



CapitaLand Retail China Trust

Singapore's First Listed China Shopping Mall REIT

Annual General Meeting
25 April 2018



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Contents

- **FY 2017 Year In Review**
- **Active Portfolio Rejuvenation**
- **Sustainability**
- **Looking Forward**



FY 2017 Year In Review





FY 2017: Strong Financial Performance

Gross Revenue

In RMB terms

RMB1,122.2

million

▲ 9.2% y-o-y

Net Property Income

In RMB terms

RMB730.6

million

▲ 9.1% y-o-y

Distributable Income

(\$ million)

\$91.1

million

▲ 5.1% y-o-y

Distribution Per Unit

(\$ cents)

10.10

cents

▲ 0.5% y-o-y



6.2%

Dividend Yield¹



95.4%

Portfolio Occupancy²



+5.6%

Positive Rental Reversion
Based on 616 new leases/renewals



RMB1,747

Tenants' Sales per sq m per month

▲ 0.8% yoy



95.7 million

Annual Shopper Traffic

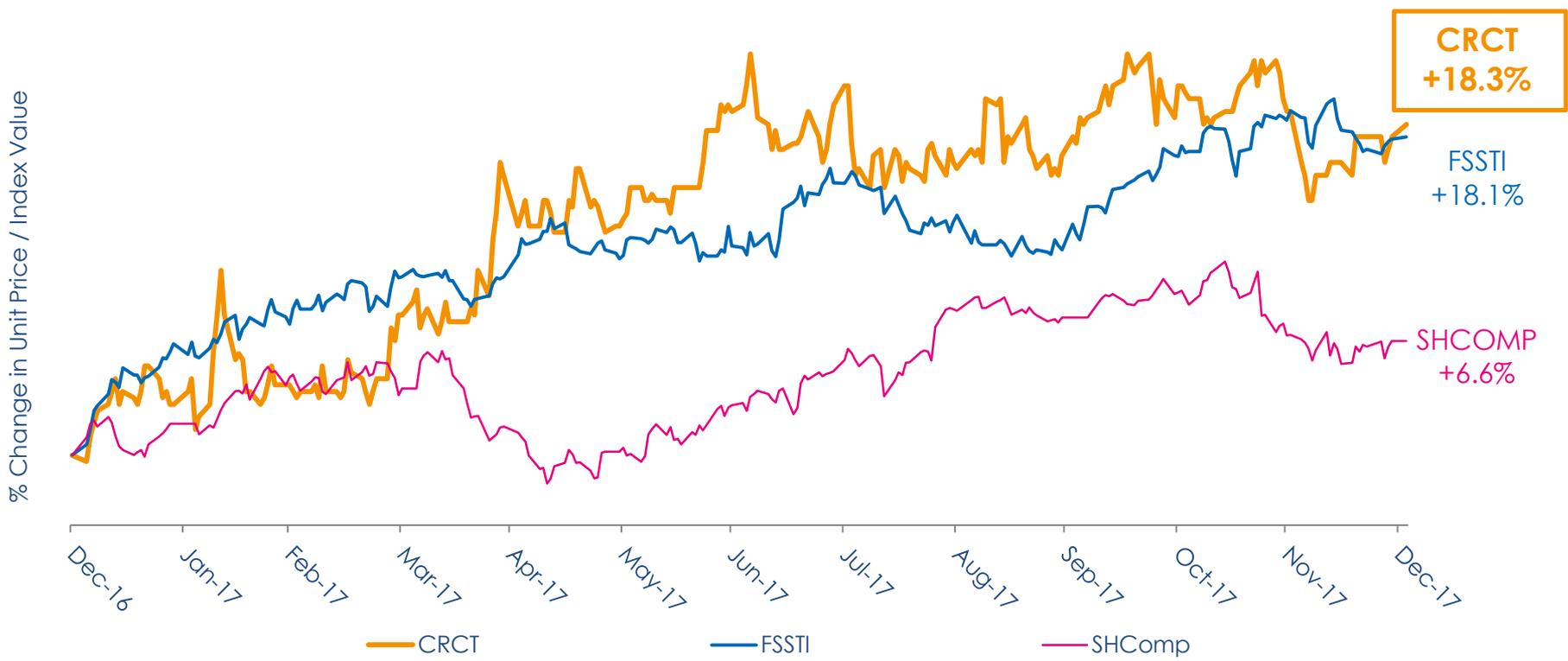
▲ 4.7% yoy

Notes:

1. Based on FY 2017 DPU of 10.10¢ and closing unit price of \$1.62 on 31 December 2017.
2. As at 31 December 2017.



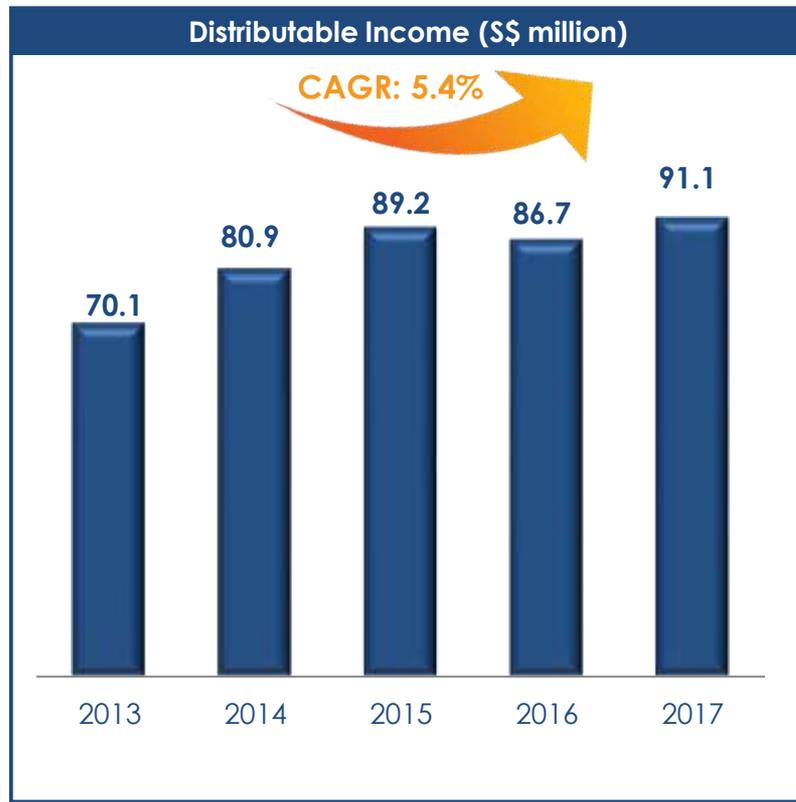
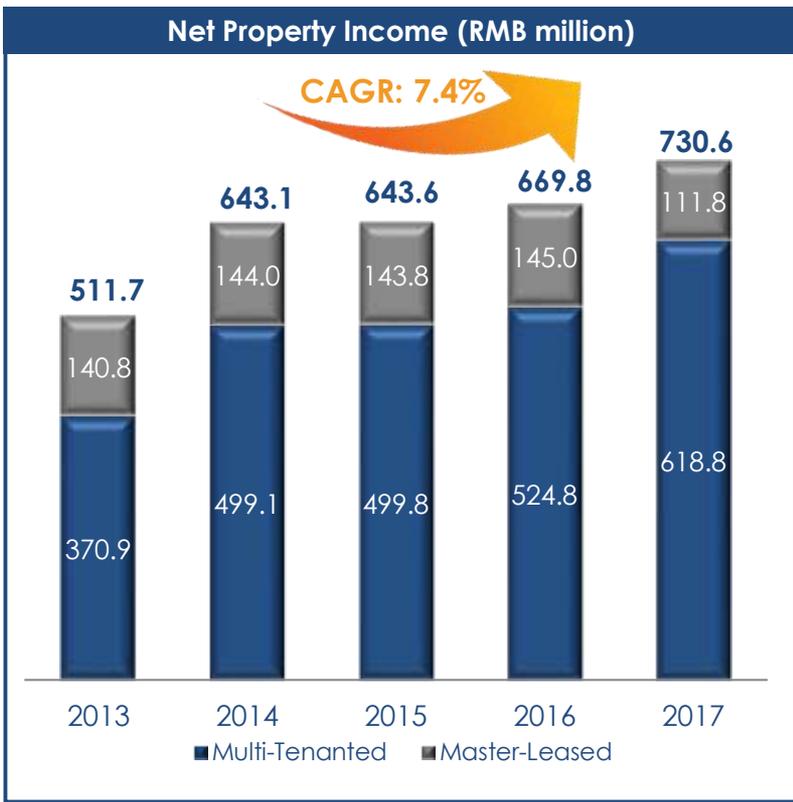
Total Return of 25.6%¹ in FY 2017



Note:
 1. Based on the closing unit price of \$1.37 on 31 December 2016 and \$1.62 on 31 December 2017.
 Source: Bloomberg



5-Year Performance Track Record





Disciplined Capital Management



28.4%
Gearing

2.48%
Average Cost of Debt

3.37 years
Average Term To Maturity

5.8x
Interest Coverage

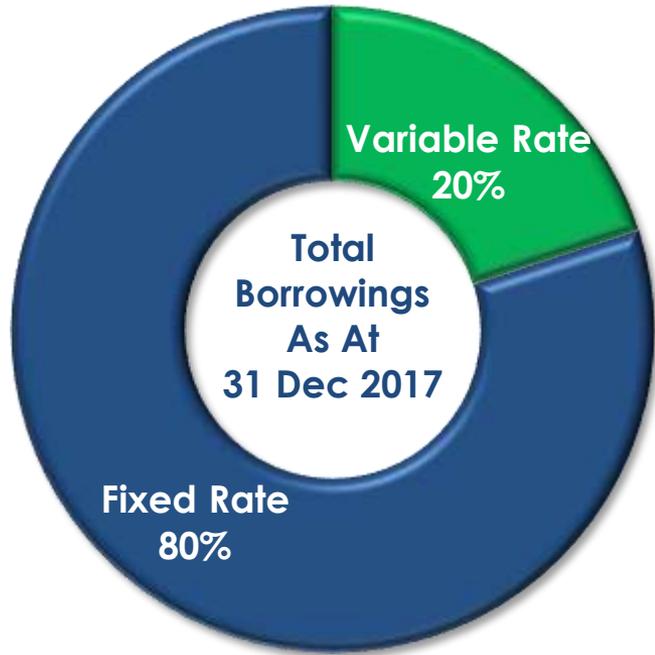
5.5x
Net Debt / EBITA

100%
Unencumbered Properties

Note:

1. All loans are denominated in SGD.
All figures above are as at 31 December 2017.

Interest Rate & Forex Management



Interest Rate Risk Management

- 80% of total debt is hedged into fixed rates, providing certainty in interest expense

Forex Risk Management

- ~50% of non-RMB denominated term loans are hedged

Active Portfolio Rejuvenation





Well-Located In Cities With Strong Sponsor Presence

One-Stop Family-Oriented Destinations

Sizeable Population Catchment

Easily Accessible Via Major Transportation

Targeted At Middle Income With Rising Consumption Power



11 Assets
Well-Located Malls

8 Cities
Largely Within Core City Clusters

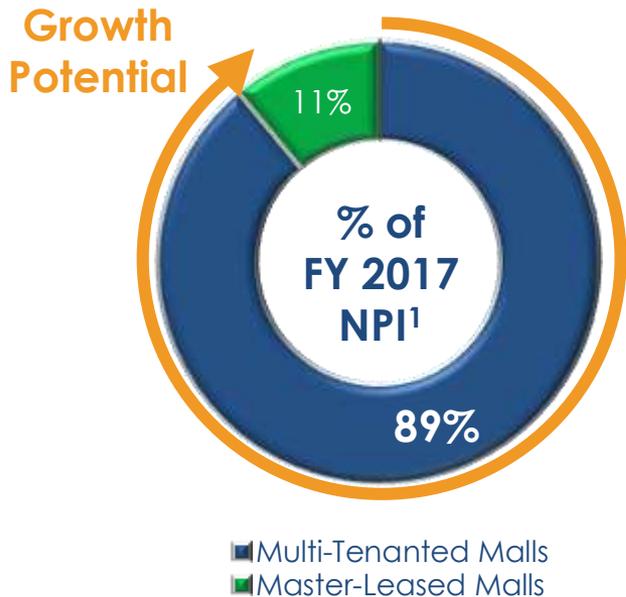
>660,000 sq m
Gross Rentable Area

 Sponsor's Core City Cluster With Strong Management Presence



Multi-Tenanted Malls Drive Growth

89% of FY 2017 NPI¹ Contributed By Multi-Tenanted Malls



NPI (RMB million)

CAGR: 17.9%



Note:

1. Excludes CapitaMall Anzhen which was divested with effect from 1 July 2017.



Shaping The Portfolio: From 7 to 11 Assets Across 8 Cities

IPO with
7 seed assets
2006

Xizhimen,
Beijing
2008

Minzhongleyuan,
Wuhan
2011

Grand Canyon,
Beijing
2013

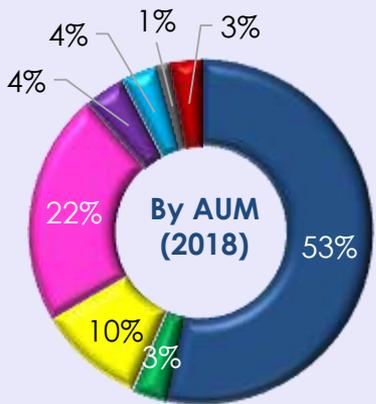
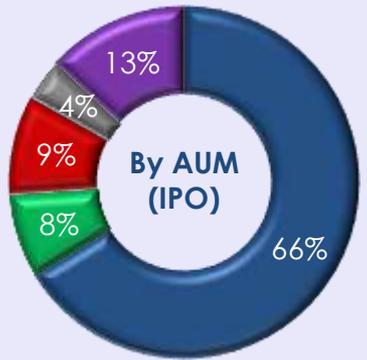
Xinnan,
Chengdu
2016

Divested
Anzhen in
Beijing
2017

Rock Square,
Guangzhou
2018

AUM¹:
S\$0.7 mil

Market Cap²:
S\$0.5 bil



AUM¹:
S\$2.7 bil

Market Cap²:
S\$1.6 bil

■ Beijing ■ Shanghai ■ Chengdu ■ Guangzhou ■ Zhengzhou ■ Wuhan ■ Wuhu ■ Hohhot

Growing The Portfolio And Diversification Into Other Tier 1 & 2 Cities

Strengthen Portfolio
Quality Through
Reconstitution

Notes:

1. All AUM figures are based on 100% interest of the assets.
2. Based on the closing unit price and total number of units in issue as at 31 December 2006 and 31 December 2017.



Strengthened Portfolio Through Reconstitution Strategy

2017

Divestment of mature mall, CapitaMall Anzhen



Early-recovery of anchor department store space to convert into specialty stores



Timely acquisition of mall with longer leasehold and higher growth potential



Increased % of Multi-Tenanted Malls by NLA¹

64%

FY 2016

70%

FY 2017
(Divestment of CapitaMall Anzhen)

73%

With addition of Rock Square

Reduced Exposure to Department Stores by NLA¹

29%

FY 2016

21%

FY 2017

19%

With addition of Rock Square

Note:

1. Based on 100% interest of all assets.



Unlocked Value Of CapitaMall Anzhen

- ✓ Timely divestment
- ✓ CRCT's oldest asset (IPO seed asset)
- ✓ Master-leased until 2025 with limited upside
- ✓ Increasing capital expenditure commitments

17 – 25 years
Remaining
Lease Term

S\$202.2 million
Property
Valuation¹

S\$234.3 million
Transaction
Price

12.9%
Premium To
Valuation

Transaction Completed
14 September 2017

Use of Proceeds

Debt Repayment
Strengthen
Capital Structure

**Balance Sheet
Flexibility**
For Expansion
Opportunities

Working Capital
Finance Capital
Expenditure

Divestment Gain: S\$37.3 million

Capital Distribution
Stabilise DPU Returns To
Unitholders

Note:

1. As at 30 June 2017.



Strategic Entry Into Guangzhou With Rock Square

Growth Potential

Extract Operational Efficiencies

Leverage on Sponsor's retail and operational network

Capture Rental Upside

>50% of expiring leases due 2018-2020 (by gross rental income)

Quality retailer base

Good foundation to value-add and extract growth

- ✓ Dominant mall with high growth potential
- ✓ Driven by catchment's rising income and consumption growth
- ✓ Transaction completed on 31 January 2018

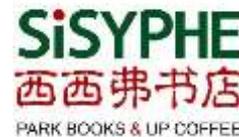




Elevated Mall Positioning Across CRCT's Portfolio

Introduced >50 New Brands in 2017

- **CapitaMall Wangjing**
Elevated brand positioning following facade upgrading in 2016
- **CapitaMall Xizhimen**
Secured international brands to maintain mall's leading dominance
- **CapitaMall Xinnan**
New popular F&B concepts and trendy upmarket fashion brands



Coworking Space Injects Vibrancy To Malls

- Transforms spaces into a unique blend of coworking, technology demonstration and event space
- Engages shoppers with innovative retail activities from its members



Exciting events and differentiated activities at the malls



Enhancing interaction and networking opportunities in open workspaces



CapitaMall Wangjing AEI: Lifestyle Retail & Gourmet

Conversion Of Former Department Store Space To >20 Specialty Stores;
Trading Commences From 2Q 2018



Cooking Studio



Lifestyle Retail



Retail



Nail Salon



Lifestyle Retail



Retail

CapitaMall Xinnan: Enriching Shopper Experience

Upgrading Of Carpark And Cinema Facilities

Upgrading of carpark facilities with improved finishes and automated payment system



Upgrading and refurbishment of cinema





CapitaMall Xinnan: Strong Full-Year Contribution



New brands to CapitaMall Xinnan



99.0%
Improved
Occupancy

12%
contribution to
FY 2017
Revenue¹

Growth
in tenants' sales
and rental
reversion

- Introduced new upmarket brands to the mall
- Increased F&B offerings
- Upgraded carpark facilities and cinema
- Potential additional catchment:
New metro Line 7 which commenced operations in Dec 2017, connects to South Railway Station located <1km away from the mall

Note:

1. Excludes 1H 2017 contribution from CapitaMall Anzhen.

Sustainability





Commitment to Community Causes & Sustainability Efforts



My Schoolbag 2017



CapitaMall Xizhimen: Christmas Party For A Children's Home



CapitaMall Xinnan:
Earth Hour Concert



CapitaMall Minzhongleyuan:
T-shirt Design Workshop For Children



CapitaMalls' Group-Wide
Eco-Fit Event



CapitaMall Xizhimen:

“Outstanding Project”

at the 7th China Commercial
Real Estate Annual Meeting

Looking Forward





Optimising Growth



Deliver Sustainable Value To Our Unitholders



Thank You