 2021, the gain arose from repatriation of cashflow from China through dividends and capital reduction.
8. Finance income relates mainly to interest from bank deposits placed with financial institutions.
9. Includes the interest expense on the lease liabilities under FRS 116.
10. For 2H 2022 and FY 2022, the liquidation relates to the loss arising from the deconsolidation of the Group's subsidiary, CapitaRetail China Investments (B) Gamma Pte. Ltd. following the company's voluntary deregistration with the Corporate Affairs and Intellectual Property Office of Barbados which was completed on 10 Nov 2022. For 2H 2021 and FY 2021, it was related to the disposal of 100% interest in the companies which held CapitaMall Saihan and CapitaMall Minzhongleyuan.
11. Includes fair value change of Right-of-Use assets.
12. FY 2022 includes under provision of taxation from prior years of \$0.5 million while FY 2021 includes withholding tax payment of \$4.9 million relating to the divestment of CapitaMall Saihan and over provision of taxation from prior years of \$1.0 million.
13. This relates to 49% non-controlling interest (NCI) in Ascendas Xinsu Portfolio and 20ss% NCI in Ascendas Innovation Hub, Singapore-Hangzhou Science & Technology Park Phase I and Phase II.

CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022

2(b) Distribution statement for the Group (2H 2022 vs 2H 2021 and FY 2022 vs FY 2021)

	Group					
	2H 2022	2H 2021	Change	FY 2022	FY 2021	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return for the period/year attributable to Unitholders before distribution	61,547	43,662	41.0	122,993	106,678	15.3
Less: Amount reserved for distribution to perpetual securities holders	(1,701)	(1,701)	-	(3,375)	(3,375)	-
Distribution adjustments (Note A)	(7,497)	29,484	N.M.	4,708	32,213	(85.4)
Income available for distribution to Unitholders	52,349	71,445	(26.7)	124,326	135,516	(8.3)
Capital distribution ¹	949	-	N.M.	1,289	-	N.M.
Amount available for distribution to Unitholders	53,298	71,445	(25.4)	125,615	135,516	(7.3)
Amount released/(retained) ²	3,616	-	N.M.	-	-	N.M.
Distributable amount to Unitholders	56,914	71,445	(20.3)	125,615	135,516	(7.3)

Note A

Distribution adjustments

- Loss/(gain) on disposal/liquidation of subsidiaries ³	1,831	144	N.M.	1,831	(8,232)	N.M.
- Straight line rental and leasing commission adjustments ⁴	478	1,271	(62.4)	3,180	2,311	37.6
- Manager's management fees payable in Units	7,183	7,483	(4.0)	15,355	14,292	7.4
- Change in fair value of investment properties ^{4,5}	(51,744)	8,799	N.M.	(51,744)	8,799	N.M.
- Change in fair value of financial derivatives	(1,115)	(51)	N.M.	(1,861)	(1,230)	51.3
- Deferred taxation ⁴	35,024	12,395	N.M.	43,650	21,130	N.M.
- Transfer to general reserve ⁴	(3,161)	(3,308)	(4.4)	(7,756)	(6,783)	14.3
- Unrealised foreign exchange loss/(gain) ⁴	877	(143)	N.M.	859	608	41.3
- Other adjustments ^{4,6}	3,130	2,894	8.2	1,194	1,318	(9.4)
Net effect of distribution adjustments	(7,497)	29,484	N.M.	4,708	32,213	(85.4)

N.M. – not meaningful

Footnotes:

- This relates to the rental support (which was previously deducted from the amount paid to the vendor) for the vacancy loss and rent free provided to existing tenants for Chengdu Shuangliu Logistics Park and Wuhan Yangluo Logistics Park.*
- In 2H 2022, CLCT released S\$3.6 million from the amount available for distribution to Unitholders that was previously retained in 1H 2022.*
- For 2H and FY 2022, the loss relates to the liquidation of the Group's subsidiary, CapitaRetail China Investments (B) Gamma Pte. Ltd., following the company's voluntary deregistration with the Corporate Affairs and Intellectual Property Office of Barbados which was completed on 10 Nov 2022. For 2H 2021 and FY 2021, the loss/gain relates to the disposal of 100% interest in the companies which held CapitaMall Saihan and CapitaMall Minzhongleyuan.*
- Excludes NCI.*
- Includes fair value changes of Right-of-Use assets.*
- Includes lease payments for Right-of-Use assets and less interest expense on lease liabilities.*

CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022

2(c) Statement of financial position as at 31 December 2022 vs 31 December 2021

	Group		
	31 Dec 2022	31 Dec 2021	Change
	S\$'000	S\$'000	%
Non-current assets			
Investment properties ^{1,2,3}	4,909,377	5,249,617	(6.5)
Plant and equipment	2,979	3,749	(20.5)
Financial derivatives ⁴	41,559	5,735	N.M.
Other receivables	1,204	1,365	(11.8)
	4,955,119	5,260,466	(5.8)
Current assets			
Financial derivatives ⁴	2,805	7	N.M.
Trade and other receivables ⁵	37,134	26,567	39.8
Cash and cash equivalents	231,048	288,860	(20.0)
	270,987	315,434	(14.1)
Total assets	5,226,106	5,575,900	(6.3)
Current liabilities			
Trade and other payables	130,671	149,996	(12.9)
Security deposits	49,161	51,352	(4.3)
Financial derivatives ⁴	-	821	(100.0)
Interest-bearing borrowings ⁶	326,140	215,001	51.7
Lease liabilities ²	4,997	5,147	(2.9)
Provision for taxation	6,472	7,716	(16.1)
	517,441	430,033	20.3
Non-current liabilities			
Financial derivatives ⁴	825	2,820	(70.7)
Other payables	6,969	24,131	(71.1)
Security deposits	57,020	66,035	(13.7)
Interest-bearing borrowings ⁶	1,619,800	1,774,520	(8.7)
Lease liabilities ²	138	5,505	(97.5)
Deferred tax liabilities	340,871	318,493	7.0
	2,025,623	2,191,504	(7.6)
Total liabilities	2,543,064	2,621,537	(3.0)
Net assets	2,683,042	2,954,363	(9.2)
Represented by:			
Unitholders' funds	2,306,231	2,588,199	(10.9)
Perpetual securities holders	99,610	99,610	-
Non-controlling interests ⁷	277,201	266,554	4.0
	2,683,042	2,954,363	(9.2)

N.M. – not meaningful

CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022

Footnotes:

1. *The decrease in investment properties as at 31 December 2022 was mainly due to the stronger SGD against RMB.*
2. *This includes Right-of-Use assets and lease liabilities of CapitaMall Qibao under FRS 116 Leases.*
3. *Investment properties are measured at their respective fair values at each reporting date. The valuation reports obtained from the independent valuers for certain of our properties draw attention to heightened market volatility over the short-to-medium term due to global inflationary pressures and the ongoing market effects of the COVID-19 pandemic. Given the unprecedented set of circumstances on which to base a judgement, less certainty, and a higher degree of caution, should be attached to their valuations than would normally be the case. This does not invalidate the valuations, but implies that there is substantially more uncertainty than under normal market conditions.*
4. *The financial derivative assets and financial derivative liabilities mainly relate to the fair value of the interest rate swaps (“IRS”) and the foreign currency forwards (“FXF”). The IRS are designated to hedge the variable rate borrowings and FXF are used to hedge RMB cashflows.*
5. *The increase in trade and other receivables was due to the higher trade receivables as a result of the COVID-19 situation in China. The management has assessed the expected credit losses and accounted for the impairment losses as at 31 December 2022.*
6. *The decrease in interest-bearing borrowings was mainly due to the repayment of onshore interest-bearing borrowings offset by loans drawn down by the Trust for working capital.*
7. *This relates to 49% NCI in Ascendas Xinsu Portfolio and 20% NCI in Ascendas Innovation Hub, Singapore-Hangzhou Science & Technology Park Phase I and Phase II.*

3 Review of the Performance

2H 2022 vs 2H 2021

In RMB terms, gross revenue in 2H 2022 decreased by RMB53.9 million, or 5.6% lower than 2H 2021. The decrease arose mainly from the retail portfolio as most of the malls were mandated to close for various days in 2H 2022, with strict controlling measures before China changed its “Covid-Zero” policy. As such, higher rental relief was also provided in 2H 2022 to support some of the affected tenants. In addition, a one-off insurance claim was received for CapitaMall Grand Canyon in 2H 2021. These were partially offset by the inclusion of the full half yearly contributions from the logistics parks portfolio.

In SGD terms, gross revenue in 2H 2022 decreased by \$17.2 million, or 8.6% due to stronger SGD against RMB.

In RMB terms, property expenses in 2H 2022 increased by RMB0.2 million, or 0.1% compared to 2H 2021 mainly due to the inclusion of expenses from four logistics parks following the completion of the acquisitions in 2021 and one-off property tax incentive received for Rock Square in 2H 2021. These were partially offset by lower related expenses in retail assets pegged to the lower gross revenue, such as property related tax and property management fees. Property expenses for 2H 2022 decreased by \$1.8 million, or 2.5% due to stronger SGD against RMB.

Management fees payable to the manager were \$0.5 million lower than 2H 2021 mainly due to lower net property income (NPI) from the total portfolio.

Finance costs in 2H 2022 was \$7.1 million higher than 2H 2021. This arose mainly from the increase in interest-bearing borrowings and the consolidation of the RMB-denominated loans from the logistics parks portfolio upon the completion of the acquisition in 2H 2021 and higher base interest rates in 2H 2022.

Taxation in 2H 2022 increased by \$24.1 million as compared to prior year mainly due to higher provision of deferred tax liabilities from the fair value gain of the portfolio investment properties in 2H 2022.

FY 2022 vs FY 2021

In RMB terms, gross revenue in FY 2022 increased by RMB25.4 million, or 1.4% higher than FY 2021 despite the increase in provision for rental relief to support the affected tenants. The increase was attributed to the full year contribution from the acquisitions of the five business parks and four logistics parks, which were completed in 2021. In SGD terms, gross revenue in FY 2022 increased by \$5.2 million, or 1.4%.

Property expenses for FY 2022 increased by \$1.4 million, or 1.1% compared to FY 2021. This was mainly due to the inclusion of expenses of the five business parks and four logistics parks following the completion of the acquisitions in 2021. These were partially offset by lower related expenses in retail assets pegged to the lower gross revenue, such as property related tax and property management fees.

Management fees payable to the manager were \$0.8 million higher than FY 2021 mainly due to higher deposited properties and higher NPI from the full year consolidation of the business parks and logistics parks.

Finance costs in FY 2022 was \$12.3 million higher than FY 2021. This arose mainly from the increase in interest-bearing borrowings draw down and consolidation of the business parks and logistics parks loans upon completion of the acquisition and higher base interest rates in FY 2022.

Taxation in FY 2022 increased by \$21.0 million as compared to prior year mainly due to higher provision of deferred tax liabilities from the fair value gain of the portfolio investment properties recorded in 2H 2022.

**CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022**

4 Status on the use of proceeds raised from any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use

Cash of \$2.6 million in aggregate was retained from Distribution Reinvestment Plan on 22 September 2022.

Date	Amount retained	Use of proceeds	Amount used
	S\$' million		S\$' million
22-Sep-22	2.6	For repayment of Trust's interest-bearing borrowings, general corporate and working capital purposes.	2.6
Total	2.6		2.6

5 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results

CLCT has not disclosed any forecast to the market.

6 Commentary on the competitive conditions of the industry in which the Trust and its investees operates and any known factors or events that may affect the Trust and its investees in the next reporting period and the next 12 months

China reported a GDP growth of 3.0% for 2022 while total retail sales of consumer goods decreased 0.2% for 2022. The Purchasing Managers Index (PMI) was 47.0% for December 2022, 1.0 percentage point lower than the previous month¹.

China reopened its borders with the lifting of its COVID-19 restrictions and removal of its quarantine for inbound travellers on 8 January 2023. With this policy shift, Chinese policymakers have re-emphasised its focus on growth in the year ahead². As confirmed in its annual Central Economic Working Conference held in December 2022, the meeting promoted a pro-growth, pro-business stance, which is expected to improve and restore market confidence as well as allow for progression in ongoing reform policies.³ With a diversified portfolio of asset class from retail malls, business parks and logistics parks, CLCT is well-positioned to benefit from the reopening flows, increased consumer spending and more conducive business environment.

Retail Malls

Beijing Market Update

In 2022, Beijing's GDP increased 0.7% year-on-year while retail sales decreased 7.2% year-on-year from January to December 2022⁴. Due to the fluctuating pandemic situation in 4Q 2022, the overall retail market performance was muted with some malls shortening their opening hours or closing temporarily. As no new projects were completed in the Beijing retail market in 4Q 2022, the city's total shopping mall stock remained at 13.8 million sq m and vacancy rate came in at 10.2%.

The relaxation of COVID-19 measures is expected to boost the general economy and retail market with more than 1.6 million sq m of new supply in the pipeline for 2023. To revitalise key districts, the city government recently announced initiatives to transform and upgrade commercial areas, which will boost the overall Beijing retail market, leading to an accelerated period of upgrading⁵.

¹ China National Bureau of Statistics

² Nikkei Asia, China's GDP growth to accelerate to 4.7% in 2023: Nikkei survey, 28 December 2022

³ China Briefing, China's Central Economic Work Conference: Policymakers Set Sights on Growth in 2023, 26 December 2022

⁴ Beijing Bureau of Statistics

⁵ Cushman & Wakefield, Beijing Retail, 4Q 2022

Shanghai Market Update

Shanghai's 2022 GDP decreased 0.2% year-on-year. Retail sales decreased 9.1% year-on-year for the period from January to December 2022⁶. Four new projects with an aggregate GFA of 335,000 sq m entered the Shanghai's retail property market in 4Q 2022, bringing the city's total stock to 21.4 million sq m. The retail market in Shanghai was dampened in the first three quarters of 2022 due to the COVID-19 prevention measures, however, consumer sentiments improved towards December with more spending reported. Consequently, the vacancy rate for prime shopping centres in 4Q 2022 rose 0.03 percentage points quarter-on-quarter to 10.9% and average first floor asking rent in mid-to high-end shopping centres decreased 0.4% quarter-on-quarter to RMB823 per sq m per month.

Moving into 2023, around 3 million sq m of new retail supply is expected to come onstream, which might lead to rent adjustments on intensified leasing competition. With the strong consumption power of Shanghai residents, coupled with the positioning of Shanghai as a prime destination for overseas and domestic brands, the outlook for the retail property for the city remains positive⁷.

Guangzhou Market Update

Guangzhou registered a GDP growth of 1.0% year-on-year and retail sales increase of 1.7% year-on-year for 2022⁸. One shopping mall opened in 4Q 2022, bringing the city's prime retail stock to over 5 million sq m. In late October 2022, a localised COVID-19 outbreak resulted in the suspension of city mall operations for around a month. These commercial sites were fully reopened in December 2022. As part of the support, the city government issued consumption coupons covering F&B, supermarket and hospitality sectors, to encourage spending. Consequently, citywide average rent declined 1.8% quarter-on-quarter to RMB746.1 per sq m per month and vacancy increased 0.3 percentage points quarter-on-quarter to 7.4% in 4Q 2022.

In 2023, the city is expected to welcome around 670,000 sq m of projects. With the general economy expected to recover, the consumer sentiments and retail spending is expected to improve in the coming year⁹.

Chengdu Market Update

Chengdu's GDP increased 2.8% year-on-year for 2022. Retail sales for the city decreased 1.7% year-on-year for the period from January to December 2022¹⁰. No shopping malls opened in 3Q 2022, maintaining the total stock at 7.1 million sq m. With overall leasing demand subdued, citywide first-floor rent index reached RMB418 per sq m per month and vacancy increased 0.8 percentage points quarter-on-quarter to 11.4% in 3Q 2022.

Three new projects are scheduled to enter the market in 4Q 2022, totalling around 400,000 sq m. Since the city government introduced the "first-store economy" in 2018, the city has seen an increase in tenant diversity covering more retail categories including international niche perfume brands, tea-exclusive brands and cosmetics brands, and this trend is expected to continue¹¹.

Business Parks

Suzhou Market Update

In 9M 2022, Suzhou's GDP increased 1.3% year-on-year¹². One new project was completed within the Suzhou Industrial Park (SIP) submarket in 4Q 2022, adding 77,000 sq m of supply into the market. Average vacancy rate increased to 15.6% while average rent remained relatively stable at RMB43.7 per sq m per month.

Most future projects will focus on bio-medicine, medical instruments, and a new generation of IT, which are sectors that are strongly promoted by the government in Suzhou. Furthermore, the establishment of the Suzhou Free Trade Zone as well as incentive policies released by the government, is expected to stabilise demand in the next few years. With the supportive economic stimulus policies issued by the local government, it is expected that

⁶ Shanghai Bureau of Statistics

⁷ Cushman & Wakefield, Shanghai Retail, 4Q 2022

⁸ Southern Network News, January 2023

⁹ Cushman & Wakefield, Guangzhou Retail, 4Q 2022

¹⁰ Chengdu Bureau of Statistics

¹¹ Savills, Chengdu Retail 3Q 2022, 3 October 2022

¹² Suzhou Bureau of Statistics

more high-end manufacturing and emerging industries will expand in Suzhou and be the main demand driver in the mid to long-term.¹³.

Xi'an Market Update

Xi'an's GDP rose 4.4% year-on-year for 2022¹⁴. No new projects were delivered in the Xi 'an High-Tech Industry Development Zone (XHTZ) in 3Q 2022, maintaining the total stock in XHTZ at 2.5 million sq m. With a net absorption at around 7,700 sq m, vacancy rate decreased to 23.8% while the average rent maintained at RMB53.7 per sq m per month for the quarter. New industrial park tenants of XHTZ in 4Q 2022 were from the Technology, Media, and Telecom (*TMT*) sector. In 2023, it is expected that 890,500 sq m of new supply in the XHTZ submarket is expected to come onstream¹⁵.

Hangzhou Market Update

Hangzhou's GDP increased 1.5% year-on-year for 2022¹⁶. No new projects were launched in Hangzhou Economic and Technological Development Area (HEDA) submarket in 4Q 2022. Total stock for the submarket maintained at 2.4 million sq m with an average rent of RMB56.7 per sq m per month while vacancy rate came in at 16.3%. Biomedicine and information technology were the leading industries in this submarket during the quarter.

Total stock is expected to increase around 317,000 sq m by the end of 2024 due to the new supply coming onstream in 2023 and 2024. Despite this, the future demand remains optimistic, and the average rent is expected to gradually rise to about RMB61.5 per sq m per month by the end of 2024¹⁷.

Logistics Parks

Shanghai Market Update

Overall leasing demand remained resilient with net absorption reaching 145,000 sq m in 3Q 2022. Even though three new projects were completed in 3Q 2022, rents increased 0.7% quarter-on-quarter and vacancy rate decreased from 9.9% to 9.8% quarter-on-quarter. Two new projects of around 408,600 sq m is expected to come on in 4Q 2022. Third-Party Logistics are expected to continue to lead demand as the other sectors including retailers, manufacturers, and e-commerce firms continue to recover from the economic slowdown¹⁸.

7 Distribution

7(a) Current Financial Period

Any distribution declared for the current financial period? Yes.

Name of distribution : Distribution for 1 July 2022 to 31 December 2022

Distribution type : Tax exempt income and Capital distribution

Distribution rate : 3.40 cents per Unit

Par value of Units : Not meaningful

Tax rate : Tax exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders. No tax will be deducted from such distribution.

Capital distribution represents return of capital to Unitholders for Singapore income tax purpose. The amount of capital distribution will reduce the cost of CLCT Units for Singapore income tax purposes. For Unitholders who are liable to Singapore income tax on profits

¹³ Colliers, Suzhou Business Park Market Overview 2Q 2022

¹⁴ XinHua News, January 2023

¹⁵ Colliers, Xi 'an Business Park Market Overview 4Q 2022

¹⁶ Zhejiang Government Service Network, November 2022

¹⁷ Colliers, Hangzhou Business Park Market Overview 4Q 2022

¹⁸ JLL, Logistics and Industrial Research Asia Pacific 3Q 2022

CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022

from sale of CLCT Units, the reduced cost base of their CLCT Units will be used to calculate the taxable trading gains when the CLCT Units are disposed off.

Remark : The tax exempt income and capital distribution from 1 July 2022 to 31 December 2022 is expected to be funded from borrowings at the Trust level as well as internal cash flows from operations.

7(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period?

Yes.

Name of distribution : Distribution for 21 October 2021 to 31 December 2021¹

Distribution type : Tax exempt income distribution

Distribution rate : 1.80 cents per Unit

Par value of Units : Not meaningful

Footnote:

1. Advance distribution of 2.70 cents per Unit for the period from 1 July 2021 to 20 October 2021 comprised of tax-exempt income distribution was paid in November 2021. The total distribution for the period from 1 July 2021 to 31 December 2021 was 4.50 cents per Unit.

7(c) Date payable : 30 March 2023

7(d) Record date : 13 February 2023

8 If no distribution has been declared/recommended, a statement to that effect

Not applicable.

9 If the Group has obtained a general mandate from Unitholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Group has not obtained a general mandate from Unitholders for IPT.

10 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 3 on the review.

11. A breakdown of sales as follows: -

	Group		
	FY 2022	FY 2021	Change
	S\$'000	S\$'000	%
Gross revenue reported for first half year	199,295	176,892	12.7
Net income after tax and NCI for first half year	61,446	63,016	(2.5)
Gross revenue reported for second half year	183,876	201,075	(8.6)
Net income after tax and NCI for second half year	61,547	43,662	41.0

**CAPITALAND CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2022**

12. A breakdown of the total distributions for the current year and the previous year: -

	FY 2022	FY 2021
	S\$'000	S\$'000
In respect of period:		
1 Jan 22 - 30 Jun 22	68,701	-
1 Jul 22 - 31 Dec 22	56,914	-
1 Jan 21 - 30 Jun 21	-	64,071
1 Jul 21 - 20 Oct 21	-	41,348
21 Oct 21 - 31 Dec 21	-	30,097
Total distributions to Unitholders	125,615	135,516

13. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 of the Listing Manual of the Singapore Exchange Securities Limited (the "Listing Manual"), as required by Rule 720(1) of the Listing Manual.

14. Disclosure of person occupying a managerial position or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, CapitaLand China Trust Management Limited (the "Company"), being the manager of CapitaLand China Trust ("CLCT"), confirms that there is no person occupying a managerial position in the Company or in any of CLCT's principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial Unitholder of CLCT.

This release 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/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD
CAPITALAND CHINA TRUST MANAGEMENT LIMITED
(Company registration no. 200611176D)
(as Manager of CAPITALAND CHINA TRUST)

Chuo Cher Shing
Company Secretary
3 February 2023