

CapitaLand China Trust  
**DBS Vickers Pulse of Asia  
Conference 2024**

26 March 2024

CapitaMall Xizhimen, Beijing, China



# Disclaimer

This presentation may contain forward-looking statements. 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, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), 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 the current view of management regarding future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Neither CapitaLand China Trust Management Limited (“**Manager**”) nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this presentation or its contents or otherwise arising in connection with this presentation.

The past performance of CapitaLand China Trust (“CLCT”) is not indicative of future performance. The listing of the units in the CLCT (“**Units**”) on the Singapore Exchange Securities Trading Limited (SGX-ST) does not guarantee a liquid market for the Units. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.





## Table of Contents

**01**

Overview of CLCT

**05**

Looking Forward

**02**

FY 2023 Results  
Highlights

**03**

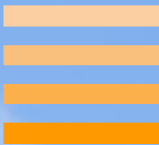
Financial Results &  
Capital Management

**04**

Portfolio Overview



# Overview of CLCT



Ascendas Xinsu Square R&D, Suzhou, China



# Future-Ready and Resilient Portfolio

First and Largest China-Focused S-REIT



Located in  
**12 cities**



Total Assets<sup>1</sup>  
**S\$5.0 billion**



Gross Floor Area  
**~1.9 mil sq m**



Portfolio Occupancy<sup>1</sup>  
**91.4%**



Market Cap<sup>2</sup>  
**S\$1.2 billion**



Distribution Yield<sup>3</sup>  
**9.1%**



**10<sup>4</sup>**  
**RETAIL MALLS**



**5**  
**BUSINESS PARKS**



**4**  
**LOGISTICS PARKS**

Notes:

\* Number of properties indicated for cities with more than one property in the same asset class.

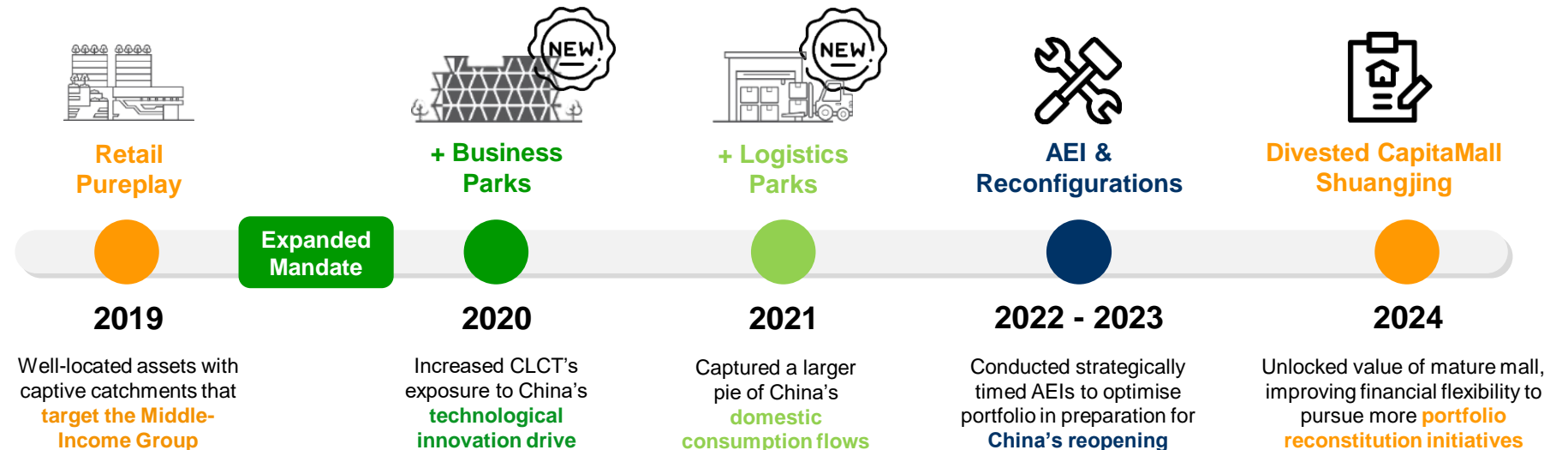
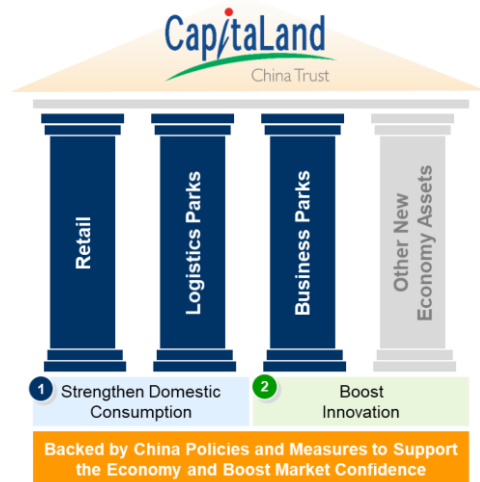
1. As at 31 December 2023.
2. As at 29 February 2024.
3. Based on FY 2023 DPU of 6.74 S cents and unit price of S\$0.74 as at 29 February 2024.
4. CLCT has on the 6 December 2023 announced the divestment of the SPV holding CapitaMall Shuangjing at the agreed property price of RMB842.0 million. Consequently, CLCT has recognised a fair value uplift for CapitaMall Shuangjing to RMB842.0 million. The completion of CapitaMall Shuangjing's divestment was announced on 23 January 2024.

# Transformed and Diversified Portfolio

Expanded Investment Strategy to Capture Real Estate Trends that Focus on Domestic Consumption and Innovation-Driven Growth

## Backed by Policies and Measures to Support the Economy

Divested **7** non-core and matured assets since listing, including **6 out of 7 IPO assets** and pursued new growth with capital recycled



- ✓ **Active Reconstitution and Acquisition Growth Track Record** - from Sponsor and Third-Party Vendors
- ✓ **Strong Management Track Record** leveraging on **Sponsor's Domain Knowledge and Comprehensive Real Estate Platform** in China

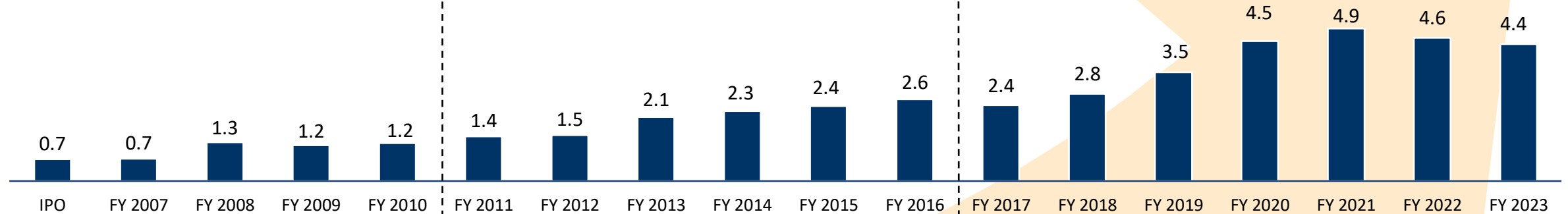
# Positioning for Growth and Resilience

Total Assets Under Management (AUM)<sup>1</sup> (\$ billion)

Organic Growth

Organic + Acquisitive Growth

Organic + Acquisitive + Reconstitution Growth



## Capture China's Future Economy Across Multiple Sectors and through Market Cycles

### IPO – FY 2010:

- IPO with 7 Retail Assets
- Acquired CapitaMall Xizhimen in Beijing
- **8** retail malls with presence in **5** cities by FY 2010

Total Acquisition Value:  
**\$336 million**

### FY 2011 – FY 2016:

- Acquired CapitaMall Minzhongleyuan in Wuhan, CapitaMall Grand Canyon in Beijing and CapitaMall Xinnan in Chengdu
- **11** retail malls with presence in **7** cities by FY 2016

Total Acquisition Value:  
**\$737.5 million**

### FY 2017 – FY 2023:

- Active recycling & expansion of investment mandate
- Portfolio rejuvenation towards resilience & diversification (addition of new economy assets)
- Divested 7 retail malls
- Acquired 5 retail malls, 5 business parks and 4 logistics park properties
- **18** Assets with presence in **12** cities by FY 2023

Total Acquisition and Divestment Value:  
**\$3.1 billion**

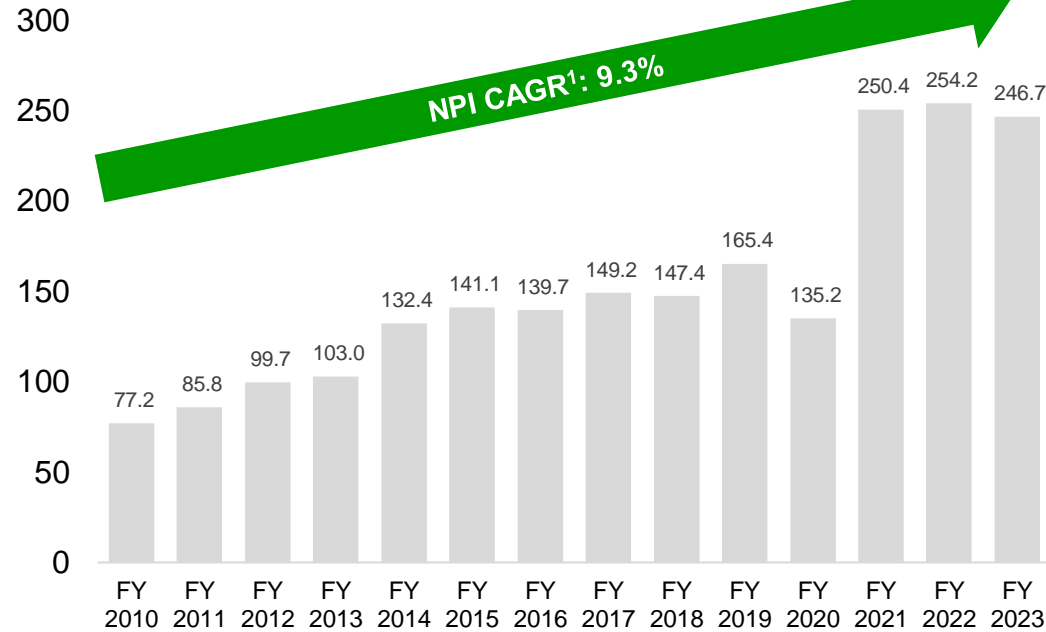
Note:

1. Based on effective stake as at 31 December, which includes any acquisitions and divestments that were announced during the respective year.

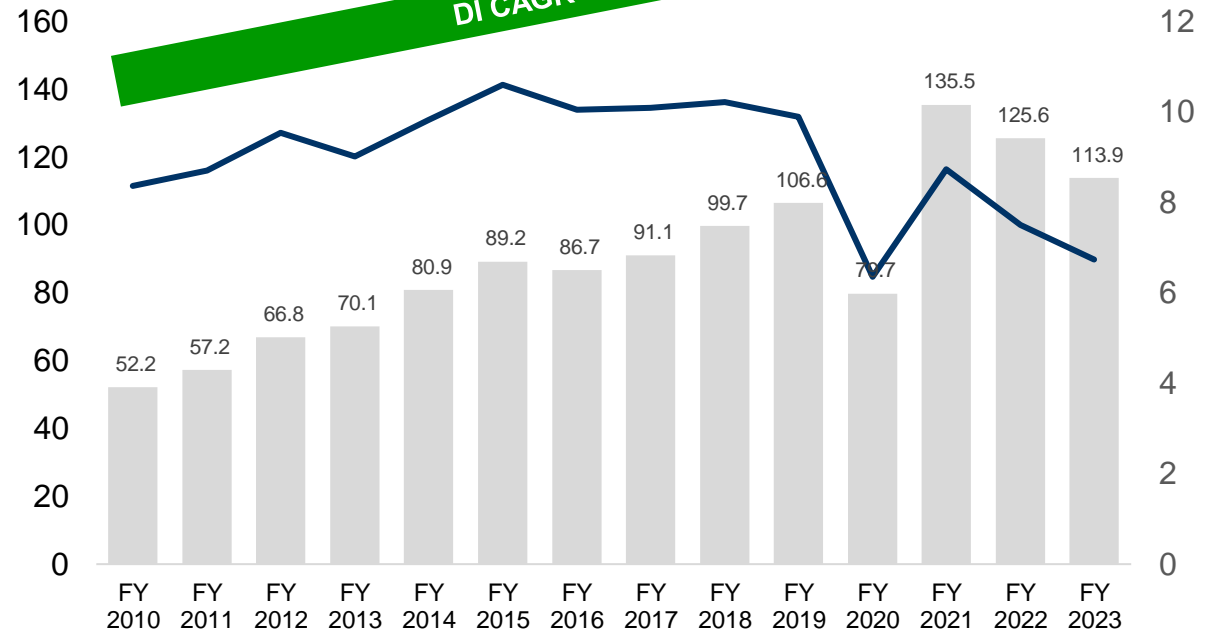
# Disciplined Growth and Value Creation

Delivering Steady and Sustainable Unitholder Returns

Net Property Income  
(S\$ million)



Distributable Income  
(S\$ million)

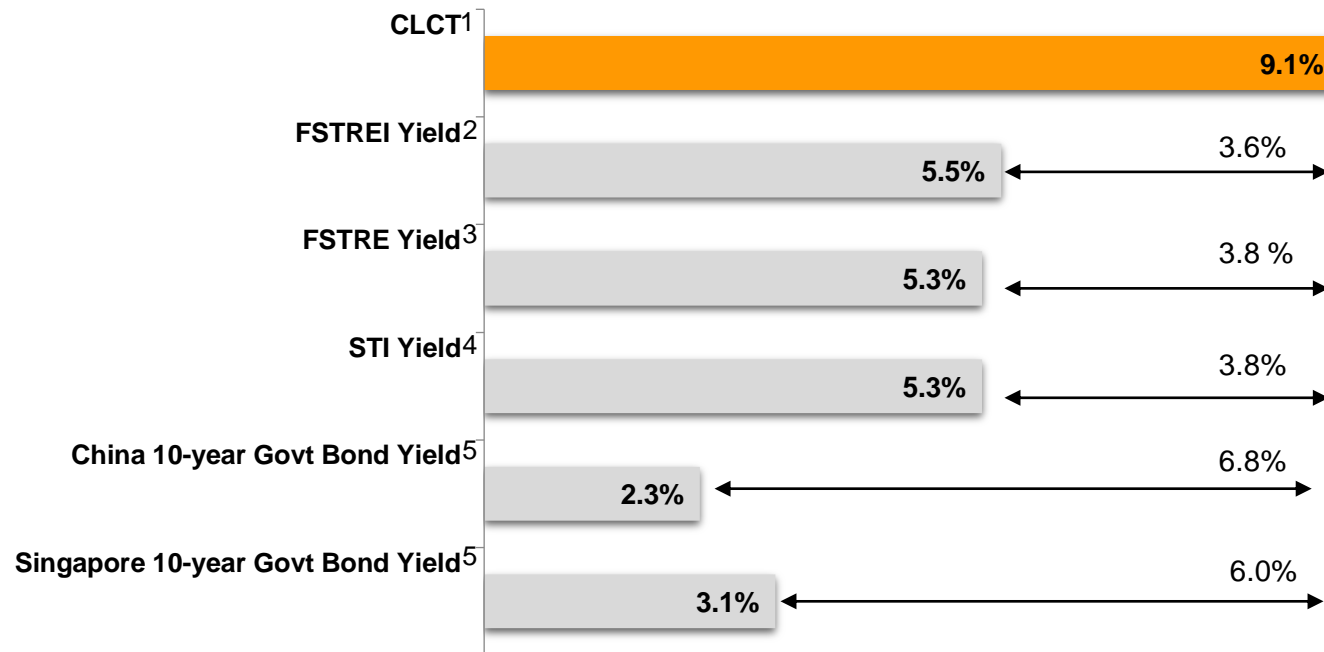


Note:  
1. Time period for CAGR Calculation is from 2010 to 2023.



# Attractive Yield Spread and Improved Trading Liquidity

## Comparative Yields (as at 29 February 2024)



	Average Trading Volume (Units per Day)	Average Trading Value (\$ per Day)
1 year <sup>6</sup>	~3.1 million	~2.9 million
10 year <sup>7</sup>	~2.4 million	~3.2 million
IPO	~2.0 million	~2.8 million

Sources: Bloomberg, CLCTML, Monetary Authority of Singapore.

1. Based on FY 2023 DPU of 6.74 S cents and unit price of S\$0.74 as at 29 February 2024.
2. Trailing 12-months dividend yield of Straits Times REIT Index as at 29 February 2024 closing price.
3. Trailing 12-months dividend yield of Straits Times Real Estate Index as at 29 February 2024 closing price.
4. Trailing 12-months dividend yield of Straits Times Index stocks as at 29 February 2024 closing price.
5. Singapore Government 10-year and China Government 10-year bond yields as 29 February 2024.

Source: Bloomberg

6. 1 year refers to 1 March 2023 to 29 February 2024.
7. 10 year refers to 1 March 2013 to 29 February 2024.
8. Since IPO to 29 February 2024.



# FY 2023 Financial Results



Singapore-Hangzhou Science & Technology Park Phase I, Hangzhou, China



# FY 2023 Key Highlights

Recovery in Retail Sector while Navigating Weaker Business Sentiment in New Economy Sectors

## Operations

## Capital Management



91.4%

Portfolio Occupancy



+45.8%<sup>1</sup>

Shopper Traffic (FY YoY)



+41.5%<sup>1</sup>

Tenant Sales (FY YoY)



3.57%

Stable Cost of Debt



82%

Fixed Interest Rate

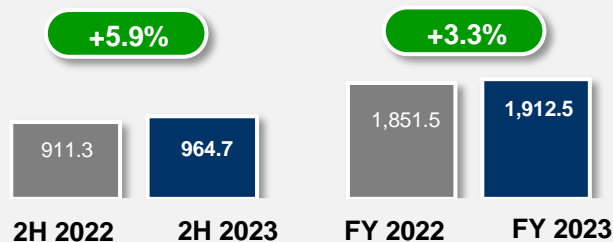


31%

Increased Sustainability Loans

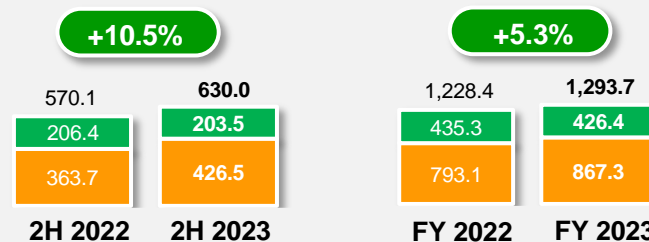
Gross Revenue (RMB million)

Growth led by retail recovery and AEI completions, offset by lower contributions from new economy assets.



Net Property Income (RMB million)

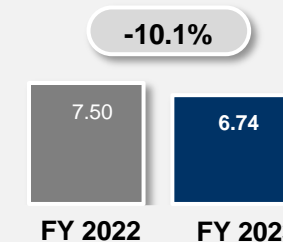
Lifted by 2H 2023 retail NPI improvement of 17.3% YoY due to better operating conditions and positive retail momentum driven by higher occupancies and post AEI.



New Economy  
Retail

Distribution per Unit (S Cents)

Effects of strong SGD and higher interest costs.



Note:

1. Shopper Traffic and Tenant Sales exclude CapitaMall Qibao as the mall had ceased operations since end of March 2023.

# FY 2023 Milestones

Building Resilience While Shaping Sustainable Growth



## Portfolio Optimisation & Rejuvenation

- ✓ **Divestment of CapitaMall Shuangjing in December 2023**, for RMB842.0 million (approximately S\$157.8 million), representing an **exit yield of 2.8%**. Announced completion on 23 January 2024.
- ✓ Extracted value from our retail assets through the completion of **strategically timed AEs and unit reconfigurations** at CapitaMall Yuhuating, Rock Square and CapitaMall Grand Canyon.



## Capital Management

- ✓ Launched RMB600 million free trade zone three-year tenor offshore bonds with a coupon rate of 3.80% per annum, achieving ~100 bps savings. CLCT is the **first Singapore-based issuer to launch Free Trade Zone (FTZ) offshore bonds**.
- ✓ **Active debt and cash management** helped to maintain stable cost of debt.
- ✓ Established a **Sustainability-Linked Finance Framework** that comprises KPIs linked to green building certifications, renewable energy and energy consumption intensity targets.



## Sustainability

- ✓ Attained **4 new LEED Gold certification** for retail and business park assets:
  - CapitaMall Xizhimen
  - Ascendas Innovation Towers
  - Ascendas Innovation Hub
  - Singapore-Hangzhou Science & Technology Park Phase I<sup>1</sup>
- ✓ Implemented **green leasing for all CLCT properties** managed by CLI<sup>2</sup>
- ✓ **Generated onsite renewable energy for the first time** at Ascendas Innovation Towers and Ascendas Innovation Hub
- ✓ **Completed the installation of 253 solar panels** on the roof of Kunshan Bacheng Logistics Park, to begin generating renewable energy in 2024.

## Sustainability Accolades

Awarded a **5-star rating** in the GRESB Assessment 2023, an improvement from 2-Star rating in 2022

Maintained an **'A' rating** for GRESB Public Disclosure 2023

Upgraded MSCI ESG Rating from **'B'** to **'BBB'**.

Upgraded Sustainability Risk Rating from **'Low Risk'** to **'Negligible Risk'**

### Notes:

1. Attained LEED Gold certification for Block 1 to 3 of Singapore-Hangzhou Science & Technology Park Phase I – the remaining blocks are LEED Gold certified since 2014.
2. With the exception of CapitaMall Shuangjing and logistics park properties as these properties are not operated by CLI.



# Portfolio Valuation

Investment Property	Valuation (RMB million)		
	As at 31 Dec 2023	As at 31 Dec 2022	Variance (%)
CapitaMall Xizhimen	3,668	3,638	0.8%
Rock Square	3,410	3,410	-
CapitaMall Wangjing	2,844	2,884	(1.4%)
CapitaMall Grand Canyon	1,883	1,901	(0.9%)
CapitaMall Xuefu	1,789	1,789	-
CapitaMall Xinnan	1,460	1,538	(5.1%)
CapitaMall Nuohemule	1,030	1,030	-
CapitaMall Yuhuating	802	800	0.3%
CapitaMall Aidemengdun	402	424	(5.2%)
<b>Retail Total<sup>1,2</sup></b>	<b>17,288</b>	<b>17,414</b>	<b>(0.7%)</b>
Ascendas Xinsu Portfolio	2,340	2,320	0.9%
Ascendas Innovation Towers	902	902	-
Ascendas Innovation Hub	353	353	-
Singapore-Hangzhou Science Technology Park Phase I	824	848	(2.8%)
Singapore-Hangzhou Science Technology Park Phase II	1,043	1,055	(1.1%)
<b>Business Park Total</b>	<b>5,462</b>	<b>5,478</b>	<b>(0.3%)</b>
Shanghai Fengxian Logistics Park	598	629	(4.9%)
Wuhan Yangluo Logistics Park	357	384	(7.0%)
Chengdu Shuangliu Logistics Park	348	357	(2.5%)
Kunshan Bacheng Logistics Park	327	334	(2.1%)
<b>Logistics Park Total</b>	<b>1,630</b>	<b>1,704</b>	<b>(4.3%)</b>
<b>Total Portfolio (RMB million)<sup>3</sup></b>	<b>24,380</b>	<b>24,596</b>	<b>(0.9%)</b>

Notes:

1. CLCTML announced the divestment of the SPV holding CapitaMall Shuangjing on 6 December 2023 at the agreed property price of RMB842.0 million. The independent valuation of the property as of 31 October 2023 was RMB621.0 million and was carried out by CBRE (Shanghai) Management Limited. Subsequently, CLCTML announced the completion of the divestment on 23 January 2024.
2. Excludes CapitaMall Qibao as the mall had ceased operations since end of March 2023.
3. Valuation is presented on a 100% basis.

## Portfolio Down Approximately 0.9%

- Assumptions over market vacancy, rent and growth outlook impacted valuation across asset classes
- **Retail:** Smaller and weaker assets experienced more downside pressure
- **New Economy:** Assets impacted by near-term supply-demand imbalances as well as location-specific issues



# Financial Results & Capital Management



Shanghai Fengxian Logistics Park, Shanghai, China

CapitaLand  
China Trust



# FY 2023 NPI on RMB Basis Up 5.3% YoY

	2H 2023	2H 2022	Change (%)	FY 2023	FY 2022	Change (%)
<b>Gross Revenue (RMB'000)</b>	964,687	911,266	5.9	1,912,468	1,851,516	3.3
<b>Net Property Income (RMB'000)</b>	630,014	570,102	10.5	1,293,723	1,228,393	5.3
<b>Amount Available for Distribution to Unitholders (S\$'000)</b>	50,735	53,298	(4.8)	113,863	125,615	(9.4)
<b>Amount released<sup>1</sup> (S\$'000)</b>	-	3,616	(100.0)	-	-	-
<b>Distributable amount to Unitholders (S\$'000)</b>	50,735	56,914	(10.9)	113,863	125,615	(9.4)
<b>Distribution Per Unit (S cents)</b>	3.00	3.40	(11.8)	6.74	7.50	(10.1)

Note:

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

# Balance Sheet

As at 31 Dec 2023	S\$'000
Non-Current Assets	4,562,014
Current Assets	433,745
<b>Total Assets</b>	<b>4,995,759</b>
Current Liabilities	367,981
Non-Current Liabilities	2,211,012
<b>Total Liabilities</b>	<b>2,578,993</b>
Unitholders' Funds	2,039,854
Perpetual Securities Holders	99,610
Non-Controlling Interest	277,302
<b>Net Assets</b>	<b>2,416,766</b>
<b>Units in Issue ('000 units)</b>	<b>1,688,862</b>



**1.21**

**Net Asset Value  
(NAV) per Unit (S\$)**



**1.18**

**Adjusted NAV per Unit  
(Net of Distribution) (S\$)**



# Healthy Financial Position<sup>1</sup>

	31 Dec 2023	30 Sep 2023
<b>Total Debt (S\$ million)</b>	1,956.4	2,015.7
<b>Gearing<sup>2</sup></b>	41.5%	42.4%
<b>Average Cost of Debt<sup>3</sup></b>	3.57%	3.55%
<b>Interest Coverage Ratio (ICR)<sup>4</sup></b>	3.3x	3.2x
<b>Adjusted ICR<sup>5</sup></b>	3.1x	3.0x
<b>Average Term to Maturity (years)</b>	3.5	3.5

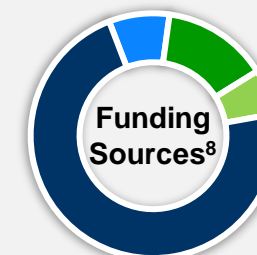
Notes:

- All key financial indicators exclude the effect of FRS 116 Leases.
- In accordance with the Property Funds Appendix, the aggregate leverage is calculated based on the proportionate share of total borrowings over deposited properties.
- Ratio of the consolidated interest expense for the respective financial year reflected over weighted average borrowings on balance sheet for that financial year.
- Ratio is calculated by dividing the trailing 12 months EBITDA over the trailing 12 months interest expense (exclude finance lease interest expenses under FRS 116) in accordance with MAS guidelines.
- The adjusted interest coverage includes the trailing 12 months perpetual securities distributions.
- Excludes Money Market Lines (MML) and onshore RMB loans.
- The fixed and floating ratio rose to 82%, reflecting the impact of the FTZ Bonds and Cross Currency Swap (CCS) on the total debt composition.
- Excludes MML.
- Includes CCS on SGD loans to RMB.
- Refers to the 3-year offshore FTZ bonds issued on 17 October 2023 at 3.80% p.a..
- Impact on the interest expense is based on outstanding SGD floating rate loans (excludes MML).
- Impact on the interest expense is based on outstanding RMB loans.
- Based on 1,689 million units and on unhedged borrowings as at 31 December 2023.
- Based on FY 2023 DPU of 6.74 S cents.

## Debt Profile as at 31 Dec 2023



- Fixed Rate<sup>7</sup> 82%
- Floating Rate 18%



- SGD Loans 72%
- SGD Bonds 8%
- RMB Loans<sup>9</sup> 14%
- RMB Bonds<sup>10</sup> 6%

### Impact of Interest Rate on Distributions

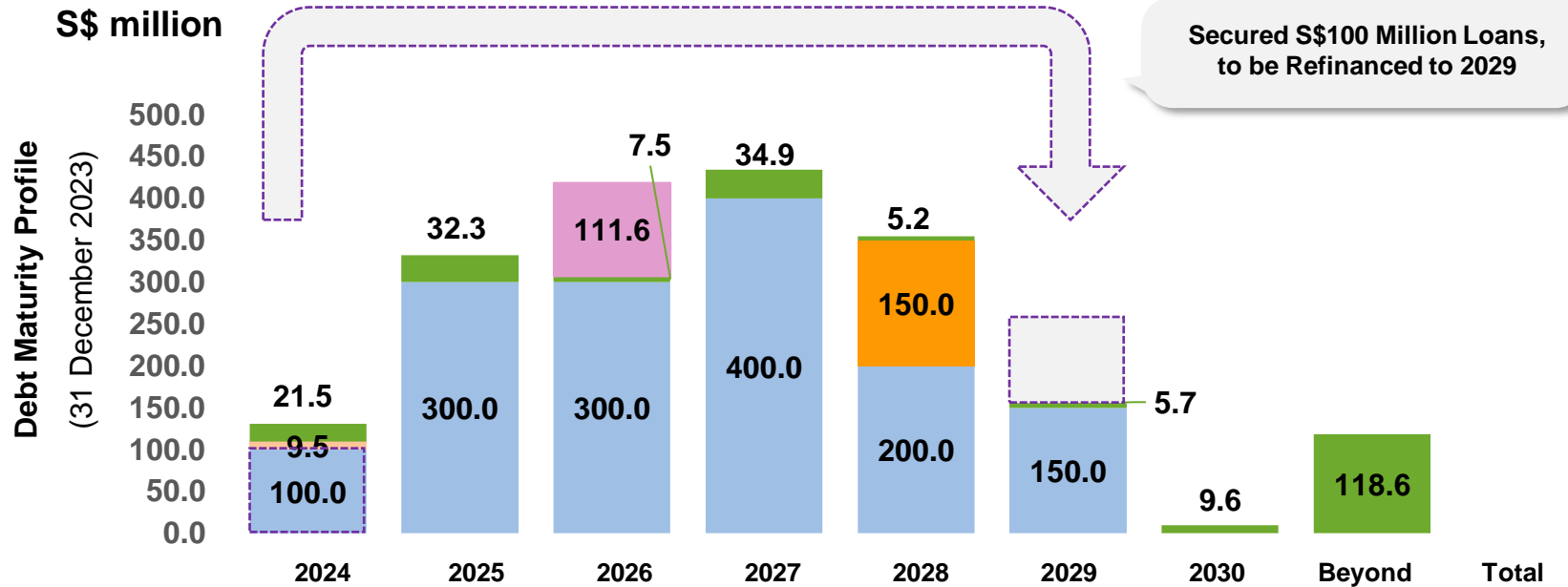
	Change in Variable Rate	Distribution Impact (p.a) (S\$ million)	DPU Impact (S cents) <sup>13</sup>	DPU Impact (%) <sup>14</sup>
SGD loans	+ 50 bps	- 1.5 <sup>11</sup>	- 0.09	- 1.3
RMB loans	- 50 bps	+ 1.2 <sup>12</sup>	+ 0.07	+ 1.0

### Impact of Interest Rates on ICR

Change in Variable Rate	ICR (x)
+50 bps	2.9

# Well-Staggered Maturity Profile

No Refinancing Requirements for 2024

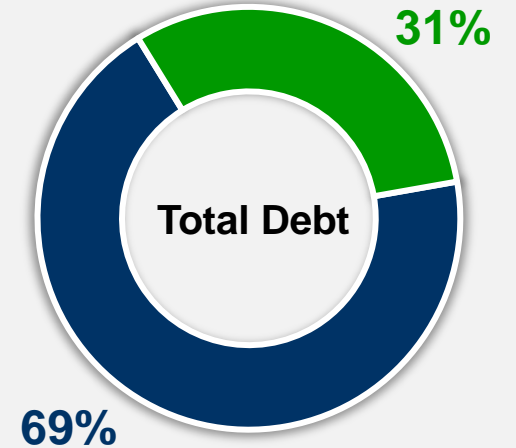


	2024	2025	2026	2027	2028	2029	2030	Beyond	Total
<b>Total Debt (S\$ million)</b>	131.0	332.3	419.1	434.9	355.2	155.7	9.6	118.6	1,956.4
<b>% of Total Debt maturing by end of the year</b>	6.7%	17.0%	21.4%	22.2%	18.2%	8.0%	0.5%	6.0%	100.0%

- Unsecured Offshore SGD Loan
- Secured Onshore RMB Loan
- Unsecured Offshore Money Market Line
- RMB Denominated FTZ bonds
- Notes under MTN Programme

## Increased Sustainability-Linked Loans

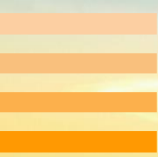
(FY 2022: 13%)



◆ Sustainability-Linked Loans

◆ Other Loans





# Portfolio Overview



Kunshan Bacheng Logistics Park, Kunshan, China

CapitalLand  
China Trust



# Strong Portfolio Operating Metrics<sup>1</sup>



## Retail<sup>2</sup>

**788,185**

Gross Floor Area (sq m)

**17.3**

Valuation (RMB billion)<sup>3</sup>

**98.2**

Occupancy (%)



## Business Park

**764,448**

Gross Floor Area (sq m)

**5.5**

Valuation (RMB billion)<sup>3</sup>

**91.0**

Occupancy (%)



## Logistics

**265,259**

Gross Floor Area (sq m)

**1.6**

Valuation (RMB billion)<sup>3</sup>

**82.0**

Occupancy (%)

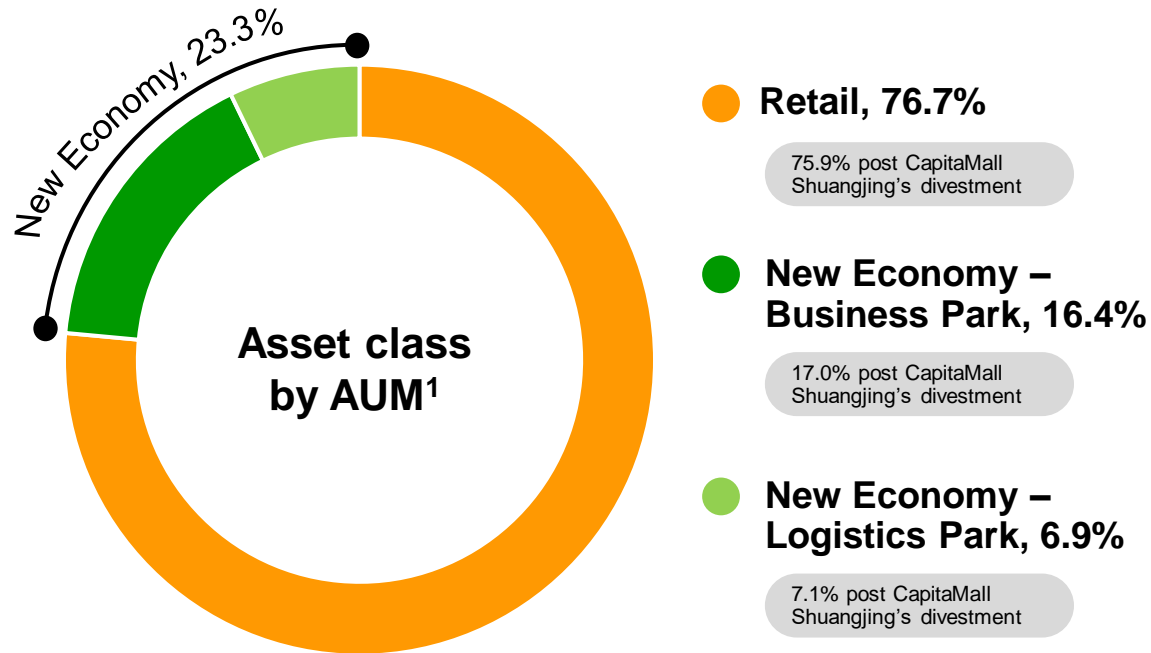
### Notes:

1. As at 31 December 2023 unless otherwise stated.
2. Retail Portfolio excludes CapitaMall Qibao and CapitaMall Shuangjing:
  - CapitaMall Qibao had ceased operations since end of March 2023.
  - The completion of CapitaMall Shuangjing's divestment was announced on 23 January 2024.
3. Based on valuation as at 31 December 2023 on a 100% basis.

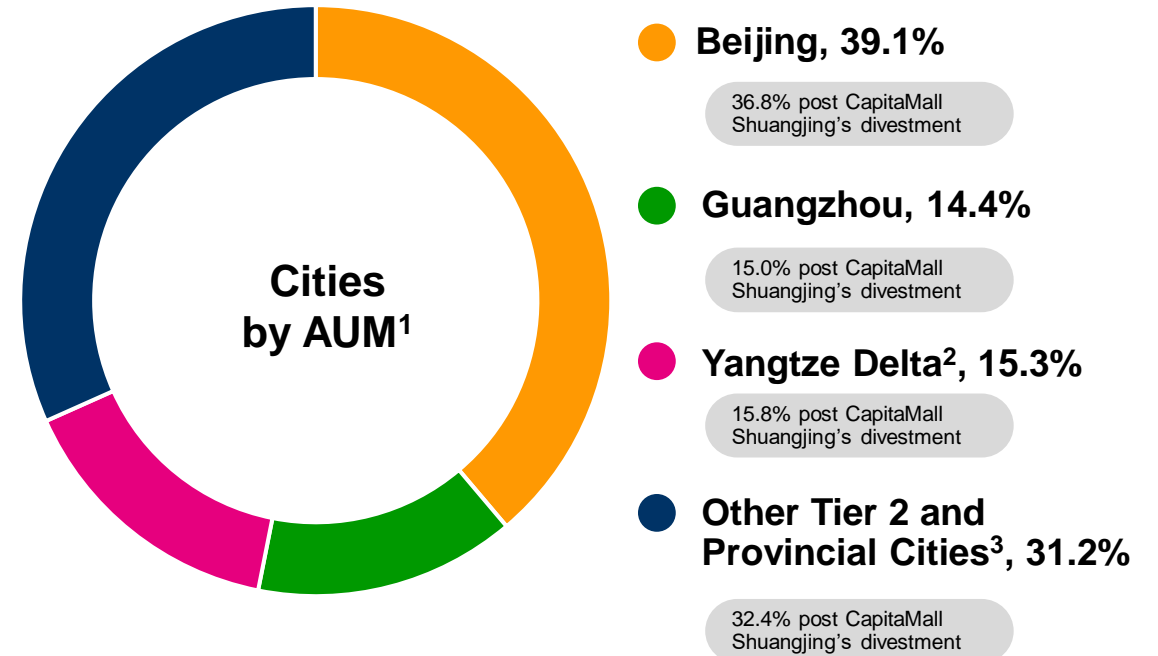


# Income Diversification by Asset Class and Geography

## Asset Class Diversification



## Geographical Diversification



Notes:

1. Based on effective stake as at 31 December 2023.
2. Including Shanghai, Suzhou, Kunshan and Hangzhou.
3. Including Changsha, Chengdu, Xi'an, Wuhan, Harbin and Hohhot.

# Strength in Portfolio Diversification and Quality

Enhanced Portfolio Stability with Broader Diversification - Less Exposed to Tenant Concentration Risks

**33.0%**

## Essential Sectors

Benefitting from prioritised spending on essential purchases

**20.8%**

## Growth Sectors

Benefitting from China's development in technology and innovation



**10.5%**

## Contribution by Top 10 Tenants<sup>2</sup>



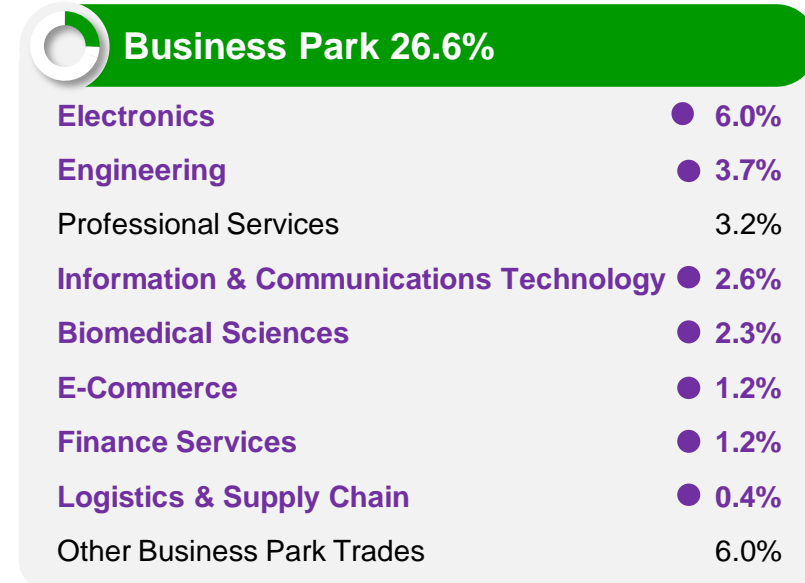
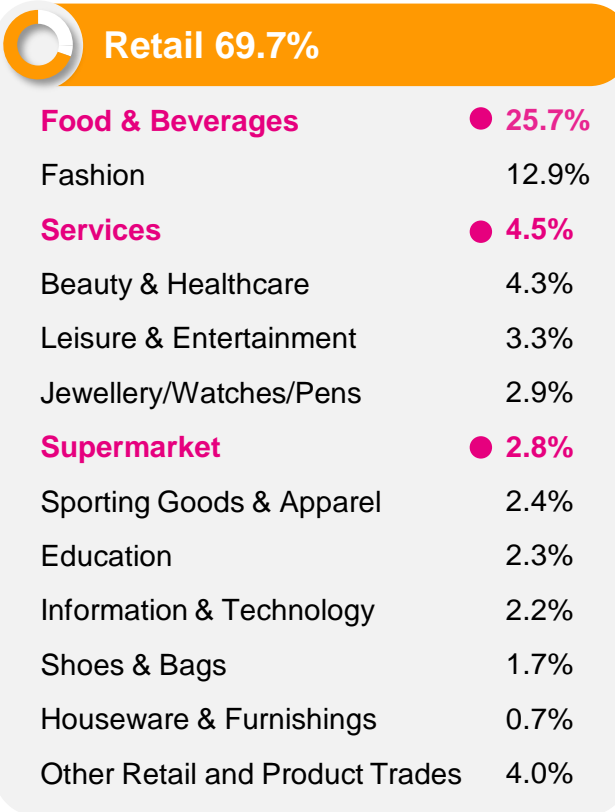
**2.2%**

## Contribution by Top Tenant<sup>2</sup>



### Notes:

1. Current portfolio refers to retail portfolio (excluding CapitaMall Qibao and CapitaMall Shuangjing) as well as new economy portfolio as at 31 December 2023 on a 100% basis.
2. By total rental income based on effective stake.

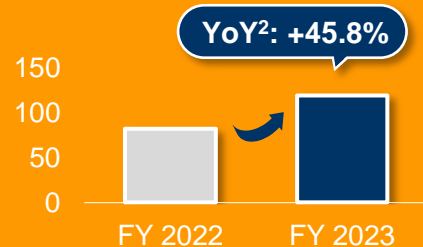




# Portfolio Shopper Traffic<sup>1</sup> and Tenant Sales<sup>1</sup>

Improvement Boosted by Improved Operating Conditions and post AEI Efforts

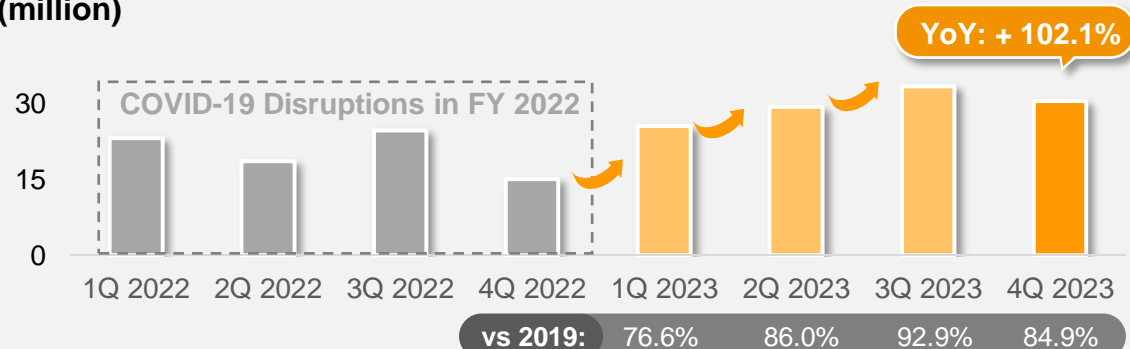
**FY YoY Shopper Traffic (million)**



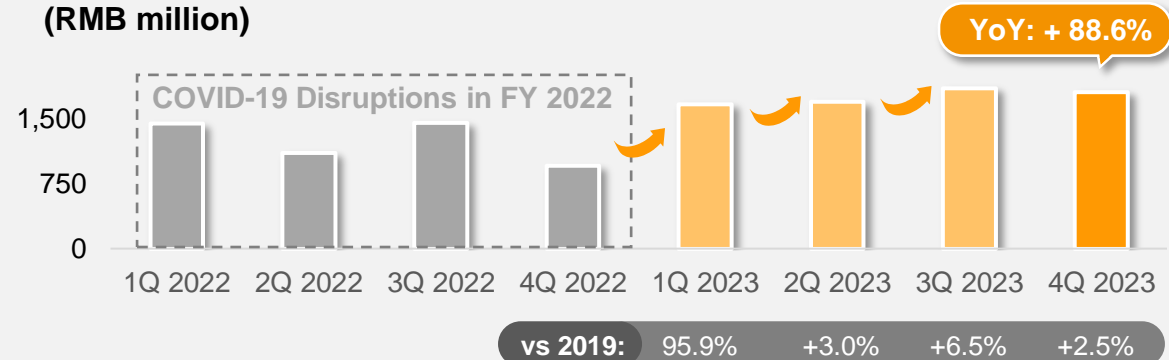
**FY YoY Tenant Sales (RMB million)**



**QoQ Shopper Traffic (million)**



**QoQ Tenant Sales (RMB million)**



## Positive 2H 2023 Momentum for Retail Portfolio

Compared to 1H 2023, 2H 2023 shopper traffic improved 16.3% while tenant sales grew 8.6%

Tenant sales exceeded 2019 levels

Performance of dominant malls:

FY 2023 (YoY)	Shopper Traffic	Tenant Sales
CapitaMall Xizhimen	+73.8%	+42.0%
Rock Square	+30.6%	+46.6%
CapitaMall Wangjing	+45.1%	+44.2%
CapitaMall Xuefu	+71.1%	+60.5%
CapitaMall Nuohemule	+73.6%	+57.4%

**Notes:**

- Shopper traffic and tenant sales are based on CLCT's respective holding period of its multi-tenanted assets (namely CapitaMall Xizhimen, Rock Square, CapitaMall Wangjing, CapitaMall Grand Canyon, CapitaMall Xinnan, CapitaMall Nuohemule, CapitaMall Xuefu, CapitaMall Aidemengdun and CapitaMall Yuhuating). Shopper traffic and tenant sales exclude CapitaMall Qibao as the mall had ceased operations since end of March 2023.
- Comparing YoY for FY 2023 to FY 2019, on a comparable portfolio basis and period (excluding CapitaMall Xuefu, CapitaMall Aidemengdun and CapitaMall Yuhuating prior to acquisition in September 2019):
  - FY 2023 shopper traffic recovery is at 86.6% while FY 2023 tenant sales increased +6.3%.
- Excluding automobile sales, FY 2023 tenant sales would have increased 35.5% YoY.

# Retail Performance Highlights

**FY 2023 Retail Rental Reversion: +0.2%**

**Portfolio Occupancy Cost<sup>1</sup> Trending towards Healthy Range**

Range between high teens to low 20%

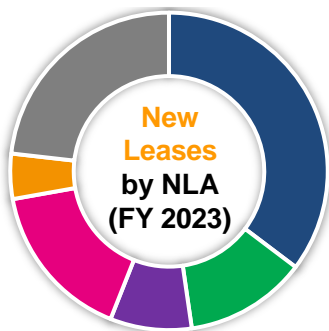
**Leasing Activities Gaining Momentum**

New leases signed in FY 2023 increased ~90% YoY, boosted by active AEI efforts

**Achieved Highest Retail Portfolio Occupancy since 2019**

Retail occupancy surpassed 98%, supported by active AEI and portfolio reconstitution efforts.

## Bringing in New Tenants Across Trade Sectors



- Food & Beverages, **35.3%**
- Supermarket, **16.2%**
- Fashion, **12.4%**
- Sporting Goods & Apparel, **4.6%**
- Leisure & Entertainment, **8.3%**
- Others, **23.2%**

Note:

1. Excludes department store and supermarket.

## Double-Digit Tenant Sales Increase for Key Trade Sectors in FY 2023



**+47.5%**

Food & Beverage



**+35.8%**

Beauty & Health



**+49.3%**

Jewellery & Watches



**+77.4%**

Leisure & Entertainment



**+52.0%**

IT & Telecommunications



# New Economy Performance Highlights

## Business Park

Contributes 16.4% of Portfolio AUM

Reversion: +1.6%

### Business Park Leasing Insights

- New supply and weaker business sentiments impacted leasing activity and tenancy uptake
- Implementing targeted leasing strategies:

**Ascendas Xinsu Portfolio:** Targeting and retaining sectors poised for robust growth (e.g. Electronics and Engineering)

**SHSTP I & II:** Capturing demand from professional services and other industries that will benefit from the consumption recovery (e.g. Pet Care and Elderly Care)

**AIT & AIH:** Secured property tax incentives with incubator fund status for 2023 and 2024. To prioritise R&D and tech-innovation tenants eligible for the incentive programme.

## Logistics Park

Contributes 6.9% of Portfolio AUM

Reversion: -20.5%

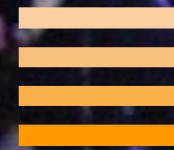
### Logistics Park Leasing Insights

- Market rentals were impacted by new supply, subdued economic activities and higher tenant incentives
- Focus on tenant retention and driving occupancy rates
- Collaborating with government agencies and tenant community to strengthen demand pipeline





# Looking Forward



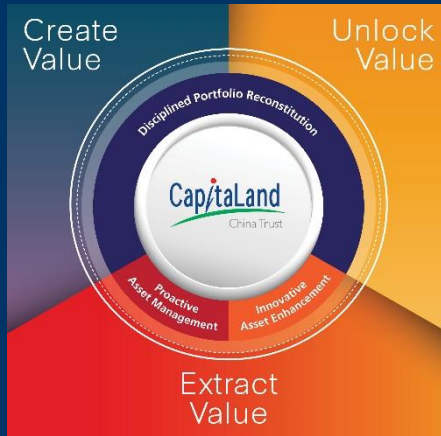
CapitaMall Xinnan, Chengdu, China

CapitaLand  
China Trust



# CLCT's Focus

## Positioned and aligned to China's Long-Term Growth



### Guided by our Create, Unlock and Extract Strategy:

- ✓ **Create:** Increase diversification and resilience of revenue streams and seek yield accretive acquisition
- ✓ **Unlock:** Monetised 6 of 7 IPO assets to-date, reducing exposure to mature, non-core assets while reinvesting into higher growth opportunities
- ✓ **Extract:** Continue conducting well-timed AEIs and unit reconfigurations while driving organic growth through customer-centric initiatives

**Maintain strong balance sheet through disciplined capital management and use of appropriate hedging instruments**

## C-REIT Developments



In March 2023, the PRC government expanded the scope of C-REITs to include consumption infrastructure projects, including retail malls under the umbrella of C-REITs.

- 3 retail C-REITs have listed in 2024.



This opening of the C-REIT market presents an additional platform through which we can monetise our assets and execute our reconstitution strategy. Together with our Sponsor, we are evaluating the participation in this growing market to extract value for unitholders.

## Advancing towards a Multi-Asset Diversified Portfolio:

Prioritise Portfolio Strengthening and Rebalancing

# Optimising Portfolio to Enhance Returns

Completed: Space Reconfiguration at B1 of CapitaMall Grand Canyon

**B1** Completed



## CapitaMall Grand Canyon

Following successful launch of L1 AEI area in July, B1 AEI area reopened in December 2023

- ✓ 100% opening rate with around 60 popular F&B outlets and trendy retail & lifestyle stores
- ✓ First 30 days of opening: Traffic and GTO (exclude EV) increased 20% and 60% over November 2023.<sup>1</sup>



**100%**

Opening of B1 AEI area in December 2023



**~50%**

Increase in Rental Income for AEI area

Note:

1. MoM comparison is based on November 2023 vs first 30 days after B1 AEI area is fully reopened (15 December 2023 to 14 January 2023).



# Timely Divestment of CapitaMall Shuangjing

**842.0**

Agreed Price  
(RMB million)

**2.8**

Exit Yield (%)

**January  
2024**

Completion of  
Divestment

## Benefits of the Transaction



In line with the CLCT's proactive portfolio management strategy to **divest non-core, mature assets to optimise portfolio composition and enhance its returns** to Unitholders



Strengthen balance sheet and financial capacity. If the proceeds from the divestment of CapitaMall Shuangjing was received and used to pare down debt, CLCT's gearing would have improved to approximately 40% as at 31 December 2023.



Allow CLCT to **unlock cash value**, without incurring major capital expenditure and avoiding refurbishment downtime in the near future



Exit yield of 2.8%



**No remaining master-leased mall** within CLCT's portfolio post divestment

# Business Outlook

- At the recent 2024 “Two Sessions” meeting held in March, the Chinese government announced a GDP growth target of “around 5%”, as well as to create more than 12 million new jobs and boost income<sup>1</sup>.
- For fiscal policy, the government intend to have a 3% official on-budget deficit ratio, RMB 1 trillion of central government special bond issuance and RMB 3.9 trillion of local government special bond issuance<sup>2</sup>.
- Chinese policymakers continued to stress "risk and security" and "green and technology" as the cornerstones of China's high-quality development model<sup>3</sup>. As the Chinese government remains committed to steering the economy towards high-quality development, with a strategic emphasis on bolstering consumption, fostering industrial advancement, and driving technological progress<sup>4</sup>, CLCT's chosen asset classes are strategically positioned to align with and benefit from these progressive policy directives.

## Notes:

1. Nikkei Asia, China sets GDP growth target of 'around 5%' for 2024, 5 March 2024
2. Goldman Sachs, China: Two Sessions Comment 1: Government Work Report: 2024 economic targets in line with expectations, 5 March 2024
3. Goldman Sachs, China: Three Things in China, 11 March 2024
4. Bloomberg, Decoding Xi's New Catchphrase Aimed at Reviving China's Economy, 18 March 2024
5. Colliers International, Independent Market Research



## Retail

- ✓ CLCT positioned to ride growth of domestic consumption with the completed AEs and unit reconfigurations in 2023

**Action plan:** CLCT to continuously strengthen mall positioning, while seeking to divest mature and non-core retail assets



## Business Park

- ✓ While the current business climate remains cautious, recent governmental policies signal stronger support for key technology sectors. Our business parks are positioned favourably to capture opportunities in this evolving landscape.

**Action plan:** CLCT to implement asset-specific leasing strategies to retain and attract business park tenants



## Logistics Park

- ✓ Continued supply pressure and weaker logistics demand is expected to result in higher vacancy rates in the short term, potentially impacting rental growth in 2024<sup>5</sup>.

**Action plan:** CLCT to prioritise tenant retention and occupancy, given supply pressure.





# Thank you

For enquiries, please contact: Ms Nicole Chen, Investor Relations  
Direct: (65) 6713 1648, Email: nicole.chen@capitaland.com  
**CapitaLand China Trust Management Limited (<https://www.clct.com.sg>)**  
168 Robinson Road, #30-01 Capital Tower, Singapore 068912  
Tel: (65) 6713 2888, Fax: (65) 6713 2999

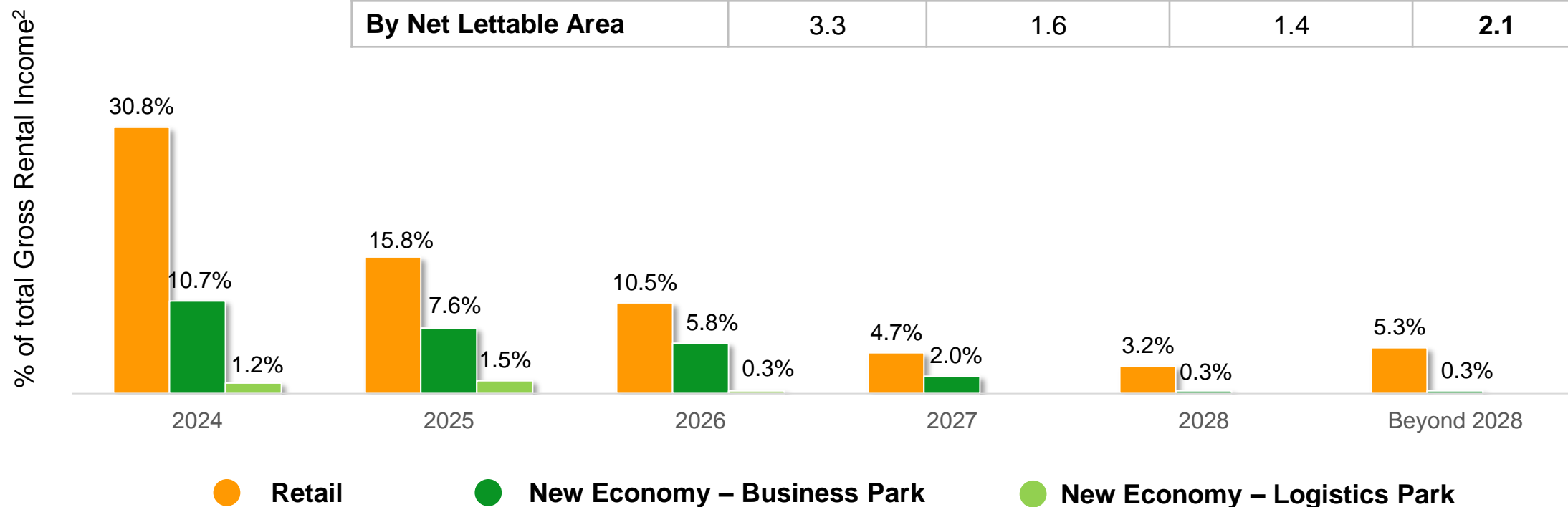
CapitaMall Xuefu, Harbin, China



# Portfolio Lease Expiry Profile

## Lease Expiry Profile<sup>1</sup>

WALE (years)	Retail	Business Park	Logistics Park	Portfolio
By Gross Rental Income <sup>2</sup>	2.0	1.6	1.4	1.9
By Net Lettable Area	3.3	1.6	1.4	2.1



Notes:

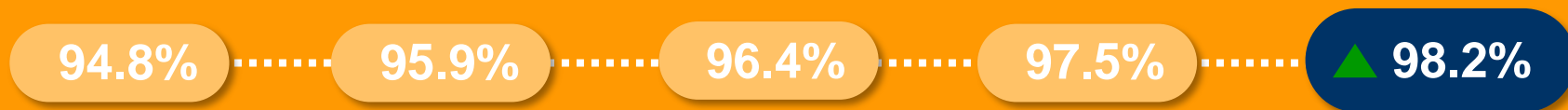
1. Based on committed leases as at 31 December 2023. Excludes CapitaMall Shuangjing which was divested in January 2024.
2. Excludes gross turnover rent.



# Improving Retail Occupancy to 98.2%<sup>1</sup>

All Retail Properties Improved Occupancy YoY; Highest Retail Portfolio Occupancy since December 2019<sup>2</sup>

## Occupancy of Retail Portfolio<sup>3</sup>



Investment Property	31-Dec-22	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23
CapitaMall Xizhimen	98.7%	97.9%	98.4%	99.0%	99.5%
Rock Square	93.9%	96.4% <sup>4</sup>	97.5%	97.5%	98.9%
CapitaMall Wangjing	93.4%	95.0%	94.0%	95.5%	96.2%
CapitaMall Grand Canyon	93.4%	94.1% <sup>4</sup>	94.8% <sup>4</sup>	97.3% <sup>4</sup>	97.2%
CapitaMall Xuefu	98.2%	98.2%	97.4%	98.6%	99.8%
CapitaMall Xinnan	86.2%	90.8%	93.7%	95.3%	95.5%
CapitaMall Nuohemule	98.6%	99.2%	99.9%	99.9%	99.9%
CapitaMall Yuhuating	95.0% <sup>4</sup>	93.6%	95.4%	97.1%	98.8%
CapitaMall Aidemengdun	91.6%	95.0%	93.4%	95.0%	95.9%

Notes:

1. Based on committed leases as at 31 December 2023.
2. Excluding CapitaMall Minzhongleyuan as its operations were under review. The mall completed its divestment on 10 February 2021.
3. Retail Portfolio occupancy excludes CapitaMall Qibao and CapitaMall Shuangjing:
  - CapitaMall Qibao had ceased operations since end of March 2023.
  - The completion of CapitaMall Shuangjing's divestment was announced on 23 January 2024. Including CapitaMall Shuangjing, occupancy of the retail portfolio would be 95.4% (December 2022), 96.4% (March 2023), 96.8% (June 2023) and 97.8% (September 2023).
4. Excludes area undergoing AEI.

# Retail Portfolio Lease Expiry Profile

## Lease Expiry Profile for 2024<sup>1</sup>

Investment Property	No. of Leases	% of Total Gross Rental Income <sup>2,3</sup>	% of Total Net Lettable Area <sup>4</sup>
CapitaMall Xizhimen	171	46.8%	31.8%
Rock Square	107	35.8%	21.7%
CapitaMall Wangjing	138	41.5%	26.6%
CapitaMall Grand Canyon	90	33.1%	24.6%
CapitaMall Xuefu	321	55.8%	43.8%
CapitaMall Xinnan	121	52.2%	40.7%
CapitaMall Nuohemule	178	53.9%	34.7%
CapitaMall Yuhuating	120	29.2%	18.9%
CapitaMall Aidemengdun	122	59.8%	42.1%

Notes:

1. Based on committed leases as at 31 December 2023.
2. Excludes gross turnover rent.
3. As a percentage of each respective mall's contractual monthly gross rental income as at 31 December 2023.
4. As a percentage of each respective mall's committed net lettable area as at 31 December 2023.



# Retail Portfolio Lease Expiry Profile

## Lease Expiry Profile by Year<sup>1</sup>

Year	No. of Leases	% of Total Gross Rental Income <sup>2,3</sup>	% of Total Net Lettable Area <sup>4</sup>
2024	1,368	43.8%	31.5%
2025	453	22.5%	17.7%
2026	259	14.9%	15.6%
2027	98	6.7%	8.7%
2028	57	4.5%	5.4%
Beyond 2028	66	7.6%	21.1%

### Weighted Average Lease Expiry (years)

**2.0**

By Gross Rental Income<sup>2</sup>

**3.3**

By Net Lettable Area

Notes:

1. Based on committed leases as at 31 December 2023. Excludes CapitaMall Qibao as the mall had ceased operations since end of March 2023, and CapitaMall Shuangjing which has been divested.
2. Excludes gross turnover rent.
3. As a percentage of monthly contractual gross rental income as at 31 December 2023.
4. As a percentage of monthly committed net lettable area as at 31 December 2023.

# Curating Retail Experiences with the Latest Trends

## Redefining the Pet Care Experience

Tap on the growing demand for pet care products and services as more owners are prioritising the well-being of their pets.



### 奇宠岛, CapitaMall Wangjing

Open-display concept store that allows shoppers to observe and interact with a variety of pets including hamsters, rabbits and birds, offering a unique experience for young families.



## Enhancing the Mall's Dining Haven

Increase food offerings to delight shoppers seeking international flavours.



### 泰熙家 and 皮马聊, CapitaMall Xinnan

Diverse international fast-food eateries including Korean and Thai stir-fry that cater to the young shoppers' preference for quick and convenient meals.

## Tapping on the Growing Snack Market

Capitalise on the rising appetite for innovative snacks, with more shoppers seeking on-the-go food choices while they shop.



### Potato Sets, CapitaMall Grand Canyon

First Store in Beijing

Offers a variety of interesting potato snacks, providing customers with a diverse selection of treats.





# Creating Immersive Lifestyle Experiences



We strive to provide memorable retail experiences that align with our sustainable values for a **greener, healthier and more inclusive society**



## Charity Sale

**CapitaMall Xuefu** hosted a charity sale, dedicating all proceeds to support children battling leukemia. This event raised awareness for a vital cause while actively engaging our shoppers in a meaningful endeavour.



## Cycling Marathon

**CapitaMall Xinnan**, in collaboration with Muchbike, championed a healthier lifestyle by hosting an exhilarating 3-hour cycling marathon. This event successfully brought together 120 passionate cycling enthusiasts, fostering community spirit and fitness awareness.



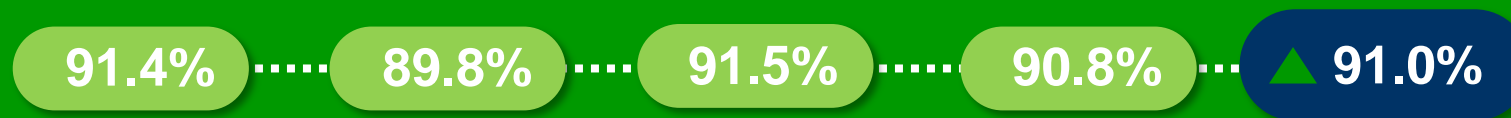
## Christmas Showcase

**CapitaMall Yuhuating** was transformed into a winter wonderland, featuring a showcase of lights and exhilarating performances, creating an inviting atmosphere for the community to embrace the joy and wonder of the Christmas season.



# Maintaining Business Park Occupancy at 91.0%<sup>1</sup>

## Occupancy of Business Park Portfolio



Investment Property	31-Dec-22	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23
<b>Ascendas Xinsu Portfolio</b>	96.6%	96.5%	96.7%	97.4%	97.5%
<b>Ascendas Innovation Towers</b>	87.8%	89.5%	92.0%	87.7%	90.1%
<b>Ascendas Innovation Hub</b>	95.1%	90.2%	89.9%	88.8%	89.0%
<b>Singapore-Hangzhou Science Technology Park Phase I</b>	78.5%	72.0%	75.0%	73.9%	72.4%
<b>Singapore-Hangzhou Science Technology Park Phase II</b>	89.1%	85.5%	90.5%	89.1%	89.0%

Note:

1. Based on committed leases as at 31 December 2023.



# Business Park Portfolio Lease Expiry Profile

## Lease Expiry Profile By Year<sup>1</sup>

Year	No. of Leases	% of Total Gross Rental Income <sup>2</sup>	% of Total Net Lettable Area <sup>3</sup>
2024	274	40.1%	39.7%
2025	189	28.6%	28.4%
2026	150	21.8%	20.9%
2027	9	7.4%	8.8%
2028	8	1.1%	1.2%
Beyond 2028	6	1.0%	1.0%

### Weighted Average Lease Expiry (years)

**1.6**

By Gross Rental Income

**1.6**

By Net Lettable Area

Notes:

1. Based on committed leases as at 31 December 2023.
2. As a percentage of monthly effective gross rental income as at 31 December 2023.
3. As a percentage of monthly committed net lettable area as at 31 December 2023.

# Nurturing our Business Park Community



Our sustainability extends to nurturing our business park community. By incorporating sustainable practices into our tenant engagement activities, we aim to foster **environmental consciousness and social responsibility**.



## Eco-Green Run

Arranged an 8km eco-green run at Ascendas Xinsu Portfolio to raise awareness about reducing carbon footprints, attracting the participation of 150 tenants and their family members.



## First Aid Course

Organised a health talk at **Ascendas Innovation Hub** and **Ascendas Innovation Towers** aimed at providing vital knowledge on disease prevention, contributing to the overall well-being of the community.



## Halloween Party

Hosted a Halloween-themed event at **SHSTP Phase I and II**, featuring exciting games, makeup booths, and engaging DIY activities, creating a memorable experience for approximately 300 participants.



# Logistics Park Occupancy of 82.0%<sup>1</sup>

Investment Property	31-Dec-22	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23
Shanghai Fengxian Logistics Park	98.6%	98.6%	98.6%	98.6%	60.3%
Kunshan Bacheng Logistics Park	99.2%	99.2%	99.2%	99.1%	98.5%
Wuhan Yangluo Logistics Park	99.7%	99.7%	99.7%	99.7%	99.7%
Chengdu Shuangliu Logistics Park	88.1%	84.8%	67.5%	67.8%	67.8%

Note:

1. Based on committed leases as at 31 December 2023.



# Logistics Park Portfolio Lease Expiry Profile

## Lease Expiry Profile By Year<sup>1</sup>

Year	No. of Leases	% of Total Gross Rental Income <sup>2</sup>	% of Total Net Lettable Area <sup>3</sup>
2024	25	40.4%	40.0%
2025	17	50.6%	53.7%
2026	2	9.0%	6.3%

### Weighted Average Lease Expiry (years)

**1.4**

By Gross Rental Income

**1.4**

By Net Lettable Area

Notes:

1. Based on committed leases as at 31 December 2023.
2. As a percentage of monthly effective gross rental income as at 31 December 2023.
3. As a percentage of monthly committed net lettable area as at 31 December 2023.

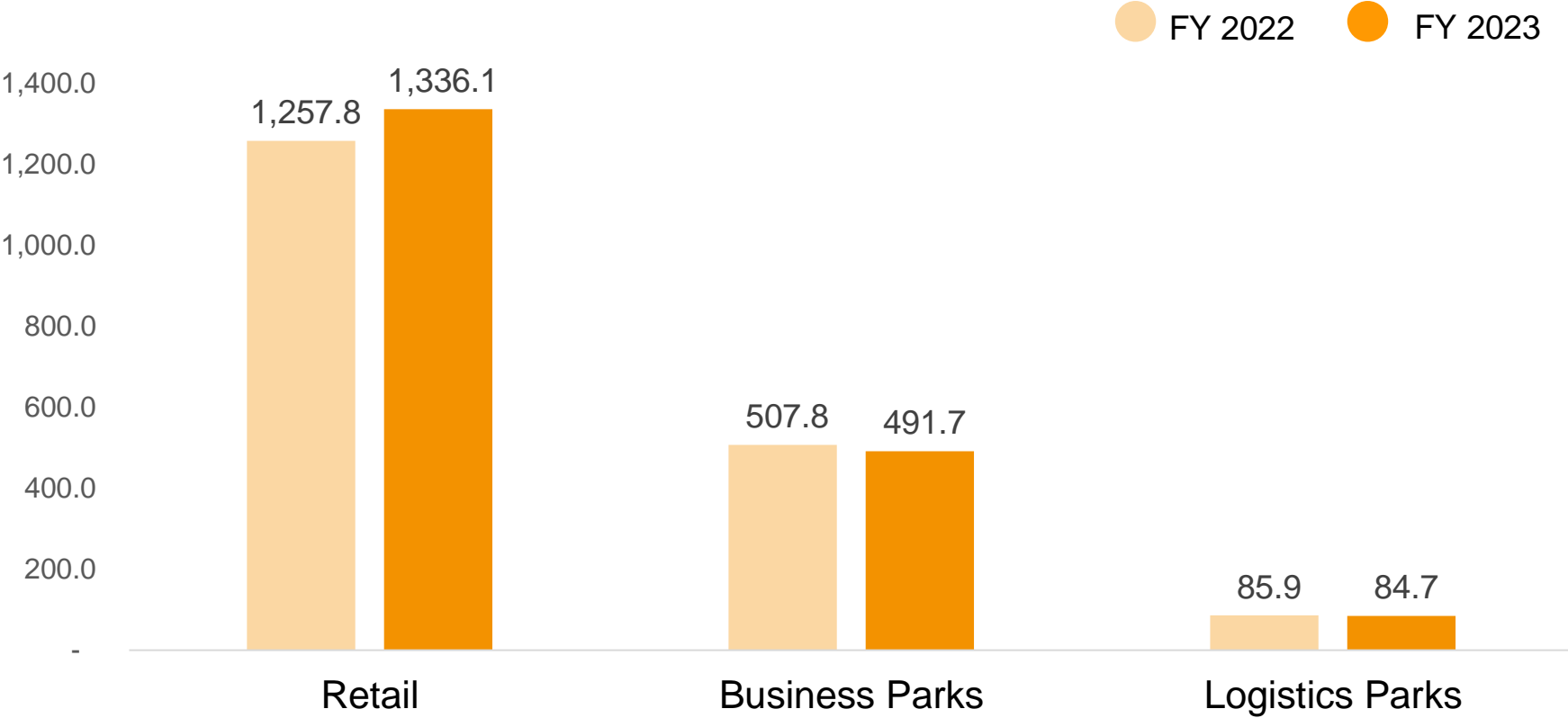
# Gross Revenue (in RMB'mil)

**Portfolio<sup>1</sup>**

**FY 2023**  
**1,912.5**  
**RMB mil**  
 3.3% YoY

---

**FY 2022**  
**1,851.5**  
**RMB mil**



Note:  
 1. Presented based on 100% interest.

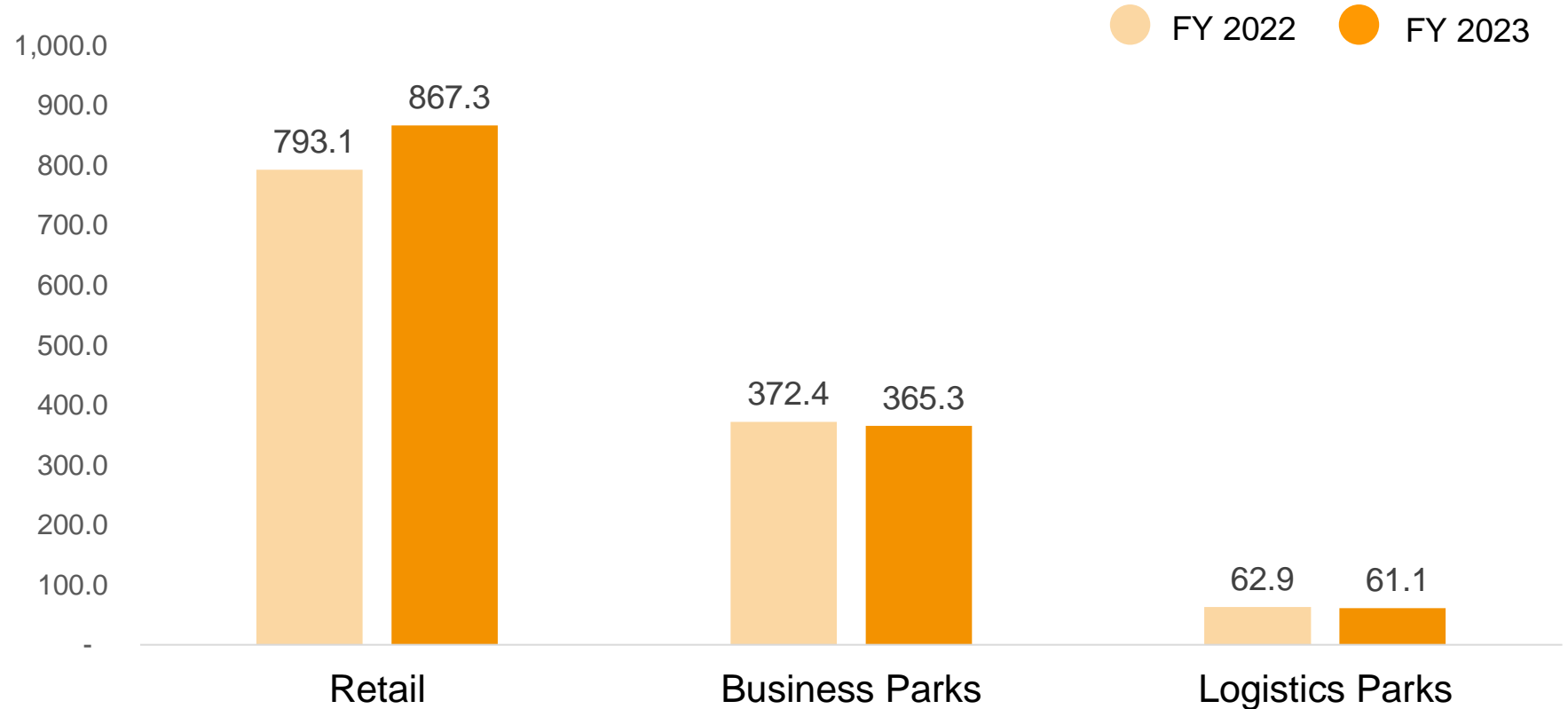
# Net Property Income (in RMB'mil)

**Portfolio<sup>1</sup>**

**FY 2023**  
**1,293.7**  
RMB mil  
↑ 5.3% YoY

---

**FY 2022**  
**1,228.4**  
RMB mil



Note:  
1. Presented based on 100% interest.



# Portfolio at a Glance<sup>1</sup>

	CapitaMall Xizhimen 凯德MALL·西直门	Rock Square 乐峰广场	CapitaMall Wangjing 凯德MALL·望京	CapitaMall Grand Canyon 凯德MALL·大峡谷	CapitaMall Xuefu 凯德广场·学府
<b>Location</b>	Beijing	Guangzhou	Beijing	Beijing	Harbin
<b>GFA (sq m)</b>	83,075	88,279	83,768	92,918	123,811
<b>GRA (sq m)</b>	83,075	83,591	68,010	69,967	104,294
<b>NLA (sq m)</b>	50,673	52,321	45,407	39,588	64,281
<b>Land Use Right Expiry</b>	23 Aug 2044 23 Aug 2054	17 Oct 2045	15 May 2043 15 May 2053	29 Aug 2044 29 Aug 2054	15 Dec 2045
<b>Valuation (RMB mil)<sup>2</sup></b>	3,668	3,410	2,844	1,883	1,789
<b>Committed Occupancy</b>	99.5%	98.9%	96.2%	97.2%	99.8%
<b>Stake</b>	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

1. As at 31 December 2023.
2. Based on valuation on a 100% basis as at 31 December 2023.

# Portfolio at a Glance<sup>1</sup>

	CapitaMall Xinnan 凯德广场·新南	CapitaMall Nuohemule 凯德广场·诺和木勒	CapitaMall Yuhuating 凯德广场·雨花亭	CapitaMall Aidemengdun 凯德广场·埃德蒙顿	CapitaMall Shuangjing <sup>3</sup> 凯德MALL·双井
<b>Location</b>	Chengdu	Hohhot	Changsha	Harbin	Beijing
<b>GFA (sq m)</b>	91,816	100,047	75,431	49,040	49,463
<b>GRA (sq m)</b>	53,619	76,309	62,080	43,394	49,463
<b>NLA (sq m)</b>	36,919	44,188	44,228	28,324	49,568
<b>Land Use Right Expiry</b>	17 Oct 2047	26 Jul 2049	03 Mar 2044	7 Sep 2042	10 Jul 2042
<b>Valuation (RMB mil)<sup>2</sup></b>	1,460	1,030	802	402	842
<b>Committed Occupancy</b>	95.5%	99.9%	98.8%	95.9%	N.M
<b>Stake</b>	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

1. As at 31 December 2023.
2. Based on valuation on a 100% basis as at 31 December 2023.
3. CLCT has on the 6 December 2023 announced the divestment of the SPV holding CapitaMall Shuangjing at the agreed property price of RMB842.0 million. Consequently, CLCT has recognised a fair value uplift for CapitaMall Shuangjing to RMB842.0 million. The completion of CapitaMall Shuangjing's divestment was announced on 23 January 2024.

# Portfolio at a Glance<sup>1</sup>

	Ascendas Xinsu Portfolio 腾飞新苏	Ascendas Innovation Towers 新加坡腾飞科汇城	Ascendas Innovation Hub 腾飞创新中心	Singapore-Hangzhou Science Technology Park Phase I 新加坡杭州科技园一期	Singapore-Hangzhou Science Technology Park Phase II 新加坡杭州科技园二期
<b>Location</b>	Suzhou	Xi'an	Xi'an	Hangzhou	Hangzhou
<b>GFA (sq m)</b>	373,334	118,495	40,547	101,811	130,261
<b>NLA (sq m)</b>	348,797	95,844	36,288	101,450	130,161
<b>Land Use Right Expiry</b>	31 Dec 2046 to 30 May 2057 <sup>3</sup>	19 Feb 2064	23 May 2051	4 Sep 2056	6 Jul 2060
<b>Valuation (RMB mil)<sup>2</sup></b>	2,340	902	353	824	1,043
<b>Committed Occupancy</b>	97.5%	90.1%	89.0%	72.4%	89.0%
<b>Stake</b>	51.0%	100.0%	80.0%	80.0%	80.0%

Notes:

1. As at 31 December 2023.
2. Based on valuation on a 100% basis as at 31 December 2023.
3. Ascendas Xinsu Portfolio consists of multiple plots of land with varying land use right expiry.



# Portfolio at a Glance<sup>1</sup>

	Shanghai Fengxian Logistics Park 上海奉贤物流园	Kunshan Bacheng Logistics Park 昆山巴城物流园	Wuhan Yangluo Logistics Park 武汉阳逻物流园	Chengdu Shuangliu Logistics Park 成都双流物流园
<b>Location</b>	Shanghai	Kunshan	Wuhan	Chengdu
<b>GFA (sq m)</b>	62,785	43,945	86,973	71,556
<b>Land Use Right Expiry</b>	20 July 2059	16 June 2064	14 July 2064	25 April 2062
<b>Valuation (RMB mil)<sup>2</sup></b>	598	327	357	348
<b>Committed Occupancy</b>	60.3%	98.5%	99.7%	67.8%
<b>Stake</b>	100.0%	100.0%	100.0%	100.0%

Notes:

1. As at 31 December 2023.
2. Based on valuation on a 100% basis as at 31 December 2023.