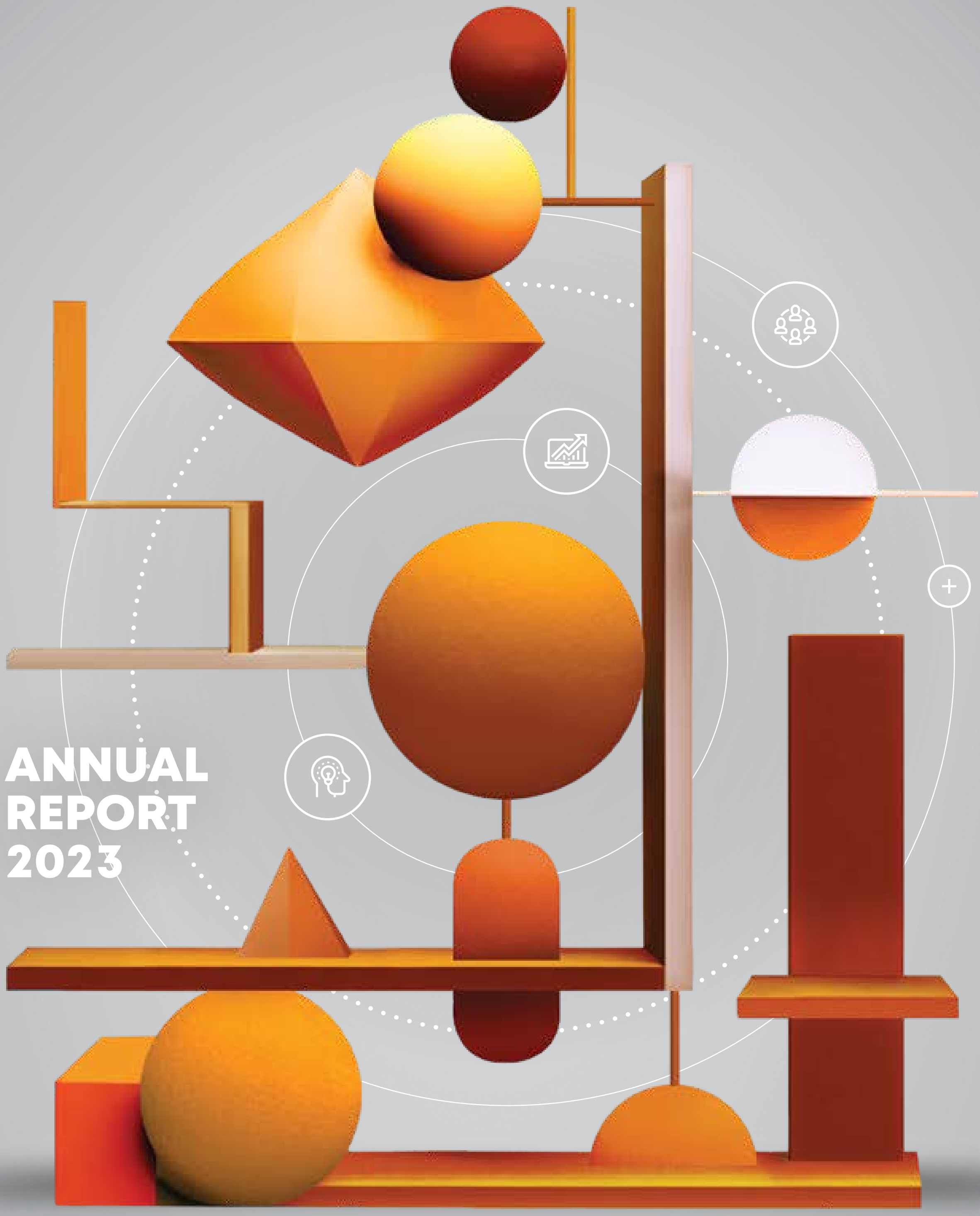
ANNUAL REPORT 2023



CAPITALAND CHINA TRUST


CapitaLand
China Trust
BUILDING
RESILIENCE,
EMBRACING
OPPORTUNITIES

WHERE IDEAS TAKE SHAPE

At CapitaLand China Trust, we remain focused on creating sustainable value for our stakeholders. We bring diverse ideas and leverage our real estate investment management expertise across our diversified portfolio - retail, business parks and logistics parks - supported by our strong team on the ground.

The convergence and interconnection of distinct shapes on the cover page captures this essence. It also showcases our dynamic ONE CapitaLand Ecosystem, as we forge ahead together with a shared purpose of making a positive impact.

CONTENTS

25,222
PORTFOLIO VALUE[1]
(RMB MILLION)

12 TIER 1 AND LEADING CITIES
GEOGRAPHIC PRESENCE

~1.9
GROSS FLOOR AREA
(MILLION SQ M)

CapitaMall Xizhimen

10
RETAIL MALLS[2]

5
BUSINESS PARKS

4
LOGISTICS PARKS

1 Based on valuation on a 100% basis as at 31 December 2023. The valuation based on effective interest is RMB23,631 million as at 31 December 2023.
2 Includes CapitaMall Shuangjing, which was divested in January 2024 but excludes CapitaMall Qibao, as the mall has ceased operations since the end of March 2023.

ABOUT US

CapitaLand China Trust (CLCT) is Singapore's largest China-focused real estate investment trust (REIT). Listed on the Singapore Exchange Securities Trading Limited (SGX-ST) on 8 December 2006, the objective of CLCT is to invest on a long-term basis, in a diversified portfolio of income-producing real estate and real estate-related assets in China, Hong Kong SAR and Macau that are used primarily for retail, office and industrial purposes (including business parks, logistics facilities, data centres and integrated developments).

CLCT is managed by CapitaLand China Trust Management Limited (CLCTML), a wholly owned subsidiary of Singapore-listed CapitaLand Investment Limited (CLI), a leading global real estate investment manager with a strong Asia foothold.

VISION

Sustainable and resilient REIT with a professionally managed portfolio of quality real estate across China

MISSION

Deliver sustainable income growth to our Unitholders and value-add to the community and stakeholders by enhancing organic growth through proactive asset management; creating new value through innovative asset enhancement strategies; and capitalising on yield-accretive acquisition growth

For more information, please visit our corporate website at **www.clct.com.sg.**

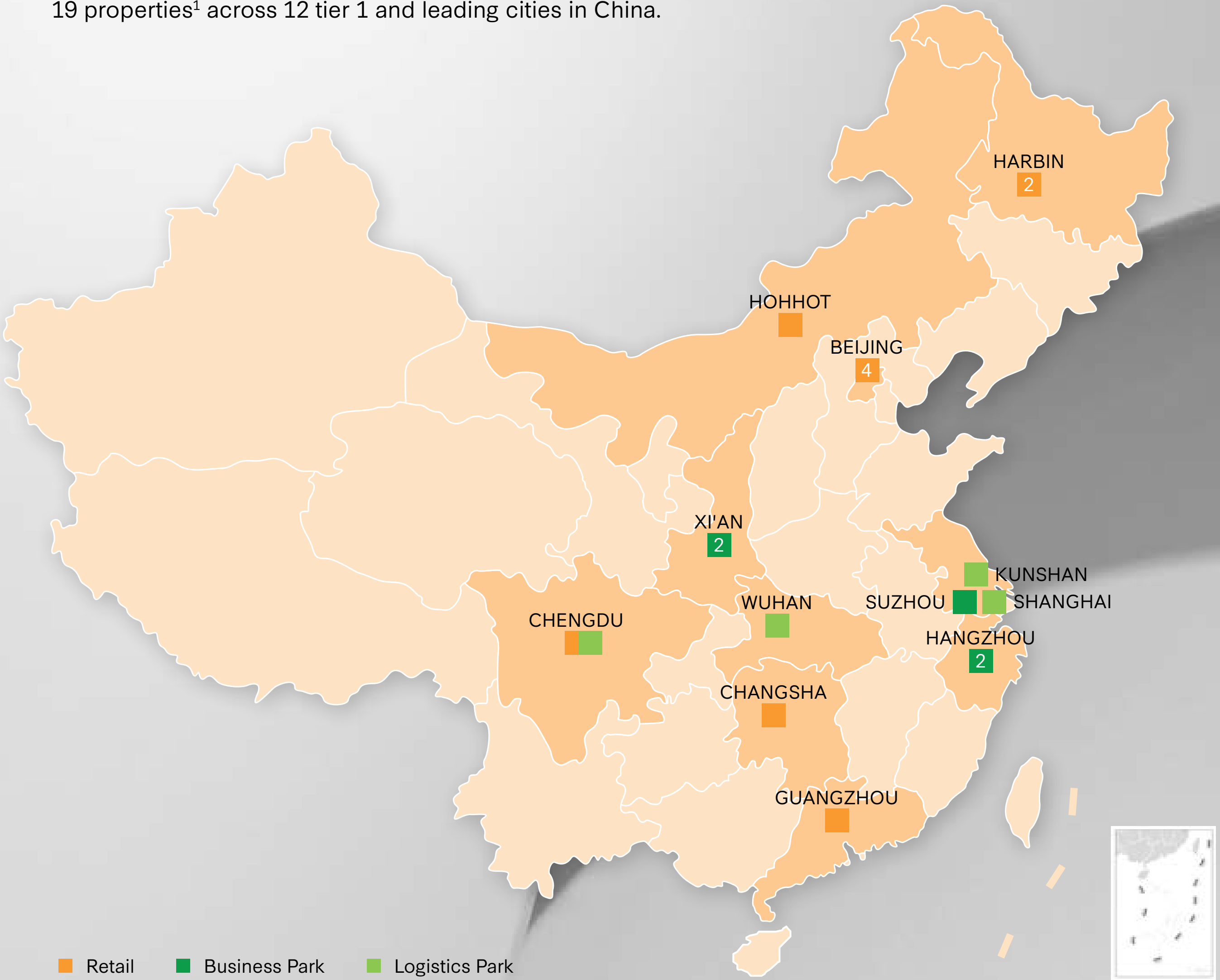
OUR GROWTH STRATEGY

Our growth strategy is focused on three key pillars: Creating, Unlocking, and Extracting value. We meticulously cultivate our portfolio with a disciplined reconstitution strategy, ensuring a robust and forward-looking asset mix. Proactive asset management elevates the intrinsic value of our portfolio, drawing prominent tenants to our quality spaces. This strategic positioning enables us to deliver sustainable returns to our Unitholders. Our strategy is reinforced by a prudent capital and risk management framework, underpinned by a commitment to sustainability.

Strategic advantages and growth potential are further realised by leveraging on CapitaLand Group's extensive pipeline of high-quality assets as well as operational excellence through the wide-ranging real estate platform, strong local network, and professional property management capabilities. Together, these elements pave the way for our sustainable growth and market leadership.

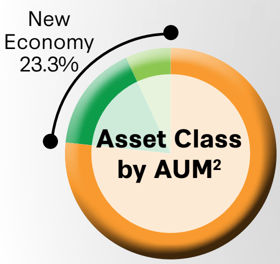
PROPERTY PORTFOLIO

Since its IPO in 2006, CLCT's portfolio has grown from seven shopping malls to a diversified portfolio of 19 properties[1] across 12 tier 1 and leading cities in China.



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

ASSET CLASS DIVERSIFICATION



Retail	76.7%
New Economy – Business Park	16.4%
New Economy – Logistics Park	6.9%

GEOGRAPHICAL DIVERSIFICATION

Beijing	39.1%
Guangzhou	14.4%
Yangtze Delta[3]	15.3%
Other Tier 2 and Provincial Cities[4]	31.2%

1 Includes CapitaMall Shuangjing, which was divested in January 2024 but excludes CapitaMall Qibao, as the mall has ceased operations since the end of March 2023.
2 Based on effective stake as at 31 December 2023. The manager has recognised a fair value uplift to reflect the agreed property price of RMB842.0 million for the divestment of CapitaRetail Beijing Shuangjing Real Estate Co., Ltd., which holds CapitaMall Shuangjing. The completion of CapitaMall Shuangjing's divestment was announced on 23 January 2024.
3 Includes Shanghai, Suzhou, Kunshan and Hangzhou.
4 Includes Changsha, Chengdu, Xi'an, Wuhan, Harbin and Hohhot.

CLCT's 10 retail properties[1] are strategically located in densely populated areas with good connectivity to transportation amenities, which provide stable recurring shopper footfall. The malls are positioned as one-stop family-oriented destinations that offer essential services and house a wide range of lifestyle offerings that cater to varied consumer preferences in shopping, dining and entertainment. The retail tenant portfolio in CLCT comprises a diverse mix of leading brands including ZARA, Urban Revivo, UNIQLO, Xiaomi, Li-Ning, Bosideng, Haidilao, Nanjing Impressions, TANYU, Nike, Sephora, Starbucks Coffee and Chow Tai Fook. The malls are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon and CapitaMall Shuangjing in Beijing; Rock Square in Guangzhou; CapitaMall Xinnan in Chengdu; CapitaMall Nuohemule in Hohhot; CapitaMall Xuefu and CapitaMall Aidemengdun in Harbin; and CapitaMall Yuhuating in Changsha.

CLCT has a portfolio of five business parks that is situated in high-growth economic zones, with high quality and reputable domestic and multinational corporations operating in new economy sectors such as biomedical sciences, electronics, engineering, e-commerce, information and communications technology and financial services. The business parks and industrial properties exhibit excellent connectivity to transportation hubs, and are easily accessible via various modes of transport. The properties are Ascendas Xinsu Portfolio in Suzhou; Ascendas Innovation Towers and Ascendas Innovation Hub in Xi'an; and Singapore-Hangzhou Science & Technology Park Phase I and Phase II in Hangzhou.

The portfolio of four logistics parks is located in key logistics hubs near transportation nodes such as seaports, airports and railways to serve the growing domestic logistic needs of China's Eastern, Central and Southwest regions. Fitted to meet a wide range of e-commerce and logistics requirements, the properties are anchored by strong domestic tenants, including China's leading technology-driven supply chain solutions and logistics services providers. The tenants cater to a variety of sectors from logistics and warehouse, pharmaceuticals, manufacturing to e-commerce. The properties are Shanghai Fengxian Logistics Park in Shanghai; Kunshan Bacheng Logistics Park in Kunshan; Wuhan Yangluo Logistics Park in Wuhan; and Chengdu Shuangliu Logistics Park in Chengdu.

5 Based on committed leases as at 31 December 2023.
6 Excludes CapitaMall Shuangjing.

Rising up to the challenging macro-economic landscape, CLCT remained steadfast in the vision of building a future-ready portfolio. The year 2023 saw significant breakthroughs in capital management, portfolio reconstitution, and sustainability. As China's economy continues to pick up, CLCT is well-positioned to ride the momentum and seize opportunities to continue delivering value to its investors.

Ascendas Innovation Towers (AIT)

PERFORMANCE SNAPSHOT OF 2023

BUSINESS OPERATIONS

NO. OF LEASES[1]
▲ **3,044**
FY 2022: 2,804

SHOPPER TRAFFIC
▲ **45.8%**
YoY

TENANT SALES
▲ **41.5%**
YoY

OCCUPANCY[2]
91.4%
▲ Retail: 98.2%[1]
Business Park: 91.0%
Logistics Park: 82.0%

FINANCIAL PERFORMANCE

GROSS REVENUE
RMB1,912.5 m
FY 2022: RMB1,851.5 m

NET PROPERTY INCOME
RMB1,293.7 m
FY 2022: RMB1,228.4 m

DISTRIBUTION PER UNIT
6.74 S cents
FY 2022: 7.50 S CENTS

CAPITAL MANAGEMENT

% OF FIXED RATE[3]
▲ **82%**
FY 2022: 71%

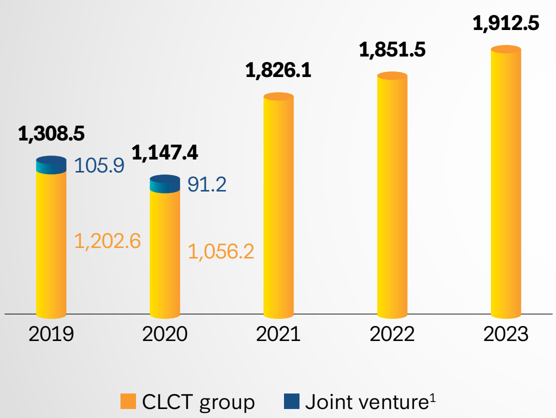
COST OF DEBT[4]
3.57%
FY 2022: 2.97%

AGGREGATE LEVERAGE[5]
41.5%
FY 2022: 39.6%

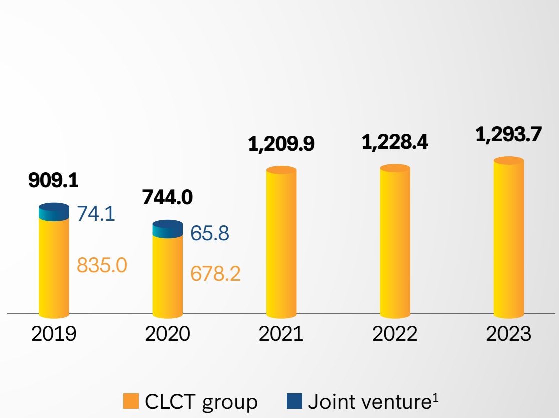
1 Excludes CapitaMall Shuangjing, which was divested in January 2024 and CapitaMall Qibao, as the mall has ceased operations since the end of March 2023.
2 Based on committed leases as at 31 December 2023.
3 Excludes Money Market Lines and onshore RMB loans.
4 Ratio of the consolidated interest expense over weighted average borrowings on balance sheet for that financial year.
5 In accordance with the Property Funds Appendix, the aggregate leverage is calculated based on the proportionate share of total borrowings over deposited properties.

FINANCIAL HIGHLIGHTS

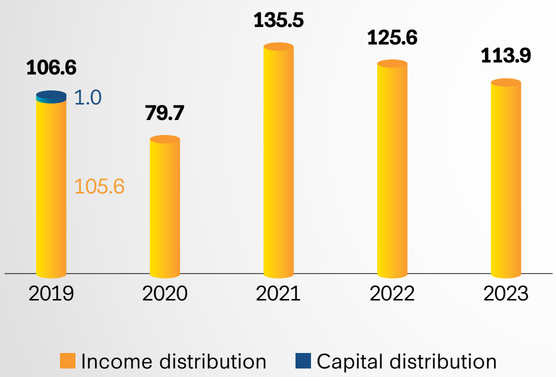
GROSS REVENUE (RMB MILLION)



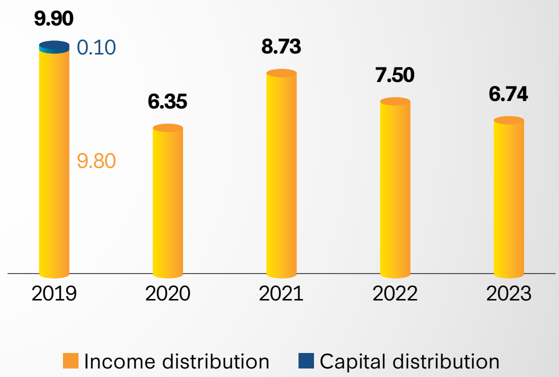
NET PROPERTY INCOME (RMB MILLION)



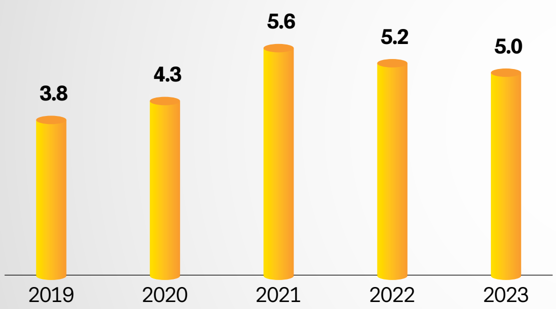
DISTRIBUTABLE INCOME (S$ MILLION)



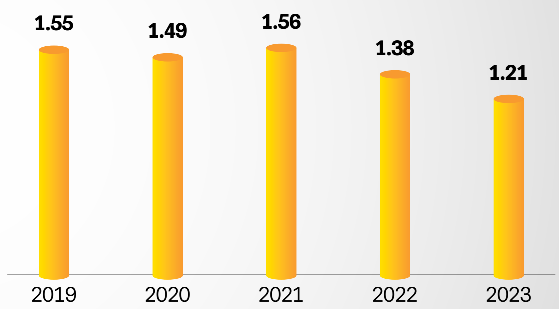
DISTRIBUTION PER UNIT (S CENTS)



TOTAL ASSETS (S$ BILLION)



NET ASSET VALUE PER UNIT (S$)



1 Joint venture refers to CLCT's 51% interest in Rock Square.

5-YEAR FINANCIAL HIGHLIGHTS

As at 31 December	2019	2020	2021	2022	2023
Financial Performance					
Gross Revenue (RMB million)	1,308.5[i]	1,147.4[i]	1,826.1	1,851.5	1,912.5
Gross Revenue (S$ million)	259.2[i]	228.7[i]	378.0	383.2	364.7
Net Property Income (RMB million)	909.1[i]	744.0[i]	1,209.9	1,228.4	1,293.7
Net Property Income (S$ million)	180.1[i]	148.3[i]	250.4	254.2	246.7
Distributable Income (S$ million)	106.6	79.7	135.5	125.6	113.9
Distribution per Unit (DPU) (S cents)	9.90[ii]	6.35	8.73	7.50[iii]	6.74[iii]
Earnings per Unit (EPU) (S cents)	15.45	(0.96)	6.92	7.36	2.42
Diluted EPU (S cents)	15.39	(0.96)	6.86	7.30	2.40
Key Financial Position					
Total Assets (S$ million)	3,805.7	4,310.3	5,575.9	5,226.1	4,995.8
Portfolio Property Valuation(S$ million)[iv]	3,223.9	3,895.3	5,239.0	4,904.3	4,700.1
Total Deposited Properties (S$ million)[v]	3,883.5	4,281.9	5,226.6	4,893.4	4,670.3
Net Assets Attributable to Unitholders (S$ million)	1,873.7	2,245.2	2,588.2	2,306.2	2,039.9
Net Asset Value per Unit (S$)					
- Before Income Distribution	1.55	1.49	1.56	1.38	1.21
- After income Distribution	1.51	1.48	1.54	1.34	1.18
Total Borrowings (S$ million)	1,383.2	1,359.7	1,993.4	1,950.9	1,956.4
Market Capitalisation (S$ million)	1,946.6	2,093.9	1,974.8	1,889.9	1,585.5
Capital Management					
Aggregate Leverage (%)[vi]	36.7	31.8	37.7	39.6	41.5
Average Cost of Debt (%)[vii]	2.98	2.76	2.62	2.97	3.57
Average Term to Maturity (years)	2.8	3.0	3.4	3.4	3.5
Interest Coverage (times)[viii]	5.3	3.9	4.9	3.8	3.3
Adjusted Interest Coverage (times)[viii]	5.3	3.8	4.5	3.6	3.1
Management Expense Ratio (%)[ix]	1.1	0.8	0.9	0.8	0.9

i Includes contributions from joint venture in 2019 to 2020 (51% stake in Rock Square). Remaining 49% stake was acquired on 30 December 2020.
ii Includes DPU from capital distribution of 0.10 S cents.
iii Includes rental support of S$1.3 million in 2022 and S$0.6 million in 2023 (which was previously deducted from the amount paid to the vendor) for the vacancy loss and rent free provided to existing tenants for Chengdu Shuangliu Logistics Park and Wuhan Yangluo Logistics Park. The DPU impact of rental support is 0.08 S cents in 2022 and 0.04 S cents in 2023.
iv Based on valuation on a 100% basis as at 31 December 2023. The portfolio property valuation includes the valuation of 10 retail malls, 5 business parks and 4 logistics parks. For more details, please refer to page 45.
v All the assets of CLCT, including CLCT's proportionate share of Project Companies (if the ownership is less than 100%).
vi The aggregate leverage is calculated based on proportionate total borrowings over the deposited properties in accordance to Property Funds Appendix.
vii Ratio of the consolidated interest expense over weighted average borrowings on balance sheet for that financial year.
viii Ratio of EBITDA over consolidated interest expenses (excludes finance lease interest expenses under FRS 116) in accordance with Monetary Authority of Singapore (MAS) guidelines. Ratio is calculated by dividing the trailing 12 months EBITDA by the trailing 12 months interest expense (excluding FRS 116 finance expense). The interest coverage ratios for 2019 and 2020 have been restated to exclude FRS 116 finance expense. Adjusted Interest Coverage Ratio includes the perpetual securities distributions (per guidelines from the MAS).
ix Refers to the expenses of CLCT excluding property expenses and interest expenses but including the performance component of CLCTML's management fees, expressed as a percentage of weighted average net assets.

YEAR IN BRIEF

1st Quarter

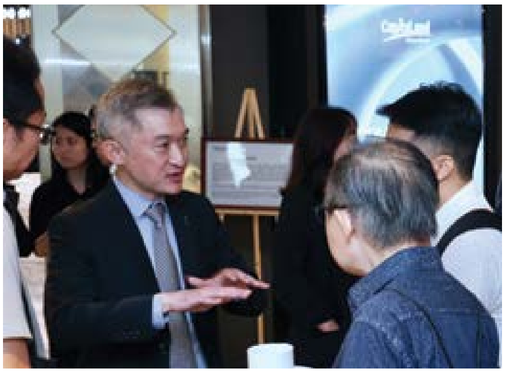
January
» Improved MSCI ESG Ratings from B to BBB.

February
» Reported Distributable Income (DI) of S$125.6 million and Distribution per Unit (DPU) of 7.50 S cents for FY 2022.

March
» Completed the asset enhancement initiative (AEI) spanning ~8,900 sq m at CapitaMall Yuhuating, achieving a rental reversion of +112% for the zone. The enhanced array of offerings and experiences is aligned with the needs and preferences of today's shoppers.

CapitaMall Yuhuating

2nd Quarter



CLCT Annual General Meeting 2023

April
» Unitholders approved all resolutions at Annual General Meeting.

» Announced 1Q 2023 Business Updates.

May
» Attained LEED Gold certification for CapitaMall Xizhimen, Ascendas Innovation Towers, Ascendas Innovation Hub, and Singapore-Hangzhou Science & Technology Park Phase I[1] as part of CLCT's sustainability commitment. With this, 36%[2] of CLCT's portfolio is LEED Gold certified.

June
» Announced the retirement of Mr Lim Cho Pin Andrew Geoffrey as Non-Executive Non-Independent Director and he relinquished his roles as Chairman of the Executive Committee (EC) and member of the Nominating and Remuneration Committee (NRC), with effect from 16 June 2023.

» Appointed Ms Quah Ley Hoon as Non-Executive Non-Independent Director, Chairman of the EC, and member of the NRC, with effect from 16 June 2023.

1 Attained LEED Gold status for Block 1 to 3 of Singapore-Hangzhou Science & Technology Park Phase I – the remaining blocks are LEED Gold certified since 2014.
2 By portfolio gross floor area excluding carpark space. Cover CLCT properties managed by CLI.

3rd Quarter

Rock Square

July

» Reported DI of S$63.1 million and DPU of 3.74 S cents for 1H 2023.

» Recovered 2,310 sq m of supermarket anchor space at Rock Square basement two and reconfigured the area to enhance overall shopping experience. Introduced popular lifestyle offerings, including Gifts & Toys and specialty F&B stores. The return on investment (ROI) for this new reconfiguration was more than 13%.

August

» Appointed Mr Tan Tee How as Non-Executive Independent Director, with effect from 1 August 2023.

September

» Appointed Ms Wan Mei Kit as Non-Executive Independent Director, with effect from 1 October 2023.

» Improved Sustainalytics ESG Risk Rating from Low Risk to Negligible Risk.

4th Quarter

October

» Awarded 5 Star rating in the GRESB Real Estate Assessment 2023 with a score of 91, placing CLCT in the top 20% of the global benchmark (2022: 2 Star rating, score of 71).

» Received an A for GRESB Public Disclosure 2023, ranked 1st out of 8 in the peer group.

» Established the Sustainability-Linked Finance Framework and obtained a Second-Party Opinion from Moody's Investors Service.

» Launched the inaugural RMB600 million free trade zone (FTZ) three-year tenor offshore bonds with a coupon rate of 3.8% per annum. First Singapore-based issuer to launch FTZ offshore bonds, diversifying funding sources to fuel long-term growth.

» Announced 3Q 2023 Business Updates.

December

» Completed the AEI at basement one of CapitaMall Grand Canyon, with a refreshed tenant mix spanning ~7,800 sq m that includes a new retail concept supermarket, 7FRESH, by China's JD.com, as well as 60 popular F&B outlets and trendy retail & amenity stores. Post AEI, rental income for the area grew approximately 50%.

» Announced divestment of CapitaMall Shuangjing at the agreed price of the property of RMB842.0 million (around S$157.8 million[3]), representing an exit yield of 2.8%[4]. The strategic divestment presented a good opportunity to unlock value, strengthen the balance sheet, and provide greater financial flexibility to pursue capital recycling and portfolio reconstitution initiatives.

» Announced the retirement of Ms Kuan Li Li as Non-Executive Independent Director and she relinquished her role as member of the Audit Committee (now known as Audit and Risk Committee (ARC)), with effect from 1 January 2024.

» Announced the appointment of Mr Tan Tee How and Ms Wan Mei Kit as member of the NRC and ARC respectively, with effect from 1 January 2024.

3 Based on an assumed exchange rate of S$1 to RMB5.3348 unless otherwise stated. CapitaMall Shuangjing was divested to Inner Mongolia Haiyu Shengyuan Operation and Management Company Limited via CLCT's divestment of its entire equity interest in CapitaRetail Beijing Shuangjing Real Estate Co., Ltd.. An independent valuation, carried out using the Income Capitalisation Analysis and Discounted Cashflow Analysis methods, valued CapitaMall Shuangjing at RMB 621.0 million (approximately S$116.4 million) as at 31 October 2023.

4 This is based on annualising the net property income of CapitaMall Shuangjing from 1 January 2023 to 30 September 2023 and divided by the agreed price of RMB842.0 million (around S$157.8 million).

MESSAGE TO UNITHOLDERS

From left

SOH KIM SOON

Chairman
Non-Executive Independent Director

TAN TZE WOOI

Chief Executive Officer
Executive Non-Independent Director

Dear Unitholders,

CapitaLand China Trust (CLCT) delivered creditable results in FY 2023. This comes amidst an uncertain macro-economic environment marked by geopolitical tensions, elevated global interest rates and challenges in China's property sector. Over the past three years, our forward-looking portfolio reconstitution strategy has strengthened our resilience and diversified our income streams – allowing us to navigate different market cycles.

During the year, we achieved new milestones across various pillars from capital management, sustainability to portfolio reconstitution. This was driven by our unwavering commitment to create value for Unitholders. We broke new ground as the first Singapore-based issuer to launch Free Trade Zone (FTZ) offshore bonds. As testament to this accomplishment, we were awarded the *Top Contributors of International Business – The Pearl Bond* at the 2023 China Interbank Bond Market (CIBM) Participants Performance Evaluation by the China Central Depository and Clearing Co., Ltd. On the sustainability front, our consistent efforts resulted in improved scores in the GRESB Assessment, Morgan Stanley Capital International Environmental, Social and Governance (MSCI ESG) ratings and Sustainalytics. Alongside this, we made tangible progress via the installation of solar panels at the Kunshan Bacheng Logistics Park, underscoring our commitment to sustainability. We closed the year with the timely divestment of CapitaMall Shuangjing, further exemplifying our dynamic portfolio optimisation strategy.

Our focus remains on building a solid foundation for the future. On the retail front, we actively extracted value through strategically timed asset enhancement initiatives (AEIs), which has enabled us to capture China's consumer spending recovery. Our proactive approach allowed us to harness the positive momentum, leading to the improvement of our retail operating metrics in the second half of 2023. As our AEIs were completed in phases during the year in review, we expect positive retail contributions to continue into 2024. We will persist in solidifying and positioning CLCT to adapt and seize future growth opportunities.

DELIVERING A RESILIENT PERFORMANCE

In FY 2023, gross revenue registered a 3.3% year-on-year (YoY) increase to RMB1,912.5 million, while net property income (NPI) rose 5.3% to RMB1,293.7 million. This growth was driven by the improved performance of CLCT's retail portfolio, despite lower contributions from our new economy assets. In Singapore Dollar (SGD) terms, CLCT's financials were impacted by foreign currency translation arising from the strength of the SGD against the Renminbi (RMB) as well as the rising interest rate environment. This translated into FY 2023 NPI of S$246.7 million and distributable income of S$113.9 million. Distribution per Unit for this financial year stood at 6.74 Singapore cents.

The portfolio occupancies at the end of the year were 98.2%, 91.0% and 82.0% for retail, business park and logistics park assets, respectively. Our retail portfolio registered the highest occupancy since December 2019, with all retail properties reflecting improved occupancy YoY[1]. Further, we recorded a 45.8% YoY improvement in shopper traffic[2] and a 41.5% YoY increase in tenant sales[2], surpassing pre-COVID levels. FY 2023 saw our retail assets gradually rebound in tandem with improving essentials and lifestyle spending. Through active management, we enhanced our portfolio stability by diversifying our tenant base, with contributions from our top 10 tenants reducing by 2.3% to 10.7%[3]. With the retail sector contributing 75.9% of our portfolio assets under management (AUM)[4], we are poised to benefit from the positive momentum and full-year contributions as we enter 2024.

Despite the weaker business sentiments, our business park portfolio achieved a positive rental reversion of 1.6%. We leveraged our strong relationships with tenants to support their retention and expansion, while also leveraging our industry network to target new sectors poised for growth. The business park portfolio, which constitutes 17.0% of our portfolio AUM[4], continued to attract high-quality tenants in key sectors in 2023. These spanned electronics, engineering, e-commerce, information and communications technology, financial services, biomedical sciences and pharmaceuticals. Meanwhile, the logistics park portfolio experienced cautiousness on lease renewals due to new supply and subdued economic activities. However, with the logistics park portfolio contributing around 7.1% of our portfolio AUM[4], its performance was offset by the overall improvement in our diversified portfolio.

1 Excludes CapitaMall Minzhongleyuan as its operations were under review. The divestment of the mall was completed on 10 February 2021.
2 Shopper Traffic and Tenant Sales exclude CapitaMall Qibao as the mall has ceased operations since the end of March 2023.
3 By total rental income based on effective stake.
4 Based on effective stake as at 31 December 2023 and post-completion of the divestment of CapitaMall Shuangjing as announced on 23 January 2024.

MESSAGE TO UNITHOLDERS

REJUVENATING OUR PORTFOLIO

Driven by our proactive portfolio management strategy, we refreshed our retail assets through strategically timed AEIs and unit reconfigurations. This allowed us to keep pace with the evolving lifestyles and spending patterns of Chinese consumers. Staying nimble, we continued to vary our malls' offerings and curate experiences to align with the latest trends among China's growing middle-class. This has allowed us to attract and retain tenants across sectors, while injecting vibrancy to enhance the overall appeal of our retail assets.

In 1Q 2023, we wrapped up our AEI at CapitaMall Yuhuating. This involved reconfiguring approximately 8,900 square metres (sq m) of anchor supermarket space to create a vibrant specialty tenant space and inject more lifestyle offerings and experiences. The enhanced NLA mix in the AEI zone resulted in approximately +112% rental reversion while providing more varieties to support the community's preferences.

Over at Rock Square, we recovered 2,310 sq m of anchor supermarket space at basement two and reconfigured it into a hub for trendy lifestyle stores and specialty F&B offerings. Concluded in July 2023, the AEI achieved a return on investment (ROI) of over 13%. Meanwhile, we divided two large F&B units totalling 1,699 sq m on level three into six smaller ones, catering to diverse cuisines while attracting family and social gatherings. Following its completion in August 2023, the rejuvenated space generated more than 18% ROI.

Revitalising the shopping experience at CapitaMall Grand Canyon, we converted level one of the anchor sublease and surrounding area into 1,025 sq m of experiential space that hosts a diverse tenant mix spanning retail, F&B and electric vehicle trade categories. Since its completion in July 2023, the redesigned area boosted rental income by 67%. Additionally, we transformed a conventional anchor supermarket space at basement one into approximately 7,800 sq m of refreshed tenant mix featuring around 60 new F&B, trendy retail and amenity stores as well as a new retail concept supermarket, 7FRESH. Post-launch in December 2023, this reimagined space recorded an approximately 50% increase in rental income.

During the year, we continued holding regular tenant engagement initiatives across our business parks to nurture a cohesive community. These efforts included thoughtfully curated events that ranged from annual sports meets, to food festivals and festive celebrations.

SHAPING SUSTAINABLE GROWTH

As we fortify our position as Singapore's largest China-focused REIT and maintain alignment with the country's growth pillars, CLCT remains well-positioned to leverage China's long-term development. Concurrently, we will enhance our presence in asset classes associated with consumption, high-quality development and emerging industries.

To generate value, we actively seek to monetise non-core, matured assets and recycle the proceeds to enhance our portfolio. In December 2023, we announced the divestment of CapitaMall Shuangjing for RMB842.0 million, representing an exit yield of 2.8%[5]. As the mall is a predominantly master-leased mall that requires significant capital outlay to repurpose the building and remain competitive, this divestment presents a good opportunity to unlock value and strengthen our financial position, while bolstering our financial flexibility to drive further portfolio reconstitution initiatives. Meanwhile, we took decisive action to optimise our portfolio by ceasing operations at CapitaMall Qibao in March 2023 ahead of the mall's master lease expiry in January 2024, which led to savings in operating expenses. These efforts to divest our mature, non-core retail malls, while ceasing operations at weaker malls, allow us to optimise our resources to further strengthen the portfolio.

In line with our business park leasing strategy, we will target and retain resilient sectors poised for growth and encourage existing tenants to upscale their footprint. During the year, our Xi'an business park assets - Ascendas Innovation Towers and Ascendas Innovation Hub - received property tax incentives after being conferred incubator fund status for 2023 and 2024. This stemmed from our efforts to support the government's drive to nurture local businesses and propel innovation-led growth. We will continue to implement targeted leasing strategies across our business park assets, while identifying high-quality tenants and partnering them to support their growth journey. For our logistics parks, we will focus on tenant retention and driving occupancy rates, while collaborating with government agencies and tenant community to strengthen demand pipeline.

5 This is based on annualising the net property income of the Property from 1 January 2023 to 30 September 2023 and divided by the agreed price of RMB842.0 million (around S$157.8 million).

UPHOLDING PRUDENT CAPITAL MANAGEMENT

Our disciplined approach to capital management enables us to maintain a healthy financial position and stable cost of debt among China focused S-REITs. During the year, we pioneered a landmark initiative as the first S-REIT to launch FTZ offshore bonds. Due in 2026, the RMB600 million bonds have a three-year tenor, offering a coupon rate of 3.8% per annum. This allowed us to achieve approximately 100 basis points (bps) in interest savings through early refinancing of our existing SGD-denominated offshore debt. The bonds broadened our funding sources, while optimising our capital structure to fuel long-term growth. In 2023, we expanded our RMB-denominated facilities to 20%, an improvement from 13% as at 31 December 2022. Having refinanced our 2023 loans ahead of schedule, we have also secured the refinancing for borrowings due in 2024 well in advance of their maturity dates. As part of risk management, we will continue to look at ways to optimise our onshore and offshore debt mix to increase our natural hedge while strengthening overall financial position.

At the close of 2023, around 82%[6] of our total term loans were on fixed rates, providing certainty on interest expenses. Interest coverage ratio of 3.3 times[7] remained well above the regulatory requirement of 2.5 times[8] while gearing came in at 41.5%[9]. Should the net proceeds from the divestment of CapitaMall Shuangjing be used to pare down debt, CLCT's gearing would have improved to approximately 40% as at 31 December 2023. In addition, we maintained a well-staggered debt maturity profile and our average term to maturity stood at 3.5 years. As testament to CLCT's increasing green focus, we significantly raised the proportion of our Sustainability-Linked Loans from 13% of our total debt in FY 2022 to 31% this financial year.

SCALING NEW HEIGHTS IN SUSTAINABILITY

At CLCT, we believe that a sustainable approach to business is integral to our long-term success. In alignment with CapitaLand's 2030 Sustainability Master Plan, we constantly strive to minimise our environmental impact, while contributing to the communities we operate in. We reached numerous sustainability milestones during the year and have detailed these accomplishments under the "In Conversation with CEO" and "Sustainability Highlights" sections.

OUTLOOK

China's GDP expanded by 5.2%[10] while retail sales grew by 7.2% in 2023[11]. Chinese policymakers are actively implementing targeted measures to bolster economic growth and most of the country's largest provinces have set growth targets of 5% or more in 2024[12]. At the beginning of 2024, China's central bank announced a 50 bps cut to bank reserves, which will provide RMB1 trillion of long-term liquidity to the financial market[13]. In February 2024, China decreased the five-year loan prime rate (LPR) by 25 bps to 3.95%, the first cut since June 2023[14]. Additionally, China is focusing on promoting consumption[15] and boosting investments in the private sector[16], which are anticipated to bode well for the country's economic climate. Although market volatility and uncertainty remain, we maintain a positive outlook on the country's opportunities in the long term.

Underpinned by our proactive capital and asset management, CLCT's diversified portfolio positions us to capitalise on business and consumption flows as the macroenvironment and consumer confidence improve. At the same time, we will actively look out for opportunities to rebalance our portfolio and strengthen our financial capacity, while seizing investment prospects to propel our portfolio reconstitution efforts.

6 Excludes Money Market Lines and onshore RMB loans. The fixed to floating ratio rose from 71% to 82%, reflecting the impact of the FTZ Bonds and Cross Currency Interest Rate Swap (CCIRS) on the total debt composition.
7 Ratio is calculated by dividing the trailing 12 months EBITDA over the trailing 12 months interest expense (exclude finance lease interest expenses under FRS 116) in accordance with MAS guidelines.
8 With effect from 1 January 2022, S-REITs are required to have a minimum ICR of 2.5 times before they are allowed to increase their leverage to beyond the prevailing 45% limit (up to 50%).
9 In accordance with the Property Funds Appendix, the aggregate leverage is calculated based on the proportionate share of total borrowings over deposited properties.
10 CNN, China's economy grew by about 5.2% in 2023, Premier Li says, 16 January 2024.
11 China National Bureau of Statistics
12 Bloomberg, China's provinces mostly target GDP growth of 5% or more in 2024, 24 January 2024.
13 Reuters, China cuts bank reserves to defend markets, spur growth, 24 January 2024.
14 The Straits Times, China cuts mortgage reference rate by most on record to revive property market, 20 February 2024.
15 Xinhua, China plans to further boost consumption for economic recovery, 19 January 2024.
16 The State Council of the People's Republic of China - China pledges more support for private sector, 18 January 2024.

MESSAGE TO UNITHOLDERS

BOARD RENEWAL

Mr Lim Cho Pin Andrew Geoffrey stepped down as Non-Executive Non-Independent Director, Chairman of the Executive Committee and member of the Nominating and Remuneration Committee with effect from 16 June 2023. Ms Kuan Li Li stepped down as Non-Executive Independent Director and member of the Audit and Risk Committee with effect from 1 January 2024. On behalf of the Board, we thank them for their dedicated service throughout their tenures.

As part of our Board rejuvenation efforts, we welcomed three new Board members in FY 2023. Ms Quah Ley Hoon joined us as Non-Executive Non-Independent Director, Chairman of the Executive Committee and member of the Nominating and Remuneration Committee on 16 June 2023 while Mr Tan Tee How was appointed as a Non-Executive Independent Director on 1 August 2023 and as a member of the Nominating and Remuneration Committee on 1 January 2024. In addition, Ms Wan Mei Kit came onboard as a Non-Executive Independent Director on 1 October 2023 and was appointed as a member of the Audit and Risk Committee on 1 January 2024. We believe that their valuable experience and expertise will add to the Board's bench strength.

Amidst a challenging year, we are grateful to our Board for their steadfast guidance in driving CLCT forward. Our sincere appreciation goes to our Unitholders, business partners, tenants and staff for their unwavering support.

With China's economic recovery poised to gain traction in the coming year, we will continue to seize opportunities to secure a future-ready portfolio that is aligned with the country's long-term economic focus. We will also build on our strong foundations to intensify our portfolio resilience, while generating sustainable value to all Unitholders and stakeholders.

SOH KIM SOON
Chairman

TAN TZE WOOI
Chief Executive Officer

March 2024

MESSAGE FROM THE CHAIRMAN

Dear Unitholders,

I will be retiring from the Board after the conclusion of the annual general meeting to be convened and held on 22 April 2024. Serving as Chairman of CapitaLand China Trust (CLCT) has been a remarkably rewarding journey and I feel privileged to have contributed to CLCT's transformation and growth. Over the years, CLCT has demonstrated resilience while continuously strengthening its portfolio attributes, transitioning from its retail focus to become a diversified multi-asset class REIT. I am thankful to have worked alongside the dedicated CLCT Board and Management team.

To our Unitholders, I extend my gratitude for your unwavering support during my tenure as Chairman. My fellow Board member, Mr Tan Tee How, who will be appointed as Chairman following my retirement, brings with him extensive experience from various business sectors and the Singapore Civil Service. I am confident that under his leadership, CLCT will continue to strive towards new heights.

SOH KIM SOON

NOTE OF APPRECIATION

Mr Soh Kim Soon has served for seven years as Chairman of the Board with unwavering commitment. During this time, he made significant contributions in guiding CLCT through a transformative journey, evolving from a REIT with a pure retail focus to a thriving diversified multi-asset class REIT, including steering the REIT through the challenging COVID-19 environment and proactively positioning it to capture trends emerging post-pandemic. Under his stewardship, CLCT expanded its investment mandate as well as nearly doubled its total assets and city footprint.

Mr Soh's tenure as Chairman has been distinguished by his strong leadership and sound business judgement, underscored by a commitment to sustainable value creation. His stewardship has been instrumental in steering CLCT towards building a future ready portfolio that is well aligned with China's long term economic development priorities.

The Board and Management are deeply appreciative of Mr Soh's guidance and wise counsel, which have shaped CLCT's growth throughout his years of service.

致信托单位持有人之信函

尊敬的信托单位持有人，

二零二三财政年，在地缘政治局势紧张、全球利率上行以及中国房地产行业面临挑战等不确定的宏观经济环境下，凯德中国信托依然取得了良好的业绩。在过去的三年里，我们采取了前瞻性的资产重组策略，增强了我们的抗风险韧性，收入来源更趋向多样化。这大大帮助我们驾驭不同市场周期的能力。

在这一年里，我们在资本管理、可持续性发展和资产组合重组等各个领域都取得了新的里程碑。这些成绩的取得始终来自我们为信托单位持有人创造价值的坚定承诺。成为首家发行中国自由贸易区离岸债券的新加坡发行商是我们在这一年突破性的成就。这项成就也获得了业界肯定，我们在中国中央国债登记结算有限责任公司举办的“二零二三年银行间债券市场参与者绩效评估”中荣获“国际业务最佳贡献者——明珠债券”奖。在可持续性方面，通过我们的不懈努力，我们在全球房地产业可持续标准评估、MSCI环境、社会及公司治理评级和Sustainalytics评估的得分均有所提高。此外，我们在昆山巴城物流园安装太阳能板，彰显了我们对可持续发展的承诺。年末，我们脱售了凯德广场 · 双井，再次证明了我们持续优化资产组合的努力和承诺。

我们致力于不断为未来奠定坚实的基础。在零售业务方面，我们通过适时的资产增值计划抓住中国消费复苏的机遇，从而积极挖掘资产价值。我们积极主动借助市场回温的势头，改善了我们在二零二三年下半年的零售经营表现。我们的资产增值计划在本年度内已经分阶段完成，我们预计这些计划对零售资产带来的积极贡献将持续惠及二零二四年。我们将坚持夯实凯德中国信托的基本面，做好定位，把握未来的增长契机。

展现韧性表现

二零二三财政年，我们的总收入同比增长3.3%至19.125亿元人民币，净资产收入同比增长5.3%至12.937亿元人民币。尽管新经济资产的收入减少，但凯德中国信托零售资产组合的表现有所改善，从而带动了净资产收入的增长。以新元计算的凯德中国信托的财务数据受到了新元兑人民币汇率走强以及全球利率上升所带来的影响，二零二三财政年的净资产收入为2.467亿新元，可派发收入为1.139亿新元。本财政年度的每单位派息为6.74新分。

截至年末，零售资产、产业园和物流设施的出租率分别为98.2%、91.0%和82.0%。我们的零售资产组合出租率达到二零一九年十二月以来的最高水平，所有零售物业的出租率均有所提高[1]。此外，我们的客流[2]同比增长45.8%，租户销售额[2]同比增长41.5%，均超越过了二零一九冠病疫情前的水平。二零二三财政年，随着刚需和生活时尚方面的消费有所改善，我们零售资产的表现也连带逐步回升。通过积极的管理，我们进一步推动租户多元化，增强了投资组合的稳定性。二零二三财政年，我们前十大租户的贡献收入下降2.3%至10.7%[3]。零售业占了我们管理资产的75.9%[4]，进入二零二四年后，我们预期将从零售资产更趋乐观的发展态势和全年贡献中获益。

尽管行业景气较弱，但我们的产业园投资组合仍实现了1.6%的租金增长率。我们凭借与租户的稳固关系，留住租户，扩大租用规模。同时我们善用行业网络在新领域中寻求增长机会。二零二三年，占我们管理资产17.0%的产业园投资组合[4]继续吸引来自主要行业包括电子、工程、电子商务、资讯通信科技、金融服务、生物医学和制药业的优质租户。由于新增供应和经济活动平缓，物流园区租户在续租方面表现谨慎。然而，物流园区投资组合仅占我们管理资产约7.1%[4]，我们多元化投资组合的整体上扬表现预期能有效地抵消物流园区在这方面的影响。

资产升级改造

我们推行积极主动的资产管理策略，适时进行资产增值计划和租赁空间重新规划，为我们的零售资产带来焕然一新的面貌。这使我们能够跟上中国消费者不断变化的生活时尚和消费模式。我们保持灵活性，继续根据中国日益壮大的中产阶级所追求的最新趋势，丰富我们的零售产品和体验。通过这个策略，我们得以吸引并保留各领域的租户，为我们的零售资产注入活力，提升整体吸引力。

二零二三年第一季度，我们完成了凯德广场 · 雨花亭的资产增值计划。该计划重新配置约8,900平方米的主力超市空间，从中打造出一个充满活力的特色租户空间，并引入更多的生活时尚产品和体验。资产增值计划范围内的可租面积经过重新配置后，租金增长达到约112%，同时为租户和消费者提供了更多的选择。

在乐峰广场，我们从主力超市收回了位于地下二层的2,310平方米空间，并将其改建为时尚生活商店和特色餐饮中心。该资产增值计划于二零二三年七月完成，投资回报率超过13%。与此同时，我们将三楼两个大型餐饮单位占据的1,699平方米空间重新划分为六个小型餐饮单位，以提供不同风味的美食，吸引家庭和社交聚会者。二零二三年八月竣工后，升级改造后的空间带来超过18%的投资回报率。

为了提升凯德广场 · 大峡谷的购物体验，我们将一楼的主力空间分租及周边区域，改造成1,025平方米的体验式空间，容纳了零售、餐饮和电动车展售等不同类别的租户组合。自二零二三年七月完工以来，重新设计的区域帮助我们将租金收入提高67%。此外，我们还将地下一层约7,800平方米的传统主力超市空间重新划分成约60家新的餐饮、时尚零售和生活设施商店，以及一家全新零售概念超市七鲜超市。在二零二三年十二月投入使用后，这个经过重新规划的空间为我们带来了约50%的租金收入增长。

1　不包括凯德新民众乐园，其业务当时正在战略检讨中。该商场已于二零二一年二月十日完成脱售。
2　客流和租户销售额不包括凯德广场 · 七宝，该商场已于二零二三年三月底停止运营。
3　根据有效资产计算的总租金收入。
4　基于截至二零二三年十二月三十一日的有效资产，以及二零二四年一月二十三日宣布的凯德广场 · 双井项目脱售完成后的情况。

致信托单位持有人之信函

在这一年中，我们继续在各产业园定期举办租户互动活动，以培养一个具有凝聚力的社区。这些活动包括精心策划的年度运动会、美食节和节庆活动。

塑造可持续性增长

作为新加坡最大的专注于中国市场的房地产投资信托基金，凯德中国信托将继续巩固我们的地位，并与中国的发展方向保持一致，从而在中国的长期发展中受惠。与此同时，我们将在消费、高质量产业和新兴行业相关的资产类别中，寻求更多机会。

为了实现价值，我们积极寻找机会，将非核心成熟资产脱售，并将回笼资金用于升级改造我们的资产。二零二三年十二月，我们以8.42亿元人民币的成交价脱售凯德广场・双井，退出收益率为2.8%[5]。由于该商场以整租方式经营，为保持竞争力重新规划建筑用途需要大量资本支出，此次脱售为我们提供了一个释放资产价值、巩固财务状况的机会，同时也增强了我们的财务灵活性，使我们能推动进一步的资产组合重组计划。与此同时，我们在凯德广场・七宝的整租租约于二零二四年一月到期之前，于二零二三年三月停止该商场的运营，从而节省了运营开支。脱售成熟非核心零售商场，以及停止运营实力较弱的商场，让我们能充分善用资源，进一步强化资产组合。

根据我们的产业园租赁策略，我们将目标锁定并长期维护具有增长潜力的行业租户，并鼓励现有租户扩大规模。这一年，我们位于西安的产业园——腾飞科汇城和腾飞创新中心，在获颁二零二三年和二零二四年孵化器基金资格后，获得了房产税优惠。这样的成果来自于我们支持政府培育本地企业和推动创新驱动型增长所做的努力。我们将继续在各产业园实施针对性的租赁策略，同时发掘高素质的租户并与他们合作，支持他们成长前进。对于我们的物流园区，我们将重点放在保留现有租户和提高出租率，同时与政府机构和租户社群合作，增加我们的租户储备。

审慎的资本管理

我们审慎的资本管理使我们在所有专注于中国市场的新加坡房地产投资信托基金中保持财务状况的健康和债务成本的稳定。我们在二零二三年实现里程碑式的突破，在新加坡房地产投资信托基金中首家发行6亿人民币的自贸区离岸债券。该笔债券期限3年，于二零二六年到期，年利率为3.80%。该笔自贸区债券用于提前偿付我们现有新元计价的债务，实现了约100个基点的利息支出的节省。该笔债券的发行不仅扩展了我们的资金来源，也优化了我们的资本结构，为长期增长提供了动力。由于该笔债券的发行，我们二零二三年人民币计价贷款的比例从二零二二年底的13%提高到20%。另外，在对二零二三年到期的贷款进行提前再融资的基础上，我们也对二零二四年到期的贷款成功的提前再融资。作为风险管理策略的一部分，我们将继续研究如何优化我们的在岸和离岸债务组合，从而增加我们持有资产和债务之间的自然对冲，并加强整体财务状况。

二零二三年底，我们约 82%[6]的贷款是固定利率，确保了利息支出的确定性。我们的利息备付率为3.3倍[7]，高于监管要求的2.5倍[8]。我们的净负债比率为41.5%[9]。如果凯德广场・双井的脱售收益用于削减债务，凯德中国信托在二零二三年底的净负债比率将改善至约40%。此外，我们的债务到期日分布均衡，平均到期期限为3.5年。有鉴于凯德中国信托越来越重视绿色环保，我们大幅提高了可持续发展挂钩贷款在债务总额中的比例，二零二三年该比例从二零二二年的13%提高到31%。

为可持续性发展创造新高峰

在凯德中国信托，我们相信可持续性经营是我们长期成功不可或缺的因素。按照凯德集团2030年可持续发展总体规划，我们将不断努力对环境的影响降至最低，同时为我们运营所在的社区做出贡献。二零二三年，我们在可持续发展方面取得了多项里程碑式的成就，详细介绍可参阅“CEO专访”和“可持续发展亮点”。

展望

二零二三年，中国国内生产总值增长5.2%[10]，零售销售额增长7.2%[11]。中国政府正在积极实施有针对性的措施来促进经济增长，中国大部分最大省份将二零二四年的经济增长目标设定为5%或更高[12]。二零二四年初，中国央行宣布将银行储备金下调50个基点，这将为金融市场提供约1万亿人民币的长期流动资金[13]。二零二四年二月，中国将五年期贷款市场报价利率降低25个基点至3.95%。这是自二零二三年六月以来的第一次调降[14]。此外，中国正着力促进消费[15]，并推动私营企业的投资[16]，预计这将为中国的经济环境带来良好的景象。虽然市场波动和不确定性依然存在，我们依然看好中国的长期市场契机。

5 从二零二三年一月一日至二零二三年九月三十日期间该物业的净资产收入年化折算后除以物业成交价格得出。
6 货币市场借贷合约及在岸人民币贷款除外。固定与浮动利率的比率由71%上升至82%，反映了自贸区债券和交叉货币利率掉期对总债务结构的影响。
7 根据新加坡金融管理局的指导原则，利息备付率是指将过去12个月的息税折旧摊销前利润除以过去12 个月的利息支出（不包括《财务报告准则》第116条规定的融资租赁利息支出）。
8 从二零二二年一月一日起，新加坡房地产投资信托基金在满足最低利息备付率不少于2.5倍的前提下，可以将杠杆率提高到超过现行的45%（50%为顶限）。
9 根据《物业基金附录》的规定，杠杆率是以借款总额与存入物业的比例计算得出。
10 根据美国有线电视新闻网于二零二四年一月十六日的报道，李总理称二零二三年中国经济增长约5.2%。
11 中国国家统计局
12 根据彭博社于二零二四年一月二十四日的报道，二零二四年中国大部分省份的国内生产总值增长目标为5%或以上。
13 根据路透社于二零二四年一月二十四日的报道，中国削减银行储备金以捍卫市场、刺激增长。
14 根据海峡时报于二零二四年二月二十日的报道，中国推出记录上最大幅度的房贷参考利率调降以振兴房地产市场。
15 根据新华社于二零二四年一月十九日的报道，中国计划进一步刺激消费以促进经济复苏。
16 中华人民共和国国务院于二零二四年一月十八日发表，中国承诺加大对私营企业的支持力度。

我们主动的资本管理及资产管理，使得凯德中国信托多元化的资产投资组合，能在宏观环境和消费信心改善之际，把握商业和消费领域加速前进的机遇。同时，我们会积极寻找机会，重新平衡我们的资产投资组合，加强财务能力，并把握投资前景以推动投资组合的重组。

新任董事会

林卓斌先生于二零二三年六月十六日卸任非执行非独立董事、执行委员会主席兼提名与薪酬委员会成员的职务。范丽丽女士也于二零二四年一月一日卸任非执行独立董事兼审计与风险委员会成员的职务。我们代表董事会感谢他们在任职期间的热忱服务。

在董事会的更新中，我们在二零二三财政年迎来了3位新董事会成员。柯丽芬女士于二零二三年六月十六日加入我们的董事会，担任非执行非独立董事，执行委员会主席兼提名与薪酬委员会成员，陳繼豪先生于二零二三年八月一日获委任为非执行独立董事和于二零二四年一月一日被委任为提名与薪酬委员会成员。此外，温美潔女士于二零二三年十月一日担任非执行独立董事，并于二零二四年一月一日被委任为审计与风险委员会成员。我们相信，他们的宝贵经验和专业知识将进一步巩固董事会。

在充满挑战的一年里，我们非常感谢董事会不懈指导，推动凯德中国信托不断前进。我们也衷心感谢信托单位持有人、业务伙伴、租户和员工的鼎力支持。

随着中国经济稳步的复苏，我们将继续抓住机遇，为我们的资产投资组合的未来做好预备，并与中国的长期经济发展重点保持一致。我们还将在持续加强资产组合的韧性，同时为所有信托单位持有人和利益相关方创造可持续性价值。

苏锦春
主席

陈子威
首席执行官

二零二四年三月

主席感言

尊敬的信托单位持有人，

年度股东大会拍板定于二零二四年四月二十二日举行后，我也从董事会卸任。担任凯德中国信托的主席是一段非常有意义的旅程，我很荣幸能为凯德中国信托的转型和发展做出贡献。近年来，凯德中国信托从专注于零售资产转型为多元化的房地产投资信托基金，凯德中国信托在不断强化其资产组合的同时，也展现出了极强的韧性。能与兢兢业业的凯德中国信托董事会和管理团队共事，我深怀感激。

对于信托单位持有人，我衷心感谢你们在我担任主席期间给予的坚定支持。现有董事会成员陳繼豪先生在我退任后将被任命为董事会主席，他在各私人领域和新加坡公共服务拥有丰富的经验。我深信，在他的领导下，凯德中国信托将继续迈向新的高峰。

苏锦春

感谢信

在苏锦春先生担任董事会主席的七年间，他带领凯德中国信托走过了一段转型之路，引导我们从专注于零售资产发展成为一个蓬勃的多元化资产的房地产投资信托基金。其中，他带领信托积极应对二零一九冠病疫情带来的挑战，并在后冠病时代紧抓市场复苏的时势契机，贡献良多。在他的领导下，凯德中国信托扩大了投资授权，总资产和资产所在的城市几乎翻了一番。

苏先生在担任主席期间，以其卓越的领导才能和稳健的商业判断力著称，同时致力于为信托基金创造可持续性价值。在他的领导下，公司建立了一个与中国长期经济发展重点相匹配的投资组合，使我们能稳步迈向未来。多年来，他给予凯德中国信托的指导和建议，塑造了凯德中国信托的成长，董事会和管理层致以衷心感谢。

CONVERSATION WITH CEO

Tan Tze Wooi

Chief Executive Officer
Executive Non-Independent Director

Q **Can you bring us through CLCT's operating performance in FY 2023?**

A In FY 2023, CLCT net property income (NPI) grew 5.3% to RMB1,293.7 million. This increase in NPI was boosted by stronger performance in CLCT's retail portfolio which constitutes 75.9% of assets under management (AUM)[1], and partially offset by lower contributions from the new economy portfolio. Notably, in 2H 2023, CLCT registered a year-on-year (YoY) growth of 10.5% in NPI to RMB630.0 million. This growth was primarily due to improved operating conditions and positive momentum in the retail sector driven by higher occupancies and post-asset enhancement initiatives (AEIs).

Shopper traffic[2] and tenant sales[2] for our retail portfolio demonstrated considerable YoY growth of 45.8% and 41.5% respectively. Occupancy for all retail properties reached 98.2%, the highest since December 2019[3]. This recovery can be attributed to the overall improvement of China's retail environment and to our dedicated efforts in carrying out AEIs across our assets. Through these initiatives, we have successfully introduced new trending concepts and optimised our spaces to meet the evolving demands of consumers while delivering positive rental reversions. This proactive approach not only positions us to take advantage of the consumption recovery but also ensures that we remain relevant to our catchment shoppers. During the year, our portfolio occupancy cost[4] trended towards the healthy range of high teens to low 20%. As business and consumer sentiments continue to return on the back of improved sales, we will enter a more constructive lease cycle with brands seeking spaces that resonate with their strategic expansion plans. Given these developments, we are well-positioned to harness the ongoing positive momentum as we move into 2024.

Despite the weaker business sentiments, we managed to maintain our business park portfolio occupancy at 91.0%, with a positive rental reversion of 1.6% while our logistics park portfolio occupancy stood at 82.0%. Our focus for our business park assets is to actively pursue leasing opportunities in growth sectors that are in line with China's long-term growth strategy. By strategically aligning ourselves with these growth sectors, we aim to capitalise on emerging trends and secure sustainable growth for our portfolio. For our logistics assets, we remain focused on tenant retention and driving occupancy rates. We are working closely with government agencies and our established tenant community to strengthen the demand pipeline. Through careful tenant selection and the ongoing cultivation of partnerships, we will continue to navigate the current landscape and position ourselves to capture new opportunities.

Q **On the sustainability front, what are some of CLCT's notable achievements during the year?**

A In 2023, our commitment to sustainability was recognised with major advancements in key assessments. We achieved a 5 Star rating in the GRESB Real Estate Assessment, a marked improvement from our 2 Star rating in 2022. Additionally, we maintained an A rating in the GRESB Public Disclosure, while our MSCI ESG Ratings improved from B to BBB, and our Sustainalytics ESG Risk Rating advanced from Low Risk to Negligible Risk.

In a first for CLCT's portfolio, we completed the installation of 253 solar panels at Kunshan Bacheng Logistics Park at the end of 2023. This initiative will enable CLCT to generate renewable energy starting in 2024. These rooftop solar panels will allow us to supplement the power needs of our tenants with clean energy. Additionally, we procured offsite renewable energy for the first time with Ascendas Innovation Towers and Ascendas Innovation Hub being the first properties in the portfolio to adopt this initiative. In 2023, the renewable energy from these offsite sources comprised approximately 3.0% of our total portfolio electricity usage.

During the year, we established a Sustainability-Linked Finance Framework that comprises key performance indicators (KPIs) linked to green building certifications, renewable energy and energy consumption intensity targets. The framework is applicable to CLCT's Sustainability-Linked Instruments, including Sustainability-Linked Bonds and Loans. To ensure transparency and credibility, we sought

1 Based on effective stake as at 31 December 2023 and post-completion of the divestment of CapitaMall Shuangjing as announced on 23 January 2024.
2 Shopper traffic and tenant sales exclude CapitaMall Qibao as the mall has ceased operations since the end of March 2023.
3 Excludes CapitaMall Minzhongleyuan as its operations were under review. The divestment of the mall was completed on 10 February 2021.
4 Excludes supermarkets.

Singapore-Hangzhou Science & Technology Park Phase I

an independent assessment for our framework and obtained a Second Party Opinion from Moody's Investor Service. This opinion provided an additional layer of validation and credibility to our framework, reinforcing our commitment to maintaining high standards of accountability and disclosure.

Recognising that sustainability is a continuous journey, we kept up our momentum of attaining green certifications for CLCT's assets. In 2023, we obtained new LEED Gold certification for our retail and business park assets - CapitaMall Xizhimen, Ascendas Innovation Towers, Ascendas Innovation Hub and Singapore-Hangzhou Science & Technology Park Phase I[5]. Together with the certifications received for CapitaMall Wangjing and Rock Square in 2022, around 36%[6] of CLCT's portfolio is LEED Gold certified, putting us on track to achieve green certifications for all our buildings by 2030.

At the same time, we have implemented a green lease programme across all properties[7] managed by CapitaLand Investment Limited (CLI), which seeks to align tenants with our sustainability goals.

Q **What does CLCT expect in the road ahead?**

A Over the years, we have consistently positioned ourselves to be in line with China's economic and development plans. With the Chinese government's focus on promoting high-quality development while driving domestic consumption, we have proactively shaped our portfolio to create a diversified multi-asset portfolio that comprises retail properties, business parks and logistics parks.

In the near future, we will continue to adapt and build portfolio resilience and diversification, with a focus on enhancing existing asset quality and income streams. In December 2023, we announced the divestment of CapitaMall Shuangjing, which was completed in January 2024. We also ceased operations at CapitaMall Qibao ahead of the mall's lease expiry in January 2024. With the exit of these two matured assets from our IPO, we have monetised 7 non-core and mature assets since 2017, including 6 out of 7 IPO assets. We will continue to work towards a well-balanced and resilient portfolio and press on with our reconstitution

5 Attained LEED Gold status for Block 1 to 3 of Singapore-Hangzhou Science & Technology Park Phase I – the remaining blocks are LEED Gold certified since 2014.
6 By portfolio gross floor area excluding carpark space. Cover CLCT properties managed by CLI.
7 Refers to green leases implemented for new and renewed leases. Cover CLCT properties managed by CLI.

strategy by capitalising on new acquisitions while monetising non-core matured assets. The proceeds generated from divestments will be deployed towards strengthening our balance sheet and seizing new growth opportunities.

At the same time, we will continue proactively managing our retail assets to increase footfall by introducing innovative concepts through AEIs and space reconfigurations. To-date, our well-staggered AEIs across multiple assets have positioned us to ride the recovery of domestic consumption. We expect to realise the full benefits of our AEIs at CapitaMall Yuhuating, Rock Square and CapitaMall Grand Canyon in 2024, which will contribute to the improvement of our retail portfolio.

With an emphasis on tier 1 and 2 cities, we will focus on the five core city clusters where our Sponsor, CLI, has a strong presence. Anchored in strong fundamentals and a well-balanced, quality portfolio, we will continue to generate sustainable value for our Unitholders.

Q **How will CLCT leverage synergies with its Sponsor and capture new opportunities?**

A We leverage our Sponsor's strong domain knowledge and work closely with them to ensure the quality of our portfolio performance and business fundamentals. By sourcing assets from our Sponsor's pipeline as well as third party vendors, we can capture market opportunities that best suit CLCT's investment objectives. At the same time, we can tap on our Sponsor's broader operational network and relationships to drive leasing management and asset performances.

In March 2023, the PRC government enlarged the country's REIT market to include consumer-related infrastructure, thus bringing retail malls under the umbrella of C-REITs. Later in the year, regulators approved the first batch of retail C-REITs. Three of the four have completed the pricing process and are preparing for listing, while two more applications have been accepted by the stock exchanges. This development not only stimulates market vitality but offers new opportunities for us to execute our reconstitution strategy. In collaboration with our Sponsor, we are carefully evaluating the best course of action to participate in China's developing and rapidly growing domestic capital markets.

CapitaMall Aidemengdun

CEO专访

问 **您能与我们分享凯德中国信托在二零二三年财政年的业绩表现吗？**

答 二零二三财政年，我们的净资产收入增长了 5.3%，达到 12.937 亿元人民币。净资产收入的增长主要得益于凯德中国信托零售资产组合（占管理资产的75.9%[1]）较为强劲的表现，但这年新经济资产组合的贡献减少，因而抵消了部分增长。值得关注的是，在二零二三年下半年，凯德中国信托的净资产收入同比增长10.5%至6.3 亿元人民币。这主要是因为我们的出租率提高和资产增值计划实施后，经营状况得到改善以及零售环境的良好表现。

零售资产组合的客流[2]和租户销售额2实现了可观的同比增长，分别为45.8% 和 41.5%。我们所有零售资产的出租率同比皆提高，平均出租率达到 98.2%，这是自二零一九年十二月以来我们零售资产组合取得的最高出租率[3]。出租率回升是因为中国零售环境整体改善，以及我们在资产增值计划方面不懈努力。通过这些计划，我们成功引入了新颖的消费概念、优化我们的空间以满足消费者不断变化的需求。计划也帮助我们取得租金调升。这种积极的做法不仅使我们能够在消费复苏的局势中占据有利地位，还确保我们能持续满足目标顾客群的需求。在这一年里，我们的投资组合租户租金成本占比[4] 趋向于健康范围，介于百分之十几至二十出头之间。在销售额增长的同时，商业和消费情绪继续恢复，我们也将进入一个更乐观的租赁周期，继续与正在寻找符合其扩张战略的租赁场所的品牌合作。零售资产在我们的管理资产[1]中占了 75.9%，综上所述，我们在迈向二零二四年之际做好了充分准备，可借助零售市场良好的势头，力争上游。

尽管行业景气较低落，我们仍将产业园资产组合的出租率维持在 91.0%，租金增长率为 1.6%，而物流园资产组合的出租率为 82.0%。对于产业园资产，我们将在符合中国长期发展战略的增长型行业中积极寻找出租机会。我们将推出配合这些行业发展而制定的策略，与他们保持紧密关系，以把握新兴趋势的契机，为我们的投资组合实现可持续性的增长。对于我们的物流设施，我们仍然专注于留住现有租户和提高出租率。我们还与政府机构和租户密切合作，以增加我们的租户储备。通过谨慎选择租户和不断培养合作伙伴关系，我们将继续把握当前的形势，抓住新机遇。

问 **在可持续性方面，凯德中国信托在二零二三年取得了哪些显著成就？**

答 二零二三年，我们在主要评估中取得了重大进展，这对我们推行可持续性的努力来说是一大认可。我们在全球房地产业可持续标准评估中获得了5星评级，与二零二二年的2星评级成绩相比有了显著进步。此外，我们在全球房地产业公开信息披露中保持 A 级评级，MSCI 环境、社会及公司治理评级则从 B 级提升至 BBB 级，Sustainalytics 风险评级也从低风险提升至极低风险。

二零二三年底，我们于昆山巴城物流园完成安装 253 块太阳能板，并将于二零二四年开始生产可再生能源。这在凯德中国信托的投资组合中尚属首例。这些太阳能板生产的可再生能源有效的补充了租户的能源需求。另外，我们首次从外部采购可再生能源。腾飞科汇城和腾飞创新中心是投资组合中第一批采用这举措的物业。在二零二三年，外部可再生能源占了资产总用电量约 3.0%。

这一年，我们建立了一个可持续发展挂钩融资框架，这包括了与绿色建筑认证、采用可再生能源和能源消耗强度目标三方面有关的关键绩效指标。这个框架适用于凯德中国信托的可持续性挂钩资本工具，包括可持续性挂钩债券和贷款。为确保透明度和可信度，我们的框架通过了独立评估，并获得穆迪投资者服务公司的第二方意见。这份意见报告为我们的框架提供了额外的验证和可信度保证，同时也加强了我们在保持高标准问责和披露方面的责任。

我们意识到提倡可持续性是一个持续不懈的路程，因此我们不断为凯德中国信托旗下资产寻求绿色认证。二零二三年，我们的零售资产和产业园资产，包括凯德广场・西直门、腾飞科汇城、腾飞创新中心和新加坡杭州科技园一期[5]，获得了新的领先能源与环境设计金奖认证。加上二零二二年获得认证的凯德广场・望京和乐峰广场，凯德中国信托有大约36% 的资产[6]皆获得了领先能源与环境设计金奖认证，使我们有望在二零三零年之前实现所有建筑获得绿色认证的目标。

与此同时，我们已在凯德投资有限公司管理的所有物业[7]中实施绿色租赁计划。这项计划力争与租户保持一致，共同达成可持续性目标。

1 基于截至二零二三年十二月三十一日的有效股权，以及二零二四年一月二十三日宣布的凯德广场・双井项目脱售完成后的情况。
2 客流和租户销售额不包括凯德广场・七宝，该商场已于二零二三年三月底停止运营。
3 不包括凯德新民众乐园，其业务当时正在战略检讨中。该商场已于二零二一年二月十日完成脱售。
4 不包括百货商场和超市。
5 新加坡杭州科技园一期第一至三号楼获得领先能源与环境设计金奖，其余楼宇自二零一四年起已获得该奖金奖认证。
6 按资产组合总建筑面积计算，不包括停车场面积。包括凯德投资有限公司管理的凯德中国信托项目。
7 参阅为新租约和续租制定的绿色租约。包括凯德投资有限公司管理的凯德中国信托项目。

CapitaMall Yuhuating

问 **放眼前路，凯德中国信托有何展望？**

答 多年来，我们的定位始终与中国的经济和发展计划保持一致。随着中国政府在刺激国内消费的同时，大力推动高质量的发展，我们也积极调整投资组合，打造了一个涵盖零售资产、产业园和物流设施的多元化多资产投资组合。

短期内，我们将继续顺应局势进行调整，并建立投资组合的韧性和多样性，同时将重点放在提升现有资产质量和收入来源。二零二三年十二月，我们宣布脱售凯德广场 · 双井，并于二零二四年一月完成交割。在凯德广场 · 七宝的租约于二零二四年一月到期之前，我们也停止了该商场的运营。随着这两项成熟资产的退出，我们自2017年以来，已脱售了7项成熟资产，其中6项是信托刚上市时的初始资产（信托刚上市时的初始资产共有7项）。我们将继续寻求具有潜力的收购契机，并脱售非核心成熟资产实现资金再循环，以求通过资产重组策略建立一个平衡且具有韧性的资产组合。通过脱售获得的回笼资金将用于增强我们的财务基础，以及投入新的增长机遇中。

与此同时，我们将继续积极主动地管理我们的零售资产。我们将通过资产增值计划和空间重新配置引入创新概念，以增加客流。迄今为止，我们陆续在多个资产适时地进行了资产增值计划，这使我们能够抓住国内消费复苏的机遇。我们预期在二零二四年已完成资产增值计划的凯德广场 · 雨花亭，乐峰广场和凯德广场 · 大峡谷，将进一步改善我们的零售物业品质。

一、二线城市会是我们的业务集中点，在我们专注的五大核心城市群里，凯德投资有限公司都具有强大影响力。凭借稳健的基础和分布均衡的优质投资组合，我们将继续为信托单位持有人创造可持续性价值。

问 **凯德中国信托将如何与其保荐集团携手，抓住新机遇？**

答 我们借助集团强大的行业知识，紧密合作，确保投资组合的业绩表现出色，业务基础扎实。我们积极关注集团的储备资产和第三方的优质物业，从而捕捉最能满足凯德中国信托投资目标的市场契机。与此同时，我们还可以善用集团广泛的运营网络和租户关系，增强租赁管理和资产表现。

二零二三年三月，中国政府扩大了国内房地产投资信托市场，将消费类基础设施纳入其中，购物中心因而被纳入中国房地产投资信托的范畴。去年底，监管机构批准了首批4单消费基础设施房地产投资信托。其中3单已完成定价程序，正在准备上市，另有两家公司的申请已被证券交易所接受。此举在激发市场活力的同时，也为我们执行资产重组策略开辟了另一条途径。对于中国迅速发展和增长的国内资本市场，我们正与集团携手评估如何以最佳行动方案参与其中。

KEY TRENDS SHAPING OUR INDUSTRY

At CLCT, we recognise the importance of identifying and navigating global trends and environmental changes that may impact our business operations, portfolio performance, and future investments. We stay abreast of emerging trends to seize opportunities and tackle challenges in an ever-changing real estate landscape.

Outlined below are the key global trends identified that will have a significant impact on the industry. These trends shape our approach and guide our adaptation strategies to ensure continued success.

1

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) AND SUSTAINABILITY

The increasing awareness and societal expectations for landlords to reduce their carbon footprint have elevated the focus on ESG, carbon neutrality targets, and disclosure. There is also growing demand for properties with green certification. Proactively identifying and managing emerging ESG risks will be instrumental in maintaining a competitive edge.

CLCT's Approach:

» Contribute to CLI's target of achieving Net Zero carbon emissions for Scope 1 and 2 by 2050.

» Incorporate Task Force on Climate-related Financial Disclosures (TCFD) recommendations in our annual report.

» Accelerate efforts to reduce properties' carbon footprint and increase the use of renewable energy. CLCT introduced the use of renewable energy at our Ascendas Innovation Tower and Ascendas Innovation Hub.

» Attain green certification for all existing properties in the portfolio by 2030[1]. In 2023, we attained LEED gold certification for four assets.

» Participate in annual GRESB Assessment for benchmarking purposes. CLCT achieved 5 Star rating for 2023 GRESB Real Estate Assessment and A for public disclosure.

For more information, please refer to CLCT's Integrated Sustainability Report 2023 that will be available from mid-April 2024.

1 Cover CLCT properties managed by CLI.

2

FOREIGN EXCHANGE VOLATILITY

As CLCT's underlying income is denominated in RMB, movements in the RMB against SGD have an impact on net asset value (NAV) and distributable income to Unitholders.

CLCT's Approach:

» Regular monitoring of key financial indicators.

» Adopt prudent capital management strategies with appropriate mix of financing options or structures to limit foreign exchange exposure and boost greater financial flexibility.

» Minimise the effects of foreign exchange movements by employing natural hedges, financial instruments and implementing prudent risk management strategies to mitigate exposure.

» Launched the inaugural RMB600 million Free Trade Zone offshore bonds, and expanded the RMB-denominated debt facilities to achieve natural hedging from 13% as at 31 December 2022 to 20% as at 31 December 2023.

For more information, please refer to the Capital Management section.

3

CHANGING RETAIL TRENDS

CLCT's retail segment witnessed positive tenant sales and shopper traffic growth in 2023. There is an increasing emphasis on the development of memorable customer experiences. The progression of retail trends, influenced by social media and digitalisation, has redirected consumer preferences from traditional retail offerings to more immersive and innovative experiences. Hence, effectively utilising retail spaces is crucial in capturing these shifts.

CLCT's Approach:

» Continuously refine tenant and trade mix strategies through asset enhancement initiatives and unit reconfigurations to adapt to changing shopper lifestyles and preferences, ensuring our retail offerings remain relevant and appealing.

» Engage shoppers through organising frequent activities and events.

» Prioritise the enhancement of the retail experience by harnessing the CapitaStar platform, the main digital enabler within CapitaLand's retail ecosystem.

GROWTH STRATEGIES

VALUE CREATION STRATEGY

Create Value

Our objective is to achieve growth through strategic and well-timed acquisitions that align with our long-term goals. We focus on investing in assets with quality growth potential and synergistic value. To strengthen the resilience of our portfolio, we invest in a diversified portfolio of income-producing real estate across various asset classes.

We proactively source potential acquisitions from our sponsor's pipeline as well as third-party vendors with the aim of creating a future-ready portfolio that can deliver stable and sustainable distributions to our Unitholders.

Unlock Value

We continuously review the performance of our assets and identify the optimal stage in their lifecycle to unlock value. By divesting non-core, mature assets, we will be able to enhance returns to our Unitholders. This allows us to reallocate capital to more promising opportunities that offer higher potential for growth and value creation. We remain committed to evaluating our portfolio rigorously and taking decisive actions to unlock and deliver long-term value for our Unitholders.

VALUE UNLOCKED IN FY 2023:

» Announced divestment of CapitaMall Shuangjing on 6 December 2023 at an agreed price of RMB842.0 million (approximately S$157.8 million[1]) and an exit yield of 2.8%[2]

Extract Value

PROACTIVE ASSET MANAGEMENT

Our priority is to achieve organic growth through customer-centric initiatives. This includes optimising tenant mix, implementing proactive leasing strategies, deepening tenant engagement, and leveraging CapitaLand's omni-channel platforms and loyalty programs. Our goal is to enhance tenant experiences and operational efficiency while managing costs effectively.

INNOVATIVE ASSET ENHANCEMENT

At opportune moments, we will embark on asset enhancement initiatives to reposition the properties and drive competitiveness to maximise asset value and better cater to the lifestyle of today's consumers.

VALUE EXTRACTED IN FY 2023 WITH FURTHER UPSIDE EXPECTED IN FY 2024:

» AEI at CapitaMall Yuhuating (Completed in March 2023): +112% rental reversion
» AEI at Rock Square (Completed in July 2023): >13% return on investment
» AEI at CapitaMall Grand Canyon (Completed in December 2023): +50% rental income

1 Based on an assumed exchange rate of S$1 to RMB5.3348 unless otherwise stated.
2 This is based on annualising the net property income of the Property from 1 January 2023 to 30 September 2023 and divided by the agreed price of RMB842.0 million (around S$157.8 million).

GROWTH STRATEGIES

KEY CAPITALS	VALUE CREATED
ENVIRONMENTAL CAPITAL Monitoring, evaluating and reducing CLCT's environmental footprint • Carbon Emissions • Energy Management • Water Stewardship • Waste and Resource Management	• Sustainability Management: Pages 96 to 102
MANUFACTURED CAPITAL Ability to acquire high-quality properties that value-add to CLCT's portfolio • Environmentally Sustainable, Healthy, Safe and Accessible Quality Buildings • Innovative and Sustainable Construction Methods and Technologies	• Growth Strategies: Pages 28 to 30 • Sustainability Management: Pages 96 to 102
HUMAN CAPITAL Fostering commitment from employees, asset managers and property managers to drive business growth • Occupational Health and Safety • Job Creation and Security • Learning and Development • Benefits and Remuneration	• Sustainability Management: Pages 96 to 102
SOCIAL & RELATIONSHIP CAPITAL Building and maintaining strong relationships with our stakeholders to create long-term shared value • Stakeholder Relations • Social License to Operate • Community Development • Cross-Sectoral Partnership	• Investor Relations: Pages 49 to 51 • Sustainability Management: Pages 96 to 102 • Tenants and Shoppers Engagement: Pages 94 to 95
ORGANISATIONAL CAPITAL Ensuring commitment to highest standards of corporate governance and transparency, prudent risk management and ethical culture • Leadership and Culture • Corporate Governance • Risk Management	• Trust Structure & Organisation Structure: Page 42 • Corporate Governance: Pages 110 to 145 • Risk Management: Pages 104 to 109 • Sustainability Management: Pages 96 to 102
FINANCIAL CAPITAL Leveraging available pool of funds to create value and fuel sustainable growth • Sustainable Financing • Earnings • Equity • Investments • Assets	• Financial Highlights: Pages 8 to 9 • Financial Review: Pages 43 to 45 • Capital Management: Pages 46 to 48 • Financial Statements: Pages 146 to 223

STAKEHOLDERS

EMPLOYEES

INVESTORS, ANALYSTS AND MEDIA

CUSTOMERS
(Tenants and Shoppers)

SUPPLY CHAIN
(Main Contractors, Vendors, Suppliers)

COMMUNITY
(Government/ National Agencies/ Community and NGOs)

CapitaMall Aidemengdun

SUSTAINABILITY HIGHLIGHTS

RECOGNITION AND ACCOLADES

GRESB ★★★★★ 2023

5 STAR
rating awarded for GRESB Assessment 2023, an improvement from 2 Star rating in 2022

A
maintained for GRESB Public Disclosure 2023

NEGLIGIBLE RISK
rated 8.9 in Sustainalytics ESG Risk Rating, upgraded from Low Risk

BBB
awarded for MSCI ESG Ratings, upgraded from B

B
CDP Climate Change 2023

GREEN CERTIFICATION

FOUR NEW LEED GOLD CERTIFIED PROPERTIES
- CapitaMall Xizhimen
- Ascendas Innovation Towers
- Ascendas Innovation Hub
- Singapore-Hangzhou Science & Technology Park Phase I[1]

36% OF PORTFOLIO GREEN CERTIFIED
Met annual green building certification target by obtaining green certification for approximately 36%[2] of portfolio GFA by end 2023.

ECONOMIC

SUSTAINABILITY-LINKED FINANCING FRAMEWORK
Established a Sustainability-Linked Finance Framework that comprises key performance indicators (KPIs) linked to green building certifications, renewable energy and energy consumption intensity targets.

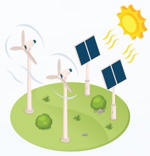
31% OF TOTAL DEBT ARE SUSTAINABILITY-LINKED LOANS
Secured additional sustainability-linked loan of S$100 million in FY 2023. As at 31 December 2023, sustainability-linked loans account for 31% of total debt (FY 2022: 13%).

1 Attained LEED Gold status for Block 1 to 3 of Singapore-Hangzhou Science & Technology Park Phase I – the remaining blocks are LEED Gold certified since 2014.
2 By portfolio gross floor area excluding carpark space. Cover CLCT properties managed by CLI.

ENVIRONMENT

GREEN LEASING

Implemented green leasing for all CLCT properties[3] managed by CLI.



RENEWABLE ENERGY

Procured offsite renewable energy for the first time with Ascendas Innovation Towers and Ascendas Innovation Hub (3.0% of total portfolio's electricity usage).

Completed the installation of 253 solar panels on the roof of Kunshan Bacheng Logistics Park- to generate renewable energy starting in 2024.

SOCIAL

ESG TRAINING

- 100% of CLCT staff in Singapore and 98% of CLCT staff in China participated in ESG-related training.
- 100% of contractors and suppliers attended in-house safety training, covering topics such as Environmental, Health and Safety and COVID-19 safety measures.

HEALTH & SAFETY

- 100% of the main contractors appointed this year are ISO 45001 certified.
- Reported zero incidents resulting in fatality and permanent disability for CLCT staff and contractors.

GOVERNANCE

40%[4] FEMALE BOARD REPRESENTATION

Increased from 25% in 2022.

ZERO LAPSES REPORTED

For corporate governance, corruption or employee misconduct.

3 Refers to green leases implemented for new and renewed leases. Cover CLCT properties managed by CLI.
4 Following the retirement of Ms Kuan Li Li with effect from 1 January 2024, as at the date of this Annual Report, 3 out of 9 Directors (33% of the Board) are female.

OUR BOARD OF DIRECTORS

Soh Kim Soon
Chairman
Non-Executive Independent Director

Tan Tze Wooi
Chief Executive Officer
Executive Non-Independent Director

Tan Tee How
Non-Executive
Independent Director

Neo Poh Kiat
Non-Executive
Independent Director

Professor Ong Seow Eng
Non-Executive
Independent Director

Tay Hwee Pio
Non-Executive
Independent Director

Wan Mei Kit
Non-Executive
Independent Director

Quah Ley Hoon
Non-Executive
Non-Independent Director

Puah Tze Shyang
Non-Executive
Non-Independent Director

SOH KIM SOON, 78

Chairman
Non-Executive Independent Director

- Bachelor of Arts (Honours), University of Singapore
- Associate, Chartered Institute of Bankers

Date of first appointment as a Director
20 April 2017
Date of appointment as Chairman
20 April 2017
Length of service as a Director (as at 31 December 2023)
6 years 8 months

Board committee served on
- Nominating and Remuneration Committee (Chairman)

Present principal commitments
- ORIX Investment and Management Private Limited (Chairman)
- ORIX Leasing Singapore Limited (Chairman)

Background and working experience
- Senior Managing Director of DBS Bank Ltd. (was with DBS Bank Ltd. from 1971 to 2000 where he held various senior management positions)

Awards
- Public Service Medal (2007)
- May Day Award (Friend of Labour) (2012)

TAN TZE WOOI, 50

Chief Executive Officer
Executive Non-Independent Director

- Bachelor of Accountancy (Honours), Nanyang Technological University of Singapore
- Chartered Financial Analyst® and Member, CFA Institute

Date of first appointment as a Director
1 April 2017
Length of service as a Director (as at 31 December 2023)
6 years 9 months

Board committee served on
- Executive Committee (Member)

Present principal commitments
- Chief Executive Officer and Executive Director, CapitaLand China Trust Management Limited (manager of CapitaLand China Trust)

Other major appointments
- Real Estate Investment Trust Association of Singapore (REITAS) (Treasurer)

Background and working experience
- Chief Executive Officer (Designate) of CapitaLand Retail China Trust Management Limited (March 2017)
- Deputy Chief Executive Officer of CapitaLand Retail China Trust Management Limited (From December 2016 to February 2017)
- Regional General Manager, North China of CapitaMalls Asia Limited (now known as CapitaLand Mall Asia Limited) (From March 2014 to February 2017)
- Regional Deputy General Manager, North China of CapitaMalls Asia Limited (From July 2013 to February 2014)
- General Manager, Investment & Asset Management, North China of CapitaMalls Asia Limited (From September 2011 to July 2013)
- Deputy Head, Investment & Asset Management of CapitaMalls Asia Limited (From April 2010 to September 2011)
- Vice President, Investment & Asset Management of CapitaRetail China Trust Management Limited (From October 2008 to December 2014)
- Senior Manager of CapitaRetail China Trust Management Limited (From January 2007 to September 2008)
- Senior Manager of CapitaMall Trust Management Limited (From July 2005 to December 2006)
- Vice President, Wholesale Banking (Real Estate) of Standard Chartered Bank (From 2001 to 2005)
- Assistant Manager of KPMG (From 1997 to 2001)

OUR BOARD OF DIRECTORS

TAN TEE HOW, 64

Non-Executive Independent Director

- Bachelor of Business Administration (Hons), National University of Singapore
- Master of Public Administration, Harvard University, USA
- Advanced Management Program, Wharton Business School, University of Pennsylvania, USA

Date of first appointment as a Director
1 August 2023

Length of service as a Director (as at 31 December 2023)
5 months

Board committee served on
- Nominating and Remuneration Committee (Member)

Present directorship in other listed companies
- Hong Leong Finance Limited

Present principal commitments (other than directorships in other listed companies)
- Gambling Regulatory Authority (Chairman)
- National Healthcare Group (Chairman)

Other major appointments
- MOH Holdings Pte Ltd (Director)
- Nomura Singapore Ltd (Chairman)
- Nomura Asia-Pacific Holdings Ltd (Director)
- Temus Pte Ltd (Director)

Past directorship in other listed company held over the preceding three years
- Chip Eng Seng Corporation Ltd[1]

Background and working experience
- Executive Director of Chip Eng Seng Corporation Ltd (From February 2018 to January 2024)
- Commissioner of Inland Revenue, Singapore and Chief Executive Officer of Inland Revenue Authority of Singapore (From December 2014 to January 2018)
- Permanent Secretary of Ministry of Home Affairs, Singapore (From November 2011 to November 2014)
- Permanent Secretary of Ministry of National Development, Singapore (From April 2004 to October 2011)

Awards
- Public Administration Medal (Silver)
- Public Administration Medal (Gold)

NEO POH KIAT, 73

Non-Executive Independent Director

- Bachelor of Commerce (Honours), Nanyang University, Singapore

Date of first appointment as a Director
20 April 2017

Length of service as a Director (as at 31 December 2023)
6 years 8 months

Board committees served on
- Audit and Risk Committee (Chairman)
- Nominating and Remuneration Committee (Member)

Present directorships in other listed companies
- China Yuchai International Limited
- ValueMax Group Limited

Background and working experience
- Managing Director of Octagon Advisors (Shanghai) Co Ltd (From March 2005 to November 2018)
- Managing Director (Advisory) of Octagon Advisors Pte Ltd (From January 2005 to 30 June 2021)
- Country Officer (China) and Head, Corporate Banking (Greater China) of United Overseas Bank Ltd (From July 2001 to January 2005)
- General Manager (Leasing and Corporate Services) of Sino Land Co Ltd (From January 1994 to August 1996)
- Managing Director of DBS Bank Ltd. (was with DBS Bank group of companies from January 1976 to December 1993 and from August 1996 to July 2001 where he held various senior management positions)

1 Delisted from the official list of the Singapore Exchange Securities Trading Limited on 11 April 2023.

PROFESSOR ONG SEOW ENG, 63

Non-Executive Independent Director

- Bachelor of Science (Estate Management) (First Class Honours), National University of Singapore
- Master in Business (Finance), Indiana University, USA
- PhD in Finance, Indiana University, USA
- Chartered Financial Analyst® and Member, CFA Institute

Date of first appointment as a Director
1 January 2022

Length of service as a Director (as at 31 December 2023)
2 years

Board committee served on
- Audit and Risk Committee (Member)

Present principal commitment
- National University of Singapore (Professor of Real Estate)

Background and working experience
- Assessor, Land Acquisition Appeals Board (From 2020 to present)
- Vice President, Investment Management of Overseas Union Bank (From 1991 to 1992)
- Senior Investment Officer, Equities, Government of Singapore Investment Corporation (GIC) (From 1986 to 1990)
- Assessor, Property Tax of Inland Revenue Authority of Singapore (From 1984 to 1986)

TAY HWEE PIO, 55

Non-Executive Independent Director

- Member, Institute of Singapore Chartered Accountants
- Fellow, Association of Chartered Certified Accountants
- Senior Accredited Director, Singapore Institute of Directors

Date of first appointment as a Director
1 May 2022

Length of service as a Director (as at 31 December 2023)
1 year 8 months

Board committee served on
- Audit and Risk Committee (Member)

Present directorship in other listed company
- Plato Capital Limited

Background and working experience
- Chief Financial Officer of Frasers Centrepoint Asset Management Ltd (From May 2012 to July 2021)
- Member of Financial Reporting Technical Advisory Panel, Accounting and Corporate Regulatory Authority (From April 2015 to October 2019)
- Chief Financial Officer of Frasers Property Limited, China (From November 2008 to April 2012)
- Financial Controller of Frasers Property Limited, China (From October 2006 to October 2008)
- Senior Finance Manager of Keppel Land Limited, Shanghai (December 2002 to September 2006)

OUR BOARD OF DIRECTORS

WAN MEI KIT, 64

Non-Executive Independent Director

- Fellow, Association of Chartered Certified Accountants, United Kingdom
- Fellow, Institute of Singapore Chartered Accountants

Date of first appointment as a Director
1 October 2023

Length of service as a Director (as at 31 December 2023)
3 months

Board committee served on
- Audit and Risk Committee (Member)

Present principal commitments
- Asia Philanthropic Ventures Pte Ltd (Director)
- National Kidney Foundation Singapore (Member of Audit and Risk Committee)
- Singapore Pools (Private) Limited (Director, Chair of Audit and Risk Committee, Member of Nomination Committee)
- Tote Board, Singapore (Member of Audit and Risk Committee)
- United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), New York (Chair of the Advisory Committee on Oversight)

Background and working experience
- Worked with Standard Chartered Bank Singapore from 1989 to 2015 where she held various regional head and leadership roles in the global audit, compliance and operational risk functions
- Regional Head of Audit, ASEAN of Standard Chartered Bank Plc (From Mar 2011 to Nov 2015)
- Regional Head of Compliance and Assurance, SEA of Standard Chartered Bank Plc (From Nov 2007 to Feb 2011)
- Regional Head of Governance Audit, SEA of Standard Chartered Bank Plc (From Jan 2005 to Oct 2007)
- Regional Head of Financial Markets Audit, SEA and Asia of Standard Chartered Bank Plc (From Jan 1995 to Dec 2005)

QUAH LEY HOON, 47

Non-Executive Non-Independent Director

- Master of Economics, University of Pantheon Sorbonne, France
- Bachelor of Science (Major Psychology), University of Southern Queensland, Australia
- Master of Business Administration, IMD Business School, Switzerland

Date of first appointment as a Director
16 June 2023

Length of service as a Director (as at 31 December 2023)
7 months

Board committees served on
- Executive Committee (Chairman)
- Nominating and Remuneration Committee (Member)

Present principal commitment
- CapitaLand Investment Limited (Group Chief Corporate Officer)

Other major appointments
- Defence Science & Technology Agency (Director)
- French Alumni (President)
- Real Tasty Pte Ltd (Director)
- SPH Media Holdings Pte Ltd (Director)

Background and working experience
- Chief People & Culture Officer of CapitaLand Investment Limited (From December 2022 to April 2023)
- Chief Executive of Maritime and Port Authority of Singapore (From January 2019 to September 2022)
- Chief Editor of Channel NewsAsia, MediaCorp Pte Ltd (From January 2013 to June 2018)
- She has more than 15 years of work experience in the public sector, working in various ministries on economic, environmental and social policies.

Awards
- Public Administration Medal (Silver) by the Singapore Government (2017)
- Knight of the French Order of the Legion of Honor (Chevalier de la Legion d’Honneur) by the French Government (2022)

PUAH TZE SHYANG, 52

Non-Executive Non-Independent Director

- Master of Engineering (First Class Honours) Degree in Electrical and Electronic Engineering, Imperial College of Science, Technology and Medicine, University of London, UK
- Executive Master of Business Administration (Honours) Degree, The University of Chicago Booth School of Business, USA

Date of first appointment as a Director
26 October 2021

Length of service as a Director (as at 31 December 2023)
2 years 2 months

Board committee served on
- Executive Committee (Member)

Present principal commitment
- CapitaLand Investment Limited (Chief Executive Officer, China)

Other major appointment
- ULI China Mainland Executive Committee (Member)

Background and working experience
- Chief Executive Officer, Investment & Portfolio Management, China of CapitaLand Group (From July 2019 to September 2021)
- Chief Investment Officer, China of CapitaLand Group (From April 2015 to June 2019)
- Chief Executive Officer of CapitaLand Township (From April 2011 to March 2015)

TRUST MANAGEMENT TEAM

Tan Tze Wooi
Chief Executive Officer (CEO) & Executive Non-Independent Director

Joanne Tan
Chief Financial Officer (CFO)

You Hong
Head, Investment & Portfolio Management (IPM)

Nicole Chen
Head, Investor Relations (IR)

TRUST MANAGEMENT TEAM

TAN TZE WOOI

Chief Executive Officer (CEO) & Executive Non-Independent Director

Please refer to the description under the section on Board of Directors.

JOANNE TAN

Chief Financial Officer (CFO)

Joanne heads the Finance team at CLCTML and is responsible for the financial management and reporting functions. She oversees matters involving accounting, management reporting, risk management, treasury and capital management, ensuring alignment with CLCT's investment strategy. The Finance team works closely with the Investment & Portfolio Management team to review, evaluate and execute acquisitions and divestments with optimise funding plans. Joanne works alongside with the CEO in executing strategic and business plans for CLCT.

Joanne has 25 years of experience in finance, including treasury and accounting. She has been with CapitaLand since 2005 and headed the CLCTML Finance team since 2010. She was also a member of the team involved in the listing of CLCT in 2006 and CapitaLand Malls Asia in 2009. Prior to joining CLCTML, Joanne has extensive experience within the CapitaLand Group including the China and Japan private funds.

Joanne is a Chartered Accountant (CA) with the Institute of Singapore Chartered Accountants and holds a professional degree with the Association of Chartered Certified Accountants (ACCA).

YOU HONG

Head, Investment & Portfolio Management (IPM)

You Hong leads the IPM team at CLCTML and is responsible for creating value for Unitholders through acquisitions and divestments, proactive asset management and asset enhancement initiatives. The IPM team optimises CLCT's portfolio by identifying and evaluating potential acquisitions and divestments, formulating business and enhancement plans and evaluating alternative investment and asset holding structures to improve the REIT's total investment returns. The team works closely with the property managers to carry out planned asset strategies to enhance the operational and financial performance as well as manage the expenses of each property.

You Hong has 18 years of experience in real estate that spans various areas including investment and asset management, private fund management, risk management and real estate financing. Prior to joining CLCTML, You Hong was a fund manager for CapitaLand sponsored private funds, and an investment and asset manager based in Shanghai office.

You Hong holds a Bachelor of Science (Honours) in Quantitative Finance from the National University of Singapore.

NICOLE CHEN

Head, Investor Relations (IR)

Nicole manages the IR function at CLCTML and is responsible for building relations and facilitating strategic communications with CLCT's investors and stakeholders across various communication platforms. The IR team engages in two-way communication and produces collaterals such as press releases, annual reports, and presentations to update the community on CLCT's strategies and plans.

Nicole has more than 10 years of investor relations and corporate communications experience in both in-house as well as agency positions. She has led client servicing teams and managed multi-channel, multi-market programmes across Asia-Pacific, focusing on reputation building, positioning and content creation in both IR and PR agencies. Nicole has also amassed experience through her previous roles encompassing investor relations and corporate communications at a STI component company as well as an overseas listed company.

Nicole is a Chartered Accountant of Singapore and a holder of the International Certificate in Investor Relations. She has a Master of Science in Communication Management (Dean's List) and a Bachelor of Accountancy from the Singapore Management University.

TRUST STRUCTURE

1. Interest income and principal repayment of shareholder's loans from the Project Companies are payable to the Singapore/Hong Kong SAR/British Virgin Islands Companies (where applicable).
2. Includes Project Companies which are not wholly owned by CLCT. In such instances, CLCT receives a proportionate share of dividends, interest income and principal repayment of shareholder's loans from the Project Companies for the properties (where applicable).

ORGANISATION STRUCTURE

FINANCIAL REVIEW

GROSS REVENUE

In RMB terms, gross revenue in FY 2023 increased by RMB61.0 million, 3.3% higher than FY 2022 while Net Property Income (NPI) for FY 2023 increased by RMB65.3 million, 5.3% higher than FY 2022.

NPI in RMB terms was boosted by stronger performance in retail portfolio on improved operating conditions as well as post-asset enhancement initiatives. This was offset by lower contributions from CapitaMall Xinnan due to on-going repositioning and tenancy adjustments, CapitaMall Qibao[i] and CapitaMall Shuangjing[ii], as well as lower contributions from the business park and logistics park assets.

Gross Revenue by Property	FY 2023 S$'000	FY 2022 S$'000	% Change	FY 2023 RMB'000	FY 2022 RMB'000	% Change
Retail						
CapitaMall Xizhimen	57,432	57,964	(0.9)	301,127	280,086	7.5
Rock Square	44,144	44,245	(0.2)	231,461	213,794	8.3
CapitaMall Wangjing	40,771	38,057	7.1	213,776	183,894	16.2
CapitaMall Grand Canyon	17,294	16,974	1.9	90,679	82,023	10.6
CapitaMall Xuefu	33,462	29,245	14.4	175,453	141,313	24.2
CapitaMall Xinnan	13,174	17,691	(25.5)	69,077	85,485	(19.2)
CapitaMall Nuohemule	18,436	14,036	31.3	96,664	67,826	42.5
CapitaMall Yuhuating	15,687	15,589	0.6	82,250	75,327	9.2
CapitaMall Aidemengdun	7,811	6,994	11.7	40,954	33,795	21.2
CapitaMall Qibao[i]	1,090	10,266	(89.4)	5,713	49,604	(88.5)
CapitaMall Shuangjing[ii]	5,525	9,244	(40.2)	28,968	44,671	(35.2)
Total Gross Revenue For Retail	**254,826**	**260,305**	**(2.1)**	**1,336,122**	**1,257,818**	**6.2**
Business Parks						
Ascendas Xinsu Portfolio	43,234	46,467	(7.0)	226,690	224,534	1.0
Ascendas Innovation Towers	15,097	16,355	(7.7)	79,157	79,027	0.2
Ascendas Innovation Hub	6,592	6,969	(5.4)	34,562	33,676	2.6
Singapore-Hangzhou Science & Technology Park (Phase I)	12,824	16,444	(22.0)	67,240	79,461	(15.4)
Singapore-Hangzhou Science & Technology Park (Phase II)	16,031	18,860	(15.0)	84,055	91,131	(7.8)
Total Gross Revenue For Business Park	**93,778**	**105,095**	**(10.8)**	**491,704**	**507,829**	**(3.2)**
Logistics Parks						
Shanghai Fengxian Logistics Park	4,993	5,121	(2.5)	26,185	24,747	5.8
Kunshan Bacheng Logistics Park	3,674	3,926	(6.4)	19,262	18,968	1.5
Wuhan Yangluo Logistics Park	4,270	4,614	(7.5)	22,390	22,293	0.4
Chengdu Shuangliu Logistics Park	3,205	4,110	(22.0)	16,805	19,861	(15.4)
Total Gross Revenue For Logistics Park	**16,142**	**17,771**	**(9.2)**	**84,642**	**85,869**	**(1.4)**
Total Gross Revenue	**364,746**	**383,171**	**(4.8)**	**1,912,468**	**1,851,516**	**3.3**

i CapitaMall Qibao has ceased operations since the end of March 2023.
ii CapitaMall Shuangjing is classified under held for sale as at 31 December 2023 following the announcement of divestment on 6 December 2023. The completion of divestment was announced on 23 January 2024.

NET PROPERTY INCOME

NPI by Property	FY 2023 S$'000	FY 2022 S$'000	% Change	FY 2023 RMB'000	FY 2022 RMB'000	% Change
Retail						
CapitaMall Xizhimen	39,789	40,017	(0.6)	208,619	193,365	7.9
Rock Square	29,997	30,615	(2.0)	157,289	147,932	6.3
CapitaMall Wangjing	27,957	25,634	9.1	146,590	123,866	18.3
CapitaMall Grand Canyon	9,493	9,036	5.1	49,777	43,666	14.0
CapitaMall Xuefu	22,907	18,148	26.2	120,111	87,690	37.0
CapitaMall Xinnan	7,503	11,139	(32.6)	39,343	53,827	(26.9)
CapitaMall Nuohemule	10,927	6,024	81.4	57,292	29,109	96.8
CapitaMall Yuhuating	8,895	8,711	2.1	46,637	42,092	10.8
CapitaMall Aidemengdun	3,231	2,597	24.4	16,937	12,549	35.0
CapitaMall Qibao[i]	1,099	4,782	(77.0)	5,763	23,103	(75.1)
CapitaMall Shuangjing[ii]	3,624	7,426	(51.2)	18,999	35,884	(47.1)
Total Net Property Income For Retail	**165,422**	**164,129**	**0.8**	**867,357**	**793,083**	**9.4**
Business Parks						
Ascendas Xinsu Portfolio	31,678	33,861	(6.4)	166,097	163,623	1.5
Ascendas Innovation Towers	10,675	10,498	1.7	55,971	50,722	10.3
Ascendas Innovation Hub	4,913	4,982	(1.4)	25,755	24,076	7.0
Singapore-Hangzhou Science & Technology Park (Phase I)	9,830	12,743	(22.9)	51,541	61,579	(16.3)
Singapore-Hangzhou Science & Technology Park (Phase II)	12,576	14,981	(16.1)	65,940	72,386	(8.9)
Total Net Property Income For Business Park	**69,672**	**77,065**	**(9.6)**	**365,304**	**372,386**	**(1.9)**
Logistics Parks						
Shanghai Fengxian Logistics Park	3,642	3,882	(6.2)	19,103	18,759	1.8
Kunshan Bacheng Logistics Park	2,874	3,106	(7.5)	15,066	15,009	0.4
Wuhan Yangluo Logistics Park	2,968	3,174	(6.5)	15,563	15,334	1.5
Chengdu Shuangliu Logistics Park	2,161	2,860	(24.4)	11,330	13,822	(18.0)
Total Net Property Income For Logistics Park	**11,645**	**13,022**	**(10.6)**	**61,062**	**62,924**	**(3.0)**
Total Net Property Income	**246,739**	**254,216**	**(2.9)**	**1,293,723**	**1,228,393**	**5.3**

i CapitaMall Qibao has ceased operations since the end of March 2023.
ii CapitaMall Shuangjing is classified under held for sale as at 31 December 2023 following the announcement of divestment on 6 December 2023. The completion of divestment was announced on 23 January 2024.

VALUATION OF PORTFOLIO

	Valuation 2023 RMB Million	Valuation 2022 RMB Million	Valuation 2023 (in per sq m of GRA/ GFA[i]) RMB	Valuation 2023 S$ Million	Valuation 2022 S$ Million
Retail					
CapitaMall Xizhimen	3,668.0	3,638.0	44,153	683.5	706.9
Rock Square	3,410.0	3,410.0	40,794	635.5	662.5
CapitaMall Wangjing	2,844.0	2,884.0	41,817	530.0	560.4
CapitaMall Grand Canyon	1,883.0	1,901.0	26,913	350.9	369.4
CapitaMall Xuefu	1,789.0	1,789.0	17,154	333.4	347.6
CapitaMall Xinnan	1,460.0	1,538.0	27,229	272.1	298.8
CapitaMall Nuohemule	1,030.0	1,030.0	13,498	191.9	200.1
CapitaMall Yuhuating	802.0	800.0	12,919	149.5	155.4
CapitaMall Aidemengdun	402.0	424.0	9,264	74.9	82.4
CapitaMall Qibao[ii]	-	29.0	-	-	5.6
CapitaMall Shuangjing[iii]	842.0	616.0	17,023	156.9	119.7
Business Parks					
Ascendas Xinsu Portfolio	2,340.0	2,320.0	6,268	436.1	450.8
Ascendas Innovation Towers	902.0	902.0	7,612	168.1	175.2
Ascendas Innovation Hub	353.0	353.0	8,706	65.7	68.6
Singapore-Hangzhou Science & Technology Park (Phase I)	824.0	848.0	8,093	153.6	164.8
Singapore-Hangzhou Science & Technology Park (Phase II)	1,043.0	1,055.0	8,007	194.4	205.0
Logistics Parks					
Shanghai Fengxian Logistics Park	598.0	629.0	9,525	111.4	122.2
Kunshan Bacheng Logistics Park	327.0	334.0	7,441	60.9	64.9
Wuhan Yangluo Logistics Park	357.0	384.0	4,105	66.5	74.6
Chengdu Shuangliu Logistics Park	348.0	357.0	4,863	64.8	69.4
Total	**25,222.0**	**25,241.0**	**N.M.**	**4,700.1**	**4,904.3**

i Figures for retail refer to Gross Rentable Area ("GRA") while figures for business parks and logistic parks refer to Gross Floor Area ("GFA").
ii CapitaMall Qibao was held under a master lease by CapitaRetail Dragon Mall (Shanghai) Co., Ltd, a subsidiary of CapitaRetail China Investments (B) Alpha Pte. Ltd.. The master lease which expired on 7 January 2024, was entered with Shanghai Jin Qiu (Group) Co., Ltd, the legal owner of CapitaMall Qibao. CLCT did not exercise the option to renew the master lease which expired on 31 January 2021 and has ceased operations since the end of March 2023.
iii CapitaMall Shuangjing is classified under held for sale as at 31 December 2023 following the announcement of divestment on 6 December 2023. The completion of divestment was announced on 23 January 2024.
N.M. - not meaningful

	S$'000
Investment Properties as at 31 December 2023[iii]	4,543,213
Decrease in valuation for FY 2023[iv]	(39,769)

iii Excludes CapitaMall Shuangjing as the mall is classified as asset held for sale.
iv Includes change in fair value of Right-of-Use assets.

CAPITAL MANAGEMENT

OUR OBJECTIVES

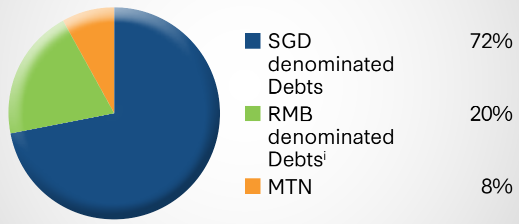
CLCT adheres to a disciplined and prudent set of capital management principles that focuses on maintaining a healthy balance sheet and ensuring diversified sources of funding. CLCT strives to achieve a balanced debt maturity profile with optimal funding costs. In addition, CLCT emphasises the monitoring of its cash flow position to ensure sufficient liquidity and financial capacity. To mitigate risks associated with interest rates and foreign exchange fluctuations, CLCT adopts proactive monitoring and prudent hedging strategies.

STRONG FINANCIAL CAPABILITIES

To address refinancing requirements as well as support portfolio growth initiatives and working capital needs, we proactively secure funding from both financial institutions and capital markets. CLCT has ample untapped facilities, including undrawn loan facilities amounting to S$378.0 million. Additionally, there is S$750.0 million available through the S$1 billion Multicurrency Debt Issuance Programme. As at 31 December 2023, CLCT's total outstanding debt stood at approximately S$2.0 billion, with an aggregate leverage of 41.5% and an effective cost of debt at 3.57% per annum. CLCT's interest coverage ratio (ICR)[1] stood at a healthy 3.3 times. Assuming CLCT utilises the maximum 50% limit set by the Monetary Authority of Singapore (MAS), the debt headroom would be approximately S$0.8 billion (RMB4.2 billion) if the acquired asset is fully funded by debt. The ample headroom provides greater flexibility for CLCT to manage its capital structure, capitalise on potential acquisition opportunities as well as withstand any unprecedented business developments that may arise.

In 2023, we successfully launched the inaugural RMB600 million (approximately S$112 million) 3.8% per annum Free Trade Zone offshore RMB bonds (FTZ Bonds) due in 2026, marking our first issuance of RMB denominated bonds within the China (Shanghai) Pilot FTZ. With the issuance, CLCT emerged as the first Singapore-based issuer to launch FTZ Bonds. This transaction has allowed us to broaden and diversify our funding sources, expanding our RMB-denominated debt facilities to 20% as at 31 December 2023 (from 13% as at 31 December 2022). In addition, we were able to achieve overall interest savings as we pared down SGD-denominated offshore debts bearing higher interest rates, while increasing our overall natural hedge profile.

FUNDING SOURCE



i Includes FTZ Bonds and Cross Currency Interest Rate Swap (CCIRS) on SGD loans to RMB.

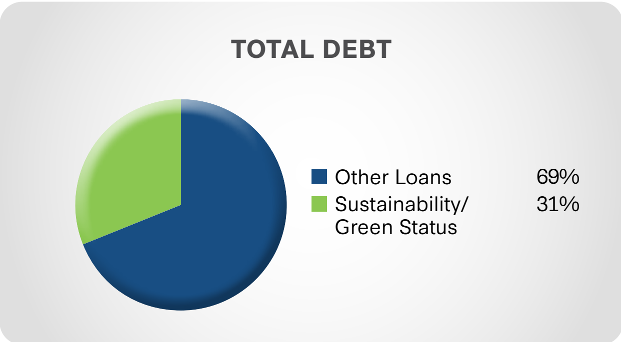
Key Financial Indicators[i]	As at 31 December 2023	As at 31 December 2022
Total Gross Borrowings	S$1,956.4 million	S$1,950.9 million
Aggregate Leverage[ii]	41.5%	39.6%
Net Debt/ EBITDA[iii]	8.5	8.5
Interest Coverage (times)[iv]	3.3	3.8
Adjusted Interest Coverage (times)[iv]	3.1	3.6
Average Term to Maturity (years)	3.5	3.4
Average Cost of Debt[v]	3.57%	2.97%

i All key financial indicators exclude the effect of FRS116 Leases effective from 1 January 2020.
ii The aggregate leverage is calculated based on proportionate total borrowings over the deposited properties in accordance with the Property Funds Appendix. The Manager is of the view that the higher aggregate leverage will not have a material impact on the risk profile of CLCT as the aggregate leverage of 41.5% is still within a manageable range in the short-term and the Manager will remain prudent and disciplined in managing the overall leverage profile of CLCT.
iii Net Debt refers to the outstanding debt on the balance sheet as at 31 December and EBITDA refers to net income of CLCT Group before fair value changes, non-operational gain and/or loss, interest, tax, depreciation and amortisation.
iv Ratio of EBITDA over consolidated interest expenses (excluding finance lease interest expenses under FRS 116) in accordance with MAS guidelines. Ratio is calculated by dividing the trailing 12 months EBITDA by the trailing 12 months interest expense (excluding FRS 116 finance expense). Adjusted Interest Coverage Ratio includes the perpetual securities distributions (per guidelines from the Monetary Authority of Singapore (MAS)).
v Ratio of the consolidated interest expense over weighted average borrowings on balance sheet for that financial year.

1 With effect from 1 January 2022, a new minimum ICR requirement has been implemented by MAS. S-REITs are required to have a minimum Adjusted ICR of 2.5 times before they are allowed to increase their leverage to beyond the prevailing 45% (up to 50%). With Adjusted ICR of 3.1x, CLCT is well above the requirement.

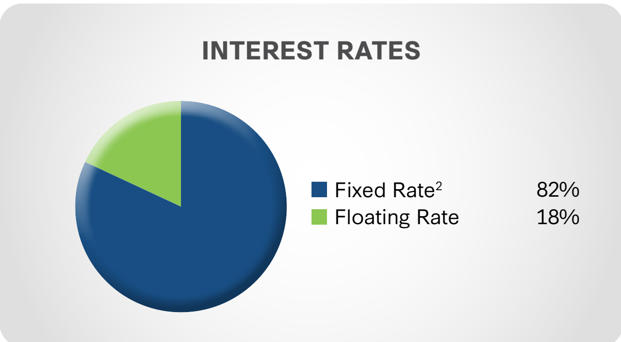
SUSTAINABLE FINANCING

In October 2023, we established a Sustainability-Linked Financing Framework and obtained a Second-Party Opinion from Moody's Investors Service, demonstrating our commitment to responsible investment and improving our portfolio's ESG performance. As at 31 December 2023, 31% of the total outstanding debt are sustainability-linked loans, an increase from 13% as at 31 December 2022.



HEDGING STRATEGIES

CLCT's effective capital management includes hedging of its currency and interest rate risk exposures. To mitigate interest rate risk exposure, 82%[2] of the total debt is on fixed interest rates. In addition, 61%[3] of the undistributed distributable income was hedged into SGD, mitigating foreign currency exposure.



CLCT holds derivative financial instruments to hedge its currency and interest rate risk exposures. The fair value derivatives for FY 2023 comprised financial derivative assets and financial derivative liabilities of S$20.2 million and S$5.3 million respectively. This net amount represented 0.7% of the net assets attributable to Unitholders of CLCT as at 31 December 2023.

LOAN REFINANCING

In FY 2023, we successfully refinanced S$250.0 million in term loans, extending their maturities to FY 2027 and 2029. Additionally, we proactively addressed loans due in 2024 by issuing RMB600 million in FTZ Bonds and securing a S$50.0 million term loan, thereby extending their maturities to FY 2026 and 2029, respectively. We also took the initiative to early refinance S$52.7 million in onshore RMB loans with a 15-year term loan that offered a more favorable interest rate. Through these strategic refinancing actions, CLCT achieved a well-staggered debt maturity profile, with an extended average term to maturity of 3.5 years. As of 31 December 2023, the overall average cost of debt stood at 3.57%. In FY 2023, we expanded our financing diversification and we are committed to continuously review our debt portfolio to minimise refinancing risks. We have secured committed credit facilities for 2024, and have no refinancing requirements until 2025.

As at 31 December 2023, CLCT maintains the following debt facilities:

S$ denominated facilities:
- S$70.0 million MML facility
- S$100.0 million MML & Financial Guarantee (FG) facility
- S$50.0 million multicurrency MML facility
- S$200.0 million four-year trust loan facilities
- S$650.0 million five-year trust loan facilities
- S$550.0 million six-year trust loan facilities
- S$150.0 million seven-year trust loan facility

United States dollar ("US$") denominated facilities:
- US$50.0 million multicurrency MML facility

RMB denominated facilities:
- RMB394.0 million secured loan facility
- RMB600.0 million secured loan facility
- RMB400.0 million secured loan facility
- RMB271.0 million secured loan facility
- RMB133.9 million secured loan facility
- RMB78.1 million secured loan facility

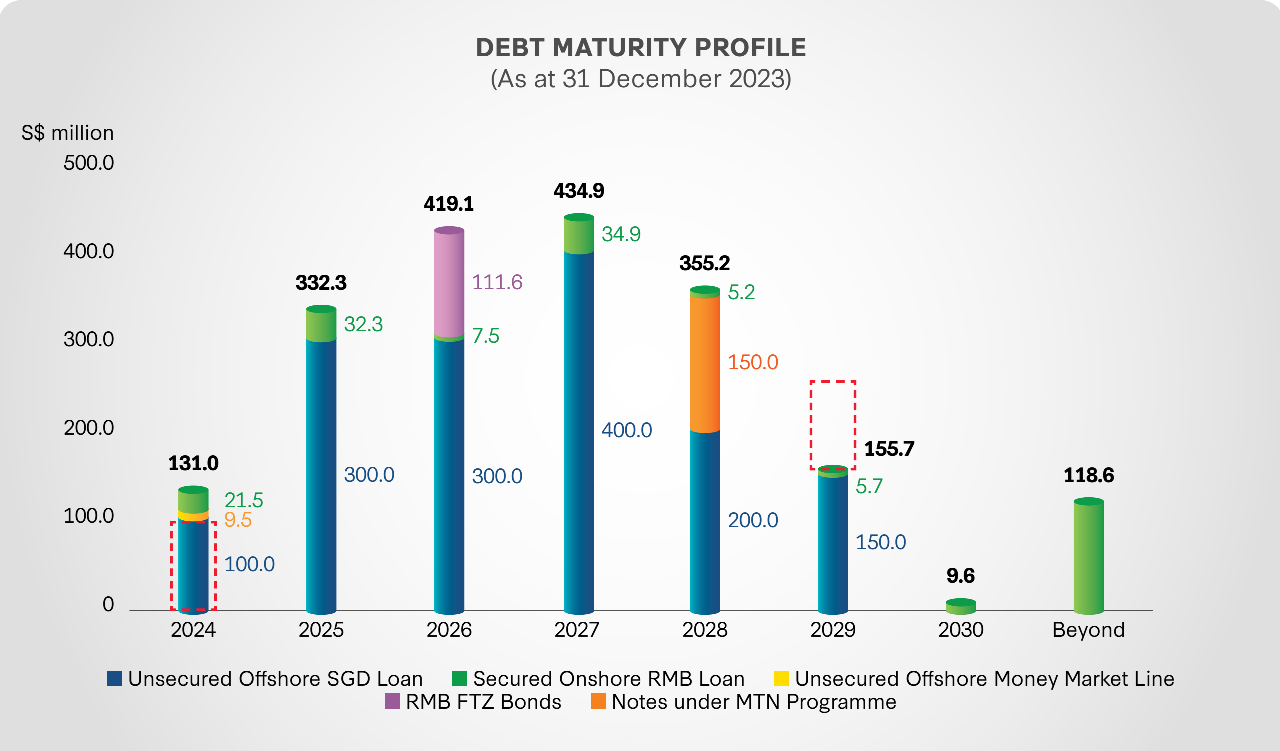
Multicurrency debt issuance programme:
- S$1.0 billion multicurrency debt issuance programme

Free Trade Zone (FTZ) RMB bonds:
- RMB600.0 million FTZ bonds

2 Excludes Money Market Lines (MML) and onshore RMB loans.
3 Based on undistributed distributable income as at 31 December 2023.

CAPITAL MANAGEMENT

WELL-STAGGERED DEBT MATURITY PROFILE



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

CASH FLOW AND LIQUIDITY

CLCT actively monitors the cash flow position and requirements to ensure that there is sufficient liquidity and adequate funding for distribution to Unitholders as well as to meet any short-term obligations. As at 31 December 2023, cash and cash equivalents stood at S$243.5 million compared to S$231.0 million as at 31 December 2022.

INVESTOR RELATIONS

COMMITMENT TO OPEN AND TRANSPARENT COMMUNICATION

We are committed to maintaining open, effective and transparent two-way communication with our stakeholders, including Unitholders, potential retail and institutional investors, analysts, and the media. Our interaction with the investment community is guided by the "Unitholders' Communication and Investor Relations Policy". This policy, which governs CLCT's communication guidelines, channels and conduct of Unitholders meetings, is available on our website under the Investor Relations section at **https://investor.clct.com.sg/ir_policy.html**. This policy provides information to Unitholders on how CLCT will engage them and how Unitholders can communicate with CLCT. A stated investor relations policy helps to align our stakeholders with a coordinated approach to investor engagement.

CLCT has a separate and dedicated Investor Relations team, who is acquainted with the matters that Unitholders would be concerned with. The Investor Relations team oversees the seamless conduct of all stakeholder engagements for CLCT. The Investor Relations team also provides updates to the Board on the feedback received from Unitholders.

PROACTIVE ENGAGEMENT WITH INVESTMENT COMMUNITY VIA MULTIPLE CHANNELS

To raise the profile of CLCT and forge strong relationships with key stakeholders, we actively engage the investment community through various channels. In addition to participating in numerous conferences and non-deal roadshows this year, we also joined the "CGS China-ASEAN Business Leaders Summit" panel discussion in March 2023, where our CEO offered insights into China's reopening, CLCT's operating performance and its future growth strategy.

In May 2023, we participated in the "REITs Symposium 2023", which was jointly organised by ShareInvestor, Investing Note and REIT Association of Singapore (REITAS). The symposium served as an excellent platform to engage with existing and potential retail investors, providing them with deeper insights on CLCT. The management also met with retail and high net-worth investors through forums such as the "CLI REITs and UBS Wealth Management Event" and "Corporate Connect". We conduct post-results briefings for analysts and institutional investors every quarter and briefings for media bi-annually following CLCT's financial results or business updates. These diverse events serve as vital platforms for meaningful two-way communication between our management team and the investment community. Engaging in such interactions is crucial as it allows us to gain a deeper understanding of the concerns and perspectives of our investors. These valuable insights inform and enhance our strategic decision-making processes.

Retail Engagement

TIMELY AND TRANSPARENT DISCLOSURES

We are committed to provide up-to-date information through our corporate website. All announcements, financial results, business updates, annual reports, property details, and presentation decks used at conferences and roadshows are readily accessible on our website. Interim updates, in addition to mandatory financial statements, are also provided to Unitholders. Such updates include: discussions of the significant factors that affected CLCT's interim performance, relevant market trends, and the foreseeable risks and opportunities that may have a material impact on CLCT's prospects. These interim updates provide Unitholders with a better understanding of CLCT's performance in the context of the current business environment.

Additionally, webcasts of analyst and media briefings are also accessible on CLCT's website. This ensures that investors have access to important information presented during these briefings, allowing them to stay updated and make well-informed investment decisions.

To proactively engage the media, press releases are distributed to key media agencies, including print, online and broadcast mediums in Singapore and China. We maintain good relationships with media agencies and respond promptly to media requests for information or interviews.

Unitholders and the investment community can subscribe for email alerts on CLCT's website to stay abreast of the latest announcements, press releases, and events. In addition, investors and the general public can easily reach out to us by sending their inquiries to the dedicated "Ask Us" email address at **ask-us@clct.com.sg**.

SUSTAINABILITY MANAGEMENT

At CLCT, we recognise the increasing significance of sustainability management, driven by investors'

INVESTOR RELATIONS

focus on Environmental, Social, and Governance (ESG) performance. We actively communicate CLCT's sustainability objectives, along with our strategic plans and ongoing advancements in this area. In line with industry initiatives, we participated in SGX ESGenome – a disclosure platform jointly launched by Monetary Authority of Singapore and Singapore Exchange Group that supports companies in reporting metrics aligned with global standards and frameworks to meet investor needs for consistent and comparable ESG data. CLCT's key ESG data is also available on our corporate website in downloadable Excel format, allowing investors to easily access and utilise the information.

Investors interested in CLCT's sustainability management and practices can access the Integrated Sustainability Reports on the corporate website. The Integrated Sustainability Report 2023 will be published in mid-April 2024 at **https://investor.clct.com.sg/isr.html**.

COVERAGE BY EQUITY RESEARCH HOUSES

As of 31 December 2023, five equity research houses cover CLCT. We maintain an open channel of communication to ensure that the analysts understand and are kept updated on CLCT's performance and strategy. The full list of analysts is indicated below:

Research Firms:
- DBS Vickers Securities
- J.P. Morgan
- HSBC Global Research
- OCBC Investment Research
- UBS Securities

We will continue to work with various research firms and banks to expand our outreach to institutional investors, private banking clients, high net worth individuals and retail investors in new geographical locations.

AGMS AND EGMS

AGMs and EGMs are vital communication platforms between the board of directors, the management and the Unitholders. Prior to these meetings, we actively engage the retail Unitholders through small and large group meetings. We also collaborate with the Securities Investors Association (Singapore) (SIAS) annually to connect with retail Unitholders through pre-AGM/ EGM sessions.

CLCT convened its physical AGM on 18 April 2023 at the Raffles City Convention Centre and all resolutions tabled were duly passed. Unitholders were invited to submit substantial and relevant questions ahead of the AGM and had the option to appoint the Chairman as proxy to exercise their voting rights at the meeting. The responses to the substantial and relevant questions were published on SGXNet and CLCT's website prior to the AGM. Unitholders had the opportunity to seek clarification from the directors and management during the Question & Answer segment of the AGM. Post-AGM, the presentation slides and results were uploaded onto SGXNet and CLCT's website. The minutes of the meeting were also made available on CLCT's website for greater transparency.

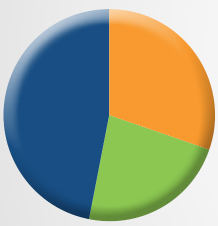
RECOGNITIONS AND INDICES

As a testament to CLCT's efforts in driving sustainability in its operations, our effort was awarded the 5 Star rating in the GRESB Real Estate Assessment 2023 and received an "A" for GRESB Public Disclosure 2023.

In recognition for upholding good corporate governance practices, our ranking improved from the 11th to the 9th in the Singapore Governance and Transparency Index (SGTI) 2023 Award (REIT and Business Trust Category).

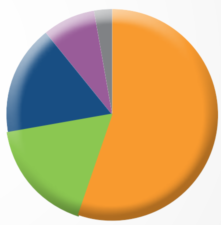
CLCT remains in the FTSE Straits Times Real Estate Investment Trust Index and FTSE EPRA Nareit Global REITs TR Index, iEdge S-REIT Index as well as other indices.

UNITHOLDINGS BY INVESTOR TYPE (%)
(As at 31 December 2023)



CapitaLand Group	30.3%
Institutional Investors	22.8%
Retail Investors	46.9%

UNITHOLDERS BY GEOGRAPHY[i] (%)
(As at 31 December 2023)



Singapore (excluding CapitaLand Group's Unitholdings)	55.3%
Asia (excluding Singapore)	17.0%
North America	16.9%
UK and Europe	8.1%
Rest of the World	2.7%

i Excludes unidentified and unanalysed holdings.

1ST QUARTER

- FY 2022 Post-results Analyst & Media Briefing
- FY 2022 Post-results Investors Call
- OCBC Trading Representative Presentation
- CGS China-ASEAN Business Leaders Summit

2ND QUARTER

- Maybank IBG China Reopening Theme Corporate Day 2023
- SIAS-CLCT Dialogue with Unitholders
- CLCT 2023 Annual General Meeting
- 1Q 2023 Business Update Analyst Briefing
- 1Q 2023 Business Update Call with Investors
- Singapore Institute of International Affairs Panel Discussion 2023
- REITs Symposium 2023
- BofA Securities APAC Financial, Real Estate Equity and Credit Conference 2023
- Citi Pan-Asia Regional Investor Conference 2023

3RD QUARTER

- 1H 2023 Post-results Analyst & Media Briefing
- 1H 2023 Post-results Investors Call
- Citi ASEAN Financials and Real Estate Investment Forum 2023
- Corporate Connect 2023
- CLI REITs and UBS Wealth Management Event 2023

4TH QUARTER

- 3Q 2023 Business Update Analyst Briefing
- 3Q 2023 Business Update Call with Investors
- DBS Non Deal Roadshow (NDR) 2023, Malaysia
- Goldman Sachs NDR 2023
- CLCT NDR 2023, China
- CapitaLand Investment and CLI REITs Corporate Day 2023, Bangkok

Financial Calendar 2024/2025 (Dates are indicative and are subject to change)	
Second Half Distribution to Unitholders	March 2024
Annual General Meeting	April 2024
1Q 2024 Business Updates	April 2024
1H 2024 Financial Results Announcement	July 2024
First Half Distribution to Unitholders	September 2024
3Q 2024 Business Updates	October 2024
FY 2024 Financial Results Announcement	January 2025
Second Half Distribution to Unitholders	March 2025

UNITHOLDER & MEDIA ENQUIRIES

If you have any enquiries or would like to find out more about CLCT, please contact:

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UNIT DEPOSITORY

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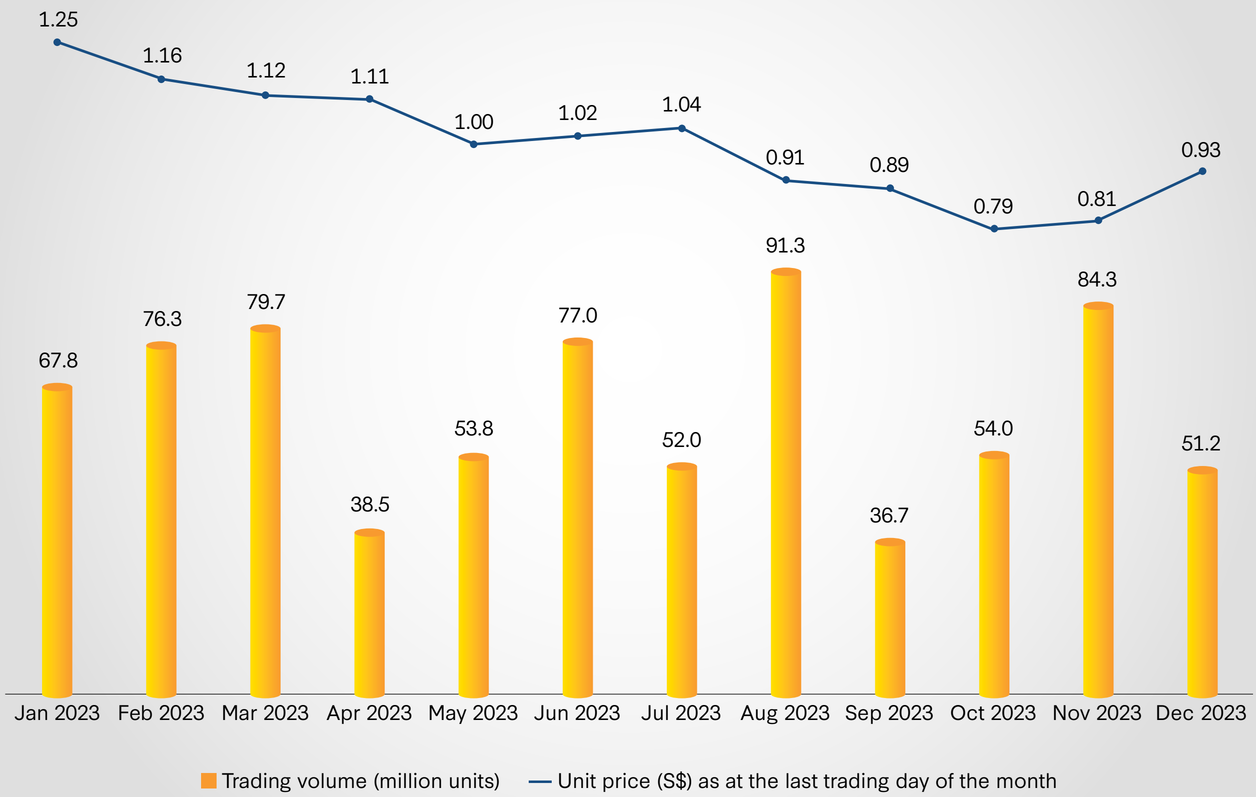
UNIT PRICE PERFORMANCE

In 2023, CLCT traded in the price range of S$0.78 to S$1.27 and closed at S$0.93. As at 31 December 2023, the market capitalisation stood at S$1.6 billion. The total trading volume reached 763 million units, translating to a daily average trading volume of 3.1 million units.

2023 Trading Data	
Opening Unit Price on 3 January 2023 (S$)	1.12
Closing Unit Price on 29 December 2023 (S$)	0.93
Lowest Unit Price (S$)	0.78
Highest Unit Price (S$)	1.27
Average Closing Unit Price (S$)	1.01
Total Volume Traded (million units)	763
Average Daily Trading Volume (million units)	3.1
Market Capitalisation (S$ billion)	1.6
Net Asset Value per Unit (S$)	1.21

2023 TRADING PERFORMANCE



Source: Bloomberg, 29 December 2023

RETURN ON INVESTMENT

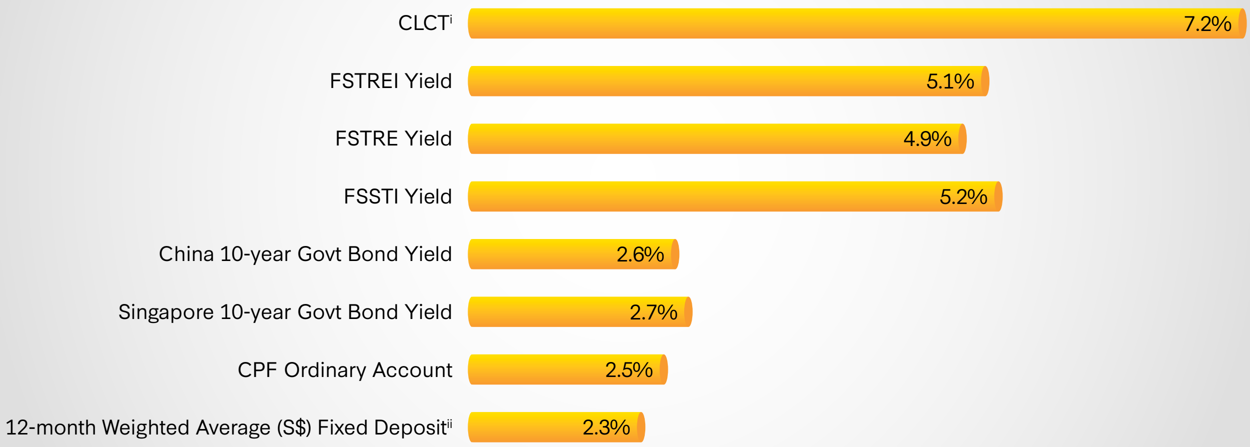
	1 Year		3 Year	
	Price Change	Total Return[i]	Price Change	Total Return[i]
CLCT	-17.0%	-11.4%	-33.1%	-20.5%
STI	-0.3%	4.7%	13.9%	28.9%
MXCN[ii]	-14.6%	-12.4%	-45.9%	-45.6%

Source: Bloomberg

i Assumes dividends were reinvested.

ii MXCN refers to MSCI China Index. Price change and total return data is generated based on SGD.

COMPARATIVE YIELDS (%)
(As at 31 December 2023)

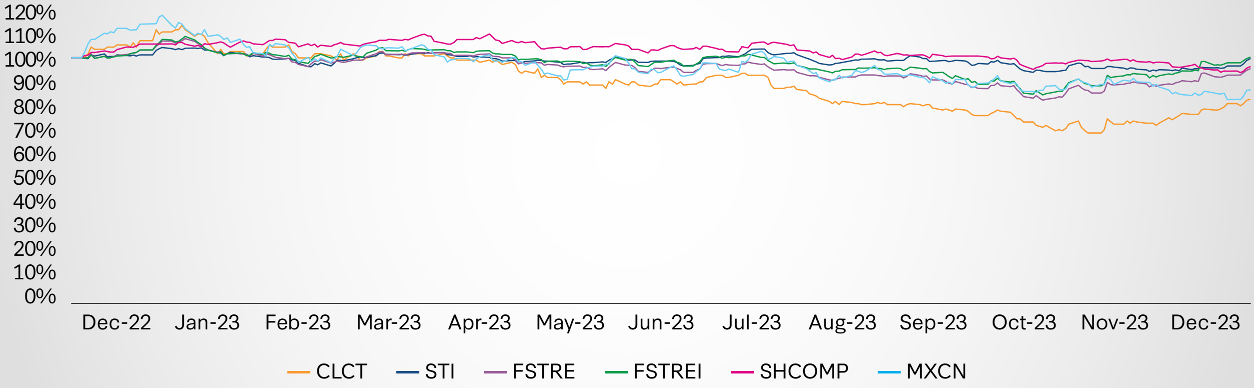


Source: Bloomberg, CLCTML, Central Provident Fund (CPF) Board, Monetary Authority of Singapore

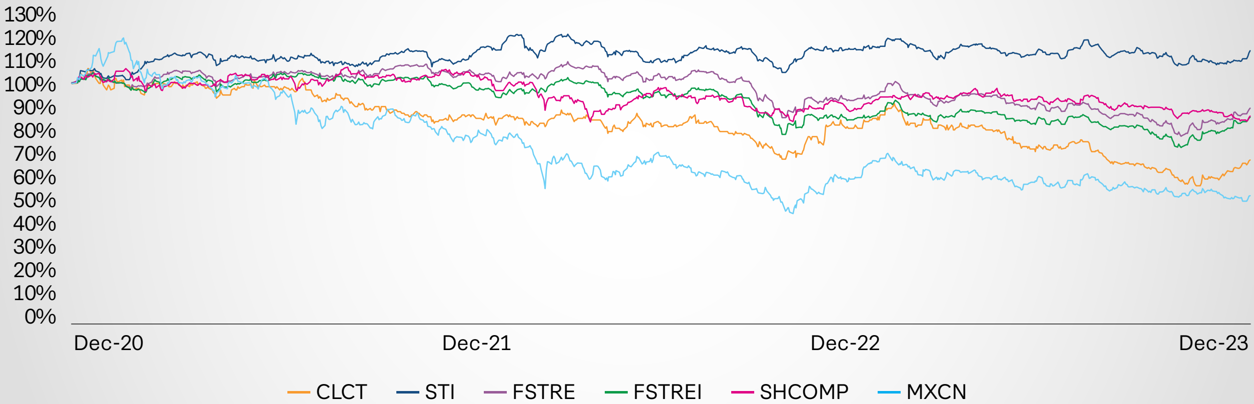
i Based on FY 2023 Distribution per Unit of 6.74 S cents and the unit closing price of S$0.93 on 29 December 2023.

ii Commercial Banks Deposit Rate as at 4Q 2023.

COMPARATIVE TRADING PERFORMANCE OF CLCT COMPARED TO MAJOR INDICES FOR 2023 (%)



COMPARATIVE TRADING PERFORMANCE OF CLCT COMPARED TO MAJOR INDICES FROM 2021 TO 2023 (%)



OPERATIONS REVIEW

CLCT's portfolio comprises three asset classes: retail, business parks and logistics parks. Unless otherwise stated, all information on the current portfolio refers to retail portfolio (excluding CapitaMall Qibao[1] and CapitaMall Shuangjing[2]) as well as new economy portfolio as at 31 December 2023 on a 100% basis.

RETAIL

In FY 2023, our retail assets exhibited a gradual rebound, in tandem with improving essentials and lifestyle spending. Year-on-year (YoY), we reported a growth of 45.8% in shopper traffic and 41.5% in tenant sales. These improvements were driven by favourable operating conditions and the enhanced appeal of our assets, following our asset enhancement initiatives (AEIs). Notably, tenant sales have exceeded pre-COVID levels observed in 2019. We achieved a retail portfolio occupancy rate of 98.2%, marking the highest point since December 2019[3] and surpassing the national average of 91.1%[4]. Rental reversion for retail portfolio stood at +0.2% for FY 2023.

The positive momentum for CLCT's retail portfolio can be seen across all the malls, and led by our dominant malls – CapitaMall Xizhimen, Rock Square, CapitaMall Wangjing, CapitaMall Xuefu, and CapitaMall Nuohemule, which recorded strong improvements in shopper traffic and tenant sales during the year. Additionally, key trade sectors such as Food & Beverage (F&B), Beauty & Health, Jewellery & Watches, Leisure & Entertainment, and IT & Telecommunications recorded double-digit growth in tenant sales in FY 2023.

We continuously look to refresh our mall offerings through proactive AEIs. These efforts have allowed us to attract and retain tenants across various sectors, injecting vibrancy and enhancing the overall appeal of our retail assets. As a result of our proactive approach, our top 10 tenant concentration decreased from 13.0% to 10.7%[5]. These strategic efforts enhanced the stability and diversification of our portfolio while mitigating risks associated with tenant concentration.

NEW ECONOMY

In 2023, our new economy portfolio was affected by weaker business sentiments and increased supply in both the logistics and business park sectors. Despite the challenging operating environment, our business park portfolio maintained a stable occupancy of 91.0%, surpassing the market occupancy rate of 67.9%[6]. Our business parks recorded a rental reversion of +1.6% for the year. To adapt to the current market conditions, our strategy involves targeting sectors with potential growth and industries that are expected to benefit from the ongoing consumption recovery.

For our logistics park portfolio, market rentals were impacted by new supply, lower economic activities, and higher tenant incentives, resulting in a decline in occupancy to 82.0%. Our focus for the logistics park portfolio will be on tenant retention and driving occupancy rates at our logistics park properties. We will also collaborate closely with government agencies and the tenant community to strengthen the demand pipeline and mitigate the challenges arising from market conditions. This proactive approach will help us navigate the near-term challenges and optimise the performance of our logistics park portfolio.

CapitaMall Aidemengdun

Ascendas Innovation Hub

1 Excludes CapitaMall Qibao as the mall has ceased operations since end of March 2023.
2 Excludes CapitaMall Shuangjing which was divested in January 2024.
3 Excludes CapitaMall Minzhongleyuan as its operations were under review. The divestment of the mall was completed on 10 February 2021.
4 Independent Market Research Report 2023 by Colliers Research. Please refer to page 64 of CLCT Annual Report 2023.
5 By total rental income based on effective stake.
6 Independent Market Research Report 2023 by Colliers Research. Please refer to page 67 of CLCT Annual Report 2023.

HIGH-QUALITY TENANT BASE ACROSS DIVERSIFIED TRADE SECTORS

CLCT's portfolio has a well-diversified tenant base of 3,044 leases spanning across more than 24 different trade sectors. In FY 2023, the F&B, Fashion and Electronics sectors maintained their position as the top three trade sectors in the portfolio, accounting for 44.6% by Gross Rental Income (GRI).

Throughout the year, we remained proactive in our leasing strategy, introducing new brands and curating retail experiences that resonate with evolving consumers' preferences. In terms of our tenant mix, we continue to prioritise essential and lifestyle sectors for retail properties that provide steady consumer spending, as well as growth sectors for the business park and logistics park properties that are in tandem to China's development in technology and innovation to further improve our portfolio resilience.

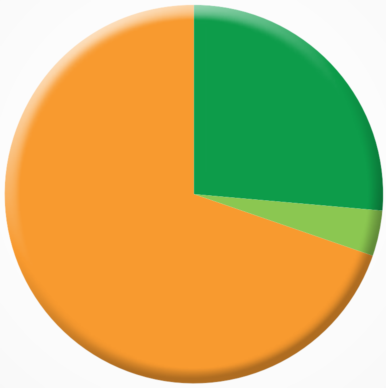
As at 31 December 2023, 47.3%[7] of CLCT's retail tenants fall within the essential trade sectors by GRI while 65.3%[7] of its business park tenants and 92.4%[7] of its logistics park tenants are from growth trade sectors by GRI.

BREAKDOWN OF CLCT PORTFOLIO BY TRADE SECTOR

(As at 31 December 2023)

BY GRI (%)

Retail	69.7%
Food & Beverage	25.7%
Fashion	12.9%
Services	4.5%
Beauty & Healthcare	4.3%
Leisure & Entertainment	3.3%
Jewellery/Watches/Pens	2.9%
Supermarket	2.8%
Sporting Goods & Apparel	2.4%
Education	2.3%
Information & Technology	2.2%
Shoes & Bags	1.7%
Houseware & Furnishings	0.7%
Other Retail and Product Trades	4.0%



Business Parks	26.6%
Electronics	6.0%
Engineering	3.7%
Professional Services	3.2%
Information & Communication Technology	2.6%
Biomedical Sciences	2.3%
E-Commerce	1.2%
Financial Services	1.2%
Logistics & Supply Chain	0.4%
Other Business Park Trades	6.0%

Logistic Parks	3.7%
Logistics & Warehouse	2.5%
E-Commerce	0.7%
Distributors & Trading Company	0.2%
Pharmaceuticals	0.2%
Other Logistics Park Trades	0.1%

Essential trade sectors   Growth trade sectors   Growth trade sectors

7 Any variance is due to rounding.

OPERATIONS REVIEW

TOP 10 TENANTS

(Based on percentage of Total Rental Income in the month of December 2023)

As at 31 December 2023, no single tenant contributed more than 2.4% of CLCT portfolio's total rental income. The portfolio's biggest tenant exposure is JD.com Group.

Our strategic focus on AEIs during FY 2023 resulted in the successful transformation of anchor spaces into vibrant specialty tenant areas. By incorporating a diverse selection of lifestyle offerings and experiential elements that resonate with our consumers, we have further mitigated tenant concentration risks and bolstered the overall stability and diversification of our portfolio. Accordingly, the total contribution by the top 10 tenants now accounts for only 10.7% of the portfolio's total rental income as at 31 December 2023.

TOP 10 TENANTS

	Tenant[i]	Brand Names	Trade Sector	% of Total Rental Income[ii,iii]
1	JD.com Group of Companies	Jingxundi Supply Chain Management Jingbangda Supply Chain Management 7FRESH	E-commerce Logistics and Warehouse Supermarket	2.4%
2	BHG Group of Companies	Beijing Hualian Supermarket	Supermarket	1.6%
3	Ping An Insurance Company	Ping An Insurance	Financial Services	1.2%
4	Bosideng International Holdings Limited	Bosideng	Fashion & Accessories	1.0%
5	Bestseller Group of Companies	ONLY JACK & JONES VERO MODA	Fashion & Accessories	1.0%
6	Hangzhou Yuelong	Yuelong Technology	Real Estate	0.8%
7	Zhejiang Hebenye Enterprise Management Co., Ltd	Zhejiang Hebenye Enterprise Management	Real Estate	0.7%
8	Guangdong Yongwang Tee Mall Commerce	AEON	Supermarket	0.7%
9	Yum China Holdings, Inc	KFC Pizza Hut Lavazza	Food & Beverages	0.7%
10	Fast Retailing Co., Ltd.	Uniqlo	Fashion & Accessories	0.6%

i Tenants that are under the same group of companies are listed together.
ii Includes both gross rental income and the gross turnover rental income (GTO) components to account for pure GTO leases.
iii Based on CLCT's effective interest in each property. Including 51% interest in Ascendas Xinsu Portfolio, 80% interest in Ascendas Innovation Hub, 80% interest in Singapore-Hangzhou Science & Technology Park Phase I and Phase II.

SENSITIVITY ANALYSIS

Assuming the monthly average rental rate is kept the same for the whole of 2023, a 0.5% increase or decrease in occupancy in each month of 2023 would result in an estimated S$1.7[8] million increase or decrease in rental income for FY 2023 respectively.

8 Based on the average exchange rate (SGD/RMB) of 5.243 for FY 2023.

LEASE RENEWALS AND NEW LEASES

In 2023, CLCT continued to attract new tenants from diverse trade sectors. The three largest sectors for new leases are F&B, professional services, and electronics.

For the retail portfolio, CLCT achieved a positive rental reversion of 0.2% with the completion of three AEIs at Rock Square, CapitaMall Yuhuating and CapitaMall Grand Canyon. During the year, CLCT signed 1,129 new and renewal retail leases, accounting for 114,592 sq m or 28.2% of the multi-tenanted malls' Net Lettable Area (NLA).

For new economy portfolio, a total of 334 new and renewal leases were signed in FY 2023. This accounted for 376,327 sq m or 38.6% of the new economy portfolio's NLA. These new and renewal leases recorded a negative rental reversion of 2.0%.

SUMMARY OF RENEWALS/NEW LEASES[i]
(From 1 January 2023 to 31 December 2023)

	Number of New Leases/ Renewals in FY 2023	Area (sq m)	% of Total Net Lettable Area	Variance Over Preceding Rental[i]
Retail Portfolio[ii,iii]	**1129**	**114,592**	**28.2%**	**0.2%**
New Economy Portfolio[iv,v]	**334**	**376,327**	**38.6%**	**-2.0%**
BP Portfolio	320	255,944	35.9%	1.6%
Logistics Portfolio	14	120,383	45.8%	-20.5%

i Includes re-configured units.
ii Excludes gross turnover component, newly created units leased, short term renewals (< 1 year) and units vacant for ≥ 1 year.
iii Calculated as last period outgoing rent of old lease versus first period incoming rent of new lease.
iv Excludes Amenity tenants' gross turnover component, newly created units leased, short-term renewals (< 1 year) and units vacant for ≥ 1 year.
v Calculated as change in effective rent of outgoing old lease versus effective rent of incoming new lease.

PORTFOLIO LEASE EXPIRY PROFILE

As at 31 December 2023, the portfolio's weighted average lease expiry (WALE)[9] is 1.9 years by GRI and 2.1 years by NLA. For new and renewed leases signed in 2023[10], the weighted average lease expiry is 2.0 years by GRI and accounts for 45.5% of the committed GRI in the month of December. The leases due in the next two years in FY 2024 and FY 2025 account for 42.7% and 24.9% of CLCT portfolio's GRI respectively.

PORTFOLIO LEASE EXPIRY PROFILE (%)
(As at 31 December 2023)

	2024	2025	2026	2027	2028	Beyond 2028
% of Total Gross Rental Income for the month of December 2023	42.7%	24.9%	16.6%	6.7%	3.5%	5.6%
% of Total NLA for the month of December 2023	37.1%	29.2%	16.8%	7.3%	2.3%	7.3%

9 Based on leases commenced before 2024, the portfolio's WALE by GRI and NLA would be 1.8 years and 2.1 years respectively.
10 Based on leases entered into and commenced in 2023, the portfolio's WALE by GRI would be 1.9 years and account for 41.6% of the GRI in the month of December.

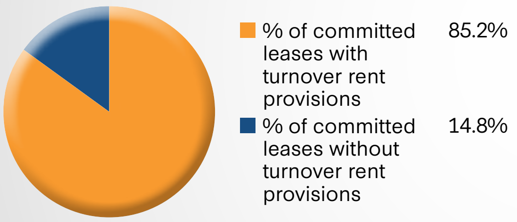
RETAIL PORTFOLIO

FAVOURABLE LEASE STRUCTURE WITH UPSIDE

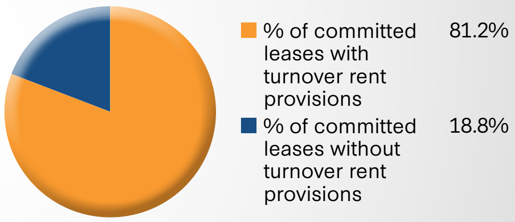
CLCT's retail leases are structured to generate stable income with growth upside. The retail GRI comprises base rental income, service fee and advertising and promotion fee. Approximately 85.2% of the leases (by GRI) have turnover rent provisions, enabling CLCT to participate in the growth of high performing tenants while providing stable base rent.

Additionally, majority of CLCT's retail leases[11] are structured with annual escalations, providing further stable organic growth to the income stream.

% OF COMMITTED LEASES WITH TURNOVER RENT PROVISIONS BY GRI
(As at 31 December 2023)



% OF COMMITTED LEASES WITH TURNOVER RENT PROVISIONS BY NLA
(As at 31 December 2023)



RETAIL LEASE EXPIRY PROFILE

All of CLCT's properties are multi-tenanted. On top of actively improving the portfolio's operating performance and tenancy mix, CLCT strives to achieve a balance between the stability of a longer lease tenure and ensuring concepts remain attractive to the target market.

CLCT's leases range from 10 to 15 years for anchor tenants, five to seven years for mini-anchor tenants, and one to three years for specialty tenants. This is in accordance with the market practice in China. To better manage its lease maturities, CLCT engages its tenants proactively ahead of lease expiries.

As at 31 December 2023, the WALE of CLCT's retail leases are 2.0 years by GRI and 3.3 years by NLA. The retail leases due in the next two years in FY 2024 and FY 2025 account for 43.8% and 22.5% of CLCT's retail portfolio GRI respectively.

11 For retail leases that are longer than one year.

WEIGHTED AVERAGE LEASE EXPIRY BY RETAIL PROPERTY

(As at 31 December 2023)

	Weighted Expiry (by Gross Rental Income) Years	Weighted Expiry (by Net Lettable Area) Years
CapitaMall Xizhimen	1.8	2.7
Rock Square	2.4	3.6
CapitaMall Wangjing	1.9	2.8
CapitaMall Grand Canyon	2.2	3.4
CapitaMall Xuefu	1.5	1.8
CapitaMall Xinnan	1.5	1.9
CapitaMall Nuohemule	2.2	4.7
CapitaMall Yuhuating	2.6	5.1
CapitaMall Aidemengdun	2.6	4.6
CLCT Retail Portfolio	**2.0**	**3.3**

LEASE EXPIRY PROFILE FOR 2024 BY RETAIL PROPERTY

(As at 31 December 2023)

	No. of leases	% of Gross Rental Income[i,ii]	% of Net Lettable Area[iii]
CapitaMall Xizhimen	171	46.8%	31.8%
Rock Square	107	35.8%	21.7%
CapitaMall Wangjing	138	41.5%	26.6%
CapitaMall Grand Canyon	90	33.1%	24.6%
CapitaMall Xuefu	321	55.8%	43.8%
CapitaMall Xinnan	121	52.2%	40.7%
CapitaMall Nuohemule	178	53.9%	34.7%
CapitaMall Yuhuating	120	29.2%	18.9%
CapitaMall Aidemengdun	122	59.8%	42.1%
CLCT Retail Portfolio	**1,368**	**43.8%**	**31.5%**

i Excludes gross turnover rent.
ii As a percentage of each respective mall's contractual monthly gross rental income for December 2023.
iii As a percentage of each respective mall's net lettable area for December 2023.

OPERATIONS REVIEW

RETAIL OCCUPANCY

As at 31 December 2023, the retail portfolio registered a committed occupancy rate of 98.2%.

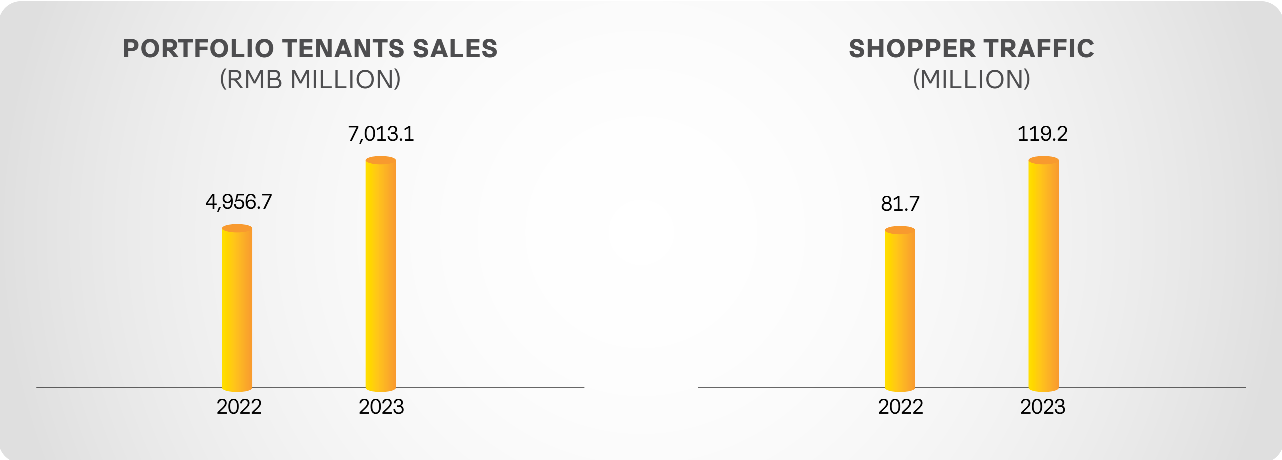
	As at 31 December 2023 %	As at 31 December 2022 %
CapitaMall Xizhimen	99.5%	98.7%
Rock Square	98.9%	93.9%
CapitaMall Wangjing	96.2%	93.4%
CapitaMall Grand Canyon	97.2%	93.4%
CapitaMall Xuefu	99.8%	98.2%
CapitaMall Xinnan	95.5%	86.2%
CapitaMall Nuohemule	99.9%	98.6%
CapitaMall Yuhuating	98.8%	95.0%[i]
CapitaMall Aidemengdun	95.9%	91.6%
CLCT Retail Portfolio	**98.2%**	**94.8%**

i Excludes area undergoing AEI.

RETAIL TENANTS SALES AND SHOPPER TRAFFIC

With China lifting its COVID-19 restrictions in December 2022, CLCT recorded continued improvement in tenant sales and shopper traffic. For FY 2023, total tenant sales and shopper traffic increased 41.5% and 45.8% YoY respectively, mainly due to the low base effect from 2022 as well as recovery in trade sectors such as F&B, Leisure & Entertainment and Jewellery, which continued to exceed both FY 2022 and pre-COVID levels. On a per sq m basis, total tenants sales increased 36.7% YoY in FY 2023, also boosted by our AEI efforts.

As we progress into 2024, we remain committed to staying at the forefront of emerging retail trends by enhancing the offerings within CLCT's malls and optimising occupancy through strategically curated trade concepts, tailored to meet the evolving needs of our consumers.



ASSET ENHANCEMENT INITIATIVES

In 2023, we have made significant progress in elevating our retail properties through well-planned AEIs and unit reconfigurations to enhance overall shopper experience.

In March 2023, we completed the AEI at CapitaMall Yuhuating that spanned approximately 8,900 sq m. Through this AEI, we introduced a diverse range of offerings and experiences, incorporating enticing F&B options, immersive Leisure & Entertainment facilities, and enriching educational tenants. The improved options resulted in around +112% rental reversion for the zone.

Building on this momentum, CLCT completed another AEI at basement two of Rock Square in July 2023. 2,310 sq m of space, formerly occupied by an anchor supermarket, was reconfigured to introduce trending lifestyle offerings, such as Gifts & Toys and specialty F&B establishments. The AEI area achieved a return on investment of more than 13%.

At CapitaMall Grand Canyon, we converted a conventional anchor supermarket space located on basement one and turned it into approximately 7,800 sq m of vibrant area offering 60 new F&B outlets, trendy retail and amenity stores, alongside the new retail concept supermarket, 7FRESH. Launched in December 2023, the rejuvenated zone recorded an approximately 50% increase in rental income.

These initiatives reflect our unwavering commitment to continuously enhance and optimise our retail assets. Looking forward, we remain steadfast in our dedication to providing vibrant and alluring retail experiences that generate value for our tenants and Unitholders.

DIVESTMENT OF CAPITAMALL SHUANGJING

On 23 January 2024, we announced the completion of CapitaMall Shuangjing's divestment. The divestment is part of our proactive portfolio management strategy to monetise our non-core assets. CapitaMall Shuangjing is a master-leased mall in CLCT's IPO portfolio that may require significant capital outlay to remain competitive moving forward. Therefore, this divestment presented an excellent opportunity to unlock value, optimise returns, and create greater financial flexibility for CLCT.

Following the completion of this divestment, CLCT's portfolio will consist of nine shopping malls, five business park properties, and four logistics park properties across 12 cities. This move reaffirms our commitment to continuously optimise our portfolio, ensuring alignment with our long-term growth objectives.

Rock Square

NEW ECONOMY – BUSINESS PARKS

BUSINESS PARK LEASE EXPIRY PROFILE

CLCT's business park portfolio has a WALE of 1.6 years by both GRI and NLA as at 31 December 2023. To better manage its lease maturities, CLCT actively engages tenants ahead of lease expiries. The business park leases due in the next two years in FY 2024 and FY 2025 account for 40.1% and 28.6% of CLCT's business park portfolio GRI respectively.

WEIGHTED AVERAGE LEASE EXPIRY BY BUSINESS PARK PROPERTY

(As at 31 December 2023)

	Weighted Expiry (by Gross Rental Income) Years	Weighted Expiry (by Net Lettable Area) Years
Ascendas Xinsu Portfolio	1.7	1.7
Ascendas Innovation Towers	1.3	1.4
Ascendas Innovation Hub	1.7	1.7
Singapore-Hangzhou Science Technology Park Phase I	1.4	1.4
Singapore-Hangzhou Science Technology Park Phase II	1.9	1.9
CLCT Business Park Portfolio	**1.6**	**1.6**

LEASE EXPIRY PROFILE FOR 2024 BY BUSINESS PARK PROPERTY

(As at 31 December 2023)

	No. of leases	% of Gross Rental Income	% of Net Lettable Area
Ascendas Xinsu Portfolio	126	33.4%	34.4%
Ascendas Innovation Towers	34	60.0%	58.6%
Ascendas Innovation Hub	15	32.9%	31.6%
Singapore-Hangzhou Science Technology Park Phase I	73	42.1%	42.0%
Singapore-Hangzhou Science Technology Park Phase II	26	40.6%	41.9%
CLCT Business Park Portfolio	**274**	**40.1%**	**39.7%**

BUSINESS PARK OCCUPANCY

As at 31 December 2023, the business park portfolio registered a committed occupancy rate of 91.0%, backed by demand for quality space from key growth sectors including Electronics, Engineering, Information and Communications Technology, Financial Services, and Biomedical Sciences.

	As at 31 December 2023 %	As at 31 December 2022 %
Ascendas Xinsu Portfolio	97.5%	96.6%
Ascendas Innovation Towers	90.1%	87.8%
Ascendas Innovation Hub	89.0%	95.1%
Singapore-Hangzhou Science Technology Park Phase I	72.4%	78.5%
Singapore-Hangzhou Science Technology Park Phase II	89.0%	89.1%
CLCT Business Park Portfolio	**91.0%**	**91.4%**

NEW ECONOMY – LOGISTICS PARKS

LOGISTICS PARK LEASE EXPIRY PROFILE

CLCT completed the acquisition of four logistics parks in November 2021. CLCT's logistics park portfolio has a WALE of 1.4 years by both GRI and NLA as at 31 December 2023. The logistics park leases due in the next two years in FY 2024 and FY 2025 account for 40.4% and 50.6% of CLCT’s logistics park portfolio GRI respectively. CLCT will continue to adopt proactive lease management strategies to renew or replace these leases ahead of expiry.

WEIGHTED AVERAGE LEASE EXPIRY BY LOGISTICS PARK PROPERTY

(As at 31 December 2023)

	Weighted Expiry (by Gross Rental Income) Years	Weighted Expiry (by Net Lettable Area) Years
Shanghai Fengxian Logistics Park	0.1	0.1
Wuhan Yangluo Logistics Park	1.9	2.0
Chengdu Shuangliu Logistics Park	1.4	1.4
Kunshan Bacheng Logistics Park	1.5	1.4
CLCT Logistics Park Portfolio	**1.4**	**1.4**

LEASE EXPIRY PROFILE FOR 2024 BY LOGISTICS PARK PROPERTY

(As at 31 December 2023)

	No. of leases	% of Gross Rental Income	% of Net Lettable Area
Shanghai Fengxian Logistics Park	3	100.0%	100.0%
Wuhan Yangluo Logistics Park	4[i]	5.9%	4.2%
Chengdu Shuangliu Logistics Park	16	44.8%	44.5%
Kunshan Bacheng Logistics Park	2[i]	53.8%	60.2%
CLCT Logistics Park Portfolio	**25**	**40.4%**	**40.0%**

i Includes leases for ancillary buildings.

LOGISTICS PARK OCCUPANCY

As at 31 December 2023, the logistics park portfolio registered a committed occupancy rate of 82.0%. The portfolio is anchored by tenants from the Logistics and Warehousing, Pharmaceuticals, and E-Commerce sectors. CLCT remains well-positioned to benefit from China’s growing demand for modern logistics park and warehousing space.

	As at 31 December 2023 %	As at 31 December 2022 %
Shanghai Fengxian Logistics Park	60.3%	98.6%
Wuhan Yangluo Logistics Park	99.7%	99.7%
Chengdu Shuangliu Logistics Park	67.8%	88.1%
Kunshan Bacheng Logistics Park	98.5%	99.2%
CLCT Logistics Park Portfolio	**82.0%**	**96.4%**

INDEPENDENT MARKET RESEARCH

1. CHINA ECONOMIC OVERVIEW

China's GDP expanded by 5.2% year-on-year ("yoy") in 2023, expanding from the 3.0% growth in 2022; supported by collective growth in the agricultural, industrial, and services sectors. The Manufacturing Purchasing Manager Index recovered to 49.9 in 2023, up from 49.1 in 2022. The Consumer Price Index grew by 0.2% yoy in 2023[1].

China's economy observed a modest rebound since the lift of its zero-COVID policies in December 2022, but faces ongoing headwinds contributed by a deepened property market downturn and subdued global export demand. The government's tightening of regulations and borrowing limits for real estate property loans since 2020 placed liquidity and credit stress on heavily leveraged property developers, leading to debt defaults and liquidation risks in even some of the largest property developers in China. High global inflation and interest rates, coupled with China's trade tensions and diplomatic disputes with major trade partners including the United States and European countries resulted in softened global demand for Chinese goods.

To bolster its economy and the property sector, the government has introduced fiscal stimulus and monetary policies to extend support to financial institutions, property developers, and homeowners. Liquidity has been injected into the market since the start of 2023 including cuts in the required reserve ratios and lowered rates on medium-term lending facilities for financial institutions. Loan prime rates have been cut and are on a downward trajectory to ease borrowing costs for businesses and consumers. Tax relief measures were also extended to small businesses, rural households and selected industries to boost confidence in the private sector.

Minimum down payment requirements for first-time and second-time homebuyers and rates of existing mortgages for first homes were also reduced in a bid to strengthen homebuyers' confidence and boost property purchases. The government also approved an additional one trillion-yuan central government bond issuance in October 2023 to provide fiscal support to debt-laden local governments and passed a bill to allow local governments to front load part of their bond quotas for 2024.

As the world's second largest economy, China's considerable economic strength and domestic fundamentals will continue to have a profound influence on the global economy and support its longer-term growth despite the near-term challenges. For 2024, China has set a GDP growth target of around 5% [2].

2. RETAIL MARKET OVERVIEW[3]

2.1. CHINA

As of 2023, China's average retail occupancy rate increased by 0.2% to 91.1%. Average nationwide retail rent recorded RMB556.00 per square metre per month ("psm pm"), a decline of 0.4% yoy.

China's total retail sales (excluding motor vehicles) recorded RMB42.3 trillion in 2023, an increase of 7.3% yoy. Jewellery, clothing and textiles, sports and recreational goods, tobacco and liquor, and food and beverage were the largest contributors to retail goods sales value growth, registering a yoy increase of 13.3%, 12.9%, 11.2%, 10.6%, and 8.4% respectively[4]. On the other hand, building and decoration materials, and cultural and office goods observed a yoy decline of 7.8%, and 6.1% respectively. Online retail sales accounted for 32.7% of the total retail sales in 2023.

Retail Trends

Retail malls have increasingly evolved from brick-and-mortar stores to offering themed, experiential retail to adapt to changing consumer preferences. Landlords have incorporated more entertainment, sports, arts, culture, and recreational elements and spaces to align with consumers' leisure pursuits today, particularly to attract the youth. Retail offerings and leisure spaces in the outdoors are also increasingly preferred by consumers as a place to unwind and spend their time at.

The government has been driving the establishment of "first-store economies" where selected cities will emphasise on introducing "first stores" and flagship stores of domestic and foreign retail brands, to boost consumption and to keep retail offerings innovative. Retail malls will be increasingly competitive in their retail mix and offerings to capture retail footfall and keep up with consumers' desire for fresh retail experiences.

1 Source (GDP, Manufacturing Purchasing Manager Index, Consumer Price Index): National Bureau of Statistics.
2 Source: Nikkei Asia, China sets GDP growth target of 'around 5%' for 2024, 5 March 2024.
3 The retail supply and demand analysed in this section refers to the shopping mall segment, and retail rents refers to ground-floor shopping mall average rents.
4 Based on the yoy retail sales value growth of 5.2% for "grain, oil, and food" industry, and 3.2% for "beverage" industry in 2023.

2.2. BEIJING

Existing and Potential Supply

As of 2023, Beijing's total retail stock stood at 12.1 million square metres (sq m), up 7.5% yoy. The total net new supply in 2023 was estimated to be near 0.8 million sq m. Completions included Wukesong Wanda Plaza and Beiyuan Paradise Walk of about 300,000 sq m and 100,000 sq m respectively.

Approximately 1.1 million sq m of retail space is anticipated to be delivered across Beijing in 2024. Total retail stock is expected to reach near 13.2 million sq m in 2024.

BEIJING MAJOR RETAIL POTENTIAL SUPPLY IN 2024

Project	Supply (sq m)
Beijing Xibeiwang Mixc One	66,718
Beijing Tongzhou Mixc One	90,008
Pinggu Wanda Plaza	149,300
Haidian Joy City	188,000

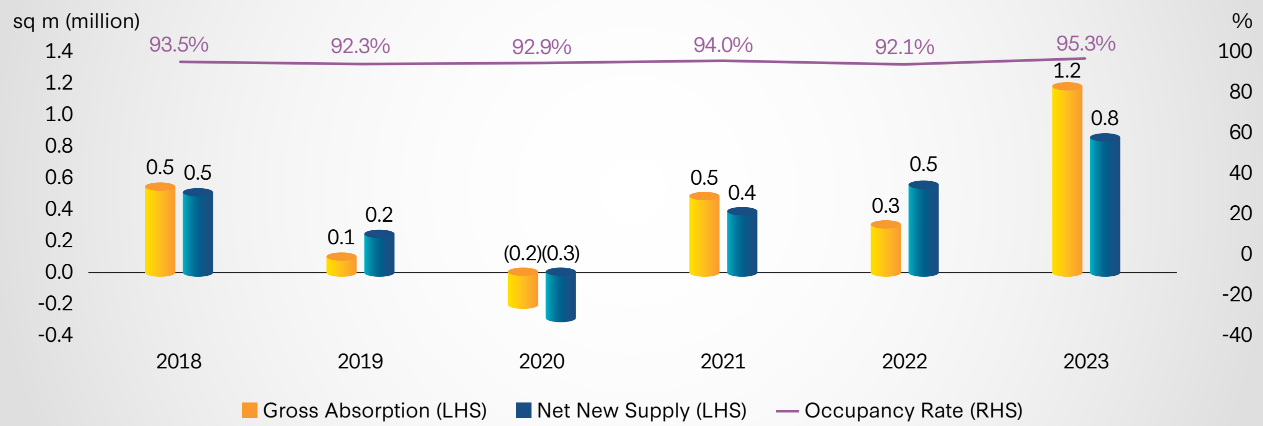
Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Demand and Occupancy

Over the past five years, the average gross absorption of retail space in Beijing stood near 369,000 sq m per year.

As of 2023, the average gross absorption recorded was near 1.2 million sq m and the retail occupancy rate increased by 3.2% to 95.3%. Beijing's retail market recovered strongly on the back of robust consumption and retail traffic as new retail spaces and experiences continue to enliven its retail scene. New retail completions also observed high leasing commitment and occupancy, which strengthened the overall retail occupancy rate.

BEIJING RETAIL SUPPLY, DEMAND, AND OCCUPANCY RATE (2018 TO 2023)

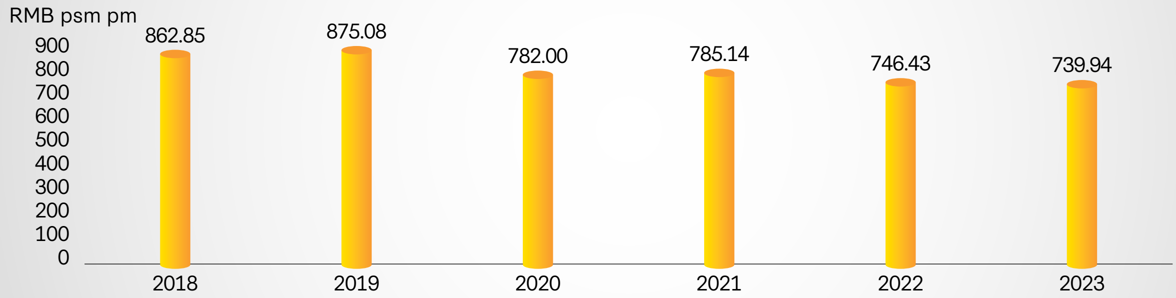


Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Rental Values

Beijing's average retail rents declined to RMB739.94 psm pm as at 2023, down 0.9% yoy. Average retail rents declined in tandem with the new supply that entered the market.

BEIJING AVERAGE RETAIL RENTS (2018 TO 2023)



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Market Outlook

Retail demand is expected to remain robust and provide some support in the coming year. In line with the government's plan to transform Beijing into an international consumption centre, consumer spending is expected to drive Beijing's retail market. The Beijing government's plan, including offering of financial incentives, towards a target of opening more than 3,000 "first stores" from domestic and international brands is expected to develop the retail brand offerings and boost retail space demand in the city.

2.3. GUANGZHOU

Existing and Potential Supply

As of 2023, Guangzhou's total retail stock stood at 7.8 million sq m, up 8.3% yoy. The total net new supply in 2023 was estimated to be about 0.6 million sq m. Completions included Guangzhou Huangpu Joy City and Zhujiang Huoxing 1926 Mall of near 60,000 sq m and 35,000 sq m respectively.

Approximately 0.4 million sq m of retail space is anticipated to be delivered across Guangzhou in 2024. Total retail stock is expected to reach around 8.2 million sq m in 2024.

GUANGZHOU MAJOR RETAIL POTENTIAL SUPPLY IN 2024

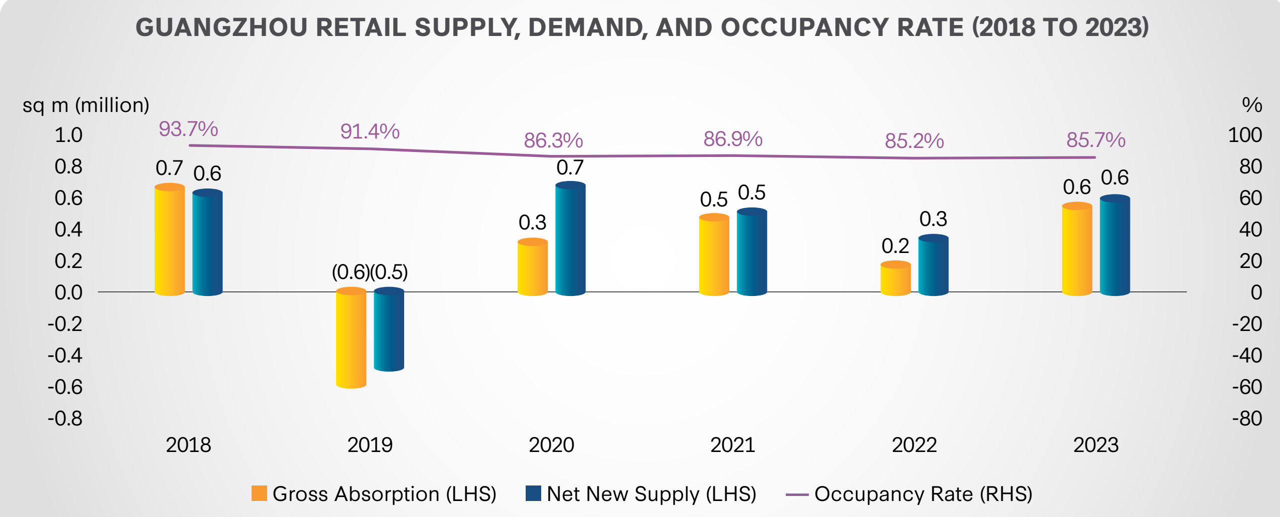
Project	Supply (sqm)
Canton Tower Square	57,000
Financial City Plaza (Guangzhou International Financial City)	85,000
Yida Fanghuiyuan	110,000

Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Demand and Occupancy

Over the past five years, the average gross absorption of retail space in Guangzhou stood near 186,000 sq m per year.

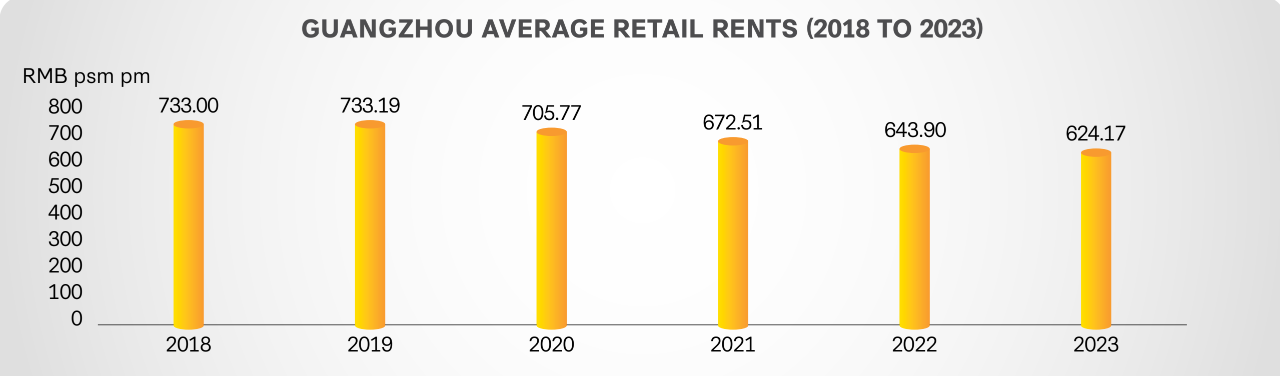
As of 2023, the average gross absorption recorded about 550,400 sq m and the retail occupancy rate increased by 0.5% to 85.7%. Guangzhou's retail market rebound was supported by China's broad-based reopening, return of tourism and migrants, and consumers' pent-up demand for dining and entertainment, which translated into a gradual recovery in overall retail occupancy rate in 2023. Retail space demand remained comparatively moderate than pre-pandemic levels as retailers remained cautious and cost-conscious to undertake rapid expansion plans.



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Rental Values

Guangzhou's average retail rents declined to RMB624.17 psm pm as at 2023, down 3.1% yoy. Despite the improved retail market conditions supported by a recovery in consumer spending in Guangzhou, landlords remain cautious to raising retail rents until retailers' business confidence improves.



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Market Outlook

Consumer spending is expected to bolster Guangzhou's retail market further in the coming year. Coupled with the government's support to drive first stores, quality retail brands and projects into the city, this could improve retailers' business confidence in the market. Average retail rents are expected to remain stable with minimal growth on the back of new supply to be introduced to the market.

3. BUSINESS PARK MARKET OVERVIEW

3.1. CHINA

As of 2023, China's average business park occupancy rate increased by 2.9% to 67.9%. Average nationwide business park rent recorded RMB36.00 psm pm, an increase of 1.7% yoy.

Business Park Trends

Government incentives and support remains as a key lever for business park development, cultivating an attractive investment environment for enterprises and capital inflows. High value-added industries including the digital economy, biomedical, artificial intelligence, technology, and green energy are increasingly focused as engines of business park growth, with varying industries of focus across cities in China.

3.2. SUZHOU

Existing and Potential Supply

As of 2023, Suzhou's total business park stock stood at near 6.8 million sq m, up 10.8% yoy. The total net new supply in 2023 was estimated to be near 0.7 million sq m. Completions included Suzhou Modern Services Plaza and Digital Intelligence Plaza III of 123,000 sq m and 195,000 sq m respectively.

Approximately 1.2 million sq m of business park space is anticipated to be delivered across Suzhou in 2024. Total business park stock is expected to reach near 8.0 million sq m in 2024.

SUZHOU MAJOR BUSINESS PARK POTENTIAL SUPPLY IN 2024

Project	Supply (sqm)
Xingtang Building	137,000
Dushu Lake Digital Economy Business Park	155,000
Suzhou National University of Nanotechnology Science and Technology Park Phase II	366,000
Jingfang Technology Semiconductor Science and Technology Innovation Business Park	120,000
Weili Medical Science and Technology Park Phase II	129,700
Lisheng Business Park	166,000
Shishan Life Technology Medical Device Production Base Project	97,000

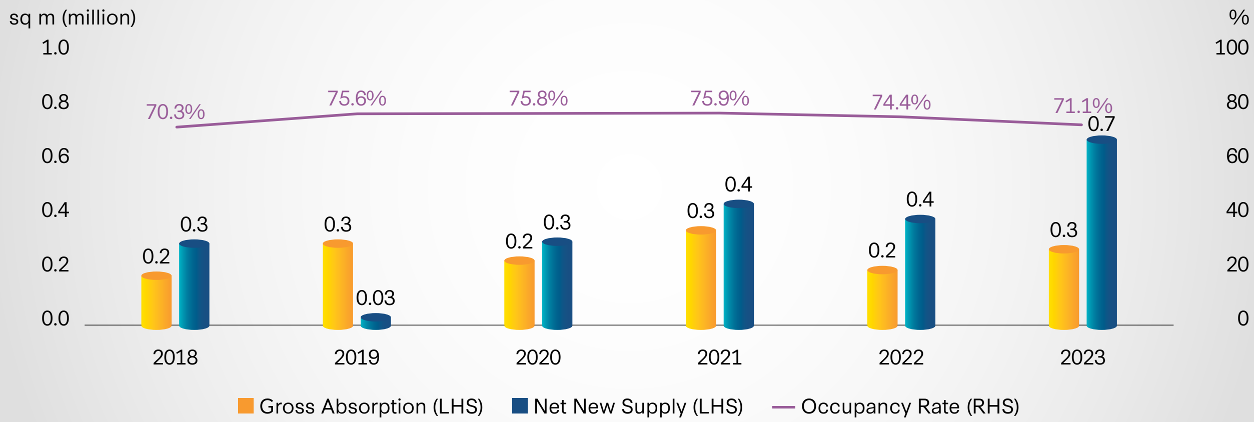
Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Demand and Occupancy

Over the past five years, the average gross absorption of business park space in Suzhou stood at about 263,800 sq m per year.

As of 2023, the average gross absorption recorded was about 268,500 sq m and the business park occupancy rate declined by 3.3% to 71.1% due to new supply that entered the market. Stronger industrial output growth including automobile manufacturing, electrical and equipment manufacturing and business services provided some support to the overall recovery in Suzhou and an uptick in business park space demand.

SUZHOU BUSINESS PARK SUPPLY, DEMAND, AND OCCUPANCY RATE (2018 TO 2023)

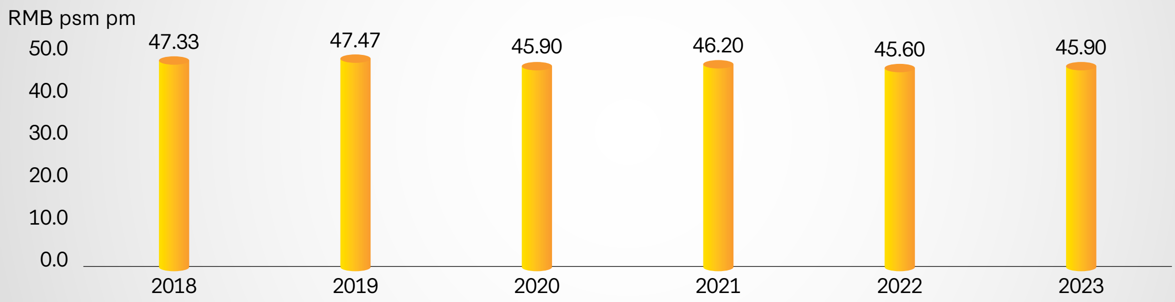


Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Rental Values

Suzhou's average business park rents increased to RMB45.90 psm pm as at 2023, up 0.7% yoy. Suzhou's average rent recorded a figure higher than the nation-wide average, gradually recovering to its pre-pandemic levels. Average rents observed a stable increase despite an increase in new supply, as new business park developments were able to command higher average rents.

SUZHOU AVERAGE BUSINESS PARK RENTS (2018 TO 2023)



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Market Outlook

The biomedical, information technology, nanotechnology, artificial intelligence industries are expected to continue to be the focused areas of growth in Suzhou's business parks. While the incoming new supply is expected to add pressure to business park occupancy rates, rents are expected to continue to observe a slight uptick as driven by new, high-specifications developments.

3.3. HANGZHOU

Existing and Potential Supply

As of 2023, Hangzhou's total business park stock stood at near 16.1 million sq m, up 10.6% yoy. The total net new supply in 2023 was estimated to be about 1.5 million sq m. Completions included IN 520 and Yunlan Valley Business Park of near 41,200 sq m and 51,900 sq m respectively.

Approximately 2.5 million sq m of business park space is anticipated to be delivered across Hangzhou in 2024. Total business park stock is expected to reach 18.5 million sq m in 2024.

HANGZHOU MAJOR BUSINESS PARK POTENTIAL SUPPLY IN 2024

Project	Supply (sq m)
Zhejiang University Alumni Enterprise Economic Park Phase II	616,006
Cainiao Cloud Valley Park Project	425,000
Cainiao Intelligent Park Phase II	132,600
Qihoo 360 Business Park	230,000
Sina Business Park I	190,000
Huawei Cloud Innovation Center	180,000
Tiange Business Park	46,300
C-Ray Valley	33,072
Hangzhou Bank Financial Science and Technology Building	21,591
CRC LvTing Road TOD	57,000
HEDA Digital Trade Building	38,893

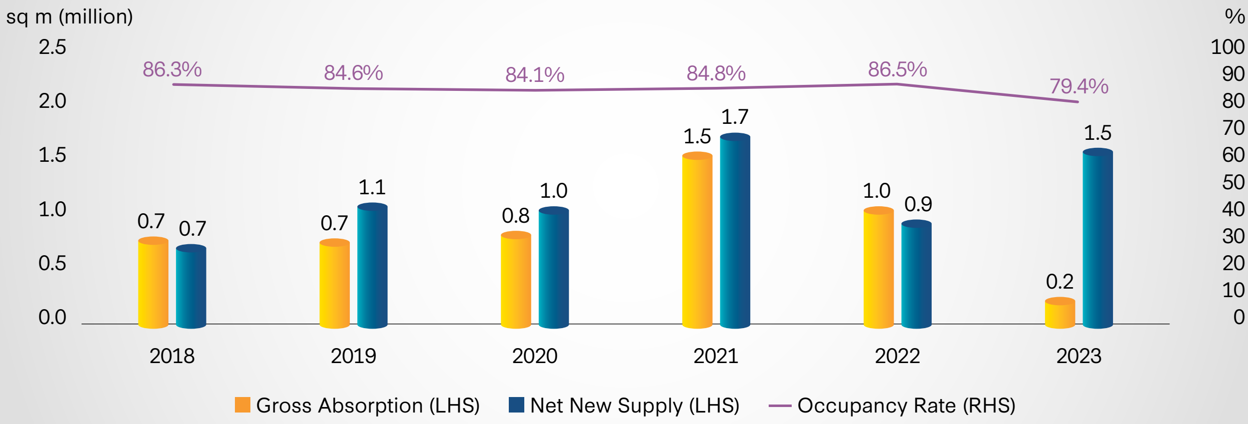
Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Demand and Occupancy

Over the past five years, the average gross absorption of business park space in Hangzhou stood near 852,900 sq m per year.

As of 2023, the average gross absorption recorded was about 196,600 sq m and the business park occupancy rate declined by 7.1% to 79.4%. Softer leasing demand arising from technology and corporate layoffs and the new supply added, have placed pressure on Hangzhou's business park occupancy rate.

HANGZHOU BUSINESS PARK SUPPLY, DEMAND, AND OCCUPANCY RATE (2018 TO 2023)

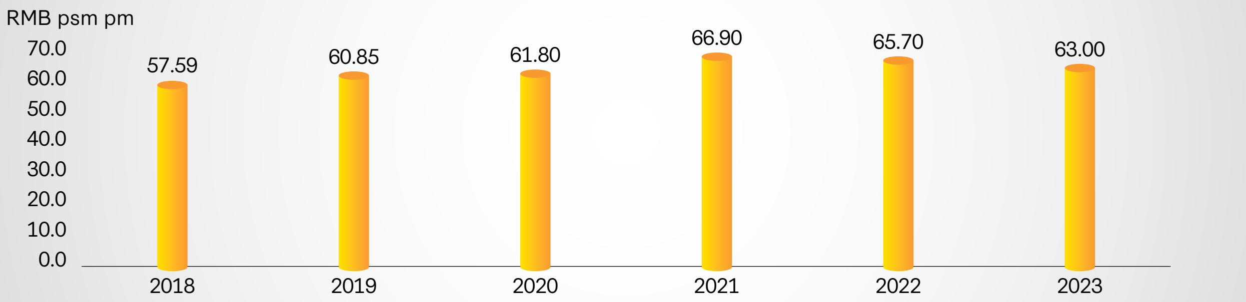


Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Rental Values

Hangzhou's average business park rents declined to RMB63.00 psm pm as at 2023, down 4.1% yoy. Hangzhou's average rent recorded a figure higher than the nation-wide average and its pre-pandemic levels. New business park developments contributed to an overall uptick in rents from pre-pandemic levels. Due to the larger pool of competing developments, landlords remained flexible in lease terms and rent negotiations to attract occupiers.

HANGZHOU AVERAGE BUSINESS PARK RENTS (2018 TO 2023)



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Market Outlook

With the Hangzhou government's plan to develop high value-added manufacturing and anchor corporate headquarters through subsidies, loan support and resources benefits, Hangzhou's business parks will benefit in the long-run with advanced manufacturing, biomedical, digital economy, and renewal energy industries as the focus. New supply is expected to continue to add pressure to occupancy rates. Rents may however observe a slight increase supported by newer business park developments coming to market.

4. LOGISTICS PARK MARKET OVERVIEW

4.1. CHINA

As of 2023, China's average Grade A logistics occupancy rate declined by 1.7% to 80.6%. Average Grade A logistics rents recorded RMB29.70 psm pm, a decline of 2.0% yoy.

Logistics Trends

Fuelled by the growing number and scale of e-commerce platforms, e-commerce is a huge driver of growth in China's logistics industry, giving rise to a growing demand for third-party logistics services and cold chain facilities. Logistics players tapped onto digitalisation to improve their competitive edge and operational efficiency, smart logistics and warehouses will be increasingly prominent and be in high demand.

Global trade tensions and China's zero-COVID policies have prompted companies to reassess and diversify their supply chain networks including the adoption of the China Plus One strategy, where China is the key supply source and other countries serving as diversification grounds. While companies have shifted parts of their supply chain to alternative grounds, China's role in the global manufacturing and supply chain network remains pivotal and logistics will continue to be a crucial asset to domestic and international firms alike.

4.2. SHANGHAI

Existing and Potential Supply

As of 2023, Shanghai's total Grade A logistics stock stood at 8.6 million sq m, up 4.9% yoy. The total net new supply in 2023 was estimated to be about 0.4 million sq m. Completions included ESR Qingpu Yurun Park Phase 1 of about 288,600 sq m.

Approximately 1.8 million sq m of Grade A logistics space is expected to be delivered across Shanghai in 2024. Total Grade A logistics stock is expected to reach near 10.5 million sq m in 2024.

SHANGHAI MAJOR GRADE A LOGISTICS POTENTIAL SUPPLY IN 2024

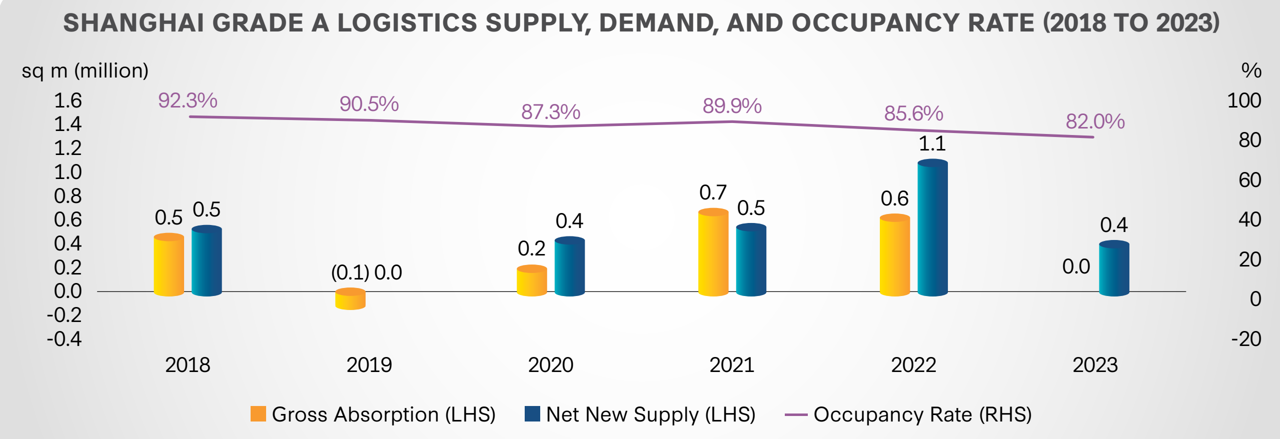
Project	Supply (sq m)
GLP Zhichuang Industrial Park	125,000
ESR Qingpu Yurun Park Phase 2	176,822
DNE Jinshan Galaxy Park Phase 3	600,000
GLP Shanghai Lingang Lengjing Park	199,224
GLP Shanghai Lingang International Logistics Park J	147,226
Mapletree Fengxian Industry Park	121,728
LOGOS Shanghai Songjiang Logistics Park	75,947
ESR Qingpu Yi'nu Industrial and Logistics Park	102,000
Marvel Capital Shanghai Fengxian Logistics Park	85,500
Brookfield Shanghai Lingang Logistics Park	193,000

Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Demand and Occupancy

Over the past five years, the average gross absorption of Grade A logistics space in Shanghai stood near 275,000 sq m per year.

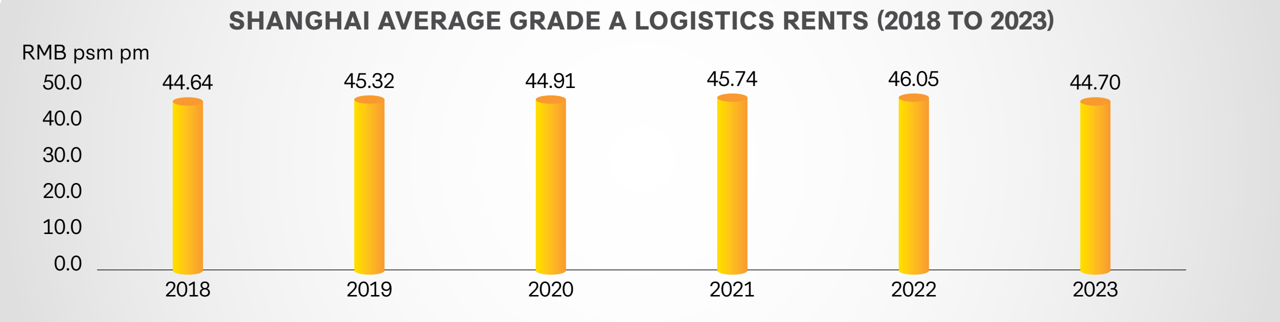
As of 2023, the average gross absorption recorded was about 34,400 sq m and the Grade A logistics occupancy rate declined by 3.6% to 82.0%. With the decline in manufacturing and consumer demand, overall logistics demand was relatively muted in the year.



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Rental Values

Shanghai's average Grade A logistics rents declined to RMB44.70 psm pm as at 2023, down 2.9% yoy. Shanghai's average rent recorded higher than the nation-wide average rent but decreased slightly from its pre-pandemic levels. The surge in new supply has exerted downward pressure on average rents.



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Market Outlook

New supply injection is expected to add to the existing Grade A logistics supply. As a result, vacancy rates are expected to remain elevated in the short term, which would likely soften rental growth in the coming year.

4.3. KUNSHAN

Existing and Potential Supply

As of 2023, Kunshan's total Grade A logistics stock stood at 3.8 million sq m, up 7.8% yoy. The total net new supply in 2023 was estimated to be about 275,000 sq m. Completions included GLP Kunshan Lujia Feiyang Logistics Park, GLP Kunshan Lujia Huacheng Logistics Park, and Sunjade Kunshan Lujia Logistics Park, of about 133,000 sq m, 64,000 sq m, and 78,000 sq m respectively.

Approximately 183,000 sq m of Grade A logistics space is expected to be delivered within Kunshan in 2024. Total Grade A logistics stock is expected to reach 4.0 million sq m in 2024.

KUNSHAN MAJOR GRADE A LOGISTICS POTENTIAL SUPPLY IN 2024

Project	Supply (sq m)
VX Kunshan Huying Logistics	85,000
Vailog Kunshan Qiandeng Logistics Park	98,000

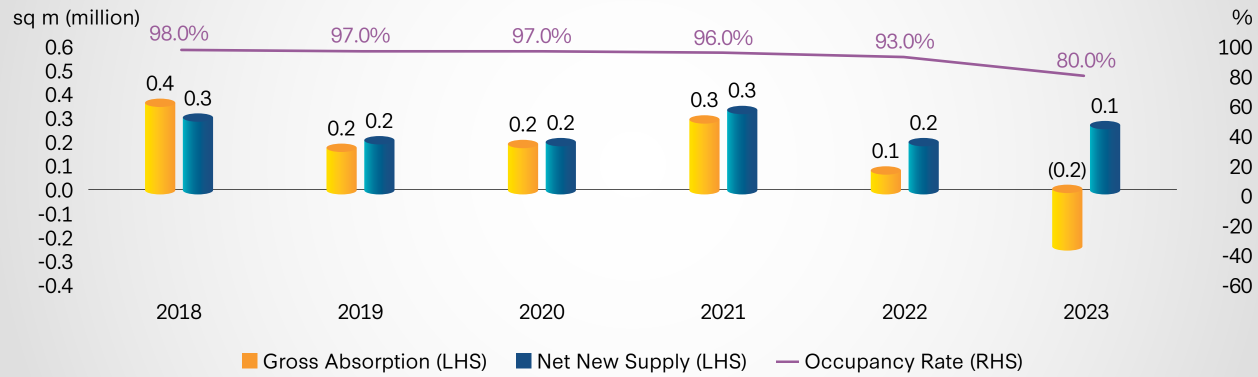
Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Demand and Occupancy

Over the past five years, the average gross absorption of Grade A logistics space in Kunshan stood near 100,700 sq m per year.

As of 2023, the average gross absorption recorded a decline of near 240,000 sq m and the Grade A logistics occupancy rate declined to 80.0%. Overall logistics demand softened on the back of relocation of anchor tenants to self-built warehouses, competitive price advantage of cities around Kunshan, and injection of new supply into the market in the year.

KUNSHAN GRADE A LOGISTICS SUPPLY, DEMAND, AND OCCUPANCY RATE (2018 TO 2023)

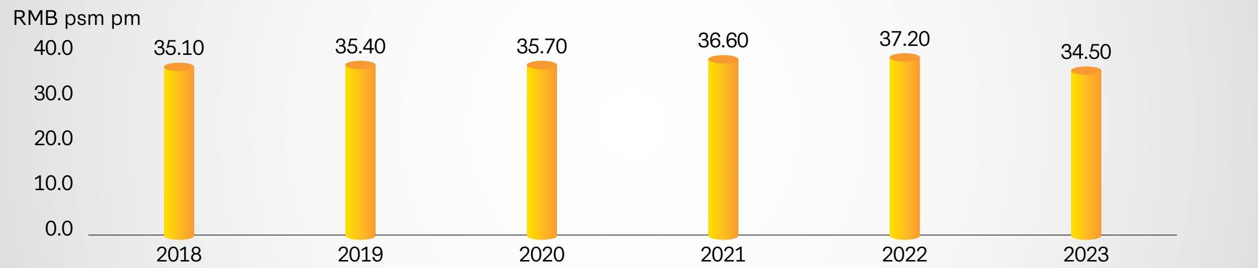


Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Rental Values

Kunshan's average Grade A logistics rents declined to RMB34.50 psm pm as at 2023. Kunshan's average rent recorded higher than the nation-wide average rent but declined from its pre-pandemic levels. Landlords are seeking to retain existing tenants and attract new tenants through more flexible business terms including extensions of rent free periods, price concessions, and subsidies, on the back of a competitive leasing market.

KUNSHAN GRADE A LOGISTICS AVERAGE RENTS (2018 TO 2023)



Source: Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Market Outlook

The e-commerce boom in Greater Shanghai had driven rapid development of Kunshan's logistics sector. Demand is expected to be soft as tenants continue to seek price competitive alternatives. Rents are expected to remain flat and adjusted upwards after 2024. The limited new supply is however expected to support slight improvement to vacancy rates in the coming year.

PORTFOLIO SUMMARY (RETAIL)

Name	Address	GFA (sq m)	GRA (sq m)	NLA (sq m)
CapitaMall Xizhimen 凯德MALL · 西直门	No. 1 Xizhimenwai Street, Xicheng District, Beijing	83,075	83,075	50,673
Rock Square 乐峰广场	No. 106-108 Gongye Avenue North, Haizhu District, Guangzhou, Guangdong Province	88,279	83,591	52,321
CapitaMall Wangjing 凯德MALL · 望京	No. 33, Guangshun North Street, Chaoyang District, Beijing	83,768	68,010	45,407
CapitaMall Grand Canyon 凯德MALL · 大峡谷	No. 16 South Third Ring West Road, Fengtai District, Beijing	92,918	69,967	39,588
CapitaMall Xuefu 凯德广场 · 学府	No. 1 Xuefu Road, Nangang District, Harbin, Heilongjiang Province	123,811	104,294	64,281
CapitaMall Xinnan 凯德广场 · 新南	No. 99, Shenghe First Road, Gaoxin District, Chengdu, Sichuan Province	91,816	53,619	36,919
CapitaMall Nuohemule 凯德广场·诺和木勒	Block A Jinyu Xintiandi, Ordos Street, Yuquan District, Hohhot, Inner Mongolia Autonomous Region	100,047	76,309	44,188
CapitaMall Shuangjing 凯德MALL · 双井	No. 31 Guangqu Road, Chaoyang District, Beijing	49,463	49,463	49,568
CapitaMall Yuhuating 凯德广场 · 雨花亭	No. 421 Shaoshan Middle Road, Yuhua District, Changsha, Hunan Province	75,431	62,080	44,228
CapitaMall Aidemengdun 凯德广场 · 埃德蒙顿	No. 38 Aidemengdun Road, Daoli District, Harbin, Heilongjiang Province	49,040	43,394	28,324

i Independent valuations of CapitaMall Xizhimen, CapitaMall Xuefu, CapitaMall Nuohemule, and CapitaMall Aidemengdun were conducted by Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd..
Independent valuations of Rock Square, CapitaMall Xinnan, and CapitaMall Yuhuating were conducted by Jones Lang LaSalle Corporate Appraisal and Advisory Limited.
Independent valuations of CapitaMall Wangjing and CapitaMall Grand Canyon were conducted by CBRE (Shanghai) Management Limited.

ii Refers to the completion of the acquisition of the special purpose vehicles which own the properties, except for CapitaMall Nuohemule where it is a direct asset acquisition from the Vendor.

iii Based on all committed leases as of 31 December 2023.

Rock Square

CapitaMall Aidemengdun

Number of Leases	Land Use Right Expiry	Market Valuation[i] (RMB Million)	Purchase Price (RMB Million)	Acquisition Date[ii]	Committed Occupancy Rate[iii]
274	23 August 2044 23 August 2054	3,668.0	1,851.4	Phase 1: 05 February 2008 Phase 2: 29 September 2008	99.5%
248	17 October 2045	3,410.0	3,400.0[iv]	51% stake: 31 Janaury 2018 49% stake: 30 December 2020	98.9%
261	15 May 2043 15 May 2053	2,844.0	1,102.0	01 December 2006	96.2%
235	29 August 2044 29 August 2054	1,883.0	1,740.0	30 December 2013	97.2%
435	15 December 2045	1,789.0	1,745.0	30 August 2019	99.8%
228	17 October 2047	1,460.0	1,500.0	30 September 2016	95.5%
251	26 July 2049	1,030.0	808.0	26 December 2019	99.9%
N.M.	10 July 2042	842.0[v]	414.0	01 December 2006	N.M.
255	03 March 2044	802.0	746.0	30 August 2019	98.8%
160	07 September 2042	402.0	469.0	30 August 2019	95.9%

iv The first 51% stake in Rock Square was purchased on 31 January 2018 at RMB 3,340.7 million, and the subsequent 49% stake was purchased on 30 December 2020 at RMB 3,400.0 million (purchase price represented on 100% basis).

v CLCT has on the 6 Dec 2023 announced the divestment of CapitaRetail Beijing Shuangjing Real Estate Co., Ltd., which holds CapitaMall Shuangjing at the agreed property price of RMB842.0 million. Consequently, CLCT has recognised a fair value uplift for CapitaMall Shuangjing to RMB842.0 million. The completion of CapitaMall Shuangjing's divestment was announced on 23 January 2024. CapitaMall Shuangjing is a shopping mall in Beijing. Prior to the completion of the divestment, CLCT had a 100% interest in CapitaMall Shuangjing.

N.M. - not meaningful

CapitaMall Xuefu

PORTFOLIO SUMMARY (BUSINESS PARK)

Name	Address	GFA (sq m)	NLA (sq m)
Ascendas Xinsu Portfolio 腾飞新苏	Suzhou Industrial Park, Suzhou, Jiangsu Province	373,334	348,797
Ascendas Innovation Towers 新加坡腾飞科汇城	No. 88 Tiangu Seventh Road, Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province	118,495	95,844
Ascendas Innovation Hub 腾飞创新中心	No. 38 Gaoxin Sixth Road, Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province	40,547	36,288
Singapore-Hangzhou Science & Technology Park Phase I 新加坡杭州科技园一期	No. 2 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Qiantang New Area, Hangzhou, Zhejiang Province	101,811	101,450
Singapore-Hangzhou Science & Technology Park Phase II 新加坡杭州科技园二期	No. 20 and 57 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Qiantang New Area, Hangzhou, Zhejiang Province	130,261	130,161

i Independent valuations were conducted by CBRE (Shanghai) Management Limited.
ii All information is presented based on 100% ownership.
iii Refers to the completion of the acquisition of the special purpose vehicles which own the properties.

PORTFOLIO SUMMARY (LOGISTICS PARK)

Name	Address	GFA (sq m)
Shanghai Fengxian Logistics Park 上海奉贤物流园	No. 435, Haishang Road, Fengxian District, Shanghai	62,785
Wuhan Yangluo Logistics Park 武汉阳逻物流园	No. 10 Qiuli South Road, Yangluo Development Zone, Xinzhou District, Wuhan, Hubei Province	86,973
Chengdu Shuangliu Logistics Park 成都双流物流园	No. 86 Tongguan Road, Shuangliu District, Chengdu, Sichuan Province	71,556
Kunshan Bacheng Logistics Park 昆山巴城物流园	No. 998 Yuyang Road, Yushan Town, Kunshan, Jiangsu Province	43,945

i Independent valuations were conducted by Jones Lang LaSalle Corporate Appraisal and Advisory Limited.
ii Refers to the completion of the acquisition of the special purpose vehicles which own the properties.

Number of Leases	Land Use Right Expiry	Market Valuation[i,ii] (RMB Million)	Purchase Price[ii] (RMB Million)	Acquisition Date[iii]	Committed Occupancy Rate[iv]
318	31 December 2046 to 30 May 2057[v]	2,340.0	2,265.0	04 January 2021	97.5%
86	19 February 2064	902.0	759.0	10 February 2021	90.1%
40	23 May 2051	353.0	298.0	26 February 2021	89.0%
139	04 September 2056	824.0	641.0	18 June 2021	72.4%
70	06 July 2060	1,043.0	767.0	18 June 2021	89.0%

iv Based on all committed leases as at 31 December 2023.
v Ascendas Xinsu Porfolio consists of mulitple plots of land with varying land use right expiry.

Number of Leases	Land Use Right Expiry	Market Valuation[i] (RMB Million)	Purchase Price[ii] (RMB Million)	Acquisition Date[ii]	Committed Occupancy Rate[iii]
3	20 July 2059	598.0	623.7	10 November 2021	60.3%
2[iv]	14 July 2064	357.0	379.7	10 November 2021	99.7%
30	25 April 2062	348.0	352.0	10 November 2021	67.8%
2[iv]	16 June 2064	327.0	328.0	10 November 2021	98.5%

iii Based on all committed leases as of 31 December 2023.
iv Excludes leases for ancillary buildings.

PORTFOLIO DETAILS

CAPITAMALL XIZHIMEN

LEED Gold Certified

GROSS REVENUE
RMB**301.1**
MILLION

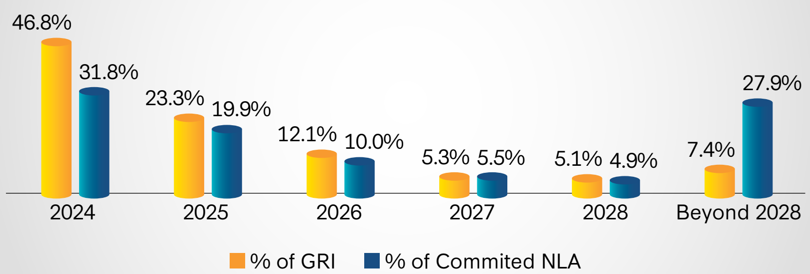
NET PROPERTY INCOME
RMB**208.6**
MILLION

PROPERTY VALUATION
RMB**3,668.0**
MILLION

CapitaMall Xizhimen is strategically located next to the Second Ring Road in Xicheng district and is well-served by Beijing's metro lines 2, 4 and 13, as well as the Beijing North Railway Station. The mall offers a diverse array of product offerings, which serves the needs of a large and well-established catchment of more than one million people within a three-kilometre radius, comprising middle-income residents, working professionals from the Beijing Financial Street and technological zones of Zhongguancun District, as well as students from the nearby universities. Positioned as a vibrant mall targeting the young and trendy, CapitaMall Xizhimen features a large supermarket, a state-of-the-art cinema, popular fast-fashion tenants such as UNIQLO and Bosideng, domestic brands including Huawei and a wide selection of dining options such as Haidilao, Maliuji and Feidachu. CapitaMall Xizhimen attained its green certification in 2023.

Trade Sector	By GRI (%)	By Committed NLA (%)
Food & Beverage	45.7%	37.4%
Fashion & Accessories	18.8%	14.1%
Beauty & Healthcare	6.0%	5.9%
Services	4.7%	2.3%
Supermarket	3.5%	20.1%
Sporting Goods & Apparel	3.0%	2.9%
IT & Telecommunication	2.9%	1.6%
Gifts & Souvenirs	2.6%	1.6%
Shoes & Bags	2.6%	1.5%
Education	2.2%	3.6%
Jewellery / Watches	2.1%	0.8%
Leisure & Entertainment	1.3%	3.4%
Home Living	1.2%	1.1%
Toys & Hobbies	1.0%	0.3%
Others	2.4%	3.4%

LEASE EXPIRY PROFILE (%)



ROCK SQUARE

LEED Gold Certified

GROSS REVENUE
RMB**231.5**
MILLION

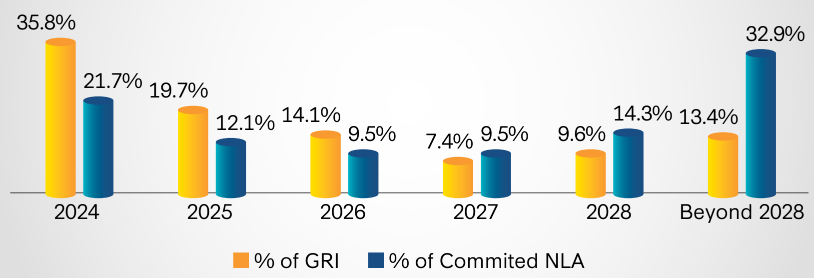
NET PROPERTY INCOME
RMB**157.3**
MILLION

PROPERTY VALUATION
RMB**3,410.0**
MILLION

Rock Square is one of the largest shopping malls located within the well-established Jiangnanxi retail cluster in the Haizhu district, the second most populous urban district in Guangzhou. The mall is directly connected to Shayuan metro station, which serves Line 8 that links Guangzhou's eastern and northern areas, and Guangfo Line that connects Guangzhou with Foshan. In 2023, Rock Square underwent AEI to better cater to the growing middle and high-income families and professionals in the surrounding densely populated residential estates. This has transformed Rock Square into a premier one-stop shopping and lifestyle destination for more than one million residents within a three-kilometer radius. The mall offers a wide range of fashion, dining and entertainment options for modern lifestyle needs, featuring well-known domestic and international brands such as AEON, Nio Space, ZARA, US KIMMY, SUSHIRO and Meland. Rock Square attained its green certification in 2022.

Trade Sector	By GRI (%)	By Committed NLA (%)
Food & Beverage	38.3%	28.6%
Services	11.2%	4.8%
Fashion & Accessories	8.2%	9.7%
Beauty & Healthcare	7.5%	7.6%
Leisure & Entertainment	7.0%	14.1%
Supermarket	5.2%	20.2%
Jewellery / Watches	4.7%	1.5%
Gifts & Souvenirs	3.6%	2.0%
Toys & Hobbies	3.5%	2.5%
Education	2.8%	3.5%
IT & Telecommunication	2.8%	1.4%
Sporting Goods & Apparel	1.8%	1.5%
Home Living	1.6%	0.8%
Shoes & Bags	1.0%	0.6%
Others	0.8%	1.2%

LEASE EXPIRY PROFILE (%)



GROSS REVENUE
RMB**213.8**
MILLION

NET PROPERTY INCOME
RMB**146.6**
MILLION

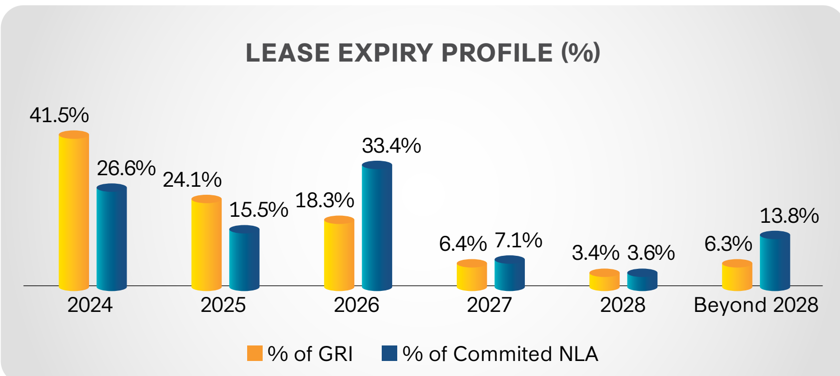
PROPERTY VALUATION
RMB**2,844.0**
MILLION

CAPITAMALL WANGJING

LEED Gold Certified

CapitaMall Wangjing, a leading shopping mall within the densely populated Wangjing residential enclave, is located near the North Fourth Ring Road of Beijing. The mall is conveniently located next to Futong station, which is served by metro line 14, and in close proximity to Wangjing station, the interchange for metro lines 14 and 15. The mall enjoys steady daily traffic as it is a popular meeting place amongst working professionals and discerning expatriates in search of high-quality shopping, dining and entertainment options in the district. Surrounded by an immediate catchment of more than 750,000 residents within a three-kilometre radius, the mall is home to a diverse range of brands including a co-working space operator UpOffice, Kamal Yoga, Sephora, Starbucks, BAKER & SPICE and BHG Supermarket. CapitaMall Wangjing attained its green certification in 2022.

Trade Sector	By GRI (%)	By Committed NLA (%)
Food & Beverage	32.4%	24.5%
Fashion & Accessories	17.6%	12.2%
Services	10.6%	12.1%
Jewellery / Watches	8.6%	2.7%
Beauty & Healthcare	6.6%	7.6%
Education	6.1%	7.7%
Supermarket	3.1%	20.1%
IT & Telecommunication	2.9%	2.0%
Shoes & Bags	2.6%	1.4%
Sporting Goods & Apparel	2.4%	1.6%
Gifts & Souvenirs	2.0%	1.4%
Leisure & Entertainment	1.6%	2.3%
Toys & Hobbies	1.6%	1.0%
Others	1.2%	2.1%
Home Living	0.7%	1.3%



CAPITAMALL GRAND CANYON

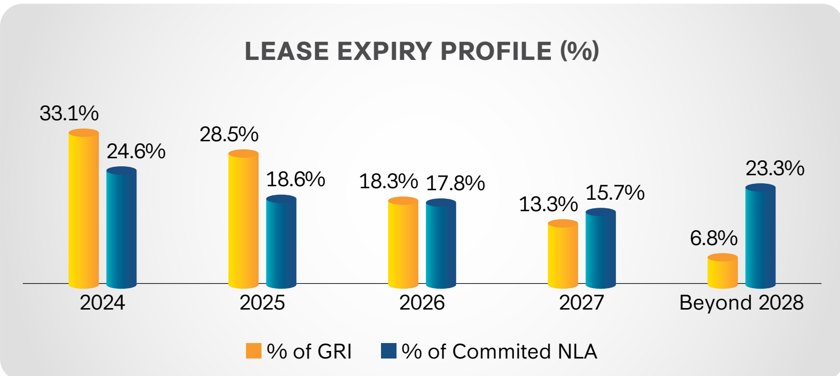
GROSS REVENUE
RMB**90.7**
MILLION

NET PROPERTY INCOME
RMB**49.8**
MILLION

PROPERTY VALUATION
RMB**1,883.0**
MILLION

CapitaMall Grand Canyon faces the busy South Third Ring West Road in Beijing's Fengtai district. The mall is easily accessible via several public bus routes, Beijing South Railway Station, and metro line 4 from the nearby Majiapu station. Serving the needs of a population of more than 800,000 within a three-kilometre radius, CapitaMall Grand Canyon offers an exciting array of restaurants, retail and service offerings that makes it an attractive destination for families, students and office workers around the precinct. The mall's comprehensive offerings and well-established tenants include Poly Cinema, Yun Nans, Qi Ji Equestrian, Sisyphe Books and K-SHOW KTV, making it a sought-after retail and lifestyle destination within the local community. Mall offerings were also refreshed with AEI completion in 2023, which brought in tenants such as new retail-concept supermarket 7FRESH.

Trade Sector	By GRI (%)	By Committed NLA (%)
Food & Beverage	40.1%	27.9%
Services	9.8%	4.8%
Beauty & Healthcare	9.5%	8.7%
Leisure & Entertainment	8.0%	20.6%
Education	7.4%	9.4%
Fashion & Accessories	6.9%	7.3%
IT & Telecommunication	5.1%	2.9%
Supermarket	3.1%	9.5%
Gifts & Souvenirs	2.7%	1.8%
Jewellery / Watches	2.6%	1.1%
Others	2.4%	2.7%
Home Living	1.1%	2.3%
Toys & Hobbies	0.7%	0.4%
Shoes & Bags	0.6%	0.6%



CAPITAMALL XUEFU

GROSS REVENUE
RMB**175.5**
MILLION

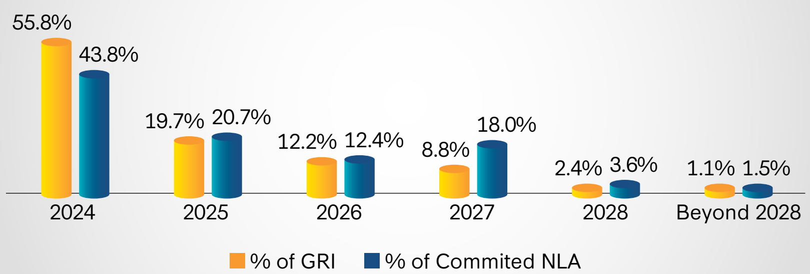
NET PROPERTY INCOME
RMB**120.1**
MILLION

PROPERTY VALUATION
RMB**1,789.0**
MILLION

CapitaMall Xuefu is a modern and experiential regional shopping mall that is located in the Nangang District of Harbin, the capital and largest city of the Heilongjiang Province. It is strategically located next to a cluster of eight tertiary education institutions, where the student population form a large proportion of the catchment of approximately 750,000 within a three-kilometre radius. Situated at the intersection of multiple arterial roads, it serves the city that connects directly to the Second Ring Road. CapitaMall Xuefu is directly connected to the Xuefu Road Station on Line 1 of the Harbin Metro. Incorporating experiential elements to its unique retail concepts, the mall features Harbin's first all-year-round Amazon-style indoor garden "Dream Park" at Level 5. CapitaMall Xuefu houses a diverse mix of tenants such as BHG Supermarket, Haidilao, Bosideng, Urban Revivo and Green Tea Restaurant.

Trade Sector	By GRI (%)	By Committed NLA (%)
Fashion & Accessories	33.6%	28.5%
Food & Beverage	33.4%	24.4%
Supermarket	4.3%	13.7%
Sporting Goods & Apparel	4.2%	5.2%
Jewellery / Watches	3.7%	1.7%
Shoes & Bags	3.4%	2.8%
Beauty & Healthcare	3.1%	3.0%
Gifts & Souvenirs	3.0%	1.6%
IT & Telecommunication	2.7%	1.5%
Leisure & Entertainment	2.3%	9.4%
Services	2.2%	2.0%
Education	1.4%	2.8%
Toys & Hobbies	1.3%	1.0%
Others	1.2%	2.3%
Home Living	0.2%	0.1%

LEASE EXPIRY PROFILE (%)



CAPITAMALL XINNAN

GROSS REVENUE
RMB**69.1**
MILLION

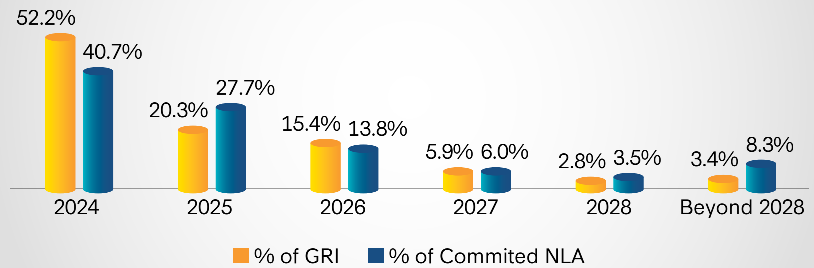
NET PROPERTY INCOME
RMB**39.3**
MILLION

PROPERTY VALUATION
RMB**1,460.0**
MILLION

CapitaMall Xinnan is situated along one of the most established shopping belts in the affluent Gaoxin district, south of Chengdu. The mall is conveniently accessible via the nearby Chengdu South Railway Station, a major transportation hub linked to metro lines 1 and 7 plying the South Railway metro station, and to Chengdu Airport via airport express line (metro line 18). The mall's diverse mix of fashion and entertainment options sets it apart as a trendy destination with varied retail experiences that appeal to families and young urbanites living in the middle-and-high income neighbourhood. Its tenant mix includes well-known international brands such as H&M, YISHION, Sephora, Meow Barbeque and Hefu Noodles.

Trade Sector	By GRI (%)	By Committed NLA (%)
Fashion & Accessories	31.6%	30.5%
Food & Beverage	29.2%	20.7%
Beauty & Healthcare	8.7%	7.8%
Sporting Goods & Apparel	4.7%	5.9%
Services	4.0%	1.8%
Jewellery / Watches	3.9%	1.1%
Shoes & Bags	3.4%	2.7%
Leisure & Entertainment	3.3%	18.1%
Gifts & Souvenirs	2.7%	3.3%
IT & Telecommunication	2.7%	1.8%
Home Living	2.2%	2.3%
Education	2.2%	2.0%
Others	1.1%	1.3%
Toys & Hobbies	0.3%	0.7%

LEASE EXPIRY PROFILE (%)



CAPITAMALL NUOHEMULE

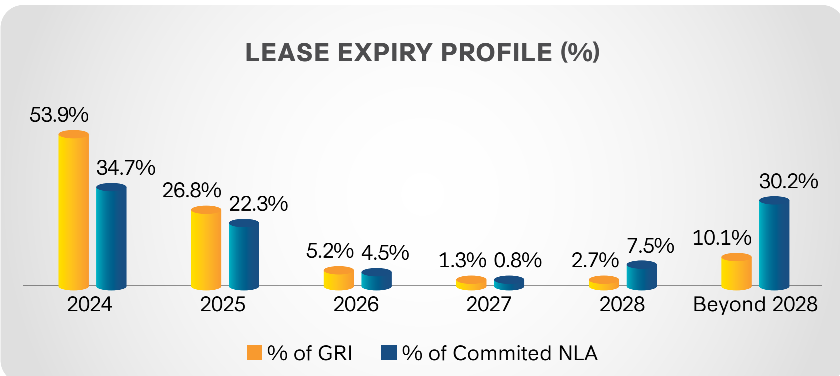
GROSS REVENUE
RMB**96.7**
MILLION

NET PROPERTY INCOME
RMB**57.3**
MILLION

PROPERTY VALUATION
RMB**1,030.0**
MILLION

CapitaMall Nuohemule is strategically located in the well-established Yuquan District in Hohhot, Inner Mongolia, China. The design of CapitaMall Nuohemule incorporates abundant natural elements, bringing to life the concept of "mall in a garden" with 10,000 sq m of verdant greenery. The mall enjoys excellent connectivity, sitting atop Nuohemule Station on Metro Line 2 and three stops from an interchange station that also serves Metro Line 1. Positioned as a destination lifestyle mall with over 700,000 residents within a five-kilometre radius, CapitaMall Nuohemule offers a wide range of fashion, food & beverage, IT & electronics and leisure & entertainment-based tenants such as Wanda Cinema, Haidilao, The Green Party, Gymboree and The Colorist, as well as a wide variety of experiential and new retailing concepts to appeal to the modern shopper.

Trade Sector	By GRI (%)	By Committed NLA (%)
Food & Beverage	28.8%	24.1%
Fashion & Accessories	28.5%	18.6%
Sporting Goods & Apparel	9.3%	6.5%
Leisure & Entertainment	7.1%	19.6%
Supermarket	3.7%	12.1%
Gifts & Souvenirs	3.7%	2.5%
Beauty & Healthcare	3.6%	3.0%
Shoes & Bags	3.3%	1.3%
Jewellery / Watches	2.7%	0.8%
Toys & Hobbies	2.7%	1.9%
IT & Telecommunication	2.5%	1.4%
Others	1.3%	5.1%
Education	1.3%	1.9%
Services	1.3%	1.1%
Home Living	0.2%	0.1%



CAPITAMALL YUHUATING

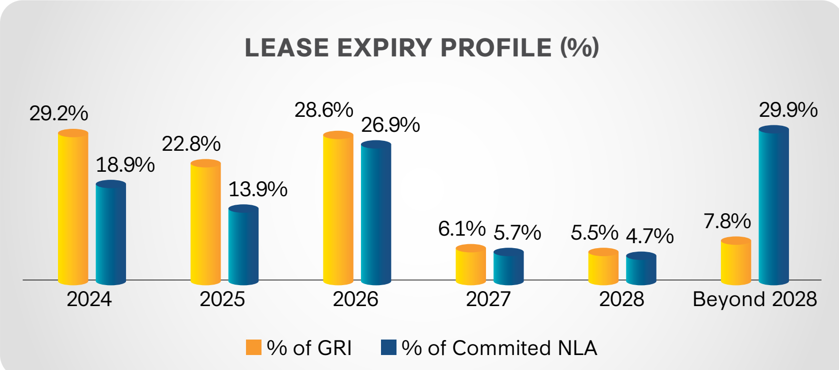
GROSS REVENUE
RMB**82.3**
MILLION

NET PROPERTY INCOME
RMB**46.6**
MILLION

PROPERTY VALUATION
RMB**802.0**
MILLION

CapitaMall Yuhuating is an established mall located within the Dongtang retail hub of Yuhua District in Changsha. It is conveniently accessible via numerous bus routes as well as Tujiachong metro station on Line 1 and Shazitang metro station on Line 4 that are approximately one-kilometre away. Additionally, a new metro station - Yuhuating Station on Line 7 next to CapitaMall Yuhuating is under construction and expected to open in 2027. CapitaMall Yuhuating is positioned as a community mall located within a core retail hub, where there is a high concentration of populated residential communities and office buildings, providing the mall with a dense catchment of approximately 700,000 within a three-kilometre radius. With no direct competitors within the vicinity, CapitaMall Yuhuating has firmly established itself within its main trade area. The AEI at CapitaMall Yuhuating has transformed it into a lifestyle destination for youths and families, by curating selected brands, which appeal to both China's growing enthusiasm for domestic brands and international brands. Examples include China Film Cinema, Haidilao, Li-Ning, UNIQLO and Balabala.

Trade Sector	By GRI (%)	By Committed NLA (%)
Food & Beverage	33.4%	22.9%
Fashion & Accessories	15.0%	10.4%
Leisure & Entertainment	15.0%	19.6%
Supermarket	5.7%	26.6%
Beauty & Healthcare	5.7%	3.9%
Sporting Goods & Apparel	5.3%	3.9%
IT & Telecommunication	4.8%	2.1%
Services	3.4%	2.1%
Shoes & Bags	3.4%	2.1%
Jewellery / Watches	3.2%	1.1%
Gifts & Souvenirs	1.6%	1.3%
Education	1.4%	1.5%
Home Living	0.9%	0.9%
Others	0.8%	1.3%
Toys & Hobbies	0.4%	0.3%



CAPITAMALL AIDEMENGDUN

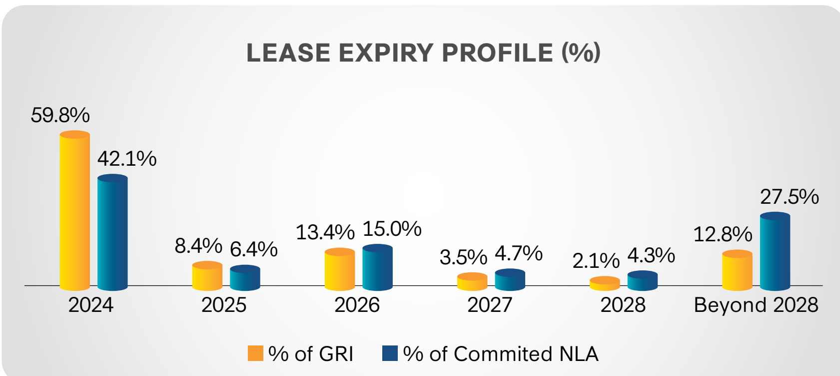
GROSS REVENUE
RMB**41.0**
MILLION

NET PROPERTY INCOME
RMB**16.9**
MILLION

PROPERTY VALUATION
RMB**402.0**
MILLION

CapitaMall Aidemengdun is located in Downtown Harbin and is positioned as a community mall to mainly serve the needs of residents from the neighbouring high-density residential communities and students and staff from nearby tertiary education institutions. The mall is in close proximity to Second Ring Road, and enjoys direct frontage to Aidemengdun Road that connects the Harbin Taiping International Airport to Central Street in the city centre. The mall can be easily accessed via public transportation and is within one-and-a-half kilometres from two metro stations on Line 1 of the Harbin Metro. As one of the earliest community malls in the area, it has a captive consumer base formed by the surrounding residents, with a strong focus on families with children, sports and education offerings. The mall features popular tenants such as education tenant JinSeYuLin, Qi Cai International Cineplex, McDonald's, Adidas and Skechers.

Trade Sector	By GRI (%)	By Committed NLA (%)
Food & Beverage	25.9%	15.2%
Fashion & Accessories	17.5%	16.8%
Sporting Goods & Apparel	11.4%	9.6%
Supermarket	10.7%	26.5%
Leisure & Entertainment	7.9%	12.6%
Jewellery / Watches	5.2%	1.6%
Beauty & Healthcare	4.9%	4.2%
IT & Telecommunication	4.7%	2.5%
Education	4.4%	5.7%
Shoes & Bags	3.1%	2.3%
Gifts & Souvenirs	2.2%	1.0%
Others	1.0%	1.4%
Services	0.7%	0.3%
Toys & Hobbies	0.4%	0.3%



ASCENDAS XINSU PORTFOLIO

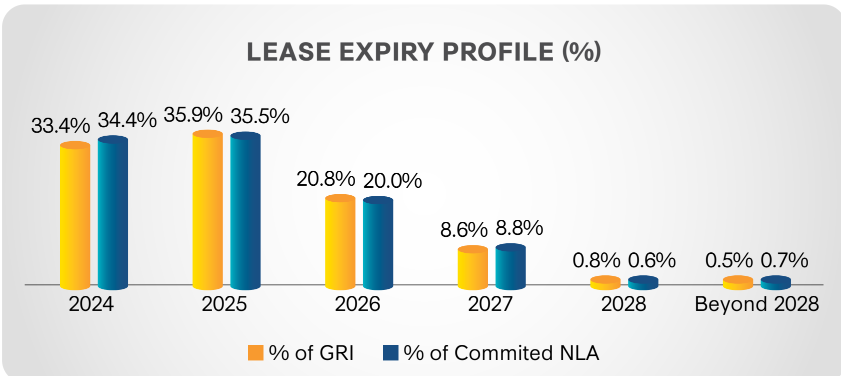
GROSS REVENUE
RMB**226.7**
MILLION

NET PROPERTY INCOME
RMB**166.1**
MILLION

PROPERTY VALUATION
RMB**2,340.0**
MILLION

The Ascendas Xinsu Portfolio comprises six properties located in different locations covering a range of asset types, including business parks, built-to-suit factories, and ready-built factories. The Ascendas Xinsu Portfolio consists of 61 buildings including R&D and industrial portion, with a total gross floor area of 373,334 sq m. The Portfolio is accessible via various modes of transportation including High Speed Railway Station, Metro Line 1 and 3 as well as an upcoming Line 6 of Suzhou Rail Transit, which is expected to provide easy access to other parts of Suzhou. Some key tenants in the portfolio includes TDK (Suzhou) Co., Ltd., Suzhou Kamen Haas Laser Technology Co., Ltd., CCL Design (Suzhou) Co., Ltd., Nexteer Automotive (Suzhou) Co., Ltd, and Herbalife (China) Health Products Co Ltd.

Trade Sector	By GRI (%)	By Committed NLA (%)
Electronics	27.2%	29.6%
Engineering	26.9%	28.4%
Others	11.4%	8.8%
Biomedical Sciences	12.6%	13.2%
Professional Services	12.4%	11.8%
Information and Communications Technology	7.0%	5.7%
Logistics & Supply Chain	2.3%	2.4%
Financial Services	0.2%	0.1%



GROSS REVENUE
RMB**79.2**
MILLION

NET PROPERTY INCOME
RMB**56.0**
MILLION

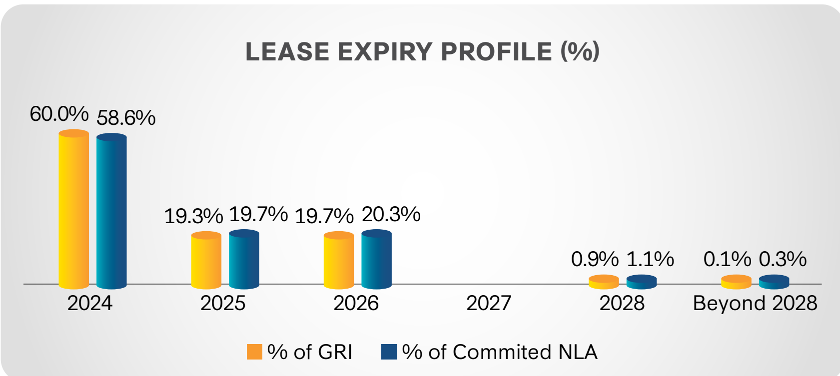
PROPERTY VALUATION
RMB**902.0**
MILLION

ASCENDAS INNOVATION TOWERS

LEED Gold Certified

Ascendas Innovation Towers is a business park that features two 23-storey office towers with a five-storey podium and a three-storey standalone building. The project has a total gross floor area of 118,495 sq m and net leasable area of 95,844 sq m. It is positioned as a landmark asset, providing quality focal point for the development of Xi'an's new economy, including High-Tech, innovation, software and R&D sectors. Notable tenants include Ping An Insurance Company, DHC Software, INOVANCE and Transcosmos. Ascendas Innovation Towers attained its green certification in 2023.

Trade Sector	By GRI (%)	By Committed NLA (%)
Information and Communications Technology	26.1%	24.3%
Financial Services	25.5%	26.1%
Electronics	20.3%	19.5%
Professional Services	11.5%	12.3%
Others	10.6%	11.2%
Engineering	3.7%	4.0%
E-commerce	2.3%	2.6%



ASCENDAS INNOVATION HUB

LEED Gold Certified

GROSS REVENUE
RMB**34.6**
MILLION

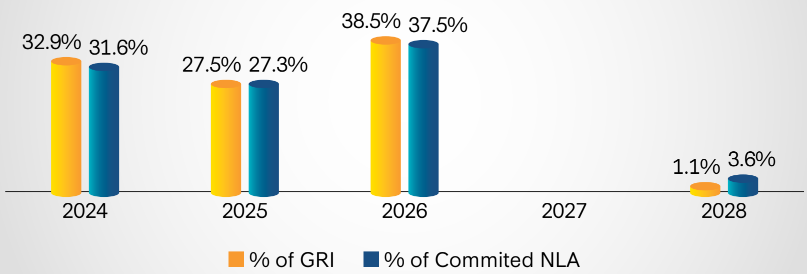
NET PROPERTY INCOME
RMB**25.8**
MILLION

PROPERTY VALUATION
RMB**353.0**
MILLION

Ascendas Innovation Hub is a business park with two office towers, located within the core area of Xi'an Software Park in Hi-Tech Industries Development Zone, the most mature business park submarket in Xi'an. The property has a total gross floor area of 40,547 sq m and net leasable area of 36,288 sq m. Ascendas Innovation Hub has good accessibility and the area is home to a mixture of office, retail, and residential as well as hotel developments. Notable tenants include UnilC Semiconductors, Montage Technology, Xi'an Zhaoxin Semiconductor Co., Ltd., New H3C Technologies Co., Ltd. Ascendas Innovation Hub attained its green certification in 2023.

Trade Sector	By GRI (%)	By Committed NLA (%)
Electronics	82.2%	80.2%
Information and Communications Technology	12.9%	12.3%
Others	3.6%	6.2%
Professional Services	1.3%	1.3%

LEASE EXPIRY PROFILE (%)




GROSS REVENUE
RMB**67.2**
MILLION


NET PROPERTY INCOME
RMB**51.5**
MILLION

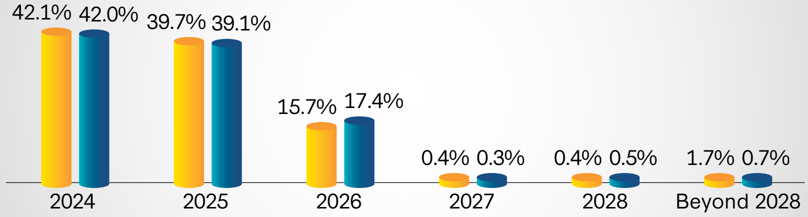

PROPERTY VALUATION
RMB**824.0**
MILLION

SINGAPORE-HANGZHOU SCIENCE & TECHNOLOGY PARK PHASE I

LEED Gold Certified

Singapore-Hangzhou Science & Technology Park Phase I is an integrated business park located in the heart of Hangzhou Economic and Technological Development Area. The Phase I property comprises of five R&D buildings of four to 20 storeys and two ancillary buildings, with a total gross floor area of 101,811 sq m and a net leasable area of 101,450 sq m. The property is in close proximity to Hangzhou Metro Line 1 and Line 8, and adjacent to Zhejiang's largest university zone. Singapore-Hangzhou Science & Technology Park Phase I hosts a good mixture of companies including MiRXES, CITIC Bank and Si Shan Technology across sectors such as Biomedical Sciences, E-commerce and Professional Services. Singapore-Hangzhou Science & Technology Park Phase I attained its green certification in 2023.[1]

Trade Sector	By GRI (%)	By Committed NLA (%)
E-commerce	24.6%	25.3%
Professional Services	18.7%	20.1%
Biomedical Sciences	13.5%	13.5%
Others	11.7%	9.6%
Electronics	9.1%	9.4%
Information and Communications Technology	8.5%	8.6%
Fast Moving Consumer Goods	4.3%	4.1%
Logistics and Supply Chain Management	3.3%	3.3%
Financial Services	3.3%	3.2%
Education	1.7%	1.6%
Textile and Garments	0.8%	0.8%
Engineering	0.5%	0.5%



1 Attained LEED Gold certification for Block 1 to 3 of Singapore-Hangzhou Science & Technology Park Phase I – the remaining blocks are LEED Gold certified since 2014.

SINGAPORE-HANGZHOU SCIENCE & TECHNOLOGY PARK PHASE II

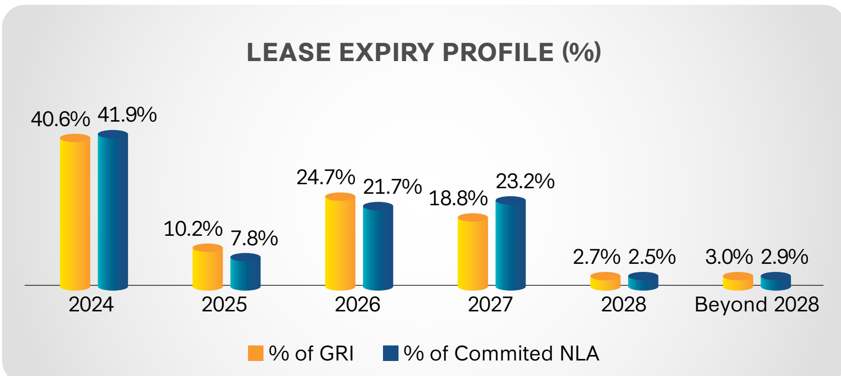
GROSS REVENUE
RMB**84.1** MILLION

NET PROPERTY INCOME
RMB**65.9** MILLION

PROPERTY VALUATION
RMB**1,043.0** MILLION

Singapore-Hangzhou Science & Technology Park Phase II is an integrated business park located in the heart of Hangzhou Economic and Technological Development Area. The Phase II property comprises of five R&D buildings of 11 to 15 storeys and five semi-detached standalone R&D buildings of four storeys and ancillary facilities, with a total gross floor area of 130,261 sq m and a net leasable area of 130,161 sq m. The property is in close proximity to Hangzhou Metro Line 1 and Line 8, and adjacent to Zhejiang's largest university zone. Singapore-Hangzhou Science & Technology Park Phase II hosts a good mixture of companies in Real Estate, high-growth E-commerce, Biomedical Sciences, Information and Communication Technology sectors such as Hangzhou Yuelong Technology, Weinian Technology and Zhejiang Hebenye Enterprise Management.

Trade Sector	By GRI (%)	By Committed NLA (%)
Real Estate	45.6%	56.5%
Others	13.0%	9.4%
Professional Services	10.2%	9.1%
Fast Moving Consumer Goods	9.8%	7.4%
Food	6.3%	5.0%
E-commerce	5.7%	4.8%
Biomedical Sciences	4.9%	4.4%
Engineering	3.4%	2.5%
Information and Communications Technology	0.8%	0.7%
Electronics	0.3%	0.2%



SHANGHAI FENGXIAN LOGISTICS PARK

GROSS REVENUE
RMB**26.2** MILLION

NET PROPERTY INCOME
RMB**19.1** MILLION

PROPERTY VALUATION
RMB**598.0** MILLION

Shanghai Fengxian Logistics Park is surrounded by logistics enterprises with convenient access to transport network due to its close proximity to established road, rail, air and sea transportation nodes. It comprises a block of double-storey lift warehouse and ancillaries such as office and guard room, with a total gross floor area of 62,785 sq m. The main entrance to the property is located along Haishang Road, at the north of the site. The vertical accessibility of the asset is mainly served by three cargo lifts and five pallet lifts.

Trade Sector	By GRI (%)	By Committed NLA (%)
Logistics & Warehouse	100.0%	100.0%

WUHAN YANGLUO LOGISTICS PARK

GROSS REVENUE
RMB**22.4** MILLION

NET PROPERTY INCOME
RMB**15.6** MILLION

PROPERTY VALUATION
RMB**357.0** MILLION

Wuhan Yangluo Logistics Park is located at the east gate of Wuhan, catering to the logistics catchment area of Central China. Located in close proximity to the airport, highway network, railway and port, the logistics park is well-positioned to capture central China's logistical demands. Wuhan Yangluo Logistics Park comprises four blocks of single-storey warehouse and ancillaries such as dormitory, with a total gross floor area of 86,973 sq m. The main entrance to the property is located along Qiuli Road, at the north of the site.

Trade Sector	By GRI (%)	By Committed NLA (%)
Logistics and warehouse	94.9%	94.9%
Others	5.1%	5.1%

CHENGDU SHUANGLIU LOGISTICS PARK

GROSS REVENUE
RMB**16.8** MILLION

NET PROPERTY INCOME
RMB**11.3** MILLION

PROPERTY VALUATION
RMB**348.0** MILLION

Chengdu Shuangliu Logistics Park is positioned to cater to inner and inter-city distribution and express delivery centres in Western China. With less than 30 minutes' drive to the international airport and major railway station, Chengdu Shuangliu Logistics Park is connected both within and beyond Chengdu. The logistics park comprises one single-storey warehouse and two double-storey ramped warehouses with a total gross floor area of 71,556 sq m. The main entrance to the property is located along Tongguan Road, at the west of the site.

Trade Sector	By GRI (%)	By Committed NLA (%)
Logistics & Warehouse	62.3%	62.9%
Manufacturing	21.5%	21.8%
Pharmaceuticals	16.2%	15.3%

KUNSHAN BACHENG LOGISTICS PARK

GROSS REVENUE
RMB**19.3** MILLION

NET PROPERTY INCOME
RMB**15.1** MILLION

PROPERTY VALUATION
RMB**327.0** MILLION

Kunshan Bacheng Logistics Park is situated within the distribution centre that covers the Yangtze River Delta region in Eastern China with extensive transportation options. The property is within an hour's drive to Shanghai. It comprises three blocks of single-storey warehouse and 4 blocks of single-storey ancillaries such as office, guard room and facility room, with a total gross floor area of 43,945 sq m. The main entrance to the property is located along Yuyang Road, at the south of the site.

Trade Sector	By GRI (%)	By Committed NLA (%)
E-commerce	68.3%	68.2%
Logistics & Warehouse	30.1%	29.5%
Others	1.6%	2.3%

TENANTS AND SHOPPERS ENGAGEMENT

CLCT's retail malls and business parks form an integral part of the community. In FY 2023, we organised a wide variety of activities and events with the goal of engaging our community, and raising environmental awareness. These thoughtfully curated engagement events allow us to forge stronger and more meaningful connections with our key stakeholders, reinforcing our commitment to fostering positive relationships.

CAPITAMALL XUEFU

Inspired by the vibrant and dynamic artwork titled "Dance" by French artist Henri Matisse, a lively summer party was organised at CapitaMall Xuefu. This masterpiece, depicting five figures dancing in a circle, sets the tone for our two-day event. In collaboration with Heilongjiang Street Dance Association, the event featured an exhilarating dance competition, where 20 groups of dancers showcased their impressive skills and talents. Additionally, the event featured activities such as extreme roller skating and skateboarding. It was a resounding success and attracted participation from a diverse crowd of young and enthusiastic individuals.

CAPITAMALL NUOHEMULE

To engage young shoppers and basketball enthusiasts, CapitaMall Nuohemule hosted an exciting event in partnership with renowned sports brands such as Nike, Timberland, Adidas, The North Face, and Fila. The mall underwent a vibrant transformation into a lively sports park, featuring graffiti artwork showcasing the basketball hall of fame along the corridor. The event included basketball tournaments, designed to attract footfall and drive tenant sales. This initiative provided an engaging experience for visitors of all ages and solidified CapitaMall Nuohemule's positioning as a vibrant and dynamic retail destination.

ROCK SQUARE

Rock Square held a 'Happy Plogging' public welfare activity, in which participants, including CapitaLand staff, combined jogging and litter clean-up across various areas. The event aimed to promote the sustainable development of communities and encourage participants to embrace a healthy and active lifestyle while making a positive impact on the environment.

ASCENDAS XINSU PORTFOLIO

To promote awareness and action towards reducing carbon footprint, Ascendas Xinsu Portfolio organised a weekend family bonding event featuring exciting games and an invigorating 8km eco-green run. The event attracted 150 participants from tenants and their family members. The event helped to reinforce CLCT's steadfast commitment to sustainable practices.

ASCENDAS INNOVATION TOWER AND ASCENDAS INNOVATION HUB

As part of our ongoing commitment to foster healthy work-life balance, Ascendas Innovation Tower and Ascendas Innovation Hub organised a leisure sports meet during the summer. This event provided a refreshing opportunity for participants to relax and unwind, attracting around 300 participants from 70 tenants. It served as a valuable platform for promoting well-being within our community, aligning with our dedication of creating a positive and thriving work environment.

SINGAPORE-HANGZHOU SCIENCE & TECHNOLOGY PARK PHASE I AND II (SHSTP I & II)

SHSTP I & II hosted an exciting celebration, featuring Halloween-themed games, a makeup workshop, and a range of engaging DIY activities. Participants immersed themselves in the Halloween spirit while enjoying a variety of interactive experiences.

CAPITALAND INVESTMENT (CLI) 2030 SUSTAINABILITY MASTER PLAN (SMP)

Build
Portfolio Resilience & Resource Efficiency

Low Carbon Transition

- Achieve Net Zero emissions by 2050 for scope 1 and 2 greenhouse gas (GHG) emissions
- Reduce:

Absolute scope 1 & 2 GHG emissions by
46%[1]

Carbon emissions intensity by
72%[1]

Energy consumption intensity by
15%[1]

- Achieve 45% of total electricity consumption from renewable sources
- Work towards setting new scope 3 carbon emissions reduction target

Water Conservation & Resilience

Reduce water consumption intensity in our day-to-day operations by
15%[1]

Waste Management & Circular Economy

Reduce waste intensity in our day-to-day operations by
20%[1]

Achieve
25%[1]
recycling rate in our day-to-day operations

Note: Enable & Steward targets are intended to reflect the organisation-wide goals set by CLI on a group basis, & are intended to be implemented subject to & taking into account (i) fair & equitable employment practices & principles under applicable laws & market practice & (ii) the business & operational needs of the company & the organisation, as applicable.
1 Using 2019 as the base year.

Enable

Thriving & Future-Adaptive Communities

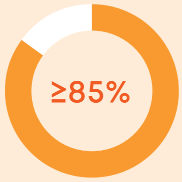
Social Impact

- Contribute to communities' social well-being through outreach initiatives by staff & CapitaLand Group's philanthropic arm, CapitaLand Hope Foundation (CHF)

Human Capital Development

Female representation in senior management

Staff engagement score[2]



Staff to attend 1 ESG training

Health & Wellness

- Foster a safety culture with zero fatality, permanent disability, major injury
- Incorporate social integration design features in properties
- Implement wellness related initiatives & certifications for physical assets

Customer & Supplier Partnerships

- Green leases for new & renewal of leases; work with tenants to improve their sustainability performance
- Achieve high level of customer satisfaction
- Contractors & vendors to abide by CLI's Supply Chain Code of Conduct
- Zero tolerance to child labour/ forced labour

Steward

Responsible Business Conduct & Governance

Corporate Governance

- Ensure sustainability targets integrated into CLI Performance Share Plan & Balanced Scorecard framework to determine executive remuneration & KPIs
- At least 85% staff to attend 1 compliance related training

Transparent Reporting Governance

- ESG reporting aligned & externally assured to international standards

ESG Risk Management

- Identify, assess & manage sustainability risks & opportunities
- Ensure sustainability risks & opportunities are managed in line with overall risk appetite & strategy

2 Staff engagement with at least 85% participation.

RESPONSIBLE BUSINESS CONDUCT

Aligned to CLI's policies and commitments, CLCT advocates for respecting human rights and proactively addresses human rights concerns that may impact the REIT's operations. These policy commitments are approved by CLI's Board and management, as well as CLCT's Board and management and are applied to CLCT's activities and business relationships.

CLCT leverages on CLI's Social Charter in its commitment to support the preservation of human dignity and self-respect of every individual. This Social Charter address issues from a myriad of topics such as human rights, child labour, forced labour, human trafficking, code of conduct, diversity and inclusion, and healthy work-life balance and is applicable to both our workforce and supply chain.

Other human rights related commitments such as grievance handling, harassment policies and remediation procedures have been embedded across different levels within the organisation.

MAINTAINING DIVERSITY ON THE BOARD

The Board embraces diversity and has in place a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity factors, including but not limited to, diversity in age, gender, tenure and business or professional experience.

The Board values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Manager has the opportunity to benefit from all available talent and perspectives, which is essential to the effective governance of CLCT's business and for ensuring long-term sustainable growth.

CLCT's Board diversity targets, plans and timelines for achieving the targets and progress towards achieving the targets are described on pages 120 to 121.

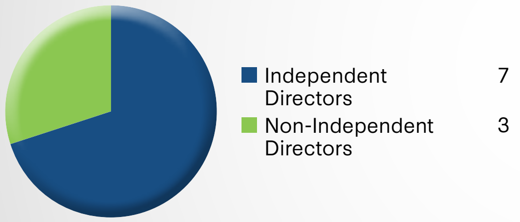
The Nominating and Remuneration Committee (NRC), in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, considers candidates who bring a diversity of background and opinion and have the appropriate industry or related expertise and experience. In identifying possible candidates and making recommendations of board appointments to the Board, the NRC's considerations include achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as skills, experience, gender, age and tenure, as well as educational, business and professional backgrounds of its members.

In its annual review of the Board's composition, the NRC expressly considers and includes a commentary to the Board on the subject of diversity, including gender diversity, in the composition of the Board. In this regard, the NRC has reviewed the size and composition of the Board and is of the opinion that the Board and Board Committees are of an appropriate size and comprise Directors who as a group provide the appropriate balance and diversity of skills, knowledge, experience, gender, age and tenure, taking into account CLCT's Board diversity targets, plans and timelines, the objectives of the Board Diversity Policy and the CLCT Group's business needs and plans, for effective decision-making and constructive debate.

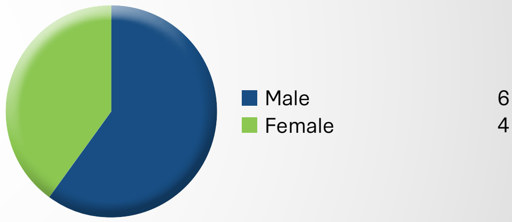
In line with the Board Diversity Policy, the current Board as at the date of this Annual Report comprises nine members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in accounting, finance, banking, capital markets, real estate, investment management, governance and the China market. The Board members bring with them the combination of skills, talents, experience and diversity required to serve the needs and achieve the plans of the CLCT Group. For more details on our Board Diversity Policy and performance, please refer to pages 119 to 122.

BOARD DIVERSITY AS AT 31 DECEMBER 2023

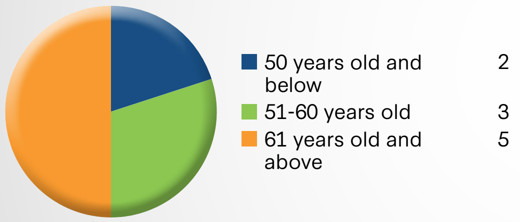
BOARD INDEPENDENCE
(As at 31 December 2023)



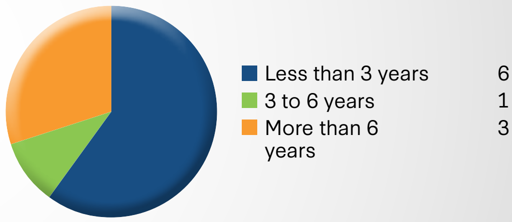
BOARD GENDER DIVERSITY
(As at 31 December 2023)



AGE SPREAD
(As at 31 December 2023)



TENURE MIX
(As at 31 December 2023)



BOARD, TOP MANAGEMENT AND STAFF COMMITMENT

Role of CLI Board, Management and Staff

The Sponsor's (CLI) Board recognises the importance of sustainability as a business imperative and ensures that sustainability considerations are factored into CLI's strategy development. This enables CLI to remain competitive and resilient in an increasingly challenging business environment.

The CLI Board is kept informed on a regular basis through the Strategy and Sustainability Committee (SSC) on the Group's sustainability management performance, key material issues identified by stakeholders, and the planned follow-up measures. Additionally, the CLI Board is typically updated by the Risk Committee and Audit Committee at least once a year and at ad hoc Board meetings. The CLI Board discusses matters relating to sustainability risks and relevant performance metrics, which include carbon emissions and our progress on achieving the reduction targets, green certification, human capital development, stakeholders' expectations on climate change, social impact and/or other matters. The CLI Board is also informed of any incidents relating to workplace safety, business malpractice and environmental impact, which may include climate-related damage or disruptions.

Lead Independent Director of CLI, Mr Anthony Lim chairs the SSC which is a CLI Board Committee. The SSC is responsible for overseeing CLI's sustainability strategies and goals, including providing guidance to management and monitoring progress against achieving the goals of sustainability initiatives. The SSC typically meets twice a year, with additional meetings convened as necessary.

The CLI Leadership Council makes strategic resource allocation decisions and meets on a regular basis. The CLI Leadership Council comprises the Group Chief Executive Officer (CEO), CEOs of the business units and key management officers of the corporate office.

The sustainability work teams comprise representatives from CLI's business units and corporate functions. Each business unit has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where it operates with support from various departments.

SUSTAINABILITY MANAGEMENT

Role of CLCT Board, Management and Staff

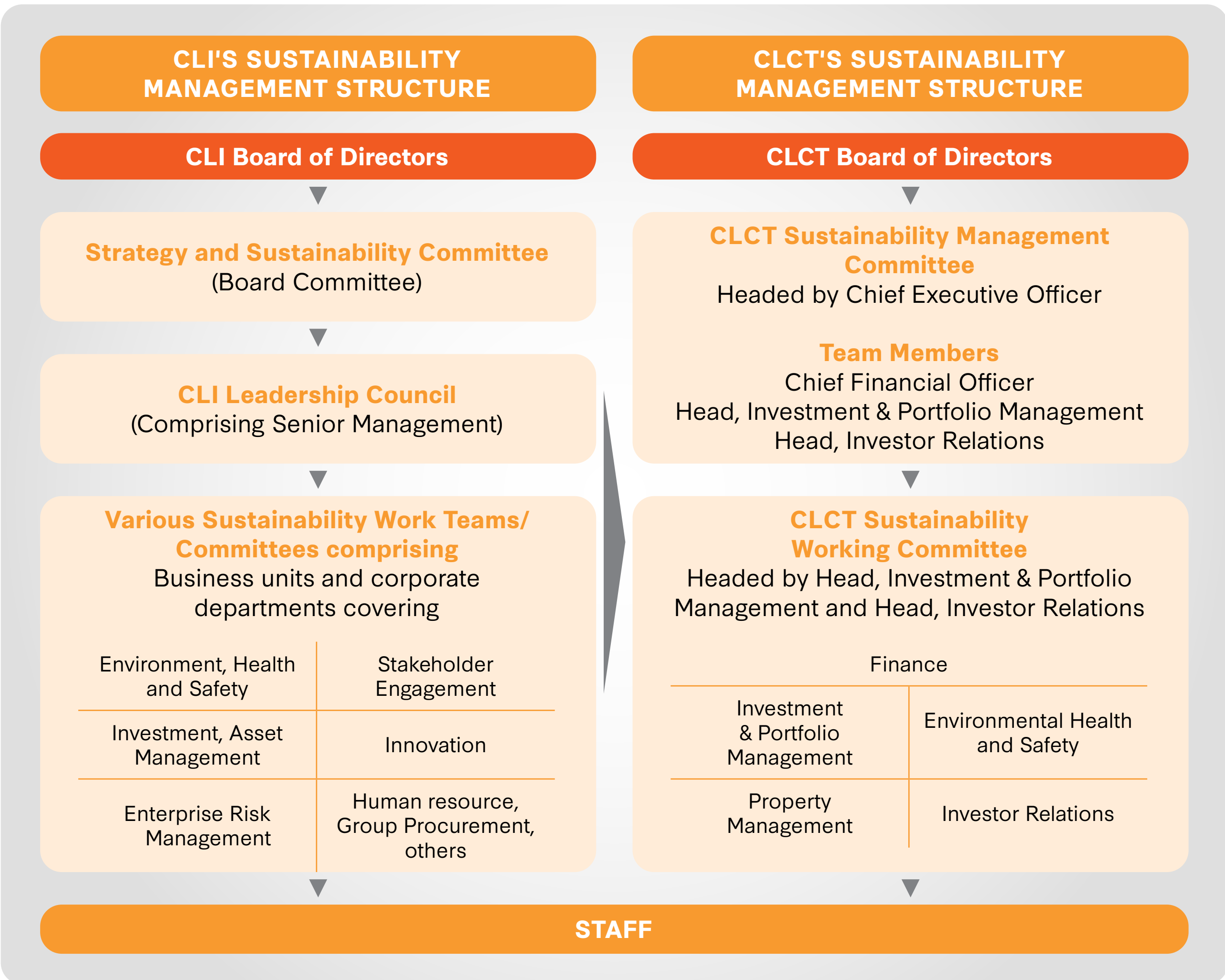
At CLCT, a Sustainability Management Committee (SMC) was established to ensure greater focus on sustainability and climate-related matters of CLCT's assets. The SMC is chaired by the CEO of the REIT Manager of CLCT and comprises senior management team members to oversee CLCT's sustainability objectives and strategies directly. The SMC is responsible for providing timely and regular updates on the REIT's sustainability matters to CLCT's Board of Directors and its Chairman. Regular updates to the CLCT Board of Directors include value and mission statements, goals, strategies overviews, policies and progress related to sustainable development.

The SMC is supported by CLCT's Sustainability Working Committee (SWC), which comprises key members from various business functions, to implement sustainability-related activities and initiatives across CLCT's operations as per CLI's sustainability framework and policies.

CLCT's sustainability governance is inter-linked with the Sponsor's sustainability management. The overall governance comes under the purview of the CLI Senior Leadership Council. CLCT is represented at the CLI Senior Leadership Council by the CEO of the REIT Manager of CLCT who provides guidance on sustainability strategies and goals for CLCT.

This report's content, including the material ESG topics, are reviewed and approved by the CLCT's Board of Directors. During board meetings, sustainability policies and strategies are discussed and reviewed as well.

STRATEGIC SUSTAINABILITY MANAGEMENT STRUCTURE



ESG INTEGRATION ACROSS CLCT'S BUSINESS FUNCTIONS

CEO and Executive Director	• Responsible for decisions relating to ESG targets.
Finance	• Responsible for securing green financing and engaging with stakeholders such as bankers.
Investment & Portfolio Management	• Seeks investment opportunities with climate change impact as one of the assessment criteria. • Proposes solutions for procurement of renewable energy, greening of assets, and related capital expenditure. • Engages various internal stakeholders on ESG matters.
Environmental, Health and Safety	• Responsible for monitoring environmental performance of assets against annual and long-term targets.
Property Management	• Collaborates closely with Investment and Asset Management team to evaluate solutions for green energy procurement, greening of assets, and related capital expenditure. • Engages with tenants, service providers, and relevant government agencies for ESG matters.
Investor Relations	• Engages investment community and ESG rating agencies on CLCT's sustainability targets and performance. • Responsible for ESG reporting matters.

RECOGNITION BY GLOBAL BENCHMARKS

CLI has been a signatory to the United Nations (UN) Global Compact since 2015 and our Communication on Progress for FY 2023 will be published at www.unglobalcompact.org. In February 2023, CLI also became a signatory of the UN-supported Principles for Responsible Investment (UN PRI), as part of our commitment to invest responsibly.

For these efforts, CLI continues to be listed on the Dow Jones Sustainability World Index and Asia-Pacific Index, GRESB (Global Sector Leader – Listed (Diversified) with the highest 5 Star rating), FTSE4Good Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook.

CLI's Global Sustainability Report 2023 will continue to be externally assured with reference to the International Standard on Assurance Engagements (ISAE) 3000, and will cover CLI's global portfolio and employees, including CLCT and CLI's other listed real estate investment trusts (REITs) and business trusts.

In the 2023 GRESB Real Estate Assessment, CLCT achieved the highest 5 Star rating, placing the REIT in the top 20% of the global benchmark.

MATERIALITY

CLCT is guided by CLI's materiality assessment process, which identifies and prioritises the management of material ESG issues that are most relevant and significant to the company and its stakeholders. The company adopts a double materiality approach, considering issues which are material from either the impact perspective or financial perspective[3] or both.

Potentially material ESG issues arising from activities across CLI and CLCT's value chain (including potential risks and opportunities in the immediate and longer term) are primarily identified via ongoing engagement with CLI's business units and external stakeholders, and reviews of sources including investor questionnaires, as well as ESG surveys, sustainability benchmarks and frameworks such as Dow Jones Sustainability Indices, GRESB and SASB.

In addition, CLI and CLCT have a regular review, assessment and feedback process in relation to ESG topics. Identified material issues are reported in its corporate risk register through the annual Group-wide Risk and Control Self-Assessment (RCSA) exercise, which identifies, assesses and documents material risks and the corresponding internal controls to manage those risks. These material risks include fraud and

3 To identify ESG issues which are potentially financially material, CLI takes reference from the SASB Standards for Real Estate and Real Estate Services, which identify sustainability factors that are material to short, medium, and long-term enterprise value for the industry.

corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant. Identified material ESG issues are then prioritised based on the likelihood and potential impact of issues affecting the business continuity of CLI and CLCT. For external stakeholders, priority is given to issues important to the community and applicable to CLI and CLCT. In FY 2023, the material ESG topics that were identified were approved by the CLI SSC.

PRIORITISATION OF MATERIAL ESG ISSUES

Environment

Critical

- Climate change and carbon emissions reduction
- Energy efficiency
- Water management

Moderate and Emerging

- Waste management
- Biodiversity

Social

Critical

- Occupational health and safety
- Human capital
- Stakeholder engagement[i]
- Products and services[ii]
- Supply chain management
- Diversity (Board and staff)

Moderate and Emerging

- Human rights[iv]

Governance

Critical

- Risk management[iii]
- Business ethics

i This includes green leases and tenant engagement on ESG matters.
ii This includes products and services promoting customer health and safety, and green certified buildings.
iii This includes consideration of compliance, economic performance and Cybersecurity.
iv This relates to CLI's zero tolerance stance towards child/forced labour.

CREATING VALUE AND ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

CLCT's material ESG issues and the value created, aligned to CLI 2030 SMP focus areas and commitments, are mapped to the International Integrated Reporting Commission (IIRC) Framework's six integrated reporting Capitals – Environmental, Manufactured, Human, Social and Relationship, Organisational and Financial. This is further mapped against eight UN SDGs that are most aligned with CLI 2030 SMP focus areas, and where CLI and CLCT can achieve the greatest positive impact.

For more details of the value creation strategy, please refer to pages 28 to 30.

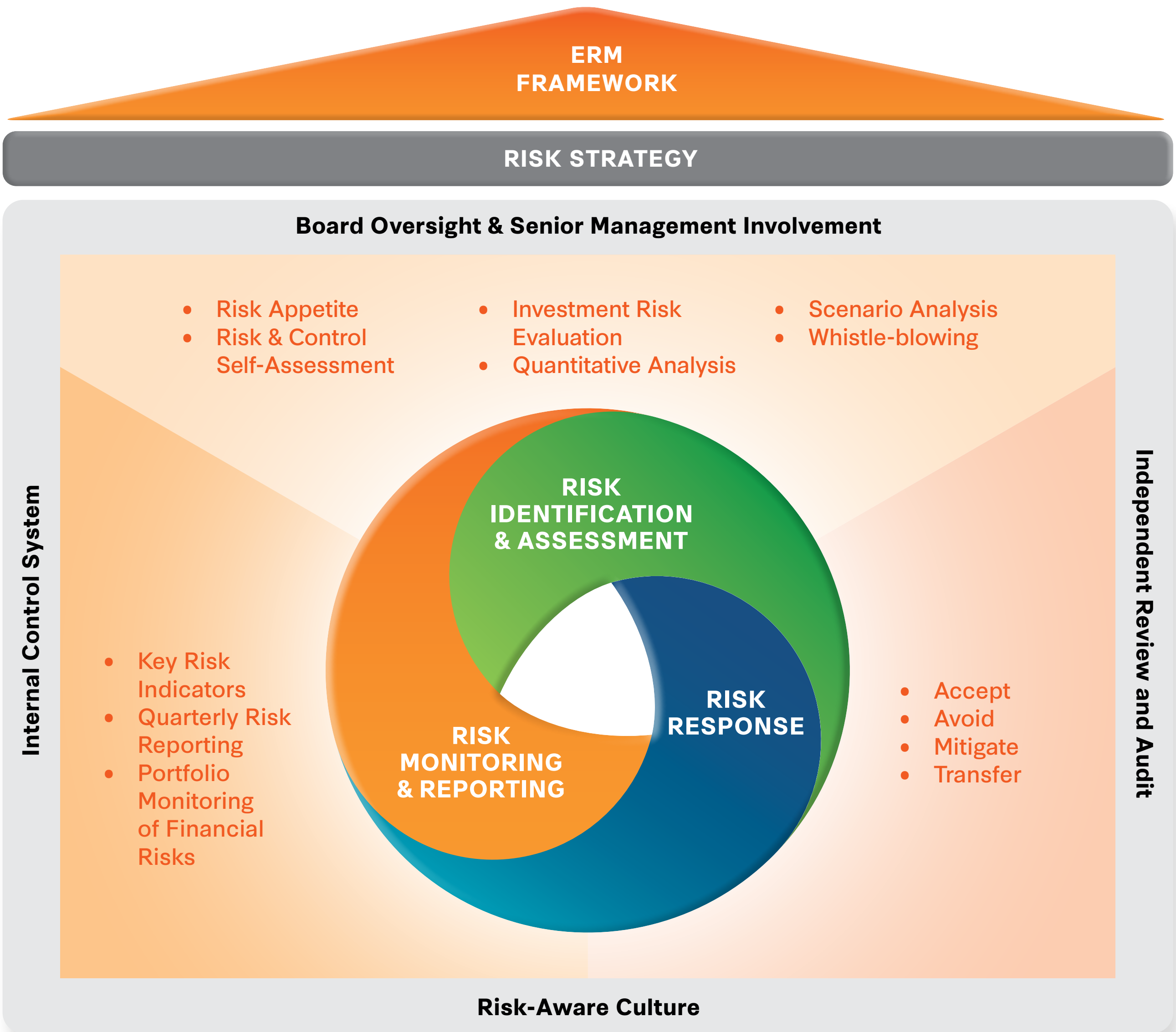
Singapore-Hangzhou Science & Technology Park Phase I

RISK MANAGEMENT

CapitaLand China Trust and its subsidiaries (CLCT Group) maintains a robust risk management framework that allows us to proactively identify, assess and respond to material risks that can impact our objectives of delivering stable distributions and sustainable total returns to Unitholders. CLCT Group is positioned for long-term sustainable results by pursuing a risk strategy of optimisation of opportunities within the approved risk appetite levels.

ENSURING BEST-IN-CLASS RISK MANAGEMENT, CORPORATE GOVERNANCE AND COMPLIANCE TO BUILD A SUSTAINABLE BUSINESS

The Manager's Enterprise Risk Management (ERM) Framework is adapted from the International Organisation for Standardisation (ISO) 31000 International Risk Management Standards and is benchmarked against other relevant best practices and guidelines. It is reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond, monitor and report material risks in an integrated, systematic and consistent manner as depicted below.



RISK GOVERNANCE

The Board of Directors (the Board), is responsible for the governance of risk, and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of CLCT Group and its stakeholders. Under our risk management approach, the Board, assisted by the Audit Committee (now known as Audit and Risk Committee (ARC)), approves CLCT Group's risk appetite (risk tolerance) which determines the nature and extent of material risks the Manager is willing to take to achieve its strategic objectives. The Board also regularly reviews CLCT Group's risk profile, material risks and mitigation strategies, and ensures the adequacy and effectiveness of the risk management framework and policies.

CLCT Group's Management team supports the ARC and Board in terms of risk governance and oversight. In doing so, the CLCT Group's Management team directs and monitors the implementation and practice of risk management across CLCT Group, including the monitoring of risk exposure through key risk indicators.

INTERNAL CONTROLS SYSTEM

CLCT Group ERM Framework operates within a risk governance structure based on three lines of defence.

First Line
Employees have an important role as the first line of defence and are accountable for the effective identification and management of risks that arise from their business activities.

Second Line
The risk management and compliance departments, as part of the second line of defence, provide oversight and governance over risk management and compliance practices, promote and embed a culture of risk ownership and accountability.

Third Line
Internal and External Audit, as the third line of defence, review the adequacy and effectiveness of risk management and internal control systems design and implementation so as to provide reasonable assurance to the Board.

A Strong Culture of Risk Awareness
The fostering of a strong risk culture helps ensure risk management practices are implemented effectively and consistently across CLCT Group.

The Manager works closely with the risk management and compliance departments at CLI as well as various specialist support functions, to ensure risk awareness and accountability are ingrained in our culture.

In addition, risk workshops are conducted regularly by the second line of defence departments, to enhance the risk management knowledge of our employees and ensure risk management principles are embedded in all decision-making and business processes.

Management further reinforces the culture by setting the right 'tone at the top', leading by example, and communicating our risk management strategy.

CLCT GROUP'S MATERIAL RISKS AND KEY MITIGATING ACTIONS

A Group-wide Risk and Control Self-Assessment (RCSA) exercise is conducted annually to identify key material risks, which include new and emerging risks, that CLCT Group faces in delivering our strategic objectives, our respective mitigating measures and any opportunities that we can leverage on. Based on the 2023 RCSA results, the measures that we have taken to mitigate the material risks are set out below:

Material Risks	Key Mitigating Actions
Business Interruption » Exposed to business interruption risk arising from sudden and major disaster events such as fire, prolonged power outages or other major infrastructure failures which may significantly disrupt operations at our malls, business parks and logistics parks.	» Proactive facilities management such as carrying out preventive measures by installing Internet of Things (IoT) system to detect interruptions or aircon temperature control as well as routine inspection and maintenance for our properties. » The outsourced Information Technology (IT) team from CLI has a defined disaster recovery plan which is reviewed and tested annually. » Adopt contactless technologies and innovative tech solutions to enhance safety and communication at CLCT Group's properties. » Regular evacuation exercises involving government authorities. » Future proof CLCT Group's business through digitalisation of business operations and processes.
Climate Related » Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion. » Transitional risks including potentially more stringent regulations and increased expectations from stakeholders.	» Detailed assessment of the physical risks in the evaluation of any new acquisitions. » Incorporate shadow internal carbon price in the evaluation of new investment/ capital expenditure decisions. This helps to price in climate-related costs and opportunities, support low-carbon investments, prepare for stringent climate-related legislation, and avoid stranded assets. » Regularly review CLCT Group's mitigation and adaptation efforts, which include: • Future proofing our portfolio against changing climatic conditions from the design stage and • Improving the operational efficiency of our properties, setting targets for carbon emissions, water, energy and waste efficiency. » CLI has a well-established Group environmental management system which is externally certified to ISO 14001 in 19 countries. » Take actions to influence decarbonisation along CLCT Group's value chain, including engaging with suppliers and tenants. » For more information, please refer to CLCT's Integrated Sustainability Report FY 2023, to be published in mid-April 2024.
Competition » Keen industry competition from established players who are able to capture our customers by meeting their expectations or reacting aptly to market trends.	» Focusing on capital recycling, capital efficiency and fundraising, to optimise CLCT Group's capacity to capture opportunities. » Leverage CLCT Group's strong network of investment and asset management professionals with deep knowledge in multi-sector assets to source for opportunities. » Leverage in-house team of industry analysts to keep CLCT Group on top of latest market trends.

Material Risks	Key Mitigating Actions
Cyber Security & Information Technology » Ongoing business digitalisation exposes the business to IT-related threats, which may result in compromising the confidentiality, integrity and availability of CLCT Group's information assets and/or systems.	» CLCT Group harnesses outsourced IT management from CLI to strategise effective Cyber Security defense which includes ongoing review against existing/evolving threat landscapes, and institute measures to minimise vulnerability exposure and manage threat vectors. » Ongoing mandatory staff IT Security Awareness Training to counter human intervention in the information security chain. » Periodically review and update Group-wide IT Security Policy and Data Protection Framework to ensure relevancy. » Maintain and test IT Security Incident Management Procedure to ensure prompt response to and timely remediation of cyber security incidents. » Conduct third party vulnerability test and annual Disaster Recovery Plan exercise to assure IT infrastructure/management system security and ensure timely recoverability of business-critical IT systems. » Put in place enhanced protection controls for systems that hold personal data. » Board oversight with regular updates to ARC on the state of Cyber Security risk activities and key control improvements.
Economic » Economic instability or changes in macro-economic factors such as inflation or unemployment, which result in challenging business conditions.	» Disciplined approach to capital management and a strong balance sheet. Broaden the investment strategy of CLCT Group to explore other asset classes beyond retail and industrial sector to office and integrated developments to achieve a more balanced portfolio. » Actively monitor macroeconomic trends, policies and regulatory changes.
Foreign Exchange » Exposure to Chinese Renminbi (RMB) fluctuation against the Singapore Dollar which is the distribution pay out currency.	» Adopt natural hedging where possible, by borrowing in RMB which matches the revenue stream generated from our investments. » Regularly review and monitor the foreign currency movement which will have impact on the translation of the overseas investments which are in foreign currency and put in appropriate hedging policy with the objective of keeping these investments for long term horizon. » Adopt prudent forex policy to ensure at least 50% of the undistributed distributable income is hedged from RMB to SGD to protect downside to the cashflow.
Fraud, Bribery & Corruption » Any form of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties.	» Foster a culture of ethics and integrity in CLCT Group. » Adopt a zero-tolerance stance against fraud, bribery and corruption (FBC) across the CLCT Group. » Communicate our commitment to integrity from the top through policies and practices, such as FBC Risk Management Policy, Whistle-blowing Policy, Ethics and Code of Business Conduct Policies and Anti-Money Laundering and Countering the Financing of Terrorism Policy. » Adopt e-learning modules to raise awareness and train employees on ways to avoid or prevent non-compliant behaviour.

Material Risks	Key Mitigating Actions
Funding & Liquidity » Poor management of cash flows can result in funding gaps, which may lead to financial losses and defaults, delays in project completion, and negative reputational impact.	» Actively monitor CLCT Group's debt maturity profile, operating cash flows and the availability of funding including committed and uncommitted lines to ensure that there are sufficient liquid reserves, in the form of cash and banking facilities, to finance CLCT Group's working capital obligations, operating needs and investment opportunities. » Diversification of funding sources from both banks and capital markets to minimise over- reliance on a single source of funds for any funding or refinancing requirement.
Interest Rate » Exposed to interest rate volatility on some debts which are on floating basis.	» Actively review and maintain an optimal mix of fixed and floating interest rate borrowings by adopting a prudent and balanced interest risk profile. » Adopt a policy that requires the majority of CLCT Group debts' interest rate to be on fixed basis. This is managed through borrowing at a fixed rate or the use of hedging instruments, such as interest rate swaps, to partially mitigate the risk of interest rate fluctuations.
Investment & Divestment » Deployment of capital into loss-making or below-target return investments due to wrong underwriting assumptions or poor execution. » Inadequate planning to identify suitable divestment opportunities.	» Hurdle rates and weighted average cost of capital based on relevant risk-adjusted input parameters, used as investment benchmarks, are reviewed/updated annually, and adjusted accordingly where necessary. » The Board reviews and approves all major investment and divestment decisions. » All investment proposals are subject to a robust investment approval process and undergo comprehensive due diligence by engaging the support of an inter-disciplinary internal team, and/or local independent consultants to advise on legal, tax, building design, quality, environmental, health & safety and security, and compliance with local laws and regulations.
Political & Policy » Exposed to political leadership uncertainty, inconsistent public policies, social unrest, change in real estate related regulations and other events. » Such risks may have a direct impact on the economic and sociopolitical environment, which may in turn affect the financial viability of CLCT Group's investments.	» Keeping abreast of economic and political developments, regulatory and policy changes. » CLCT Group's properties are operated by experienced management teams, who are familiar with the local cultures and environment.

Material Risks	Key Mitigating Actions
Regulatory & Compliance » Non-compliance with applicable laws, regulations and rules, relating to fund management, tax, data protection & privacy, financial crimes and sanctions in the markets where CLCT Group operates.	» Maintain a framework that proactively identifies the applicable laws, regulations and rules, including taxation, assesses the regulatory & compliance risks, and embeds compliance risk mitigation measures into day-to-day operations. » Leverage in-house specialised teams such as legal, compliance and tax, and external consultants to provide advisory services and updates on changes to laws, regulations and rules. » CLI establishes group-wide policies and procedures to address the requirements of the applicable laws, regulations and rules such as Personal Data Protection Policy, Anti- Money Laundering Policy and Countering the Financing of Terrorism Policy, Global Sanctions Compliance Policy and Tax-Strategy. » Adopt e-learning modules to raise awareness and train employees on ways to avoid or prevent non-compliant behaviour.
Safety, Health & Well-being » Increased expectations from stakeholders to provide a safe and healthy environment, including well-being, at CLCT Group's assets and operations.	» Assess health and safety related risks in the evaluation of any new acquisitions. » Entrench a sustainable safety culture through deep safety capabilities, disciplined safety practices, and a progressive and pervasive safety mindset that drives key safety performance targets for both CLCT Group and our supply chain. » CLI has a well-established Group occupational health and safety management system which is externally certified to ISO 45001 in 19 countries. » For more information, please refer to CLCT's Integrated Sustainability Report FY 2023, to be published in mid-April 2024.
Sales & Leasing » Strong competition, poor economic and market conditions are some key factors that could result in key tenants not renewing their leases, adversely affecting the leasing performance of CLCT Group's properties.	» Establish and maintain a balanced and sustainable tenant mix by attracting a variety of tenants from different sectors, and reducing reliance on any one industry or tenant in the overall portfolio. » Proactive tenant management strategies to understand and address customers' changing needs and align with the properties' overall asset plan. This involves evaluating tenants based on their financial standing, track record, and market adaptability in order to minimise tenant turnover and vacancies, and to appeal to a broader customer base. » Closely monitor tenants' performance and maintain positive relationships and rapport with them to build loyalty with CLCT Group's properties, and actively managing lease renewals ahead of time.

CORPORATE GOVERNANCE

OUR ROLE

We, as the manager of CLCT (Manager), set the strategic direction of CLCT and its subsidiaries (CLCT Group) and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CLCT (Trustee), on any investment or divestment opportunities for CLCT and the enhancement of the assets of CLCT in accordance with the stated investment strategy for CLCT. The research, evaluation and analysis required for this purpose are coordinated and carried out by us as the Manager.

As the Manager, we have general powers of management over the assets of CLCT. Our primary responsibility is to manage the assets and liabilities of CLCT for the benefit of the Unitholders of CLCT (Unitholders). We do this with a focus on generating rental income and enhancing asset value over time so as to maximise returns from the investments, and ultimately the distributions and total returns to Unitholders.

Our other functions and responsibilities as the Manager include:

(a) using our best endeavours to conduct CLCT's business in a proper and efficient manner;
(b) preparing annual business plans for review by the directors of the Manager (Directors), including forecasts on revenue, net income and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
(c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of the CIS Code (Property Funds Appendix)), the Securities and Futures Act 2001 (SFA), written directions, notices, codes and other guidelines that MAS may issue from time to time and the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of CLCT and Unitholders;
(d) attending to all regular communications with Unitholders; and
(e) supervising the property managers which perform the day-to-day property management functions (including leasing, marketing, promotion, operations coordination and other property management activities) for CLCT's properties.

CLCT, constituted as a trust, is externally managed by the Manager. The Manager appoints experienced and well qualified personnel to run its day-to-day operations.

The Manager was appointed in accordance with the terms of the trust deed constituting CLCT dated 23 October 2006 (as amended, varied or supplemented from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Manager can be removed, including by notice in writing given by the Trustee upon the occurrence of certain events, or by resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

The Manager is a wholly owned subsidiary of CapitaLand Investment Limited (CLI) which holds a significant unitholding interest in CLCT. CLI is a leading global real estate investment manager, with a vested interest in the long-term performance of CLCT. CLI's significant unitholding in CLCT demonstrates its commitment to CLCT and CLI's interest as a Unitholder is aligned with that of other Unitholders. The Manager's association with CLI provides the following benefits, among other things, to CLCT:

(a) strategic pipelines of property assets through, amongst others, CLI's access to the development capabilities of and pipeline investment opportunities from CapitaLand Group's development arm;
(b) wider and better access to banking and capital markets on favourable terms;
(c) fund raising and treasury support; and
(d) access to a bench of experienced management talent.

OUR CORPORATE GOVERNANCE FRAMEWORK AND CULTURE

The Manager embraces the tenets of sound corporate governance, including accountability, transparency and sustainability. It is committed to enhancing value over the long term to its stakeholders with appropriate people, processes and structure to direct and manage the business and affairs of the Manager with a view to achieving operational excellence and delivering the CLCT Group's long-term strategic objectives. The policies and practices it has developed to meet the specific business needs of the CLCT Group provide a firm foundation for a trusted and respected business enterprise.

Our corporate governance framework as at the date of this Annual Report is set out below:

BOARD OF DIRECTORS

6 Independent Directors (ID) and 3 Non-Independent Directors (Non-ID)
Led by ID, Mr Soh Kim Soon, Chairman

Key Responsibilities:
Oversees the Manager's strategic direction and performance; fosters the success of CLCT so as to deliver sustainable value over the long term; engages with stakeholders based on the principles of sustainability and sound governance

AUDIT AND RISK COMMITTEE (ARC)*	EXECUTIVE COMMITTEE (EC)	NOMINATING AND REMUNERATION COMMITTEE (NRC)
4 IDs Led by Mr Neo Poh Kiat, ARC chairman	3 Non-IDs Led by Ms Quah Ley Hoon, EC chairman	3 IDs and 1 Non-ID Led by Mr Soh Kim Soon, NRC chairman

* The Audit Committee was renamed the Audit and Risk Committee with effect from 1 January 2024

The Board of Directors (Board) is responsible for and plays a key role in setting CLCT's corporate governance standards and policies. This sets the tone from the top and underscores its importance to the CLCT Group.

This corporate governance report (Report) sets out the corporate governance practices for the financial year ended 31 December 2023 (FY 2023), which are benchmarked against the Code of Corporate Governance 2018 (last amended 11 January 2023) (Code). Unless otherwise stated, this Report is based on the composition of the Board and Board Committees in FY 2023.

Throughout FY 2023, the Manager has complied with the principles of corporate governance laid down by the Code and also, substantially, with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report. This Report also sets out additional policies and practices adopted by the Manager which are not provided in the Code.

CLCT has received accolades from the investment community for excellence in corporate governance and corporate governance-related efforts.

As recognition of its commitment to environment, social and corporate governance, CLCT received a 5 Star rating for its participation in Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment 2023 and maintained an 'A' for GRESB Public Disclosure 2023. CLCT has been included by SGX in the Fast Track Programme. The scheme recognises listed companies and real estate investment trusts (REITs) with good governance standards and compliance practices, and accords prioritised clearance for selected corporate-action submissions. For the Singapore Governance and Transparency Index (SGTI) 2023 assessment, CLCT was ranked 9, an improvement of 2 rankings, with a score of 98.3.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Board's Duties and Responsibilities

The Board oversees the strategic direction, performance and affairs of the Manager, in furtherance of the Manager's primary responsibility to foster the success of CLCT so as to deliver sustainable value over the long term, and to engage stakeholders based on the principles of sustainability and sound governance. It oversees the strategic direction, performance and affairs of the CLCT Group and provides overall guidance to the management team (Management), led by the Chief Executive Officer (CEO). In this regard, the Board works with Management to achieve CLCT's objectives and long-term success and Management is accountable to the Board for its performance. Management is responsible for the execution of the strategy for CLCT and the day-to-day operations of CLCT's business.

The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with requirements under the Listing Manual, the Property Funds Appendix, as well as any other applicable guidelines prescribed by the SGX-ST, MAS or other relevant authorities, and applicable laws. It also sets the disclosure and transparency standards for CLCT and ensures that obligations to Unitholders and other stakeholders are understood and met.

The Board has authority to approve key matters for CLCT including:

(a) material investments and divestments;
(b) issuance of new units in CLCT (Units), equity-linked instruments and debt instruments;
(c) income distributions and other returns to Unitholders; and
(d) matters which involve a conflict of interest for a controlling Unitholder or a Director.

The Board has established financial authority limits pursuant to which the Board reserves its authority to approve specific matters such as capital expenditure, investments, divestments and borrowings exceeding certain threshold limits, and delegates authority for matters below the Board's approval limits to Board committees (each, a Board Committee) and Management to optimise operational efficiency. The delegation of authority is clearly communicated to Management in writing.

The Directors are fiduciaries and are collectively and individually obliged at all times to act objectively in the best interests of CLCT. Consistent with this principle, the Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct and Ethics (Board Code) which provides that every Director is expected to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code. This sets the appropriate tone from the top in respect of the desired organisational culture, and ensures proper accountability within the Manager. In line with this, the Board has incorporated in the Board Code a standing policy that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to CLCT and his or her own interests and, in this regard, a Director is required to disclose to the Board his or her interests in any transaction to which CLCT is a party, and any other conflicts (including potential conflicts) of interest. Where a Director has an interest in a transaction or a conflict (including potential conflict) of interest in a particular matter, he or she will be required to disclose his or her interest to the Board, recuse himself or herself from deliberations on the transaction or matter and abstain from voting on the transaction or matter. During FY 2023, every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meetings or, as the case may be, written resolutions.

Furthermore, the Directors are required to act with due diligence in the discharge of their duties and they are responsible for ensuring that they have the relevant knowledge (including understanding CLCT's business and the environment in which it operates) to carry out and discharge their duties as directors including understanding their roles as executive, non-executive, and independent directors. They are also required to dedicate the necessary effort, commitment and time to their work as directors, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical or if a Director has to recuse himself or herself from the meeting in relation to the sole matter under consideration at such meeting. All Directors currently on the Board as at the date of this Annual Report have attained a 100% attendance record for all Board and Board Committee meetings held in FY 2023.

Sustainability
The Manager places sustainability at the core of everything CLCT does and is committed to growing CLCT's business in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of the communities where CLCT has a presence.

The Board recognises the importance of sustainability as a business imperative and is responsible for overseeing the development of sustainability strategies and plans, including providing guidance to Management and monitoring progress towards achieving the goals of any sustainability initiatives. This is consistent with the principle that the Board plays an important role in considering and incorporating sustainability considerations as part of CLCT's strategy development. This also ensures that Environmental, Social and Governance (ESG) risks and opportunities are holistically integrated into CLCT's long-term strategy. In this regard, sustainability is integrated into each phase of the real estate life cycle, and the CLCT Group's operations, financing activities, support for the environment, business ethics, corporate governance and care for people and communities are anchored in CLCT's ESG approach. The Board's oversight of CLCT's sustainability strategies and plans also sets the tone at the top to ensure the alignment of CLCT's activities with its purpose and stakeholder interests.

CLCT reached numerous sustainability milestones during FY 2023 and the details of these accomplishments are set out under the "In Conversation with CEO" and "Sustainability Highlights" sections of this Annual Report. For more information regarding the Manager's multi-faceted approach to sustainability management for CLCT, please refer to the "Sustainability Management" section of this Annual Report.

Directors' Development
In view of the increasingly demanding, complex and multi-dimensional role of a Director, the Board recognises the importance of continual training and professional development for its Directors so as to equip them to discharge the duties and responsibilities of their office as Directors to the best of their abilities. The Nominating and Remuneration Committee has the responsibility to ensure that the Manager has in place a training and professional development framework to guide and support the Manager towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the Listing Manual. The costs of training are borne by the Manager. The induction, training and development provided to new and existing Directors are set out below.

Each newly appointed Director is provided with a formal letter of appointment setting out the key terms of appointment, the time commitment expected, the Manager's guidelines on the tenure of Directors and other relevant matters pertaining to the appointment. He or she also has access to the Director's Manual which includes information on a broad range of matters relating to the role, duties and responsibilities of a Director and the Manager's policies relating to disclosure of interests in securities, conflicts of interest and securities trading restrictions. All Directors, upon appointment, also undergo an induction programme which focuses on orientating the Director to CLCT's business, operations, strategies, organisation structure, responsibilities of the key management personnel (namely, the CEO and other persons having executive roles with authority and responsibility for planning, directing and controlling the activities of the Manager), and financial and governance practices. Conducted by the CEO and other key executives of Management, the induction programme also provides opportunities for the new Director to get acquainted with members of Management which facilitates their interactions at Board meetings.

In compliance with Rule 210(5)(a) of the Listing Manual, where a newly appointed Director has no prior experience as a director of an issuer listed on the SGX-ST, such Director will undergo training on the roles and responsibilities of a director of a listed issuer. In this regard, Mr Tan Tee How has prior experience as a director of an issuer listed on the SGX-ST and Ms Quah Ley Hoon has completed the requisite training as at the date of this Annual Report. Further, Ms Wan Mei Kit has completed the Singapore Institute of Directors - Environmental, Social and Governance Essentials training as at the date of this Annual Report and will complete all of the remaining requisite training in FY 2024.

Following their appointment, the Directors are provided with opportunities for continuing education in areas such as director's duties and responsibilities, regulatory updates, risk management and accounting standards and sustainability matters as prescribed by the SGX-ST. As at the end of FY 2023, all Directors had completed the training required under Rule 720(7) of the Listing Manual. The Directors may also request for training in areas related to CLCT's business and corporate governance. The objective is to enable the Directors to be updated on matters that affect or go towards enhancing their performance as Directors or Board Committee members. Such opportunities are provided at the Manager's expense. The Directors may also contribute by recommending to the Board specific training and professional development programmes which he or she believes would benefit the Directors or the Board as a whole.

The Manager also believes in keeping Board members updated and externally focused. The Directors are encouraged to attend training and professional development programmes which include forums and dialogues with experts and senior business leaders on issues facing boards and board practices. Sharing and information sessions by guest speakers and Management team members are organised as part of Board events and meetings. Such sessions typically include updates on business strategies and key industry developments and trends. Directors may also receive on a regular basis reading materials on topical matters or subjects and their implications for the CLCT Group's business. In addition to regular Board briefings and highlights on areas such as ESG and risk management, smaller-group sessions will also be arranged if required to address the needs of particular Board members. These sessions facilitate the Board's interaction with and provision of feedback to Management, which in turn enables the Manager to better organise programmes and information sessions to suit the needs of the Directors.

In FY 2023, the Directors attended various training and professional development programmes, forums and workshops. The training and professional development programmes attended by the Directors include the SID Directors Conference 2023, the SID Environmental, Social and Governance Essentials (Core) programme, as well as various other programmes and seminars organised by the REIT Association of Singapore and business partners in relation to sustainability matters. Sharing and information sessions were also organised as part of Board meetings, where guest speakers and Management team members presented on key topics to the Board. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

Board Committees
The Board has established various Board Committees to assist it in the discharge of its functions. These Board Committees are the Audit and Risk Committee (ARC), the Executive Committee (EC) and the Nominating and Remuneration Committee (NRC).

Each Board Committee is formed with clear written terms of reference (setting out its composition, authorities and duties, including reporting back to the Board) and operates under delegated authority from the Board with the Board retaining overall oversight. The chairpersons of these Board Committees report to the Board on a periodic basis regarding the decisions and significant matters discussed at the respective Board Committee meetings. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The duties and responsibilities of the various Board Committees are set out in this Report. The Board may form other Board Committees from time to time.

The composition of the various Board Committees as at the date of this Annual Report is set out in the Corporate Information section on the inside back cover of this Annual Report. The composition of each Board Committee is reviewed by the NRC regularly, and as and when there are changes to Board membership. Where appropriate, changes are made to the composition of the Board Committees, with a view to ensuring there is an appropriate diversity of skills and experience, and fostering active participation and contributions from Board Committee members.

Meetings of Board and Board Committees
Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors. In addition to scheduled meetings, ad hoc Board and Board Committee meetings are convened as required. The Constitution of the Manager permits the Directors to participate in Board and Board Committee meetings via audio or video conference. If a Director is unable to attend a Board or Board Committee meeting, he or she may provide his or her comments to the Chairman or the relevant Board Committee chairman ahead of the meeting and these comments are taken into consideration in the deliberations. The Board and Board

Committees may also make decisions by way of written resolutions.

The non-executive Directors (which for the avoidance of doubt, exclude the CEO as he is an executive Director and part of Management), led by the independent Chairman or other independent Director as appropriate, also meet regularly about two times in a year without the presence of Management. In FY 2023, the non-executive Directors, led by the independent Chairman, met twice for discussions without the presence of Management. The chairman of these meetings was the independent Chairman and he provided feedback to all members of the Board and/or Management as appropriate.

At the scheduled Board meetings, the Board is apprised of the following:

(a) significant matters discussed at the ARC meeting which is typically scheduled before each Board meeting;
(b) the ARC's recommendation on CLCT's periodic and year-end financial results following the ARC's review of the same;
(c) decisions made by Board Committees in the period under review;
(d) updates on the CLCT Group's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;
(e) financial performance, budgetary and capital management related matters in the period under review, including any material variance between any projections in budget or business plans and the actual results from business activities and operations;
(f) any risk management issues that materially impact CLCT's operations or financial performance;
(g) updates on key Unitholder engagements in the period under review, as well as analyst views and market feedback; and
(h) prospective transactions which Management is exploring.

This allows the Board to develop a good understanding of the progress of the CLCT Group's business as well as the issues and challenges faced by CLCT, and also promotes active engagement with Management.

The Board adopts and practises the principle of collective decision-making and is able to achieve consensus on matters requiring its approval after robust debate. Prior to decision-making at Board and Board Committee meetings, all Directors actively participate in discussions, which include challenging assumptions, offering alternative scenarios, and testing Management's vision on the relevant matter. The Board is able to achieve this as it benefits from a culture of open, frank, rigorous and constructive discussions and debates at Board and Board Committee meetings conducted on a professional basis. There is mutual respect and trust among the Directors. No individual Director influences or dominates the decision-making process.

Management provides the Directors with complete, adequate and timely information prior to Board and Board Committee meetings and on an ongoing basis. This enables the Directors to make informed decisions and discharge their duties and responsibilities.

As a general rule, meeting materials are provided to the Board and Board Committee members in advance of each Board and Board Committee meeting to allow them to prepare for the meetings and to enable them to focus discussions on any questions or issues that they may have or identify. Agendas for Board and Board Committee meetings are prepared in consultation with the Chairman and the chairmen of the respective Board Committees. This provides assurance that important topics and issues will be covered during the meetings. Half-year and full-year financial statements are reviewed by the ARC prior to recommendation to the Board for approval.

In line with the Manager's ongoing commitment to minimise paper wastage and reduce its carbon footprint, the Manager does not provide printed copies of Board and Board Committee meeting materials. Instead, the Directors are provided with tablet devices to enable them to access and review soft copies of the meeting materials whether prior to or during meetings. This initiative also enhances information security as the meeting materials are made available through a secure channel. The Directors are also able to review and approve written resolutions using the tablet devices.

With a view to ensuring that the Board meets frequently enough to review all essential matters and make efficient and well-informed decisions, the Board meets at least once every financial quarter. During FY 2023, the Board held six Board meetings, including one held offsite to discuss strategy and five ARC meetings, four NRC meetings and one EC meeting were held. The key deliberations and decisions taken at Board and Board Committee meetings are recorded in writing in the minutes of meeting.

A record of the Directors' attendance at general meeting(s) of Unitholders and Board and Board Committee meetings held in FY 2023 is set out on page 144 of this Annual Report.

The CEO, who is also a Director, attends all Board meetings. He also attends all EC meetings as a member and all ARC and NRC meetings on an ex officio basis. Other members of Management attend Board and Board Committee meetings as required to brief the Board and Board Committees on specific business matters.

There is active interaction between the Directors and Management during Board and Board Committee meetings, as well as outside of Board and Board Committee meetings, including Board-hosted lunches and dinners. The Directors have separate, independent and unfettered access to Management for any information that they may require. Likewise, Management has access to Directors outside the formal environment of Board and Board Committee meetings for any guidance that it may seek whenever a need arises. The Board and Management share a productive and harmonious relationship, which is critical for good governance and organisational effectiveness.

The Directors also have separate and independent access to the company secretary of the Manager (Company Secretary). The Company Secretary is legally trained, has oversight of corporate secretarial administration matters and provides advice to the Board and Management on corporate governance matters. The Company Secretary attends Board meetings and assists the Chairman in ensuring that Board procedures are followed. The Company Secretary also facilitates the induction programme for new Directors and oversees professional development administration for the Directors. The appointment and the removal of the Company Secretary is subject to the Board's approval.

The Directors, whether individually or collectively as the Board, are entitled to have access to independent external professional advice where necessary, at the Manager's expense.

Principle 2: Board Composition and Guidance

Board Independence

The Board has a strong independent element with a significant majority of non-executive IDs. As at the date of this Annual Report, six out of nine directors, including the Chairman, are non-executive IDs. Other than the CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. None of the IDs as at the date of this Annual Report have served on the Board for nine years or longer. No lead ID is appointed as the Chairman is an ID. Profiles of the Directors, their respective Board Committee memberships and roles are set out on pages 34 to 39 of this Annual Report. Key information on the Directors is also available on CLCT's website (Website) at www.clct.com.sg.

The Board, through the NRC, reviews from time to time the size and composition of the Board and the Board Committees, with a view to ensuring that the size is appropriate in facilitating effective deliberations and decision-making, and the composition reflects an appropriate level of independence as well as diversity of thought and backgrounds. The review takes into account the scope and nature of the CLCT Group's operations, the evolving external environment and the competition that the CLCT Group faces.

The Board, through the NRC, assesses annually (and additionally as and when circumstances require) the independence of each Director, taking into consideration the relevant relationships and circumstances, including those specified in the Listing Manual and the guidance in the Code, the Securities and Futures (Licensing and Conduct of Business) Regulations (SFR) and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance), that are relevant in the determination as to whether a Director is independent. A Director is considered independent if he or she is independent in conduct, character and judgement and:

(a) has no relationship with the Manager, its related corporations, its substantial shareholders, CLCT's substantial Unitholders (being Unitholders who have interests in voting Units with 5% or more of the total votes attached to all voting Units) or the Manager's officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgement in the best interests of CLCT;
(b) is independent from the management of the Manager and CLCT, from any business relationship with the Manager and CLCT, and from every substantial shareholder of the Manager and every substantial Unitholder of CLCT;
(c) is not a substantial shareholder of the Manager or a substantial Unitholder of CLCT;
(d) is not employed and has not been employed by the Manager or CLCT or their respective related corporations in the current financial year or any of the past three financial years;

(e) does not have an immediate family member who is employed or has been employed by the Manager or CLCT or their respective related corporations in the current financial year or any of the past three financial years and whose remuneration is or was determined by the Board; and
(f) has not served on the Board for a continuous period of nine years or longer.

There is a rigorous process to evaluate the independence of each ID. As part of the process:

(a) each ID provides information of his or her business interests and confirms on an annual basis that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the NRC; and
(b) the NRC also reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent judgement in discharging his or her duties and responsibilities.

The NRC also reviews the independence of an ID as and when there is a change of circumstances involving the ID. In this regard, an ID is required to report to the Board when there is any change of circumstances which may affect his or her independence.

The NRC has carried out the assessment of the independence of the IDs for FY 2023 and made its recommendations to the Board for the Board's consideration and determination of the independence of the IDs. The paragraphs below set out the outcome of the NRC's assessment and the Board's determination of independence based on the information available and having taken into account the views of the NRC. Each ID is required and had recused himself or herself from the NRC's and Board's respective deliberations on his or her independence.

In this section on Principle 2, the term "CLI group" refers to (i) CapitaLand Investment Limited, its subsidiaries; and/or (ii) REITs managed by CapitaLand Investment Limited's subsidiaries.

Mr Soh Kim Soon
Mr Soh is a non-executive director and chairman of ORIX Leasing Singapore Limited and is also chairman of ORIX Investment and Management Private Limited (together, the ORIX Companies). The ORIX Companies have business relationships with CLI group for the various matters, namely (i) a lease from CLI group; and (ii) services provided to CLI group.

Mr Soh's role in each of the ORIX Companies is non-executive in nature and he is not involved in the day-to-day conduct of the businesses of the ORIX Companies. He was not involved in the decision of the ORIX Companies to enter into business relationships with CLI group. All of the transactions with CLI group are conducted in the ordinary course of business, on an arm's length basis and based on normal commercial terms.

The NRC has assessed that (i) the respective relationships above did not interfere with the exercise of Mr Soh's independent business judgement in the discharge of his duties and responsibilities as a Director; and (ii) he has demonstrated independence in conduct, character and judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, he does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent judgement. Based on the above, the Board arrived at the determination that Mr Soh is an independent Director.

Mr Neo Poh Kiat
Mr Neo is a non-executive director of a few subsidiaries and associated corporations of Temasek. Mr Neo's roles in these corporations are non-executive in nature and he is not involved in the day-to-day conduct of the business of these corporations. Mr Neo has confirmed that he serves on the Board in his personal capacity and not as a representative of Temasek and he is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the affairs of the Manager and CLCT.

The NRC has assessed that (i) the respective relationships above did not interfere with the exercise of Mr Neo's independent business judgement in the discharge of his duties and responsibilities as a Director; and (ii) he had demonstrated independence in conduct, character and judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, he does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent judgement. Based on the above, the Board arrived at the determination that Mr Neo is an independent Director.

Ms Kuan Li Li
Ms Kuan retired from the Board with effect from 1 January 2024. For completeness, based on information available to the Board, information is provided below regarding Ms Kuan's independence during FY 2023.

During FY 2023, Ms Kuan was a non-executive director of Freemont Capital Pte. Ltd. (the "Freemont Company") and AIG Asia Pacific Insurance Pte Ltd (the "AIG Company"). The Freemont Company and the AIG Company had business relationships with CLI group for various matters, including but not limited to (i) leases from CLI group; and (ii) provision of a range of corporate insurance plans and coverage to CLI group.

Ms Kuan's role in each of the Freemont Company and the AIG Company was non-executive in nature and she was not involved in the day-to-day conduct of the businesses of the Freemont Company and the AIG Company. She was not involved in the decision of the Freemont Company or the AIG Company to enter into business relationships with CLI group. All of the transactions with CLI group were conducted in the ordinary course of business, on an arm's length basis and based on normal commercial terms.

The NRC has assessed that (i) the respective relationships above did not interfere with the exercise of Ms Kuan's independent business judgement in the discharge of her duties and responsibilities as a Director; and (ii) she had demonstrated independence in conduct, character and judgement in the discharge of her duties and responsibilities as a Director. Save for the relationships stated above, she did not have any other relationships and was not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which might have affected her independent judgement. Based on the above, the Board arrived at the determination that Ms Kuan was an independent Director.

Professor Ong Seow Eng
Professor Ong provided ad hoc training services to CLI group in FY 2023. He has confirmed that he provided these ad hoc training services in his personal capacity and not as a representative of CLI and he is not under any obligation, whether formal or informal, to act in accordance with the directions of CLI in relation to the affairs of the Manager and CLCT.

The NRC has assessed that (i) the relationship above did not interfere with the exercise of Professor Ong's independent business judgement in the discharge of his duties and responsibilities as a Director; and (ii) he had demonstrated independence in conduct, character and judgement in the discharge of his duties and responsibilities as a Director. Save for the relationship stated above, he does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent judgement. Based on the above, the Board arrived at the determination that Professor Ong is an independent Director.

Mr Tan Tee How
Mr Tan is a non-executive director and chairman of National Healthcare Group Pte. Ltd. (the "NHG Company"). The NHG Company has business relationships with CLI group for various matters, including but not limited to leases from CLI group.

Mr Tan's role in the NHG Company is non-executive in nature and he is not involved in the day-to-day conduct of the business of the NHG Company. He was not involved in the decision of the NHG Company to enter into business relationships with CLI group. All of the transactions with CLI group are conducted in the ordinary course of business, on an arm's length basis and based on normal commercial terms.

Mr Tan is also a non-executive director of a subsidiary of Temasek. Mr Tan's role in the corporation is non-executive in nature and he is not involved in the day-to-day conduct of the business of the corporation. Mr Tan has confirmed that he serves on the board in his personal capacity and not as a representative of Temasek and he is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the affairs of the Manager and CLCT.

The NRC has assessed that (i) the respective relationships above did not interfere with the exercise of Mr Tan's independent business judgement in the discharge of his duties and responsibilities as a Director; and (ii) he had demonstrated independence in conduct, character and judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, he does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent judgement. Based on the above, the Board arrived at the determination that Mr Tan is an independent Director.

Ms Wan Mei Kit
Ms Wan is a non-executive director of Singapore Pools Private Limited (the "SP Company"). The SP Company has business relationships with CLI group for various matters, including but not limited to leases from CLI group.

Ms Wan's role in the SP Company is non-executive in nature and she is not involved in the day-to-day conduct of the business of the SP Company. She was not involved in the decision of the SP Company to enter into business relationships with CLI group. All of the transactions with CLI group are conducted in the ordinary course of business, on an arm's length basis and based on normal commercial terms.

The NRC has assessed that (i) the relationship above did not interfere with the exercise of Ms Wan's independent business judgement in the discharge of her duties and responsibilities as a Director; and (ii) she had demonstrated independence in conduct, character and judgement in the discharge of her duties and responsibilities as a Director. Save for the relationship stated above, she does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect her independent judgement. Based on the above, the Board arrived at the determination that Ms Wan is an independent Director.

The Board is of the view that as at the last day of FY 2023, each of Mr Soh, Mr Neo, Ms Kuan, Professor Ong, Mr Tan and Ms Wan was able to act in the best interests of CLCT and all Unitholders in respect of the period in which they served as Directors in FY 2023.

Ms Tay Hwee Pio
Ms Tay does not have any relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect her independent judgement.

The NRC has assessed that Ms Tay has demonstrated independence in conduct, character and judgement in the discharge of her duties and responsibilities as a Director. Based on the above, the Board arrived at the determination that Ms Tay is an independent Director.

Non-independent Directors
The remaining Directors as at the date of this Annual Report, namely, Mr Tan Tze Wooi, Ms Quah Ley Hoon and Mr Puah Tze Shyang, are all employees of CLI group and are not considered to be independent.

Board Diversity
The Board embraces diversity and has in place a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity factors, including but not limited to, diversity in age, gender, tenure and business or professional experience.

The Board values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Manager has the opportunity to benefit from all available talent and perspectives, which is essential to the effective governance of CLCT's business and for ensuring long-term sustainable growth.

CLCT's Board diversity targets, plans and timelines for achieving the targets and progress towards achieving the targets are described below. Further information on the progress achieved during FY 2023 can be found at "Board Composition and Renewal" under Principle 4 in this Report.

Diversity Targets, Plans and Timelines	Targets Achieved / Progress Towards Achieving Targets
Gender	
To have at least 2 female Directors on the Board during the period leading up to 2025. CLCT believes in achieving an optimum mix of men and women on the Board to provide different approaches and perspectives.	**Achieved** – As at the end of FY 2023, 4 out of 10 Directors are female. Following the retirement of Ms Kuan Li Li with effect from 1 January 2024, as at the date of this Annual Report, 3 out of 9 Directors (33% of the Board) are female.
Age	
To ensure that the Board comprises Directors across diverse age groups as follows: (a) 50 & below; (b) 51 to 60; and (c) 61 & above, and to maintain such level of age diversity during the period leading up to 2025. CLCT believes that age diversity would provide a broad spectrum of thoughts and views in Board and Board Committee deliberations.	**Achieved** – As at the end of FY 2023, the Board comprises Directors across all 3 age groups. In particular: (a) 50 & below – 2 Directors; (b) 51 to 60 – 3 Directors; and (c) 61 & above – 5 Directors. Following the retirement of Ms Kuan Li Li with effect from 1 January 2024, as at the date of this Annual Report, there are 2 Directors in the age group of 51 to 60.
Tenure	
To ensure that the Board comprises Directors across the following tenure groups: (a) less than 3 years; (b) 3 to 6 years; and (c) more than 6 years, and to maintain such level of tenure diversity during the period leading up to 2025. CLCT believes that tenure diversity would facilitate Board renewal progressively and in an orderly manner, whilst ensuring knowledge continuity about CLCT and its business operations and sustainability of corporate performance.	**Achieved** – As at the end of FY 2023, the Board comprises Directors across all 3 tenure groups. In particular: (a) less than 3 years – 6 Directors; (b) 3 to 6 years – 1 Director; and (c) more than 6 years – 3 Directors. Following the retirement of Ms Kuan Li Li with effect from 1 January 2024, as at the date of this Annual Report, there are 2 Directors who will fulfil the tenure group of 3 to 6 years during FY 2024.

Diversity Targets, Plans and Timelines	Targets Achieved / Progress Towards Achieving Targets
Skills / Experience	
To ensure that the Directors, as a group, possess: (a) a variety of skill sets, including in core competencies, domain knowledge and other fields of expertise, such as finance, banking, real estate and investment management; and (b) a mix of industry experience, management experience and listed issuer board experience, by 2025, or (if applicable) to maintain such level of diversity in skill sets and experience during the period leading up to 2025. CLCT believes that diversity in skill sets would support the work of the Board and Board Committees and needs of CLCT, and that an optimal mix of experience would help shape CLCT's strategic objectives and provide effective guidance and oversight of Management and CLCT's operations. CLCT continually endeavours to deepen the bench strength of the Board with complementary and relevant expertise, including in the areas of investment management and sustainability.	**Achieved / Achieving Target** – As at the end of FY 2023 and as at the date of this Annual Report, the Board comprises Directors who, as a group, possess a significant majority of the identified core skills and experience. The Board will continue to look for opportunities to strengthen certain skill sets. In terms of skill sets, the Board comprises Directors with a variety of skills and expertise in areas including investment management, real estate, accounting, finance, governance, sustainability, banking and capital markets. In terms of experience, the Board comprises Directors who are corporate and business leaders and who collectively have experience in general business management, have served on public listed company boards, have international or regional experience and have exposure in various industry sectors and the China market.

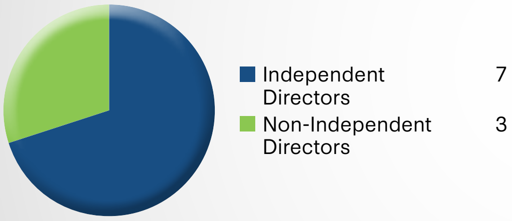
The NRC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, considers candidates who bring a diversity of background and opinion and have the appropriate industry or related expertise and experience. In identifying possible candidates and making recommendations of board appointments to the Board, the NRC's considerations include achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as skills, experience, gender, age and tenure, as well as educational, business and professional backgrounds of its members.

In its annual review of the Board's composition, the NRC expressly considers and includes a commentary to the Board on the subject of diversity, including gender diversity, in the composition of the Board. In this regard, the NRC has reviewed the size and composition of the Board and is of the opinion that the Board and Board Committees are of an appropriate size and comprise Directors who as a group provide the appropriate balance and diversity of skills, knowledge, experience, gender, age and tenure, taking into account CLCT's Board diversity targets, plans and timelines, the objectives of the Board Diversity Policy and the CLCT Group's business needs and plans, for effective decision-making and constructive debate.

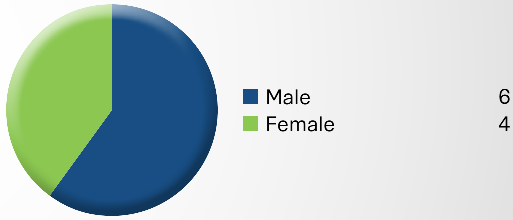
In line with the Board Diversity Policy, the current Board as at the date of this Annual Report comprises nine members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in accounting, finance, banking, capital markets, real estate, investment management, governance and the China market. The Board members bring with them the combination of skills, talents, experience and diversity required to serve the needs and achieve the plans of the CLCT Group.

For further information on the Board's work in this regard, please refer to "Board Membership" under Principle 4 in this Report.

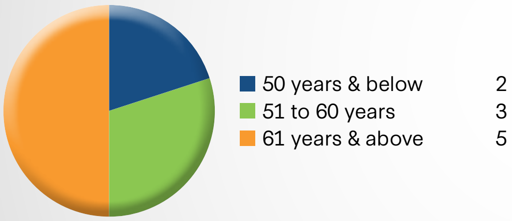
BOARD INDEPENDENCE
(As at 31 December 2023)



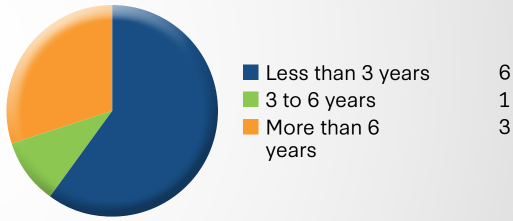
BOARD GENDER DIVERSITY
(As at 31 December 2023)



AGE SPREAD
(As at 31 December 2023)



TENURE MIX
(As at 31 December 2023)



Principle 3: Chairman and Chief Executive Officer

The roles and responsibilities of the Chairman and the CEO are held by separate individuals to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision-making, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management and that no one individual has unfettered powers of decision-making. The non-executive independent Chairman, Mr Soh Kim Soon and the CEO, Mr Tan Tze Wooi do not share any family ties. The Chairman and the CEO enjoy a positive and constructive working relationship between them and support each other in their respective leadership roles.

The Chairman leads and oversees the performance of the Board and plays a pivotal role in creating and facilitating the conditions needed for the overall effectiveness of the Board, Board Committees and individual Directors. This includes setting the agenda of Board meetings in collaboration with the CEO, ensuring that the agenda takes full account of the important issues faced by CLCT and there is sufficient information and time at meetings to address all agenda items, as well as promoting open and constructive engagement and dialogue among the Directors as well as between the Board and the CEO at meetings. The Chairman also guides the Board through its decision-making process and ensures that the Board operates effectively as a whole.

The Chairman devotes considerable time to understanding the business of CLCT, including the issues and the competition that CLCT faces. He plays a significant leadership role by providing clear oversight, direction, advice and guidance to the CEO. He also maintains open lines of communication and engages with other members of Management regularly, and acts as a sounding board for the CEO and other members of Management on strategic and significant operational matters.

The Chairman also presides at the Annual General Meeting (AGM) each year and at other general meetings where he plays a crucial role in fostering constructive dialogue between the Unitholders, the Board and Management.

The CEO has full executive responsibilities to manage the CLCT Group's business and to develop and implement policies approved by the Board.

The separation of the roles and responsibilities of the Chairman and the CEO, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the CLCT Group's business activities and the exchange of ideas and views to help shape the strategic process.

As the roles of the Chairman and the CEO are held by separate individuals who are not related to each other, and the Chairman is an ID, no lead ID has been appointed. Moreover, the Board has a strong independent element as six out of nine directors (including the Chairman) as at the date of this Annual Report are non-executive IDs. There are also sufficient measures in place to address situations where the Chairman is conflicted as he is required to recuse himself from deliberations and abstain from voting on any matter that could potentially give rise to conflict. The foregoing is consistent with the intent of Principle 3 of the Code.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board. It has established the NRC which makes recommendations to the Board on all appointments to the Board and Board Committees. All Board appointments are made based on merit and approved by the Board.

As at the date of this Annual Report, the NRC comprises four non-executive Directors, three of whom (including the chairman of the NRC) are IDs. The four members on the NRC are Mr Soh Kim Soon (NRC chairman), Mr Neo Poh Kiat, Mr Tan Tee How and Ms Quah Ley Hoon. Mr Tan Tee How was appointed as a member of NRC on 1 January 2024. Ms Quah Ley Hoon succeeded Mr Lim Cho Pin Andrew Geoffrey who retired from the Board and concurrently as a member of NRC on 16 June 2023. The NRC met four times in FY 2023.

The NRC has also reviewed and approved various matters within its remit via circulating papers. Under its terms of reference, the NRC's scope of duties and responsibilities includes:

(a) reviewing the structure, size and composition of the Board and Board Committees and formulating, reviewing and making recommendations to the Board on succession plans for Directors, in particular, the appointment and/or replacement of the Chairman and the CEO;
(b) reviewing and making recommendations to the Board on the process and criteria for the evaluation of the performance of the Board, Board Committees and individual Directors and the results of such evaluation annually;
(c) considering annually and as and when circumstances require, if a Director is independent; and
(d) considering and making recommendations to the Board on the appointment and re-appointment of Directors.

In addition to the above, the NRC and/or the Board as a whole is kept abreast of relevant matters relating to the review of succession plans relating to the key management personnel, in particular the appointment and/or replacement of the key management personnel. While this is a partial deviation from Provision 4.1(a) of the Code which requires the NRC to make recommendations to the Board on relevant matters relating to the review of succession plans, in particular the appointment and/or replacement of the key management personnel, the Board is of the view that such matters could be considered either by the NRC or by the Board as a whole. This is accordingly consistent with the intent of Principle 4 of the Code.

In respect of the review of training and professional development programmes for the Board and the Directors, the Board is of the view that this should be a matter involving the views and feedback of all members of the Board. Hence, any Director may contribute by recommending to the Board specific training and development programmes which he or she believes would benefit the Directors or the Board as a whole. The review of training and professional development programmes for the Board and the Directors is done by the Board as a whole, and this function was not delegated to the NRC. This is consistent with the intent of Principle 4 of the Code, notwithstanding that the NRC was not specifically assigned to review and make recommendations to the Board on such matters.

Board Composition and Renewal

The Board, through the NRC, strives to ensure that the Board has an optimal and diverse blend of backgrounds, experience and knowledge in business and general management, expertise relevant to the CLCT Group's business and track record, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the CLCT Group. The channels used in the search and nomination process for identifying appropriate candidates, and the channels via which the eventual appointee(s) were found, and the criteria used to identify and evaluate potential new directors, are set out below.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. In undertaking its duty of reviewing and making Board appointment recommendations to the Board, the NRC considers different time horizons for purposes of succession planning. The NRC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the mid to long term to achieve CLCT's strategy and objectives. As part of medium-term planning, the NRC seeks to refresh the membership of the Board progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate peformance. The NRC also considers contingency planning to prepare for sudden and unforeseen changes. In reviewing succession plans, the NRC has in mind CLCT's strategic priorities and the factors affecting the long-term success of CLCT. The review includes planning ahead to fill one or more vacancies which may arise in the future. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Manager continues to attract and retain highly qualified individuals to serve on the Board. The NRC aims to maintain an optimal Board composition by considering the trends affecting CLCT, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with CLCT's strategy and environment, and that there are non-executive Directors who have prior working experience in the sectors that CLCT is operating in. The process includes considerations that will provide an appropriate balance and contribute to the collective skills and competencies of the Board, such as (a) the current size and composition of the Board and Board committees; (b) the independence of potential ID candidates; (c) the suitability of potential candidates for appointment to various Board Committees; and (d) diversity factors such as business or professional experience, age and gender.

The Board supports the principle that Board renewal is a necessary and continual process, both for good governance and for ensuring that the Board has the skills, expertise, diversity and experience which are relevant to the evolving needs of the CLCT Group's business.

Board succession planning is carried out through the annual review by the NRC of the Board's composition as well as when a Director gives notice of his or her intention to retire or resign. The annual review takes into account, among other things, the requirements in the Listing Manual and the Code, feedback from individual Directors as well as the diversity targets and factors in the Board Diversity Policy. The outcome of that review is reported to the Board. The Board seeks to refresh its membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The Board also has in place guidelines on the tenure of Directors. The guidelines provide that an ID should serve for no more than a maximum of two three-year terms and any extension of tenure beyond six years will be rigorously considered by the NRC in arriving at a recommendation to the Board, and will be on a yearly basis up to a period of nine years (inclusive of the initial two three-year terms served).

The NRC identifies suitable candidates for appointment to the Board. Searches for possible candidates are conducted through contacts and recommendations. In this regard, the Manager may rely on external consultants from time to time to assist the NRC in identifying candidates, to ensure that a diverse slate of candidates is presented for the NRC's and the Board's consideration.

Candidates are identified based on the needs of CLCT, taking into account the strategic priorities of CLCT and the relevant skills required. The candidates will be assessed against a range of criteria including their demonstrated business sense and judgement, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background) with due consideration to diversity, including but not limited to diversity in business or professional experience, age and gender. The NRC also considers the qualities of the candidates, in particular whether they are aligned to the strategic directions and values of CLCT, while assessing the candidates' ability to commit time to the affairs of CLCT, taking into consideration their other current appointments or commitments. The NRC uses a board competency matrix as a guide in determining if there are gaps in the skills of the Board as a whole and if the skills, expertise and experience of a candidate would complement those of the existing Board members.

The NRC also assesses annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1 of the Code. Directors disclose their relationships with the Manager, its related corporations, its substantial shareholders, CLCT's substantial Unitholders or the Manager's officers, if any, which may affect their independence, to the Board. For further information on the Board's determination in this regard, please refer to "Board Independence" under Principle 2 in this Report.

Whilst the Board believes that it has an optimal blend of backgrounds, experience, knowledge in business and general management, and expertise relevant to help CLCT deliver on its strategic priorities, it believes in planning for orderly succession as well as contingencies and is continually looking out for opportunities to fill future gaps in competencies and to renew the Board in a progressive manner.

Board Changes

As part of the Board renewal process: (a) Ms Quah Ley Hoon succeeded Mr Lim Cho Pin Andrew Geoffrey as a non-executive non-independent Director and chairman of the EC with effect from 16 June 2023; (b) Mr Tan Tee How was appointed as a non-executive ID with effect from 1 August 2023 and joined the NRC as a member with effect from 1 January 2024; (c) Ms Wan Mei Kit was appointed as a non-executive ID with effect from 1 October 2023 and joined the ARC as a member with effect from 1 January 2024; and (d) Ms Kuan Li Li retired as a non-executive ID on 31 December 2023 after completing six consecutive years of service, concurrently relinquishing her role as a member of the ARC. These appointments enable the Board to achieve or, as the case may be, make significant progress towards achieving the diversity targets as set out at "Board Composition and Guidance" under Principle 2 in this Report.

Review of Directors' Ability to Commit Time

In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NRC conducts a review of the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the Manager. In this regard, Directors are required to report to the Board any changes in their other appointments or commitments.

In reviewing whether a Director has adequately discharged his or her duties to the Manager and a Director's ability to commit time to the affairs of the Manager, the NRC and the Board will consider if the Director's total number of listed issuer board appointments is within the guidelines of major proxy advisor firms. In respect of the Directors' other appointments and commitments, the Board takes the view that the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and his or her near-term plan regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Manager. IDs are also required to consult the Chairman before accepting any invitation for appointment as a director of another entity or offer of a full-time executive appointment. Such a consultation will enable any concerns relating to the Director's ability to commit time to the affairs of the Manager, as well as any potential conflicts of interest, to be shared and addressed. The Chairman will make the requisite assessment and consult with the NRC as necessary.

There is also no alternate director to any of the Directors. In keeping with the principle that a Director must be able to commit time to the affairs of the Manager, the Board has adopted the principle that it will generally not approve the appointment of alternate directors to the Directors.

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Manager. For FY 2023, all non-executive Directors had undergone the self-assessment and provided the confirmation.

On an annual basis and, where appropriate when there is a change of circumstances involving a Director, the NRC assesses each Director's ability to commit time to the affairs of the Manager. In the assessment, the NRC takes into consideration each Director's confirmation, his or her commitments, attendance record at meetings of the Board and Board Committees, as well as conduct (including preparedness, participation and level of engagement) and the value and quality of their contributions at Board and Board Committee meetings.

The Directors' listed company directorships and principal commitments are disclosed on pages 35 to 39 of this Annual Report and their attendance records for FY 2023 are set out on page 144 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the CLCT Group. For FY 2023, the Directors achieved high meeting attendance rates and each Director has participated and been engaged in, and has contributed to discussions and deliberations at Board and Board Committee meetings. Based on the above, the NRC (with each NRC member recusing himself or herself from approving the determination in respect of himself or herself) has determined that each Director is able to commit time to the affairs of the Manager and CLCT, and is able to and has been adequately carrying out his or her duties as a Director. The NRC and the Board have noted that no Director has a significant number of listed directorships and principal commitments.

Principle 5: Board Performance

The Manager believes that oversight from a strong and effective Board goes a long way towards guiding CLCT's success. Whilst Board performance is ultimately reflected in the long-term performance of the CLCT Group, the Board believes that engaging in a regular process of self-assessment and evaluation of Board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, and for Directors to consider their performance and contributions. It also enables the Board to identify key strengths and areas for improvement which are essential to effective stewardship and attaining success for CLCT, in addition to improving working relationships with Management.

The NRC recommends for the Board's approval the objective performance criteria, and the Board undertakes a process to evaluate the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors for every financial year. As part of the process, a questionnaire is sent to the Directors. The evaluation results are aggregated and reported to the NRC, and thereafter to the Board. The findings are considered by the Board and follow-up action is taken where necessary with a view to enhancing the effectiveness of the Board, Board Committees and individual Directors in the discharge of its and their duties and responsibilities. As and when required, external facilitators may be appointed to assist in the evaluation process of the Board, Board Committees and the individual Directors. For FY 2023, the evaluation process was conducted without involving any external facilitator.

Board and Board Committees

The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, performance and governance, access to information and Board Committee effectiveness. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. For FY 2023, the outcome of the evaluation was satisfactory and the Directors generally received affirmative ratings across the evaluation categories for the Board as a whole and for each Board Committee that was evaluated. Management has also provided positive feedback on the performance of the Board.

Individual Directors

The evaluation categories covered in the questionnaire include Director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management. For FY 2023, the outcome of the evaluation was satisfactory and each of the Directors generally received affirmative ratings across the evaluation categories.

The Board also recognises that contributions by an individual Director can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and Board Committee meetings.

Board Evaluation as an Ongoing Process

The Board believes that performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions between the Directors, and between the Directors and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Directors which also contributes to a positive Board culture. The collective Board performance and the contributions of individual Directors are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, lending support to Management in steering CLCT in the appropriate direction, as well as the long-term performance of CLCT whether under favourable or challenging market conditions.

REMUNERATION MATTERS

Principles 6, 7 and 8: Procedures for Developing Remuneration Policies, Level and Mix of Remuneration and Disclosure on Remuneration

All fees and remuneration payable to Directors, key management personnel (including the CEO) and staff of the Manager are paid by the Manager.

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

The Board has established the NRC and under its terms of reference, the NRC's scope of duties and responsibilities in relation to remuneration matters include reviewing and determining:

(a) the Board remuneration framework and the specific remuneration packages for the Directors; and
(b) the compensation framework and the specific remuneration packages for the CEO and other key management personnel.

While Provision 6.1 of the Code provides for the NRC to make recommendations to the Board on such matters, the Board is of the view that such matters are best reviewed and determined by the NRC as part of its focused scope, and has delegated the decision-making on such matters to the NRC. The NRC reports any decisions made on such matters to the Board. This is accordingly consistent with the intent of Principle 6 of the Code.

Guided by its terms of reference, the NRC oversees the development and succession planning for the CEO. This includes overseeing the process for the selection of the CEO and conducting an annual review of career development and succession matters for the CEO.

For further information on the composition of the NRC, please refer to "Board Membership" under Principle 4 in this Report.

Remuneration Policy for Key Management Personnel

The remuneration framework and policy are designed to support the implementation of the CLCT Group's business strategy and deliver sustainable value to Unitholders. The principles governing the remuneration policies of the Manager's key management personnel are as follows:

Business Alignment
- Focus on generating rental income and enhancing asset value over time so as to maximise returns from investments, and ultimately the distributions and total returns to Unitholders
- Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals
- Enhance retention of key talents to build strong organisational capabilities
- Strengthen alignment to ESG practices

Motivate Right Behaviour
- Pay for performance - align, differentiate and balance rewards according to multiple dimensions of performance
- Strengthen line-of-sight linking rewards and performance

Fair & Appropriate
- Ensure competitive remuneration relative to the appropriate external talent markets
- Manage internal equity such that remuneration is viewed as fair across the CLCT Group
- Significant and appropriate portion of pay-at-risk, taking into account risk policies of the CLCT Group, symmetrical with risk outcomes and sensitive to the risk time horizon

Effective Implementation
- Maintain rigorous corporate governance standards
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
- Facilitate employee understanding to maximise the value of the remuneration programme

These remuneration policies are in line with the CLCT Group's business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is emphasised by linking total remuneration to the achievement of business and individual goals and objectives. The NRC considers all aspects of remuneration, including termination terms, to ensure they are fair, and has access to remuneration consultants for advice on remuneration matters as required.

In reviewing policies on remuneration and determining the remuneration packages for key management personnel, the NRC, through an independent remuneration consultant, takes into consideration appropriate compensation benchmarks within the industry, so as to ensure that the remuneration packages payable to key management personnel are competitive and in line with the objectives of the remuneration policies. It also considers the compensation framework of CLI as a point of reference. The Manager is a subsidiary of CLI which also holds a significant stake in CLCT. The association with the CLI group puts the Manager in a better position to attract and retain better qualified management talent. Additionally, it provides an intangible benefit to the Manager in that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

In FY 2023, Willis Towers Watson was appointed as independent remuneration consultant to provide professional advice on executive remuneration. Willis Towers Watson is a leading global advisory, broking and solutions company with over 46,000 employees serving more than 140 countries and markets. The consultant is not related to the Manager, its controlling shareholder, its related corporations or any of its Directors.

Remuneration of Key Management Personnel
The remuneration of key management personnel comprises fixed components, a variable component, long-term components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term, deferred and long-term incentives, in keeping with the principle that the interests of the key management personnel should be aligned with those of Unitholders and that the remuneration framework should link rewards to business and individual performance and promote the long-term success of CLCT.

A. Fixed Components:
The fixed components comprise the base salary, fixed allowances and compulsory employer contribution to an employee's Central Provident Fund.

B. Variable Component:
The variable component is derived from the Performance Bonus Plan (PBP). It is linked to the achievement of annual performance targets for each key management personnel's annual performance targets as set in their Balanced Scorecard (BSC).

Under the Balanced Scorecard framework, the CLCT Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

REIT Performance
This includes targets relating to profitability and distributions, investor outreach and communication, capital structure, as well as financial and risk management

Preparing for Future
This includes targets relating to asset performance and occupancy, assets enhancements and capital recycling

Sustainability
This includes targets relating to talent retention, succession planning and sustainable corporate practices (including workplace safety)

Manager's Financial Health
This includes targets relating to the Manager's financial viability and efficiency

These Balanced Scorecard targets are approved by the Board and cascaded down throughout the organisation, thereby creating alignment across the CLCT Group.

After the close of each financial year, the Board reviews the CLCT Group's achievements against the targets set in the Balanced Scorecard and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape and industry trends.

In determining the payout quantum for each key management personnel under the PBP, the NRC considers the overall business and individual performance as well as the affordability of the payout to the Manager. The PBP is delivered in a combination of cash and deferred Units with employees in senior management grades receiving a greater proportion of their PBP payout in deferred Units. These time-based Units are awarded pursuant to the CapitaLand China Trust Management Limited Restricted Unit Plan (RUP) and will vest in three equal annual tranches without further performance conditions. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost. These Units awards ensure ongoing alignment between remuneration and sustainable business performance.

C. Long-Term Components:

The long-term components comprise CapitaLand China Trust Management Limited Performance Unit Plan (PUP) and CapitaLand China Trust Management Limited Restricted Unit Plan (RUP), together the "Unit Plans". Unit awards were granted in FY 2023 pursuant to the PUP. The Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and CLCT's long-term growth and value. The obligation to deliver the Units is satisfied out of existing Units held by the Manager.

To promote the alignment of Management's interests with that of Unitholders in the longer term, senior members of Management are subject to Unit ownership guidelines to instill stronger identification with the longer-term performance and growth of the CLCT Group. Under these guidelines, senior members of Management are required to retain a prescribed proportion of the Units received under the Unit Plans worth up to at least one year of basic salary.

Units vested pursuant to the Unit Plans may be clawed back in circumstances where the relevant participants are found to be involved in financial misstatement, misconduct, fraud or malfeasance to the detriment of the CLCT Group.

CapitaLand China Trust Management Limited Performance Unit Plan

In FY 2023, the NRC granted awards which are conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipients at the end of the qualifying performance period, provided that minimally the threshold target is achieved.

Under the PUP, an initial number of Units (PUP baseline award) is allocated conditional on the achievement of pre-determined targets for Unitholder returns and sustainability (included with effect from the FY 2023 award). In respect of Unitholder returns, Management is measured by the Relative Total Unitholder Return (TUR) of the CLCT Group based on the percentile ranking of the TUR of the CLCT Group relative to the constituent REITs in the FTSE ST REIT Index. In respect of sustainability, Management is measured on outcomes such as green building certification.

The above performance measures have been selected as a key measurement of wealth creation for Unitholders and the commitment of the CLCT Group towards sustainability. The final number of Units to be released will depend on the CLCT Group's performance against the pre-determined targets over the three-year qualifying performance period. This serves to align Management's interests with that of Unitholders in the longer term and to deter short-term risk taking. No Units will be released if the threshold target is not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the PUP baseline award can be delivered, up to a maximum of 200% of the PUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

For FY 2023, the relevant award for assessment of the performance achieved by the CLCT Group is the award granted in FY 2021 where the qualifying performance period was FY 2021 to FY 2023. Based on the NRC's assessment that the performance achieved by the CLCT Group has partially met the pre-determined performance targets for such performance period, the resulting number of Units for the finalised award has been adjusted accordingly to reflect the performance level.

In respect of the Unit awards granted under the PUP in FY 2022 and FY 2023, the respective qualifying performance periods have not ended as at the date of this Annual Report.

CapitaLand China Trust Management Limited Restricted Unit Plan
Prior to FY 2023, the NRC granted awards which are conditional on targets set for a one-year performance period. A specified number of Units will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the RUP, an initial number of Units (RUP baseline award) is allocated conditional on the achievement of pre-determined targets in respect of the following performance conditions:

(a) net property income of the CLCT Group; and
(b) distribution per Unit of the CLCT Group.

The above performance measures have been selected as they are the key drivers of business performance and are aligned to Unitholder value. The final number of Units to be released will depend on the CLCT Group's performance against the pre-determined targets at the end of the one-year qualifying performance period. The Units will be released in equal annual tranches over a vesting period of three years. No Units will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the RUP baseline award can be delivered, up to a maximum of 150% of the RUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

There were no performance-based awards granted under the RUP in FY 2023.

D. Employee Benefits:
The benefits provided are comparable with local market practices.

Each year, the NRC evaluates the extent to which each of the key management personnel has delivered on the business and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel. In such evaluation, the NRC considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage CLCT for the long term. The CEO does not attend discussions relating to his own performance and remuneration.

The Board, together with the NRC, seeks to ensure that the remuneration of the CEO and other key management personnel is strongly linked to the achievement of business and individual performance targets. The performance targets are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on both shorter-term and longer-term quantifiable objectives. The aggregate remuneration of the key management personnel of CLCT in FY 2023 was approximately S$2.20 million.

While the disclosure of, among others, the CEO’s exact remuneration amount and the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S$250,000 and the aggregate of the total remuneration paid to these key management personnel would be in full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Manager or Unitholders due to:

(1) the intense competition for talents in the REIT management industry, the Manager is of the view that it is in the interests of Unitholders to not make such disclosures so as to minimise potential staff movement and undue disruption to its key management team;
(2) the need to balance the confidential and commercial sensitivities associated with remuneration matters, the Manager is of the view that such disclosures could be prejudicial to the interests of Unitholders;
(3) the importance of retaining competent and experienced staff to ensure CLCT’s stability and continuity of business operations, the Manager is of the view that such disclosures may subject the Manager to undue risks, including unnecessary key management turnover; and

(4) there being no misalignment between the remuneration of the CEO and key management personnel and the interest of Unitholders. Their remuneration are not borne by CLCT as they are paid out of the fees that the Manager receives (the quantum and basis of which have been disclosed on page 205 of this Annual Report).

The Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures in this Annual Report are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to the Unitholders on the Manager's remuneration policies and the level and mix of remuneration accorded to the key management personnel, and enable the Unitholders to understand the relationship between CLCT's performance, value creation and the remuneration of key management personnel. For the above reasons, the Manager is of the view that the interests of Unitholders are not prejudiced by this partial deviation.

Apart from the key management personnel and other employees of the Manager, the Manager outsources various other services to a wholly owned subsidiary of CLI (CLI Subsidiary). The CLI Subsidiary provides these services through its employees and employees of CLI group (together, the Outsourced Personnel). This arrangement is put in place so as to provide flexibility and maximise efficiency in resource management to match the needs of CLCT from time to time, as well as to leverage on economies of scale and tap on the management talent of an established corporate group which can offer enhanced depth and breadth of experience. Notwithstanding the outsourcing arrangement, the responsibility for due diligence, oversight and accountability continues to reside with the Board and Management. In this regard, the remuneration of such Outsourced Personnel, being employees of the CLI Subsidiary and CLI group, is not included as part of the disclosure of remuneration of key management personnel of the Manager in this Report.

In FY 2021, a one-time Special CLI Founders Performance Share Plan (Special PSP Award) was granted by the CLI group to selected senior executives within the group (including the Manager) to commemorate its listing, foster a "founders' mindset" in driving transformation and retain talent. The grant has a five-year performance period with defined performance parameters which are linked to CLI. Subject to the performance achieved, the award may vest at the end of the third year and/or fifth year. In addition, such compensation is in the long-term interests of CLCT as CLCT is a key part of CLI's business and ecosystem (and CLI is also a substantial Unitholder of CLCT), and Management's actions to grow CLCT and drive CLCT's performance will also have a positive impact on CLI, thus reinforcing the complementary nature of the linked performance between CLCT and CLI. The cost of this one-time award will be borne by the Manager and it is not expected to form a significant part of the key management personnel's remuneration over a five-year period. In addition, a proportion of the Management's remuneration is paid in the form of Units, which further incentivises the Management to take actions which are beneficial to the Unitholders. Accordingly, the Special PSP Award will not result in the Management prioritising the interest of CLI over that of CLCT given that the bulk of their remuneration is determined based on the evaluation of the performance of CLCT and a proportion of their remuneration comprises Units. In addition, it should be further noted that under the SFA, the Manager and Directors of the Manager are required to act in the best interest of CLCT and give priority to the interest of CLCT over the interests of the shareholders of the Manager, and this would further mitigate any potential conflicts of interest. Save for the Special PSP Award, the NRC will continue to assess and reward the key management personnel based on the performance of CLCT. Accordingly, the Manager is of the view that there would not be any conflicts of interest arising from the arrangement, nor would the arrangement result in any misalignment of interest with those of Unitholders. There was no new Special PSP Award in FY 2023. In respect of the Special PSP Award granted in FY 2021, the qualifying performance period has not ended as at the date of this Annual Report.

In FY 2023, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any of the key management personnel.

In FY 2023, there were no employees of the Manager who were substantial shareholders of the Manager, substantial Unitholders of CLCT or immediate family members of a Director, the CEO, any substantial shareholder of the Manager or any substantial Unitholder of CLCT. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

Remuneration for Non-Executive Directors
The non-executive Directors' fees for FY 2023, together with a breakdown of the components, are set out in the Non-Executive Directors' Remuneration Table on page 145 of this Annual Report. These non-executive Directors' fees are paid by the Manager.

The compensation policy for non-executive Directors is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for serving on Board Committees. The non-executive Directors' fee structure and Directors' fees are reviewed and benchmarked against the REIT industry, appropriate to the level of contribution and taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of the CLCT Group's business. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Manager and CLCT.

The CEO is remunerated as part of the key management personnel of the Manager and does not receive any Director's fees for his role as an executive Director. The non-executive Directors who are employees of the CLI group also do not receive any Directors' fees.

The non-executive Directors' fees are paid in cash (about 80%) and in the form of Units (about 20%), save that a non-executive Director (not being an employee of the CLI group) who steps down from the Board during a financial year will be paid fees fully in cash. The Manager believes that the payment of a portion of the non-executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and CLCT's long-term growth and value. The payment of non-executive Directors' fees in Units is satisfied from the Units held by the Manager. No individual Director is involved in any decision of the NRC relating to his or her own remuneration.

In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, a non-executive Director is required to hold the number of Units worth at least one year of the basic retainer fee or the total number of Units awarded, whichever is lower, at all times during his or her Board tenure.

As with previous years, an independent remuneration consultant, Willis Towers Watson, was appointed in FY 2023 to provide professional advice on Board remuneration, with a view to ensuring the fee structure is market competitive and consistent with industry practices.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls
The Manager maintains adequate and effective systems of risk management and internal controls addressing material financial, operational, compliance and information technology (IT) risks to safeguard Unitholders' interests and the CLCT Group's assets.

The Board has overall responsibility for the governance of risks and oversees the Manager in the design, implementation and monitoring of the risk management and internal controls systems. The ARC assists the Board in carrying out the Board's responsibility of overseeing the risk management framework and policies for the CLCT Group.

Under its terms of reference, the scope of the ARC's duties and responsibilities includes:

(a) making recommendations to the Board on the Risk Appetite Statement (RAS) for the CLCT Group;
(b) assessing the adequacy and effectiveness of the risk management and internal controls systems established by the Manager to manage risks;
(c) overseeing the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that are consistent with the CLCT Group's risk appetite and reporting to the Board on its decisions on any material matters concerning the aforementioned;
(d) making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal controls systems can be made by the Board in the Annual Report in accordance with the Listing Manual and the Code; and

(e) considering and advising on risk matters referred to it by the Board or Management, including reviewing and reporting to the Board on any material breaches of the RAS, any material non-compliance with the approved framework and policies and the adequacy of any proposed action.

The Manager adopts an Enterprise Risk Management (ERM) Framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually.

As part of the ERM Framework, the Manager undertakes and performs a Risk and Control Self-Assessment (RCSA) annually to identify material risks along with their mitigating measures. The adequacy and effectiveness of the systems of risk management and internal controls are reviewed at least annually by Management, the ARC and the Board, taking into account the Listing Manual and best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council.

The CLCT Group's RAS, which incorporates the CLCT Group's risk limits, addresses the management of material risks faced by the CLCT Group. Alignment of the CLCT Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key risk indicators set for Management) put in place across the various functions within the Manager.

More information on the Manager's ERM Framework including the material risks identified can be found in the Risk Management section on pages 104 to 109 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the ARC. The ARC also reviews the adequacy and effectiveness of the measures taken by the Manager on the recommendations made by the internal and external auditors in this respect. The ARC's concurrence is obtained for the Board opinion as described below.

The Board has received assurance from the CEO and the Chief Financial Officer (CFO) of the Manager, being the key management personnel who are responsible, that:

(a) the financial records of the CLCT Group have been properly maintained and the financial statements for FY 2023 give a true and fair view of the CLCT Group's operations and finances; and
(b) the systems of risk management and internal controls within the CLCT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the Manager considers relevant and material to the current business environment.

The CEO and the CFO have obtained similar assurances from the respective risk and control owners. In addition, in FY 2023, the Board received certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

Based on the ERM Framework and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the CFO, the Board is of the opinion that the systems of risk management and internal controls within the CLCT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the CLCT Group considers relevant and material to its current business environment as at 31 December 2023. In arriving at its opinion, the Board noted that the ARC has concurred that such systems of risk management and internal controls within the CLCT Group are adequate and effective to address the aforesaid risks. No material weaknesses in the systems of risk management and internal controls were identified by the ARC and the Board in the review for FY 2023.

The Board notes that the systems of risk management and internal controls established by the Manager provide reasonable assurance that the CLCT Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

Principle 10: Audit and Risk Committee

The Audit Committee was renamed the Audit and Risk Committee with effect from 1 January 2024. As at the date of this Annual Report, the ARC comprises four non-executive Directors, all of whom (including the chairman of the ARC) are IDs, namely Mr Neo Poh Kiat (ARC chairman), Professor Ong Seow Eng, Ms Tay Hwee Pio and Ms Wan Mei Kit. The ARC chairman is a Director other than the Chairman of the Board. The ARC chairman and other ARC members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and/or related financial management domains. In FY 2023, the ARC does not comprise former partners of CLCT's incumbent external auditors, KPMG LLP (a) within a period of two years commencing from the date of their ceasing to be partners of KPMG LLP; or (b) who have any financial interest in KPMG LLP.

The ARC has explicit authority to investigate any matter within its terms of reference. Management provides the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the ARC. The ARC has direct access to the internal and external auditors and full discretion to invite any Director or key management personnel to attend its meetings. Similarly, both the internal and external auditors have unrestricted access to the ARC.

Under its terms of reference, the ARC's scope of duties and responsibilities includes:

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Manager and CLCT and any announcements relating to CLCT's financial performance;
(b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Manager's internal controls (including financial, operational, compliance and IT controls) and risk management system;
(c) reviewing the scope and results of the external audit and the adequacy, effectiveness, independence and objectivity of the external auditors;
(d) reviewing the scope and results of the internal audit and the adequacy, effectiveness, independence and objectivity of the Manager's internal audit and compliance functions;
(e) making recommendations to the Board on the proposals to Unitholders on the appointment, re- appointment and removal of the external auditors, and approving the remuneration and scope of engagement of the external auditors;
(f) reviewing and approving processes to regulate transactions between an interested person (as defined in Chapter 9 of the Listing Manual) and/or interested party (as defined in the Property Funds Appendix) (each, an Interested Person) and CLCT and/or its subsidiaries (Interested Person Transactions), to ensure compliance with the applicable regulations. The regulations include the requirements that Interested Person Transactions are on normal commercial terms and are not prejudicial to the interests of CLCT and its minority Unitholders. In respect of any property management agreement which is an Interested Person Transaction, the ARC also carries out reviews at appropriate intervals to satisfy itself that the Manager has reviewed the property manager's compliance with the terms of the property management agreement and has taken remedial actions where necessary; and
(g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, and independently investigated, for appropriate follow-up action to be taken.

In addition to the above, the ARC also reviews the assurance from the CEO and the CFO on the financial records and financial statements.

The ARC undertook a review of the independence of the external auditors, taking into consideration, among other factors, non-audit services (if any) provided by the external auditors in FY 2023, CLCT's relationships with the external auditors in FY 2023, as well as the processes and safeguards adopted by the Manager and the external auditors relating to audit independence. Based on the review, the ARC is satisfied that the external auditors are independent. The external auditors have also provided confirmation of their independence to the ARC. The amount of audit and audit-related fees paid or payable to the external auditors for FY 2023 amounted to S$915,820. The external auditors did not provide any non-audit services in FY 2023 and accordingly, no non-audit fees were paid in FY 2023.

As part of CLCT's ongoing good corporate governance initiatives, the Board has concurred with the ARC's recommendation for the proposed appointment of Deloitte & Touche LLP (Deloitte) as the independent external auditors of CLCT which is being tabled for approval at the upcoming AGM. Further details on the proposed appointment of Deloitte as external auditors is set out in the Notice of AGM dated 28 March 2024 under Ordinary Resolution 2 and in the Letter to Unitholders dated 28 March 2024. The incumbent external auditors, KPMG LLP will be retiring and will not be seeking re-appointment as external auditors of CLCT for FY 2024.

The ARC holds at least four scheduled meetings in a year and met five times in FY 2023. At all scheduled ARC meetings in FY 2023, the CEO and the CFO were in attendance. CLCT has adopted the practice of announcing its financial statements on a half yearly basis and provides quarterly business updates in between such announcements or as and when necessary. Accordingly, during the ARC meetings in January 2023 and July 2023, among other things, the ARC reviewed the half-yearly financial statements including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues, and recommended the half-yearly financial statements and corresponding announcements to the Board for approval. During the ARC meetings in April 2023 and October 2023, the ARC reviewed, among other things, the quarterly business and financial updates presented by Management. Such business updates contained, among other things, information on the CLCT Group's key operating and financial metrics.

In FY 2023, the ARC also reviewed and assessed the adequacy and effectiveness of the internal controls and risk management systems established by the Manager to manage risks, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurances from the CEO and the CFO.

The ARC also meets with the external auditors and with the internal auditors, in each case without the presence of Management, at least once a year. In FY 2023, the ARC met with the external auditors and internal auditors twice, separately and without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors.

Where relevant, the ARC makes reference to the best practices and guidance for audit committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore.

Key Audit Matter
In its review of the financial statements of the CLCT Group for FY 2023, the ARC had discussed with Management the accounting principles that were applied and their judgement of items that could affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The ARC reviewed, among other matters, the key audit matter set out below, as reported by the external auditors for FY 2023.

Key audit matter	How this issue was addressed by the ARC
Valuation of investment properties	The valuation of the properties in CLCT's portfolio as at 31 December 2023 was performed by several independent external professional valuers. After conducting a review, the ARC was satisfied that the appointment of these valuers was in accordance with the requirements of the Code and that these valuers were experienced, objective and independent.
	The ARC considered the valuation methodologies and key assumptions applied by these valuers for investment properties in arriving at the valuations, and reviewed the outcomes of the yearly valuation process and discussed the details of the valuation with Management, focusing on properties which registered higher fair value gains/losses during the period under review and key drivers for the changes.
	The valuation of investment properties was also an area of focus for the external auditors. The ARC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the underlying key assumptions applied in the valuation of investment properties.
	The ARC was satisfied with the valuation process, the methodologies used and the valuation for investment properties as adopted and disclosed in the financial statements.

The Manager confirms, on behalf of CLCT, that CLCT complies with Rules 712 and 715 of the Listing Manual.

Internal Audit
The Manager has in place an internal audit function supported by CLI's Internal Audit Department (CLI IA). CLI IA is independent of the activities it audits and has unfettered access to the CLCT Group's documents, records, properties and employees, including access to the ARC, and has appropriate standing with respect to the Manager. The primary reporting line of CLI IA in respect of the CLCT Group is to the ARC, however, the ARC does not decide on the appointment, termination and remuneration of the head of CLI IA as it operates at the CLI group level. While this is a deviation from Provision 10.4 of the Code which requires the ARC to decide on the appointment, termination and remuneration of the head of the internal audit function, CLI IA is able to carry out its role effectively for the reasons below and is accordingly consistent with the intent of Principle 10 of the Code.

The ARC monitors and assesses the role and effectiveness of the internal audit function through reviewing the internal audit process from time to time and may make recommendations to the Board for any changes to the internal audit process. The ARC also reviews to ensure that the IA function is adequately resourced and skilled in line with the nature, size and complexity of the Manager and CLCT's business, and that an adequate budget is allocated to the internal audit function to assure its proper functioning. In respect of FY 2023, the ARC has carried out a review of the internal audit function and is satisfied that the internal audit function performed by CL IA is adequately resourced, effective and independent. In addition, CLI IA has passed the quality assurance review conducted by an external independent auditor.

CLI IA formulates its internal audit plan in consultation with, but independently of, Management and its plan is submitted to the ARC for approval prior to the beginning of each year. CLI IA adopts a risk-based approach in formulating the audit plan that aligns its activities to the key strategies and risks across the CLCT Group's business. The reviews performed by CLI IA are focused on assisting the Board in promoting sound risk management, robust internal controls and good corporate governance, through assessing the design and effectiveness of operating controls that govern key business processes and risks identified in the overall risk framework of the CLCT Group. CLI IA also reviews compliance with the CLCT Group's policies, procedures and regulatory responsibilities, performed in the context of financial and operational and information system reviews.

During FY 2023, the ARC reviewed the results of audits performed by CLI IA based on the approved audit plan. All findings are reported to Management and the ARC, with highlights on any significant findings. CLI IA also reviews the status of implementation of the audit recommendations and whether there are any past due items, and reports the same to Management and the ARC. The ARC also reviewed reports on whistle blower complaints reviewed by CLI IA to ensure independent and thorough investigation and adequate follow-up. The ARC also received reports on Interested Person Transactions reviewed by CLI IA that these transactions were on normal commercial terms and were not prejudicial to the interests of CLCT and its minority Unitholders.

The ARC notes that the CLI IA is independent, effective, adequately resourced and staffed with persons with the relevant qualifications and experience. CLI IA is a corporate member of The Institute of Internal Auditors Inc. (IIA), Singapore, which is an affiliate of the IIA with its headquarters in the United States of America (USA). CLI IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by the IIA, and has incorporated these Standards into its audit practices.

To ensure that internal audits are performed by competent professionals, CLI IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. For instance, CLI IA staff who are involved in IT audits have the relevant professional IT certifications and are also members of the ISACA Singapore Chapter, a professional body administering information systems audit and information security certifications that is headquartered in the USA. The ISACA Information Systems Auditing Standards provide guidance on the standards and procedures to be applied in IT audits. CLI IA identifies and provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

UNITHOLDER RIGHTS AND ENGAGEMENT

Principles 11, 12 and 13: Shareholder Rights and Conduct of General Meetings, Engagement with Shareholders, Managing Stakeholder Relationships

The Manager is committed to treating all Unitholders fairly and equitably. All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions.

General Meetings
CLCT supports the principle of encouraging Unitholder participation and voting at general meetings. CLCT's Annual Report is provided to Unitholders within 120 days from the end of CLCT's financial year. Unitholders may download the Annual Report (printed copies of the Annual Report are available upon request) and notice of general meeting from the Website. These documents are also available on SGXNet. More than the legally required notice period for general meetings is generally provided. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying letter or circular (if any) issued to Unitholders in respect of the matter(s) for approval at the general meeting. This enables Unitholders to exercise their votes on an informed basis. To safeguard the Unitholders' interests and rights, a separate resolution is proposed for each substantially separate matter to be approved at a general meeting, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the reasons and material implications will be explained in the notice of meeting to enable Unitholders to make an informed decision. Further, if the resolution is in respect of an interested person transaction, the interested person (as defined in the Listing Manual) will be required to abstain from such voting.

CLCT's AGM in FY 2023 (AGM 2023) was held by way of a physical meeting. Unitholders were able to submit questions to the chairman of the meeting in advance of the AGM, and substantial and relevant questions received from Unitholders were addressed before the AGM via publication on the Website and on the SGXNet, or at the meeting. Unitholders could vote at the AGM themselves or through duly appointed proxy(ies). Unitholders, who did not wish to, or were unable to, attend the AGM 2023 in person but who wished to only watch the AGM proceedings were able to do so remotely by accessing CLCT's live webcast of the AGM 2023 if they had registered to do so. Further information on the arrangements relating to the conduct of the AGM 2023 was provided in the Notice of AGM dated 27 March 2023. All Directors (including the CEO who is also a Director) attended the AGM 2023 either in-person or via electronic means. A record of the Directors' attendance at the AGM 2023 can be found in the record of their attendance at general meeting(s) and Board and Board Committee meetings for FY 2023 set out on page 144 of this Annual Report.

The upcoming AGM, which is to be held on 22 April 2024, will be held both physically and by electronic means. Additional measures have been put in place for Unitholders who are not physically present at the AGM to be able to ask questions live and vote live at the AGM. Further details on the arrangements put in place for the conduct of the upcoming AGM are set out in CLCT's Notice of AGM dated 28 March 2024.

The description below sets out CLCT's usual practice for Unitholders' meetings.

Unitholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate Unitholder, through its appointed representative). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of CLCT.

At AGMs, Management makes a presentation to Unitholders to update them on CLCT's performance, position and prospects. The presentation materials are made available to Unitholders on the Website and also on SGXNet.

Unitholders are informed of the rules governing general meetings and are given the opportunity to communicate their views, ask questions and discuss with the Board and Management on matters affecting CLCT. Representatives of the Trustee, Directors (including the chairman of the respective Board Committees), key management personnel and the external auditors of CLCT, are present for the entire duration of the AGMs to address any queries that the Unitholders may have, including queries about the conduct of CLCT's external audit and the preparation and contents of the external auditors' report. Directors and Management also interact with Unitholders after the AGMs.

To ensure transparency in the voting process and better reflect Unitholders' interests, CLCT conducts electronic poll voting for all the resolutions proposed at general meetings. One Unit is entitled to one vote. Voting procedures and the rules governing general meetings are explained and vote tabulations are disclosed at the general meetings.

An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed 'live' on-screen to Unitholders after each resolution is voted on at the general meetings. The total number of votes cast for or against each resolution and the respective percentages are also announced on SGXNet after the general meetings.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. CLCT's Trust Deed currently does not permit Unitholders to vote at general meetings in absentia (such as via mail or email). The Manager will consider implementing the relevant amendments to CLCT's Trust Deed to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and the authentication of the identity of Unitholders through the internet will not be compromised, and after the implementation of legislative changes to recognise remote voting. The Manager is of the view that despite the deviation from Provision 11.4 of the Code, Unitholders nevertheless have opportunities to communicate their views on matters affecting CLCT even when they are not in attendance at general meetings. For example, Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

Minutes of the general meetings recording the substantial and relevant comments made, questions raised and answers provided, are prepared and are available to Unitholders for their inspection upon request. Minutes of general meetings are also made available on the Website. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the Code.

Distribution Policy
CLCT's distribution policy is to distribute at least 90.0% of its taxable income (other than gains from the sale of real estate properties by CLCT which are determined to be trading gains), with the actual level of distribution to be determined at the Manager's discretion. Distributions are generally paid within 35 market days after the relevant record date.

Timely Disclosure of Information
The Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of CLCT's performance and any changes in the CLCT Group or its business which would likely materially affect the price or value of the Units. This is achieved through posting announcements and news releases on SGXNet on a timely and consistent basis. These announcements and news releases are also posted at the Website.

For FY 2023, the Manager provided Unitholders with half year and full year financial statements within the relevant periods prescribed by the Listing Manual. These half year and full year financial statements were reviewed and approved by the Board prior to release to Unitholders by announcement on SGXNet. The release of half year and full year financial statements were accompanied by news releases issued to the media and which were also made available on SGXNet. In presenting half year and full year financial statements to Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of CLCT and the CLCT Group's performance, position and prospects.

Apart from the announcements of half year and full year financial statements in FY 2023, in keeping with the Manager's commitment to provide its Unitholders with information promptly, the Manager also provided Unitholders, on a voluntary basis, with quarterly business updates in between these announcements. Such business updates contained, among other things, information on the CLCT Group's key operating and financial metrics.

In addition to the release of half year and full year financial statements, the Manager also keeps CLCT's Unitholders, stakeholders and analysts informed of the performance and changes in the CLCT Group or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions. This is performed through the release on SGXNet of announcements in compliance with regulatory reporting requirements and news releases for the media, on a timely and consistent basis. These announcements and news releases are also posted on the Website. In addition, the Manager also conducts analysts' and media briefings, and the materials used for such briefings are uploaded on SGXNet.

The Manager has a formal policy on corporate disclosure controls and procedures to ensure that CLCT complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate the decision-making process and an obligation on internal reporting of the decisions made.

The Manager believes in conducting the business of CLCT in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for CLCT and the Manager's accountability to Unitholders for CLCT's performance. Prompt fulfilment of statutory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the Manager.

Investor Relations
The Manager has in place an Investor Relations department which facilitates effective communication with Unitholders and analysts. The Manager also maintains the Website which contains information on CLCT including but not limited to its Prospectus, current and past announcements and news releases, financial statements, investor presentations and Annual Reports.

The Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place a Unitholders' Communication and Investor Relations Policy which allows for an ongoing exchange of views so as to promote regular, effective and fair communications with Unitholders. The Unitholders' Communication and Investor Relations Policy, which sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions, is available on the Website. Unitholders are welcomed to engage with the Manager beyond general meetings and they may do so by contacting the Investor Relations department whose details may be found on the Website via the Manager Contacts channel on the Website.

More information on the Manager's investor and media relations efforts can be found in the Investor Relations section on pages 49 to 51 of this Annual Report.

The Manager also has in place a corporate communications function supported by CLI's Group Communications department which works closely with the media and oversees CLCT's media communications efforts.

Managing Stakeholder Relationships
The Board's role includes considering sustainability as part of its strategic formulation. The Manager adopts an inclusive approach for CLCT by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of CLCT are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in CLCT's business strategies and operations. The Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on the sustainability issues most important to them and to manage its relationships with such groups. Such arrangements include maintaining the Website, which is kept updated with current information, to facilitate communication and engagement with CLCT's stakeholders.

More details of CLCT's sustainability approach, environmental policies and stakeholder engagements can be found on pages 96 to 102 of this Annual Report.

ADDITIONAL INFORMATION

Executive Committee
In addition to the ARC and NRC, the Board has also established an EC.

As at the date of this Annual Report, the EC comprises the CEO and two non-executive Directors, namely Ms Quah Ley Hoon (EC chairman) and Mr Puah Tze Shyang.

The EC oversees the day-to-day activities of the Manager and that of CLCT, on behalf of the Board. The EC is guided by its terms of reference, in particular, the EC:

(a) approves specific budgets for capital expenditure on development projects, acquisitions and enhancements/upgrading of properties within its approved financial limits;
(b) reviews management reports and operating budgets; and
(c) awards contracts for development projects.

The EC held one meeting in FY 2023 and the members of the EC also meet informally during the course of the year.

Dealings with Interested Persons

Review Procedures for Interested Person Transactions

The Manager has established internal control procedures to ensure that all Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties, and are not prejudicial to the interests of CLCT and Unitholders. In respect of such transactions, the Manager would have to demonstrate to the ARC that such transactions are undertaken on normal commercial terms and are not prejudicial to the interests of CLCT and Unitholders which may include obtaining (where practicable) third party quotations or obtaining valuations from independent valuers (in accordance with applicable provisions of the Listing Manual and the Property Funds Appendix). The internal control procedures also ensure compliance with Chapter 9 of the Listing Manual and the Property Funds Appendix. In particular, the procedures in place include the following:

Interested Person Transactions[i]	Approving Authority, Procedures and Disclosure
S$100,000 and above per transaction (which singly, or when aggregated with other transactions[ii] with the same Interested Person in the same financial year is less than 3.0% of CLCT's latest audited net tangible assets/net asset value)	• Management • Audit and Risk Committee
Transaction[ii] which: (a) is equal to or exceeds 3.0% of CLCT's latest audited net tangible assets/net asset value; or (b) when aggregated with other transactions[ii] with the same Interested Person in the same financial year is equal to or exceeds 3.0% of CLCT's latest audited net tangible assets/net asset value	• Management • Audit and Risk Committee • Immediate announcement
Transaction[ii] which: (a) is equal to or exceeds 5.0% of CLCT's latest audited net tangible assets/net asset value; or (b) when aggregated with other transactions[ii,iii] with the same Interested Person in the same financial year is equal to or exceeds 5.0% of CLCT's latest audited net tangible assets/net asset value	• Management • Audit and Risk Committee • Immediate announcement • Unitholders[iii]

i This table does not include the procedures applicable to Interested Person Transactions falling under the exceptions set out in Rules 915 and 916 of the Listing Manual.

ii Any transaction of less than S$100,000 in value is disregarded.

iii In relation to approval by Unitholders for transactions that are equal to or exceed 5.0% of CLCT's latest audited net tangible assets/net asset value (whether singly or aggregated), any transaction which has been approved by Unitholders, or is the subject of aggregation with another transaction that has been approved by Unitholders, need not be included in any subsequent aggregation.

A summary of Interested Person Transactions entered into within the financial year will be submitted by the Manager to the Trustee, and submitted by CLI IA to the ARC for review on an annual basis. Guidelines and procedures established to monitor Interested Person Transactions will be audited by CLI IA on a periodic basis.

Role of the Audit and Risk Committee for Interested Person Transactions

The Manager's internal control procedures are intended to ensure that Interested Person Transactions are conducted at arm's length, on normal commercial terms and are not prejudicial to CLCT and Unitholders' interests.

The Manager maintains a register to record all Interested Person Transactions which are entered into by CLCT (and the basis on which they are entered into, including the quotations obtained to support such basis). All Interested Person Transactions are subject to regular periodic reviews by the ARC, which in turn obtains advice from CLI IA, to ascertain that the guidelines and procedures established to monitor Interested Person Transactions, including the relevant provisions of the Listing Manual and the Property Funds Appendix, as well as any other guidelines which may from time to time be prescribed by the SGX-ST, MAS or other relevant authorities, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction. In addition, the Trustee also reviews such audit reports to ascertain that the Listing Manual and the Property Funds Appendix have been complied with.

Details of all Interested Person Transactions (equal to or exceeding S$100,000 each in value) entered into by CLCT in FY 2023 are disclosed on pages 224 to 225 of this Annual Report.

Dealing with Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Manager (including its Directors, key management personnel and employees) may encounter in managing CLCT:

(a) the Manager is a dedicated manager to CLCT and will not manage any other REIT or be involved in any other real property business;

(b) all resolutions at meetings of the Board in relation to matters concerning CLCT must be decided by a majority vote of the Directors, including at least one ID;

(c) in respect of matters in which CLI and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CLI and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CLI and/or its subsidiaries;

(d) in respect of matters in which a Director or his or her associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s);

(e) if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CLCT with an affiliate of the Manager, the Manager is obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CLCT, has a prima facie case against the party allegedly in breach under such agreement, the Manager is obliged to pursue the appropriate remedies under such agreement; and

(f) at least one-third of the Board shall comprise IDs.

In respect of voting rights where the Manager would face a conflict between its own interests and that of Unitholders, the Manager shall cause such voting rights to be exercised according to the discretion of the Trustee.

Dealings in Securities

The Manager has adopted a securities dealing policy for the officers and employees which applies the best practice recommendations in the Listing Manual. Under this policy, Directors and employees of the Manager as well as certain relevant executives of the CLI group (together, the Relevant Persons) are required to refrain from dealing in CLCT's securities (i) while in possession of material unpublished price-sensitive information, and (ii) during the one-month period immediately preceding, and up to the time of each announcement of CLCT's half year and full year financial statements. Prior to the commencement of each relevant black-out period, an email would be sent to all the Relevant Persons to inform them of the duration of the black-out period. The Manager also does not deal in CLCT's securities during the same black-out period. In addition, Directors and certain employees identified as "key insiders" are prohibited from dealing in the securities of CLCT, except during the open trading window (being one calendar month commencing from the relevant date of announcement of CLCT's half year or full year financial statements), provided that they are not in possession of undisclosed material or price-sensitive information. Employees and Capital Markets Services Licence Appointed Representatives (CMSL Representatives) of the Manager are also required to give a pre-trading notification to the CEO and the Compliance department before any dealing in CLCT's securities.

This policy also provides for the Manager to maintain a list of persons who are privy to price-sensitive information relating to the CLCT Group as and when circumstances require such a list to be maintained.

Directors and employees of the Manager are also required to refrain from dealing in CLCT's securities if they are in possession of unpublished price-sensitive information of CLCT arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in CLCT's securities.

Under this policy, Directors and employees of the Manager are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

A Director is required to notify the Manager of his or her interest in CLCT's securities within two business days after (a) the date on which he or she becomes a Director or (b) the date on which he or she acquires an interest in CLCT's securities. A Director is also required to notify the Manager of any change in his or her interests in CLCT's securities within two business days after he or she becomes aware of such change.

Dealings by the Directors are disclosed in accordance with the requirements in the SFA and the Listing Manual. In FY 2023, based on the information available to the Manager, save as disclosed in accordance with such requirements and other than the awards of Units in part payment of Directors' fees, there were no dealings by the Directors in CLCT's securities.

Code of Business Conduct

The Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place.

The policies and guidelines are published on CLI group's intranet, which is accessible by all employees of the Manager. The policies that the Manager has implemented aim to help to detect and prevent occupational fraud in mainly three ways, as set out below.

First, the Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face.

Second, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.

Finally, the Manager seeks to build and maintain the right organisational culture through its core values and educate its employees on good business conduct and ethical values.

Fraud, Bribery and Corruption Risk Management Policy

In line with its core values, the Manager is committed to doing business with integrity. This is reflected in its longstanding zero tolerance stance against fraud, bribery and corruption. Consistent with this commitment, various policies and guidelines are in place to guide all employees of the Manager to maintain the highest standards of integrity in their work and business dealings. This includes clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, and an annual pledge by all employees of the Manager to uphold the Manager's core values and to not engage in any corrupt or unethical practices. The Manager's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. Pursuant to this policy, the Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions.

The Manager's employees adhere to CLI's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the strong stance against fraud, bribery and corruption, and sets the overarching approach and standards in managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The Manager's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions.

Whistle-Blowing Policy

A whistle-blowing policy applicable to the Manager has been put in place which sets out the procedures for the Manager's employees and parties who have dealings with the Manager to make a report to the Manager on misconduct or wrongdoings relating to the Manager and its officers. Procedures are put in place to provide such employees and parties with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow-up action. The Manager ensures that the identity of the whistle-blower is kept confidential. The objective of this policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal. The Manager is committed to ensuring protection of the whistle-blower against detrimental or unfair treatment. The ARC is responsible for oversight and monitoring of the investigation of whistle-blowing reports made in good faith at its scheduled meetings. Independent, thorough investigation and appropriate follow-up actions are taken. The outcome of each investigation is reported to the ARC. All employees of the Manager are informed of this policy which is made available on CLI group's intranet.

Business Continuity Management
The Manager has implemented a Business Continuity Management (BCM) programme that puts in place the prevention, detection, response and, business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events on the CLCT Group's operations and also has in place a Business Continuity Plan (BCP). Under the BCP, Management has identified the critical business functions, processes and resources, and is able to tap on a pool of CLI group's employees who are trained under a Business Psychological Resilience Programme to provide peer support to colleagues following the occurrence of adverse events. As part of the BCP, periodic desktop exercises and drills simulating different scenarios, are carried out to stress-test the effectiveness of processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber attacks, data breaches and epidemics. This approach aims to minimise financial loss to CLCT, allow the Manager to continue to function as the manager of CLCT and mitigate any negative effects that the disruptions could have on the Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations. The Manager has also acquired insurance policies for the CLCT Group on business interruption events.

Anti-Money Laundering and Countering the Financing of Terrorism Measures
As a holder of a Capital Markets Services Licence issued by MAS, the Manager abides by the MAS' guidelines on the prevention of money laundering and countering the financing of terrorism. Under these guidelines, the main obligations of the Manager are:

(a) evaluation of risk;
(b) customer due diligence;
(c) suspicious transaction reporting;
(d) record keeping;
(e) employee and CMSL Representative screening; and
(f) training.

The Manager has in place a policy on the prevention of money laundering and terrorism financing and remains alert at all times to suspicious transactions. Enhanced due diligence checks are performed on counterparties where there is a suspicion of money laundering or terrorism financing. Suspicious transactions will also be reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department.

Under this policy, all relevant records or documents relating to business relations with the CLCT Group's customers or transactions entered into must be retained for a period of at least five years following the termination of such business relations or the completion of such transactions.

All prospective employees, officers and CMSL Representatives of the Manager are also screened against various money laundering and terrorism financing information sources and lists of designated entities and individuals provided by MAS. Periodic training is provided by the Manager to its Directors, employees and CMSL Representatives to ensure that they are updated and aware of applicable anti-money laundering and countering of terrorism financing regulations, the prevailing techniques and trends in money laundering and terrorism financing and the measures adopted by the Manager to combat money laundering and terrorism financing.

Global Sanctions Compliance
As an organisation, the Manager is committed to carrying on business in accordance with the highest ethical standards. This includes complying with the sanctions laws and regulations of Singapore and the United Nations (UN). Due to the international nature of the CLCT Group's business, the transactions the CLCT Group engages in may be subject to unilateral sanctions imposed by relevant government authorities which apply across borders.

To help ensure that the Manager and its directors, employees and officers and other third parties acting on its behalf or any entity within the CLCT Group fully complies with all sanctions applicable to the CLCT Group's business activities, the Manager abides by a policy to comply with sanctions. The policy sets out the sanctions risk appetite and the risk management framework to help directors, employees and third parties identify the areas where breaches of applicable sanctions laws might arise and to support them in making the right decisions in line with the corporate position as stated in the policy and in the process establish a consistent approach for the Manager's response to sanctions laws and regulations.

COMPOSITION OF BOARD COMMITTEES IN FY 2023

Board Members	Audit and Risk Committee	Executive Committee	Nominating and Remuneration Committee
Soh Kim Soon, C			C
Tan Tze Wooi, CEO		M	
Neo Poh Kiat	C		M
Kuan Li Li[i]	M		
Ong Seow Eng	M		
Tay Hwee Pio	M		
Tan Tee How[ii]			M
Wan Mei Kit[iii]	M		
Lim Cho Pin Andrew Geoffrey[iv]		C	M
Quah Ley Hoon[v]		C	M
Puah Tze Shyang		M	

Denotes:
C – Chairman
M – Member
CEO – Chief Executive Officer
i Ms Kuan Li Li retired as non-executive ID and relinquished her role as ARC member with effect from 1 January 2024.
ii Mr Tan Tee How was appointed as a non-executive ID with effect from 1 August 2023 and as a NRC member with effect from 1 January 2024.
iii Ms Wan Mei Kit was appointed as a non-executive ID on 1 October 2023 and a ARC member with effect from 1 January 2024.
iv Mr Lim Cho Pin Andrew Geoffrey retired as non-executive non-independent Director and relinquished his roles as EC Chairman and NRC member with effect from 16 June 2023.
v Ms Quah Ley Hoon was appointed as non-executive non-independent Director, EC Chairman and NRC member with effect from 16 June 2023.

ATTENDANCE RECORD OF MEETINGS OF UNITHOLDERS, BOARD AND BOARD COMMITTEES IN FY 2023[i]

Board Members	Board	Audit and Risk Committee	Nominating and Remuneration Committee	Executive Committee[ii]	AGM
No. of Meetings Held	6	5	4	1	1
Soh Kim Soon, C	100%	N.A.	100%	N.A.	100%
Tan Tze Wooi, CEO	100%	N.A.	N.A.	100%	100%
Neo Poh Kiat	100%	100%	100%	N.A.	100%
Kuan Li Li[iii]	100%	100%	N.A.	N.A.	100%
Ong Seow Eng	100%	100%	N.A.	N.A.	100%
Tay Hwee Pio	100%	100%	N.A.	N.A.	100%
Tan Tee How[iv]	100%	N.A.	N.A.	N.A.	N.A.
Wan Mei Kit[iv]	100%	N.A.	N.A.	N.A.	N.A.
Lim Cho Pin Andrew Geoffrey[v]	100%	N.A.	67%	100%	100%
Quah Ley Hoon[vi]	100%	N.A.	100%	100%	N.A.[vi]
Puah Tze Shyang	100%	N.A.	N.A.	100%	100%

Denotes:
C - Chairman
CEO - Chief Executive Officer
N.A. - Not Applicable
i All Directors are required to attend general meetings and Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the general meetings and Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
ii Given the nature and scope of the work of the EC, most of their business was discussed/transacted primarily through conference call, correspondence and informal meetings.
iii Ms Kuan Li Li retired as non-executive ID and relinquished her role as ARC member with effect from 1 January 2024.
iv Mr Tan Tee How and Ms Wan Mei Kit attended all Board meetings held after their appointment as Director.
v Mr Lim Cho Pin Andrew Geoffrey retired as non-executive non-independent Director, EC Chairman and NRC member with effect from 16 June 2023. He attended two out of three NRC meetings held before he stepped down as NRC member.
vi Ms Quah Ley Hoon was appointed as non-executive non-independent Director, EC Chairman and NRC member with effect from 16 June 2023 (which was after the AGM held in 2023). She attended all Board and Board Committee meetings held after her appointment as Director.

CEO'S REMUNERATION

CEO'S REMUNERATION TABLE FOR FY 2023

Remuneration	Components of remuneration			
	Salary and employer's CPF	Bonus and other benefits inclusive of employer's CPF[i]	Award of Units[ii]	Total
CEO				
Tan Tze Wooi	41%	27%	32%	100%

Remuneration band for CEO: Above $1,000,000 to $1,250,000

i The amounts disclosed include bonuses earned which have been accrued for in FY 2023.
ii Includes contingent performance Unit awards made during the year pursuant to the Performance Unit Plan (PUP) which are subject to the achievement of pre-determined performance conditions and vesting period. Also includes time-based deferred units awarded pursuant to the Restricted Unit Plan as part of the FY 2023 performance bonus.

NON-EXECUTIVE DIRECTORS' REMUNERATION TABLE FOR FY 2023

Board Members	Components of Directors' fees[i,ii] (S$)		
	Cash component	Unit component[ii]	Total (S$)
NON-EXECUTIVE DIRECTORS			
Soh Kim Soon	118,400	29,600	148,000
Neo Poh Kiat	102,400	25,600	128,000
Kuan Li Li[iii]	92,000	0	92,000
Ong Seow Eng	73,600	18,400	92,000
Tay Hwee Pio	73,600	18,400	92,000
Tan Tee How[iv]	19,786	4,946	24,732
Wan Mei Kit[iv]	11,898	2,974	14,872
Lim Cho Pin Andrew Geoffrey[v]	N.A.[vii]	N.A.[vii]	N.A.[vii]
Quah Ley Hoon[vi]	N.A.[vii]	N.A.[vii]	N.A.[vii]
Puah Tze Shyang	N.A.[vii]	N.A.[vii]	N.A.[vii]

Aggregate of remuneration for Non-Executive Directors: S$591,604

Denotes:
N.A. – Not Applicable
i Inclusive of attendance fees for overseas meeting (if any) of (a) S$3,000 per trip for travel within the region; and (b) S$10,000 per trip for travel outside the region.
ii Each non-executive Director (save for non-executive Directors who are employees of CLI group) shall receive up to 20% of his or her Director's fees in the form of Units (subject to truncation adjustments). The remainder of the Director's fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Manager from the Units it holds.
iii Ms Kuan Li Li retired from the Board and ARC with effect from 1 January 2024. Fees are received by Ms Kuan fully in cash.
iv Mr Tan Tee How was appointed to the Board on 1 August 2023 and Ms Wan Mei Kit was appointed to the Board on 1 October 2023. Fees received by Mr Tan and Ms Wan are pro-rated accordingly.
v Mr Lim Cho Pin Andrew Geoffrey retired from the Board, EC and NRC with effect from 16 June 2023.
vi Ms Quah Ley Hoon was appointed to the Board, EC and NRC on 16 June 2023.
vii Non-executive Directors who are employees of CLI group do not receive Directors' fees.

CONTENTS

Other Information

REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of CapitaLand China Trust (the "Trust") in trust for the Unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of CapitaLand China Trust Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed dated 23 October 2006 (as amended by a first supplemental deed dated 8 November 2006, a second supplemental deed dated 15 April 2010, a third supplemental deed dated 5 April 2012, a fourth supplemental deed dated 14 February 2014, a fifth supplemental deed dated 6 May 2015, a sixth supplemental deed dated 29 April 2016, a seventh supplemental deed dated 5 June 2018, an eighth supplemental deed dated 17 April 2019, a ninth supplemental deed dated 2 April 2020, a first amending and restating deed dated 20 October 2020, a tenth supplemental deed dated 26 January 2021 and an eleventh supplemental deed dated 31 August 2023) (collectively the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the year covered by these financial statements, set out on pages 153 to 223, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore
7 March 2024

STATEMENT BY THE MANAGER

In the opinion of the directors of CapitaLand China Trust Management Limited (the "Manager"), the accompanying financial statements set out on pages 153 to 223 comprising the consolidated statement of financial position and consolidated portfolio statement of the CapitaLand China Trust (the "Trust") and its subsidiaries (the "Group") and the statement of financial position of the Trust as at 31 December 2023, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in Unitholders' funds and consolidated statement of cash flows of the Group and the statement of movements in Unitholders' funds of the Trust for the year then ended, and a summary of material accounting policy information and other explanatory information, are drawn up so as to present fairly, in all material respects, the consolidated financial position and the portfolio holdings of the Group and the financial position of the Trust as at 31 December 2023 and the consolidated total return, consolidated distributable income, consolidated movements in Unitholders' funds and consolidated cash flows of the Group and the movements in Unitholders' funds of the Trust for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *"Reporting Framework for Investment Funds"* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
CapitaLand China Trust Management Limited

Tan Tze Wooi
Director

Singapore
7 March 2024

INDEPENDENT AUDITORS' REPORT

Unitholders of CapitaLand China Trust
(Constituted under a trust deed dated 23 October 2006 (as amended) in the Republic of Singapore)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CapitaLand China Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position and consolidated portfolio statement of the Group and the statement of financial position of the Trust as at 31 December 2023, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in Unitholders' funds and consolidated statement of cash flows of the Group and the statement of movements in Unitholders' funds of the Trust for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 153 to 223.

In our opinion, the accompanying consolidated financial statements of the Group, and the statement of financial position and statement of movements in Unitholders' funds of the Trust present fairly, in all material respects, the consolidated financial position and the portfolio holdings of the Group and the financial position of the Trust as at 31 December 2023 and the consolidated total return, consolidated distributable income, consolidated movements in Unitholders' funds and consolidated cash flows of the Group and the movements in Unitholders' funds of the Trust for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Investment Funds*" ("RAP 7") issued by the Institute of Singapore Chartered Accountants.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties

(Refer to Portfolio Statement and Note 4 to the financial statements)

Risk

Investment properties (excluding assets held for sale) represent the largest asset item on the consolidated statement of financial position, at $4.5 billion as at 31 December 2023 (2022: $4.9 billion).

The investment properties are stated at their fair value based on independent external valuations.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied and a small change in the assumptions can have a significant impact to the valuation.

The valuation reports obtained from one of the independent valuers for certain of the properties contain the "material valuation uncertainty" clause as China's economic growth remained underwhelming and the economic recovery is being weighed down by a worsening property slump. Given the shortage of market evidence on which to base judgement, less certainty, and a higher degree of caution, should be attached to their valuations than would normally be the case. This clause does not invalidate the valuations, but implies that there is substantially more uncertainty than under normal market conditions.

Our response

We evaluated the qualifications, competence and objectivity of the external valuers and held discussions with the valuers to understand their valuation methodologies and assumptions used.

We considered the valuation methodologies used against those applied by other valuers for similar property types and the requirements under the listing rules and property fund guidelines. We tested the integrity of the significant data inputs applied in the projected cash flows used in the valuation to supporting leases and other documents. We challenged the key assumptions used in the valuations, which included capitalisation, discount and terminal yield rates by comparing them against historical rates and available industry data, taking into consideration comparability and market factors.

We also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions in the estimates. This includes the relationships between the key unobservable inputs and fair values, in conveying the uncertainties.

Our findings

The valuers are members of recognised professional bodies for valuers and have considered their own independence in carrying out their work.

The valuation methodologies adopted by the valuers are in line with generally accepted market practices and meet the requirements under the listing rules and property fund guidelines. The significant data inputs used were supported by relevant supporting documents. The key assumptions used in the valuations, including the projected cash flows, discount rates and terminal capitalisation rates were supported by the evidence available and are within the range of industry and market data. Where the assumptions were outside the expected range, the additional factors considered by the valuers were consistent with other corroborative evidence. The disclosures in the financial statements are appropriate.

Other information

CapitaLand China Trust Management Limited, the Manager of the Trust (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Yap Wee Kee.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
7 March 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000	Trust 2023 $'000	Trust 2022 $'000
Non-current assets					
Investment properties	4	**4,543,213**	4,909,377	**-**	–
Plant and equipment	5	**2,155**	2,979	**-**	–
Subsidiaries	6	**-**	–	**2,866,926**	2,941,302
Financial derivatives	7	**15,573**	41,559	**15,573**	41,559
Other receivables	8	**1,073**	1,204	**-**	–
		4,562,014	4,955,119	**2,882,499**	2,982,861
Current assets					
Non-trade amounts due from subsidiaries	6	**-**	–	**1,897**	4,390
Financial derivatives	7	**4,654**	2,805	**4,654**	2,805
Trade and other receivables	8	**24,444**	37,134	**647**	173
Cash and cash equivalents	9	**243,464**	231,048	**1,208**	2,157
		272,562	270,987	**8,406**	9,525
Assets held for sale	10	**161,183**	–	**-**	–
		433,745	270,987	**8,406**	9,525
Total assets		**4,995,759**	5,226,106	**2,890,905**	2,992,386
Current liabilities					
Trade and other payables	11	**147,239**	130,671	**47,020**	42,655
Security deposits		**48,268**	49,161	**-**	–
Interest-bearing borrowings	12	**131,008**	326,140	**109,468**	283,765
Lease liabilities	13	**41**	4,997	**-**	–
Provision for taxation		**10,768**	6,472	**-**	–
		337,324	517,441	**156,488**	326,420
Liabilities held for sale	10	**30,657**	–	**-**	–
		367,981	517,441	**156,488**	326,420
Non-current liabilities					
Financial derivatives	7	**5,349**	825	**5,349**	825
Other payables	10	**6,955**	6,969	**111,630**	–
Security deposits		**49,183**	57,020	**-**	–
Interest-bearing borrowings	12	**1,820,076**	1,619,800	**1,495,588**	1,405,048
Lease liabilities	13	**-**	138	**-**	–
Deferred tax liabilities	14	**329,449**	340,871	**-**	–
		2,211,012	2,025,623	**1,612,567**	1,405,873
Total liabilities		**2,578,993**	2,543,064	**1,769,055**	1,732,293
Net assets		**2,416,766**	2,683,042	**1,121,850**	1,260,093
Represented by:					
Unitholders' funds	15	**2,039,854**	2,306,231	**1,022,240**	1,160,483
Perpetual securities holders	16	**99,610**	99,610	**99,610**	99,610
Non-controlling interests	17	**277,302**	277,201	**-**	–
		2,416,766	2,683,042	**1,121,850**	1,260,093
Units in issue ('000)	16	**1,688,862**	1,673,893	**1,688,862**	1,673,893
Net asset value per Unit attributable to Unitholders ($)		**1.21**	1.38	**0.61**	0.69

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

STATEMENTS OF TOTAL RETURN

Year ended 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000
Gross rental income		**330,905**	356,441
Other income		**33,841**	26,730
Gross revenue		**364,746**	383,171
Property related tax		**(30,022)**	(30,300)
Business tax		**(1,922)**	(2,138)
Property management fees and reimbursables		**(23,399)**	(25,584)
Other property operating expenses	19	**(62,664)**	(70,933)
Total property operating expenses		**(118,007)**	(128,955)
Net property income		**246,739**	254,216
Manager's management fees	20	**(20,819)**	(21,782)
Trustee's fees		**(683)**	(729)
Audit fees [1]		**(811)**	(693)
Valuation fees		**(123)**	(87)
Other operating (expenses)/income	21	**(254)**	185
Foreign exchange gain – realised		**7,001**	1,083
Finance income		**3,723**	4,169
Finance costs		**(70,394)**	(60,399)
Net finance costs	22	**(66,671)**	(56,230)
Net income		**164,379**	175,963
Loss on liquidation of subsidiary [2]		**–**	(1,831)
Gain on derecognition of lease liabilities [3]		**1,574**	–
Change in fair value of investment properties	4	**(39,769)**	67,845
Change in fair value of financial derivatives		**(1,067)**	1,861
Foreign exchange loss – unrealised		**(141)**	(927)
Total return for the year before taxation		**124,976**	242,911
Taxation	23	**(70,005)**	(87,785)
Total return for the year after taxation		**54,971**	155,126
Attributable to:			
Unitholders		**37,451**	119,618
Perpetual securities holders		**3,375**	3,375
Non-controlling interests	17	**14,145**	32,133
Total return for the year after taxation		**54,971**	155,126
Earnings per Unit (cents)	24		
- Basic		**2.42**	7.36
- Diluted		**2.40**	7.30

(1) Relates to audit and audit related fees paid or payable to auditors of the Group. There is no non-audit fees incurred for both years.

(2) For 2022, the liquidation relates to the deconsolidation of the Group's subsidiary, CapitaRetail China Investments (B) Gamma Pte. Ltd., following the company's voluntary deregistration with the Corporate Affairs and Intellectual Property Office of Barbados which was completed on 10 Nov 2022.

(3) This relates to CapitaMall Qibao as the mall had ceased operations since end of March 2023.

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

DISTRIBUTION STATEMENTS

Year ended 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000
Amount available for distribution to Unitholders at beginning of the year		**57,978**	30,771
Total return for the year attributable to Unitholders and perpetual securities holders		**40,826**	122,993
Less: Total return attributable to perpetual securities holders		**(3,375)**	(3,375)
Distribution adjustments	A	**75,769**	4,708
Income for the year available for distribution to Unitholders		**113,220**	124,326
Capital distribution [(1)]		**643**	1,289
Amount available for distribution to Unitholders		**171,841**	156,386
Distribution to Unitholders during the year:			
Distribution of 3.74 cents per Unit for the period from 1 January 2023 to 30 June 2023		**(63,164)**	–
Distribution of 3.40 cents per Unit for the period from 1 July 2022 to 31 December 2022		**(56,912)**	–
Distribution of 4.10 cents per Unit for the period from 1 January 2022 to 30 June 2022		**-**	(68,537)
Distribution of 1.80 cents per Unit for the period from 21 October 2021 to 31 December 2021		**-**	(29,871)
		(120,076)	(98,408)
Amount available for distribution to Unitholders at end of the year		**51,765**	57,978
Distribution per Unit ("DPU") [(2)] (cents)		**6.74**	7.50

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

(2) The Distribution per Unit relates to the distributions in respect of the relevant financial year. The distribution relating to 1 July 2023 to 31 December 2023 will be paid within 90 days from the end of the distribution period, in accordance with the provisions of the Trust Deed.

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

Note A – Distribution adjustments

	Group	
	2023	**2022**
	$'000	**$'000**
Distribution adjustment items:		
– Loss on liquidation of subsidiary	**–**	1,831
– Gain on derecognition of lease liabilities[1]	**(1,574)**	–
– Straight line rental and leasing commission adjustments [2]	**3,343**	3,180
– Manager's management fees payable in Units	**14,931**	15,355
– Change in fair value of investment properties [2]	**33,885**	(51,744)
– Change in fair value of financial derivatives	**1,067**	(1,861)
– Deferred taxation [2]	**29,105**	43,650
– Transfer to general reserve [2]	**(7,834)**	(7,756)
– Unrealised foreign exchange loss [2]	**133**	859
– Other adjustments [2]	**2,713**	1,194
Net effect of distribution adjustments	**75,769**	4,708

(1) This relates to CapitaMall Qibao as the mall had ceased operations since end of March 2023.
(2) Excludes non-controlling interest's share.

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

	Group 2023 $'000	Group 2022 $'000	Trust 2023 $'000	Trust 2022 $'000
Operations				
Unitholders' funds as at beginning of the year	**2,306,231**	2,588,199	**1,160,483**	1,210,256
Change in Unitholders' funds resulting from operations	**40,826**	122,993	**(4,691)**	(5,537)
Total return attributable to perpetual securities holders	**(3,375)**	(3,375)	**(3,375)**	(3,375)
Transfer to general reserve	**(7,834)**	(7,756)	**–**	–
Net increase/(decrease) in net assets resulting from operations	**29,617**	111,862	**(8,066)**	(8,912)
Movements in hedging reserve				
Effective portion of changes in fair value of cash flow hedges	**(26,826)**	39,576	**(26,826)**	39,576
Movements in foreign currency translation reserve				
Translation differences from financial statements of foreign operations	**(155,221)**	(341,572)	**–**	–
Exchange differences on monetary items forming part of net investment in foreign operations	**(18,383)**	(19,153)	**–**	–
Exchange differences on hedges of net investment in foreign operations	**(47)**	–	**–**	–
Net (loss)/gain recognised directly in Unitholders' funds	**(200,477)**	(321,149)	**(26,826)**	39,576
Movement in general reserve	**7,834**	7,756	**–**	–
Unitholders' transactions				
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	**14,931**	15,355	**14,931**	15,355
Units issued in respect of the distribution reinvestment plan	**1,794**	2,616	**1,794**	2,616
	16,725	17,971	**16,725**	17,971
Distributions to Unitholders	**(120,076)**	(98,408)	**(120,076)**	(98,408)
Net decrease in net assets resulting from Unitholders' transactions	**(103,351)**	(80,437)	**(103,351)**	(80,437)
Unitholders' funds as at end of the year	**2,039,854**	2,306,231	**1,022,240**	1,160,483
Perpetual securities holders' funds				
Balance as at beginning of the year	**99,610**	99,610	**99,610**	99,610
Amount reserved for distribution to perpetual securities holders	**3,375**	3,375	**3,375**	3,375
Distributions to perpetual securities holders	**(3,375)**	(3,375)	**(3,375)**	(3,375)
Balance as at end of the year	**99,610**	99,610	**99,610**	99,610

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2023

	Group		Trust	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Non-controlling interests				
Balance at beginning of the financial year	**277,201**	266,554	**–**	–
Total return attributable to non-controlling interests	**14,145**	32,133	**–**	–
Dividends paid	**(3,704)**	–	**–**	–
Translation differences from financial statements of foreign operations	**(10,340)**	(21,486)	**–**	–
Balance at end of the year	**277,302**	277,201	**–**	–
Total	**2,416,766**	2,683,042	**1,121,850**	1,260,093

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

PORTFOLIO STATEMENT

Year ended 31 December 2023

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				2023 RMB'000	2022 RMB'000	2023 $'000	2022 $'000	2023 %	2022 %
Group									
Retail Malls									
CapitaMall Xizhimen	No. 1, Xizhimenwai Street, Xicheng District, Beijing	40 – 50	21 – 31	**3,668,000**	3,638,000	**683,532**	706,863	**33.5**	30.7
Rock Square	No. 106-108 Gongye Avenue North, Haizhu District, Guangzhou, Guangdong Province	40	22	**3,410,000**	3,410,000	**635,453**	662,563	**31.2**	28.7
CapitaMall Wangjing	No. 33, Guangshun North Street, Chaoyang District, Beijing	38 – 48	20 – 30	**2,844,000**	2,884,000	**529,979**	560,361	**26.0**	24.3
CapitaMall Grand Canyon	No. 16 South Third Ring West Road, Fengtai District, Beijing	40 – 50	21 – 31	**1,883,000**	1,901,000	**350,897**	369,364	**17.2**	16.0
CapitaMall Xuefu	No. 1 Xuefu Road, Nangang District, Harbin, Heilongjiang Province	40	22	**1,789,000**	1,789,000	**333,380**	347,603	**16.3**	15.0
CapitaMall Xinnan	No. 99, Shenghe First Road, Gaoxin District, Chengdu, Sichuan Province	40	24	**1,460,000**	1,538,000	**272,071**	298,833	**13.3**	13.0
CapitaMall Nuohemule	Block A Jinyu Xintiandi, Ordos Street, Yuquan District, Hohhot, Inner Mongolia Autonomous Region	40	26	**1,030,000**	1,030,000	**191,941**	200,129	**9.4**	8.7
CapitaMall Yuhuating	No. 421 Shaoshan Middle Road, Yuhua District, Changsha, Hunan Province	39	21	**802,000**	800,000	**149,453**	155,440	**7.3**	6.7
CapitaMall Shuangjing[(1)]	No. 31 Guangqu Road, Chaoyang District, Beijing	40	19	**–**	616,000	**–**	119,689	**–**	5.2
CapitaMall Aidemengdun	No. 38 Aidemengdun Road, Daoli District, Harbin, Heilongjiang Province	40	19	**402,000**	424,000	**74,913**	82,383	**3.7**	3.6
Balance carried forward				**17,288,000**	18,030,000	**3,221,619**	3,503,228	**157.9**	151.9

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

PORTFOLIO STATEMENT

Year ended 31 December 2023

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				2023	2022	2023	2022	2023	2022
				RMB'000	RMB'000	$'000	$'000	%	%
Group									
Balance brought forward				**17,288,000**	18,030,000	**3,221,619**	3,503,228	**157.9**	151.9
Retail Malls									
CapitaMall Qibao	No. 3655, Qixin Road, Minhang District, Shanghai	19	–(2)	**–**	29,000	**–**	5,635	**–**	0.2
Business Parks									
Ascendas Xinsu Portfolio	Suzhou Industrial Park, Suzhou, Jiangsu Province	50	24 – 34	**2,340,000**	2,320,000	**436,059**	450,776	**21.4**	19.6
Ascendas Innovation Towers	No. 88 Tiangu Seventh Road, Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province	50	41	**902,000**	902,000	**168,088**	175,259	**8.2**	7.6
Ascendas Innovation Hub	No. 38 Gaoxin Sixth Road, Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province	50	28	**353,000**	353,000	**65,782**	68,588	**3.2**	3.0
Singapore-Hangzhou Science & Technology Park (Phase I)	No. 2 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Qiantang New Area, Hangzhou, Zhejiang Province	50	33	**824,000**	848,000	**153,552**	164,766	**7.5**	7.1
Singapore-Hangzhou Science & Technology Park (Phase II)	No. 20 and 57 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Qiantang New Area, Hangzhou, Zhejiang Province	50	37	**1,043,000**	1,055,000	**194,363**	204,987	**9.6**	8.9
				22,750,000	23,537,000	**4,239,463**	4,573,239	**207.8**	198.3

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

PORTFOLIO STATEMENT

Year ended 31 December 2023

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation 2023 RMB'000	Valuation 2022 RMB'000	Valuation 2023 $'000	Valuation 2022 $'000	Percentage of Unitholders' funds 2023 %	Percentage of Unitholders' funds 2022 %
Group									
Balance brought forward				**22,750,000**	23,537,000	**4,239,463**	4,573,239	**207.8**	198.3
Logistics Parks									
Shanghai Fengxian Logistics Park	No. 435, Haishang Road, Fengxian District, Shanghai	50	36	**598,000**	629,000	**111,437**	122,215	**5.4**	5.3
Wuhan Yangluo Logistics Park	No. 10 Qiuli South Road, Yangluo Development Zone, Xinzhou District, Wuhan, Hubei Province	50	41	**357,000**	384,000	**66,527**	74,611	**3.3**	3.2
Chengdu Shuangliu Logistics Park	No. 86 Tongguan Road, Shuangliu District, Chengdu, Sichuan Province	50	39	**348,000**	357,000	**64,850**	69,365	**3.2**	3.0
Kunshan Bacheng Logistics Park	No. 998 Yuyang Road, Yushan Town, Kunshan, Jiangsu Province	50	41	**327,000**	334,000	**60,936**	64,896	**3.0**	2.9
Investment properties, at valuation (Note 4)				**24,380,000**	25,241,000	**4,543,213**	4,904,326	**222.7**	212.7
Reclassified to assets held for sale									
CapitaMall Shuangjing[(1)]	No. 31 Guangqu Road, Chaoyang District, Beijing	40	19	**842,000**	–	**156,907**	–	**7.7**	–
				25,222,000	25,241,000	**4,700,120**	4,904,326	**230.4**	212.7
Other assets and liabilities (net)						**(2,283,354)**	(2,221,284)	**(111.9)**	(96.3)
						2416,766	2,683,042	**118.5**	116.4
Net assets attributable to perpetual securities holders						**(99,610)**	(99,610)	**(4.9)**	(4.3)
Net assets attributable to non-controlling interests						**(277,302)**	(277,201)	**(13.6)**	(12.1)
Net assets attributable to Unitholders						**2,039,854**	2,306,231	**100.0**	100.0

(1) CapitaMall Shuangjing is classified under held for sale as at 31 December 2023 following the announcement of divestment on 6 December 2023. The completion of the divestment was announced on 23 January 2024.
(2) CapitaMall Qibao had ceased operations since end of March 2023.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000
Operating activities			
Total return for the year after taxation		**54,971**	155,126
Adjustments for:			
Finance income	21	**(3,723)**	(4,169)
Finance costs	21	**70,394**	60,399
Depreciation and amortisation		**1,011**	1,228
Taxation		**70,005**	87,785
Manager's management fees payable in Units	A	**14,931**	15,355
Plant and equipment written off		**104**	33
Gain on derecognition of lease liabilities		**(1,574)**	–
Change in fair value of investment properties	4	**39,769**	(67,845)
Change in fair value of financial derivatives		**1,067**	(1,861)
Loss on liquidation of subsidiary		**–**	1,831
Impairment losses on trade receivables, net		**93**	595
Operating income before working capital changes		**247,048**	248,477
Changes in working capital:			
Trade and other receivables		**9,855**	(11,001)
Trade and other payables		**(18,475)**	(23,306)
Cash generated from operating activities		**238,428**	214,170
Income tax paid		**(32,356)**	(32,089)
Net cash from operating activities		**206,072**	182,081
Investing activities			
Interest received		**3,723**	4,169
Capital expenditure on investment properties		**(37,329)**	(37,996)
Net cash outflow on acquisition of subsidiaries	B	**–**	(9,355)
Deposit received from divestment of subsidiary		**28,465**	–
Purchase of plant and equipment		**(490)**	(786)
Proceeds from disposal of plant and equipment		**2**	7
Net cash used in investing activities		**(5,629)**	(43,961)
Financing activities			
Distribution to Unitholders		**(118,282)**	(95,792)
Distribution to non-controlling interests		**(3,704)**	–
Distribution to perpetual securities holders		**(3,375)**	(3,375)
Payment of equity issue expenses		**–**	(166)
Payment of financing expenses		**(2,085)**	(2,523)
Payment of lease liabilities		**(1,303)**	(3,769)
Proceeds from draw down of interest-bearing borrowings		**715,950**	492,470
Repayment of interest-bearing borrowings		**(699,394)**	(505,185)
Settlement of derivative contracts		**1,688**	1,284
Interest paid		**(67,480)**	(56,452)
Net cash used in financing activities		**(177,985)**	(173,508)
Net increase/(decrease) in cash and cash equivalents		**22,458**	(35,388)
Cash and cash equivalents at 1 January		**231,048**	288,860
Effect of foreign exchange rate changes on cash balances		**(8,666)**	(22,424)
Changes in cash and cash equivalents reclassified to assets held for sale		**(1,376)**	–
Cash and cash equivalents at 31 December	9	**243,464**	231,048

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

Notes:

(A) Significant non-cash and other transactions

$14.9 million of the Manager's management fees (performance and partial base fees) in 2023 will be paid through the issuance of new Units subsequent to the year end.

$15.4 million of the Manager's management fees (performance and partial base fees) in 2022 was paid through the issuance of 13,495,621 new Units in May 2023.

(B) Net cash outflow on the acquisition of subsidiaries

The consideration payable as at 31 December 2021 for the acquisition of the four logistic parks was fully paid in 2022.

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 7 March 2024.

1. GENERAL

CapitaLand China Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 23 October 2006 (as amended by a first supplemental deed dated 8 November 2006, a second supplemental deed dated 15 April 2010, a third supplemental deed dated 5 April 2012, a fourth supplemental deed dated 14 February 2014, a fifth supplemental deed dated 6 May 2015, a sixth supplemental deed dated 29 April 2016, a seventh supplemental deed dated 5 June 2018, an eighth supplemental deed dated 17 April 2019, a ninth supplemental deed dated 2 April 2020, a first amending and restating deed dated 20 October 2020, a tenth supplemental deed dated 26 January 2021, and an eleventh supplemental deed dated 31 August 2023) (collectively the "Trust Deed") between CapitaLand China Trust Management Limited (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust held by it or through its subsidiaries (the "Group") in trust for the holders ("Unitholders") of Units in the Trust (the "Units").

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

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

The principal activities of the subsidiaries are those of investment holding of properties located in China and used for retail, office and industrial purposes.

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

(a) Trustee's fees

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

(b) Manager's management fees

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

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

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

1. GENERAL (continued)

(c) Property management fees

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

Retail:

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

Business Parks[1] / Logistics Parks:

- 1.5% – 3.0% per annum of the gross revenue; and
- (a) a commission equivalent to one (1) time of the monthly gross rent (including service charges and advertisement and promotional fees if any), for each new lease of a term of three (3) years or less;

  (b) a commission equivalent to two (2) times of the monthly gross rent (including property management fee and marketing fee if any), for each new lease of a term of more than three (3) years and equal to or less than five (5) years (together with (a) above, the "Marketing Commission Fee");

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

  (c) a commission equivalent to 50% of the relevant Marketing Commission Fee, for each renewal of lease; and

  (d) for leases of a term of less than one (1) year or longer than five (5) years, the respective Property Managers and the respective project companies may review and adjust the Marketing Commission Fee on a case by case basis.

- if any lease is referred by a third-party agent and if so requested by the respective Property Managers, the respective project companies shall pay to the third-party agent such amount of commission as notified by the respective Property Managers and concurrently pay to the respective Property Managers 20% of the amount payable to the third-party agent as marketing support and administrative charges.

(d) Acquisition fee

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

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

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

1. GENERAL (continued)

(d) Acquisition fee (continued)

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

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

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

(e) Divestment fee

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

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

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

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Accounting Practice ("RAP") 7 *"Reporting Framework for Investment Funds"* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the recognition and measurement principles of the Singapore Financial Reporting Standards ("FRS").

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items on the statement of financial position:

- investment properties are measured at fair value; and
- derivative financial instruments are measured at fair value.

2. BASIS OF PREPARATION (continued)

(c) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency"). The consolidated financial statements of the Group are presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

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

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 4 – Valuation of investment properties; and
- Note 29 – Valuation of financial instruments.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2. BASIS OF PREPARATION (continued)

(d) Use of estimates and judgements (continued)

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Investment properties; and
- Note 29 – Valuation of financial instruments.

(e) Changes in accounting policies

The Group has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 January 2023:

- FRS 117: *Insurance Contracts*
- Amendments to FRS 12: *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to FRS 12: *International Tax Reform – Pillar Two Model Rules*
- Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to FRS 8: *Definition of Accounting Estimates*

The application of these amendments to standards and interpretations does not have a material impact on the Group's consolidated financial statements.

In addition, the Group adopted the Amendments to FRS 1 and FRS Practice Statement 2 *Disclosure of Accounting Policies* from 1 January 2023. The amendments require disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in certain instances.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in Note 2(e), which addresses changes in material accounting policies.

(a) Basis of consolidation

(i) Business combinations and property acquisitions

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see Note 3(a)(ii)). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

3. MATERIAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

(i) Business combinations and property acquisitions (continued)

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a gain on bargain purchase is recognised immediately in the statement of total return.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statement of total return.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected for each business combination. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required under the principles of FRSs. If the business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to fair value at each acquisition date and any changes are taken to the statement of total return.

When acquisition of an asset or a group of assets does not constitute a business combination, it is treated as property acquisition. In such cases, the individual identifiable assets acquired and liabilities assumed are recognised. The acquisition cost shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition. Such a transaction does not give rise to goodwill.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. MATERIAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in the statement of total return. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency translation gains and losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Accounting for subsidiaries by the Trust

Investments in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rates at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the exchange rates at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in the statement of total return, except for foreign currency differences arising from the translation of financial liabilities designated as hedges of the net investment in a foreign operation to the extent that the hedge is effective, and qualifying cash flow hedges to the extent that the hedge is effective (see Note 3(c)(vi)).

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

3. MATERIAL ACCOUNTING POLICIES (continued)

(b) Foreign currency (continued)

(ii) Foreign operations (continued)

Foreign currency differences are recognised in the foreign currency translation reserve in Unitholders' funds. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the statement of total return as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the statement of total return.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in Unitholders' funds and are presented in the foreign currency translation reserve.

(c) Financial instruments

(i) Initial recognition

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification and measurement

Non-derivative financial assets

On initial recognition, the Group classifies its non-derivative financial assets as measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. MATERIAL ACCOUNTING POLICIES (continued)

(c) Financial instruments (continued)

(ii) Classification and measurement (continued)

Financial assets at amortised cost

Financial assets at amortised cost comprise non-trade amounts due from subsidiaries, trade and other receivables (excluding prepayments), and cash and cash equivalents.

Initial measurement

A financial asset at amortised cost is initially measured at its fair value plus, or minus, transaction costs that are directly attributable to its acquisition. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequent measurement

Financial assets at amortised cost are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are subsequently measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss on derecognition is recognised in the statement of total return.

Non-derivative financial liabilities

The Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are initially measured at fair value less directly attributable transaction costs. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of total return. Other financial liabilities comprise trade and other payables, security deposits and interest-bearing borrowings.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

3. MATERIAL ACCOUNTING POLICIES (continued)

(c) Financial instruments (continued)

(iii) Derecognition (continued)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statement of total return.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

(vi) Derivative financial instruments and hedge accounting

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in the statement of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of total return.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

3. MATERIAL ACCOUNTING POLICIES (continued)

(c) Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting (continued)

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised and presented in the hedging reserve in Unitholders' fund. The effective portion of changes in the fair value of the derivative that is recognised in the hedging reserve is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of total return.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to the statement of total return in the same period or periods during which the hedged expected future cash flows affect the statement of total return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to the statement of total return in the same period or periods as the hedged expected future cash flows affect the statement of total return.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to the statement of total return.

Net investment hedges

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on net investments in foreign operations.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or foreign exchange gains and losses for a non-derivative is recognised and presented in the foreign currency translation reserve in Unitholders' funds. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains or losses on the non-derivative is recognised immediately in the statement of total return. The amount recognised in translation reserve is fully or partially reclassified to the statement of total return as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

3. MATERIAL ACCOUNTING POLICIES (continued)

(d) Sustainability-linked loans

The Group has drawn down on loans with cash flows based on the Group meeting sustainability performance targets set by the lenders from its 2008 baseline. The Group has determined that the variability in cash flows linked to the Group's sustainability performance target is a non-financial variable specific to the party to the contract, and therefore, in accordance with the Group's accounting policy the feature fails the definition of a derivative. Accordingly, the feature is not separated. Instead, it is included in the calculation of the effective interest rate of the loans.

(e) Financial guarantees

The Group accounts for financial guarantee contracts as financial liabilities. Financial guarantees are financial instruments issued by the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with FRS 9 *Financial Instruments* and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of FRS 15 *Revenue from Contract with Customers*.

Expected credit losses (ECLs) are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Group expects to recover.

(f) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or both. Investment properties are accounted for as non-current assets and are stated at initial cost on acquisition and at fair value thereafter. The cost of a purchased property comprises its purchase price and any directly attributable expenditure. Transaction costs are included in the initial measurement. Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers at least once a year in accordance with the CIS Code issued by the MAS.

Any increase or decrease on revaluation is credited or charged to the statement of total return as a net change in fair value of the investment properties.

Subsequent expenditure relating to investment properties that have already been recognised is added to the carrying amount when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset will flow to the Group.

All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in the statement of total return is the difference between the net proceeds from disposal and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above.

3. MATERIAL ACCOUNTING POLICIES (continued)

(g) Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of and item of plant and equipment is recognised in the statement of total return.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in the statement of total return as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in the statement of total return on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment as follows:

Improvement to premises	–	5 years
Plant and machinery	–	3 to 5 years
Motor vehicles	–	5 years
Furniture, fittings and equipment	–	2 to 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(h) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

3. MATERIAL ACCOUNTING POLICIES (continued)

(h) Leases (continued)

i. As a lessor (continued)

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies the principles under FRS 115 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'gross rental income'.

(i) Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs. The Group applies the general approach of 12-month ECL at initial recognition for all other financial assets.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

3. MATERIAL ACCOUNTING POLICIES (continued)

(i) Impairment (continued)

(i) Non-derivative financial assets (continued)

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

3. MATERIAL ACCOUNTING POLICIES (continued)

(i) Impairment (continued)

(ii) Non-financial assets (continued)

Impairment losses are recognised in the statement of total return. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Unitholders' funds

Unitholders' funds represent the residual interests in the Group's net assets upon termination and are classified as equity.

Expenses incurred in connection with the issuance of Units in the Trust are deducted directly against the Unitholders' funds.

(k) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(l) Distribution policy

The Trust's distribution policy is to distribute at least 90.0% of its distributable income in each financial year to Unitholders, other than from the sale of properties that are determined by Inland Revenue Authority of Singapore to be trading gains.

(m) Revenue recognition

(i) Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on an earned basis. No contingent rental is recognised if there are uncertainties due to the possible return of the amounts received.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established.

3. MATERIAL ACCOUNTING POLICIES (continued)

(n) Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis.

(ii) Manager's management fees, property management fees and Trustee's fees

These are recognised on an accrual basis based on the applicable formula stipulated in Note 1.

(o) Finance income and finance costs

Finance income comprises interest income recognised in the statement of total return as it accrues, using the effective interest method.

Finance costs comprise interest expense on borrowings and lease liabilities, and expense incurred in connection with borrowings recognised in the statement of total return, using the effective interest method over the period of the borrowings.

(p) Taxation

Taxation on the returns for the year comprises current and deferred tax. Taxation is recognised in the statement of total return except to the extent that it relates to items recognised directly in Unitholders' funds.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under the provisions of FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

3. MATERIAL ACCOUNTING POLICIES (continued)

(p) Taxation (continued)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Except for the tax exemption as described below, income earned by the Trust will be subject to Singapore income tax at the Trust level at the prevailing corporate tax rate.

The Trust is exempted from Singapore income tax under Section 13(12) of the Income Tax Act 1947 on the following income:

(i) dividends; and

(ii) interest on shareholders' loans,

payable by its subsidiaries in Barbados, Singapore, Hong Kong and British Virgin Islands out of underlying rental income derived from the investment properties in China.

This exemption is granted subject to certain conditions, including the condition that the Trustee is a tax resident of Singapore.

The tax exemption also applies to dividends payable by these subsidiaries out of gains, if any, derived from the disposal of their shares in the subsidiaries in China.

(q) Earnings per Unit

The Group presents basic and diluted earnings per Unit ("EPU") data for its Units. Basic EPU is calculated by dividing the total return attributable to Unitholders of the Group by the weighted average number of ordinary Units outstanding during the period. Diluted EPU is determined by adjusting the total return attributable to Unitholders and the weighted average number of Units outstanding for the effects of all dilutive potential Units.

(r) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Makers ("CODMs").

3. MATERIAL ACCOUNTING POLICIES (continued)

(r) Segment reporting (continued)

Segment results that are reported to the CODMs include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly financial derivative assets and liabilities, other receivables, cash and cash equivalents, trade and other payables, and interest-bearing borrowings.

Segment capital expenditure is the total cost incurred during the year for acquisition of plant and equipment and capital expenditure on investment properties.

(s) New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Group has not early adopted the principles under the new or amended standards in preparing these consolidated financial statements.

The principles under the following new FRSs, amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

- Amendments to FRS 1: *Classification of Liabilities as Current or Non-current* and *Non-current Liabilities with Covenants*
- Amendments to FRS 7 and FRS 107: *Supplier Finance Arrangements*
- Amendments to FRS 116: *Lease Liability in a Sale and Leaseback*
- Amendments to FRS 21: *Lack of Exchangeability*

4. INVESTMENT PROPERTIES

	Note	Group 2023 $'000	Group 2022 $'000
At 1 January		**4,909,377**	5,249,617
Reclassified to asset held for sale	10	**(156,907)**	–
Expenditure capitalised		**30,257**	29,079
Reclassification from plant and equipment	5	**–**	53
Changes in fair value		**(39,769)**	67,845
Translation differences		**(199,745)**	(437,217)
At 31 December		**4,543,213**	4,909,377

Security

At 31 December 2023, investment properties of the Group with carrying amounts of $1,444.2 million (2022: $1,519.4 million) are pledged as security to secure bank loans (see Note 12).

Measurement of fair value

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

4. INVESTMENT PROPERTIES (continued)

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

The fair value measurement for all of the investment properties of $4.5 million (2022: $4.9 billion) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see Note 2(d)).

	2023 $'000	2022 $'000
Fair value of investment properties (based on valuation reports)	**4,543,213**	4,904,326
Add: Carrying amount of lease liabilities	**–**	5,051
Carrying amount of investment properties	**4,543,213**	4,909,377

The valuers have considered valuation techniques including the markets comparable, capitalisation and discounted cash flows approaches in arriving at the open market value as at the reporting date.

The market comparable approach involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment property.

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

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

Valuers	Valuation Date	Valuation Date
CBRE (Shanghai) Management Limited	31 December 2023	31 December 2022
Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd.	31 December 2023	31 December 2022
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	31 December 2023	31 December 2022

The valuation reports obtained from one of the independent valuers for our assets draw attention to material valuation uncertainty clause as China's economic growth remained underwhelming, coupled with financial issues of a number of mainland China's largest developers which struggled to meet or defaulted on their financial obligations. There will be less certainty as to how long the valuation may sustain and property prices may fluctuate over a short period of time, therefore a higher degree of caution should be attached to the valuations when making investment decisions. This clause does not invalidate the valuations, but implies that there is substantially more uncertainty than under normal market conditions.

Investment properties comprise retail, business parks and logistics parks properties that are held mainly for use by tenants under operating leases. Most leases contain an initial non-cancellable period of within 1 to 3 years (2022: within 1 to 3 years). See Note 13 for further information.

Contingent rents, representing income based on certain sales achieved by tenants, recognised in the statement of total return during the year amounted to $6.9 million (2022: $4.5 million).

4. INVESTMENT PROPERTIES (continued)

Level 3 fair values

The following table shows the significant unobservable inputs used in the valuation models:

Valuation methods	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation approach	• Capitalisation rates (from 3.25% to 6.50%) (2022: from 4.00% to 6.75%)	The fair value increases (decreases) as capitalisation rates decrease (increase).
Discounted cash flows approach	• Discount rates (from 7.00% to 9.00%) (2022: from 7.00% to 8.85%) • Terminal rates (from 4.00% to 6.00%) (2022: from 4.80% to 6.25%)	The fair value increases (decreases) as discount rates and terminal rates decrease (increase).

5. PLANT AND EQUIPMENT

Group	Improvement to premises $'000	Plant and machinery $'000	Motor vehicles $'000	Furniture, fittings and equipment $'000	Total $'000
Cost					
At 1 January 2022	11,678	1,553	77	9,208	22,516
Additions	286	11	113	319	729
Disposal/written off	(7)	(10)	(66)	(1,755)	(1,838)
Reclassification to investment property-depreciation offset	(54)	–	–	–	(54)
Reclassification to investment property (Note 4)	(53)	–	–	–	(53)
Translation difference on consolidation	(961)	(122)	(6)	(641)	(1,730)
At 31 December 2022	10,889	1,432	118	7,131	19,570
Additions	–	55	–	425	480
Disposal/written off	(10)	(73)	–	(865)	(948)
Reclassified to assets held for sale (Note 10)	(9)	(58)	–	(1)	(68)
Translation difference on consolidation	(445)	(64)	(5)	(266)	(780)
At 31 December 2023	**10,425**	**1,292**	**113**	**6,424**	**18,254**

5. PLANT AND EQUIPMENT (continued)

Group	Improvement to premises $'000	Plant and machinery $'000	Motor vehicles $'000	Furniture, fittings and equipment $'000	Total $'000
Less: Accumulated depreciation					
At 1 January 2022	11,438	613	60	6,656	18,767
Charge for the year	41	196	37	890	1,164
Disposal/written off	(7)	–	(61)	(1,730)	(1,798)
Reclassification to investment property-depreciation offset	(54)	–	–	–	(54)
Translation difference on consolidation	(949)	(55)	(1)	(483)	(1,488)
At 31 December 2022	10,469	754	35	5,333	16,591
Charge for the year	56	138	41	718	953
Disposal/written off	(10)	(56)	–	(780)	(846)
Reclassified to assets held for sale (Note 10)	(9)	(29)	–	(1)	(39)
Translation difference on consolidation	(304)	(41)	(2)	(213)	(560)
At 31 December 2023	**10,202**	**766**	**74**	**5,057**	**16,099**
Carrying amounts					
At 1 January 2022	240	940	17	2,552	3,749
At 31 December 2022	420	678	83	1,798	2,979
At 31 December 2023	**223**	**526**	**39**	**1,367**	**2,155**

6. SUBSIDIARIES

		Trust 2023 $'000	Trust 2022 $'000
Non-current assets			
(a)	Unquoted equity, at cost	**695,794**	696,535
	Less: Allowance for impairment loss	**(34,738)**	(24,061)
		661,056	672,474
(b)	Loans to subsidiaries	**200,736**	203,746
	Non-trade amounts due from subsidiaries	**2,005,134**	2,065,082
		2,205,870	2,268,828
		2,866,926	2,941,302
Current assets			
(b)	Non-trade amounts due from subsidiaries	**1,897**	4,390

Movement in allowance for impairment loss was as follows:

	Trust 2023 $'000	Trust 2022 $'000
At 1 January	**(24,061)**	(27,284)
Allowance for impairment loss	**(10,677)**	(7,936)
Write off for impairment loss	**–**	11,159
At 31 December	**(34,738)**	(24,061)

6. SUBSIDIARIES (continued)

During the year, an impairment loss amounting to $10.7 million (2022: $7.9 million) was recognised in respect of the Trust's investment in its subsidiaries taking into consideration the fair value of the underlying properties held by these subsidiaries and the liabilities to be settled. There was also a write off for impairment loss of $11.2 million in 2022 relating to the liquidation of Group's subsidiary, CapitaRetail China Investments (B) Gamma Pte. Ltd.. The recoverable amounts were assessed based on the fair value less costs to sell estimated using the revalued net assets of the subsidiaries and categorised as Level 3 on the fair value hierarchy.

(a) The details of the significant subsidiaries held by the Group are as follows:

Name of subsidiaries	Principal activities	Place of incorporation/ business	Effective equity held by the Group 2023 %	2022 %
CapitaRetail Beijing Wangjing Real Estate Co., Ltd.(1)(2)	Property investment	China	**100**	100
CapitaRetail Dragon Mall (Shanghai) Co., Ltd.(1)(2)	Property investment	China	**100**	100
CapitaRetail Beijing Shuangjing Real Estate Co., Ltd.(1)(2) ^	Property investment	China	**100**	100
CapitaRetail Beijing Xizhimen Real Estate Co., Ltd.(1)(2)	Property investment	China	**100**	100
Beijing Huakun Real Estate Management Co., Ltd.(1)(2)	Property investment	China	**100**	100
Guangzhou Starshine Properties Co., Ltd.(1)(2)	Property investment	China	**100**	100
Spicy (Chengdu) Limited(1)(2)	Property investment	China	**100**	100
Huhhot Xinkai Qingtou Real Estate Leasing Co., Ltd.(1)(2)	Property investment	China	**100**	100
Huhhot Nuohe Mule Corporate Management Co., Ltd.(1)(2)	Property management	China	**100**	100
CapitaMalls Hunan Commercial Property Co., Ltd.(1)(2)	Property investment	China	**100**	100
CapitaRetail Harbin Shangdu Real Estate Co., Ltd.(1)(2)	Property investment	China	**100**	100
Beijing Hualian Harbin Real Estate Development Co., Ltd.(1)(2)	Property investment	China	**100**	100
Ascendas Hangzhou Science & Technology Co., Ltd.(1)(2)	Property investment	China	**80**	80

6. SUBSIDIARIES (continued)

(a) The details of the significant subsidiaries held by the Group are as follows (continued):

Name of subsidiaries	Principal activities	Place of incorporation/ business	Effective equity held by the Group 2023 %	2022 %
Ascendas Hangzhou Data Processing Co., Ltd.[(1)(2)]	Property investment	China	**80**	80
Xi An Ascendas-Science Technology Investment Co., Ltd.[(1)(2)]	Property investment	China	**80**	80
Ascendas Xi An High-Tech Development Co., Ltd.[(1)(2)]	Property investment	China	**100**	100
Ascendas – Xinsu Development (Suzhou) Co., Ltd.[(1)(2)]	Property investment	China	**51**	51
Kunshan Jixinxiang Auto Development Co. Ltd.[(1)(2)]	Property investment	China	**100**	100
Wuhan Lin Gang Zenith Logistics Limited[(1)(2)]	Property investment	China	**100**	100
Agility Distribution Services Ltd.[(1)(2)]	Property investment	China	**100**	100
Chengdu Xindi Chengyun Logistics Co., Ltd.[(1)(2)]	Property investment	China	**100**	100
CLCT MTN Pte. Ltd.[(3)]	Financial, treasury services and investment holding	Singapore	**100**	–

(1) Audited by other member firms of KPMG International.
(2) Indirectly held by CapitaLand China Trust.
(3) The first financial year end of the subsidiary is 31 December 2024.
^ Reclassified as held for sale in 2023.

(b) The loans to subsidiaries, amounting to $200.7 million (2022: $203.7 million) and the non-trade amounts due from subsidiaries amounting to $2,005.1 million (2022: $2,065.1 million) are unsecured, interest free and repayable with a notice period of 366 days. The remaining $1.9 million (2022: $4.4 million) of the non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand. The loans to subsidiaries bear interest rates of 4.60% to 6.37% (2022: 4.60% to 6.37%) per annum. There is no allowance for doubtful debts arising from these outstanding balances as ECL is not material.

7. FINANCIAL DERIVATIVES

	Group and Trust 2023 $'000	Group and Trust 2022 $'000
Non-current assets		
Forwards	**19**	–
Interest rate swaps	**15,554**	41,559
	15,573	41,559
Current assets		
Forwards	**551**	1,670
Interest rate swaps	**4,103**	1,135
	4,654	2,805
Non-current liabilities		
Cross currency interest rate swap	**(1,362)**	–
Interest rate swaps	**(3,987)**	(825)
	(5,349)	(825)

The following are the contractual maturities of financial derivative assets and liabilities, including estimated interest payments:

	Carrying amount $'000	Contractual cash flow $'000	Within 1 year $'000	Within 2 to 5 years $'000
Group and Trust				
Financial derivative assets				
2023				
Forwards	**570**			
– Outflow		**(30,230)**	**(25,249)**	**(4,981)**
– Inflow		**30,800**	**25,800**	**5,000**
Interest rate swaps	**19,657**	**23,833**	**16,039**	**7,794**
	20,227	**24,403**	**16,590**	**7,813**
2022				
Forwards	1,670			
– Outflow		(29,315)	(29,315)	–
– Inflow		31,000	31,000	–
Interest rate swaps	42,694	48,083	21,991	26,092
	44,364	49,768	23,676	26,092
Financial derivative liabilities				
2023				
Cross currency interest rate swap	**(1,362)**			
– Outflow		**(52,266)**	**–**	**(52,266)**
– Inflow		**50,794**	**349**	**50,445**
Interest rate swaps	**(3,987)**	**(4,150)**	**435**	**(4,585)**
	(5,349)	**(5,622)**	**784**	**(6,406)**
2022				
Interest rate swaps	(825)	(1,063)	200	(1,263)

As at reporting date, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The table also indicates the periods in which the cash flows associated with derivatives that are expected to occur and impact the statement of total return and Unitholders' funds.

8. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Trade receivables	**8,381**	23,061	**–**	–
Impairment losses	**(404)**	(832)	**–**	–
	7,977	22,229	**–**	–
Other receivables	**2,707**	5,872	**644**	171
Amounts due from related party – NCI (non-trade)	**6,555**	–	**–**	–
Deposits	**3,439**	3,739	**–**	–
	20,678	31,840	**644**	171
Prepayments	**4,839**	6,498	**3**	2
	25,517	38,338	**647**	173
Current	**24,444**	37,134	**647**	173
Non-current	**1,073**	1,204	**–**	–
	25,517	38,338	**647**	173

The amounts due from related party – NCI (non-trade) of $6.6 million is unsecured, interest free and repayable on demand.

Other receivables, amounts due from related party – NCI (non-trade) and deposits are classified as current as the Group and the Trust expects to receive payment within 12 months. There is no allowance for doubtful debts arising from these outstanding balances as the ECL is not material.

Concentration of credit risk relating to trade and other receivables (excluding prepayments and amount due from related party - NCI (non-trade)) is limited as the Group has many varied tenants located in several cities in China and a credit policy of obtaining security deposits from tenants for the lease of units in the Group's investment properties. These tenants comprise tenants from the retail, business parks and logistics assets.

The maximum exposure to credit risk for trade and other receivables (excluding prepayments and amount due from related party - NCI (non-trade)) at the reporting date (by geographical area in China) is:

	Group	
	2023	**2022**
	$'000	**$'000**
Beijing	**3,547**	12,817
Inner Mongolia, Hohhot	**399**	1,352
Shanghai	**2,840**	4,891
Guangzhou	**2,739**	3,634
Hunan	**266**	957
Harbin	**1,072**	1,722
Chengdu	**1,082**	5,122
Suzhou	**375**	667
Hangzhou	**226**	181
Others	**862**	326
	13,408	31,669

8. TRADE AND OTHER RECEIVABLES (continued)

Impairment losses

The ageing of trade and other receivables (excluding prepayments and amount due from related party - NCI (non-trade)) at the reporting date is:

	Gross		Impairment	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Group				
Not past due	**8,715**	13,268	**11**	263
Past due 1 – 30 days	**1,125**	4,346	**–**	58
Past due 31 – 60 days	**686**	4,637	**51**	35
Past due 61 – 90 days	**578**	3,097	**–**	52
More than 90 days past due	**3,423**	7,324	**342**	424
	14,527	32,672	**404**	832
Trust				
Not past due	**644**	171	**–**	–

Expected credit loss assessment for individual tenants as at 1 January and 31 December 2023

The Group uses an allowance matrix to measure the ECLs of trade receivables from many different individual tenants, which comprise of small balances each.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off and are based on actual credit loss experience over the past five years.

The Manager believes that no allowance for impairment beyond the amounts provided for is necessary in respect of trade receivables as these receivables relate mainly to tenants that have good records with the Group or have sufficient security deposits as collateral, and hence ECL is not material.

The movement in the allowance for impairment in respect of trade receivables during the year is as follows:

		Group	
	Note	**2023**	**2022**
		$'000	**$'000**
At 1 January		**832**	410
Impairment losses on trade receivables, net	19	**93**	595
Reclassified to asset held for sale		**(15)**	–
Allowance utilised		**(482)**	(110)
Translation difference		**(24)**	(63)
At 31 December		**404**	832

9. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Cash at banks and in hand	**20,665**	58,790	**1,208**	2,157
Fixed deposits with financial institutions	**222,799**	172,258	**–**	–
	243,464	231,048	**1,208**	2,157

10. ASSETS/LIABILITIES HELD FOR SALE

On 6 December 2023, the Group announced that it has, through its subsidiary, entered into a conditional equity interests transfer agreement with an unrelated party to divest the issued shares of CapitaRetail Beijing Shuangjing Real Estate Co., Ltd., which holds CapitaMall Shuangjing. The completion of the divestment was announced on 23 January 2024.

At 31 December 2023, the disposal group was stated at fair value less costs to sell and comprised the following assets and liabilities:

	Note	CapitaMall Shuangjing $'000
Group		
2023		
Investment property	4	156,907
Plant and equipment	5	29
Trade and other receivables		2,871
Cash and cash equivalents		1,376
Assets held for sale		161,183
Trade and other payables		708
Security deposits		1,298
Deferred tax liabilities	14	28,651
Liabilities held for sale		30,657

The investment property is valued based on the agreed property price with buyer.

11. TRADE AND OTHER PAYABLES

	Group 2023 $'000	Group 2022 $'000	Trust 2023 $'000	Trust 2022 $'000
Trade payables	**2,883**	4,454	**89**	313
Accrued operating expenses	**25,611**	33,099	**953**	3,819
Accrued development expenditure	**12,328**	17,468	**–**	–
Amounts due to related parties (trade)	**26,319**	29,140	**1,437**	1,534
Amounts due to subsidiaries (non-trade)	**–**	–	**148,292**	29,139
Amounts due to related party – NCI (non-trade)	**6,874**	6,874	**–**	–
Other deposits and advances	**44,935**	37,233	**–**	–
Interest payable	**9,042**	8,031	**7,879**	7,704
Other payables	**26,202**	1,341	**–**	146
	154,194	137,640	**158,650**	42,655
Current	**147,239**	130,671	**47,020**	42,655
Non-current	**6,955**	6,969	**111,630**	–
	154,194	137,640	**158,650**	42,655

Included in amounts due to related parties (trade) are amounts due to the Manager and Property Managers of $1.4 million (2022: $1.5 million) and $23.7 million (2022: $26.7 million) respectively.

The amounts due to subsidiaries (non-trade) at the Trust level included the interest-bearing loan to subsidiary CLCT MTN Pte. Ltd. amounting to $111.6 million which bears interest rate of 3.8% per annum, and is unsecured and repayable on 17 October 2026, with interest payable annually in arrear. The remaining amount is unsecured, interest free and repayable on demand.

The amounts due to related party – NCI (non-trade) of $6.9 million (2022: $6.9 million) is unsecured, interest free and repayable on demand.

12. INTEREST-BEARING BORROWINGS

	Note	Group 2023 $'000	Group 2022 $'000	Trust 2023 $'000	Trust 2022 $'000
Unsecured term loans	(a)	**1,450,000**	1,510,000	**1,450,000**	1,510,000
Medium Term Notes ("MTN")	(b)	**150,000**	150,000	**150,000**	150,000
Free Trade Zone ("FTZ") bonds	(c)	**111,630**	–	**–**	–
Secured loan	(d)	**235,315**	257,127	**–**	–
Money market loan facilities		**9,500**	33,800	**9,500**	33,800
Less: Unamortised transactions costs		**(5,361)**	(4,987)	**(4,444)**	(4,987)
		1,951,084	1,945,940	**1,605,056**	1,688,813
Current		**131,008**	326,140	**109,468**	283,765
Non-current		**1,820,076**	1,619,800	**1,495,588**	1,405,048
		1,951,084	1,945,940	**1,605,056**	1,688,813

12. INTEREST-BEARING BORROWINGS (continued)

(a) As at 31 December 2023, the Group has an aggregate of $1,459.5 million (2022: $1,543.8 million) unsecured floating rate term loans (collectively known as "Trust Term Loan Facilities"). These facilities have negative pledge covenants which require the Trust not to, amongst others, create or have outstanding any security on or over the Group's interest in any of the investment properties without the prior written consent of the lender.

The Trust Term Loan Facilities are repayable in full at maturity, although the Trust has the option to make early repayments.

(b) At the reporting date, the Group issued $150.0 million (2022: 150.0 million) MTN under the $1.0 billion Multicurrency Debt Issuance Programme. Under the Multicurrency Debt Issuance Programme, the Trust may:

(i) issue notes in any currency, in various amounts and tenors, and the notes may bear interest at fixed, floating, variable or hybrid rates or may not bear interest, in each case as agreed between the Trustee, the Manager and the relevant dealer(s) of the Notes and as specified in the relevant Pricing Supplement; and

(ii) issue perpetual securities in registered and/or bearer form in any currency, in various amounts and the perpetual securities may confer a right to receive distribution at fixed or floating rates, in each case as agreed between the Trustee, the Manager and the relevant dealer(s) of the Perpetual Securities and as specified in the relevant Pricing Supplement.

(c) At the reporting date, the Group issued $111.6 million (RMB600.0 million) FTZ bonds through its subsidiary CLCT MTN Pte. Ltd. The FTZ bonds have a tenor of three years with a coupon rate of 3.80% per annum, payable annually in arrears. The Trustee in its capacity as trustee of the Trust has provided unconditional and irrevocable financial guarantee on all sums payable in respect of the notes issued by CLCT MTN Pte. Ltd.

(d) At the reporting date, secured loan comprises outstanding term loans of $235.3 million (RMB1,262.8 million) (2022: $257.1 million (RMB1,323.4 million). The term loans bear interest rates referenced against 5-year Loan Prime Rate ("LPR") with lending rates ranging from 3.55% to 4.50% (2022: 3.90% to 4.90%) per annum and repriced on a quarterly and half-yearly basis.

As security for the loans, the Group has granted in favour of the respective lenders the following:

(i) mortgage over retail assets CapitaMall Xuefu and Rock Square, with carrying amounts of $333.4 million (2022: $347.6 million) and $635.5 million (2022: $662.5 million) respectively (see Note 4);

(ii) mortgage over business park assets Singapore-Hangzhou Science & Technology Park (Phase I and Phase II), with carrying amounts of $153.5 million (2022: $164.8 million) and $194.4 million (2022: $205.0 million) respectively. (see Note 4);

(iii) mortgage over logistics park assets Kunshan Bacheng Logistics Park and Wuhan Yangluo Logistics Park, with carrying amounts of $60.9 million (2022: $64.9 million),

(iv) and $66.5 million (2022: $74.6 million) respectively. (see Note 4);

(v) pledge of bank accounts of the respective assets; and

(vi) assignment of the insurance policies of the respective assets.

The RMB term loans are typically amortised and payable on a quarterly or half-yearly basis with a final lump sum payment at the maturity of the respective loans.

12. INTEREST-BEARING BORROWINGS (continued)

Terms and debt repayment schedule

Terms and conditions of the outstanding interest-bearing borrowings are as follows:

	Nominal interest rate per annum %	Year of maturity	Face value $'000	Carrying amount $'000
2023				
Group				
S$ unsecured floating rate money market loan facilities	SORA+Margin	**2024**	**9,500**	**9,500**
S$ fixed rate MTN	2.40	**2028**	**150,000**	**149,865**
S$ unsecured floating rate loans	SORA+Margin	**2024-2029**	**1,450,000**	**1,445,691**
RMB secured floating rate term loan	3.55-4.50	**2024-2038**	**235,315**	**235,315**
RMB FTZ fixed rate bonds	3.80	**2026**	**111,630**	**110,713**
Trust				
S$ unsecured floating rate money market loan facilities	SORA+Margin	**2024**	**9,500**	**9,500**
S$ fixed rate MTN	2.40	**2028**	**150,000**	**149,865**
S$ unsecured floating rate loans	SORA+Margin	**2024-2029**	**1,450,000**	**1,445,691**

	Nominal interest rate per annum %	Year of maturity	Face value $'000	Carrying amount $'000
2022				
Group				
S$ unsecured floating rate money market loan facilities	SOR+Margin	2023	33,800	33,800
S$ fixed rate MTN	2.40	2028	150,000	149,835
S$ unsecured floating rate loans	SOR+Margin	2023-2028	920,000	917,378
S$ unsecured floating rate loans	SORA+Margin	2024-2028	590,000	587,800
RMB secured floating rate term loan	3.90-4.90	2023-2037	257,127	257,127
Trust				
S$ unsecured floating rate money market loan facilities	SOR+Margin	2023	33,800	33,800
S$ fixed rate MTN	2.40	2028	150,000	149,835
S$ unsecured floating rate loans	SOR+Margin	2023-2028	920,000	917,378
S$ unsecured floating rate loans	SORA+Margin	2024-2028	590,000	587,800

12. INTEREST-BEARING BORROWINGS (continued)

The following are the contractual maturities of non-derivative financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount $'000	Contractual cash flow $'000	Within 1 year $'000	Within 2 to 5 years $'000	After 5 years $'000
2023					
Group					
S$ fixed rate MTN	**149,865**	**166,215**	**3,600**	**162,615**	**-**
S$ unsecured floating rate money market loan facilities	**9,500**	**9,508**	**9,508**	**-**	**-**
S$ unsecured floating rate loans	**1,445,691**	**1,623,031**	**165,111**	**1,306,269**	**151,651**
RMB secured floating rate term loan	**235,315**	**302,120**	**21,048**	**102,861**	**178,211**
RMB FTZ fixed rate bonds	**110,713**	**124,367**	**4,242**	**120,125**	**-**
Lease liabilities	**41**	**42**	**42**	**-**	**-**
Trade and other payables	**154,194**	**154,194**	**147,239**	**81**	**6,874**
Security deposits	**97,451**	**97,451**	**48,268**	**44,999**	**4,184**
	2,202,770	**2,476,928**	**399,058**	**1,736,950**	**340,920**
Trust					
S$ fixed rate MTN	**149,865**	**166,215**	**3,600**	**162,615**	**-**
S$ unsecured floating rate money market loan facilities	**9,500**	**9,508**	**9,508**	**-**	**-**
S$ unsecured floating rate loans	**1,445,691**	**1,623,031**	**165,111**	**1,306,269**	**151,651**
Trade and other payables	**158,650**	**170,505**	**50,379**	**120,126**	**-**
	1,763,706	**1,969,259**	**228,598**	**1,589,010**	**151,651**
2022					
Group					
S$ fixed rate MTN	149,835	169,815	3,600	14,400	151,815
S$ unsecured floating rate money market loan facilities	33,800	33,824	33,824	–	–
S$ unsecured floating rate loans	1,505,178	1,709,192	316,916	1,196,345	195,931
RMB secured floating rate term loan	257,127	321,495	17,498	167,958	136,039
Lease liabilities	5,135	5,306	5,164	142	–
Trade and other payables	137,640	137,640	130,671	95	6,874
Security deposits	106,181	106,181	49,161	52,955	4,065
	2,194,896	2,483,453	556,834	1,431,895	494,724
Trust					
S$ fixed rate MTN	149,835	169,815	3,600	14,400	151,815
S$ unsecured floating rate money market loan facilities	33,800	33,824	33,824	–	–
S$ unsecured floating rate loans	1,505,178	1,709,192	316,916	1,196,345	195,931
Trade and other payables	42,655	42,655	42,655	–	–
	1,731,468	1,955,486	396,995	1,210,745	347,746

12. INTEREST-BEARING BORROWINGS (continued)

The maturity analysis shows the contractual undiscounted cash flows of the Group's financial liabilities on the basis of their earliest possible contractual maturity. In addition to the above, the interest payments on the Group's sustainability-linked bond takes into consideration the Group's expectation of its ability to meet the sustainability-linked performance targets, and may change if the Group expects that it can no longer meet this target.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Reconciliation of movements of liabilities to cash flows arising from financing activities

			Non-cash changes						
	Adjusted balance at 1 January $'000	Financing cash flows $'000	Finance costs $'000	Fair value change $'000	Foreign exchange movement $'000	Assets acquired $'000	Derecognition of lease liabilities[2] $'000	Other changes $'000	At 31 December $'000
2023									
Interest-bearing borrowings[1]	**1,953,971**	**(53,009)**	**70,246**	**–**	**(11,082)**	**–**	**–**	**–**	**1,960,126**
Interest rate swaps used for hedging and forward exchange contracts – assets	**(44,364)**	**1,688**	**–**	**22,449**	**–**	**–**	**–**	**–**	**(20,227)**
Interest rate swaps, cross currency interest rate swap used for hedging and forward exchange contracts– liabilities	**825**	**–**	**–**	**4,524**	**–**	**–**	**–**	**–**	**5,349**
Lease liabilities	**5,135**	**(1,303)**	**148**	**–**	**(214)**	**–**	**(1,304)**	**(2,421)**	**41**
	1,915,567	**(52,624)**	**70,394**	**26,973**	**(11,296)**	**–**	**(1,304)**	**(2,421)**	**1,945,289**
2022									
Interest-bearing borrowings[1]	1,996,317	(71,690)	59,350	–	(30,006)	–	–	–	1,953,971
Interest rate swaps used for hedging and forward exchange contracts – assets	(5,742)	–	–	(38,622)	–	–	–	–	(44,364)
Interest rate swaps used for hedging and forward exchange contracts– liabilities	3,641	1,284	–	(4,100)	–	–	–	–	825
Lease liabilities	10,652	(3,769)	444	–	(906)	110	–	(1,396)	5,135
	2,004,868	(74,175)	59,794	(42,722)	(30,912)	110	–	(1,396)	1,915,567

(1) Includes interest payable of $0.9 million as at 31 December 2023. (2022: $0.8 million)
(2) Related to the lease in CapitaMall Qibao which the mall has ceased operations since March 2023. (Note 13)

13. LEASES

Leases as lessee

The Group leases land and building which form part of its investment properties and motor vehicles which form part of its property, plant and equipment. The leases of land and building and motor vehicles typically run for a period of 20 years and 3 years respectively, with an option to renew the lease after that date.

Information about leases for which the Group is a lessee is presented below.

13. LEASES

Leases as lessee

i. Amounts recognised in the statement of total return

	2023 $'000	2022 $'000
Group		
Interest on lease liabilities	**148**	444

ii. Amounts recognised in statement of cash flows

	2023 $'000	2022 $'000
Total cash outflow for leases	**1,303**	3,769

CapitaMall Qibao has ceased operations since March 2023 and the land and building lease in the Group has ended as at 31 December 2023.

Leases as lessor

The Group leases out its investment properties consisting of its owned retail and commercial properties as well as leased properties (see Note 4). All leases are classified as operating leases from a lessor perspective.

The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 4 sets out information about the operating leases of investment properties.

Rental income from investment properties and investment property subleases recognised by the Group during 2023 was $330.9 million (2022: $356.4 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	2023 $'000	2022 $'000
Group		
Less than one year	**292,649**	339,901
One to two years	**185,408**	210,303
Two to three years	**112,328**	127,069
Three to four years	**51,121**	63,352
Four to five years	**28,452**	40,099
More than five years	**56,041**	55,820
Total	**725,999**	836,544

14. DEFERRED TAX (ASSETS)/LIABILITIES

The movement in deferred tax liabilities during the financial year is as follows:

	At 1 January 2023 $'000	Statement of total return (Note 23) $'000	Reclassified to liabilities held for sale $'000	Translation difference $'000	At 31 December 2023 $'000
Group					
Deferred tax liabilities					
Investment properties	**323,873**	**29,737**	**(28,557)**	**(14,051)**	**311,002**
Tax on unrepatriated profits	**16,998**	**1,543**	**(94)**	**–**	**18,447**
	340,871	**31,280**	**(28,651)**	**(14,051)**	**329,449**

	At 1 January 2022 $'000	Statement of total return (Note 23) $'000	Reclassified to liabilities held for sale $'000	Translation difference $'000	At 31 December 2022 $'000
Group					
Deferred tax liabilities					
Investment properties	301,101	50,851	–	(28,079)	323,873
Tax on unrepatriated profits	17,392	(394)	–	–	16,998
	318,493	50,457	–	(28,079)	340,871

Deferred tax assets have not been recognised in respect of the following item because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom:

	Group	
	2023 $'000	2022 $'000
Tax losses	**26,143**	39,127

The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the country in which the subsidiaries operate. These tax losses can be carried forward up to five consecutive years and will expire on the fifth year from which the tax losses arise.

15. UNITHOLDERS' FUNDS

	Note	Group		Trust	
		2023 $'000	2022 $'000	2023 $'000	2022 $'000
Net assets resulting from operations		**1,617,656**	1,588,039	**285,424**	293,490
Hedging reserve	(a)	**15,071**	41,897	**15,071**	41,897
Foreign currency translation reserve	(b)	**(387,666)**	(214,015)	**–**	–
Unitholders' transactions		**721,745**	825,096	**721,745**	825,096
General reserve	(c)	**73,048**	65,214	**–**	–
		2,039,854	2,306,231	**1,022,240**	1,160,483

(a) The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments relating to forecast hedged transactions.

15. UNITHOLDERS' FUNDS (continued)

(b) The foreign currency translation reserve comprises:

(i) foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Trust;

(ii) the gains or losses on financial instruments used to hedge the Group's net investment in foreign operations that are determined to be effective hedges; and

(iii) the foreign exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

(c) General reserve

The subsidiaries incorporated in China are required to transfer 10% of their profits after taxation, as determined under the accounting principles and relevant financial regulations of China to the general reserve until the reserve balance reaches 50% of registered capital. The transfer to this reserve must be made before distribution of dividends to its shareholders.

General reserve can be used to make good previous years' losses, if any, and may be converted to registered capital in proportion to the existing interests of the shareholders, provided that the balance after such conversion is not less than 25% of the registered capital.

16. UNITS IN ISSUE AND PERPETUAL SECURITIES

(a) Units in issue

	2023 Number of Units	**2022 Number of Units**
Balance as at beginning of year	**1,673,892,897**	1,659,527,650
New Units issued:		
– As payment of distribution through distribution reinvestment plan	**1,473,597**	2,258,266
– As payment of Manager's management fees	**13,495,621**	12,106,981
Total issued Units as at end of the year	**1,688,862,115**	1,673,892,897
New Units to be issued:		
– as payment of Manager's management fees	**16,010,485**	13,495,621
Total issued and issuable Units as at end of the year	**1,704,872,600**	1,687,388,518

Units issued during the year ended 31 December 2023 are as follows:

(a) On 29 March 2023, the Trust issued 1,473,597 new Units at an issue price of $1.216 per Unit as payment of distribution under the distribution reinvestment plan for the period from 1 July 2022 to 31 December 2022; and

(b) On 16 May 2023, the Trust issued 5,563,663 and 7,931,958 new Units at an issue price of $1.1378 per Unit as partial payment of the management fee respectively for the period from 1 January 2022 to 31 December 2022;

16. UNITS IN ISSUE AND PERPETUAL SECURITIES (continued)

(a) Units in issue

Units issued during the year ended 31 December 2022 are as follows:

(a) On 4 March 2022, the Trust issued 4,513,937 and 7,593,044 new Units at an issue price of $1.1805 per Unit as partial payment of the management fee respectively for the period from 1 January 2021 to 31 December 2021;

(b) On 21 September 2022, the Trust issued 2,258,266 new Units at an issue price of $1.157 per Unit as payment of distribution under the distribution reinvestment plan for the period from 1 January 2022 to 30 June 2022; and

The issue prices were determined based on the volume weighted average traded price for all trades done on the SGX-ST in the ordinary course of trading for the last 10 business days of the relevant periods in which the management fees accrue.

Each Unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- one vote per Unit;
- receive income and other distributions attributable to the Units held;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer of any assets (or part thereof) or any estate or interest in any asset (or part thereof) of the Trust; and
- attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in number of Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- a Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a Unitholder has no right to request the Manager to redeem his Units while the Units are listed on the SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Unit in the Trust. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of the Trust exceed its assets.

(b) Perpetual securities

On 27 October 2020, the Trust issued $100.0 million of fixed rate subordinated perpetual securities under the $1.0 billion multicurrency Debt Issuance Programme with an initial distribution rate of 3.375% per annum, with the first distribution rate reset falling on 27 October 2025 and subsequent resets occurring every five years thereafter.

The Perpetual Securities will have no fixed redemption date and redemption is at the option of the Trust in accordance with the terms of issue of the securities. The distribution will be payable semi-annually at the discretion of the Trust and will be non-cumulative.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2023

16. UNITS IN ISSUE AND PERPETUAL SECURITIES (continued)

(b) Perpetual securities (continued)

In terms of distribution payments or in the event of winding-up of the Trust:

- These perpetual securities will constitute direct, unconditional, subordinated and unsecured obligations of the Trust and shall at all times rank pari passu, without any preference or priority among themselves and with any parity obligations of the Trust.

- The Trust shall not declare or pay any distributions to the Unitholders, or make redemptions, unless the Trust fully redeems all the outstanding perpetual securities; pays in full an Optional Distribution equal to the amount of the distribution payable that was unpaid in full or in part; pays the next schedule distribution to the holders of the perpetual securities in full; or obtains an extraordinary resolution of the holders of the perpetual securities permitting the Trust to do so.

These perpetual securities are classified as equity instruments and recorded within the Statements of movements in Unitholders' funds. The $99.6 million (2022: $99.6 million) presented on the Statements of financial position represents the $99.6 million (2022: $99.6 million) perpetual securities net of issue costs and include total return attributable to perpetual securities holders from issue date.

17. NON-CONTROLLING INTERESTS

The following subsidiaries have NCI that are material to the Group.

Name	Place of incorporation/ business	Operating segment	Ownership interests held by NCI 2023	2022
Xinsu subgroup[1]	Singapore/China	Business parks	**49**	49
Ascendas Hangzhou Science & Technology Co., Ltd.	China	Business parks	**20**	20
Ascendas Hangzhou Data Processing Co., Ltd.	China	Business parks	**20**	20
Xi An Ascendas-Science Technology Investment Co., Ltd.	China	Business parks	**20**	20

(1) Includes Singapore Suzhou Industrial Holdings Pte. Ltd. and Ascendas-Xinsu Development (Suzhou) Co., Ltd.

The following summarises the financial information of the Group's significant subsidiaries with material NCI.

17. NON-CONTROLLING INTERESTS (continued)

	Xinsu subgroup1 $'000	Ascendas Hangzhou Science & Technology Co., Ltd. $'000	Ascendas Hangzhou Data Processing Co., Ltd. $'000	Xi An Ascendas-Science Technology Investment Co., Ltd. $'000	Total $'000
2023					
Statement of financial position					
Non-current assets	**446,812**	**152,669**	**193,001**	**65,046**	**857,528**
Current assets	**42,523**	**15,326**	**17,841**	**7,344**	**83,034**
Non-current liabilities	**(32,615)**	**(41,530)**	**(64,771)**	**(2,786)**	**(141,702)**
Current liabilities	**(24,667)**	**(5,181)**	**(6,992)**	**(1,992)**	**(38,832)**
Net assets	**432,053**	**121,284**	**139,079**	**67,612**	**760,028**
Statement of financial position					
Net assets based on percentage shareholdings	**211,707**	**24,257**	**27,816**	**13,522**	**277,302**
Net assets attributable to NCI	**211,707**	**24,257**	**27,816**	**13,522**	**277,302**
Statement of total return					
Revenue	**43,234**	**12,824**	**16,031**	**6,592**	**78,681**
Total return after taxation	**24,184**	**2,382**	**5,872**	**3,219**	**35,657**
Attributable to NCI:					
Total return after taxation	**11,851**	**476**	**1,174**	**644**	**14,145**
Total return allocated to NCI	**11,851**	**476**	**1,174**	**644**	**14,145**
Statement of cash flows					
Cash flows from operating activities	**26,220**	**6,500**	**7,965**	**4,020**	**44,705**
Cash flows used in investing activities	**(14,494)**	**(290)**	**(379)**	**(156)**	**(15,319)**
Cash flows from financing activities (dividends to NCI: SGD3,704,000)	**(37)**	**(8,449)**	**(10,957)**	**(5,226)**	**(24,669)**
Net increase in cash and cash equivalents	**11,689**	**(2,239)**	**(3,371)**	**(1,362)**	**4,717**

17. NON-CONTROLLING INTERESTS (continued)

	Xinsu subgroup1 $'000	Ascendas Hangzhou Science & Technology Co., Ltd. $'000	Ascendas Hangzhou Data Processing Co., Ltd. $'000	Xi An Ascendas-Science Technology Investment Co., Ltd. $'000	Total $'000
2022					
Statement of financial position					
Non-current assets	461,805	163,902	203,689	67,857	897,253
Current assets	18,562	18,571	21,781	6,491	65,405
Non-current liabilities	(24,252)	(44,493)	(39,519)	(1,817)	(110,081)
Current liabilities	(32,557)	(7,006)	(38,771)	(2,400)	(80,734)
Net assets	423,558	130,974	147,180	70,131	771,843
Net assets based on percentage shareholdings	207,544	26,195	29,436	14,026	277,201
Net assets attributable to NCI	207,544	26,195	29,436	14,026	277,201
Statement of total return					
Revenue	46,467	16,507	18,860	6,969	88,803
Total return after taxation	27,265	34,861	46,137	12,868	121,131
Attributable to NCI:					
Total return after taxation	13,360	6,972	9,227	2,574	32,133
Total return allocated to NCI	13,360	6,972	9,227	2,574	32,133
Statement of cash flows					
Cash flows from operating activities	11,030	10,292	14,761	4,197	40,280
Cash flows used in investing activities	(2,141)	(203)	(553)	(302)	(3,199)
Cash flows from financing activities (dividends to NCI: SGD272,000)	(17,001)	(15,760)	(10,771)	(272)	(43,804)
Net decrease in cash and cash equivalents	(8,112)	(5,671)	3,437	3,623	(6,723)

18. TOTAL UNITHOLDERS' DISTRIBUTION

Unitholders' distribution for the year is accounted for as distribution from operations and distribution from Unitholders' contributions:

(a) Distribution from operations

This refers to distribution made by the Trust that is represented by income received or receivable during the financial year, as the case may be, net of expenses. Such income comprises mainly the following:

- dividend from subsidiaries in Barbados, Singapore, Hong Kong and British Virgin Islands paid out of dividend declared by the subsidiaries in China;
- dividend from subsidiaries in Barbados paid out of net interest income earned by subsidiaries in Barbados on shareholders' loans extended to subsidiaries in China; and
- interest income earned by the Trust on shareholders' loans extended to subsidiaries in Barbados.

The above income originates from income derived by the subsidiaries in China in respect of the current financial year.

(b) Distribution from Unitholders' contributions

This refers to the amount of distribution made by the Trust for the financial year where the underlying cash is not, or may not be, received or receivable as income by the Trust during that period. Such distribution comprises mainly the following:

- profits from operations arising from the investment properties which are declared as dividend income after the financial year, as the case may be, and accordingly also received as dividends by the Trust after that year;
- profits from operations arising from the investment properties which cannot be declared as dividends;
- adjustment for depreciation expenses of the investment properties; and
- adjustments for trust expenses that are paid in Units, foreign currency differences attributable to net investment hedges undertaken by the Trust and certain unrealised expenses.

Income available for distribution to Unitholders at end of the year

Distributions are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. In accordance with the provisions of the Trust Deed, the Manager is required to pay distributions within 90 days from the end of each distribution period. Distributions, when paid, will be in Singapore dollars.

19. OTHER PROPERTY OPERATING EXPENSES

	Note	Group 2023 $'000	Group 2022 $'000
Utilities		**11,182**	10,959
Advertising and promotion		**10,638**	14,325
Maintenance		**22,089**	25,019
Staff costs		**15,443**	16,359
Depreciation of plant and equipment	5	**953**	1,164
Impairment losses on trade receivables, net	8	**93**	595
Amortisation of deferred expenditure included in other receivables		**58**	64
Plant and equipment written off		**104**	33
Others		**2,104**	2,415
		62,664	70,933

Included in staff costs is contribution to defined contribution plans of $2.5 million (2022: $2.7 million).

20. MANAGER'S MANAGEMENT FEES

Manager's management fees comprise base fee of $11.9 million (31 December 2022: $12.8 million) and performance fee of $8.9 million (31 December 2022: $9.0 million). The Manager has elected to receive partial manager's management fees in the form of Units. The performance component of the Manager's management fee amounting to $8.9 million (31 December 2022: $9.0 million) and base fee amounting to $6.0 million (31 December 2022: $6.4 million) will be paid through the issue of 16,010,485 (31 December 2022: 13,495,621) new Units subsequent to the year end (the "Management Fee Units").

21. OTHER OPERATING EXPENSES/(INCOME)

	Group 2023 $'000	Group 2022 $'000
Professional fees	**551**	1,185
Others[(1)]	**(297)**	(1,370)
	254	(185)

(1) Includes reversal of over provision of prior year equity fund raising related expenses.

22. FINANCE INCOME AND FINANCE COSTS

	Group 2023 $'000	Group 2022 $'000
Interest income:		
– financial institutions	**3,723**	4,169
Finance income	**3,723**	4,169
Interest expenses		
– financial institutions	**(92,808)**	(63,215)
– related parties	**–**	(605)
	(92,808)	(63,820)
Cash flow hedges – gain reclassified from hedging reserve	**22,562**	3,865
Finance lease expenses	**(148)**	(444)
Finance costs	**(70,394)**	(60,399)
Net finance costs recognised in statement of total return	**(66,671)**	(56,230)

23. TAXATION

	Note	Group 2023 $'000	Group 2022 $'000
Current taxation			
Current year		**37,387**	36,801
Under provision in prior years		**1,338**	527
		38,725	37,328
Deferred taxation			
Origination and reversal of temporary differences	14	**31,280**	50,457
Income tax expense		**70,005**	87,785
Total return for the year before taxation		**124,976**	242,911
Tax calculated using Singapore tax rate of 17% (2022: 17%)		**21,246**	41,295
Adjustments:			
Effect of different tax rates in foreign jurisdictions		**24,508**	27,283
Income not subject to tax		**(3,037)**	(2,476)
Expenses not deductible for tax purposes		**312**	–
Deferred tax assets not recognised		**2,868**	3,078
Tax losses not allowed to be carried forward		**15,522**	11,182
Foreign tax suffered		**7,248**	6,896
Under provision in prior years		**1,338**	527
		70,005	87,785

24. EARNINGS PER UNIT

Basic earnings per Unit

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

	Group	
	2023	**2022**
	$'000	**$'000**
Total return for the year after taxation and non-controlling interest before distribution	**40,826**	122,993
Less: Total return attributable to perpetual securities holders	**(3,375)**	(3,375)
Total return attributable to Unitholders	**37,451**	119,618

	Trust	
	Number of Units 2023 '000	**Number of Units 2022 '000**
Issued Units at beginning of year	**1,673,893**	1,659,528
Effect of creation of new Units:		
– Distribution to Unitholders in respect of distribution reinvestment plan	**1,118**	625
– Manager's management fees paid/payable in Units	**8,548**	10,087
Weighted average number of issued and issuable Units at end of the year	**1,683,559**	1,670,240

Diluted earnings per Unit

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

	Trust	
	Number of Units 2023 '000	**Number of Units 2022 '000**
Issued Units at beginning of year	**1,673,893**	1,659,528
Effect of creation of new Units:		
– Distribution to Unitholders in respect of distribution reinvestment plan	**1,118**	625
– Manager's management fees paid/payable in Units	**24,515**	23,546
Weighted average number of issued and issuable Units at end of the year	**1,699,526**	1,683,699

25. RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties are entities which are direct or indirect wholly owned subsidiaries of CLG.

In the normal course of the operations of the Trust, the Manager's management fees and the Trustee's fees have been paid or are payable to the Manager and Trustee respectively. The property management fees, reimbursables and project management fees have been paid or are payable to the Property and Project Managers respectively.

25. RELATED PARTY TRANSACTIONS (continued)

During the financial year, other than those disclosed elsewhere in the financial statements, the following were significant related party transactions carried out in the normal course of business on arm's length commercial terms:

	Group	
	2023 **$'000**	**2022** **$'000**
Project management fees paid/payable to a related party	**1,174**	852

26. FINANCIAL RATIOS

	Group	
	2023 **%**	**2022** **%**
Ratio of expenses to average net asset value [1]		
– including performance component of Manager's management fees	**0.88**	0.79
– excluding performance component of Manager's management fees	**0.54**	0.48

Notes:
(1) The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses and finance costs.
(2) The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

27. OPERATING SEGMENTS

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

The Group is organised into the following main business segments:

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

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

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

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

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

27. OPERATING SEGMENTS (continued)

Information about reportable segments

	Retail Malls		Business Parks		Logistics Parks		Group	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
External revenue:								
– Gross rental income	**225,922**	239,338	**89,198**	99,696	**15,785**	17,407	**330,905**	356,441
– Others	**28,904**	20,967	**4,580**	5,399	**357**	364	**33,841**	26,730
– Gross revenue	**254,826**	260,305	**93,778**	105,095	**16,142**	17,771	**364,746**	383,171
Segment net property income	**165,422**	164,129	**69,672**	77,065	**11,645**	13,022	**246,739**	254,216
Finance income	**1,831**	2,429	**1,184**	1,449	**311**	270	**3,326**	4,148
Finance costs	**(5,442)**	(7,008)	**(3,358)**	(7,355)	**(1,563)**	(2,905)	**(10,363)**	(17,268)
Reportable segment total return before taxation	**147,195**	100,564	**59,914**	192,862	**(1,326)**	14,143	**205,783**	307,569
Segment assets	**3,383,269**	3,664,833	**1,099,222**	1,137,946	**328,945**	352,180	**4,811,436**	5,154,959
Segment liabilities	**582,507**	596,363	**185,953**	192,735	**42,584**	45,384	**811,044**	834,482
Other segment items:								
Depreciation and amortisation	**(690)**	(870)	**(272)**	(266)	**(49)**	(92)	**(1,011)**	(1,228)
(Impairment losses)/ Write-back on trade receivables, net	**(97)**	(569)	**4**	(26)	**–**	–	**(93)**	(595)
Net change in fair value of investment properties and ROU assets	**(20,889)**	(58,071)	**(7,321)**	122,064	**(11,559)**	3,852	**(39,769)**	67,845
Capital expenditure	**(28,799)**	(29,239)	**(4,684)**	(2,295)	**2,497**	1,673	**(30,986)**	(29,861)

27. OPERATING SEGMENTS (continued)

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

	2023 $'000	2022 $'000
Revenue		
Total revenue for reporting segments	**364,746**	383,171
Total return		
Total return for reportable segments before taxation	**205,783**	307,569
Unallocated amounts:		
– Other corporate expenses	**(80,807)**	(64,658)
Total return before taxation	**124,976**	242,911
Assets		
Total assets for reportable segments	**4,811,436**	5,154,959
Assets held for sale	**161,183**	–
Other unallocated amounts	**23,140**	71,147
Consolidated assets	**4,995,759**	5,226,106
Liabilities		
Total liabilities for reportable segments	**811,044**	834,482
Liabilities held for sale	**30,657**	–
Other unallocated amounts	**1,737,292**	1,708,582
Consolidated liabilities	**2,578,993**	2,543,064

	Reportable segment totals $'000	Unallocated amounts $'000	Consolidated totals $'000
Other material items 2023			
Finance income	**3,326**	**397**	**3,723**
Finance costs	**(10,363)**	**(60,031)**	**(70,394)**
Other material items 2022			
Finance income	4,148	21	4,169
Finance costs	(17,268)	(43,131)	(60,399)

Geographical segments

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

Major tenant

Revenue from one tenant of the Group represents approximately $5.8 million (2022: $8.2 million) of the Group's total revenue.

28. COMMITMENTS

(a) Capital commitments

	Group 2023 $'000	Group 2022 $'000
Payable:		
– contracted but not provided for	**2,238**	6,013

(b) The Group has non-cancellable operating leases with rentals payable as follows:

	Group 2023 $'000	Group 2022 $'000
Payable:		
– within 1 year	**24**	73
– after 1 year but within 5 years	**5**	73
	29	146

29. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Group's objectives when managing capital are to optimise Unitholders' value through the combination of available capital sources which include debt and equity instruments whilst complying with statutory and constitutional capital and distribution requirements, maintaining aggregate leverage and interest coverage ratio within approved limits. As a key part of the Group's overall strategy, the Board of the Manager reviews the Group and the Trust's debt and capital management cum financing policy regularly so as to optimise the Group and the Trust's funding structure. The Board also monitors the Group and the Trust's exposure to various risk elements by closely adhering to clearly established management policies and procedures.

The Group is subject to the aggregate leverage limit as defined in Appendix 6 of the CIS Code ("Property Fund Appendix"). The Property Fund Appendix stipulates that the total borrowings and deferred payments (together, the "Aggregate Leverage") of a property fund should not exceed 50.0% (2022: 50.0%) of its Deposited Property and has a minimum adjusted interest coverage ratio of 2.5 times after taking into account the interest payment obligations arising from the new borrowings. The Group has complied with the Aggregate Leverage limit of 50% (2022: 50.0%) and has a minimum adjusted interest coverage ratio of 2.5 times during the financial year, with an aggregate leverage of 41.5% (2022: 39.6%) and adjusted interest coverage of 3.1 times (2022: 3.6 times) as at 31 December 2023.

There were no changes in the Group's approach to capital management during the financial year.

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Financial risk management

Overview

The Group's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity, interest rate and foreign currency risks.

Financial risk management is integral to the whole business of the Group. The Group adopts an integrated approach to manage the financial risks arising in the normal course of the Group's business. The Group has written risk management policies and guidelines, and established processes to monitor and manage significant exposures. Risk management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group adheres to standardised accounting and financial policies and exercises effective controls over the financial affairs of its subsidiaries. This is achieved by ensuring group-wide adherence to a comprehensive set of guidelines covering contracts, policies and procedures and other requirements. Adequate measures are in place to ensure that the reliability and integrity of financial information compiled from subsidiaries are kept intact.

Credit risk

While it is necessary to assume a certain level of tenant credit risks to remain competitive in China, the Group has established credit limits for tenants and monitors their balances on an ongoing basis. Risks associated with credit limits are reflected in the level of security deposits and bank guarantees placed as collateral in respect of the leases. Appropriate risk mitigating actions are in place to manage trade receivables.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, payment history with the Group, aging profile, maturity and existence of previous financial difficulties.

Cash and fixed deposits are placed with banks and financial institutions which are regulated. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of allowance on cash and cash equivalents was negligible.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

In addition, the Group maintains the following debt facilities and programme as at 31 December 2023.

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Financial risk management *(continued)*

Liquidity risk *(continued)*

S$ denominated facilities:

- $70.0 million Money Market Line (MML) facility
- $100.0 million MML & Financial Guarantee (FG) facility
- $50.0 million multicurrency MML facility
- $200.0 million four-year trust loan facilities
- $650.0 million five-year trust loan facilities
- $550.0 million six-year trust loan facilities
- $150.0 million seven-year trust loan facility

United States dollar ("US$") denominated facilities:

- US$50.0 million multicurrency MML facility

RMB denominated facilities:

- RMB394.0 million secured loan facility
- RMB600.0 million secured loan facility
- RMB400.0 million secured loan facility
- RMB271.0 million secured loan facility
- RMB133.9 million secured loan facility
- RMB78.1 million secured loan facility

Multicurrency Debt Issuance Programme:

- $1.0 billion multicurrency Debt Issuance Programme

Free Trade Zone RMB bonds:

- RMB600.0 million Free Trade Zone bonds

As at 31 December 2023, the Group has outstanding debt of $1,459.5 million (2022: $1,543.8 million) trust term loan facilities, $150.0 million MTN (2022: $150.0 million), RMB600.0 million FTZ bonds and RMB1,262.8 million (2022: RMB1,323.4 million) secured loan facilities.

The Trustee in its capacity as trustee of the Trust has provided financial guarantee to its subsidiary. At the reporting date, the Trust does not consider that it is probable that a claim will be made against the Trust under the financial guarantee contract. Accordingly, the Trust does not expect any net cash outflows resulting from the financial guarantee contract.

The Group also monitors and observes the Property Fund Appendix issued by MAS concerning limits on total borrowings.

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Financial risk management *(continued)*

Interest rate risk

The Manager adopts a proactive interest rate management policy to manage the risk associated with changes in interest rates on the Group's loan facilities while also seeking to ensure that the ongoing cost of debt remains competitive.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from interest rate benchmark reform, then the Group assumes for this purpose that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

The Group replaced its SOR interest rate derivatives used in cash flow hedging relationships with SORA by end of 2023.Therefore, there is no longer uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments.

Exposure to interest rate risk

As at 31 December 2023, the Group has interest rate swaps ("IRS") with notional contract amount of $1,095.0 million (2022: $1,035.0 million) and cross currency interest rate swap ("CCIRS") with notional contract amount of $50.0 million (2022: nil). The Group classifies the IRS and CCIRS as cash flow hedges to hedge the exposure in interest rate fluctuations on certain of its term loans.

The term loans and the underlying IRS have the same terms and conditions.

The Manager proactively seeks to minimise the level of interest rate risk by locking the majority of the Group's borrowings at fixed rates. As at 31 December 2023, the Group has locked in approximately 82.2% (2022: 70.4%) of its borrowings at fixed rates (excluding money market line and onshore RMB denominated loans).

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial liabilities at fair value through profit or loss and the Group does not designate interest rate derivatives as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect the statement of total return.

Cash flow sensitivity analysis for variable rate instruments

The net change in fair value of the interest component of IRS and CCIRS as at 31 December 2023 of $26.8 million (2022: $39.6 million), representing the effective portion of the cash flow hedge, has been recognised directly in the hedging reserve.

Effects of a 100 basis point ("bp")* movement in interest rate at the reporting date would increase/(decrease) statement of total return and Unitholders' funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

* 100 basis point is equivalent to 1 percentage point

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

	Statement of total return		Unitholders' funds	
	100 bp increase $'million	**100 bp decrease $'million**	**100 bp increase $'million**	**100 bp decrease $'million**
Group and Trust				
2023				
Interest rate swaps and cross currency interest rate swap	**–**	**–**	**10.6**	**(10.6)**
Variable rate instruments	**(5.6)**	**5.6**	**–**	**–**
Cash flow sensitivity (net)	**(5.6)**	**5.6**	**10.6**	**(10.6)**
2022				
Interest rate swaps	–	–	8.8	(8.8)
Variable rate instruments	(7.0)	7.0	–	–
Cash flow sensitivity (net)	(7.0)	7.0	8.8	(8.8)

Foreign currency risk

The Group is exposed to foreign currency risk on cash holdings and operating expenses that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily the US$ and RMB.

The Manager's strategy is to achieve a natural hedge through local RMB financing. To mitigate the foreign currency cashflow, the Manager will enter into foreign currency forwards to limit on exposure for the RMB denominated cashflow and cross currency interest rate swap to hedge the foreign currency exposure from the net investment in certain subsidiaries in China.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assess whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

The Group's and Trust's exposure to foreign currencies is as follows:

	US$ $'000	**RMB $'000**	**Total $'000**
Group			
2023			
Cash and cash equivalents	**2,437**	**30**	**2,467**
2022			
Cash and cash equivalents	2,615	108	2,723

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk *(continued)*

	US$ $'000	RMB $'000	Total $'000
Trust			
2023			
Loans to subsidiaries	**200,736**	**–**	**200,736**
Non-trade amounts due from subsidiaries	**125,546**	**–**	**125,546**
Cash and cash equivalents	**47**	**2**	**49**
Non-trade amount due to subsidiaries	**(6,649)**	**(112,513)**	**(119,162)**
	319,680	**(112,511)**	**207,169**
2022			
Loans to subsidiaries	203,746	–	203,746
Non-trade amounts due from subsidiaries	186,606	–	186,606
Cash and cash equivalents	216	86	302
	390,568	86	390,654

Sensitivity analysis

A 10% strengthening of Singapore dollar against the US$ and RMB at the reporting date would increase/(decrease) total return after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2022.

	Statements of total return	
	Group $'000	Trust $'000
2023		
US$	**(244)**	**(31,968)**
RMB	**(3)**	**11,251**
2022		
US$	(262)	(39,057)
RMB	(11)	(9)

A 10% weakening of Singapore dollar against the US$ and RMB would have had equal but opposite effect on the US$ and RMB to the amounts shown above, on the basis that all other variables remain constant.

Forwards

At 31 December 2023, the Group has foreign currency forward contracts with notional amount of $30.8 million (2022: $31.0 million) to economically hedge the undistributed income for financial year 2023. The fair value of the forwards as at 31 December 2023 of $0.6 million (2022: $1.7 million) has been recognised directly in the statement of total return.

A 10% strengthening/weakening of Singapore dollar against the RMB at the reporting date would increase and decrease the statement of total return by $2.7 million and $3.4 million (2022: $2.7 million and $3.2 million) respectively.

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk *(continued)*

Cross Currency Interest Rate Swap

At 31 December 2023, the Group has cross currency interest rate swap contract with notional amount of $50.0 million to hedge the foreign currency exposure from the net investment in certain subsidiaries in China. The fair value of the foreign exchange component of the CCIRS as at 31 December 2023 of $0.8 million has been recognised directly in the Unitholders' funds.

A 10% strengthening/weakening of Singapore dollar against the RMB at the reporting date would increase and decrease the Unitholders' funds by $4.6 million and $5.6 million respectively.

Hedge accounting

Cash flow hedges

The Group held the following instruments to hedge exposures to changes in foreign currency and interest rates.

	Maturity		
	1 – 6 months	**6 – 12 months**	**More than one year**
2023			
Interest rate risk			
Interest rate swaps			
Notional amount (in thousands of SGD)	**95,000**	**214,000**	**786,000**
Average fixed interest rate	**0.6%**	**1.3%**	**2.0%**
Cross currency interest rate swap			
Notional amount (in thousands of SGD)	**-**	**-**	**50,000**
Average fixed interest rate	**-**	**-**	**3.2%**
2022			
Interest rate risk			
Interest rate swaps			
Notional amount (in thousands of SGD)	120,000	20,000	879,000
Average fixed interest rate	1.1%	2.8%	1.5%

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows.

	2023			During the period – 2023			
Group and Trust	**Notional amount $'000**	**Carrying amount – assets $'000**	**Carrying amount – liabilities $'000**	**Changes in the value of the hedging instrument recognised in Unitholders' funds $'000**	**Amount reclassified from hedging reserve to the statement of total return $'000**	**Amount reclassified from costs of hedging reserve to the statement of total return $'000**	**Line item in the statement of total return affected by the reclassification**
Interest rate risk							
Interest rate swaps	**1,095,000**	**19,657**	**(3,987)**	**(49,197)**	**21,776**	**–**	**Finance costs**
Cross currency interest rate swap	**50,000**	**-**	**(1,362)**	**(191)**	**786**	**–**	**Finance costs**

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

	2022			During the period – 2022			
Group and Trust	Notional amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000	Changes in the value of the hedging instrument recognised in Unitholders' funds $'000	Amount reclassified from hedging reserve to the statement of total return $'000	Amount reclassified from costs of hedging reserve to the statement of total return $'000	Line item in the statement of total return affected by the reclassification
Interest rate risk							
Interest rate swaps	1,019,000	42,694	(825)	35,711	3,865	–	Finance costs

The following table provides a reconciliation by risk category of components of equity and analysis of items recognised in Unitholders' funds, net of tax, resulting from cash flow hedge accounting.

	Group and Trust	
	Hedging reserve $'000	Cost of hedging reserve $'000
Balance at 1 January 2022	2,321	–
Cash flow hedges		
Change in fair value:		
Interest rate risk	35,711	–
Amount reclassified to statement of total return:		
Interest rate risk	3,865	–
Balance at 31 December 2022	41,897	–
Balance at 1 January 2023	**41,897**	**-**
Cash flow hedges		
Change in fair value:		
Interest rate risk	**(49,388)**	**-**
Amount reclassified to statement of total return:		
Interest rate risk	**22,562**	**-**
Balance at 31 December 2023	**15,071**	**-**

Hedge of net investment in foreign operations

The Group has foreign currency exposures from the net investment in its foreign subsidiaries in China that has RMB functional currency.

As at 31 December 2023, the Group's net investment in its foreign subsidiaries is hedged by the RMB FTZ fixed rate bonds and cross currency interest rate swap of $161.6 million, which mitigates the foreign currency risk arising from the foreign subsidiaries' net assets.

The net change in fair value of the net investment hedge comprised the effective portion of approximately $47,000 which was recognised in the foreign currency translation reserve as at 31 December 2023.

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

The amounts relating to items designated as hedging instruments were as follows.

Group	2023			During the period – 2023			
	Notional amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000	Line item in the Statements of Financial Position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in Unitholders' funds $'000	Amount reclassified from costs of hedging reserve to the statement of total return $'000	Line item in the statement of total return affected by the reclassifi-cation
RMB FTZ fixed rate bonds	**111,630**	**–**	**(111,630)**	**Loans and Borrowings**	**720**	**–**	**–**
Cross currency interest rate swap	**50,000**	**–**	**(1,362)**	**Derivative financial instruments**	**(767)**	**–**	**–**

The amounts related to items designated as hedged items were as follows:

Group	2023	During the period – 2023	
	Change in value used for calculating hedge ineffectiveness $'000	FCTR $'000	Balances remaining in the FCTR from hedging relationships for which hedge accounting is no longer applied $'000
RMB net investment	**–**	**(47)**	**–**

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, for the current year, the fair value disclosure of lease liabilities is also not required.

	Note	Carrying amount					Fair value			
		Amortised cost $'000	Fair value to statement of total return $'000	Fair value – hedging instruments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group										
2023										
Financial assets not measured at fair value										
Trade and other receivables[1]	8	**20,678**	**–**	**–**	**–**	**20,678**	**–**	**–**	**–**	**–**
Cash and cash equivalents	9	**243,464**	**–**	**–**	**–**	**243,464**	**–**	**–**	**–**	**–**
		264,142	**–**	**–**	**–**	**264,142**				
Financial assets measured at fair value										
Financial derivative assets	7	**–**	**570**	**19,657**	**–**	**20,227**	**–**	**20,227**	**–**	**20,227**
Financial liabilities not measured at fair value										
Trade and other payables	11	**–**	**–**	**–**	**154,194**	**154,194**	**–**	**–**	**–**	**–**
Security deposits		**–**	**–**	**–**	**97,451**	**97,451**	**–**	**90,651**	**–**	**90,651**
Interest-bearing borrowings	12	**–**	**–**	**–**	**1,951,084**	**1,951,084**	**–**	**1,933,528**	**–**	**1,933,528**
		–	**–**	**–**	**2,202,729**	**2,202,729**				
Financial liabilities measured at fair value										
Financial derivative liabilities	7	**–**	**–**	**5,349**	**–**	**5,349**	**–**	**5,349**	**–**	**5,349**

[1] Excluding prepayments

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Accounting classifications and fair values (continued)

		Carrying amount					Fair value			
	Note	Amortised cost $'000	Fair value to statement of total return $'000	Fair value – hedging instruments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group										
2022										
Financial assets not measured at fair value										
Trade and other receivables[1]	8	31,840	–	–	–	31,840	–	–	–	–
Cash and cash equivalents	9	231,048	–	–	–	231,048	–	–	–	–
		262,888	–	–	–	262,888				
Financial assets measured at fair value										
Financial derivative assets	7	–	1,670	42,694	–	44,364	–	44,364	–	44,364
Financial liabilities not measured at fair value										
Trade and other payables	11	–	–	–	137,640	137,640	–	–	–	–
Security deposits		–	–	–	106,181	106,181	–	99,807	–	99,807
Interest-bearing borrowings	12	–	–	–	1,945,940	1,945,940	–	1,934,739	–	1,934,739
		–	–	–	2,189,761	2,189,761				
Financial liabilities measured at fair value										
Financial derivative liabilities	7	–	–	825	–	825	–	825	–	825

[1] Excluding prepayments

		Carrying amount					Fair value			
	Note	Amortised cost $'000	Fair value to statement of total return $'000	Fair value – hedging instruments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Trust										
2023										
Financial assets not measured at fair value										
Loans to subsidiaries	6	**200,736**	**-**	**-**	**-**	**200,736**	**-**	**-**	**191,596**	**191,596**
Non-trade amounts due from subsidiaries	6	**2,007,031**	**-**	**-**	**-**	**2,007,031**	**-**	**-**	**1,915,642**	**1,915,642**
Trade and other receivables[1]	8	**644**	**-**	**-**	**-**	**644**	**-**	**-**	**-**	**-**
Cash and cash equivalents	9	**1,208**	**-**	**-**	**-**	**1,208**	**-**	**-**	**-**	**-**
		2,209,619	**-**	**-**	**-**	**2,209,619**				
Financial assets measured at fair value										
Financial derivative assets	7	**-**	**570**	**19,657**	**-**	**20,227**	**-**	**20,227**	**-**	**20,227**
Financial liabilities not measured at fair value										
Trade and other payables	11	**-**	**-**	**-**	**158,650**	**158,650**	**-**	**-**	**141,384(2)**	**141,384**
Interest-bearing borrowings	12	**-**	**-**	**-**	**1,605,056**	**1,605,056**	**-**	**1,590,775**	**-**	**1,590,775**
		-	**-**	**-**	**1,763,706**	**1,763,706**				
Financial liabilities measured at fair value										
Financial derivative liabilities	7	**-**	**-**	**5,349**	**-**	**5,349**	**-**	**5,349**	**-**	**5,349**

[1] Excluding prepayments
[2] Relates to non-trade amounts due to subsidiaries

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Accounting classifications and fair values (continued)

		Carrying amount					Fair value			
	Note	Amortised cost $'000	Fair value to statement of total return $'000	Fair value – hedging instruments $'000	Other financial liabilities $'000	Total carrying amount $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Trust										
2022										
Financial assets not measured at fair value										
Loans to subsidiaries	6	203,746	–	–	–	203,746	–	–	194,308	194,308
Non-trade amounts due from subsidiaries	6	2,069,472	–	–	–	2,069,472	–	–	1,973,608	1,973,608
Trade and other receivables[1]	8	171	–	–	–	171	–	–	–	–
Cash and cash equivalents	9	2,157	–	–	–	2,157	–	–	–	–
		2,275,546	–	–	–	2,275,546				
Financial assets measured at fair value										
Financial derivative assets	7	–	1,670	42,694	–	44,364	–	44,364	–	44,364
Financial liabilities not measured at fair value										
Trade and other payables	11	–	–	–	42,655	42,655	–	–	27,789[2]	27,789
Interest-bearing borrowings	12	–	–	–	1,688,813	1,688,813	–	1,677,612	–	1,677,612
		–	–	–	1,731,468	1,731,468				
Financial liabilities measured at fair value										
Financial derivative liabilities	7	–	–	825	–	825	–	825	–	825

(1) Excluding prepayments
(2) Relates to non-trade amounts due to subsidiaries

Estimation of fair value

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and Trust.

Financial derivatives

The fair values of deliverable forwards and interest rates are based on banks' quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the Group entity and counterparties when appropriate.

Interest-bearing borrowings

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities (including trade and other receivables, cash and cash equivalents, trade and other payables and current security deposits) are assumed to approximate their fair values because they are either short term in nature, or effect of discounting is immaterial. All other financial assets and liabilities (non-current security deposits) are discounted to determine their fair values.

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Estimation of fair value *(continued)*

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are based on the forward yield curve as at 31 December 2023 plus an adequate constant credit spread, and are as follows:

	2023 % p.a.	2022 % p.a.
Group		
Interest-bearing borrowings	**4.75-5.07**	3.40-5.41
Security deposits	**4.75-4.99**	3.40-4.39
Trust		
Loans to subsidiaries	**4.76**	4.84
Non-trade amounts due from subsidiaries	**4.76**	4.84
Non-trade amounts due to subsidiaries	**4.76-4.91**	4.84
Interest-bearing borrowings	**4.75-5.07**	3.40-5.41

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Trust's statements of financial position; or
- are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the statement of financial position.

Financial instruments such as loans and receivables and financial liabilities are not disclosed in the tables below unless they are offset in the statements of financial position.

The Trust's derivative transactions that are not transacted on an exchange are entered into under International Swaps and Derivatives Association ("ISDA") Master Agreements. In certain circumstances, for example when a termination event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions.

Under the agreements signed, the Trust and its counterparties neither have a legal obligation nor intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously. In addition, the right of set-off of recognised amounts is enforceable only following the occurrence of a termination event as set out in the agreements. Accordingly, the ISDA agreements do not meet the criteria for offsetting and the derivatives financial instruments presented below are not offset in the Statement of Financial Position.

29. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

Financial assets and liabilities subject to offsetting and enforceable master netting arrangement under termination events

	Gross amounts of recognised financial instruments $'000	Gross amount of recognised financial instruments offset in the statement of financial position $'000	Net amounts of financial instruments presented in the statement of financial position $'000	Related amounts not offset in the statement of financial position $'000	Net amounts $'000
31 December 2023					
Financial assets					
Interest rate swaps	**19,657**	**–**	**19,657**	**(2,718)**	**16,939**
Forwards	**570**	**–**	**570**	**–**	**570**
	20,227	**–**	**20,227**	**(2,718)**	**17,509**
Financial liabilities					
Interest rate swaps	**3,987**	**–**	**3,987**	**(2,718)**	**1,269**
Cross currency interest rate swap	**1,362**	**–**	**1,362**	**–**	**1,362**
Forwards	**–**	**–**	**–**	**–**	**–**
	5,349	**–**	**5,349**	**(2,718)**	**2,631**
31 December 2022					
Financial assets					
Interest rate swaps	42,694	–	42,694	(792)	41,902
Forwards	1,670	–	1,670	–	1,670
	44,364	–	44,364	(792)	43,572
Financial liabilities					
Interest rate swaps	825	–	825	(792)	33
Forwards	–	–	–	–	–
	825	–	825	(792)	33

30. SUBSEQUENT EVENTS

- On 23 January 2024, the Group announced that it has completed the divestment of its entire equity interest in CapitaRetail Beijing Shuangjing Real Estate Co., Ltd. which holds CapitaMall Shuanging. The aggregate consideration payable by the buyer is RMB849.2 million (approximately $158.2 million).

- On 30 January 2024, the Manager declared a distribution of 3.00 cents per Unit to Unitholders in respect of the period from 1 July 2023 to 31 December 2023.

ADDITIONAL INFORMATION

INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual and the Property Funds Appendix of the CIS Code (excluding transactions of less than $100,000 each), are as follows:

Name of Interested Persons	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions of less than S$100,000 and transactions conducted under shareholder's mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions during the financial year under review under shareholder's mandate pursuant to Rule 920 (excluding transactions of less than S$100,000) S$'000
CapitaLand Investment Limited and its subsidiaries or associates[1]	Immediate controlling shareholder of the Manager and immediate controlling Unitholder		
– Manager's Management fees		20,819	–
– Property Management fees[2]		591	–
Temasek Holdings (Private) Limited and its subsidiaries or associates[3]	Ultimate controlling shareholder of the Manager and ultimate controlling Unitholder		
– Project Management fees		696	–
HSBC Institutional Trust Services (Singapore) Limited	Trustee		
– Trustee's fees		683	–

Saved as disclosed above, there were

i) no additional Interested Person Transactions (excluding transactions of less than S$100,000 each) entered into during the financial period under review.

ii) no material contracts of CLCT and its subsidiaries involving the interests of the chief executive officer or each director of the Manager or the controlling unitholder of CLCT, either still subsisting at the end of FY 2023 or if not then subsisting, entered into since the end of FY 2023.

1 Following the strategic restructuring of CapitaLand Limited (now known as CapitaLand Group Pte Ltd) and the listing of CapitaLand Investment Limited ("CLI") with effect from 20 September 2021, all transactions aggregated under the CLI group of companies shall exclude transactions entered into with CapitaLand Group Pte Ltd and its subsidiaries or associates (not inclusive of CapitaLand Investment Limited and its subsidiaries or associates) (collectively the "CL Group").

2 Refers to car park management related fees contracted in FY 2023.

3 Following the strategic restructuring of CapitaLand Limited (now known as CapitaLand Group Pte Ltd) and the listing of CapitaLand Investment Limited with effect from 20 September 2021, all transactions aggregated entered into with the CL Group (excluding CLI and its subsidiaries or associates) shall be aggregated under the Temasek group of companies.

ADDITIONAL INFORMATION

The fees and charges payable by CLCT to the Manager under the Trust Deed, and to the Property Managers under the Property Management Agreements (collectively, the "Exempted Agreements"), each of which constitutes an Interested Person Transaction, are deemed to have been specifically approved by the Unitholder upon purchase of the Units and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will affect CLCT. However, the renewal of such agreements will be subject to Rules 905 and 906 of the Listing Manual.

Please also see Related Party Transactions on note 25 in the financial statements.

SUBSCRIPTION OF CLCT UNITS

An aggregate of 13,495,621 Units were issued during the year as part payment of the base and performance component of the Manager's management fee for the financial year 2022. As at 31 December 2023, 1,704,872,600 Units were in issue and outstanding. 16,010,485[1] Units will be issued to the Manager as part payment of the base and performance component of its management fee for the financial year 2023.

1 Based on the volume weighted average price per Unit for all trades on the SGX-ST in the ordinary course of trading for the period of 10 business days immediately preceding the financial year 2023.

ADDITIONAL DISCLOSURE FOR OPERATING EXPENSES

According to disclosure requirements under paragraph 11.1 item (l) of the Appendix 6 to Code on Collective Investment Scheme, the total operating expenses incurred by CLCT Group in FY 2023 was S$143.5 million. The amount included all fees and charges paid to the Manager and interested parties. This translates to 5.9% of the CLCT Group's net asset value as at 31 December 2023.

STATISTICS OF UNITHOLDINGS

As at 29 February 2024

ISSUED AND FULLY PAID UNITS

1,688,862,115 Units (voting rights: 1 vote per Unit)
Market Capitalisation: S$1,249,757,965 (based on closing Unit price of S$0.740 on 29 February 2024)

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 99	336	1.78	13,591	0.00
100 - 1,000	1,831	9.68	1,430,262	0.08
1,001 - 10,000	9,897	52.31	50,075,377	2.97
10,001 - 1,000,000	6,810	35.98	311,861,681	18.47
1,000,001 AND ABOVE	47	0.25	1,325,481,204	78.48
TOTAL	**18,921**	**100.00**	**1,688,862,115**	**100.00**

LOCATION OF UNITHOLDINGS

COUNTRY	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
SINGAPORE	18,477	97.65	1,675,756,334	99.22
MALAYSIA	302	1.60	8,798,671	0.52
OTHERS	142	0.75	4,307,110	0.26
TOTAL	**18,921**	**100.00**	**1,688,862,115**	**100.00**

TWENTY LARGEST UNITHOLDERS

NO.	NAME	NO. OF UNITS	%
1	RETAIL CROWN PTE. LTD.	256,098,427	15.16
2	DBS NOMINEES (PRIVATE) LIMITED	230,748,037	13.66
3	HSBC (SINGAPORE) NOMINEES PTE LTD	217,936,054	12.90
4	CITIBANK NOMINEES SINGAPORE PTE LTD	156,325,581	9.26
5	CAPITALAND CHINA TRUST MANAGEMENT LIMITED	121,972,843	7.22
6	RAFFLES NOMINEES (PTE.) LIMITED	76,389,122	4.52
7	DBSN SERVICES PTE. LTD.	57,073,788	3.38
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	17,642,088	1.04
9	UOB KAY HIAN PRIVATE LIMITED	16,292,413	0.96
10	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	16,030,398	0.95
11	IFAST FINANCIAL PTE. LTD.	15,376,801	0.91
12	PHILLIP SECURITIES PTE LTD	15,159,235	0.90
13	BPSS NOMINEES SINGAPORE (PTE.) LTD.	14,609,869	0.87
14	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	14,353,520	0.85
15	OCBC SECURITIES PRIVATE LIMITED	10,599,503	0.63
16	MAYBANK SECURITIES PTE. LTD.	8,549,460	0.51
17	ABN AMRO CLEARING BANK N.V.	6,781,541	0.40
18	DB NOMINEES (SINGAPORE) PTE LTD	5,248,640	0.31
19	HENG SIEW ENG	5,231,401	0.31
20	TIGER BROKERS (SINGAPORE) PTE. LTD.	5,208,035	0.31
	TOTAL	**1,267,626,756**	**75.05**

STATISTICS OF UNITHOLDINGS

DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2024

Based on the Register of Directors' Unitholdings, the interests of the Directors in Units and convertible securities issued by CLCT are as follows:

Name of Director	No. of Units Direct Interest	No. of Units Deemed Interest	Contingent Awards of Units[1] under the Manager's Performance Unit Plan	Contingent Awards of Units[1] under the Manager's Restricted Unit Plan
Soh Kim Soon	115,210	–	–	–
Tan Tze Wooi	1,265,198	5,800	0 to 980,418[2]	202,410[3,4]
Tan Tee How	–	–	–	–
Neo Poh Kiat	126,113	–	–	–
Professor Ong Seow Eng	12,897	–	–	–
Tay Hwee Pio	9,550	–	–	–
Wan Mei Kit	–	–	–	–
Quah Ley Hoon	–	–	–	–
Puah Tze Shyang	–	–	–	–

1 This refers to the number of Units which are the subject of contingent awards granted but not released under the Manager's Performance Unit Plan ("**PUP**") and Restricted Unit Plan ("**RUP**"). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.
2 The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for the PUP.
3 Being the unvested Units under the RUP.
4 On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the RUP, will also be released.

STATISTICS OF UNITHOLDINGS

As at 29 February 2024

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 29 FEBRUARY 2024

Based on the information available to the Manager as at 29 February 2024, the unitholdings of Substantial Unitholders of CLCT are as follows:

	Direct Interest		Deemed Interest	
Name of Substantial Unitholder	**No. of Units**	**%[1]**	**No. of Units**	**%[1]**
Temasek Holdings (Private) Limited (THPL)	–	–	533,079,220[2]	31.56
Tembusu Capital Pte. Ltd. (Tembusu)	–	–	511,451,605[3]	30.28
Bartley Investments Pte. Ltd. (Bartley)	–	–	511,451,605[3]	30.28
Mawson Peak Holdings Pte. Ltd. (Mawson)	–	–	511,451,605[3]	30.28
Glenville Investments Pte. Ltd. (Glenville)	–	–	511,451,605[3]	30.28
TJ Holdings (III) Pte. Ltd. (TJ Holdings (III))	–	–	511,451,605[3]	30.28
CLA Real Estate Holdings Pte. Ltd. (CLA)	–	–	511,451,605[3]	30.28
CapitaLand Group Pte. Ltd. (CLG)	–	–	511,451,605[4]	30.28
CapitaLand Investment Limited (CLI)			511,451,605[5]	30.28
CapitaLand Mall Asia Limited (CMA)	–	–	256,098,427[5]	15.16
CapitaLand Retail China Pte. Ltd. (CLRC)	–	–	256,098,427[5]	15.16
Retail Crown Pte. Ltd. (RCPL)	256,098,427	15.16	–	–
CLI Singapore Pte. Ltd. (CLIS)	–	–	133,380,335[5]	7.89
HSBC Institutional Trust Services (Singapore) Limited, as trustee of CapitaLand Integrated Commercial Trust	133,380,335	7.89	–	–
CapitaLand China Trust Management Limited (CLCTML)	121,972,843	7.22	–	–
CLI Asset Management Pte. Ltd. (CLI AM)	–	–	121,972,843[5]	7.22

Notes:
1 The percentage is rounded down to the nearest 0.01%.
2 THPL is deemed to have an interest in the unitholdings in which its subsidiaries and associated companies (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the Securities and Futures Act 2001 (SFA).
3 THPL holds 100% of the equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJ Holdings (III), which holds 100% of the equity interest in CLA, which holds 100% of the equity interest in CLG. Each of Tembusu, Bartley, Mawson, Glenville, TJ Holdings (III) and CLA is deemed to have an interest in the unitholdings in which CLG is deemed to have an interest pursuant to Section 4 of the SFA.
4 CLG holds approximately 53.12% of the equity interest in CLI and is deemed to have an interest in the unitholdings that CLI is deemed to have an interest pursuant to Section 4 of the SFA.
5 Pursuant to Section 4 of the SFA, CLI is deemed to have an interest in the unitholdings held by (a) CLI's indirect wholly owned subsidiary, RCPL that CLI's indirect wholly owned subsidiary, CLRC and CLI's direct wholly owned subsidiary, CMA are deemed to have an interest; (b) HSBC Institutional Trust Services (Singapore) Limited, as trustee of CapitaLand Integrated Commercial Trust (CICT) as CLI's direct wholly owned subsidiary, CLIS is deemed to have an interest in CLCT through CLIS' wholly owned subsidiaries which collectively hold more than 20% in CICT; and (c) CLI's indirect wholly owned subsidiary, CLCTML that CLI's direct wholly owned subsidiary, CLI AM is deemed to have an interest.

PUBLIC FLOAT

Based on the information available to the Manager, approximately 68.28% of the Units in CLCT were held in the hands of the public as at 29 February 2024. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

PORTFOLIO DIRECTORY

Retail

Beijing

CapitaMall Xizhimen
凯德MALL·西直门
No. 1 Xizhimenwai Street,
Xicheng District, Beijing
北京市西城区西直门外大街 1号

CapitaMall Grand Canyon
凯德MALL·大峡谷
No. 16 South Third Ring West Road,
Fengtai District, Beijing
北京市丰台区南三环西路16号

CapitaMall Wangjing
凯德MALL·望京
No. 33, Guangshun North Street,
Chaoyang District, Beijing
北京市朝阳区广顺北大街33号

CapitaMall Shuangjing
凯德MALL·双井
No. 31 Guangqu Road,
Chaoyang District, Beijing
北京市朝阳区广渠路31号

Guangzhou

Rock Square
乐峰广场
No. 106-108 Gongye Avenue North,
Haizhu District, Guangzhou, Guangdong Province
广东省广州市海珠区工业大道北 106-108号

Chengdu

CapitaMall Xinnan
凯德广场·新南
No. 99, Shenghe First Road,
Gaoxin District, Chengdu, Sichuan Province
四川省成都市高新区盛和一路99号

Changsha

CapitaMall Yuhuating
凯德广场·雨花亭
No. 421 Shaoshan Middle Road,
Yuhua District, Changsha, Hunan Province
湖南省长沙市雨花区韶山中路421号

Harbin

CapitaMall Xuefu
凯德广场·学府
No. 1 Xuefu Road, Nangang District, Harbin, Heilongjiang Province
黑龙江省哈尔滨市南岗区学府路 1 号

CapitaMall Aidemengdun
凯德广场·埃德蒙顿
No. 38 Aidemengdun Road, Daoli District, Harbin, Heilongjiang Province
黑龙江省哈尔滨市埃德蒙顿路38号

Hohhot

CapitaMall Nuohemule
凯德广场·诺和木勒
Block A Jinyu Xintiandi, Ordos Street, Yuquan District, Hohhot, Inner Mongolia Autonomous Region
内蒙古自治区呼和浩特市 玉泉区鄂尔多斯大街
金宇新天地A座二层201号

PORTFOLIO DIRECTORY

New Economy - Business Park

Suzhou

Ascendas Xinsu Portfolio
腾飞新苏
Suzhou Industrial Park, Suzhou, Jiangsu Province
苏州工业园区星汉街5号, 苏州

Hangzhou

Singapore-Hangzhou Science & Technology Park Phase I
新加坡杭州科技园一期
No. 2 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Qiantang New Area, Hangzhou, Zhejiang Province
杭州经济技术开发区科技园路 2号, 杭州

Singapore-Hangzhou Science & Technology Park Phase II
新加坡杭州科技园二期
No. 20 and 57 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Qiantang New Area, Hangzhou, Zhejiang Province
杭州经济技术开发区科技园路20号与57号, 杭州

Xi'an

Ascendas Innovation Towers
新加坡腾飞科汇城
No. 88 Tiangu Seventh Road,
Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province
西安市高新区天谷七路88号, 西安

Ascendas Innovation Hub
腾飞创新中心
No. 38 Gaoxin Sixth Road,
Xi'an Hi-Tech Industries Development Zone, Xi'an, Shaanxi Province
西安高新技术产业开发区高新六路38号, 西安

New Economy - Logistics Park

Shanghai

Shanghai Fengxian Logistics Park
上海奉贤物流产业
No. 435, Haishang Road, Fengxian District, Shanghai
上海市奉贤区海尚路435号, 上海

Kunshan

Kunshan Bacheng Logistics Park
昆山巴城物流产业
No. 998 Yuyang Road, Yushan Town, Kunshan, Jiangsu Province
昆山市玉山镇玉杨路998号, 昆山

Wuhan

Wuhan Yangluo Logistics Park
武汉阳逻物流产业
No. 10 Qiuli South Road, Yangluo Development Zone, Xinzhou District, Wuhan, Hubei Province
武汉市新洲区阳逻经济开发区, 邱栗大道(南)10号, 武汉

Chengdu

Chengdu Shuangliu Logistics Park
成都双流物流产业
No. 86 Tongguan Road, Shuangliu District, Chengdu, Sichuan Province
成都市双流区西航港通关路86号, 成都

CORPORATE INFORMATION

CapitaLand China Trust

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Website: www.clct.com.sg
Stock Code: AU8U
Counter Name: CapLand China T

TRUSTEE
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10 Marina Boulevard
Marina Bay Financial Centre
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AUDITOR
KPMG LLP
Public Accountants and
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Partner-In-Charge:
Yap Wee Kee
(with effect from financial year ended 31 December 2022)

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1 Harbourfront Avenue
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Tel: +65 6536 5355
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The Manager

REGISTERED ADDRESS OF THE MANAGER
CapitaLand China Trust Management Limited
168 Robinson Road
#30-01 Capital Tower
Singapore 068912
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BOARD OF DIRECTORS
Soh Kim Soon
Chairman & Non-Executive Independent Director

Tan Tze Wooi
Chief Executive Officer & Executive Non-Independent Director

Tan Tee How
Non-Executive Independent Director

Neo Poh Kiat
Non-Executive Independent Director

Professor Ong Seow Eng
Non-Executive Independent Director

Tay Hwee Pio
Non-Executive Independent Director

Wan Mei Kit
Non-Executive Independent Director

Quah Ley Hoon
Non-Executive Non-Independent Director

Puah Tze Shyang
Non-Executive Non-Independent Director

AUDIT AND RISK COMMITTEE
Neo Poh Kiat
Chairman

Professor Ong Seow Eng
Tay Hwee Pio
Wan Mei Kit

NOMINATING AND REMUNERATION COMMITTEE
Soh Kim Soon
Chairman

Tan Tee How
Neo Poh Kiat
Quah Ley Hoon

EXECUTIVE COMMITTEE
Quah Ley Hoon
Chairman

Tan Tze Wooi
Puah Tze Shyang

COMPANY SECRETARY
Chuo Cher Shing

This Annual Report to Unitholders may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate investment opportunities, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, changes in operating expenses (including employee wages, benefits and training, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current views of management on future events.

CAPITALAND CHINA TRUST MANAGEMENT LIMITED
As Manager of CapitaLand China Trust
Company Registration No. 200611176D

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FSC www.fsc.org

This annual report has been produced by a printer certified according to the standards from the Forest Stewardship Council™ (FSC™), and printed with soy-based ink on environmentally-friendly paper in accordance to the FSC™ standard.