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

ANNOUNCEMENT

EXTRAORDINARY GENERAL MEETING TO BE HELD ON 29 JULY 2025 RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS

CapitaLand China Trust Management Limited, as manager of CapitaLand China Trust (the "**Manager**" and "**CLCT**", respectively) would like to thank all unitholders of CLCT ("**Unitholders**") who submitted their questions in advance of our Extraordinary General Meeting ("**EGM**") in relation to the proposed participation by CLCT in the establishment and listing on the Shanghai Stock Exchange of a publicly traded infrastructure securities investment fund to be named CapitaLand Commercial C-REIT (华夏凯德商业资产封闭式基础设施证券投资基金) ("**CLCR**"), as an interested person transaction. The EGM will be held in a wholly physical format at Marina Bay Sands Expo and Convention Centre, Level 3, Jasmine Junior Ballroom, 10 Bayfront Avenue, Singapore 018956 at **3.30 p.m. (Singapore Time) on Tuesday, 29 July 2025.**

Please refer to our responses to these substantial and relevant questions in the following pages. Unless otherwise defined, all capitalised terms in the responses shall have the meanings ascribed to them in the circular to Unitholders dated 11 July 2025 (the "**Circular**").

The CEO of the Manager, Mr Chan Kin Leong Gerry, will deliver a presentation to Unitholders at the EGM. Please refer to all EGM-related documents at: https://investor.clct.com.sg/agm-egm.html.

Following the conclusion of the EGM, the voting results of the EGM will be uploaded onto SGXNet and made available on CLCT's website. The minutes of the EGM will be published on SGXNet and CLCT's website on or before 29 August 2025.

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

CHUO CHER SHING
Company Secretary
24 July 2025

Important Notice

The past performance of CapitaLand China Trust ("**CLCT**") is not indicative of future performance. The listing of the units in CLCT ("**Units**") on the Singapore Exchange Securities Trading Limited (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, CapitaLand China Trust Management Limited, as manager of CLCT (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 announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

1.	**Why is this an interested person transaction?**
	The Proposed Transaction comprises (i) the Proposed Divestment by a wholly owned subsidiary of CLCT, of 100.0% of the equity interest in Changsha ProjectCo which holds CapitaMall Yuhuating to the Purchaser through Changsha Kaiting, each an indirect wholly owned subsidiary of CMA incorporated in the PRC; and (ii) the Proposed Subscription by CLCT for 5% of the total number of IPO Units. Under the C-REIT regime, Changsha Kaiting, together with the other Originators, is required to undertake that at least 85.0% of the net proceeds from the CLCR Offering are reinvested into infrastructure projects (including real estate projects) in the PRC (the "**Reinvestment Obligation**"). As CLCT will be divesting CapitaMall Yuhuating to CLCR via Changsha Kaiting, being an indirect wholly owned subsidiary of CMA, the Sponsor of CLCR, Changsha Kaiting will be subject to the Reinvestment Obligation while CLCT will provide an undertaking to Changsha Kaiting to cover all tax expenses (if any) incurred by Changsha Kaiting. As each of CMA and Changsha Kaiting is a wholly owned subsidiary of CLI and CLD is an indirect wholly owned subsidiary of Temasek, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, CMA, CLD and Changsha Kaiting (being associates of a "controlling unitholder" of CLCT and a "controlling shareholder" of the Manager) are (for the purpose of the Listing Manual) "interested persons" and (for the purpose of the Property Funds Appendix) "interested parties" of CLCT. Therefore, the Manager will treat CLCT's participation in CLCR together with CMA and CLD through the Proposed Transaction, comprising the Proposed Divestment and the Proposed Subscription, as an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix, and will seek the approval of independent Unitholders for the Proposed Transaction. Please refer to paragraph 5.2.2 of the Circular for further details.
2.	**The difference of valuation between Colliers and CBRE is RMB32.0 million, which is quite substantial. What is the reason for this difference?**
	The Manager has commissioned an independent property valuer, Colliers, and the Trustee has commissioned another independent property valuer, CBRE (together with Colliers, the "**Independent Valuers**"), to value CapitaMall Yuhuating. The independent valuation of CapitaMall Yuhuating as at 31 March 2025 by Colliers is RMB 748.0 million and the independent valuation of CapitaMall Yuhuating as at 31 March 2025 by CBRE is RMB 780.0 million. The difference between the two valuations is around RMB32.0 million or approximately 4%. The Independent Valuers had applied widely recognised methodologies, being the discounted cash flow analysis and the capitalisation method in conducting their valuations of CapitaMall

	Yuhuating. These valuations incorporate a range of inputs, including market conditions, recent comparable transactions, rental income stability, occupancy levels, and macroeconomic factors. Each Independent Valuer had independently conducted a valuation on CapitaMall Yuhuating, with their own assumptions on valuation parameters.
3.	**Why is there a Floor Price?**
	The Divestment Consideration will be governed by the ProjectCo Equity Transfer Agreement and will be determined based on the final price of the IPO Units at the IPO of CLCR. CapitaMall Yuhuating will not be sold to CLCR at a price lower than the minimum price of RMB748.0 million (approximately S$134.9 million) (the "**Floor Price**"), which is based on the lower of the two independent valuations by the Independent Valuers, as required under Paragraph 5.1(d) of the Property Funds Appendix. The Divestment Consideration will only be finalised after the IPO Units are priced and is subjected to, inter alia, the prevailing market conditions and investor sentiments. **Accordingly, CapitaMall Yuhuating may be sold to CLCR at a price that is higher than the Floor Price.**
4.	**What is the rationale for the Proposed Transaction?**
	The Manager is exploring CLCT's participation in the establishment and listing of CLCR on the SSE through the Proposed Transaction, comprising the Proposed Divestment and the Proposed Subscription, for the following reasons: **<u>Unlock Value of Mature Retail Asset, Additional Channel for Capital Recycling</u>** • The Proposed Divestment of CapitaMall Yuhuating unlocks the value of a mature retail asset, which improves CLCT's financial flexibility. • CLCT, through CLCR, also gains access to an onshore retail C-REIT platform, which provides an additional channel for capital recycling and allows CLCT to access CLCR to further unlock value in the future. • The Proposed Transaction is also in line with CLCT's strategic roadmap to transform into a diversified multi-asset class China-focused S-REIT, with a balanced and diversified portfolio. • Through the Proposed Transaction, CLCT unlocks the value of a mature retail asset and gains access to an additional channel for recycling of mature retail assets with long term strategic benefits, which potentially increases CLCT's financial flexibility to strengthen its balance sheet, pursue capital recycling and undertake portfolio reconstitution initiatives in the future. **<u>Strengthen Balance Sheet by Reducing Leverage, and Increase Flexibility to Undertake Unit Buy-Backs, Enhancing Return on Equity</u>**

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In line with CLCT's strategy of proactive capital management, CLCT intends to utilise the net proceeds from the Proposed Transaction to strengthen its balance sheet through debt repayment.
CLCT also has the flexibility to utilise the net proceeds from the Proposed Transaction to undertake Unit Buy-Backs, thereby enhancing return on equity and/or the NAV per Unit.
For illustrative purposes, assuming that the net proceeds from the Proposed Transaction were used to repay existing debt, CLCT's aggregate leverage will improve from 42.6%[1] to 41.4% upon completion of the Proposed Transaction.

<u>Strategic Opportunity to Participate as Key Stakeholder, Broadening Access to the China Domestic Capital Market</u>

CLCT will be the first and only S-REIT offering its Unitholders the unique opportunity to gain C-REIT exposure, differentiating itself from other S-REITs and Hong Kong-listed REITs.
Through CLCT's strategic stake in CLCR, CLCT will be able to access a distinct onshore China domestic capital market for asset recycling as well as an institutional and retail investor base that have largely been untapped by global REITs.
The increased market visibility and awareness among qualified domestic debt and equity investors through the listing of, and CLCT's strategic investment in, CLCR will enhance CLCT's competitive advantage given the depth of the Chinese domestic capital market.

<u>Gaining C-REIT Exposure with Upside Potential</u>

CLCT will be able to gain C-REIT exposure through its strategic stake in CLCR, allowing CLCT to provide Unitholders with upside potential.
As at the Latest Practicable Date, 9 consumption-related C-REITs have successfully listed. The Chinese government has been ramping up efforts to boost consumer spending and consumption-related C-REITs have achieved strong post-IPO average share price increase of over 50%[2,3] demonstrating the potential for capital appreciation[4].

The rationale for and key benefits of the Proposed Transaction are also set out at paragraph 4 of the Circular.
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<tr><td>5.</td><td>How will CLCT deploy the divestment proceeds? Will CLCT distribute the proceeds to Unitholders?</td></tr>
<tr><td></td><td>The Manager intends to utilise the net proceeds for one or more of the following purposes: to repay existing debts, to undertake Unit Buy-Backs and/or for general working capital purposes. The Manager will make periodic announcements on the material utilisation of the net proceeds in accordance with the Listing Manual.</td></tr>
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1 As at 31 March 2025.
2 Source: SSE and Shenzhen Stock Exchange.
3 As at the Latest Practicable Date.
4 CLCT would be subject to a lock-up period of five years in respect of the IPO Units subscribed by CLCT, commencing from the Listing Date.

	Please refer to paragraph 3.5 of the Circular for further details on the use of net proceeds from the Proposed Divestment of CapitaMall Yuhuating.
6.	**Could CLCT and CLCR compete for the same properties?**
	CLCT will own a strategic stake in CLCR through the Proposed Subscription, which demonstrates that CLCR will be an additional platform within the CLI/CLCT group that offers CLCT strategic benefits and allows CLCT to participate in the growth of CLCR in the future, as a unitholder of CLCR. Additionally, CLCT, through CLCR, also gains access to an onshore retail C-REIT platform, which provides an additional channel for capital recycling and allows CLCT to access CLCR to further unlock value in the future. CLCT will be participating in the establishment and listing of CLCR on the SSE as a key stakeholder together with CLI and CMA (being the sponsor of CLCR) while maintaining its existing ROFRs. CLCT has existing ROFRs from the CLI Group over, among other things, assets that are primarily used for retail purposes. Both CLCR and CLCT will have access to retail assets on the balance sheet of the relevant entities in the CLI Group and third-party pipeline, while CLCT retains its existing ROFRs. While properties used for retail purposes located in the PRC may fall under the investment strategies of both CLCT and CLCR, CLCT has a much broader investment strategy 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) and intends to focus on achieving a balanced and diversified portfolio. Given each of CLCT and CLCR may have different acquisition criteria or appetite, which would be unique relative to their current portfolio mix, target portfolio mix, funding costs, local regulatory vetting requirement and other strategic considerations, there is low probability that CLCT and CLCR will compete for the acquisition of the same property. Notwithstanding the above, any potential conflict of interest is mitigated given CLCT and CLCR will be separately listed with their own separate managers and unitholders. Furthermore, CLCT and CLCR are subject to different regulatory requirements. CLCT can hold partial stakes in its assets while CLCR is required to have full ownership (instead of partial ownership) of its assets through asset-backed securities. CLCT is also able to undertake property development activities up to 10% of deposited property[5] while CLCR can only invest in income-producing assets.

5 Paragraph 7 of the Property Funds Appendix: Total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of the property fund's deposited property.

7.	**What is the strategy of CLCT going forward? How can CLCT improve the Unit price?**
	The Manager remains focused on driving asset performance, reconstituting CLCT's portfolio and strengthening financial management, while capitalising on China's domestic consumption growth and innovation driven economy, through the following initiatives: • **Create Value:** Entering the growing C-REIT market as a key stakeholder in CLCR, thereby broadening CLCT's access to China domestic capital market and providing Unitholders with upside potential from C-REIT exposure through CLCT's strategic stake in CLCR. • **Unlock Value:** Recycling CapitaMall Yuhuating, unlocking value of mature retail asset and improving financial flexibility. • **Extract Value:** Conducting asset enhancement initiatives at CapitaMall Wangjing, CapitaMall Xuefu and CapitaMall Xizhimen to drive organic growth. • **Proactive Capital Management:** Issued RMB600 million 2.88% bond due 2028 in April 2025. Post-issuance, CLCT's RMB denominated debt stands at 41%, on track to reach around 50% by December 2025. The Manager will continue to reconstitute CLCT's portfolio and actively explore potential divestments of mature or underperforming assets to strengthen the balance sheet and shift towards a more balanced, multi-asset mix. The establishment of CLCR provides an additional channel for capital recycling, offering long-term strategic benefits. By staying focused on fundamentals and exercising proactive capital management, the Manager expects a gradual improvement in DPU, which may support continued recovery in the Unit price.