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NEWS RELEASE

CapitaLand Investment establishes two onshore RMB funds totalling about RMB4 billion to invest in business parks in China

Third-party capital of RMB3.2 billion raised from 10 new domestic investors for the two private funds

Singapore, 3 November 2022 – CapitaLand Investment Limited (CLI) has established two new onshore renminbi (RMB) funds, China Business Park Core RMB Fund I (CBPCF I) and CBPCF II to invest in business park opportunities in China. CBPCF I is a RMB380 million (S\$76 million¹) fund established with four new domestic investors and CBPCF II is a RMB3.6 billion (S\$720 million) fund established with six new domestic investors. CLI has raised RMB3.2 billion (S\$640 million) in third-party capital for the two funds. They are CLI's first business park private funds in China and will add over RMB8.2 billion (S\$1.6 billion) to CLI's funds under management (FUM) when fully deployed. Aligned with its asset-light strategy to grow its FUM, CLI holds a 10% and 20% stake in the funds respectively.

Tapping onshore capital to invest in China's new economy sector

CBPCF I has acquired Ascendas i-Link, a business park in Zhangjiang Hi-Tech Park in Pudong New District, Shanghai, from CLI which will continue to manage the asset. CLI will also manage the single-asset fund. Zhangjiang Hi-Tech Park, one of China's first state-level hi-tech zones approved by the State Council, houses many top Chinese technology enterprises and Fortune 500 companies.

CBPCF II will invest in a Leadership in Energy and Environmental Design (LEED) Gold-certified business park in China and expects to complete the acquisition by end-2022. CLI will co-manage the fund with an asset management company, an affiliate of one of the anchor investors.

Both assets are quality core income-generating properties with close to 100% occupancy.

Mr Puah Tze Shyang, CEO of CLI China, said: "With the launch of our first RMB fund in June 2022 and now with CPBCF I and CPBCF II, CLI has raised close to RMB4 billion (S\$780 million) of onshore capital from Chinese institutional investors. Our close to 30 years of on-the-ground experience and strong fund and asset management track record in China have enabled us to tap domestic capital to support our onshore investment management activities. Leveraging our deal-sourcing capabilities, we secured a quality office asset, which was a special situation opportunity, for our first RMB fund. We are expanding our RMB funds to acquire business parks which have proven to be resilient in operating performance. We remain confident in the long-term prospects of China given the size of its economy, and will continue to leverage the increasing pool of domestic capital to grow our business in China."

¹ Exchange rate: S\$1 = RMB5

Mr Simon Treacy, CEO of Private Equity Real Estate, Real Assets, CLI, said: “CLI is accelerating its onshore RMB capital raising momentum at a time when it is becoming increasingly important for investment managers to build up domestic fund-raising capabilities. CBPCF I and CBPCF II bring 10 new investors including securities firms, trust companies, state-owned enterprises and insurers into CLI’s network of capital partners. They demonstrate our ability to execute our growth strategies whilst diversifying our capital pool with high quality Chinese partners. As a global real estate investment manager with an intimate knowledge of China, CLI is able to source for opportunities and structure unique deals that will deliver sustainable quality returns for onshore investors. Besides business parks, we see potential to invest in other new economy assets such as data centres and logistics in China through our private funds. The expansion of our private fund management business, which is a key growth driver for CLI, will further strengthen CLI’s asset-light and capital-efficient business model.”

CLI in China

In June 2022, CLI’s inaugural onshore RMB700 million (S\$140 million) fund acquired a quality office building in Shanghai. This follows CLI’s successful registration as a private equity fund manager in China, allowing it to tap the abundant liquidity in China’s capital markets to scale its investment management platform. As at 30 June 2022, CLI has a total of 10 private investment vehicles in China holding 28 properties with FUM of S\$20.6 billion.

CLI has a strong portfolio of more than 200 properties across over 40 Chinese cities with total assets under management of S\$46 billion². Its resilient and well-diversified portfolio in China includes office, retail, lodging, business parks, logistics and data centres in five core Tier 1 and 2 city clusters³.

About CapitalLand Investment Limited (www.capitalandinvest.com)

Headquartered and listed in Singapore, CapitalLand Investment Limited (CLI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. As at 30 June 2022, CLI had about S\$125 billion of real estate assets under management, and about S\$86 billion of real estate funds under management (FUM) held via six listed real estate investment trusts and business trusts, and more than 20 private vehicles across Asia-Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and its full stack of operating capabilities, and maintain effective capital management. As the investment management arm of CapitalLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitalLand’s development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve net zero emissions by 2050. CLI 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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² As at 30 June 2022

³ CLI’s five core city clusters in China to focus its growth are Beijing / Tianjin; Shanghai / Hangzhou / Suzhou / Ningbo; Guangzhou / Shenzhen; Chengdu / Chongqing / Xi’an and Wuhan

LinkedIn: [linkedin.com/company/capitaland-limited](https://www.linkedin.com/company/capitaland-limited)

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