

NEWS RELEASE

**CLCT's 1H 2021 distribution per unit rises strongly
by 40.1% year-on-year**

- ***Underpinned by year-on-year increase of 84.4% in net property income and 72.9% in distributable income – the highest growth rates since listing***
- ***Significant maiden contribution from newly acquired business park portfolio, which achieved higher occupancy since acquisition, and consolidation of 100% stake in Rock Square***
- ***Sustained improvement in retail occupancy coupled with high double-digit growth in shopper traffic and tenant sales***

Singapore, 29 July 2021 – CapitaLand China Trust Management Limited (CLCTML), the manager of CapitaLand China Trust (CLCT), announced today a net property income (NPI) of S\$120.3 million for the six months ended 30 June 2021 (1H 2021), an increase of 84.4% from the corresponding period last year (1H 2020). This was mainly due to new contribution from its business park portfolio¹, 100% contribution from Rock Square² and new contribution from CapitaMall Nuohemule³, partially offset by the absence of contribution from CapitaMall Minzhongleyuan and CapitaMall Saihan following their divestment on 10 February and 7 June 2021 respectively. NPI was further boosted by stronger operating performance at CLCT's malls, including lower tenant reliefs and higher rent collections, as well as higher occupancy and rental reversions at its business park properties.

1H 2021 distributable income (DI) was S\$64.1 million, 72.9% higher than 1H 2020. The year-on-year growth rates in NPI and DI were the highest since CLCT's listing in 2006.

On an enlarged unit base, 1H 2021 distribution per unit (DPU) rose 40.1% to 4.23 cents, compared with 3.02 cents for 1H 2020. CLCT's Record Date is 6 August 2021, and Unitholders can expect to receive their 1H 2021 DPU on 27 September 2021.

Mr Tan Tze Woon, CEO of CLCTML, said: "As China's economic recovery continues to firm, the country's GDP expanded 12.7%⁴ while total retail sales grew 23%⁴ for 1H 2021. In view of effective pandemic control and rising vaccination rates in China, further normalisation of the country's economic activities is expected, which will lead to the expansion of consumer

1. *The financial results in 1H 2021 include contributions from Rock Square, Ascendas Xinsu Portfolio, Ascendas Innovation Towers and Ascendas Innovation Hub from 30 December 2020, 4 January 2021, 10 February 2021, and 26 February 2021 respectively. While the acquisitions of the Singapore-Hangzhou Science & Technology Park Phase I and Phase II were completed on 18 June 2021, the risk and reward have been transferred from 15 February 2021.*

2. *CLCT completed the acquisition of the remaining 49% interest in Rock Square on 30 December 2020.*

3. *CapitaMall Nuohemule opened with 100% occupancy in December 2020.*

4. *Source: [National Bureau of Statistics of China](#).*

demand and business investments. With a portfolio strategically aligned to China's economic focus on domestic consumption and innovation to drive greater self-sufficiency, CLCT is well-positioned to ride the country's growth over the long term."

"Post mandate expansion, we have seized new opportunities to position CLCT as the proxy for growth in China's future economy. Gearing for a new phase of expansion, we are actively looking to add quality assets, with a focus on new economy asset classes such as business parks, logistics, data centre and industrial properties in the near term. We will tap opportunities from both our sponsor, as well as third parties to diversify and grow our portfolio mix across asset classes. Further, we will unlock value by divesting non-core assets to recycle capital and improve the resilience of our portfolio. In 1H 2021, we completed the divestment of CapitaMall Saihan and CapitaMall Minzhongleyuan. We remain focused in executing our strategy on acquisitive growth and strengthening portfolio composition to extend our leadership as Singapore's largest multi-asset China-focused REIT."

"Organically, we will continue to enhance returns by extracting value from our existing assets through asset optimisation efforts. CapitaMall Yuhuating has embarked on its first major asset enhancement initiative (AEI) since its opening in 2005, with a focus on improving shopper circulation, refreshing the tenant mix to appeal to a wider customer base and uplifting the shopping experience. We have progressively completed the AEI at Rock Square, adding more than 700 square metres (sq m) of net leasable area on various levels of the mall to date. This quarter, the mall welcomed over 30 new shops spanning 4,000 sq m that greatly enhanced its range of F&B, Fashion and IT offerings."

Improving operating performance

Following continual efforts to optimise tenant mix and redefine traditional retail spaces to create meaningful experiences for shoppers, CLCT saw an improved portfolio occupancy of 95.4% for its shopping malls as at 30 June 2021. Year-on-year, 1H 2021 portfolio tenant sales increased 40.8% while shopper traffic gained 40.7%.

Since the acquisition was announced, CLCT's business park portfolio has seen consecutive quarter-on-quarter improvements in occupancy, registering 94% as at 30 June 2021, which was above market levels. This was supported by the 100% return rate for China's office community and CLCT portfolio's strong appeal to high-growth and innovation-based industries.

Proactive capital management

CLCT has a well staggered debt maturity, with an average term to maturity of 3.80 years. Majority of the refinancing requirements in 2021 have been completed. About 78% of CLCT's total term loans is on fixed interest rates, providing certainty of interest expenses. To mitigate the impact of foreign currency fluctuations, CLCT hedged approximately 55% of its undistributed income into Singapore dollars. As at end June 2021, CLCT's gearing was a healthy 35.9%, well below the regulatory limit of 50%.

Summary of CLCT results^{1,2}

	1H 2021	1H 2020	Change %
	Actual S\$'000	Actual S\$'000	
Gross Revenue ^{3,4}	176,892	101,517	74.2
Net Property Income ³	120,342	65,278	84.4
Income available for distribution to Unitholders	64,071	35,298	81.5
Distributable amount to Unitholders ⁵	64,071	37,048	72.9

Distribution Per Unit ("DPU") (cents)			
For the period	4.23	3.02	40.1

	1H 2021	1H 2020	Change %
	Actual RMB'000	Actual RMB'000	
Gross Revenue ⁴	860,995	510,986	68.5
Net Property Income	585,721	328,572	78.3

Footnotes:

- The financial results in 1H 2021 excludes contributions from CapitaMall Saihan, CapitaMall Minzhongleyuan and CapitaMall Erqi which were divested on 7 June 2021, 10 February 2021, and 1 June 2020 respectively.
- The financial results in 1H 2021 include contributions from Rock Square, Ascendas Xinsu Portfolio, Ascendas Innovation Towers and Ascendas Innovation Hub from 30 December 2020, 4 January 2021, 10 February 2021, and 26 February 2021 respectively. While the acquisitions of the Singapore-Hangzhou Science & Technology Park Phase I and Phase II were completed on 18 June 2021, the risk and reward have been transferred from 15 February 2021.
- Average exchange rate for SGD/RMB.

1H 2021	1H 2020	Change %
4.867	5.033	(3.3)
- 1H 2021 and 1H 2020 include rental relief extended to tenants in view of the COVID-19 situation.
- For 1H 2020, CLCT released \$3.5 million retained in FY 2019 from the compensation received by CapitaMall Erqi, following the exit of its anchor tenant. At the same time, \$1.8 million was retained from the income available for distribution to Unitholders for general corporate and working capital purposes.

About CapitaLand China Trust (www.clct.com.sg)

CapitaLand China Trust (CLCT), formerly known as CapitaLand Retail China Trust, is Singapore's largest China-focused real estate investment trust (REIT). CLCT's portfolio comprises of 11 shopping malls and five business park properties. The geographically diversified portfolio has a total gross floor area (GFA) of approximately 1.7 million square metre (sq m), located across 10 leading Chinese cities. CLCT was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) on 8 December 2006, and 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's retail properties are strategically located in densely populated areas with good connectivity to public transport. The malls are positioned as one-stop family-oriented destinations housing a wide range of lifestyle offerings that cater to varied consumer preferences in shopping, dining and entertainment as well as essential services. CLCT's portfolio comprises a diverse mix of more than 2,000 leases, which include leading brands UNIQLO, Xiaomi, ZARA, Haidilao, Nike, Sephora, Starbucks Coffee and Swarovski. The malls are CapitaMall Xizhimen, CapitaMall Wangjing, CapitaMall Grand Canyon and CapitaMall Shuangjing in Beijing; Rock Square in Guangzhou; CapitaMall Xinnan in Chengdu; CapitaMall Qibao in Shanghai; CapitaMall Nuohemule in Hohhot; CapitaMall Xuefu, CapitaMall Aidemengdun in Harbin and CapitaMall Yuhuating in Changsha.

CLCT has a portfolio of five business parks situated in high-growth economic zones which house high quality and reputable domestic and multinational corporations operating in new economy sectors such as Electronics, Engineering, E-Commerce, Information and Communications Technology and Financial Services. The business parks exhibit excellent connectivity with close proximity to transportation hubs, and are easily accessible via various modes of transportation. The properties are Ascendas Xinsu Portfolio in Suzhou, Ascendas Innovation Towers and Ascendas Innovation Hub in Xi'an and Singapore-Hangzhou Science & Technology Park Phase I and Phase II in Hangzhou.

CLCT is managed by CapitaLand China Trust Management Limited, a wholly owned subsidiary of Singapore-listed CapitaLand Limited, one of Asia's largest diversified real estate groups.

About CapitaLand Limited (www.capitaland.com)

CapitaLand Limited (CapitaLand) is one of Asia's largest diversified real estate groups. Headquartered and listed in Singapore, it owns and manages a global portfolio worth about S\$137.7 billion as at 31 March 2021. CapitaLand's portfolio spans across diversified real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 240 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

CapitaLand has one of the largest real estate investment management businesses globally. It manages six listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds. CapitaLand launched Singapore's first REIT in 2002 and today, its stable of REITs and business trusts comprises CapitaLand Integrated Commercial Trust, Ascendas Real Estate Investment Trust, Ascott Residence Trust, CapitaLand China Trust, Ascendas India Trust and CapitaLand Malaysia Mall Trust.

CapitaLand places sustainability at the core of what it does. As a responsible real estate company, CapitaLand contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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