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**CAPITALAND CHINA TRUST  
UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**INTRODUCTION**

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

CLCT is a Singapore-based real estate investment trust (“REIT”) established with the objective of investing on a long-term basis in a diversified portfolio of income-producing real estate and real estate-related assets in mainland China, Hong Kong and Macau that are used primarily for retail, office and industrial purposes (including business parks, logistics facilities, data centres and integrated developments).

CLCT issued its first RMB denominated bonds on 17 October 2023 through its subsidiary CLCT MTN Pte. Ltd. The bonds are RMB600.0 million in principal with a coupon rate of 3.80% per annum due in 2026.

The divestment of CapitaMall Shuangjing was announced during the year and the completion was announced subsequently on 23 January 2024.

As at 31 December 2023, CLCT owns and invests in a portfolio of 10<sup>1</sup> retail malls, 5 business parks and 4 logistics parks located in 12 cities in mainland China.

Retail Malls	Business Parks	Logistics Parks
1. CapitaMall Xizhimen	1. Ascendas Xinsu Portfolio	1. Shanghai Fengxian Logistics Park
2. Rock Square	2. Ascendas Innovation Towers	2. Wuhan Yangluo Logistics Park
3. CapitaMall Wangjing	3. Ascendas Innovation Hub	3. Chengdu Shuangliu Logistics Park
4. CapitaMall Grand Canyon	4. Singapore-Hangzhou Science & Technology Park (Phase I)	4. Kunshan Bacheng Logistics Park
5. CapitaMall Xuefu	5. Singapore-Hangzhou Science & Technology Park (Phase II)	
6. CapitaMall Xinnan		
7. CapitaMall Nuohemule		
8. CapitaMall Yuhuating		
9. CapitaMall Shuangjing <sup>2</sup>		
10. CapitaMall Aidemengdun		

*Footnotes:*

1. Excludes CapitaMall Qibao. The mall had ceased operations since end of March 2023.
2. 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.

**CAPITALAND CHINA TRUST  
UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT FOR THE YEAR ENDED  
31 DECEMBER 2023**

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**CapitaLand China Trust and its Subsidiaries**

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

Condensed Interim Financial Statements  
For the six-month period and year ended 31 December 2023

**CapitaLand China Trust and its Subsidiaries**  
*Condensed Interim Financial Statements*  
For the six-month period and year ended 31 December 2023

**1(a) Condensed Interim Statements of Financial Position**  
**As at 31 December 2023**

	Note	Group		Trust	
		31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Non-current assets</b>					
Investment properties	3	4,543,213	4,909,377	-	-
Plant and equipment		2,155	2,979	-	-
Subsidiaries		-	-	2,866,926	2,941,302
Financial derivatives		15,573	41,559	15,573	41,559
Other receivables		1,073	1,204	-	-
		<u>4,562,014</u>	<u>4,955,119</u>	<u>2,882,499</u>	<u>2,982,861</u>
<b>Current assets</b>					
Non-trade amounts due from subsidiaries		-	-	1,897	4,390
Financial derivatives		4,654	2,805	4,654	2,805
Trade and other receivables		24,444	37,134	647	173
Cash and cash equivalents		243,464	231,048	1,208	2,157
		<u>272,562</u>	<u>270,987</u>	<u>8,406</u>	<u>9,525</u>
Assets held for sale		161,183	-	-	-
		<u>433,745</u>	<u>270,987</u>	<u>8,406</u>	<u>9,525</u>
<b>Total assets</b>		<b><u>4,995,759</u></b>	<b><u>5,226,106</u></b>	<b><u>2,890,905</u></b>	<b><u>2,992,386</u></b>
<b>Current liabilities</b>					
Trade and other payables		147,239	130,671	47,020	42,655
Security deposits		48,268	49,161	-	-
Interest-bearing borrowings	4	131,008	326,140	109,468	283,765
Lease liabilities		41	4,997	-	-
Provision for taxation		10,768	6,472	-	-
		<u>337,324</u>	<u>517,441</u>	<u>156,488</u>	<u>326,420</u>
Liabilities held for sale		30,657	-	-	-
		<u>367,981</u>	<u>517,441</u>	<u>156,488</u>	<u>326,420</u>
<b>Non-current liabilities</b>					
Financial derivatives		5,349	825	5,349	825
Other payables		6,955	6,969	111,630	-
Security deposits		49,183	57,020	-	-
Interest-bearing borrowings	4	1,820,076	1,619,800	1,495,588	1,405,048
Lease liabilities		-	138	-	-
Deferred tax liabilities		329,449	340,871	-	-
		<u>2,211,012</u>	<u>2,025,623</u>	<u>1,612,567</u>	<u>1,405,873</u>
<b>Total liabilities</b>		<b><u>2,578,993</u></b>	<b><u>2,543,064</u></b>	<b><u>1,769,055</u></b>	<b><u>1,732,293</u></b>
<b>Net assets</b>		<b><u>2,416,766</u></b>	<b><u>2,683,042</u></b>	<b><u>1,121,850</u></b>	<b><u>1,260,093</u></b>
Represented by:					
Unitholders' funds		2,039,854	2,306,231	1,022,240	1,160,483
Perpetual securities holders		99,610	99,610	99,610	99,610
Non-controlling interests		277,302	277,201	-	-
		<u>2,416,766</u>	<u>2,683,042</u>	<u>1,121,850</u>	<u>1,260,093</u>
<b>Units in issue ('000)</b>	5	<b><u>1,688,862</u></b>	<b><u>1,673,893</u></b>	<b><u>1,688,862</u></b>	<b><u>1,673,893</u></b>
<b>Net asset value per Unit attributable to Unitholders (\$)</b>	6	<b><u>1.21</u></b>	<b><u>1.38</u></b>	<b><u>0.61</u></b>	<b><u>0.69</u></b>

The accompanying notes form an integral part of these condensed interim financial statements.

**1(b)(i) Condensed Interim Statements of Total Return**  
**Six-month period and year ended 31 December 2023**

	Note	Group			
		Six-month period ended		Year ended	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		\$'000	\$'000	\$'000	\$'000
Gross rental income		161,441	172,915	330,905	356,441
Other income		18,763	10,961	33,841	26,730
<b>Gross revenue</b>		<b>180,204</b>	<b>183,876</b>	<b>364,746</b>	<b>383,171</b>
Property related tax		(16,384)	(16,741)	(30,022)	(30,300)
Business tax		(970)	(1,041)	(1,922)	(2,138)
Property management fees and reimbursables		(11,287)	(12,425)	(23,399)	(25,584)
Other property operating expenses		(34,055)	(38,985)	(62,664)	(70,933)
<b>Total property operating expenses</b>		<b>(62,696)</b>	<b>(69,192)</b>	<b>(118,007)</b>	<b>(128,955)</b>
<b>Net property income</b>		<b>117,508</b>	<b>114,684</b>	<b>246,739</b>	<b>254,216</b>
Manager's management fees	7	(10,160)	(10,344)	(20,819)	(21,782)
Trustee's fees		(338)	(361)	(683)	(729)
Audit fees		(430)	(305)	(811)	(693)
Valuation fees		(66)	(40)	(123)	(87)
Other operating (expenses)/income		(512)	642	(254)	185
Foreign exchange gain - realised		3,502	1,883	7,001	1,083
Finance income		2,604	2,925	3,723	4,169
Finance costs		(35,908)	(32,714)	(70,394)	(60,399)
Net finance costs	8	(33,304)	(29,789)	(66,671)	(56,230)
<b>Net income</b>		<b>76,200</b>	<b>76,370</b>	<b>164,379</b>	<b>175,963</b>
Loss on liquidation of subsidiary <sup>(1)</sup>		-	(1,831)	-	(1,831)
Gain on derecognition of lease liabilities <sup>(2)</sup>		1,574	-	1,574	-
Change in fair value of investment properties	3	(29,073)	67,845	(39,769)	67,845
Change in fair value of financial derivatives		180	1,115	(1,067)	1,861
Foreign exchange gain/(loss) - unrealised		26	(923)	(141)	(927)
<b>Total return for the period/year before taxation</b>		<b>48,907</b>	<b>142,576</b>	<b>124,976</b>	<b>242,911</b>
Taxation		(36,149)	(56,892)	(70,005)	(87,785)
<b>Total return for the period/year after taxation</b>		<b>12,758</b>	<b>85,684</b>	<b>54,971</b>	<b>155,126</b>
<b>Attributable to:</b>					
Unitholders		4,262	59,846	37,451	119,618
Perpetual securities holders		1,701	1,701	3,375	3,375
Non-controlling interests		6,795	24,137	14,145	32,133
<b>Total return for the period/year after taxation</b>		<b>12,758</b>	<b>85,684</b>	<b>54,971</b>	<b>155,126</b>
<b>Earnings per Unit (cents)</b>	9				
- Basic		<b>0.35</b>	<b>3.68</b>	<b>2.42</b>	<b>7.36</b>
- Diluted		<b>0.35</b>	<b>3.66</b>	<b>2.40</b>	<b>7.30</b>

- (1) For the six-month period and year ended 31 Dec 2022, the loss relates to the liquidation 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.
- (2) This relates to CapitaMall Qibao as the mall had ceased operations since end of March 2023.

**1(b)(ii) Condensed Interim Distribution Statements**  
**Six-month period and year ended 31 December 2023**

	Note	Group			
		Six-month period ended		Year ended	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		\$'000	\$'000	\$'000	\$'000
<b>Amount available for distribution to Unitholders at beginning of the period/year</b>		<b>64,194</b>	<b>69,601</b>	<b>57,978</b>	<b>30,771</b>
Total return for the period/year attributable to Unitholders and perpetual securities holders		5,963	61,547	40,826	122,993
Less: Total return attributable to perpetual securities holders		(1,701)	(1,701)	(3,375)	(3,375)
Distribution adjustments	A	45,830	(7,497)	75,769	4,708
Income for the period/year available for distribution to Unitholders		50,092	52,349	113,220	124,326
Capital distribution <sup>(1)</sup>		643	949	643	1,289
<b>Amount available for distribution to Unitholders</b>		<b>114,929</b>	<b>122,899</b>	<b>171,841</b>	<b>156,386</b>
<b>Distribution to Unitholders during the period/year:</b>					
- Distribution of 3.74 cents per Unit for the period from 1 January 2023 to 30 June 2023		(63,164)	-	(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)	-	(68,537)
- Distribution of 1.80 cents per Unit for the period from 21 October 2021 to 31 December 2021		-	-	-	(29,871)
		(63,164)	(68,537)	(120,076)	(98,408)
Amount released	B	-	3,616	-	-
<b>Amount available for distribution to Unitholders at end of the period/year</b>		<b>51,765</b>	<b>57,978</b>	<b>51,765</b>	<b>57,978</b>
<b>Distribution per Unit ("DPU") (cents)</b>		<b>3.00</b>	<b>3.40</b>	<b>6.74</b>	<b>7.50</b>

(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 of Chengdu Shuangliu Logistics Park and Wuhan Yangluo Logistics Park which has been fully distributed as capital distribution.

**1(b)(ii) Condensed Interim Distribution Statements (cont'd)**  
**Six-month period and year ended 31 December 2023**

**Note A – Distribution adjustments**

	Group			
	Six-month period ended		Year ended	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
<b>Distribution adjustment items:</b>				
- Loss on liquidation of subsidiary	-	1,831	-	1,831
- Gain on derecognition of lease liabilities <sup>(1)</sup>	(1,574)	-	(1,574)	-
- Straight line rental and leasing commission adjustments <sup>(2)</sup>	731	478	3,343	3,180
- Manager's management fees payable in Units	7,250	7,183	14,931	15,355
- Change in fair value of investment properties <sup>(2)</sup>	23,189	(51,744)	33,885	(51,744)
- Change in fair value of financial derivatives	(180)	(1,115)	1,067	(1,861)
- Deferred taxation <sup>(2)</sup>	15,657	35,024	29,105	43,650
- Transfer to general reserve <sup>(2)</sup>	(3,876)	(3,161)	(7,834)	(7,756)
- Unrealised foreign exchange (gain)/loss <sup>(2)</sup>	(21)	877	133	859
- Other adjustments <sup>(2)</sup>	4,654	3,130	2,713	1,194
<b>Net effect of distribution adjustments</b>	<b>45,830</b>	<b>(7,497)</b>	<b>75,769</b>	<b>4,708</b>

(1) This relates to CapitaMall Qibao as the mall had ceased operations since end of March 2023.

(2) Excludes non-controlling interest's share.

**Note B**

For the six-month period and year ended 31 Dec 2022, CLCT released S\$3.6 million from the amount available for distribution to Unitholders that was previously retained in the six-month period ended 30 Jun 2022 ("1H 2022").

**1(b)(iii) Condensed Interim Statements of Movements in Unitholders' Funds**  
For the year ended 31 December 2023

	Group		Trust	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	Year ended 31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Operations</b>				
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)	-	-
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b>29,617</b>	<b>111,862</b>	<b>(8,066)</b>	<b>(8,912)</b>
<b>Movements in hedging reserve</b>				
Effective portion of changes in fair value of cash flow hedges	(26,826)	39,576	(26,826)	39,576
<b>Movements in foreign currency translation reserve</b>				
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)	-	-	-
<b>Net (loss)/gain recognised directly in Unitholders' funds</b>	<b>(200,477)</b>	<b>(321,149)</b>	<b>(26,826)</b>	<b>39,576</b>
<b>Movement in general reserve</b>	<b>7,834</b>	<b>7,756</b>	<b>-</b>	<b>-</b>
<b>Unitholders' transactions</b>				
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)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>	<b>(103,351)</b>	<b>(80,437)</b>	<b>(103,351)</b>	<b>(80,437)</b>
<b>Unitholders' funds as at end of the year</b>	<b>2,039,854</b>	<b>2,306,231</b>	<b>1,022,240</b>	<b>1,160,483</b>
<b>Perpetual securities holders' funds</b>				
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
Distribution to perpetual securities holders	(3,375)	(3,375)	(3,375)	(3,375)
<b>Balance as at end of the year</b>	<b>99,610</b>	<b>99,610</b>	<b>99,610</b>	<b>99,610</b>

The accompanying notes form an integral part of these condensed interim financial statements.



**1(b)(iii) Condensed Interim Statements of Movements in Unitholders' Funds (cont'd)**  
For the year ended 31 December 2023

	Group		Trust	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Non-controlling interests</b>				
Balance as at beginning of the 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)	-	-
<b>Balance as at end of the year</b>	<b>277,302</b>	<b>277,201</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,416,766</b>	<b>2,683,042</b>	<b>1,121,850</b>	<b>1,260,093</b>

The accompanying notes form an integral part of these condensed interim financial statements.

**1(c) Portfolio Statement**  
**As at 31 December 2023**

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
				RMB'000	RMB'000	\$'000	\$'000	%	%
<b>Group</b>									
<b>Retail Malls</b>									
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 City, Guangdong Province	40	22	3,410,000	3,410,000	635,453	662,563	31.2	28.7
CapitaMall Wangjing	No. 33, Guangshunbei North Road, 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, E'erduosi 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 <sup>(1)</sup>	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
CapitaMall Qibao	No. 3655, Qixin Road, Minhang District, Shanghai	19	0 <sup>(2)</sup>	-	29,000	-	5,635	-	0.2
Balance carried forward				17,288,000	18,059,000	3,221,619	3,508,863	157.9	152.1

The accompanying notes form an integral part of these condensed interim financial statements.

**1(c) Portfolio Statement (cont'd)**  
**As at 31 December 2023**

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
				RMB'000	RMB'000	\$'000	\$'000	%	%
<b>Group</b>									
Balance brought forward				17,288,000	18,059,000	3,221,619	3,508,863	157.9	152.1
<b>Business Parks</b>									
Ascendas Xinsu Portfolio	Suzhou Industrial Park, Suzhou City, Jiangsu Province	50	23 - 34	2,340,000	2,320,000	436,059	450,776	21.4	19.6
Ascendas Innovation Towers	No. 88 Tian Gu 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 Gao Xin 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, Jianggan District, 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 & 57 Kejiyuan Road, Hangzhou Economic & Technological Development Area, Jianggan District, 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 condensed interim financial statements.

**1(c) Portfolio Statement (cont'd)**  
**As at 31 December 2023**

Description of leasehold property	Location	Term of lease (years)	Remaining term of lease (years)	Valuation		Valuation		Percentage of Unitholders' funds	
				31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
				RMB'000	RMB'000	\$'000	\$'000	%	%
<b>Group</b>									
Balance brought forward				22,750,000	23,537,000	4,239,463	4,573,239	207.8	198.3
<b>Logistics Parks</b>									
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	10 Qiuli Road, Yangluo Development Zone, Xinzhou District, Wuhan	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
<b>Investment properties, at valuation (Note 3)</b>				<b>24,380,000</b>	<b>25,241,000</b>	<b>4,543,213</b>	<b>4,904,326</b>	<b>222.7</b>	<b>212.7</b>
<b>Reclassified to asset held for sale</b>									
CapitaMall Shuangjing <sup>(1)</sup>	No. 31, Guangqu Road, Chaoyang District, Beijing	40	19	842,000	-	156,907	-	7.7	-
				<b>25,222,000</b>	<b>25,241,000</b>	<b>4,700,120</b>	<b>4,904,326</b>	<b>230.4</b>	<b>212.7</b>
Other assets and liabilities (net)						(2,283,354)	(2,221,284)	(111.9)	(96.3)
						2,416,766	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)
<b>Net assets attributable to Unitholders</b>						<b>2,039,854</b>	<b>2,306,231</b>	<b>100.0</b>	<b>100.0</b>

(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 condensed interim financial statements.

**CapitaLand China Trust and its Subsidiaries**  
*Condensed Interim Financial Statements*  
For the six-month period and year ended 31 December 2023

**1(d) Condensed Interim Consolidated Statement of Cash Flows**  
For the year ended 31 December 2023

	Note	Group	
		Year ended	Year ended
		31 Dec 2023	31 Dec 2022
		\$'000	\$'000
<b>Operating activities</b>			
Total return for the period after taxation		54,971	155,126
Adjustments for:			
Finance income		(3,723)	(4,169)
Finance costs		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		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
<b>Operating income before working capital changes</b>		<b>247,048</b>	<b>248,477</b>
<b>Changes in working capital:</b>			
Trade and other receivables		9,855	(11,001)
Trade and other payables		(17,892)	(23,306)
<b>Cash generated from operating activities</b>		<b>239,011</b>	<b>214,170</b>
Income tax paid		(32,356)	(32,089)
<b>Net cash from operating activities</b>		<b>206,655</b>	<b>182,081</b>
<b>Investing activities</b>			
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
<b>Net cash used in investing activities</b>		<b>(5,629)</b>	<b>(43,961)</b>
<b>Financing activities</b>			
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		(2,061)	(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		(68,087)	(56,452)
<b>Net cash used in financing activities</b>		<b>(178,568)</b>	<b>(173,508)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>22,458</b>	<b>(35,388)</b>
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)	-
<b>Cash and cash equivalents at 31 December</b>		<b>243,464</b>	<b>231,048</b>

The accompanying notes form an integral part of these condensed interim financial statements.

**1(d) Condensed Interim Consolidated Statement of Cash Flows (cont'd)**  
**For the year ended 31 December 2023**

**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.

## **1(e) Notes to the Condensed Interim Financial Statements**

These notes form an integral part of the Condensed Interim Financial Statements.

These Condensed Interim Financial Statements as at and for the six-month period and year ended 31 December 2023 relate to CLCT and its subsidiaries (the "Group").

### **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 the 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 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 Limited, 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(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**(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<sup>1</sup> / 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 (3) years and equal to or less than five (5) years (together with (a) above, the "Marketing Commission Fee");
- (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 Target 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 Target 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.

<sup>1</sup> Except for the Business parks in Hangzhou, where the property management fees is 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.



**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**(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.

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.

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**2. Summary of material accounting policies**

**(a) Basis of preparation**

The Condensed Interim Financial Statements has been prepared in accordance with the *Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds"* ("RAP 7") issued by the Institute of Singapore Chartered Accountants, and the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2022. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Financial Reporting Standards in Singapore ("FRS").

The Condensed Interim Financial Statements does not include all of the information required for full annual financial statements and should be read in conjunction with the Group's last annual consolidated financial statements as at 31 December 2022.

These Condensed Interim Financial Statements are presented in Singapore Dollars, which is the Trust's functional currency. All financial statements presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The preparation of the Condensed Interim 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. Actual results may differ from these estimates.

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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Condensed Interim Financial Statements are described in Note 3 – Valuation of investment properties.

The accounting policies applied by the Group in this Condensed Interim Financial Statements are the same as those applied by the Group in the financial statements as at and for the year ended 31 December 2022.

**(b) New standards and amendments**

The Group applied the recognition and measurement principles of a number of amendments to standards for the financial period beginning 1 January 2023.

The application of these amendments to standards does not have a material effect on the financial statements.

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**3. Investment properties**

	<b>Group</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
At 1 January	4,909,377	5,249,617
Reclassified to asset held for sale	(156,907)	-
Expenditure capitalised	30,257	29,079
Reclassification from plant and equipment	-	53
Change in fair value	(39,769)	67,845
Translation differences	(199,745)	(437,217)
Ending balance	4,543,213	4,909,377

**Security**

At 31 December 2023, investment properties of the Group with carrying amounts of \$1,444.2 million (31 December 2022: \$1,519.4 million) are pledged as security on bank loans (see Note 4).

**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.

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 billion (2022: \$4.9 billion) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Fair value of investment properties	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 market 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 basis) 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.

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**3. Investment properties (cont'd)**

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 due to 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.

**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	<ul style="list-style-type: none"> <li>• Capitalisation rates (from 3.25% to 6.50%) (31 December 2022: from 4.00% to 6.75%)</li> </ul>	The fair value increases (decreases) as capitalisation rates decrease (increase).
Discounted cash flows approach	<ul style="list-style-type: none"> <li>• Discount rates (from 7.00% to 9.00%) (31 December 2022: from 7.00% to 8.85%)</li> <li>• Terminal rates (from 4.00% to 6.00%) (31 December 2022: from 4.80% to 6.25%)</li> </ul>	The fair value increases (decreases) as discount rates and terminal rates decrease (increase).

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**4. Aggregate amount of borrowings and debt securities**

	Group		Trust	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Unsecured borrowings</b>				
- Amount repayable within one year <sup>(1)</sup>	109,500	283,800	109,500	283,800
- Amount repayable after one year	1,611,630 <sup>(2)</sup>	1,410,000	1,500,000	1,410,000
<b>Secured borrowings<sup>(3)</sup></b>				
- Amount repayable within one year	21,540	42,375	-	-
- Amount repayable after one year	213,775	214,752	-	-
	<b>1,956,445</b>	<b>1,950,927</b>	<b>1,609,500</b>	<b>1,693,800</b>
Less: Unamortised transaction costs	(5,361)	(4,987)	(4,444)	(4,987)
	<b>1,951,084</b>	<b>1,945,940</b>	<b>1,605,056</b>	<b>1,688,813</b>
Current	131,008	326,140	109,468	283,765
Non-current	1,820,076	1,619,800	1,495,588	1,405,048
	<b>1,951,084</b>	<b>1,945,940</b>	<b>1,605,056</b>	<b>1,688,813</b>

(1) The Group has successfully secured refinancing for the \$100.0 million revolving credit facility due within one year.

(2) Includes the RMB denominated bonds issued by CLCT MTN Pte. Ltd.

(3) CapitaMall Xuefu, Rock Square, Singapore-Hangzhou Science & Technology Park Phase I and II, Kunshan Bacheng Logistics Park and Wuhan Yangluo Logistics Park were acquired with a legal mortgage and an assignment of the properties' insurance policies in favour of the lenders over the properties as at 31 December 2023 (see Note 3).

**5. Units in issue**

	Six-month period ended		Year ended	
	31 Dec 2023 Number of Units	31 Dec 2022 Number of Units	31 Dec 2023 Number of Units	31 Dec 2022 Number of Units
Balance as at beginning of period/year	1,688,862,115	1,671,634,631	1,673,892,897	1,659,527,650
<b>New Units issued:</b>				
- As payment of distribution through distribution reinvestment plan	-	2,258,266	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 period/year	1,688,862,115	1,673,892,897	1,688,862,115	1,673,892,897
<b>New Units to be issued:</b>				
- As payment of Manager's management fees	16,010,485	13,495,621	16,010,485	13,495,621
Total issued and issuable Units as at end of period/year	1,704,872,600	1,687,388,518	1,704,872,600	1,687,388,518

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**6. Net asset value (“NAV”) and net tangible asset (“NTA”) per Unit based on issued Units**

	Group		Trust	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
NAV/NTA per Unit <sup>(1)</sup>	1.21	1.38	0.61	0.69
Adjusted NAV/NTA per Unit (excluding distributable income)	1.18	1.34	0.58	0.66

(1) NAV/NTA per Unit is computed based on net assets attributable to Unitholders over the issued Units at the end of the period/year.

**7. 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.

**8. Finance income and finance costs**

	Group			
	Six-month period ended		Year ended	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Interest income:				
- financial institutions	2,604	2,925	3,723	4,169
Finance income	<u>2,604</u>	<u>2,925</u>	<u>3,723</u>	<u>4,169</u>
Interest expenses:				
- financial institutions	(47,274)	(38,386)	(92,808)	(63,215)
- related parties	-	(273)	-	(605)
	<u>(47,274)</u>	<u>(38,659)</u>	<u>(92,808)</u>	<u>(63,820)</u>
Cash flow hedges - gain/(losses) reclassified from hedging reserve	11,397	6,131	22,562	3,865
Finance lease expenses	(31)	(186)	(148)	(444)
Finance costs	<u>(35,908)</u>	<u>(32,714)</u>	<u>(70,394)</u>	<u>(60,399)</u>
Net finance costs recognised in statement of total return	<u>(33,304)</u>	<u>(29,789)</u>	<u>(66,671)</u>	<u>(56,230)</u>

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**9. Earnings per Unit**

**Basic earnings per Unit**

The calculation of basic earnings per Unit is based on weighted average number of Units during the period/year and total return for the period/year after taxation and non-controlling interest before distribution.

	Group			
	Six-month period ended		Year ended	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Total return for the period/year after taxation and non-controlling interest before distribution	5,963	61,547	40,826	122,993
Less: Total return attributable to perpetual securities holders	(1,701)	(1,701)	(3,375)	(3,375)
Total return attributable to Unitholders	4,262	59,846	37,451	119,618

	Trust	
	Year ended	
	31 Dec 2023	31 Dec 2022
	Number of Units	
	'000	'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 period 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	
	Year ended	
	31 Dec 2023	31 Dec 2022
	Number of Units	
	'000	'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

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**10. Segment information**

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.



**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**10. Segment information (cont'd)**

	Retail Malls		Business Parks		Logistics Parks		Group	
	Year ended							
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 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
<b>Segment net property income</b>	165,422	164,129	69,672	77,065	11,645	13,022	246,739	254,216
<b>Finance income</b>	1,831	2,429	1,184	1,449	311	270	3,326	4,148
<b>Finance costs</b>	(5,442)	(7,008)	(3,358)	(7,355)	(1,563)	(2,905)	(10,363)	(17,268)
<b>Reportable segment total return/(loss) before taxation</b>	147,195	100,564	59,914	192,862	(1,326)	14,143	205,783	307,569
<b>Segment assets</b>	3,383,269	3,664,833	1,099,222	1,137,946	328,945	352,180	4,811,436	5,154,959
<b>Segment liabilities</b>	582,507	596,363	185,953	192,735	42,584	45,384	811,044	834,482
<b>Other segment items:</b>								
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 Right-of-Use 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)

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**10. Segment information (cont'd)**

Reconciliations of reportable segment revenue, total return, assets and liabilities and other material items

	For the year ended	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Revenue</b>		
Total revenue for reporting segments	364,746	383,171
<b>Total return</b>		
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
<b>Assets</b>		
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
<b>Liabilities</b>		
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
<b>Other material items 2023</b>			
Finance income	3,326	397	3,723
Finance costs	(10,363)	(60,031)	(70,394)
<b>Other material items 2022</b>			
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.

**1(e) Notes to the Condensed Interim Financial Statements (cont'd)**

**11. Financial ratios**

	<b>Group</b>	
	<b>Year ended</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	%	%
Ratio of expenses to average net asset value <sup>(1)</sup>		
- including performance component of Manager's management fees	0.88	0.79
- excluding performance component of Manager's management fees	0.54	0.48

(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.*

**Aggregate leverage and interest coverage ratios**

	<b>Group</b>	
	<b>Year ended</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Aggregate leverage (%) <sup>(1)</sup>	41.5	39.6
Interest coverage (times) <sup>(2)</sup>	3.3	3.8
Adjusted Interest coverage (times) <sup>(2)</sup>	3.1	3.6

(1) *In accordance with the Property Funds Appendix, the aggregate leverage is calculated based on the proportionate share of total borrowings over deposited properties.*

(2) *Ratio of EBITDA over consolidated interest expenses (excludes 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). The adjusted interest coverage ratio includes the distribution to perpetual securities holders.*

**12. Subsequent event**

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 Shuangjing.

**Other information required by Listing Rule Appendix 7.2**

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**2. Summary of CLCT Results**

The Condensed Interim Financial Statements of CapitalLand China Trust and its subsidiaries (the "Group") as at 31 December 2023, which comprise the Statements of Financial Position of the Group and the Trust and Portfolio Statement of the Group as at 31 December 2023, the Statement of Total Return, Distribution Statement, Statement of Cash Flows of the Group and the Statements of Movements in Unitholders' Funds of the Group and the Trust for the year ended and certain explanatory notes have not been audited or reviewed.

	1 July to 31 December 2023 (2H 2023)	1 July to 31 December 2022 (2H 2022)	1 January to 31 December 2023 (FY 2023)	1 January to 31 December 2022 (FY 2022)
	Actual \$'000	Actual \$'000	Actual \$'000	Actual \$'000
Gross Revenue <sup>1</sup>	180,204	183,876	364,746	383,171
Net Property Income <sup>1,2</sup>	117,508	114,684	246,739	254,216
Amount available for distribution to Unitholders <sup>3</sup>	50,735	53,298	113,863	125,615
Amount released <sup>4</sup>	-	3,616	-	-
Distributable amount to Unitholders	50,735	56,914	113,863	125,615

<b>Distribution Per Unit ("DPU") (cents)<sup>5</sup></b>				
DPU before amount released	3.00	3.18	6.74	7.50
DPU after amount released	3.00	3.40	6.74	7.50

	2H 2023	2H 2022	FY 2023	FY 2022
	Actual RMB'000	Actual RMB'000	Actual RMB'000	Actual RMB'000
Gross Revenue <sup>1</sup>	964,687	911,266	1,912,468	1,851,516
Net Property Income <sup>1,2</sup>	630,014	570,102	1,293,723	1,228,393

Footnotes:

1. Average exchange rate for SGD/RMB.

2H 2023	2H 2022	Change %	FY 2023	FY 2022	Change %
5.361	4.971	(7.9)	5.243	4.832	(8.5)

2. Based on the same exchange rate as 2H 2022/FY 2022, net property income for 2H 2023 and FY 2023 in SGD terms would have been \$126.7 million or 10.5% higher and \$267.7 million or 5.3% higher than 2H 2022 and FY 2022 respectively.

3. Includes 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 of Chengdu Shuangliu Logistics Park and Wuhan Yangliu Logistics Park which has been fully distributed as capital distribution.

4. In 2H 2022, CLCT released S\$3.6 million from the amount available for distribution to Unitholders that was previously retained in 1H 2022.

5. The DPU is computed based on total issued units of 1,688.9 million and 1,673.9 million as at 31 December 2023 and 31 December 2022 respectively.

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**2. Summary of CLCT Results (cont'd)**

**DISTRIBUTION & RECORD DATE**

Distribution	For 1 July 2023 to 31 December 2023
Distribution type	Tax exempt income and Capital distribution
Distribution rate	3.00 cents per Unit
Record date	7 February 2024
Payment date	28 March 2024

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**2(a) Statement of total return for the Group (2H 2023 vs 2H 2022 and FY 2023 vs FY 2022)**

	Group					
	2H 2023	2H 2022	Change	FY 2023	FY 2022	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Gross rental income	161,441	172,915	(6.6)	330,905	356,441	(7.2)
Other income <sup>1</sup>	18,763	10,961	71.2	33,841	26,730	26.6
<b>Gross revenue</b>	<b>180,204</b>	<b>183,876</b>	<b>(2.0)</b>	<b>364,746</b>	<b>383,171</b>	<b>(4.8)</b>
Property related tax	(16,384)	(16,741)	(2.1)	(30,022)	(30,300)	(0.9)
Business tax	(970)	(1,041)	(6.8)	(1,922)	(2,138)	(10.1)
Property management fees and reimbursables	(11,287)	(12,425)	(9.2)	(23,399)	(25,584)	(8.5)
Other property operating expenses <sup>2</sup>	(34,055)	(38,985)	(12.6)	(62,664)	(70,933)	(11.7)
<b>Total property operating expenses</b>	<b>(62,696)</b>	<b>(69,192)</b>	<b>(9.4)</b>	<b>(118,007)</b>	<b>(128,955)</b>	<b>(8.5)</b>
<b>Net property income</b>	<b>117,508</b>	<b>114,684</b>	<b>2.5</b>	<b>246,739</b>	<b>254,216</b>	<b>(2.9)</b>
Manager's management fees	(10,160)	(10,344)	(1.8)	(20,819)	(21,782)	(4.4)
Trustee's fees	(338)	(361)	(6.4)	(683)	(729)	(6.3)
Audit fees	(430)	(305)	41.0	(811)	(693)	17.0
Valuation fees	(66)	(40)	65.0	(123)	(87)	41.4
Other trust operating (expenses)/income <sup>4</sup>	(512)	642	N.M.	(254)	185	N.M.
Foreign exchange gain - realised <sup>5</sup>	3,502	1,883	86.0	7,001	1,083	N.M.
Finance income <sup>6</sup>	2,604	2,925	(11.0)	3,723	4,169	(10.7)
Finance costs <sup>7</sup>	(35,908)	(32,714)	9.8	(70,394)	(60,399)	16.5
Net finance costs	(33,304)	(29,789)	11.8	(66,671)	(56,230)	18.6
<b>Net income</b>	<b>76,200</b>	<b>76,370</b>	<b>(0.2)</b>	<b>164,379</b>	<b>175,963</b>	<b>(6.6)</b>
Loss on liquidation of subsidiary <sup>8</sup>	-	(1,831)	(100.0)	-	(1,831)	(100.0)
Gain on derecognition of lease liabilities <sup>9</sup>	1,574	-	N.M.	1,574	-	N.M.
Change in fair value of investment properties	(29,073)	67,845	N.M.	(39,769)	67,845	N.M.
Change in fair value of financial derivatives	180	1,115	(83.9)	(1,067)	1,861	N.M.
Foreign exchange gain/(loss) - unrealised	26	(923)	N.M.	(141)	(927)	(84.8)
<b>Total return for the period/year before taxation</b>	<b>48,907</b>	<b>142,576</b>	<b>(65.7)</b>	<b>124,976</b>	<b>242,911</b>	<b>(48.6)</b>
Taxation <sup>10</sup>	(36,149)	(56,892)	(36.5)	(70,005)	(87,785)	(20.3)
<b>Total return for the period/year after taxation</b>	<b>12,758</b>	<b>85,684</b>	<b>(85.1)</b>	<b>54,971</b>	<b>155,126</b>	<b>(64.6)</b>
<b>Attributable to:</b>						
Unitholders	4,262	59,846	(92.9)	37,451	119,618	(68.7)
Perpetual securities holders	1,701	1,701	-	3,375	3,375	-
Non-controlling interests <sup>11</sup>	6,795	24,137	(71.8)	14,145	32,133	(56.0)
<b>Total return for the period/year after taxation</b>	<b>12,758</b>	<b>85,684</b>	<b>(85.1)</b>	<b>54,971</b>	<b>155,126</b>	<b>(64.6)</b>

N.M. – not meaningful

*Footnotes:*

1. Other income comprises mainly income earned from atrium space, carpark revenue, trolley carts and advertisement panels.
2. Includes items in the table below as part of the other property operating expenses.

	Group					
	2H 2023	2H 2022	Change	FY 2023	FY 2022	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Depreciation and amortisation	(472)	(603)	(21.7)	(1,011)	(1,228)	(17.7)
Impairment losses on trade receivables, net <sup>3</sup>	(64)	(590)	(89.2)	(93)	(595)	(84.4)
Plant and equipment written off	(96)	(33)	N.M.	(104)	(33)	N.M.

3. Impairment losses mainly relate to tenants with higher and potential credit risk.
4. In 2H 2022/FY 2022, includes reversal of other provision of prior year equity fund raising related expenses.

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**2(a) Statement of total return for the Group (2H 2023 vs 2H 2022 and FY 2023 vs FY 2022)**

5. *In FY 2023, realised foreign exchange gain arose mainly from the repayment of the USD denominated shareholder's loans principal. In FY 2022, the gain arose mainly from the net settlement of foreign currency forwards.*
6. *Finance income relates mainly to interest from bank deposits placed with financial institutions.*
7. *Includes the interest expense on the lease liabilities under FRS 116.*
8. *For 2H 2022 and FY 2022, the liquidation relates to the loss arising from 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.*
9. *This relates to CapitaMall Qibao as the mall had ceased operations since end of March 2023.*
10. *FY 2023 and FY 2022 includes under provision of taxation from prior years of \$1.3 million and \$0.5 million respectively.*
11. *This relates to 49% non-controlling interest (NCI) in Ascendas Xinsu Portfolio and 20% NCI in Ascendas Innovation Hub, Singapore-Hangzhou Science & Technology Park Phase I and Phase II.*



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**2(b) Distribution statement for the Group (2H 2023 vs 2H 2022 and FY 2023 vs FY 2022)**

	Group					
	2H 2023	2H 2022	Change	FY 2023	FY 2022	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Total return for the period/year attributable to Unitholders before distribution</b>	5,963	61,547	(90.3)	40,826	122,993	(66.8)
Less: Amount reserved for distribution to perpetual securities holders	(1,701)	(1,701)	-	(3,375)	(3,375)	-
Distribution adjustments (Note A)	45,830	(7,497)	N.M.	75,769	4,708	N.M.
<b>Income available for distribution to Unitholders</b>	<b>50,092</b>	<b>52,349</b>	<b>(4.3)</b>	<b>113,220</b>	<b>124,326</b>	<b>(8.9)</b>
Capital distribution <sup>1</sup>	643	949	(32.2)	643	1,289	(50.1)
<b>Amount available for distribution to Unitholders</b>	<b>50,735</b>	<b>53,298</b>	<b>(4.8)</b>	<b>113,863</b>	<b>125,615</b>	<b>(9.4)</b>
Amount released <sup>2</sup>	-	3,616	(100.0)	-	-	N.M.
<b>Distributable amount to Unitholders</b>	<b>50,735</b>	<b>56,914</b>	<b>(10.9)</b>	<b>113,863</b>	<b>125,615</b>	<b>(9.4)</b>

**Note A**

**Distribution adjustments**

- Loss on liquidation of subsidiary <sup>3</sup>	-	1,831	(100.0)	-	1,831	(100.0)
- Gain on derecognition of lease liabilities <sup>4</sup>	(1,574)	-	N.M.	(1,574)	-	N.M.
- Straight line rental and leasing commission adjustments <sup>5</sup>	731	478	52.9	3,343	3,180	5.1
- Manager's management fees payable in Units	7,250	7,183	0.9	14,931	15,355	(2.8)
- Change in fair value of investment properties <sup>5</sup>	23,189	(51,744)	N.M.	33,885	(51,744)	N.M.
- Change in fair value of financial derivatives	(180)	(1,115)	(83.9)	1,067	(1,861)	N.M.
- Deferred taxation <sup>5</sup>	15,657	35,024	(55.3)	29,105	43,650	(33.3)
- Transfer to general reserve <sup>5</sup>	(3,876)	(3,161)	22.6	(7,834)	(7,756)	1.0
- Unrealised foreign exchange (gain)/loss <sup>5</sup>	(21)	877	N.M.	133	859	(84.5)
- Other adjustments <sup>5,6</sup>	4,654	3,130	48.7	2,713	1,194	N.M.
<b>Net effect of distribution adjustments</b>	<b>45,830</b>	<b>(7,497)</b>	<b>N.M.</b>	<b>75,769</b>	<b>4,708</b>	<b>N.M.</b>

N.M. – not meaningful

*Footnotes:*

- 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 of Chengdu Shuangliu Logistics Park and Wuhan Yangluo Logistics Park which has been fully distributed as capital distribution.*
- In 2H 2022, CLCT released S\$3.6 million from the amount available for distribution to Unitholders that was previously retained in 1H 2022.*
- For 2H and FY 2022, the loss relates to the liquidation 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.*
- This relates to CapitaMall Qibao as the mall had ceased operations since end of March 2023.*
- Excludes NCI.*
- Includes lease payments for Right-of-Use assets, less interest expense on lease liabilities.*

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**2(c) Statement of financial position as at 31 December 2023 vs 31 December 2022**

	<b>Group</b>		
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>Change</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Non-current assets</b>			
Investment properties <sup>1,2</sup>	4,543,213	4,909,377	(7.5)
Plant and equipment	2,155	2,979	(27.7)
Financial derivatives <sup>3</sup>	15,573	41,559	(62.5)
Other receivables	1,073	1,204	(10.9)
	<b>4,562,014</b>	<b>4,955,119</b>	<b>(7.9)</b>
<b>Current assets</b>			
Financial derivatives <sup>3</sup>	4,654	2,805	65.9
Trade and other receivables <sup>4</sup>	24,444	37,134	(34.2)
Cash and cash equivalents	243,464	231,048	5.4
	<b>272,562</b>	<b>270,987</b>	<b>0.6</b>
Assets held for sale <sup>5</sup>	161,183	-	100.0
	<b>433,745</b>	<b>270,987</b>	<b>60.1</b>
<b>Total assets</b>	<b>4,995,759</b>	<b>5,226,106</b>	<b>(4.4)</b>
<b>Current liabilities</b>			
Trade and other payables	147,239	130,671	12.7
Security deposits	48,268	49,161	(1.8)
Interest-bearing borrowings <sup>6</sup>	131,008	326,140	(59.8)
Lease liabilities <sup>7</sup>	41	4,997	(99.2)
Provision for taxation <sup>8</sup>	10,768	6,472	66.4
	<b>337,324</b>	<b>517,441</b>	<b>(34.8)</b>
Liabilities held for sale <sup>5</sup>	30,657	-	100.0
	<b>367,981</b>	<b>517,441</b>	<b>(28.9)</b>
<b>Non-current liabilities</b>			
Financial derivatives <sup>3</sup>	5,349	825	N.M.
Other payables	6,955	6,969	(0.2)
Security deposits	49,183	57,020	(13.7)
Interest-bearing borrowings <sup>6</sup>	1,820,076	1,619,800	12.4
Lease liabilities <sup>7</sup>	-	138	(100.0)
Deferred tax liabilities	329,449	340,871	(3.4)
	<b>2,211,012</b>	<b>2,025,623</b>	<b>9.2</b>
<b>Total liabilities</b>	<b>2,578,993</b>	<b>2,543,064</b>	<b>1.4</b>
<b>Net assets</b>	<b>2,416,766</b>	<b>2,683,042</b>	<b>(9.9)</b>
<b>Represented by:</b>			
Unitholders' funds	2,039,854	2,306,231	(11.6)
Perpetual securities holders	99,610	99,610	-
Non-controlling interests <sup>9</sup>	277,302	277,201	-
	<b>2,416,766</b>	<b>2,683,042</b>	<b>(9.9)</b>

N.M. – not meaningful

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*Footnotes:*

1. *The decrease in investment properties as at 31 December 2023 was mainly due to the stronger SGD against RMB, reclassification of CapitaMall Shuangjing as asset held for sale and decrease in the fair value of investment properties.*
2. *Investment properties are measured at their respective fair values at each reporting date. The valuation reports obtained from one of the independent valuers for our assets draw attention to material valuation uncertainty clause due to 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.*
3. *The financial derivative assets and financial derivative liabilities mainly relate to the fair value of the Interest Rate Swaps ("IRS"), Cross-Currency Interest Rate Swap ("CCIRS") and Foreign Currency Forwards ("FXF"). The IRS are designated to hedge the variable rate borrowings and FXF are used to hedge RMB cashflows.*
4. *The decrease in trade and other receivables was mainly due to the improved collection of trade receivables from the total portfolio.*
5. *The assets and liabilities held for sale as at 31 December 2023 relates to the announced divestment of the equity interest in CapitaRetail Beijing Shuangjing Real Estate Co., Ltd. which holds CapitaMall Shuangjing. CapitaMall Shuangjing was carried at fair value of RMB842.0 million (approximately S\$143.2 million) as at 31 December 2023.*
6. *The increase in interest-bearing borrowings as at 31 December 2023 was mainly due to the loans drawn down for working capital purposes.*
7. *The decrease in lease liabilities as at 31 December 2023 was mainly due to the de-recognition of lease liabilities in CapitaMall Qibao as the mall had ceased operations since end of March 2023.*
8. *The increase in provision of taxation as at 31 December 2023 was mainly due to higher taxable profits in the retail portfolio.*
9. *This relates to 49% NCI in Ascendas Xinsu Portfolio and 20% NCI in Ascendas Innovation Hub, Singapore Hangzhou Science & Technology Park Phase I and Phase II.*

**3 Review of the Performance**

**2H 2023 vs 2H 2022**

In RMB terms, gross revenue in 2H 2023 increased by RMB53.4 million, or 5.9% compared to 2H 2022. The increase was attributable to the following:

- (a) higher revenue contribution from the retail portfolio primarily driven by asset enhancement initiatives completion in CapitaMall Wangjing, CapitaMall Yuhuating and Rock Square and proactive lease management in CapitaMall Xizhimen, CapitaMall Nuohemule and CapitaMall Xuefu;
- (b) lower revenue in 2H 2022 arising from higher rental relief provisions; partially offset by
- (c) loss of contribution from CapitaMall Qibao as the mall had ceased operations since end of March 2023; and
- (d) lower revenue in Singapore-Hangzhou Science & Technology Park Phase I and II and Chengdu Shuangliu Logistics Park due to the lower occupancy rates.

In SGD terms, gross revenue in 2H 2023 decreased by \$3.7 million, or 2.0% due to stronger SGD against RMB.

In RMB terms, property expenses in 2H 2023 decreased by RMB6.5 million, or 1.9% compared to 2H 2022. The decrease was mainly due to savings in operating expenses from the closure of CapitaMall Qibao and marketing expenses, partially offset by higher property related tax, utilities and staff related costs. Property expenses for 2H 2023 decreased by \$6.5 million, or 9.4% due to stronger SGD against RMB.

Management fees payable to the manager were \$0.2 million lower than 2H 2022 mainly due to lower deposited properties in SGD terms.

Finance costs in 2H 2023 was \$3.2 million higher than 2H 2022. This arose mainly from the increase in interest-bearing borrowings for working capital purposes and higher interest rates.

Taxation in 2H 2023 decreased by \$20.7 million as compared to prior year mainly due to the reversal of deferred tax liabilities from the fair value loss of the portfolio investment properties recognised in 2H 2023.

**FY 2023 vs FY 2022**

In RMB terms, gross revenue in FY 2023 increased by RMB61.0 million, or 3.3% compared to FY 2022. The increase was attributable to the following:

- (a) higher revenue contribution from retail portfolio primarily driven by asset enhancement initiatives completion and active lease management;
- (b) lower revenue in FY 2022 arising from higher rental relief provisions; partially offset by
- (c) lower revenue in CapitaMall Xinnan due to on-going repositioning and tenancy adjustments;
- (d) loss of contribution from CapitaMall Qibao as the mall had ceased operations since end of March 2023; and
- (e) lower revenue in Singapore-Hangzhou Science & Technology Park Phase I and II and Chengdu Shuangliu Logistics Park due to the lower occupancy rates.

In SGD terms, gross revenue in FY 2023 decreased by \$18.4 million, or 4.8%, due to stronger SGD against RMB by 8.5%.

In RMB terms, property expenses for FY 2023 decreased by RMB4.4 million, or 0.7% compared to FY 2022. The decrease was mainly due to savings in operating expenses from the closure of CapitaMall Qibao and marketing expenses, partially offset by higher property related tax, utilities and staff related costs. Property expenses for FY 2023 decreased by \$10.9 million, or 8.5% due to stronger SGD against RMB.

Management fees payable to the manager were \$1.0 million lower than FY 2022 mainly due to lower deposited properties and lower total portfolio NPI in SGD terms.

Finance costs in FY 2023 was \$10.0 million higher than FY 2022. This arose mainly due to higher interest rates.

Taxation in FY 2023 decreased by \$17.8 million as compared to prior year mainly due to the reversal of deferred tax liabilities from the fair value loss of the portfolio investment properties recognised in FY 2023.

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**4 Status on the use of proceeds raised from any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use**

Cash of \$1.8 million in aggregate was retained from Distribution Reinvestment Plan on 30 March 2023.

Date	Amount retained	Use of proceeds	Amount used
	\$ million		\$ million
30-Mar-23	1.8	For repayment of Trust's interest-bearing borrowings, general corporate and working capital purposes.	1.8
<b>Total</b>	1.8		1.8

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

CLCT has not disclosed any forecast to the market.

**6 Commentary on the competitive conditions of the industry in which the Trust and its investees operates and any known factors or events that may affect the Trust and its investees in the next reporting period and the next 12 months**

China reported a GDP growth of 5.2% year-on-year (YoY) while total retail sales of consumer goods increased 7.2% YoY for 2023. This growth was underpinned by growth in the agricultural, industrial, and services sectors. As of December 2023, the Manufacturing Purchasing Manager Index was 49.0%<sup>1</sup>. China's economy experienced a modest recovery following the removal of its zero-COVID policies in December 2022, but it continues to face persistent challenges, primarily driven by a downturn in the property market and subdued global export demand.

To boost the economy, the government has implemented fiscal stimulus and monetary policies aimed at providing support to financial institutions, property developers, and homeowners. Liquidity has been injected into the market since the beginning of 2023 through measures such as reductions in the required reserve ratios and lowered rates on medium-term lending facilities for financial institutions. Loan prime rates have also been reduced and are expected to continue to decrease, with the goal of easing borrowing costs for both businesses and consumers<sup>2</sup>. In October 2023, the government approved an additional one trillion-yuan central government bond issuance to offer fiscal support to local governments<sup>3</sup>.

As the world's second-largest economy, China's economic strength and robust domestic fundamentals will continue to exert a significant influence on the global economy and provide support for its long-term growth prospects, notwithstanding the near-term challenges. Several of China's largest provinces have targeted a GDP growth of at least 5% in 2024, with the median standing at 5.5%<sup>4</sup>.

**Retail Malls**

**Beijing Market Update**

Beijing's 2023 GDP grew 5.2% YoY while retail sales increased 4.8% YoY<sup>5</sup>. In 2023, Beijing's total retail stock space stood at 14.8 million square meters (sq m). There were no new developments entering the market in 4Q 2023. Accordingly, the city's retail occupancy rate was at 89.7%. The retail market in Beijing is currently in a phase of revitalisation, with ongoing upgrades and brand enhancements taking place in key submarkets.

<sup>1</sup> China National Bureau of Statistics

<sup>2</sup> Independent Market Research Report 2023 by Colliers Research

<sup>3</sup> South China Morning Post, China's 1 trillion yuan sovereign debt plan offers 'positive growth implications', Beijing eager to strengthen down the road, 25 October 2023

<sup>4</sup> Bloomberg, China's Provinces Mostly Target GDP Growth of 5% of More in 2024, 24 January 2024

<sup>5</sup> Beijing Bureau of Statistics

Several construction projects that have postponed their opening plans in 4Q 2023 are now expected to launch in the first half of 2024. Approximately 1.0 million sq m of high-quality new retail space is scheduled to be introduced in 2024, primarily consisting of large-scale projects located in suburban areas. However, as part of Beijing's "first store policy" aimed at boosting consumption, the city welcomed 718 brand new stores in the first three quarters of 2023, representing a YoY increase of 16.6%. Shopping malls in Beijing continued to introduce brand-first stores and flagship outlets in the fourth quarter of 2023, with the fashion and food and beverage sectors remaining key players in this trend<sup>6</sup>.

### **Guangzhou Market Update**

Guangzhou registered a GDP growth of 4.6% YoY while retail sales for the city increased 6.7% YoY for 2023<sup>7</sup>. The total addition of new retail space amounted to 0.6 million sq m in 2023, which increased the city's overall stock to 5.7 million sq m, contributing to the decline in average rent for ground floor spaces to RMB710.3 per sq m per month. During the fourth quarter of 2023, the net absorption of retail space citywide reached 384,000 sq m. In both the fourth quarter of 2023 and throughout the year, the catering sector had the highest percentage of new and upcoming store openings. Strong demand and competition in the F&B industry led to most brands exercising caution when it comes to expansion. However, in response to the rising costs of online marketing, online brands are also choosing to open physical stores to enhance the experiences of their customers and increase sales opportunities.

Over the next three years, Guangzhou's prime retail property market is expected to witness the addition of 1.2 million sq m of new retail space, primarily in non-core areas. This expansion of the retail landscape will support the city's multi-level consumption plan. Landlords of existing projects are anticipated to continue optimising their tenant mixes and adjusting rental expectations. Additionally, the recently published Tianhe District Helping Guangzhou Cultivate and Build an International Consumption Center City Implementation Plan (2023-2025) aims to promote high-quality development in business districts by enhancing key areas and attracting top-tier brands to establish their first stores, experience centers, and service centers<sup>8</sup>.

### **Business Parks**

#### **Suzhou Market Update**

Suzhou's GDP increased 4.2% YoY for the 9M 2023<sup>9</sup>. At the end 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 for 2023 was estimated to be near 0.7 million sq m while the average gross absorption for the year was around 268,500 sq m, contributing to the decline in business parks occupancy rate by 3.3% to 71.1%. This decline in occupancy rate was primarily due to the new supply outpacing the demand for business park space. Despite this, Suzhou's average rent for business park spaces rose to RMB45.90 per sq m per month, marking an increase of 0.7% YoY, as newly developed business parks commanded higher rents.

For 2024, it is expected that around 1.2 million sq m of new business park space will be introduced in Suzhou. The total stock of business park space is projected to approach 8.0 million sq m in 2024. Key growth areas within these parks are expected to remain focused on industries like biomedicine, information technology, nanotechnology, and artificial intelligence. The upcoming supply is likely to exert pressure on the occupancy rates of business parks<sup>2</sup>.

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<sup>6</sup> Cushman & Wakefield, Beijing Marketbeat, 4Q 2023

<sup>7</sup> Guangzhou Bureau of Statistics

<sup>8</sup> Cushman & Wakefield, Guangzhou Marketbeat, 4Q 2023

<sup>9</sup> Suzhou Bureau of Statistics

### **Hangzhou Market Update**

Hangzhou's GDP increased 5.6% YoY for 2023<sup>10</sup>. By the end of 2023, Hangzhou's total business park stock stood at 16.1 million sq m, up 10.6% YoY. The total net new supply for 2023 was estimated at about 1.5 million sq m. For 2023, the average gross absorption in Hangzhou's business parks was approximately 196,600 sq m, and the occupancy rate came in at 79.4%. The decline in occupancy rates can be attributed to a reduction in leasing demand due to lower demand from the technology sector and corporations, combined with the introduction of new space. Consequently, the average rent for business parks in Hangzhou decreased to RMB63.00 per sq m per month in 2023, a 4.1% decline YoY. To remain competitive, landlords remained adaptable in lease terms and rent negotiations to attract tenants.

Looking forward into 2024, it is expected that around 2.5 million sq m of business park space will be added across Hangzhou. The total stock of business park space is projected to reach 18.5 million sq m by the end of the year. The Hangzhou government's strategy to promote high-value manufacturing and establish corporate headquarters, supported by subsidies, loan assistance, and resource benefits, is expected to yield long-term benefits for Hangzhou's business parks. Industries such as advanced manufacturing, biomedicine, the digital economy, and renewable energy are set to be the focal points<sup>2</sup>.

### **Logistics Parks**

#### **Shanghai Market Update**

Shanghai's 2023 GDP increased 5.0% YoY<sup>11</sup>. In 2023, Grade A logistics space in Shanghai stood at 8.6 million sq m, an increase of 4.9% YoY. The total net supply for the year was around 0.4 million sq m. The average gross absorption for the year was approximately 34,400 sq m, leading to a reduction in the Grade A logistics occupancy rate by 3.6% to 82.0%. Average rent for Grade A logistics spaces in Shanghai decreased to RMB44.70 per sq m per month, a 2.9% decline YoY.

Approximately 1.8 million sq m of Grade A logistics space is expected to be delivered across Shanghai in 2024. This is likely to contribute to higher vacancy rates in the short term<sup>2</sup>.

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<sup>10</sup> Hangzhou Bureau of Statistics

<sup>11</sup> Shanghai Bureau of Statistics

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**7 Distribution**

**7(a) Current Financial Period**

Any distribution declared for the current financial period? Yes.

Name of distribution : Distribution for 1 July 2023 to 31 December 2023

Distribution type : Tax exempt income and Capital distribution

Distribution rate : 3.00 cents per Unit

Par value of Units : Not meaningful

Tax rate : Tax exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders. No tax will be deducted from such distribution.

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

Remark : The tax exempt income and capital distribution from 1 July 2023 to 31 December 2023 is expected to be funded from borrowings at the Trust level as well as internal cash flows from operations.

**7(b) Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the immediate preceding financial period?

Yes.

Name of distribution : Distribution for 1 July 2022 to 31 December 2022

Distribution type : Tax exempt income and Capital distribution

Distribution rate : 3.40 cents per Unit

Par value of Units : Not meaningful

**7(c) Date payable** : 28 March 2024

**7(d) Record date** : 7 February 2024



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

Not applicable.

**9 If the Group has obtained a general mandate from Unitholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

The Group has not obtained a general mandate from Unitholders for IPT.

**10 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to paragraph 3 on the review.

**11 A breakdown of sales as follows: -**

	<b>Group</b>		
	<b>FY 2023</b>	<b>FY 2022</b>	<b>Change</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Gross revenue reported for first half year	184,542	199,295	(7.4)
Net income after tax and NCI for first half year	34,863	61,446	(43.3)
Gross revenue reported for second half year	180,204	183,876	(2.0)
Net income after tax and NCI for second half year	5,963	61,547	(90.3)

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

	<b>FY 2023</b>	<b>FY 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
In respect of period:		
1 Jan 23 - 30 Jun 23	63,128	-
1 Jul 23 - 31 Dec 23	50,735	-
1 Jan 22 - 30 Jun 22	-	68,701
1 Jul 22 - 31 Dec 22	-	56,914
Total distributions to Unitholders	113,863	125,615

**13 Confirmation pursuant to Rule 720(1) of the Listing Manual**

The Manager confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 of the Listing Manual of the Singapore Exchange Securities Limited (the “Listing Manual”), as required by Rule 720(1) of the Listing Manual.

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**14**     **Disclosure of person occupying a managerial position or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, CapitaLand China Trust Management Limited (the “Company”), being the manager of CapitaLand China Trust (“CLCT”), confirms that there is no person occupying a managerial position in the Company or in any of CLCT’s principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial Unitholder of CLCT.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD  
CAPITALAND CHINA TRUST MANAGEMENT LIMITED  
(Company registration no. 200611176D)  
(as Manager of CAPITALAND CHINA TRUST)

Chuo Cher Shing  
Company Secretary  
30 January 2024