



CAPITALAND CHINA TRUST

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

28 March 2024

To: The unitholders of CapitaLand China Trust

Dear Sir/Madam

1. INTRODUCTION

1.1 Summary

We refer to the proposed Ordinary Resolution 2 ("**Resolution 2**") under the "Ordinary Business" section of the notice dated 28 March 2024 convening the annual general meeting ("**AGM**") of CapitaLand China Trust ("**CLCT**", and the notice, the "**Notice of AGM**") to be held at Big Picture Theatre, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 and using virtual meeting technology on Monday, 22 April 2024 at 3.30 p.m. (Singapore Time).

Resolution 2 relates to the proposed appointment of Deloitte & Touche LLP ("**Deloitte & Touche**") as the auditors of CLCT, to hold office until the conclusion of the next AGM of CLCT, in place of the retiring auditors of CLCT, KPMG LLP ("**KPMG**"), and to authorise CapitaLand China Trust Management Limited, as manager of CLCT (the "**Manager**") to fix the auditors' remuneration (the "**Proposed Change of Auditors**").

1.2 This Letter

The purpose of this Letter is to provide the holders of the units in CLCT ("**Units**", and the holders of the Units, "**Unitholders**") with information relating to the above proposal which will be tabled at the AGM.

1.3 Advice to Unitholders

Unitholders should note that by approving Resolution 2 relating to the Proposed Change of Auditors, they will be approving the appointment of Deloitte & Touche as auditors of CLCT in place of KPMG as the retiring auditors of CLCT, and they will be authorising the Manager to fix their remuneration.

If a Unitholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

1.4 Singapore Exchange Securities Trading Limited ("SGX-ST**")**

The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Letter.

2. RATIONALE FOR THE PROPOSED CHANGE OF AUDITORS

2.1 Retirement of KPMG as auditors

KPMG, the retiring auditors, has served as the auditors of CLCT for 17 years since 2006. As part of CLCT's ongoing good corporate governance initiatives, the directors of the Manager (the "**Directors**") are of the view that it would be timely to effect a change in auditors with effect from the financial year ending 31 December 2024. Further, CapitaLand Investment Limited, as the sponsor of CLCT, is similarly proposing to change their auditors from KPMG to Deloitte & Touche.

Deloitte & Touche was selected for the proposed appointment after the audit and risk committee of the Manager (the "**ARC**") invited and evaluated competitive proposals from various audit firms. The ARC does not comprise former partners of Deloitte & Touche (a) within a period of two years commencing from the date of their ceasing to be partners of Deloitte & Touche; or (b) who have any financial interest in Deloitte & Touche.

The ARC reviewed and deliberated on the proposals received from each of the audit firms, taking into consideration the audit quality indicators listed in the Audit Quality Indicators Disclosure Framework issued by the Accounting and Corporate Regulatory Authority ("**ACRA**") and the criteria for the evaluation and selection of external auditors contained in the Guidebook for Audit Committees in Singapore, including factors such as the adequacy of the resources and experience of the audit firm to be selected and the audit engagement partner to be assigned to the audit, the audit firm's other engagements, the size and complexity of CLCT and its subsidiaries and the number and experience of supervisory and professional staff to be assigned. After evaluation, the ARC recommended that Deloitte & Touche be selected for the proposed appointment as new auditors of CLCT.

In reviewing and deliberating on the Proposed Change of Auditors, the ARC is also satisfied that the requirements of Rule 712(1), Rule 712(2) and Rule 715 of the Listing Manual of the SGX-ST (the "**Listing Manual**") will be complied with. For the purpose of Rule 715(1) of the Listing Manual, Deloitte & Touche will also be appointed for all of CLCT's Singapore-incorporated subsidiaries. Pursuant to Rule 715(2) of the Listing Manual, CLCT must engage a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies. Deloitte Touche Tohmatsu Certified Public Accountants LLP will audit the financials of CLCT's significant foreign-incorporated subsidiaries. CLCT has no significant foreign-incorporated associated companies.

The Directors have taken into account the ARC's recommendation, including the factors considered in their evaluation, and are satisfied that Deloitte & Touche will be able to meet the audit requirements of CLCT. Accordingly, the Directors recommend the appointment of Deloitte & Touche as the auditors of CLCT in place of the retiring auditors, KPMG.

The scope of audit services to be provided by Deloitte & Touche will be comparable to those currently provided by KPMG.

2.2 Information on Deloitte

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and legal, and related services. With more than 175 years of resolve and commitment to making a real difference, the Deloitte network has grown over the years in scale and diversity to its present size – approximately 457,000 people in 150 countries and territories, providing these services – yet its shared culture remains the same. Deloitte serves four out of five Fortune Global 500[®] companies.

LETTER TO UNITHOLDERS DATED 28 MARCH 2024 IN RELATION TO RESOLUTION 2

In Singapore, services are provided by Deloitte & Touche and other related entities in Singapore, which are affiliates of Deloitte Southeast Asia Ltd. Deloitte Southeast Asia Ltd is a member of Deloitte Asia Pacific Limited and the Deloitte network. The audit practice of Deloitte & Touche in Singapore comprises over 900 partners and professional staff.

Deloitte & Touche is registered with ACRA. It is one of the largest professional services firms in Singapore today, and has a wide-ranging client base consisting of multinational companies, listed companies, private businesses and public sector organisations.

The audit partner of Deloitte & Touche who will be in charge of the audit is Mr James Xu, who is a Fellow of the Institute of Singapore Chartered Accountants, and Association of Chartered Certified Accountants UK. He is a public accountant registered with ACRA. He is the Chairman of the Financial Statements Review Committee and the Deputy Chairman of Audit & Assurance Sub-Committee of the Institute of Singapore Chartered Accountants. Mr James Xu has more than 25 years of experience in providing audit and advisory services to a variety of clients in various sectors including real estate & construction, technology, media & telecommunications, manufacturing, transportation, consumer products and energy & resources.

Deloitte & Touche's audit practice is subject to external inspections by ACRA where quality programmes and the performance of public interest entities' audits are inspected, and Mr James Xu passed the ACRA reviews and Deloitte & Touche's internal inspections in the year he was selected.

For more information about Deloitte, please visit www.deloitte.com/about.

3. RULE 1203(5) OF THE LISTING MANUAL

The appointment of Deloitte & Touche will be effective upon obtaining the approval of Unitholders at the AGM for the Proposed Change of Auditors. If approved, Deloitte & Touche will hold office until the conclusion of the next AGM of CLCT.

In view of the above, KPMG will retire and not seek re-appointment as auditors of CLCT at the AGM, being the end of their current term. The Directors wish to express their appreciation for the past services rendered by KPMG.

In accordance with the requirements of Rule 1203(5) of the Listing Manual:

- (a) the outgoing auditors, KPMG, has confirmed that they are not aware of any professional reasons why the new auditors, Deloitte & Touche, should not accept appointment as auditors of CLCT;
- (b) the Manager confirms that there were no disagreements with the outgoing auditors, KPMG, on accounting treatments within the last 12 months;
- (c) the Manager confirms that, other than as set out above, it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Unitholders;
- (d) the specific reasons for the Proposed Change of Auditors are disclosed in this Letter and in the Notice of AGM. The Proposed Change of Auditors is not due to (i) the resignation of KPMG as auditors of CLCT, (ii) KPMG declining to stand for re-appointment, (iii) the dismissal of KPMG as auditors of CLCT, or (iv) a direction by the SGX-ST for KPMG to be replaced under Rule 1405(1)(fb) of the Listing Manual; and

LETTER TO UNITHOLDERS DATED 28 MARCH 2024 IN RELATION TO RESOLUTION 2

- (e) the Manager confirms that Rule 712 and Rule 715 of the Listing Manual are complied with in relation to the appointment of Deloitte & Touche.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposed Change of Auditors, CLCT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

5. DOCUMENT ON DISPLAY

A copy of the Trust Deed (as defined herein) will be available for inspection at the registered office of the Manager¹ for so long as CLCT is in existence.

Yours faithfully

CapitaLand China Trust Management Limited
(Registration Number: 200611176D)
as manager of **CapitaLand China Trust**

SOH KIM SOON
Chairman and Non-Executive Independent Director

¹ Prior appointment with the Manager is required. Please contact Ms Nicole Chen, Investor Relations (Telephone: +65 6713 2888).

IMPORTANT NOTICE

This Letter 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 costs, 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 Manager's current view on 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 Letter. Neither the 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 Letter or its contents or otherwise arising in connection with this Letter.

The past performance of CLCT is not indicative of future performance. The listing of the Units on the 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 Letter is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

LETTER TO UNITHOLDERS DATED 28 MARCH 2024 IN RELATION TO RESOLUTION 2

GLOSSARY

%	:	Per centum or Percentage
ACRA	:	The Accounting and Corporate Regulatory Authority
AGM	:	Annual general meeting
ARC	:	The audit and risk committee of the Manager
CLCT	:	CapitaLand China Trust
Deloitte & Touche	:	Deloitte & Touche LLP
Directors	:	Directors of the Manager
KPMG	:	KPMG LLP
Letter	:	This letter dated 28 March 2024
Listing Manual	:	The Listing Manual of the SGX-ST
Manager	:	CapitaLand China Trust Management Limited, in its capacity as manager of CLCT
Notice of AGM	:	The notice dated 28 March 2024 convening the AGM of CLCT
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Proposed Change of Auditors	:	The proposed appointment of Deloitte & Touche as the auditors of CLCT, to hold office until the conclusion of the next AGM of CLCT, in place of the retiring auditors of CLCT, KPMG, and to authorise the Manager to fix their remuneration
Resolution 2	:	The proposed Ordinary Resolution 2 under the “Ordinary Business” section of the Notice of AGM
SGX-ST	:	Singapore Exchange Securities Trading Limited
Trust Deed	:	The trust deed dated 23 October 2006 constituting CLCT, as amended, varied or supplemented from time to time
Unitholders	:	The registered holders for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “Unitholder” shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Letter to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Letter shall be a reference to Singapore time unless otherwise stated.