

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT
FOR YEAR ENDED 31 DECEMBER 2019

TABLE OF CONTENTS

| Item No. | Description | Page No. |
|----------|--|----------|
| - | Summary of CRCT Results | 2 – 3 |
| - | Introduction | 4 |
| 1(a) | Statement of Total Return and Distribution Statement | 5 – 9 |
| 1(b)(i) | Statement of Financial Position | 10 – 11 |
| 1(b)(ii) | Aggregate Amount of Borrowings and Debt Securities | 11 |
| 1(c)(i) | Use of proceeds raised pursuant to Chapter 8 of the Listing Manual | 12 |
| 1(c)(ii) | Statement of Cash Flows | 13 – 15 |
| 1(d)(i) | Statement of Movements in Unitholders' funds | 15 – 16 |
| 1(d)(ii) | Details of Any Change in the Units | 17 |
| 2 & 3 | Audit Statement | 17 |
| 4 & 5 | Changes in Accounting Policies | 18 |
| 6 | Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU") | 19 |
| 7 | Net Asset Value ("NAV") and Net Tangible Asset ("NTA") Per Unit | 19 |
| 8 | Review of the Performance | 20 – 21 |
| 9 | Variance from Previous Forecast / Prospect Statement | 22 |
| 10 | Outlook and Prospects | 22 – 23 |
| 11 & 12 | Distribution | 24 |
| 13 | Interested Person Transactions Mandate | 24 |
| 14 & 15 | Segmental Information | 25 – 26 |
| 16 | Breakdown of Sales and Net Income | 26 |
| 17 | Breakdown of Total Distribution | 26 |
| 18 | Confirmation Pursuant to Rule 720(1) of the Listing Manual | 26 |
| 19 | Confirmation Pursuant to Rule 704(13) of the Listing Manual | 27 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

Summary of CRCT Results^{1,2}

| | 4Q 2019 | 4Q 2018 | Change % | FY 2019 | FY 2018 | Change % |
|--|-----------------------|-----------------------|-----------------|-----------------------|-----------------------|-----------------|
| | Actual S\$'000 | Actual S\$'000 | | Actual S\$'000 | Actual S\$'000 | |
| Gross Revenue ³ | 67,563 | 55,742 | 21.2 | 238,185 | 222,739 | 6.9 |
| Net Property Income ^{3,4} | 44,099 | 35,878 | 22.9 | 165,371 | 147,423 | 12.2 |
| Distributable income contribution from joint ventures ⁵ | 2,648 | 2,524 | 4.9 | 10,696 | 7,601 | 40.7 |
| Income available for distribution to Unitholders ⁶ | 33,638 | 22,984 | 46.4 | 110,800 | 93,741 | 18.2 |
| Distributable amount to Unitholders (before Capital Distribution) ⁶ | 28,388 | 22,984 | 23.5 | 105,550 | 93,741 | 12.6 |
| Capital Distribution ⁷ | - | 750 | (100.0) | 1,000 | 6,000 | (83.3) |
| Distributable amount to Unitholders ⁶ | 28,388 | 23,734 | 19.6 | 106,550 | 99,741 | 6.8 |

Distribution Per Unit ("DPU") (cents)

| | | | | | | |
|--|------|------|-------|------|-------|-------|
| DPU before Capital Distribution ⁸ | 2.34 | 2.34 | - | 9.80 | 9.60 | 2.1 |
| DPU after Capital Distribution ⁸ | 2.34 | 2.42 | (3.3) | 9.90 | 10.22 | (3.1) |

| | 4Q 2019 | 4Q 2018 | Change % | FY 2019 | FY 2018 | Change % |
|---------------------|-----------------------|-----------------------|-----------------|-----------------------|-----------------------|-----------------|
| | Actual RMB'000 | Actual RMB'000 | | Actual RMB'000 | Actual RMB'000 | |
| Gross Revenue | 347,165 | 281,033 | 23.5 | 1,202,587 | 1,092,289 | 10.1 |
| Net Property Income | 226,961 | 181,070 | 25.3 | 834,968 | 722,948 | 15.5 |

| | 1 Jan 2019 to 13 Aug 2019 | 14 Aug 2019 to 31 Dec 2019 | FY 2019 |
|--|----------------------------------|-----------------------------------|-----------------------|
| | Actual S\$'000 | Actual S\$'000 | Actual S\$'000 |
| Gross Revenue | 137,144 | 101,041 | 238,185 |
| Net Property Income | 98,294 | 67,077 | 165,371 |
| Distributable amount to Unitholders | 62,899 | 43,651 | 106,550 |
| Distribution Per Unit ("DPU") (cents) | | | |
| For the period ⁸ | 6.29 | 3.61 | 9.90 |

**CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

Footnotes:

1. The financial results exclude contribution from CapitaMall Wuhu which was divested on 1 July 2019 after its divestment.
2. The financial results include contribution from CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun which were acquired on 30 August 2019.

3. Average exchange rate for SGD/RMB

| 4Q 2019 | 4Q 2018 | Change % | FY 2019 | FY 2018 | Change % |
|---------|---------|----------|---------|---------|----------|
| 5.147 | 5.047 | 2.0 | 5.049 | 4.904 | 3.0 |

4. Operating lease rental expenses associated with the lease contracts in CapitaMall Qibao and CapitaMall Minzhongleyuan have been replaced with net changes in fair value of investment properties and interest expense on lease liabilities under the principles of FRS 116 Leases with effect from 1 January 2019.
5. This relates to 51% interest in Rock Square for 2019, 4Q 2018 and for period from 1 February 2018 to 31 December 2018 for FY 2018.
6. In 4Q 2019 and FY 2019, income available for distribution to Unitholders includes a one-off compensation receivable by CapitaMall Erqi, of which S\$5.3 million is retained for general corporate and working capital purposes that is excluded from the distributable amount to Unitholders.
7. Capital distribution arising from the gain from the divestment of the equity interest in the company which held CapitaMall Anzhen.
8. Includes 6.29 cents for the period from 1 January 2019 to 13 August 2019, calculated based on 998,517,317 units and 3.61 cents from 14 August 2019 to 31 December 2019, calculated based on enlarged unit base of 1,209,067,206 units after the issuance of 105,043,000 Units and 86,871,006 Units via private placement on 14 August 2019 and preferential offering issued on 3 September 2019 respectively.

DISTRIBUTION & BOOK CLOSURE DATE

| | |
|-------------------|--|
| Distribution | For 14 August 2019 to 31 December 2019 |
| Distribution type | Capital distribution |
| Distribution rate | 3.61 cents per Unit |
| Book closure date | 17 February 2020 |
| Payment date | 30 March 2020 |

**CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

INTRODUCTION

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

CRCT is a Singapore-based real estate investment trust (“REIT”) constituted with the investment objective of investing on a long term basis in real estate used primarily for retail purposes and located primarily in China, Hong Kong and Macau.

As at 31 December 2019, CRCT owns and invests in a portfolio of 14^{1,2,3} shopping malls located in nine cities in China. The properties are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon and CapitaMall Shuangjing in Beijing; CapitaMall Xinnan in Chengdu; CapitaMall Qibao in Shanghai; CapitaMall Erqi in Zhengzhou; CapitaMall Saihan⁴ and Yuquan Mall in Hohhot; CapitaMall Minzhongleyuan in Wuhan; 51% interest in Rock Square (“RS JV”) in Guangzhou; CapitaMall Xuefu and CapitaMall Aidemengdun in Harbin and CapitaMall Yuhuating in Changsha.

Footnotes:

- 1. Excludes CapitaMall Wuhu following the completion announcement of the divestment on 10 July 2019.*
- 2. Includes CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun following the completion announcement of the acquisition on 30 August 2019.*
- 3. Includes Yuquan Mall following the completion announcement of the acquisition on 26 December 2019.*
- 4. CapitaMall Saihan is classified under assets held for sale at 31 December 2019 following the announcement of divestment on 1 February 2019.*

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(a)(i) **Statement of total return for the Group (4Q 2019 vs 4Q 2018)**

| | Group | | |
|---|------------------------------|-----------------|---------------|
| | 4Q 2019^{1,2} | 4Q 2018 | % |
| | S\$'000 | S\$'000 | Change |
| Gross rental income | 61,832 | 50,172 | 23.2 |
| Other income ³ | 5,731 | 5,570 | 2.9 |
| Gross revenue | 67,563 | 55,742 | 21.2 |
| Land rental ⁴ | - | (1,384) | (100.0) |
| Property related tax | (5,695) | (5,150) | 10.6 |
| Business tax | (430) | (285) | 50.9 |
| Property management fees ⁵ | (4,596) | (3,351) | 37.2 |
| Other property operating expenses ⁶ | (12,743) | (9,694) | 31.5 |
| Total property operating expenses | (23,464) | (19,864) | 18.1 |
| Net property income | 44,099 | 35,878 | 22.9 |
| Manager's management fees | (4,024) | (3,491) | 15.3 |
| Trustee's fees | (142) | (116) | 22.4 |
| Audit fees | (90) | (66) | 36.4 |
| Valuation fees | 46 | (35) | N.M. |
| Other trust operating income ⁷ | 9,845 | 6 | N.M. |
| Finance income ⁸ | 2,282 | 1,973 | 15.7 |
| Foreign exchange gain – realised ⁹ | 1,848 | 48 | N.M. |
| Finance costs ¹⁰ | (10,821) | (7,371) | 46.8 |
| Net income before share of results of joint ventures | 43,043 | 26,826 | 60.5 |
| Share of results (net of tax) of joint ventures ¹¹ | 2,693 | 1,684 | 59.9 |
| Net income | 45,736 | 28,510 | 60.4 |
| Change in fair value of investment properties | 33,452 | 44,781 | (25.3) |
| Change in fair value of financial derivatives | (233) | (1,852) | (87.4) |
| Foreign exchange gain – unrealised | 124 | 24 | N.M. |
| Total return for the period before taxation | 79,079 | 71,463 | 10.7 |
| Taxation | (25,096) | (22,523) | 11.4 |
| Total return for the period after taxation | 53,983 | 48,940 | 10.3 |
| Attributable to: | | | |
| Unitholders | 53,983 | 48,857 | 10.5 |
| Non-controlling interest | - | 83 | (100.0) |
| Total return for the period after taxation | 53,983 | 48,940 | 10.3 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(a)(i) Statement of total return for the Group (FY 2019 vs FY 2018)

| | Group | | |
|---|-----------------------------------|--------------------|--------------|
| | FY 2019 ^{1,2} S\$'000 | FY 2018 S\$'000 | % Change |
| Gross rental income | 221,033 | 206,586 | 7.0 |
| Other income ³ | 17,152 | 16,153 | 6.2 |
| Gross revenue | 238,185 | 222,739 | 6.9 |
| Land rental ⁴ | - | (5,747) | (100.0) |
| Property related tax | (21,131) | (20,616) | 2.5 |
| Business tax | (1,280) | (1,207) | 6.0 |
| Property management fees ⁵ | (15,074) | (14,136) | 6.6 |
| Other property operating expenses ⁶ | (35,329) | (33,610) | 5.1 |
| Total property operating expenses | (72,814) | (75,316) | (3.3) |
| Net property income | 165,371 | 147,423 | 12.2 |
| Manager's management fees | (15,514) | (14,073) | 10.2 |
| Trustee's fees | (509) | (464) | 9.7 |
| Audit fees | (410) | (415) | (1.2) |
| Valuation fees | (39) | (190) | (79.5) |
| Other trust operating income/(expense) ⁷ | 10,727 | (1,056) | N.M. |
| Finance income ⁸ | 7,093 | 6,307 | 12.5 |
| Foreign exchange gain/(loss) – realised ⁹ | 6,521 | (138) | N.M. |
| Finance costs ¹⁰ | (36,514) | (26,736) | 36.6 |
| Net income before share of results of joint ventures | 136,726 | 110,658 | 23.6 |
| Share of results (net of tax) of joint ventures ¹¹ | 8,570 | 7,249 | 18.2 |
| Net Income | 145,296 | 117,907 | 23.2 |
| Loss on disposal of subsidiary ¹² | (4,750) | - | 100.0 |
| Change in fair value of investment properties ¹³ | 100,079 | 68,423 | 46.3 |
| Change in fair value of financial derivatives | 2,018 | (1,686) | N.M. |
| Foreign exchange (loss) – unrealised | (1,419) | (625) | N.M. |
| Total return before taxation | 241,224 | 184,019 | 31.1 |
| Taxation ¹⁴ | (74,598) | (56,549) | 31.9 |
| Total return for the year after taxation | 166,626 | 127,470 | 30.7 |
| Attributable to: | | | |
| Unitholders | 165,424 | 128,561 | 28.7 |
| Non-controlling interest | 1,202 | (1,091) | N.M. |
| Total return for the year after taxation | 166,626 | 127,470 | 30.7 |

Footnotes:

- The financial results exclude CapitaMall Wuhu after 1 July 2019.*
- The financial results include contribution from CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun which were acquired on 30 August 2019.*
- Other income comprises mainly income earned from atrium space, carpark revenue, trolley carts and advertisement panels.*
- Operating lease rental expenses have been replaced with net changes in fair value of investment properties and interest expense on lease liabilities under the principles of FRS 116 Leases with effect from 1 January 2019.*
- Includes reimbursement of costs to the property manager.*

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

6. Includes items in the table below as part of the other property operating expenses.

| | Group | | |
|--------------------------------------|-----------------------------------|--------------------|-------------|
| | 4Q 2019 ^{1,2} S\$'000 | 4Q 2018 S\$'000 | % Change |
| Depreciation and amortisation | (271) | (296) | (8.4) |
| Write back on trade receivables, net | - | 74 | (100.0) |
| Plant and equipment written off | (31) | (97) | (68.0) |

| | Group | | |
|--|-----------------------------------|--------------------|-------------|
| | FY 2019 ^{1,2} S\$'000 | FY 2018 S\$'000 | % Change |
| Depreciation and amortisation | (1,080) | (1,282) | (15.8) |
| (Impairment losses)/write back on trade receivables, net | (1) | 120 | N.M. |
| Plant and equipment written off | (34) | (97) | (64.9) |

7. Includes a one-off compensation receivable by CapitaMall Erqi following the exit of its anchor tenant and reversal of over provision in pre-acquisition related expenses in 4Q 2019 and FY 2019.
8. Finance income relates mainly to interest from loan to joint venture and interest from bank deposit placed with financial institutions.
9. Realised foreign exchange relates to the gain/(loss) on the repayment of the USD denominated shareholder's loan principals, interests and foreign currency forwards ("FXF") to hedge RMB cashflows. In 4Q 2019, realised foreign exchange gain arose from the partial repayment of the USD denominated shareholder's loan principal.
10. Includes the interest expense on the lease liabilities under FRS 116.
11. This relates to the share of results from CRCT's 51% interest in RS JV for 2019, 4Q 2018 and for period from 1 February 2018 to 31 December 2018 for FY 2018. Details are as follows:

| | For information only | |
|--|----------------------|--------------------|
| | 4Q 2019 S\$'000 | 4Q 2018 S\$'000 |
| Gross revenue | 5,151 | 4,976 |
| Property operating expenses | (1,550) | (1,453) |
| Net property income | 3,601 | 3,523 |
| Finance income | 163 | 82 |
| Finance costs | (1,090) | (1,054) |
| Other operating expenses | (983) | (607) |
| Change in value of investment property | 1,002 | (260) |
| Share of results (net of tax) of joint ventures | 2,693 | 1,684 |

| | For information only | |
|--|----------------------|--------------------|
| | FY 2019 S\$'000 | FY 2018 S\$'000 |
| Gross revenue | 20,970 | 17,242 |
| Property operating expenses | (6,289) | (5,363) |
| Net property income | 14,681 | 11,879 |
| Finance income | 395 | 130 |
| Finance costs | (4,314) | (4,186) |
| Other operating expenses | (3,250) | (3,574) |
| Change in value of investment property | 1,058 | 3,000 |
| Share of results (net of tax) of joint ventures | 8,570 | 7,249 |

12. This relates to loss arising from the disposal of 51% interest in the company which held CapitaMall Wuhu.
13. Includes fair value changes of right-of-use (ROU) assets.
14. Includes over provision of taxation from prior years of \$0.6 million and \$0.5 million in FY 2019 and FY 2018 respectively.

N.M. – not meaningful

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(a)(ii) Distribution statement for the Group (4Q 2019 vs 4Q 2018)

| | Group | | |
|--|------------------------------|-----------------|---------------|
| | 4Q 2019^{1,2} | 4Q 2018 | % |
| | S\$'000 | S\$'000 | Change |
| Total return for the period attributable to Unitholders before distribution | 53,983 | 48,857 | 10.5 |
| Distribution adjustments (Note A) | (20,345) | (25,873) | (21.4) |
| Income available for distribution to Unitholders ³ | 33,638 | 22,984 | 46.4 |
| Distributable amount to Unitholders (before Capital Distribution)³ | 28,388 | 22,984 | 23.5 |
| Capital distribution ⁴ | - | 750 | (100.0) |
| Distributable amount to Unitholders³ | 28,388 | 23,734 | 19.6 |
| Note A | | | |
| Distribution adjustments | | | |
| - Manager's management fees payable in units | 1,969 | 1,555 | 26.6 |
| - Change in fair value of investment properties ^{7,8} | (33,452) | (44,798) | (25.3) |
| - Change in fair value of financial derivatives | 233 | 1,852 | (87.4) |
| - Deferred taxation ⁷ | 14,370 | 15,870 | (9.5) |
| - Transfer to general reserve | (2,576) | (1,442) | 78.6 |
| - Unrealised foreign exchange gain | (123) | (120) | 2.5 |
| - Other adjustments ^{6,7} | (721) | 370 | N.M. |
| - Adjustment for share of results (net of tax) of joint ventures | (45) | 840 | N.M. |
| Net effect of distribution adjustments | (20,345) | (25,873) | (21.4) |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(a)(ii) Distribution statement for the Group (FY 2019 vs FY 2018)

| | Group | | |
|--|-----------------------------------|--------------------|-------------|
| | FY 2019 ^{1,2} S\$'000 | FY 2018 S\$'000 | % Change |
| Total return for the period attributable to Unitholders before distribution | 165,424 | 128,561 | 28.7 |
| Distribution adjustments (Note A) | (54,624) | (34,820) | 56.9 |
| Income available for distribution to Unitholders ³ | 110,800 | 93,741 | 18.2 |
| Distributable amount to Unitholders (before Capital Distribution)³ | 105,550 | 93,741 | 12.6 |
| Capital distribution ⁴ | 1,000 | 6,000 | (83.3) |
| Distributable amount to Unitholders³ | 106,550 | 99,741 | 6.8 |
| Note A | | | |
| Distribution adjustments | | | |
| - Loss on disposal of subsidiary ⁵ | 4,750 | - | 100.0 |
| - Manager's management fees payable in units | 7,497 | 6,383 | 17.5 |
| - Change in fair value of investment properties ^{7,8} | (98,409) | (68,442) | 43.8 |
| - Change in fair value of financial derivatives | (2,018) | 1,686 | N.M. |
| - Deferred taxation ⁷ | 40,184 | 29,764 | 35.0 |
| - Transfer to general reserve | (7,805) | (6,188) | 26.1 |
| - Realised foreign exchange loss ⁹ | 1,570 | - | 100.0 |
| - Unrealised foreign exchange loss/(gain) ⁷ | 450 | 289 | 55.7 |
| - Other adjustments ^{6,7} | (2,969) | 1,336 | N.M. |
| - Adjustments for share of results (net of tax) of joint ventures | 2,126 | 352 | N.M. |
| Net effect of distribution adjustments | (54,624) | (34,820) | 56.9 |

N.M. – not meaningful

Footnotes:

- The financial results exclude CapitaMall Wuhu which was divested on 1 July 2019.*
- The financial results include contribution from CapitaMall Yuhuating, CapitaMall Xuefu and CapitaMall Aidemengdun which were acquired on 30 August 2019.*
- In 4Q 2019 and FY 2019, income available for distribution to Unitholders includes a one-off compensation receivable by CapitaMall Erqi, of which S\$5.3 million is retained for general corporate and working capital purposes that is excluded from the distributable amount to Unitholders.*
- Capital distribution arising from the gain from the divestment of the equity interest in the company which held CapitaMall Anzhen.*
- This relates to loss arising from the disposal of 51% interest in CapitaMall Wuhu.*
- Includes lease payments for ROU assets, less interest expense on lease liabilities.*
- Excludes non-controlling interest's share.*
- Includes fair value changes of ROU assets.*
- This relates to the repayment of the USD denominated shareholder's loan principal from the intermediate company to the Trust in relation to the divestment of CapitaMall Wuhu.*

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(b)(i) Statement of financial position of the Group as at 31 Dec 2019 vs 31 Dec 2018

| | Group | | | Trust | | |
|--|------------------------|------------------------|-------------|------------------------|------------------------|---------------|
| | 31 Dec 2019 S\$'000 | 31 Dec 2018 S\$'000 | % Change | 31 Dec 2019 S\$'000 | 31 Dec 2018 S\$'000 | % Change |
| Non-current assets | | | | | | |
| Investment properties ^{1,2} | 3,166,006 | 2,439,106 | 29.8 | - | - | - |
| Plant and equipment | 2,396 | 2,335 | 2.6 | - | - | - |
| Subsidiaries | - | - | - | 2,029,978 | 1,581,896 | 28.3 |
| Interest in joint ventures ³ | 262,457 | 257,679 | 1.9 | - | - | - |
| Financial derivatives ⁴ | - | 1,048 | (100.0) | - | 1,048 | (100.0) |
| Other receivables | 1,262 | 1,457 | (13.4) | - | - | - |
| | 3,432,121 | 2,701,625 | 27.0 | 2,029,978 | 1,582,944 | 28.2 |
| Current assets | | | | | | |
| Non-trade amounts due from subsidiaries | - | - | - | 2,237 | 5,777 | (61.3) |
| Assets held for sale ⁵ | 108,898 | - | 100.0 | - | - | - |
| Financial derivatives ⁴ | 346 | 124 | N.M. | 346 | 124 | N.M. |
| Trade and other receivables ⁶ | 124,368 | 107,037 | 16.2 | 1,097 | 330 | N.M. |
| Cash and cash equivalents | 139,920 | 173,904 | (19.5) | 437 | 879 | (50.3) |
| | 373,532 | 281,065 | 32.9 | 4,117 | 7,110 | (42.1) |
| Total assets | 3,805,653 | 2,982,690 | 27.6 | 2,034,095 | 1,590,054 | 27.9 |
| Current liabilities | | | | | | |
| Trade and other payables ⁷ | 150,972 | 60,670 | N.M. | 17,559 | 8,525 | N.M. |
| Liabilities held for sale ⁵ | 14,448 | - | 100.0 | - | - | - |
| Security deposits ⁸ | 32,028 | 25,320 | 26.5 | - | - | - |
| Financial derivatives ⁴ | 183 | 71 | N.M. | 183 | 71 | N.M. |
| Interest-bearing borrowings ⁹ | 206,621 | 161,244 | 28.1 | 202,738 | 161,244 | 25.7 |
| Lease liabilities ² | 4,075 | - | 100.0 | - | - | - |
| Provision for taxation | 8,739 | 3,850 | N.M. | 23 | 15 | N.M. |
| | 417,066 | 251,155 | 66.1 | 220,503 | 169,855 | 29.8 |
| Non-current liabilities | | | | | | |
| Financial derivatives ⁴ | 5,094 | 2,951 | 72.6 | 5,094 | 2,951 | 72.6 |
| Other payables | 326 | 313 | 4.2 | - | - | - |
| Security deposits ⁸ | 34,288 | 29,279 | 17.1 | - | - | - |
| Interest-bearing borrowings ⁹ | 1,173,291 | 876,778 | 33.8 | 1,096,800 | 876,778 | 25.1 |
| Lease liabilities ² | 27,170 | - | 100.0 | - | - | - |
| Deferred tax liabilities | 274,747 | 250,652 | 9.6 | - | - | - |
| | 1,514,916 | 1,159,973 | 30.6 | 1,101,894 | 879,729 | 25.3 |
| Total liabilities | 1,931,982 | 1,411,128 | 36.9 | 1,322,397 | 1,049,584 | 26.0 |
| Net assets | 1,873,671 | 1,571,562 | 19.2 | 711,698 | 540,470 | 31.7 |
| Represented by: | | | | | | |
| Unitholders' funds | 1,873,671 | 1,553,220 | 20.6 | 711,698 | 540,470 | 31.7 |
| Non-controlling interest ¹⁰ | - | 18,342 | (100.0) | - | - | - |
| | 1,873,671 | 1,571,562 | 19.2 | 711,698 | 540,470 | 31.7 |

N.M. – not meaningful

**CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

Footnotes:

1. The increase in investment properties as of 31 December 2019 was mainly due to the inclusion of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun on 30 August 2019 and completion of Yuquan Mall acquisition on 26 December 2019, offset by re-classification of the property held by Huaxin Saihan Huhhot Real Estate Co., Ltd as assets/liabilities held for sale and the disposal of 51% interest in the company which held CapitaMall Wuhu.
2. This includes ROU assets and lease liabilities of CapitaMall Qibao and CapitaMall Minzhongleyuan with the adoption of FRS 116 Leases from 1 January 2019.
3. This relates to CRCT's 51% interest in RS JV.
4. The financial derivative assets and financial derivative liabilities as at 31 December 2019 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 assets and liabilities held for sale as at 31 December 2019 relate to the announced divestment of the equity interest in Huaxin Saihan Huhhot Real Estate Co., Ltd. which holds CapitaMall Saihan. CapitaMall Saihan was carried at fair value of RMB460.0 million (\$89.3 million) as at 31 December 2019.
6. The increase in trade and other receivables was mainly due to one-off compensation receivable by CapitaMall Erqi following the exit of its anchor tenant.
7. The increase in trade and other payables was mainly due to the deposit received for divestment of interest in Huaxin Saihan Huhhot Real Estate Co., Ltd. pursuant to a framework agreement dated 31 January 2019.
8. The increase in security deposits as at 31 December 2019 was mainly due to the inclusion of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun.
9. The interest-bearing borrowings comprise (i) unsecured loans of \$1,172.8 million, (ii) fixed notes of S\$130.0 million issued through its S\$1 billion Multicurrency Debt Issuance Programme (net of transaction costs of \$3.3 million) drawn down by the Trust to partially finance the acquisition of the properties in CRCT and as working capital; and (iii) secured RMB term loan facilities of RMB414.0 million (S\$80.4 million).
10. The decrease in non-controlling interest was mainly due to the disposal of 51% interest in the company which held CapitaMall Wuhu with effect from 1 July 2019.

1(b)(ii) Aggregate amount of borrowings and debt securities

| | Group | | Trust | |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|
| | 31 Dec 2019 S\$'000 | 31 Dec 2018 S\$'000 | 31 Dec 2019 S\$'000 | 31 Dec 2018 S\$'000 |
| Unsecured borrowings | | | | |
| - Amount repayable within one year | 202,800 | 161,250 | 202,800 | 161,250 |
| - Amount repayable after one year | 1,100,000 | 880,000 | 1,100,000 | 880,000 |
| Secured borrowings¹ | | | | |
| - Amount repayable within one year | 3,883 | - | - | - |
| - Amount repayable after one year | 76,491 | - | - | - |
| | 1,383,174 | 1,041,250 | 1,302,800 | 1,041,250 |
| Less: Unamortised transaction costs | (3,262) | (3,228) | (3,262) | (3,228) |
| | 1,379,912 | 1,038,022 | 1,299,538 | 1,038,022 |

Footnote:

1. Details of any collateral
CapitaMall Xuefu was acquired with a legal mortgage in favour of the lender over the property.

**CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

1(c)(i) 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 \$41.8 million was retained from Distribution Reinvestment Plan on 28 March 2019 and 27 September 2019.

| Date | Amount retained | Use of proceeds | Amount used |
|--------------|-----------------|---|-------------|
| | S\$'million | | S\$'million |
| 28-Mar-19 | 19.3 | For repayment of Trust's interest-bearing borrowings, general corporate and working capital purposes. | 19.3 |
| 27-Sep-19 | 22.5 | For repayment of Trust's interest-bearing borrowings, general corporate and working capital purposes. | 22.5 |
| Total | 41.8 | | 41.8 |

Gross proceeds of \$279.4 million received from the private placement on 14 August 2019 and preferential offering on 3 September 2019 were applied as follows:

| Date | Use of proceeds | Amount used |
|--------------|--|--------------|
| | | S\$'million |
| 30-Aug-19 | To finance part of the total acquisition cost of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun. | 274.4 |
| 30-Aug-19 | For payment of estimated fees and expenses, including professional fees and expenses, incurred in connection with the acquisition and the Equity Fund Raising. | 5.0 |
| Total | | 279.4 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(c)(ii) **Statement of Cash Flows (4Q 2019 vs 4Q 2018)**

| | Group | |
|--|--------------------|--------------------|
| | 4Q 2019 S\$'000 | 4Q 2018 S\$'000 |
| Operating activities | | |
| Total return after taxation | 53,983 | 48,940 |
| Adjustments for: | | |
| Finance income | (2,282) | (1,973) |
| Finance costs | 10,821 | 7,371 |
| Depreciation and amortisation | 271 | 296 |
| Taxation | 25,096 | 22,523 |
| Manager's management fees payable in Units | 1,969 | 1,555 |
| Plant and equipment written off | 31 | 97 |
| Change in fair value of investments properties | (33,452) | (44,781) |
| Change in fair value of financial derivatives | 233 | 1,852 |
| Share of results (net of tax) of joint ventures | (2,693) | (1,684) |
| Write back on trade receivables, net | - | (74) |
| Operating income before working capital changes | 53,977 | 34,122 |
| Changes in working capital: | | |
| Trade and other receivables | 526 | 5,669 |
| Trade and other payables | (7,432) | 6,126 |
| Cash generated from operating activities | 47,071 | 45,917 |
| Income tax paid | (6,412) | (3,355) |
| Net cash from operating activities | 40,659 | 42,562 |
| Investing activities | | |
| Interest received | 1,331 | 1,078 |
| Capital expenditure on investment properties | (12,673) | (3,905) |
| Net cash outflow on acquisition of subsidiaries ¹ | (29,537) | - |
| Deposit received for divestment of subsidiary ² | 32,412 | - |
| Acquisition of investment property ³ | (54,707) | - |
| Purchase of plant and equipment | (289) | (314) |
| Proceeds from disposal of plant and equipment | - | 7 |
| Net cash used in investing activities | (63,463) | (3,134) |
| Financing activities | | |
| Payment of equity issue expenses | (1,862) | - |
| Payment of lease liabilities ⁴ | (2,382) | - |
| Proceeds from drawdown of interest-bearing borrowings | 159,200 | 4,600 |
| Repayment of interest-bearing borrowings | (148,307) | (5,400) |
| Settlement of derivative contracts | 214 | 152 |
| Interest paid | (9,426) | (5,096) |
| Net cash used in financing activities | (2,563) | (5,744) |
| (Decrease)/increase in cash and cash equivalents | (25,367) | 33,684 |
| Cash and cash equivalents at beginning of period | 170,268 | 142,385 |
| Effect on exchange rate changes on cash balances | (2,901) | (2,165) |
| Reclassification of cash balances to assets held for sale | (2,080) | - |
| Cash and cash equivalents at end of period | 139,920 | 173,904 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(c)(ii) **Statement of Cash Flows (FY 2019 vs FY 2018)**

| | Group | |
|---|----------------------------------|----------------------------------|
| | FY 2019 S\$'000 | FY 2018 S\$'000 |
| Operating activities | | |
| Total return after taxation | 166,626 | 127,470 |
| Adjustments for: | | |
| Finance income | (7,093) | (6,307) |
| Finance costs | 36,514 | 26,736 |
| Depreciation and amortisation | 1,080 | 1,282 |
| Taxation | 74,598 | 56,549 |
| Manager's management fees payable in Units | 7,497 | 6,383 |
| Plant and equipment written off | 34 | 97 |
| Change in fair value of investment properties | (100,079) | (68,423) |
| Change in fair value of financial derivatives | (2,018) | 1,686 |
| Share of results (net of tax) of joint ventures | (8,570) | (7,249) |
| Loss on disposal of subsidiary | 4,750 | - |
| Impairment losses/(write back) on trade receivables, net | 1 | (120) |
| Operating income before working capital changes | 173,340 | 138,104 |
| Changes in working capital: | | |
| Trade and other receivables | (10,957) | 431 |
| Trade and other payables | (7,438) | 3,372 |
| Cash generated from operating activities | 154,945 | 141,907 |
| Income tax paid | (27,542) | (24,145) |
| Net cash from operating activities | 127,403 | 117,762 |
| Investing activities | | |
| Interest received | 3,026 | 2,425 |
| Capital expenditure on investment properties | (20,774) | (10,642) |
| Net cash outflow on acquisition of subsidiaries ¹ | (459,749) | - |
| Net cash outflow on acquisition of joint venture | - | (229,312) |
| Proceeds from disposal of subsidiary | 15,653 | - |
| Deposit received for divestment of subsidiary ² | 50,865 | - |
| Acquisition of investment property ³ | (134,507) | - |
| Loan to joint venture | - | (98,128) |
| Purchase of plant and equipment | (476) | (758) |
| Proceeds from disposal of plant and equipment | - | 7 |
| Net cash used in investing activities | (545,962) | (336,408) |
| Financing activities | | |
| Proceeds from issuance of new Units | 279,402 | - |
| Distribution to Unitholders ⁵ | (68,335) | (44,309) |
| Payment of equity issue expenses | (3,820) | (82) |
| Payment of financing expenses | (1,085) | (1,850) |
| Payment of lease liabilities ⁴ | (5,295) | - |
| Proceeds from draw down of interest-bearing borrowings | 620,700 | 590,850 |
| Repayment of interest-bearing borrowings | (381,057) | (299,600) |
| Settlement of derivative contracts | (316) | (10,881) |
| Interest paid | (33,488) | (22,458) |
| Net cash from financing activities | 406,706 | 211,670 |
| Decrease in cash and cash equivalents | (11,853) | (6,976) |
| Cash and cash equivalents at beginning of year | 173,904 | 186,515 |
| Effect on exchange rate changes on cash balances | (2,869) | (5,635) |
| Reclassification of cash balances to asset held for sale | (19,262) | - |
| Cash and cash equivalents at end of year | 139,920 | 173,904 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

Footnotes:

1. *This relates to the acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun as at 30 August 2019.*
2. *Deposit received for divestment of interest in Huaxin Saihan Huhhot Real Estate Co., Ltd. pursuant to the framework agreement dated 31 January 2019.*
3. *Progressive payments for acquisition of Yuquan Mall pursuant to the framework agreement dated 31 January 2019.*
4. *This relates to the payment of the lease liabilities in accordance with the principles of FRS 116 Leases.*
5. *Distribution made to Unitholders in FY 2019 were for the period from 1 July 2018 to 31 December 2018 and 1 January 2019 to 13 August 2019 which were paid in March 2019 and September 2019 respectively.*
Distribution made to Unitholders in FY 2018 were for the period from 7 December 2017 to 31 December 2017 and 1 January 2018 to 30 June 2018 which were paid in February 2018 and September 2018 respectively.

1(d)(i) Statement of Movements in Unitholders' Funds (4Q 2019 vs 4Q 2018)

| | Group | | Trust | |
|--|--------------------|--------------------|--------------------|--------------------|
| | 4Q 2019 S\$'000 | 4Q 2018 S\$'000 | 4Q 2019 S\$'000 | 4Q 2018 S\$'000 |
| Unitholders' funds as at beginning of period | 1,868,366 | 1,539,002 | 737,842 | 548,809 |
| Operations | | | | |
| Change in Unitholders' funds resulting from operations before distribution | 53,983 | 48,857 | (32,307) | (6,800) |
| Transfer to general reserve | (2,576) | (1,442) | - | - |
| Net increase/(decrease) in net assets resulting from operations | 51,407 | 47,415 | (32,307) | (6,800) |
| Movements in hedging reserve | | | | |
| Effective portion of changes in fair value of cash flow hedges | (1,698) | (3,094) | (1,698) | (3,094) |
| Movement in foreign currency translation reserve | | | | |
| Translation differences from financial statements of foreign operations | (45,087) | (30,139) | - | - |
| Exchange differences on monetary items forming part of net investment in foreign operations | (9,754) | (2,961) | - | - |
| Net loss recognised directly in Unitholders' funds | (56,539) | (36,194) | (1,698) | (3,094) |
| Movement in general reserve | 2,576 | 1,442 | - | - |
| Unitholders' transactions | | | | |
| Creation of Units paid/payable to manager | | | | |
| - Units issued and to be issued as satisfaction of the portion of Manager's management fees payable in Units | 1,969 | 1,555 | 1,969 | 1,555 |
| - Units issued as satisfaction of the portion of Manager's acquisition fee. | 5,892 | - | 5,892 | - |
| Net increase in net assets resulting from Unitholders' transactions | 7,861 | 1,555 | 7,861 | 1,555 |
| Unitholders' funds as at end of period | 1,873,671 | 1,553,220 | 711,698 | 540,470 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(d)(i) **Statement of Movements in Unitholders' Funds (FY 2019 vs FY 2018)**

| | Group | | Trust | |
|--|--------------------|--------------------|--------------------|--------------------|
| | FY 2019 S\$'000 | FY 2018 S\$'000 | FY 2019 S\$'000 | FY 2018 S\$'000 |
| Unitholders' funds as at beginning of year | 1,553,220 | 1,548,771 | 540,470 | 601,392 |
| Operations | | | | |
| Change in Unitholders' funds resulting from operations before distribution | 165,424 | 128,561 | (41,629) | (25,882) |
| Transfer to general reserve | (7,805) | (6,188) | - | - |
| Net increase/(decrease) in net assets resulting from operations | 157,619 | 122,373 | (41,629) | (25,882) |
| Movements in hedging reserve | | | | |
| Effective portion of changes in fair value of cash flow hedges | (5,099) | 2,886 | (5,099) | 2,886 |
| Movement in foreign currency translation reserve | | | | |
| Translation differences from financial statements of foreign operations | (48,087) | (77,960) | - | - |
| Exchange differences on monetary items forming part of net investment in foreign operations | (9,743) | (4,396) | - | - |
| Exchange differences on hedges of net investment in foreign operations | - | (6,716) | - | - |
| Net (loss)/gain recognised directly in Unitholders' funds | (62,929) | (86,186) | (5,099) | 2,886 |
| Movement in general reserve | 7,805 | 6,188 | - | - |
| Unitholders' transactions | | | | |
| New Units issued ¹ | | | | |
| - Units issued in connection with private placement | 154,308 | - | 154,308 | - |
| - Units issued in connection with preferential offering | 125,094 | - | 125,094 | - |
| 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 | 7,497 | 6,383 | 7,497 | 6,383 |
| - Units issued as satisfaction of the portion of Manager's acquisition fee | 5,892 | - | 5,892 | - |
| Units issued in respect of distribution reinvestment plan | 41,832 | 15,991 | 41,832 | 15,991 |
| Distributions to Unitholders ² | (110,167) | (60,300) | (110,167) | (60,300) |
| Equity issue expenses ³ | (6,500) | - | (6,500) | - |
| Net increase/(decrease) in net assets resulting from Unitholders' transactions | 217,956 | (37,926) | 217,956 | (37,926) |
| Unitholders' funds at end of year | 1,873,671 | 1,553,220 | 711,698 | 540,470 |

Footnotes:

- 105,043,000 new Units were issued via private placement on 14 August 2019 and 86,871,006 new Units were issued via preferential offering on 3 September 2019 to finance part of the total acquisition cost of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun.
- Distribution made to Unitholders in FY 2019 were for the period from 1 July 2018 to 31 December 2018 and 1 January 2019 to 13 August 2019 which were paid in March 2019 and September 2019 respectively. Distribution made to Unitholders in FY 2018 were for the period from 7 December 2017 to 31 December 2017 and 1 January 2018 to 30 June 2018 which were paid in February 2018 and September 2018 respectively.
- Included underwriting fees and professional fees paid and payable in connection with the private placement and preferential offering which were completed on 14 August 2019 and 3 September 2019 respectively.

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

1(d)(ii) Details of any change in the issued and issuable Units (4Q 2019 vs 4Q 2018)

| | Trust | |
|--|----------------------|--------------------|
| | 4Q 2019 Units | 4Q 2018 Units |
| Balance as at beginning of period | 1,205,224,110 | 980,549,136 |
| New Units issued: | | |
| - As payment of manager's acquisition fee ¹ | 3,843,096 | - |
| Issued Units as at end of period | 1,209,067,206 | 980,549,136 |
| New Units to be issued: | | |
| - As payment of manager's management fees ² | 1,113,766 | 1,440,750 |
| Total issued and issuable Units as at end of period | 1,210,180,972 | 981,989,886 |

Footnote:

- This relates to the acquisition fee paid in Units to the Manager for the completion of acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun as announced on 14 November 2019.*
- These were the estimated Units of the manager's management fees to be paid in units for 4Q 2019 which will be issued in 1Q 2020 and for 4Q 2018 which was issued in March 2019.*

1(d)(ii) Details of any change in the issued and issuable Units (FY 2019 vs FY 2018)

| | Trust | |
|---|----------------------|--------------------|
| | FY 2019 Units | FY 2018 Units |
| Balance as at beginning of year | 980,549,136 | 966,225,901 |
| New Units issued: | | |
| - Units in connection with private placement | 105,043,000 | - |
| - Units in connection with preferential offering | 86,871,006 | - |
| - As payment of distribution through distribution reinvestment plan | 28,089,899 | 10,602,618 |
| - As payment of manager's management fees ¹ | 4,671,069 | 3,720,617 |
| - As payment of manager's acquisition fee ² | 3,843,096 | - |
| Issued Units as at end of year | 1,209,067,206 | 980,549,136 |
| New Units to be issued: | | |
| - As payment of manager's management fees ³ | 4,711,584 | 4,671,069 |
| Total issued and issuable Units as at end of year | 1,213,778,790 | 985,220,205 |

Footnotes:

- These were the performance component for FY 2018 and FY 2017 which were issued in March 2019 and March 2018 respectively.*
- This was acquisition fees paid in Units to the Manager for the completion of acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun as announced on 14 November 2019.*
- These were the estimated Units of the manager's management fees to be paid in units for FY 2019 which will be issued in 1Q 2020 and for FY 2018 which was issued in March 2019.*

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

**CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been complied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2018.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what had changed, as well as the reasons for, and the effect of, the change

The Group has adopted new Financial Reporting Standards in Singapore ("FRSs") and interpretations effective for the financial period beginning 1 January 2019 as follows:

(i) Amendments to FRS 109 and FRS 107 Interest Rate Benchmark Reform

A fundamental review and reform of major interest rate benchmarks is being undertaken globally. There is uncertainty as to the timing and the methods of transition for replacing existing benchmark interbank offered rates ("IBORs") with alternative rates. Such uncertainty may impact the Group's hedging relationships, for example its effectiveness assessment and highly probable assessment.

The Group applied the interest rate benchmark reform amendments retrospectively to hedging relationships that existed at 1 January 2019 or were designated thereafter and that are directly affected by interest rate benchmark reform. These amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. As IBOR continues to be used as a reference rate in financial markets and is used in the valuation of instruments with maturities that exceed the expected end date for IBOR, the Group believes the current market structure supports the continuation of hedge accounting as at 31 December 2019.

(ii) FRS 116 Leases

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

The Group recognises its existing operating lease arrangements as ROU assets with corresponding lease liabilities and measures lease liabilities by applying a single discount rate to its land leases.

The Group applied the practical expedient to recognise amounts of ROU assets equal to its lease liabilities at 1 January 2019 and recognition exemptions for short-term leases and leases of low value items in accordance with the principles of FRS 116. Lease payments that are increased every three to five years to reflect market rentals are included in the measurement of lease liabilities as at date of initial application.

For ROU assets which meet the definition of investment properties under the principles of FRS 40, the Group presents these leased assets as part of investment properties. Investment properties are properties held either to earn rental income or for capital appreciation or both.

The nature of expenses related to those leases changed as the principles under FRS 116 replaces the straight-line operating lease expense with net change in fair value of investment properties and interest expense on lease liabilities.

The impact of the leases in CapitaMall Qibao and CapitaMall Minzhongleyuan on the Group's financial statements arising from the adoption of the principles of FRS 116 on 1 January 2019 is as follows:

| | Group |
|-----------------------------------|-------------------|
| | 1 Jan 2019 |
| | \$'000 |
| Increase in investment properties | 35,243 |
| Increase in lease liabilities | 35,243 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

6 Earnings per Unit (“EPU”) and distribution per Unit (“DPU”) for the financial period/year

| | Group | |
|--|---------------|-------------|
| | 4Q 2019 | 4Q 2018 |
| Earnings per Unit (“EPU”)¹ | | |
| Basic EPU ² | 4.47¢ | 4.96¢ |
| Weighted average number of Units in issue | 1,207,280,416 | 984,251,792 |
| Diluted EPU ³ | 4.45¢ | 4.94¢ |
| Weighted average number of Units outstanding | 1,211,940,788 | 988,889,296 |
| Number of Units in issue at end of period | 1,209,067,206 | 984,200,831 |
| Distribution per Unit (“DPU”)^{1,4} | | |
| Based on the number of Units in issue at end of period | 2.34¢ | 2.41¢ |

| | Group | |
|--|---------------|-------------|
| | FY 2019 | FY 2018 |
| Earnings per Unit (“EPU”)¹ | | |
| Basic EPU ² | 15.45¢ | 13.17¢ |
| Weighted average number of Units in issue | 1,070,390,094 | 975,960,801 |
| Diluted EPU ³ | 15.39¢ | 13.11¢ |
| Weighted average number of Units outstanding | 1,075,088,769 | 980,636,421 |
| Number of Units in issue at end of year | 1,209,067,206 | 984,200,831 |
| Distribution per Unit (“DPU”)^{1,4} | | |
| Based on the number of Units in issue at end of year | 9.90¢ | 10.18¢ |

Footnotes:

- EPU for FY 2019, 4Q 2018 and FY 2018 have been restated for the preferential offering, 86,871,006 Units which were issued on 3 September 2019. DPU for 4Q 2018 and FY 2018 have been restated for the preferential offering, 86,871,006 Units which were issued on 3 September 2019. Should the period from 1 January 2019 to 13 August 2019 DPU be adjusted for the bonus element in the preferential offering Units, FY 2019 DPU would be 9.88 cents.*
- EPU is calculated based on total return after tax and non-controlling interest, and weighted average number of Units as at the end of each period/year.*
- Diluted EPU is calculated based on total return after tax and non-controlling interest, and weighted average number of Units outstanding during the period/year, adjusted for the effects of all dilutive potential Units arising from issuance of estimated Units for performance component of manager’s management fees.*
- DPU is calculated based on the number of Units at the end of each period/year.*

7 Net asset value (“NAV”) and net tangible asset (“NTA”) backing per Unit based on issued Units at the end of the year

| | Group | | Trust | |
|---|-------------|-------------|-------------|-------------|
| | 31 Dec 2019 | 31 Dec 2018 | 31 Dec 2019 | 31 Dec 2018 |
| NAV/NTA per Unit | \$1.55 | \$1.58 | \$0.59 | \$0.55 |
| Adjusted NAV per Unit (excluding distributable income) | \$1.51 | \$1.54 | \$0.55 | \$0.50 |

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

8 Review of the performance

8(i) Breakdown of Gross Revenue – Actual

| | 4Q 2019 | 4Q 2018 | % | 4Q 2019 | 4Q 2018 | % |
|------------------------------------|----------------|----------------|---------------|----------------|----------------|---------------|
| | RMB'000 | RMB'000 | Change | S\$'000 | S\$'000 | Change |
| <u>Multi-Tenanted Malls</u> | | | | | | |
| CapitaMall Xizhimen | 78,038 | 75,961 | 2.7 | 15,133 | 15,067 | 0.4 |
| CapitaMall Wangjing | 59,888 | 58,471 | 2.4 | 11,604 | 11,585 | 0.2 |
| CapitaMall Grand Canyon | 32,984 | 33,628 | (1.9) | 6,392 | 6,667 | (4.1) |
| CapitaMall Xuefu | 44,108 | - | 100.0 | 8,717 | - | 100.0 |
| CapitaMall Xinnan | 35,130 | 34,474 | 1.9 | 6,814 | 6,834 | (0.3) |
| CapitaMall Yuhuating | 20,577 | - | 100.0 | 4,066 | - | 100.0 |
| CapitaMall Aidemengdun | 12,667 | - | 100.0 | 2,503 | - | 100.0 |
| CapitaMall Qibao | 24,924 | 26,134 | (4.6) | 4,835 | 5,184 | (6.7) |
| Total multi-tenanted malls | 308,316 | 228,668 | 34.8 | 60,064 | 45,337 | 32.5 |
| <u>Master-Leased Malls</u> | | | | | | |
| CapitaMall Erqi ¹ | 5,374 | 12,491 | (57.0) | 1,011 | 2,475 | (59.2) |
| CapitaMall Shuangjing | 11,910 | 11,191 | 6.4 | 2,309 | 2,216 | 4.2 |
| Total master-leased malls | 17,284 | 23,682 | (27.0) | 3,320 | 4,691 | (29.2) |
| CapitaMall Minzhongleyuan | 4,117 | 5,972 | (31.1) | 796 | 1,185 | (32.8) |
| CapitaMall Saihan | 17,448 | 16,696 | 4.5 | 3,383 | 3,308 | 2.3 |
| CapitaMall Wuhu ² | - | 6,015 | (100.0) | - | 1,221 | (100.0) |
| Total Gross Revenue | 347,165 | 281,033 | 23.5 | 67,563 | 55,742 | 21.2 |

8(ii) Breakdown of Net Property Income – Actual

| | 4Q 2019 | 4Q 2018 | % | 4Q 2019 | 4Q 2018 | % |
|--|----------------|----------------|---------------|----------------|----------------|---------------|
| | RMB'000 | RMB'000 | Change | S\$'000 | S\$'000 | Change |
| <u>Multi-Tenanted Malls</u> | | | | | | |
| CapitaMall Xizhimen | 54,555 | 52,087 | 4.7 | 10,573 | 10,319 | 2.5 |
| CapitaMall Wangjing | 41,879 | 39,728 | 5.4 | 8,105 | 7,857 | 3.2 |
| CapitaMall Grand Canyon | 22,424 | 21,597 | 3.8 | 4,346 | 4,275 | 1.7 |
| CapitaMall Xuefu | 26,738 | - | 100.0 | 5,282 | - | 100.0 |
| CapitaMall Xinnan | 24,792 | 22,430 | 10.5 | 4,805 | 4,434 | 8.4 |
| CapitaMall Yuhuating | 11,616 | - | 100.0 | 2,295 | - | 100.0 |
| CapitaMall Aidemengdun | 6,438 | - | 100.0 | 1,272 | - | 100.0 |
| CapitaMall Qibao ³ | 17,572 | 11,289 | 55.7 | 3,405 | 2,232 | 52.6 |
| Total multi-tenanted malls | 206,014 | 147,131 | 40.0 | 40,083 | 29,117 | 37.7 |
| <u>Master-Leased Malls</u> | | | | | | |
| CapitaMall Erqi ¹ | 2,125 | 10,671 | (80.1) | 376 | 2,114 | (82.2) |
| CapitaMall Shuangjing | 8,970 | 9,013 | (0.5) | 1,736 | 1,784 | (2.7) |
| Total master-leased malls | 11,095 | 19,684 | (43.6) | 2,112 | 3,898 | (45.8) |
| CapitaMall Minzhongleyuan ³ | 418 | 41 | N.M. | 79 | 5 | N.M. |
| CapitaMall Saihan | 9,434 | 8,993 | 4.9 | 1,825 | 1,777 | 2.7 |
| CapitaMall Wuhu ² | - | 5,221 | (100.0) | - | 1,081 | (100.0) |
| Total Net Property Income | 226,961 | 181,070 | 25.3 | 44,099 | 35,878 | 22.9 |

N.M. – not meaningful

Footnotes:

- CapitaMall Erqi's gross revenue and net property income has decreased between 4Q 2019 and 4Q 2018 due to the pre-termination by its anchor tenant.*
- The divestment was completed in July 2019.*
- Included the impact of FRS 116, where lease expenses associated with the operating leases have been replaced with net changes in fair value of investment properties and interest expense on lease liabilities.*

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

4Q 2019 vs 4Q 2018

In RMB terms, gross revenue in 4Q 2019 increased by RMB66.1 million, or 23.5% higher than 4Q 2018. The increase was mainly due to the new contributions from CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun which were acquired on 30 August 2019, partially offset by lower revenue in CapitaMall Erqi due to pre-termination of its anchor tenant as well as a one-off compensation recorded in CapitaMall Wuhu in 4Q 2018. In SGD terms, gross revenue in 4Q 2019 increased by \$11.8 million, or 21.2%.

Property expenses in 4Q 2019 was \$3.6 million, or 18.1% higher than 4Q 2018 mainly due to the acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun, partially offset by exclusion of land rental expenses as a result of the application of the principles of FRS 116 *Leases*.

Management fees payable to the manager in 4Q 2019 were \$0.5 million higher than 4Q 2018 mainly due to higher deposited properties and net property income arising from the acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun.

Finance costs in 4Q 2019 was \$3.4 million higher than 4Q 2018. This was mainly due to inclusion of interest expense liabilities as a result of the application of the principles of FRS 116 *Leases* as well as additional interest bearing borrowings drawn down to fund the acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun.

Share of results (net of tax) from joint ventures relates to the contribution from RS JV which was acquired in January 2018. The increase is due to higher fair value gain on investment property.

Taxation in 4Q 2019 increased by \$2.6 million as compared to 4Q 2018. The higher taxation arose mainly from the acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun. This was partially offset by lower provision of deferred tax liabilities on the lower fair value gain on the portfolio investment properties in 4Q 2019.

FY 2019 vs FY 2018

In RMB terms, gross revenue for FY 2019 increased by RMB110.3 million, or 10.1% higher than FY 2018. The increase was mainly due to new contributions from CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun which were acquired on 30 August 2019 and rental growth from the multi-tenanted malls. This was partially offset by lower revenue in CapitaMall Erqi due to pre-termination of lease of its anchor tenant and CapitaMall Wuhu which was divested in July 2019. In SGD terms, gross revenue in FY 2019 increased by \$15.4 million, or 6.9% over FY 2018.

Property expenses for FY 2019 decreased by \$2.5 million, or 3.3% compared to FY 2018. This was mainly due to the exclusion of land rental expenses in FY 2019, as a result of the application of the principles of FRS 116 *Leases*, and lower operating expenses in CapitaMall Wuhu following its divestment. This was partially offset by the acquisition of property expenses in CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun.

Management fees payable to the manager were \$1.4 million, or 10.2% higher than FY 2018 mainly due to higher deposited properties and net property income arising from the acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun.

Finance income earned in FY 2019 was \$0.8 million higher than FY 2018 mainly due to interest earned from bank deposits placed with financial institutions.

Finance costs in FY 2019 was \$9.8 million, or 36.6% higher than FY 2018. This was mainly due to higher interest cost arising from refinancing of bridge loan used to finance the acquisition of Rock Square, additional interest bearing borrowings drawn down for the acquisitions in FY 2019 and inclusion of interest expense liabilities in FY 2019, as a result of the application of the principles of FRS 116 *Leases*.

Share of results (net of tax) from joint venture relates to the contribution from Rock Square which was acquired on 31 January 2018.

Taxation in FY 2019 increased by \$18.0 million, or 31.9% as compared to FY 2018. The higher taxation arose mainly from the provision of deferred tax liabilities on higher fair value gain on the portfolio investment properties including the acquisition of CapitaMall Xuefu, CapitaMall Yuhuating and CapitaMall Aidemengdun.

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

CRCT has not disclosed any forecast to the market.

10 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's GDP came in at 6.1% year-on-year for 2019. National urban disposable income and expenditure per capita grew 7.9% and 7.5% respectively for 2019 while national retail sales of consumer goods increased 8.0% year-on-year¹.

2019 ended with positive macro-economic developments such as the December's manufacturing PMI coming in at 50.2 for a second month of expansion² while a "phase one" trade deal between the US and China – which resulted in the postponement of additional US tariffs on Chinese products in exchange for China purchasing more US goods including farm produce³ - was agreed on and subsequently signed in January 2020⁴. Although the truce between the two major global trading partners helped to boost investor sentiment and raised hopes for a more permanent resolution later on in 2020, the news was overlooked following the onset and global dispersion of the Novel Coronavirus (nCoV), which originated from Wuhan, China. There could be downward pressure on retail sales and the general economy that will likely offset the moderate positive momentum enjoyed in prior months.

CRCT is cognizant of the challenges posed by these unforeseen health developments and the potential economic impact on the overall sector. In view of the developing situation, we will continuously assess the nCoV situation, work closely with the different local authorities in China to support their efforts in containing the spread of the nCoV and ensure the wellbeing of our tenants, shoppers and employees. Notwithstanding the short-term impact, we take a positive long-term view of the China market and will rely on our strong financial position to ride through temporary challenges.

Beijing Retail Market Update

For FY 2019, Beijing's GDP grew 6.1% year-on-year. Over the same period, urban disposable income and expenditure per capita increased 8.6% and 8.0% year-on-year respectively. Retail sales increased 4.4% year-on-year for 2019⁵.

The retail market saw two new projects launched in 3Q 2019, which resulted in an increase in total retail space to 10.3 million sq m. F&B retailers led leasing demand during the quarter with a 34.1% share of leasing transactions, followed by fashion retailers that accounted for 23.9% of leasing demand. For the latter, demand was stable with the majority of new leases signed by international brands. In terms of 3Q 2019 rents, citywide shopping mall first-floor rents were relatively stable with a slight increase of 0.3% quarter-on-quarter to an average of RMB951.1 sq m per month. Citywide vacancy rate edged up by 0.1 of a ppt to 6.5% by the end of 3Q 2019 although this measure decreased by 0.3 of a ppt year-on-year.

For 4Q 2019, six retail projects are slated to be launched with two in the urban areas and four in the suburban areas. Given that the Beijing Municipal Government has imposed tight controls on prime area retail planning, which limits land supply for retail usage, majority of projects moving forward can only either be refurbished traditional retail projects in the prime area or new shopping malls in suburban areas. This will lead to a retail supply growth slowdown in Beijing's prime precincts⁶. Coupled with the roll out of Beijing's "First Store Economy" and "Nightlife Economy" policies that are designed to reinvigorate consumption⁷ in the city, CRCT is in good stead as our Beijing malls are located in prime districts.

Shanghai Retail Market Update

For FY 2019, Shanghai's GDP came in at 6.0% year-on-year. Urban disposable income per capita rose 8.2% year-on-year while expenditure per capita increased 4.9% year-on-year during the period. For 2019, retail sales grew 6.5% year-on-year⁸.

¹ China National Bureau of Statistics

² CNBC, "China says manufacturing activity expanded in December", 30 December 2019

³ The Straits Times, "Jan 15 signing for US-China 'phase one' trade deal: Trump", 2 January 2020

⁴ Bloomberg.com, "US and China Sign Phase One of Trade Deal", 15 January 2020

⁵ Beijing Bureau of Statistics

⁶ Savills, Retail Briefing, Beijing, October 2019

⁷ Cushman & Wakefield, Marketbeat, Beijing Retail, September 2019

⁸ Shanghai Bureau of Statistics

Five new projects came onto the market in 3Q 2019, contributing a total retail GFA of 369,000 sq m. In mall composition developments, cosmetics, sports and consumer technology brands are filling the void left by some international fast-fashion retailers that are increasingly being supplanted by domestic brands. Sports stores continue to utilise traditional store sizes and formats alongside a commitment to larger flagship stores in an effort to promote their latest brand innovations. First-floor rents increased 0.3% in 3Q 2019 to an average of RMB27.3 per sq m per day even as citywide vacancy rates rose by 0.6 ppt in 3Q 2019 to 8.1%.

For the last three months of 2019, Shanghai is expected to see an additional 520,000 sq m to bring 2019's total new supply to 900,000 sq m, which matches last year's figure⁹. The uptick in supply is expected to inch Shanghai's overall vacancy rate up slightly¹⁰.

Guangzhou Retail Market Update

For the FY 2019, Guangzhou's economy increased 6.8%, while urban disposable income per capita rose 8.5% year-on-year. For 2019, retail sales rose 7.8% year-on-year¹¹.

Only one shopping centre came onstream in 3Q 2019, which added a total retail GFA of 81,600 sq m. With the new injection, total supply increased to approximately 5.3 million sq m. In terms of tenant activities, even amidst the backdrop of US-China trade issues, some upscale and boutique retail brands continued to grow their businesses in Guangzhou with store upgrades and relocation activities. Across non-prime areas, children-related brands contributed meaningfully to supply take up during the quarter with enterprises, particularly those focusing on early childhood education and children's entertainment, exhibiting a strong willingness in absorbing supply for new stores. Overall, the citywide vacancy rate decreased by 0.4 ppt quarter-on-quarter to 8.4% in 3Q 2019 while corresponding average rents edged up by 0.7% quarter-on-quarter to RMB760.0 per sq m per month.

The supply in 4Q 2019 is expected to be strong with eight new shopping centres – with a combined retail GFA of approximately 883,000 sq m in non-prime areas – scheduled to be completed. This sizeable new supply is anticipated to push up the average vacancy rate in non-prime retail areas and soften the pace of rental growth¹².

Chengdu Retail Market Update

Chengdu's FY 2019 GDP rose 7.8% year-on-year. Urban disposable income increased 8.9% year-on-year. Retail sales for the city registered a 9.9% year-on-year growth for 2019¹³.

With no new malls launched during the quarter, overall retail supply stood at 5.8 million sq m in 3Q 2019 with an unchanged citywide vacancy rate of 4.9% quarter-on-quarter. However, positive market sentiment boosted leasing demand and led to slightly higher average first-floor mall rents of 0.2% quarter-on-quarter to RMB436.2 per sq m per month. The bulk of the brands debuting at Chengdu shopping malls were driven by the fashion accessory and F&B sectors.

For the last quarter of the year, approximately 220,000 sq m of new supply is scheduled to be launched¹⁴. Similar to Beijing, the Chengdu government announced several initiatives to support the city retail sector such as the "First Store Economy" initiative to diversify the retail market and the "Nightlife Economy" policy to encourage late-night consumption¹⁵. Additionally, there is also a pivot by the Chengdu government towards the hosting of world sporting events. To boost the supportive base for sports, fitness experiences and goods, the government has started to encourage the development of these respective sectors. As this strategy continues to unfold, it will likely increase the number of creative enterprises in the city's sports and fitness sectors, and help to drive associated retail growth¹⁶.

Harbin Retail Market Update

For 9M 2019, Harbin's GDP increased 4.5% while urban disposable income increased 5.2% year-on-year. Retail sales came in at 5.5% year-on-year for the first 11 months of the year¹⁶.

Three shopping centres with a total new supply of 511,000 sq m opened during the quarter to bring the city's total to 4.2 million sq m. Overall vacancy rate fell by 0.5 ppt quarter-on-quarter to 8.4%.

In 4Q 2019, one new project is expected to open. A potential boost to retail activity could come once Harbin Metro Line 2 is completed in 2020, which would connect the northern parts of the city to the southern parts. Retail projects are expected to focus on their respective tenant mix and positioning to stand out¹⁷.

⁹ Savills, Retail Briefing, Shanghai, October 2019

¹⁰ Cushman & Wakefield, Marketbeat, Shanghai Retail, September 2019

¹¹ Guangzhou Bureau of Statistics

¹² Savills, Retail Briefing, Guangzhou, October 2019

¹³ Chengdu Bureau of Statistics

¹⁴ Savills, Retail Briefing, Chengdu, October 2019

¹⁵ Cushman & Wakefield, Marketbeat, Chengdu Retail, September 2019

¹⁶ Harbin Bureau of Statistics

¹⁷ Cushman & Wakefield, Marketbeat, Harbin Retail, September 2019

**CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

11 Distribution

11(a) Current Financial Period

Any distribution declared for the current financial period? Yes.

Name of distribution : Distribution for 14 August 2019 to 31 December 2019¹

Distribution type : Capital distribution

Distribution rate : 3.61 cents per Unit

Par value of Units : Not meaningful

Tax rate : Capital distribution represents a return of capital to Unitholders for Singapore income tax purpose. The amount of capital distribution will reduce the cost of CRCT Units for Singapore income tax purposes. For Unitholders who are liable to Singapore income tax on profits from sale of CRCT Units, the reduced cost base of their CRCT Units will be used to calculate the taxable trading gains when the CRCT Units are disposed off.

Remark : The capital distribution from 14 August 2019 to 31 December 2019 is expected to be funded from borrowings at the Trust level as well as internal cash flow from operations.

Footnote:

1. *Distribution of 1.16 cents per Unit for the period from 1 July 2019 to 13 August 2019 comprised of capital distribution was paid in September 2019 as part of the cumulative distribution of 6.29 cents from 1 January 2019 to 13 August 2019. The total distribution for the period from 1 July 2019 to 31 December 2019 was 4.77 cents per Unit.*

11(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 1 July 2018 to 31 December 2018

Distribution type : Tax exempt income/Capital distribution

Distribution rate : 4.83 cents per Unit

Par value of Units : Not meaningful

11(c) Date payable : 30 March 2020

11(d) Book closure date : 17 February 2020

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

Not applicable.

13 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.

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

14 Segmental Results

14(i) Total gross revenue – Actual

| | FY 2019 | FY 2018 | % | FY 2019 | FY 2018 | % |
|------------------------------------|------------------|------------------|---------------|----------------|----------------|---------------|
| | RMB'000 | RMB'000 | Change | S\$'000 | S\$'000 | Change |
| <u>Multi-Tenanted Malls</u> | | | | | | |
| CapitaMall Xizhimen | 308,852 | 294,697 | 4.8 | 61,171 | 60,094 | 1.8 |
| CapitaMall Wangjing | 243,785 | 233,715 | 4.3 | 48,284 | 47,659 | 1.3 |
| CapitaMall Grand Canyon | 133,434 | 131,941 | 1.1 | 26,428 | 26,905 | (1.8) |
| CapitaMall Xuefu | 57,782 | - | 100.0 | 11,444 | - | 100.0 |
| CapitaMall Xinnan | 138,425 | 135,716 | 2.0 | 27,417 | 27,675 | (0.9) |
| CapitaMall Yuhuating | 27,113 | - | 100.0 | 5,370 | - | 100.0 |
| CapitaMall Aidemengdun | 16,501 | - | 100.0 | 3,268 | - | 100.0 |
| CapitaMall Qibao | 97,620 | 101,218 | (3.6) | 19,335 | 20,640 | (6.3) |
| Total multi-tenanted malls | 1,023,512 | 897,287 | 14.1 | 202,717 | 182,973 | 10.8 |
| <u>Master-Leased Malls</u> | | | | | | |
| CapitaMall Erqi ¹ | 43,148 | 50,024 | (13.7) | 8,546 | 10,201 | (16.2) |
| CapitaMall Shuangjing | 47,598 | 45,727 | 4.1 | 9,427 | 9,325 | 1.1 |
| Total master-leased malls | 90,746 | 95,751 | (5.2) | 17,973 | 19,526 | (8.0) |
| CapitaMall Minzhongleyuan | 18,482 | 22,960 | (19.5) | 3,661 | 4,682 | (21.8) |
| CapitaMall Saihan | 69,776 | 66,843 | 4.4 | 13,820 | 13,631 | 1.4 |
| CapitaMall Wuhu ² | 71 | 9,448 | (99.2) | 14 | 1,927 | (99.3) |
| Total Gross Revenue | 1,202,587 | 1,092,289 | 10.1 | 238,185 | 222,739 | 6.9 |

14(ii) Net Property Income – Actual

| | FY 2019 | FY 2018 | % | FY 2019 | FY 2018 | % |
|--|----------------|----------------|---------------|----------------|----------------|---------------|
| | RMB'000 | RMB'000 | Change | S\$'000 | S\$'000 | Change |
| <u>Multi-Tenanted Malls</u> | | | | | | |
| CapitaMall Xizhimen | 220,378 | 208,865 | 5.5 | 43,648 | 42,592 | 2.5 |
| CapitaMall Wangjing | 177,113 | 166,182 | 6.6 | 35,079 | 33,888 | 3.5 |
| CapitaMall Grand Canyon | 90,332 | 88,463 | 2.1 | 17,891 | 18,039 | (0.8) |
| CapitaMall Xuefu | 36,330 | - | 100.0 | 7,195 | - | 100.0 |
| CapitaMall Xinnan | 99,742 | 94,417 | 5.6 | 19,755 | 19,253 | 2.6 |
| CapitaMall Yuhuating | 15,255 | - | 100.0 | 3,021 | - | 100.0 |
| CapitaMall Aidemengdun | 8,573 | - | 100.0 | 1,698 | - | 100.0 |
| CapitaMall Qibao ³ | 71,347 | 47,591 | 49.9 | 14,131 | 9,705 | 45.6 |
| Total multi-tenanted malls | 719,070 | 605,518 | 18.8 | 142,418 | 123,477 | 15.3 |
| <u>Master-Leased Malls</u> | | | | | | |
| CapitaMall Erqi ¹ | 34,477 | 42,798 | (19.4) | 6,829 | 8,727 | (21.7) |
| CapitaMall Shuangjing | 38,106 | 36,849 | 3.4 | 7,547 | 7,514 | 0.4 |
| Total master-leased malls | 72,583 | 79,647 | (8.9) | 14,376 | 16,241 | (11.5) |
| CapitaMall Minzhongleyuan ³ | 3,517 | 1,925 | 82.7 | 697 | 393 | 77.4 |
| CapitaMall Saihan | 41,031 | 38,585 | 6.3 | 8,127 | 7,868 | 3.3 |
| CapitaMall Wuhu ² | (1,233) | (2,727) | 54.8 | (247) | (556) | 55.6 |
| Total Net Property Income | 834,968 | 722,948 | 15.5 | 165,371 | 147,423 | 12.2 |

N.M. – not meaningful

Footnotes:

1. CapitaMall Erqi's gross revenue and net property income has decreased between FY 2019 and FY 2018 due to the pre-termination by its anchor tenant.
2. The divestment was completed in July 2019.
3. Included the impact of FRS 116, where lease expenses associated with the operating leases have been replaced with net changes in fair value of investment properties and interest expense on lease liabilities.

CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019

15 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 8 and 14 on the review.

16 A breakdown of sales as follows: -

| | Group | | |
|---|--------------------|--------------------|-------------|
| | FY 2019 S\$'000 | FY 2018 S\$'000 | % Change |
| 16(a) Gross revenue reported for first half year | 111,138 | 111,645 | (0.5) |
| 16(b) Net income after tax and NCI for first half year | 93,284 | 60,149 | 55.1 |
| 16(c) Gross revenue reported for second half year | 127,047 | 111,094 | 14.4 |
| 16(d) Net income after tax and NCI for second half year | 72,140 | 68,412 | 5.4 |

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

| | FY 2019 S\$'000 | FY 2018 S\$'000 |
|------------------------------------|--------------------|--------------------|
| In respect of period: | | |
| 1 Jan 19 – 13 Aug 19 | 62,899 | - |
| 14 Aug 19 – 31 Dec 19 | 43,651 | - |
| 1 Jan 18 – 30 Jun 18 | - | 52,360 |
| 1 Jul 18 – 31 Dec 18 | - | 47,381 |
| Total distributions to Unitholders | 106,550 | 99,741 |

18 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.

**CAPITALAND RETAIL CHINA TRUST
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED
31 DECEMBER 2019**

19 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 Retail China Trust ("CRCT"), confirms that there is no person occupying a managerial position in the Company or in any of CRCT's principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial Unitholder of CRCT.

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 RETAIL CHINA TRUST MANAGEMENT LIMITED
(Company registration no. 200611176D)
(as Manager of CapitaLand Retail China Trust)

Chuo Cher Shing
Company Secretary
7 February 2020