CAPITALAND RETAIL CHINA TRUST

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

ANNOUNCEMENT

PROPOSED ACQUISITION OF THE RESPECTIVE INTERESTS IN THE COMPANIES WHICH HOLD THE ASCENDAS XINSU PORTFOLIO, ASCENDAS INNOVATION TOWERS, ASCENDAS INNOVATION HUB, SINGAPORE-HANGZHOU SCIENCE & TECHNOLOGY PARK PHASE I AND PHASE II AND ROCK SQUARE, WHICH IS AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

1.1 Acquisition

CapitaLand Retail China Trust Management Limited, as manager of CapitaLand Retail China Trust ("**CRCT**", and the manager of CRCT, the "**Manager**"), is pleased to announce the following acquisitions:

1.1.1 ACBPF4 Acquisition

CRCT, through its wholly owned subsidiaries, CRCT Investment (Suzhou) Pte. Ltd. ("**Xinsu CRCT Purchaser**"), CRCT Investment (Xi'an II) Pte. Ltd. ("**AIT Purchaser**") and CRCT Investment (Xi'an I) Pte. Ltd. ("**AIH Purchaser**", and together with the Xinsu CRCT Purchaser and the AIT Purchaser, the "**ACBPF4 Purchasers**") has entered into conditional agreements (collectively, the "**ACBPF4 Conditional Agreement**") with Ascendas China Business Park IV Trustee Pte. Ltd., in its capacity as trustee of Ascendas China Business Parks Fund 4 ("**Xinsu Vendor**"), Xi'an Business Park II Pte. Ltd. ("**AIT Vendor**") and Xi'an Business Park III Pte. Ltd. ("**AIH Vendor**", and together with the Xinsu Vendor and the AIT Vendor, the "**ACBPF4 Vendors**") to acquire the respective interests in the equity interests or (as the case may be) shares of the ACBPF4 Target Companies (as defined herein) as described below:

(i) 51.0% of the shares of Singapore Suzhou Industrial Holdings Pte. Ltd. ("**Xinsu HoldCo**") which indirectly holds the Ascendas Xinsu Portfolio comprising six properties located in different locations in Suzhou Industrial Park, China ("**Ascendas Xinsu Portfolio**");

(ii) 100.0% of the equity interests in Ascendas Xi An High-Tech Development Co., Ltd, ("**AIT ProjectCo**") which holds Ascendas Innovation Towers located in the Hi-tech Industries Development Zone in Xi'an, China ("**Ascendas Innovation Towers**"); and

(iii) 80.0% of the equity interests in Xi An Ascendas-Science Technology Investment Co., Ltd. ("**AIH ProjectCo**") which holds Ascendas Innovation Hub located in the Hi-tech Industries Development Zone in Xi'an, China ("**Ascendas Innovation Hub**"),

the acquisition of the respective interests in the equity interests or (as the case may be) shares of the Xinsu HoldCo, AIT ProjectCo and AIH ProjectCo (the "**ACBPF4 Target Companies**") (the "**ACBPF4 Acquisition**").

The balance 49.0% of the shares of the Xinsu HoldCo will be acquired by CLC Investment Nine Pte. Ltd., an indirect wholly owned subsidiary of CapitaLand Limited ("**CapitaLand**") ("**Xinsu CLC Purchaser**", and together with the Xinsu CRCT Purchaser, the "**Xinsu Purchasers**").

The balance 20.0% of the equity interests of AIH ProjectCo are owned by an unrelated third party joint venture partner (the "**AIH JV Partner**").

Upon satisfaction or waiver (as the case may be) of the conditions in the ACBPF4 Conditional Agreement (as described in paragraph 3.3 below):

(a) separate equity transfer agreements in relation to the transfer of equity interests in each of the AIH ProjectCo and AIT ProjectCo, the form of which is set out in the ACBPF4 Conditional Agreement (the "**ACBPF4 Equity Transfer Agreements**"), shall be entered into within the requisite time frame as set out in the ACBPF4 Conditional Agreement; and

(b) a share purchase agreement in relation to the transfer of shares in the Xinsu HoldCo (the "**Xinsu SPA**"), the form of which is set out in the ACBPF4 Conditional Agreement, shall be entered into within the requisite time frame as set out in the ACBPF4 Conditional Agreement.

1.1.2 SHSTP Acquisition

Separately, CRCT, through its wholly owned subsidiaries, CRCT Investment (Hangzhou I) Pte. Ltd. and CRCT Investment (Hangzhou II) Pte. Ltd. (the "**SHSTP Purchasers**") has entered into a conditional agreement (the "**SHSTP Conditional Agreement**") with Ascendas Singapore-Hangzhou Science & Technology Park I Pte. Ltd. and Ascendas Singapore-Hangzhou Science & Technology Park IV Pte. Ltd. (together, the "**SHSTP Vendors**") to acquire 80.0% of the equity interests in Ascendas Hangzhou Science & Technology Co., Ltd. and Ascendas Hangzhou Data Processing Co., Ltd. (the "**SHSTP Target Companies**") which hold Singapore-Hangzhou Science & Technology Park Phase I and Phase II, respectively ("**SHSTP Phase I and Phase II**") located in the Hangzhou Economic & Technological Development Area in Jianggan District, China (the "**SHSTP Acquisition**").

The balance 20.0% of the equity interests in each of the SHSTP Target Companies are owned by an unrelated third party joint venture partner (the "**SHSTP JV Partner**").

Upon satisfaction or waiver (as the case may be) of the conditions in the SHSTP Conditional Agreement (as described in paragraph 3.4 below) separate equity transfer agreements in relation to the transfer of equity interests in each of the

SHSTP Target Companies, the form of which is set out in the SHSTP Conditional Agreement (the "**SHSTP Equity Transfer Agreements**"), shall be entered into within the requisite time frame as set out in the SHSTP Conditional Agreement.

1.1.3 Rock Square Acquisition

Separately, CRCT, through its wholly owned subsidiary, Gold Rock Investment Pte. Ltd. (the "**Rock Square Purchaser**") has entered into a conditional agreement (the "**Rock Square SPA**") with Gold Ruby Pte. Ltd. (the "**Rock Square Vendor**") to acquire the balance 49.0% of the shares of Gold Yield Pte. Ltd. (the "**Rock Square HoldCo**") which indirectly holds Rock Square located in Haizhu District in Guangzhou, China (the "**Rock Square Acquisition**", and collectively with the ACBPF4 Acquisition and the SHSTP Acquisition, the "**Acquisition**").

The "**Target Companies**" comprise the ACBPF4 Target Companies, the SHSTP Target Companies and Rock Square HoldCo.

The "**Properties**" comprise Ascendas Xinsu Portfolio, Ascendas Innovation Towers, Ascendas Innovation Hub, SHSTP Phase I and Phase II, and Rock Square.

1.2 Relationship with the Vendors

As at the date of this announcement, CapitaLand through (i) its indirect wholly owned subsidiaries namely, Retail Crown Pte. Ltd. and the Manager and (ii) CapitaLand Integrated Commercial Trust (formerly known as CapitaLand Mall Trust) ("**CICT**") has a deemed interest in 446,460,905 units in CRCT ("**Units**"), which comprises approximately 36.23% of the total number of Units in issue, and is therefore regarded as a "controlling unitholder" of CRCT under both the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**" and the Listing Manual of the SGX-ST, the "**Listing Manual**") and Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**"). In addition, as the Manager is a wholly owned subsidiary of CapitaLand, CapitaLand is therefore regarded as a "controlling shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

Each of the SHSTP Vendors and the Rock Square Vendor is a wholly owned subsidiary of CapitaLand. The AIH Vendor and the AIT Vendor are wholly owned subsidiaries of Ascendas China Business Parks Fund 4 ("**ACBPF4**") while the Xinsu Vendor is the trustee of ACBPF4. ACBPF4 is a fund which is 23% held by CapitaLand, and managed by Ascendas Asia Real Estate Fund Management Pte Ltd, a wholly owned subsidiary of CapitaLand. ACBPF4 owns (directly or indirectly) the Ascendas Xinsu Portfolio, Ascendas Innovation Towers and Ascendas Innovation Hub.

For the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, (i) the SHSTP Vendors and the Rock Square Vendor (being associates of a "controlling unitholder" of CRCT and a "controlling shareholder" of the Manager) are (for the purpose of the Listing Manual) "interested persons" and (for the purpose of the Property Funds Appendix) "interested parties" of CRCT, and (ii) the Manager also regards the acquisition of Ascendas Xinsu Portfolio, Ascendas Innovation Towers and Ascendas Innovation Hub as an interested person transaction and an interested party transaction as it is a transaction with a fund (ACBPF4) managed by an associate of a "controlling unitholder" of CRCT and a "controlling shareholder" of the Manager.

Therefore, the Acquisition will constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of unitholders of CRCT ("**Unitholders**") is required.

A circular is expected to be issued to Unitholders in due course (the "**Unitholders' Circular**"), together with a notice of extraordinary general meeting, for the purpose of seeking the approval of Unitholders for the Acquisition.

2. INFORMATION ON THE PROPERTIES

2.1 Ascendas Xinsu Portfolio

The Ascendas Xinsu Portfolio comprises six properties located in different locations covering a range of asset types, including business park, built-to-suit factories, and ready-built factories. The Ascendas Xinsu Portfolio consists of 61 buildings including R&D and industrial portion. The R&D portion forms part of Ascendas Xinsu Square, comprising six business park office buildings with retail ancillaries. It is one of the first business park projects in the Suzhou Industrial Park and has since established a strong reputation for its quality specifications and premium location. The industrial portion includes 50 single-storey workshops with mezzanine floors and five four-to-six-storey workshops, located in six different properties (Ascendas Xinsu Square, Ascendas Xinsu North Belt, NIO Delivery Centre, Semi Detached Factory in EPZ, Nexteer BTS Phase 1 and 2, and Ascendas Xinsu Industrial Square II) in the Suzhou Industrial Park. The Ascendas Xinsu Portfolio has a total gross floor area of 373,334 sq m and net leasable area of 349,480 sq m.[1] The Ascendas Xinsu Portfolio is accessible via various modes of transportation including High Speed Railway Station, Metro Line 1, 3 and an upcoming Line 6 of Suzhou Rail Transit which is expected to provide easy access to other parts of Suzhou. Ascendas Xinsu Square, in particular, is well-connected to the city's public transit infrastructure via West Ligongdi Station on Metro Line 3 and is located only five minutes' drive to Suzhou Centre, the landmark of Suzhou Industrial Park, one hour's drive to Shanghai Hongqiao International Airport. It houses multinational companies and leading domestic enterprises, ideal for industrial, R&D and modern services functions. Some key tenants in the portfolio includes Beckman Coulter Laboratory Systems (leased since 1997), CCL Design Label (leased since 1996), TDK (Suzhou) Electronics Co Ltd (leased since 2000), Takasago Electric (Suzhou) (leased since 2003), Nexteer Automotive (Suzhou) Co., Ltd (leased since 2008) and Tobii Electronics Technology Suzhou Co (leased since 2018).

1 In relation to Ascendas Xinsu Square, there is an agreement between the local authorities and the Xinsu ProjectCo (as defined herein) for the permanent acquisition of approximately 636.4 sq m of land for the construction of a new metro line in Suzhou. The current site area of Ascendas Xinsu Square includes this parcel of land as the compulsory acquisition process is underway and the land has not yet been carved out from the title certificate. When the exact land area to be acquired has been fixed and the purchase price paid over to Xinsu ProjectCo, the land will be carved out of the title certificate and returned to the government. This process is expected to take place after completion of the Acquisition and the price for the land will be retained for the account of the Xinsu Purchasers. The acquired land is not expected to affect the gross floor area and net leasable area of Ascendas Xinsu Square, and its current usage is not expected to be materially affected. The Independent Valuers' (as defined herein) valuation of the Ascendas Xinsu Portfolio has taken into account the compulsory acquisition.

2.2 Ascendas Innovation Towers

Ascendas Innovation Towers is a business park project with two 23-storey office towers with a five-storey podium and a three-storey standalone building with a total gross floor area of 118,495 sq m and net leasable area of 96,347 sq m. The property is located in 88 Tian Gu Seventh Road, Hi-tech Industries Development Zone, Xi'an, the capital of Shaanxi Province, which is well known for its cultural, industrial and educational resources. The Hi-tech Industries Development Zone registered 120,000 enterprises mainly from the electronics, semiconductors, manufacturing, biomedicine, new energy cars and innovative industries. Building A is a three-storey office podium building erected on a two-storey basement for car park use. Building B comprises two 23-storey office towers erected on a two-storey basement for car park use. Ascendas Innovation Towers is positioned as a landmark asset providing quality focal point for development of Xi'an's new economy, including hi-tech, innovation, software and R&D sectors. Notable tenants include Ping An Insurance Company (leased since 2017), Dahua Technology (leased since 2018), Anchnet (leased since 2019) and Transcosmos (leased since 2017).

2.3 Ascendas Innovation Hub

Ascendas Innovation Hub is a business park project with two office towers. The property is located in 38 Gao Xin Sixth Road, within the core area of Xi'an Software Park in Hi-tech Industries Development Zone, Xi'an, the capital of Shaanxi Province. The property comprises two six-storey business park office towers, both erected on a one-storey basement, with a total gross floor area of 40,547 sq m and net leasable area of 36,108 sq m. Ascendas Innovation Hub has good accessibility and the area is home to a mixture of office, retail, and residential as well as hotel developments. Located in the core area of Hi-tech Industries Development Zone, Ascendas Innovation Hub is served by more than 10 bus lines and is 1.2 km away from the Zhangba North Road Metro Station on Metro Line 3, providing good accessibility to the city centre and airport of Xi'an (estimated travel time of 30 minutes and 45 minutes respectively). Ascendas Innovation Hub is positioned as a high-tech incubator and R&D space for manufacturing and semiconductor enterprises. Notable tenants include UniIC Semiconductors (leased since 2006), Montage Technology (leased since 2019) and Qualcomm (leased since 2011).

2.4 SHSTP Phase I and Phase II

Singapore-Hangzhou Science & Technology Park is an integrated business park located in the middle of Hangzhou Xiasha Education Zone of the Hangzhou Economic & Technological Development Area (part of Hangzhou Qiantang New Area). SHSTP Phase I and Phase II is located at 2 Kejiyuan Road, Hangzhou Economic & Technological Development Area in Jianggan District. Phase I comprises five R&D buildings of 4 to 20 storeys and two ancillary buildings, with a total gross floor area of 101,811 sq m and a net leasable area of 101,450 sq m. Phase II comprises five R&D buildings of 11 to 15 storeys and five semi-detached standalone R&D buildings of four storeys and ancillary facilities, with a total gross floor area of 130,261 sq m and a net leasable area of 126,294 sq m. The property is located in the heart of Hangzhou Economic and Technological Development Area (HEDA) and is only 500 metres away from the Hangzhou Bay Ring Expressway and 1 km away from Yunshui Station on Metro Line 1. HEDA is a national level economic and technological development zone. Over the decades, HEDA has achieved rapid development where many leading companies and Fortune 500 companies have set up their branches in the area. With the growth of IT, innovative, high technology industries, the property provides alternative office space for the start-ups. The property is adjacent to Zhejiang's largest university zone and provides ideal office space for many companies in E-commerce, Biomedical Sciences, Information and Communication Technology and R&D functions. Notable tenants include Zhimei (leased since 2014) and Sowow (leased since 2015) for Phase I property, as well as Taodao Technology (leased since 2017) and Weinian Technology (leased since 2017) for Phase II property.

2.5 Rock Square

Rock Square is located in Gongye Avenue North, Haizhu District, Guangzhou City, the most populous city of Guangdong province in Southern China. Opened in 2013, the property is the largest mall in Jiangnanxi, an established retail cluster located in Guangzhou's Haizhu District. Haizhu District is Guangzhou's 2nd most populous urban district that also ranks high in terms of disposable income per capita. The mall has five retail levels with three levels above-ground and two levels at the basement with gross floor area of 88,279 sq m. The mall is directly connected to Shayuan metro station, which serves Line 8 that links Guangzhou's eastern and western areas, and Guangfo Line that connects Guangzhou with Foshan. Surrounded by densely populated residential estates, the mall caters to about 800,000 residents from middle- and high-income households within a three-km radius. Offering a wide range of fashion, dining and entertainment options for modern lifestyle needs, the mall presents a one-stop shopping and lifestyle experience, featuring well-known domestic and international brands such as AEON, UNIQLO, ZARA, Victoria's Secret, Xiaomi, Green Tea restaurant and HEYTEA.

The table below sets out some details of the Properties (on a 100.0% basis) as at 31 August 2020 (unless otherwise indicated).

	Ascendas Xinsu Portfolio	**Ascendas Innovation Towers**	**Ascendas Innovation Hub**	**Singapore-Hangzhou Science & Technology Park Phase I**	**Singapore-Hangzhou Science & Technology Park Phase II**	**Rock Square**
Location	Suzhou Industrial Park, Suzhou	88 Tian Gu 7 Road, Xi'an Hi-Tech Industries Development Zone, Xi'an	38 Gao Xin 6 Road, Xi'an Hi-Tech Industries Development Zone, Xi'an	2 Science & Technology Park Road, Qiantang New Area, Hangzhou	2 Science & Technology Park Road, Qiantang New Area, Hangzhou	106-108 Gongye Avenue North, Haizhu District, Guangzhou
Year of Opening	Xinsu Industrial: 1996-2013; Xinsu R&D: Oct 2016	Apr 2017	Tower A: Oct 2003 Tower B: Nov 2005	Sep 2009 - Jun 2013	Jun 2016	Jul 2013
Gross Floor Area (sq m)	373,334	118,495	40,547	101,811	130,261	88,279

	Ascendas Xinsu Portfolio	Ascendas Innovation Towers	Ascendas Innovation Hub	Singapore-Hangzhou Science & Technology Park Phase I	Singapore-Hangzhou Science & Technology Park Phase II	Rock Square
Net Lettable Area (sq m)	349,480	96,347	36,108	101,450	126,294	53,108
Committed Occupancy Rate (as at 30 Sep 20)	90.3%	91.4%	93.1%	93.0%	93.7%	91.9%
No. of Leases	310	79	47	184	78	175
Agreed Value (RMB million) (on a 100% basis)	2,265.0	759.0	298.0	641.0	767.0	3,400.0
FY2019 Net Property Income ("**NPI**") Yield(1) (%)	6.1%	4.7%	8.2%	7.5%	6.4%	4.3%
1H2020 Annualised NPI Yield(2) (%)	6.2%	6.0%	9.5%	8.3%	6.7%	3.9%(3)

Notes:

(1) Based on FY 2019 NPI and Agreed Value

(2) Based on 1H 2020 annualised NPI and Agreed Value

(3) Excluding one-off rental rebate due to COVID-19 outbreak, the yield would have been 4.4%

3. PRINCIPAL TERMS OF THE ACQUISITION

3.1 Total Acquisition Cost

The total cost of the Acquisition (the "**Total Acquisition Cost**") is approximately S$822.4 million, comprising:

(i) the Consideration and the CRCT Xinsu Entrustment Loan (each as defined below) of approximately S$799.9 million, which is subject to closing adjustments;

(ii) an acquisition fee (the "**Acquisition Fee**") payable in Units to the Manager pursuant to the trust deed dated 23 October 2006 constituting CRCT (as amended) for the Acquisition (the "**Acquisition Fee Units**") of approximately S$10.0 million[1]; and

(iii) the estimated professional and other fees and expenses incurred or to be incurred by CRCT in connection with the Acquisition (inclusive of the equity financing-related expenses and debt financing-related expenses) of approximately S$12.5 million.

3.2 Consideration and Valuation

The estimated aggregate consideration (the "**Consideration**") of S$769.8 million payable to the ACBPF4 Vendors, the SHSTP Vendors, and the Rock Square Vendor (collectively, the "**Vendors**") in connection with the acquisition of the Target Companies takes into account:

(i) the assumed net asset value ("**Assumed NAV**")[2] of RMB6,300.6 million (approximately S$1,281.1 million[3]) computed based on the unaudited accounts as of 30 June 2020 of each of the Target Companies on a 100% basis and RMB3,750.5 million (approximately S$762.6 million) on the effective stake to be acquired by CRCT in each of the Target Companies, taking into account, among other things, the agreed market value on a 100% basis (the "**Agreed Value**") of:

(a) Ascendas Xinsu Portfolio of RMB2,265.0 million (S$460.6 million);

(b) Ascendas Innovation Towers of RMB759.0 million (S$154.3 million);

(c) Ascendas Innovation Hub of RMB298.0 million (S$60.6 million);

(d) SHSTP Phase I of RMB641.0 million (S$130.3 million);

(e) SHSTP Phase II of RMB767.0 million (S$156.0 million); and

(f) Rock Square of RMB3,400.0 million (S$691.3 million).

The Agreed Value of each of the Properties was negotiated on a willing-buyer and willing-seller basis and takes into account the independent valuations of each of the Properties;

(ii) the outstanding existing shareholder's loan extended by the Xinsu Vendor to the Xinsu HoldCo which is to be fully discharged on the date of completion of the acquisition of the Xinsu HoldCo; and

(iii) the outstanding existing shareholder's loan extended by the Rock Square Vendor to the Rock Square HoldCo which is to be fully discharged on the date of completion

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1 As the Acquisition will constitute an "interested party transaction" under the Property Funds Appendix issued by the Monetary Authority of Singapore, the Acquisition Fee shall be in the form of Acquisition Fee Units and shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

2 The "**Assumed NAV**" means (i) the NAV of each of the AIT ProjectCo, the AIH ProjectCo and the SHSTP Target Companies, and (ii) the consolidated NAV of each of the Xinsu HoldCo and the Rock Square HoldCo, in each case as of 30 June 2020 in respect of the relevant Target Company.
The NAV of the Target Companies take into account the assets and the liabilities of the Target Companies, while the Agreed Value reflects the agreed value for the Properties. Accordingly, the NAV and Agreed Value would differ as the Agreed Value is one component in the computation of the NAV of the Target Companies.

3 Except where the exchange rate between the Chinese RMB and the Singapore dollar is expressly stated otherwise, certain Chinese RMB amounts in this Announcement have been translated into Singapore dollars based on the fixed exchange rate of RMB 4.9179 = S$1.000 pursuant to the Agreement.

of the acquisition of the Rock Square HoldCo.

The final Consideration payable to the Vendors will be subject to completion adjustments.

In addition, the Xinsu CRCT Purchaser will procure that a subsidiary of CRCT will extend an entrustment loan (the "**CRCT Xinsu Entrustment Loan**") to Ascendas-Xinsu Development (Suzhou) Co., Ltd. ("**Xinsu ProjectCo**"), the wholly owned subsidiary of the Xinsu HoldCo which directly holds the Ascendas Xinsu Portfolio, in proportion to its indirect shareholding in the Xinsu ProjectCo, which will be an amount based on the outstanding principal amount of an existing onshore bank loan owing by the Xinsu ProjectCo (the "**Xinsu Onshore Loan**") for the prepayment of the Xinsu Onshore Loan using the proceeds of the Xinsu Entrustment Loans (as defined herein).

The Manager has commissioned an independent property valuer, Jones Lang Lasalle Corporate Appraisal and Advisory Limited ("**JLL**"), and the Trustee has commissioned another independent property valuer, CBRE Limited ("**CBRE**", and together with JLL, the "**Independent Valuers**"), to value the Properties. The valuations of the Properties (on a 100.0% basis) as at 31 October 2020 are set out below.

	JLL	**CBRE**	**Agreed Value**	
	RMB' million	**RMB' million**	**RMB' million**	**S$' million**
Ascendas Xinsu Portfolio	2,267.0	2,270.0	2,265.0	460.6
Ascendas Innovation Towers	802.0	789.0	759.0	154.3
Ascendas Innovation Hub	311.0	302.0	298.0	60.6
SHSTP Phase I	657.0	680.9	641.0	130.3
SHSTP Phase II	792.0	802.2	767.0	156.0
Rock Square	3,414.0	3,390.0	3,400.0	691.3
Total	**8,243.0**	**8,234.1**	**8,130.0**	**1,653.1**
Total (effective stake)	**-**	**-**	**4,945.0**	**1,005.5**
Discount of aggregated Agreed Value from aggregate independent valuations	1.4%	1.3%	-	-

The valuation methods used by the Independent Valuers were the Discounted Cash Flow method and Income Capitalisation method.

3.3 Certain Terms and Conditions of the ACBPF4 Conditional Agreement

The principal terms of the ACBPF4 Conditional Agreement include, among others, the following:

3.3.1 The entry into the ACBPF4 Equity Transfer Agreements and the Xinsu SPA is subject to the satisfaction of a number of conditions, including:

(i) the ACBPF4 Purchasers having obtained the approval of the Unitholders for the ACBPF4 Acquisition;

(ii) CRCT having secured funds to its account to undertake the ACBPF4 Acquisition;

(iii) there having occurred no material adverse change as at the date of the ACBPF4 Vendors' written notice to the ACBPF4 Purchasers that the entry into the ACBPF4 Equity Transfer Agreements and the Xinsu SPA will take place;

(iv) there having been no breach of any of the fundamental warranties contained in the ACBPF4 Conditional Agreement as at the date of the ACBPF4 Vendors' written notice to the ACBPF4 Purchasers that the entry into the ACBPF4 Equity Transfer Agreements and the Xinsu SPA will take place;

(v) the AIH Vendor having obtained written documentation from the AIH JV Partner evidencing its consent or that it has no objections to the joint venture agreement entered into between the AIH Vendor and the AIH JV Partner being amended and/or the AIH Vendor having procured the AIH JV Partner's entry into the AIH SHA (as defined below); and

(vi) the equity pledge over the equity interests in the AIH ProjectCo and the Xinsu ProjectCo held by the AIH Vendor and the Xinsu Vendor respectively having been discharged.

3.3.2 following the entry into the relevant ACBPF4 Equity Transfer Agreements, the necessary filings with the Administration for Market Regulation of the PRC ("**AMR**") and Ministry of Commerce of the PRC (if applicable) shall be undertaken;

3.3.3 completion ("**ACBPF4 Completion**") in respect of the relevant ACBPF4 Target Companies is subject to the satisfaction of a number of conditions, including:

(i) the AIH ProjectCo having repaid its existing offshore and onshore bank loans;

(ii) (a) the Xinsu HoldCo having repaid its existing offshore bank loan; (b) the Xinsu ProjectCo having repaid its existing onshore bank loan; and (c) all encumbrances over the shares in the Xinsu HoldCo having been discharged; and

(iii) there having been no breach of any of the fundamental warranties contained in the ACBPF4 Conditional Agreement (as if repeated at completion in respect of the relevant ACBPF4 Target Companies);

3.3.4 the Xinsu Purchasers agree to, prior to or upon the ACBPF4 Completion, procure the extension of entrustment loans ("**Xinsu Entrustment Loans**") to the Xinsu ProjectCo, proportionate to the number of shares in the Xinsu HoldCo to be acquired by the Xinsu Purchasers. The Xinsu Entrustment Loans (which includes the CRCT Xinsu Entrustment Loan) would be applied towards prepayment of the principal amount of the Xinsu Onshore Loan and, as such, the aggregate principal amount of the Xinsu Entrustment Loans is approximately up to RMB290.0 million, which is equivalent to the principal amount under the Xinsu Onshore Loan. As the CRCT Xinsu Entrustment Loan is extended to the Xinsu HoldCo on a *pro rata* basis and is akin to shareholders' loans extended by joint venture partners to joint venture entities, it will fall within the exception under Rule 916(3) of the Listing Manual, such that even if the aggregate value of all interested person transactions (including those contemplated under the CRCT Xinsu Entrustment Loan) exceeds 5.0% of the latest audited NTA of CRCT, the approval of the Unitholders for the Xinsu Entrustment Loan is not required;

3.3.5 as a condition subsequent to the ACBPF4 Completion in respect of the relevant ACBPF4 Target Companies, the relevant ACBPF4 Vendors covenants and undertakes to the relevant ACBPF4 Purchasers to procure and ensure the release of the mortgage granted to the lender over the relevant Property held by the AIH ProjectCo and the Xinsu Project Co;

3.3.6 the relevant ACBPF4 Vendors undertake to the relevant ACBPF4 Purchasers that each of the AIH Vendor, the AIT Vendor and ACBPF4 shall not be terminated, liquidated and/or wound up until after 2 March 2022; and

3.3.7 claims for breach of fundamental warranties, tax-related warranties or tax-related indemnities must be made within the earlier of 36 months from the ACBPF4 Completion or the end of the fund life of ACBPF4 and all other claims must be made within 24 months from the ACBPF4 Completion or the end of the fund life of ACBPF4.

3.4 Certain Terms and Conditions of the SHSTP Conditional Agreement

The principal terms of the SHSTP Conditional Agreement include, among others, the following:

3.4.1 the entry into the SHSTP Equity Transfer Agreements will be subject to the satisfaction of a number of conditions, including:

(i) the SHSTP Purchasers having obtained the approval of the Unitholders for the SHSTP Acquisition;

(ii) CRCT having secured funds to its account to undertake the SHSTP Acquisition;

(iii) there having occurred no material adverse change as at the date of the SHSTP Vendors' written notice to the SHSTP Purchasers that the entry into of the SHSTP Equity Transfer Agreements will take place;

(iv) there having been no breach of any of the fundamental warranties contained in the SHSTP Conditional Agreement as at the date of the SHSTP Vendors' written notice to the SHSTP Purchasers that the entry into of the SHSTP Equity Transfer Agreements will take place;

(v) each of the SHSTP Vendors having obtained written documentation from the SHSTP JV Partner evidencing its consent or that it has no objections to the joint venture agreement entered into between each of the SHSTP

Vendors and the SHSTP JV Partner being amended and/or each of the SHSTP Vendors having procured the SHSTP JV Partner's entry into the SHSTP SHAs (as defined herein); and

(vi) the existing onshore loans granted to the SHSTP Target Companies ("**SHSTP Onshore Loans**") remaining in full force and effect, and not being discharged as a result of the entry into the SHSTP Equity Transfer Agreements.

3.4.2 the SHSTP Purchasers will take over the remaining SHSTP Onshore Loans that are not repaid by the SHSTP Vendors on or prior to the SHSTP Completion (the "**Subsisting SHSTP Onshore Loans**");

3.4.3 following the entry into the relevant SHSTP Equity Transfer Agreements, the necessary filings with the AMR and Ministry of Commerce of the PRC (if applicable) shall be undertaken; and

3.4.4 completion ("**SHSTP Completion**") in respect of the relevant SHSTP Target Companies is subject to the satisfaction of a number of conditions including:

(i) there having been no breach of any of the fundamental warranties contained in the SHSTP Conditional Agreement (as if repeated at completion in respect of the relevant SHSTP Target Companies); and

(ii) the Subsisting SHSTP Onshore Loans remaining in full force and effect, and not being discharged as a result of the SHSTP Completion.

3.5 Certain Terms and Conditions of the Rock Square SPA

Completion of the Rock Square Acquisition is subject to the satisfaction of a number of conditions, including:

3.5.1 the Rock Square Purchaser having obtained the approval of the Unitholders for the Rock Square Acquisition;

3.5.2 CRCT having secured funds to its account to undertake the Rock Square Acquisition;

3.5.3 there having occurred no material adverse change; and

3.5.4 there having been no breach of any of the fundamental warranties contained in the Rock Square SPA.

3.6 Completion of the Acquisitions

Completion of the acquisition of all the Properties is expected to take place by 1Q 2021. The completion of the acquisition of each Property may take place on different dates. Accordingly, it is possible that CRCT may complete the acquisition of one or more of the Properties but not complete the acquisition of the other Properties if the conditions (as described in paragraphs 3.3 to 3.5 above) are not satisfied.

3.7 Property Management Agreements

The Rock Square HoldCo had on 1 February 2018 entered into a property management agreement with a wholly owned subsidiary of CapitaLand for the provision of property management services for Rock Square. In respect of the Properties (other than Rock Square), under the terms of the property management agreements to be entered into between the respective Target Companies and certain wholly owned subsidiaries of CapitaLand (together with the property manager of Rock Square, the "**Property Managers**", and the property management agreements collectively, the "**Property Management Agreements**"), the relevant Property Managers will provide property management services for the relevant Properties. As each of the Property Managers is a wholly owned subsidiary of CapitaLand (being a "controlling Unitholder" and a "controlling shareholder" of the Manager), for the purposes of Chapter 9 of the Listing Manual, each of the Property Managers (being a subsidiary of a "controlling Unitholder" and a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" of CRCT.

The fees payable pursuant to the Property Management Agreement in respect of Rock Square, is as follows:

(i) 2.0% per annum of the gross revenue of Rock Square; and

(ii) 2.5% per annum of the NPI of Rock Square.

The fees payable pursuant to the Property Management Agreements in respect of the Properties (other than Rock Square) will be as follows:

(i) 3.0% per annum of the gross revenue of each of the relevant Properties;

(ii) (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; and

(iii) 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.

Under the Property Management Agreements, the Property Manager will be fully reimbursed for (i) the employment costs and remuneration relating to certain personnel engaged solely for the provision of services for the Property, (ii) for the allocated employment costs and remuneration relating to the centralised team of personnel engaged exclusively to provide group services for the Property, as approved in each annual budget by the project company, and (iii) certain shared services, including but not limited to finance shared service, IT consulting service and corporate shared services.

The term of the Property Management Agreement in respect of Rock Square expires on 30 June 2021. The term of each of the Property Management Agreements in respect of the Properties (other than Rock Square) is from the day subsequent to the actual completion date of the Acquisition to 31 December 2025.

The relevant Target Company may terminate the appointment of the relevant Property Manager by giving written notice. The terms of the Property Management Agreement in respect of Rock Square are based on and substantially similar to the terms of the existing property management agreements entered into in respect of the Existing Portfolio.

As each of the Property Managers is a wholly owned subsidiary of CapitaLand (being a "controlling Unitholder" and a "controlling shareholder" of the Manager), for the purposes of Chapter 9 of the Listing Manual, each of the Property Managers (being a subsidiary of a "controlling Unitholder" and a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" of CRCT. Further details will be set out in the Unitholders' Circular to be despatched to Unitholders in due course.

3.8 Shareholders Agreements

3.8.1 Xinsu HoldCo Shareholders Agreement

Following completion of the acquisition of 51.0% of the Xinsu HoldCo by CRCT, CRCT, through the Xinsu CRCT Purchaser, will enter into a shareholders' agreement with the Xinsu CLC Purchaser, which holds the balance 49.0% of the shares of Xinsu HoldCo (the "**Xinsu SHA**"). CLC Investment Nine Pte. Ltd. is an indirect wholly owned subsidiary of CapitaLand.

Under the terms of the Xinsu SHA, as CRCT holds more than 50% of the shares in the Xinsu HoldCo and the chairman appointed by CRCT shall have a second and casting vote at any meeting of the board or at any general meeting of the Xinsu HoldCo, all resolutions and matters which require the approval of the shareholders or the board of directors will require the approval of CRCT.

The Xinsu SHA also contains (i) certain directors' reserved matters which require the approval of all directors, (ii) certain shareholders' reserved matters which require the approval of both partners, (iii) the distribution policy of the Xinsu HoldCo and (iv) customary provisions governing a transfer of the shares of the Xinsu HoldCo by the partners.

3.8.2 AIH ProjectCo Shareholders Agreement

Following completion of the acquisition of 80.0% of the AIH ProjectCo by CRCT, CRCT, through the AIH Purchaser will enter into a shareholders' agreement with the AIH JV Partner, which holds the balance 20.0% of the equity interests of the AIH ProjectCo (the "**AIH SHA**"). The AIH JV Partner is an unrelated third party.

As CRCT holds more than 50% of the equity interests in AIH ProjectCo and is entitled to appoint more than 50% of the directors on the board of AIH ProjectCo, all resolutions and matters which require the approval of the shareholders or the board of directors will require the approval of CRCT.

3.8.3 SHSTP Target Companies Shareholders Agreements

Following completion of the acquisition of 80.0% of the SHSTP Target Companies by CRCT:

(i) CRCT, through CRCT Investment (Hangzhou I) Pte. Ltd, will enter into a shareholders' agreement with the SHSTP JV Partner, which holds the balance 20.0% of the equity interests of the Ascendas Hangzhou Science & Technology Co., Ltd. (the "**SHSTPI SHA**"), which holds Singapore-Hangzhou Science & Technology Park Phase I; and

(ii) CRCT, through CRCT Investment (Hangzhou II) Pte. Ltd, will enter into a shareholders' agreement with the SHSTP JV Partner, which holds the balance 20.0% of the equity interests of the Ascendas Hangzhou Data Processing Co., Ltd. (the "**SHSTPII SHA**" together with the SHSTPI SHA, the "**SHSTP SHAs**"), which holds Singapore-Hangzhou Science & Technology Park Phase II.

The SHSTP JV Partner is an unrelated third party.

As CRCT holds more than 50% of the equity interests in the SHSTP Target Companies and is entitled to appoint more than 50% of the directors on the board of the SHSTP Target Companies, all resolutions and matters which require the approval of the shareholders or the board of directors will require the approval of CRCT.

4. RATIONALE FOR AND BENEFITS OF THE ACQUISITION

The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

4.1 Strategic Addition of Highly Resilient Business Park Assets

4.1.1 Business Parks are Thematically Supported by China's Economic Growth Initiatives

Preferential Policy Support

Business parks in China benefit from preferential policy supported by key economic policies and regional government subsidies. Through the 13th Five-Year Plan introduced in 2016, China has successfully shifted its economic focus towards a service-led growth model, with the aim of achieving high-quality economic development. Furthermore, in response to the COVID-19 pandemic, the government has successfully introduced supporting plans and policies specifically targeted at small and medium enterprises in business parks by providing various concessions, thereby driving demand and maintaining occupancies of business parks. Going forward, the upcoming 14th Five-Year Plan is expected to prioritise domestic consumption as a core strategy to transform China into a self-sufficient economy.

Growth of Key Tenant Industries

The government has committed to investing in strategic industries such as information technology, industrial robotics and biomedical sectors, which tend to be key tenants of China's business parks. This is evident from the expanded mandate of the National Development and Reform Commission to invest in these strategic emerging value-added industries. With technology and innovation as the top priority, the 14th Five-Year Plan is expected to lay out the blueprint for increased R&D expenditure and development of major high-tech hubs, supporting strong growth trajectory for business parks in the future.

Decentralisation to Tier 2 cities

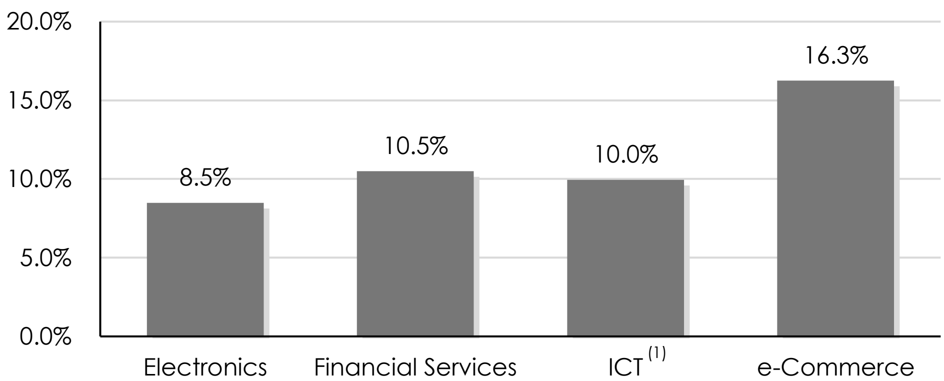
Regional development strategies have also promoted the large-scale building of transport infrastructure in Tier 2 cities, improving their connectivity to major cities. These strategies and developments encourage the ongoing decentralisation of economic activities to Tier 2 cities. The decentralisation trend is evidenced by many renowned global enterprises such as Cisco, Linde, L'Oréal and Samsung relocating their headquarters and manufacturing bases to Tier 2 cities. To date in 2020, Hangzhou has attracted more than 80 key projects across advanced manufacturing and, information and communications technology ("**ICT**") sectors, with investments of up to RMB80 billion. Suzhou achieved gross industrial output of RMB1.55 trillion in the first half of 2020 where it exceeded all Tier 1 cities, with Suzhou emerging as the top industrial city nationwide.

4.1.2 Growing Demand Supported by Robust Industry Drivers

Innovation-based industries such as Electronics, Financial Services, ICT, and E-Commerce have grown significantly, achieving industry sales compounded annual growth rates ("**CAGR**") of 8.5%, 10.5%, 10.0% and 16.3% respectively over the period 2014 to 2019.

2014-2019 Industry Sales CAGR

(%)



Source: The independent market research report provided by Colliers International Property Consultants (Shanghai) Co., Ltd. in relation to the Acquisition ("**Independent Market Research Report**").

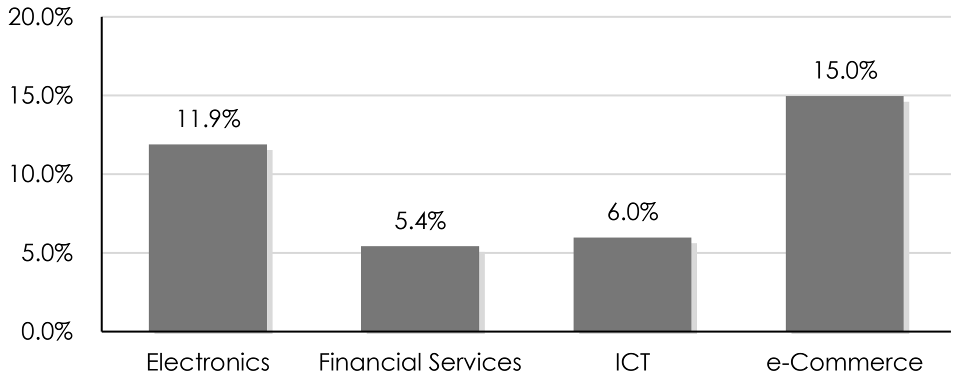
Note:

(1) 2014-2018 CAGR due to lack of publicly disclosed information.

In terms of number of people employed, these industries have also exhibited robust growth rates, with Electronics, Financial Services, ICT, and E-Commerce exhibiting CAGRs of 11.9%, 5.4%, 6.0% and 15.0% respectively over the period of 2014 to 2018.

2014-2018 Industry Employment CAGR

(%)



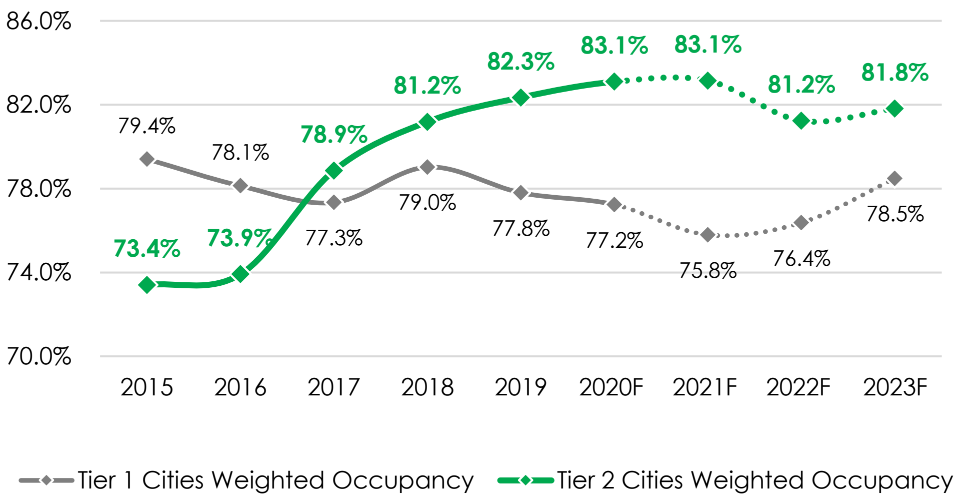
Source: Independent Market Research Report.

A secular shift in office user requirements, with companies looking to consolidate multiple functions such as manufacturing, research and development, and administration, into a single location, supports the increased demand for tenancy in business park assets by the companies operating in the abovementioned high-growth innovation-industries.

4.1.3 Business Parks in Tier 2 Cities Experiencing Higher Occupancy Rates and Stronger Rental Growth

Since 2017, business park occupancy rates in Tier 2 cities have outperformed business parks in Tier 1 cities with this trend expected to continue further to 2023F. This highlights the resilient characteristics of business park assets in Tier 2 cities and its growing demand in comparison to similar assets in Tier 1 cities.

Business Park Occupancy(1) (%)



Source: Independent Market Research Report.

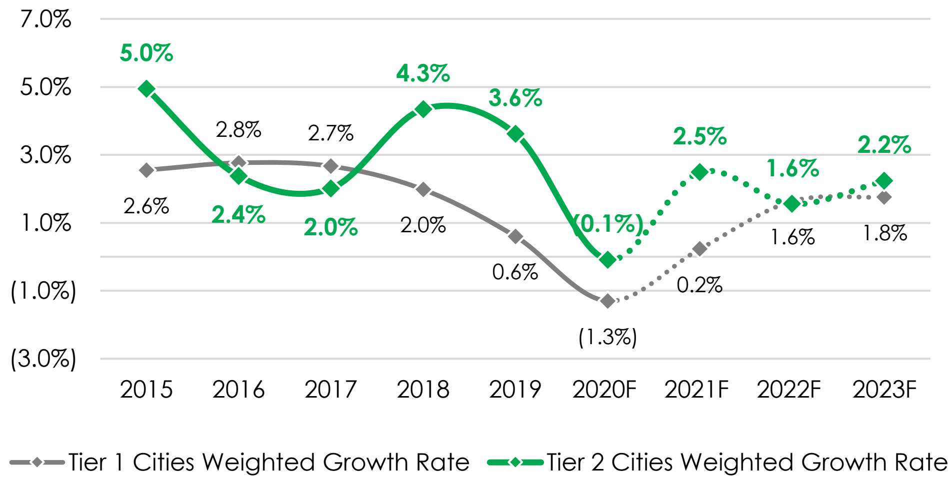
Note:

Tier 1 cities comprises Beijing, Shanghai and Guangzhou. Tier 2 cities comprises Suzhou, Hangzhou and Xi'an.

(1) Occupancy is weighted by total stock of business parks in the respective cities for each year.

Rental growth rates for business parks in Tier 2 cities have outperformed similar assets in Tier 1 cities since 2018, most recently with a growth rate of 3.6% in 2019, compared to the 0.6% achieved by business parks in Tier 1 cities. Moving forward, this trend is expected to persist with rental growth rates of business parks in Tier 2 cities forecasted to be stronger than that of Tier 1 cities.

Business Park Rental Growth(1) (%)



Source: Independent Market Research Report.

Note:

Tier 1 cities comprises Beijing, Shanghai and Guangzhou. Tier 2 cities comprises Suzhou, Hangzhou and Xi'an.

(1) Rental growth is weighted by total stock of business parks in the respective cities for each year.

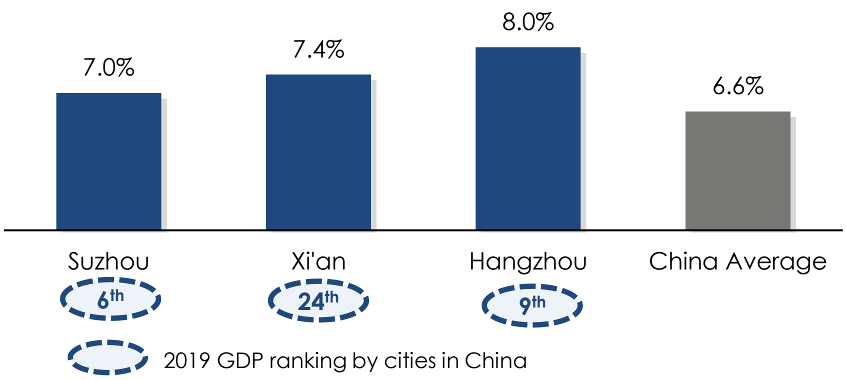
4.2 Establishing Foothold in High-Growth Economic Zones

4.2.1 Tier 2 Provincial Cities Set for Rapid Growth

The Properties are located in three Tier 2 provincial cities, namely Suzhou, Hangzhou and Xi'an. On the back of the upgrading of regional industrial structures, ongoing decentralisation from Tier 1 cities and continued urbanisation trends, these Tier 2 cities are expected to experience the most rapid growth amongst China's regional Business Park markets.

Suzhou, Xi'an and Hangzhou experienced an average annual GDP growth of 7.0%, 7.4% and 8.0% from 2015 to 2019 respectively, outperforming the national average of 6.6% over the same period. In terms of 2019 GDP, these cities are top quartile cities in China, ranking 6th, 24th and 9th respectively.

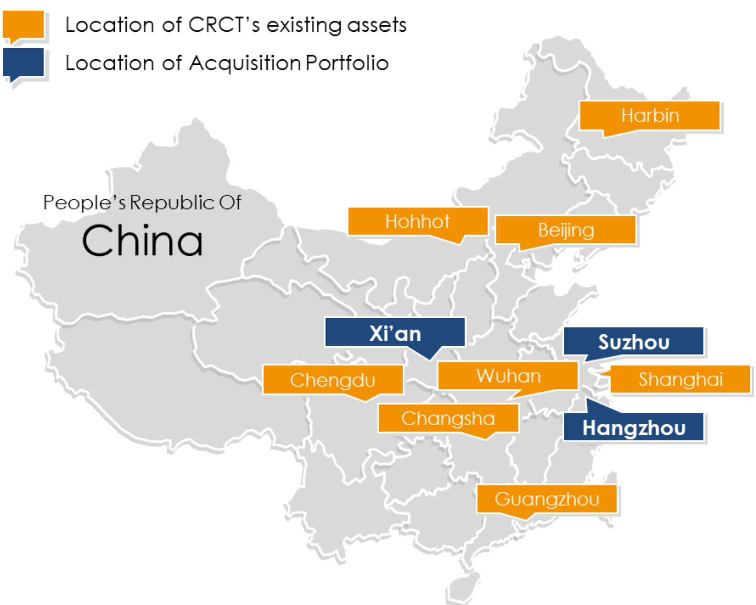
Average Annual GDP Growth 2015–2019 (%)



Source: Independent Market Research Report.

The Acquisition also allows CRCT to gain exposure to three cities that CRCT currently does not have a presence in.

CRCT's Geographic Footprint



Situated in various industrial and high-tech zones, the Properties are strategically located within close proximity to their respective city centres and have access to key transportation networks.

Ascendas Xinsu Portfolio is located in Suzhou, a major city in Jiangsu Province of East China. Singapore-Hangzhou Science & Technology Park Phase I and Phase II are located in Hangzhou, the capital of Zhejiang Province. Ascendas Innovation Hub and Ascendas Innovation Towers are located in Xi'an, the provincial city of Shaanxi Province in Northwest China.

4.2.2 Tier 2 Tech-Driven Provincial Cities Are Supported by Strong Economic Fundamentals

Suzhou

Suzhou is one of China's foremost cities for foreign investment due to its proximity to Shanghai but with comparably lower operating cost. Key industries in Suzhou include information and communication technology, biomedical sciences, energy and advanced manufacturing. Substantial improvements in infrastructure will continue to benefit Suzhou including a high-speed rail between Suzhou and Shanghai, along with a light rail line linking Shanghai subway system and a Suzhou metro line.

In Suzhou, business parks such as Suzhou Industrial Park ("**SIP**") ranked first for four consecutive years (2016 – 2019) in a comprehensive assessment of national-level economic development zones, and Suzhou remains one of the most popular investment destinations for MNCs in the Yangtze River Delta area.

Xi'an

Xi'an is the capital and largest city of Shaanxi Province. It has developed numerous transportation nodes connecting it to other regions of North and South China. With a total area spanning over 10,000 square kilometres and resident population of 10.2 million, Xi'an is a core city of China's "Belt and Road Initiative" with its strategic location in Central China and the Guanzhong-Tianshui Economic Zone. Key sectors in Xi'an include electronics, semiconductors, manufacturing, biomedicine, and new energy cars.

Within Xi'an's business parks, Xi'an High Tech Industries Development Zone is the largest business park market in terms of economic scale in Northwestern China.

With the highest density of colleges and universities and the largest number of students in China, Xi'an is highly regarded as the main hub for scientific research, national defence technology industry and the aviation industry. Xi'an also has a strong industrial foundation with IT at its core. Up to now, the output value of IT/IC industries and biotechnology has exceeded 550 billion yuan in Xi'an, with "high-tech" unicorns accounting for 52.7% of the market's value.

Hangzhou

Hangzhou is an industrial city with major industries such as E-Commerce, Information Technology, Healthcare and Financial Services. Hangzhou has a well-developed transportation network and connects a number of expressways, intercity railways and national highways between the northeast and southeast of China.

In Hangzhou, Hangzhou Economic and Technological Development Area ranked amongst the top ten national development zones for the last three consecutive years (2017 – 2019). Hangzhou is also a key hub for new economy businesses and internet giants such as Alibaba and NetEase.

4.3 High Quality Business Parks Supporting the New Economy

4.3.1 Well-located Assets with Close Proximity to Key Transport Nodes

The business parks and industrial properties in Suzhou, Xi'an and Hangzhou ("**Business Park Properties**") are situated in well-established zones with attractive micro-location characteristics, exhibiting excellent connectivity with close proximity to transportation hubs, and are easily accessible via various modes of transportation.

Property	City	Connectivity
Ascendas Xinsu Portfolio	Suzhou	• Metro: 1km distance to Station Metro Line 3 and Line 6 which is under construction • Airport: approximately one-hour driving distance to Shanghai Hongqiao International Airport • City Centre: 1km distance to Suzhou city centre • Railway Station: 15-minute driving distance to SIP Hi-speed Railway Station
Ascendas Innovation	Xi'an	• Metro: walking distance to Yuhuazhai Station Metro Line 3

Property	City	Connectivity
Towers		• Airport: 40-minute driving distance to Xi'an Xianyang International Airport • City Centre: 40-minute driving distance to city centre • Railway Station: 50-minute driving distance to Xi'an Railway Station
Ascendas Innovation Hub	Xi'an	• Metro: 1.2km walking distance to Zhangba North Road Station Metro Line 3 • Airport: 45-minute driving distance to Xi'an Xianyang International Airport • City Centre: 30-minute driving distance to city centre • Railway Station: 45-minute driving distance to Xi'an North Station, 40-minute driving distance to Xi'an Railway Station
Singapore-Hangzhou Science & Technology Park Phase I and Phase II	Hangzhou	• Metro: 1km distance to Yunshui Station Metro Line 1 • Airport: 25km distance to Hangzhou Xiaoshan International Airport (25-minute drive) • City Centre: 40-minute driving distance to city centre • Railway Station: 15km distance to Hangzhou East Railway Station

4.3.2 Campus-style Workplace Designed for High-growth, Innovation-based Industries

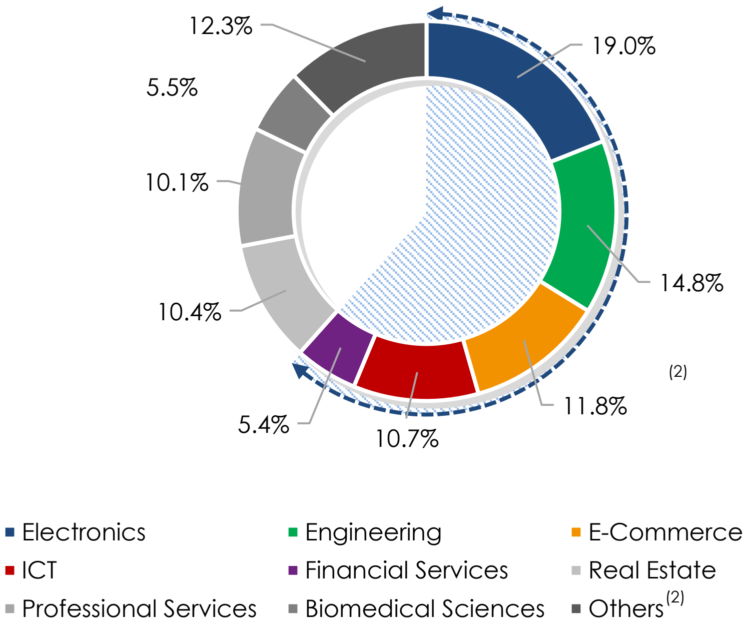
The Business Park Properties are high quality assets with features and facilities favoured by high-growth, innovation-based industries. With a comprehensive suite of sports, recreational facilities and lifestyle amenities favoured by a modern workforce, the Work-Live-Play concept is deeply rooted in the Business Park Properties. The Business Park Properties offer various size and space choices with desired building specifications at attractive rents, supporting tenants and park growth. In addition, industry clusters are built up across the value chain, reducing proximity of upstream and downstream tenants, thereby encouraging a collaborative environment. These qualities, coupled with a vast green communal landscape, provide a campus-style workplace that is attractive for typical tenants in high-growth and innovation-based industries.

4.3.3 Strong Occupancy Anchored by High Quality Tenant in emerging High-growth Sectors

The Business Park Properties enjoy an established tenant base largely from emerging growth sectors. As at 31 August 2020, tenants operating in emerging high-growth sectors such as Electronics, Engineering, E-Commerce, ICT and Financial Services contribute to 61.6% of the Business Park Properties' Gross Rental Income ("**GRI**"). The Properties feature numerous high quality and reputable domestic companies and multinational corporations such as Ping An Life Insurance Company of China, Nexteer Automotive Systems, UnilC, and many other leading key tenants that operate in the Financial and Professional Services, ICT, Electronics and Engineering sectors.

As a key beneficiary of emerging growth sectors, the Properties are poised to experience robust rental growth rates and strong occupancy rates. As at 30 September 2020, the committed occupancy rate of the Business Park Properties was 91.5%, which is above the market average.

Tenant Base by Sector
(By % of GRI[1])



Notes:

(1) Based on GRI for the month ended 31 August 2020 and on a 100% basis for Business Parks / Industrial assets in the Acquisition Portfolio (subjected to rounding difference).

(2) Others include food and beverages, logistics and supply chain management, distribution and trading, education, data centres, energy and utilities, textiles and garments, leisure and entertainment, chemical, FMCG, media, natural resources, government and hospitality sectors

Other Key Tenants in High-growth Sectors

4.4 100% Ownership in Rock Square – Proven Track Record with Resilient Performance

Opened in 2013, Rock Square is one of the largest shopping malls in Jiangnanxi, which is an established retail cluster located in Guangzhou's Haizhu District. Haizhu District is Guangzhou's 2nd most populous urban district that places highly in terms of disposable income per capita. Swiftly evolving into a popular residential area for Guangzhou's new affluent class, Haizhu District is home to the Creative Industry Zone (where leading technology firms such as Tencent is based), the city's landmark Canton Tower and tertiary institution Sun Yat-sen University.

Positioned as a modern and trendy retail destination offering a wide range of fashion, F&B and entertainment options, Rock Square houses well-known international and domestic brands such as AEON, UNIQLO, ZARA, Victoria's Secret, Xiaomi, Green Tea restaurant and HEYTEA. Rock Square has exhibited double-digit positive rental reversions since acquisition – 26.8% in 2018, 23.0% in 2019 and 12.8% year-to-date September 2020. It also features a track record of impeccable performance since CRCT's acquisition, and continues to demonstrate resilience post COVID-19 lockdown.

100% ownership in Rock Square will enable CRCT to fully capture the upside from asset enhancement initiatives ("**AEIs**") and reconfiguration effectively. Ongoing AEIs will add 1,000 sq m of NLA to Rock Square over the next two to three years, while reconfiguration will make way for higher yielding F&B tenants – translating to an expected 15% return on investment. These AEIs will likely improve shopper circulation and would enhance the overall building façade, augmenting customer's retail shopping experience.

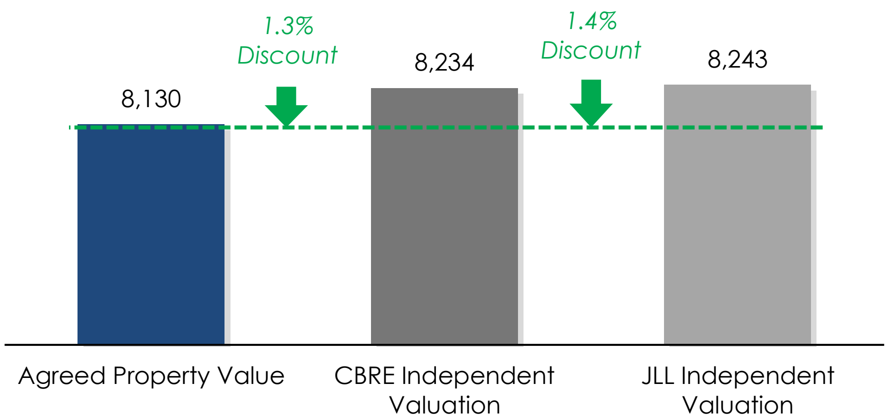
4.5 Attractive Entry Valuation that Delivers Accretion

4.5.1 Agreed Property Value Relative to Independent Valuations

The Manager believes that the Acquisition provides an attractive value proposition for Unitholders with the Acquisition expected to be accretive with the Agreed Property Value at a discount to independent valuations.

The Agreed Property Value of RMB8,130 million represents a discount of 1.3% to CBRE's independent valuation of RMB8,234 million and a discount of 1.4% to JLL's independent valuation of RMB8,243 million.

Agreed Property Value Relative to Independent Valuations[1]
(RMB million)



Source: Independent Valuers.

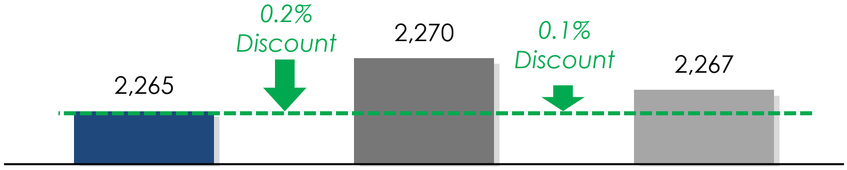
Note:

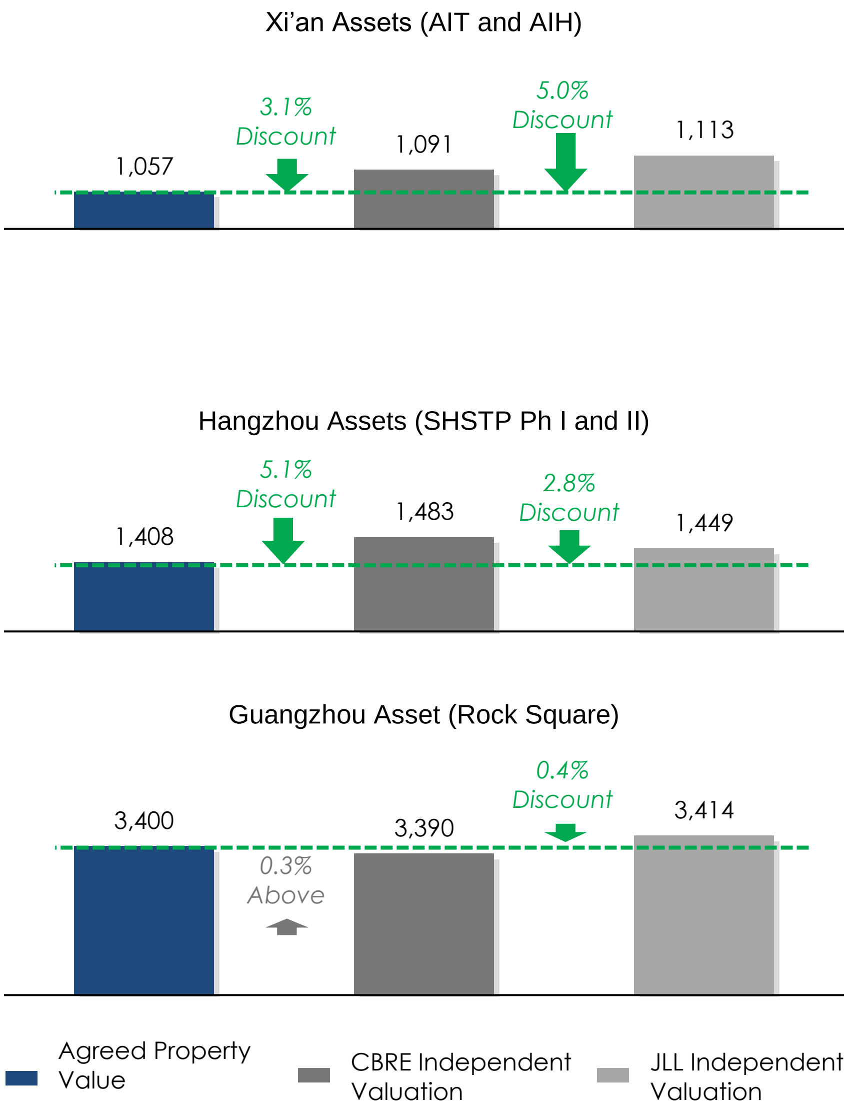
(1) Agreed Property Value and appraised valuation based on 100% basis.

Majority of the assets, including the Suzhou asset, Hangzhou assets, and Xi'an assets are being acquired at an Agreed Property Value that is a discount to CBRE's independent valuation, while all the assets' Agreed Value are at a discount to JLL's Independent Valuation.

Asset Level Agreed Property Value Relative to Independent Valuations[1] (RMB million)

Suzhou Asset (Xinsu Portfolio)





Source: Independent Valuers.

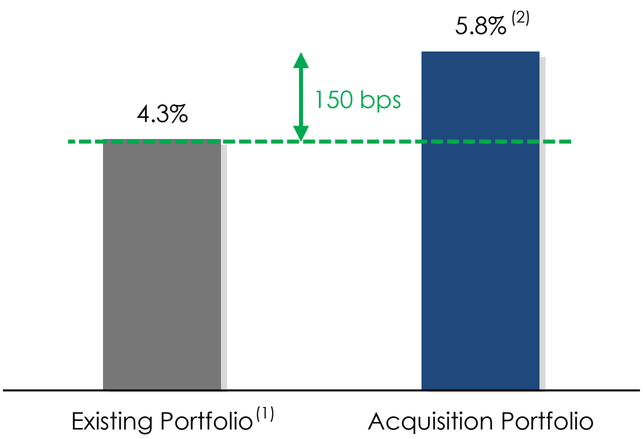
Note:

(1) Aggregate Agreed Property Value and appraised valuation based on 100% basis.

4.5.2 Positive Impact on Portfolio with 5.1% Pro Forma Dividend Per Unit ("DPU") Accretion

The Acquisition portfolio's NPI yield of 5.8% is 150bps higher than the existing portfolio's NPI yield of 4.3%, which would boost CRCT's NPI yield post acquisition.

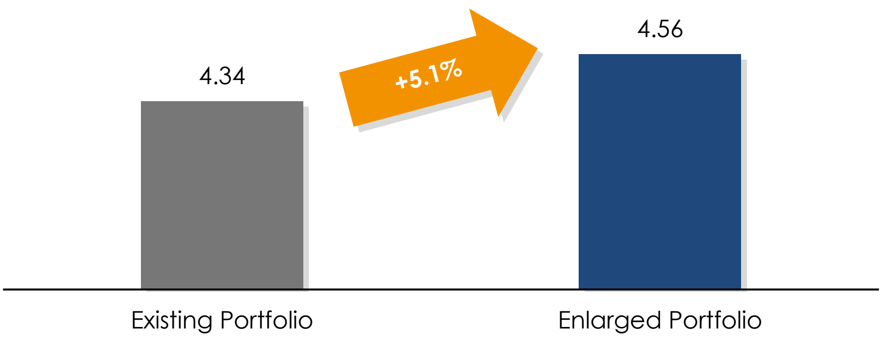
1H 2020 Net Property Income Yield
(%)



Notes:
(1) NPI yield is computed based on the annualised 1H 2020 NPI and the property valuation as at 1 November 2020 (except for 51% stake in Rock Square where the Agreed Value is used for the property valuation instead). Excludes CapitaMall Erqi as the mall was divested in 28 May 2020. FRS116 adjustments are excluded in the NPI for CapitaMall Qibao and CapitaMall Minzhongleyuan.
(2) NPI yield is computed based on the annualised 1H 2020 NPI and the Agreed Value of the Acquisition Portfolio on effective stake basis. Excluding the one-off rental rebate given to Rock Square's tenants in relation to COVID-19, the NPI yield would have been 6.0%.

For illustrative purposes, based on the proposed method of financing shown below, the Acquisition is expected to be DPU accretive on a *pro forma* basis. The charts below illustrate the *pro forma* impact on CRCT's DPU, assuming that the Equity Fund Raising comprises the Private Placement and the Preferential Offering, for the financial half year ended 30 June 2020.

1H 2020 DPU (excluding one-off rental rebate and other adjustments)(1) (2) (3)
(S$ cents)



Notes:
(1) Computed based on the illustrative average unit price of S$1.130.
(2) On a normalised basis excluding one-off rental rebate of S$17.9 million (net of fees and tax savings) provided to tenants, pre-termination compensation of S$3.5 million received by CapitaMall Erqi and

retained distributable income of S$1.8 million. If using the actual CRCT 1H 2020 reported numbers: (i) DPU before acquisition was 3.02 Singapore cents; (ii) DPU after acquisition would be 3.43 Singapore cents; and (iii) DPU accretion would be 13.6%.

(3) Assuming the acquisition is funded through S$100 million perpetual securities, S$300 million Equity Fund Raising ("EFR"), S$30 million of internal cash resources and the remaining through debt financing. If assuming the EFR is S$325 million, the DPU after acquisition would be 4.51 Singapore cents and the DPU accretion would be 3.9%.

Please refer to Section 4.1 Pro Forma Financial Effects of the Acquisition for more details (including the assumptions on which the pro forma financials have been prepared). The Pro Forma DPU for the Enlarged Portfolio assumes that the Private Placement and Preferential Offering Scenario (as defined herein) raises gross proceeds of approximately S$300 million to S$325 million.

4.6 Significantly Enhance Portfolio's Scale, Diversification and Resilience

4.6.1 Significant Increase in Size

Following the Acquisition, CRCT's Enlarged Portfolio will consist of 18 properties, an increase from 13 retail malls in the Existing Portfolio. The Acquisition is expected to increase CRCT's assets under management[1] by approximately 28.5% from S$3,529 million to S$4,535 million, while its gross floor area would increase by 76.0%. The Acquisition augments CRCT's portfolio and enlarges the asset base, providing CRCT with greater scale and a larger platform to grow. This increase will help solidify CRCT's leading position in the S-REIT market as the largest China-focused REIT.

CRCT would also benefit from a substantial increase of 54.1% in net property income from S$88 million[2] to S$135 million[3], on a *pro forma* 1H 2020 basis after the acquisition.

CRCT's existing portfolio has a weighted average land tenure of 24.5 years. After the Acquisition, the Enlarged Portfolio's land tenure would be extended to 28.6 years.

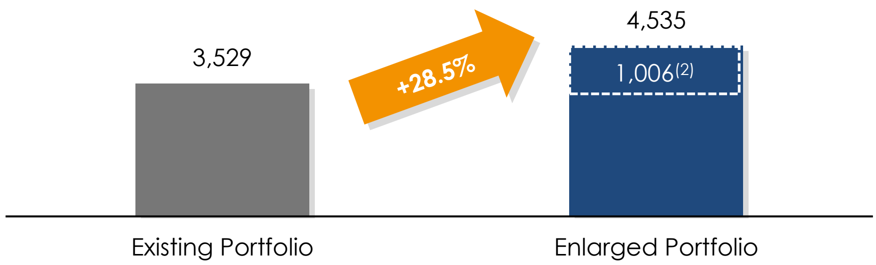
1 AUM for Existing Portfolio is based on the valuation as at 1 November 2020 and Agreed Price of Rock Square, and AUM for the Properties are based on the Agreed Value. All AUM are stated on effective stake basis.

2 Based on the normalised 1H 2020 NPI (excluding one-off rental rebate (net of fees and property tax savings) provided to tenants. The NPI for the Enlarged Portfolio are consolidated at 100% basis.

3 Exclude one-off rental rebate (net of fees and property tax savings) provided to tenants for Rock Square. The NPI for the Enlarged Portfolio are consolidated at 100% basis.

Assets Under Management [1]

(S$ million)



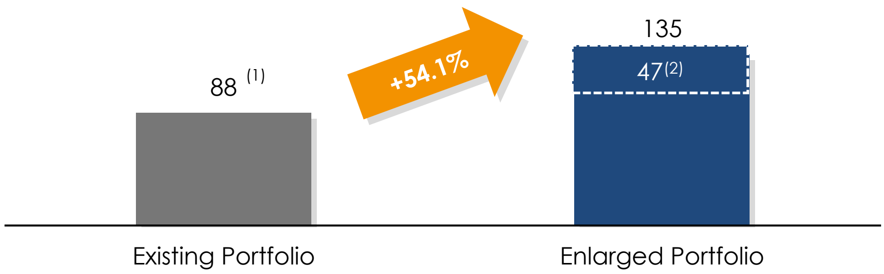
Notes:

(1) AUM for Existing Portfolio is based on the valuation as at 1 November 2020 and Agreed Price of Rock Square, and AUM for the Properties are based on the Agreed Value. All AUM are stated on effective stake basis.

(2) Contribution from Business Parks, Industrials and the balance 49% interest in Rock Square.

1H 2020 Net Property Income

(S$ million)



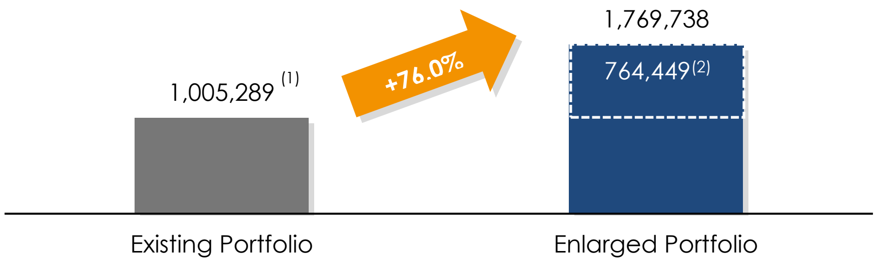
Notes:

(1) Based on the normalised 1H 2020 NPI (excluding one-off fees and property tax savings) on a 100% consolidated basis.

(2) Contribution from Business Parks, Industrials and Rock Square (excluding one-off rental rebate (net of fees and property tax savings) on a 100% consolidated basis.

Gross Floor Area

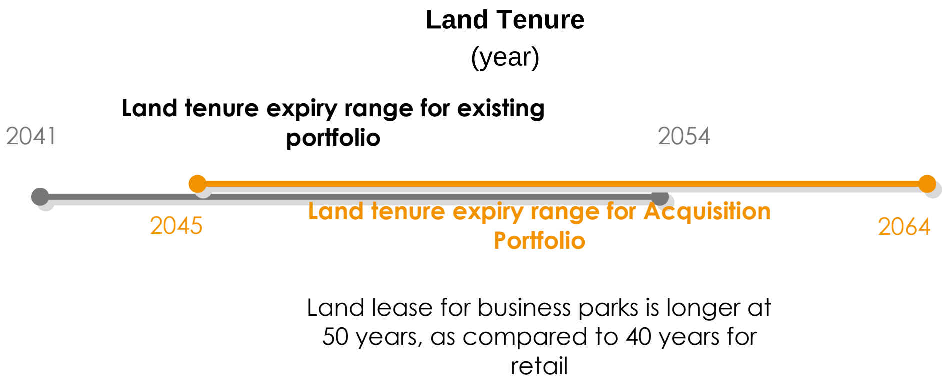
(sq m)



Notes:

(1) Includes 100% of Rock Square's gross floor area ("**GFA**").

(2) Contribution from Business Parks and Industrial.

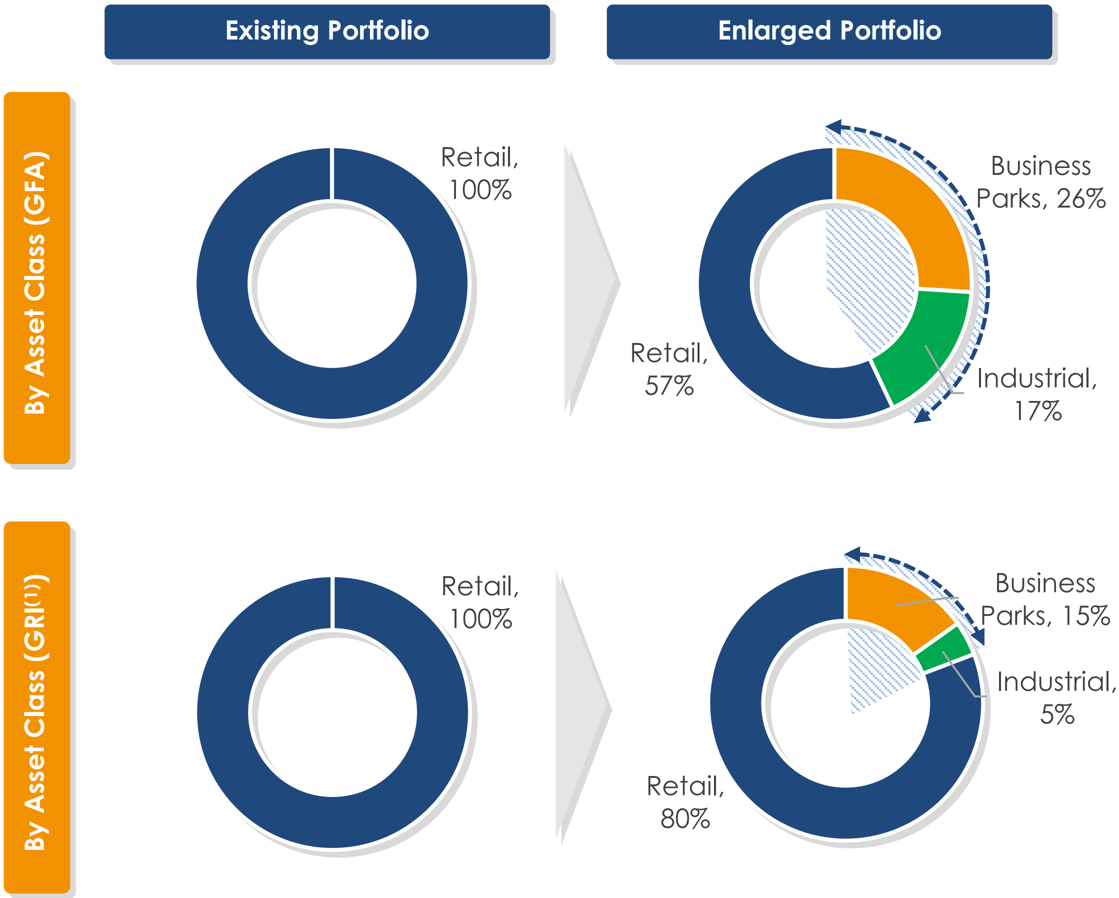


4.6.2 Enhanced Diversification and Exposure Offers Greater Stability Through Market Cycles and Flexibility in Portfolio Reconstitution

CRCT will benefit from a diversified Enlarged Portfolio, with a reduced exposure to retail and more than 40% of its GFA contributed by business parks and industrial assets.

The Acquisition also presents CRCT with a more balanced exposure across retail, business parks and industrial assets, offering stability through cycles. In terms of GRI, 20% of the Enlarged Portfolio's GRI will be contributed by resilient business parks and industrial assets. With multi-asset classes in the Enlarged Portfolio, CRCT is equipped with flexibility in portfolio reconstitution across market cycles.

GFA and GRI Breakdown of Existing Portfolio and Enlarged Portfolio by Asset Class
(%)



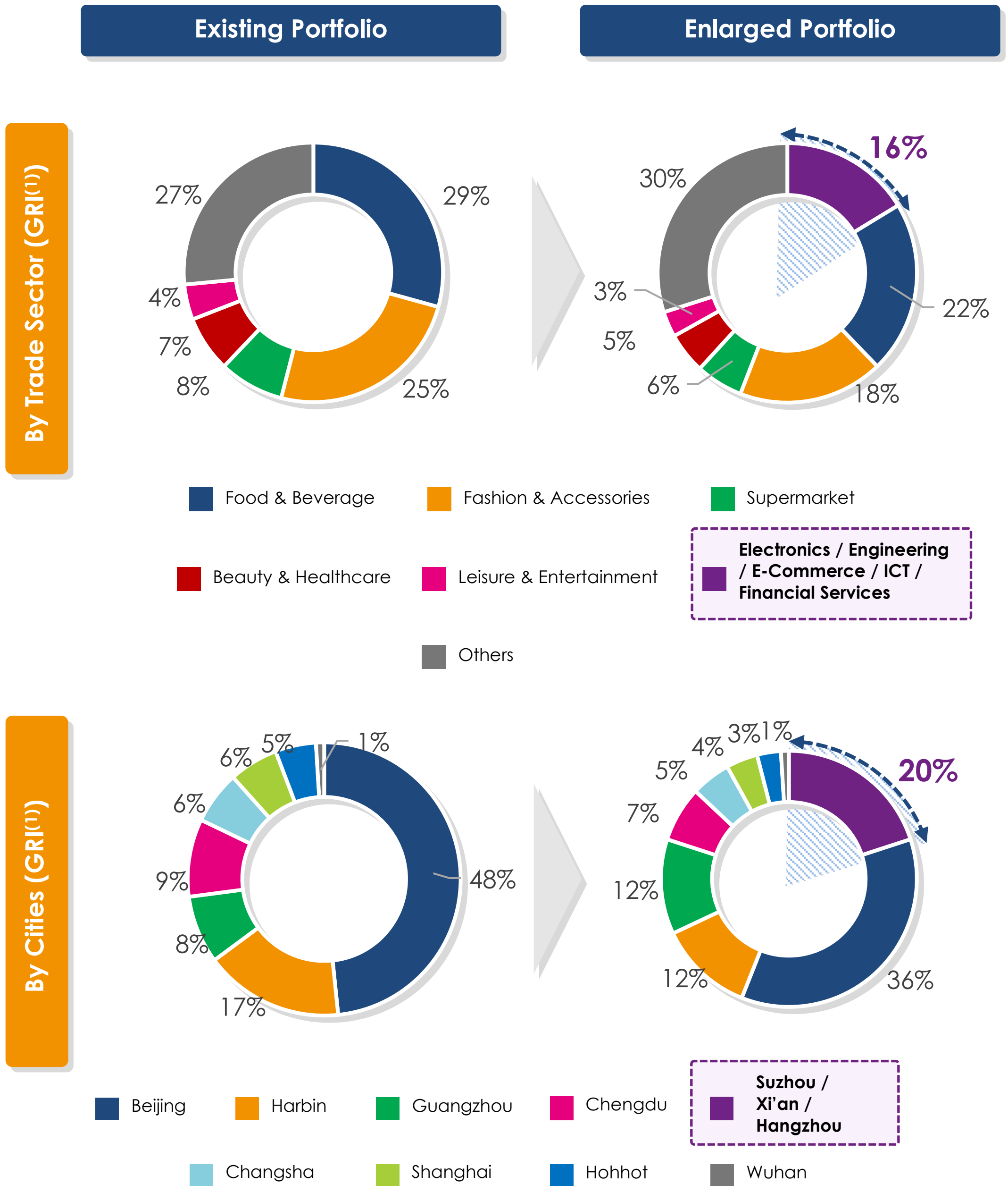
Note:
(1) Based on GRI for the month ended 31 August 2020 and on an effective stake basis.

4.6.3 CRCT's Enlarged Portfolio Benefits from Geographical and Trade Sector Diversification, and Access to Tech-Driven Business Park Cities

The Enlarged Portfolio will be diversified to a larger extent in terms of trade sectors, with the GRI contribution from F&B and Fashion & Accessories reduced to 40% from 54%. The Acquisition also enables CRCT to gain exposure from emerging high-growth sectors (Electronics, Engineering, E-commerce, ICT and Financial Services), with 16% of the Enlarged Portfolio's GRI derived from these sectors.

In addition, CRCT's exposure to Beijing will reduce from 48% to 36% in terms of GRI, while gaining exposure to Suzhou, Hangzhou and Xi'an, with these tech-driven cities accounting for 20% of GRI in the Enlarged Portfolio.

GRI Breakdown of Existing Portfolio and Enlarged Portfolio by Trade Sector and by Cities
(%)



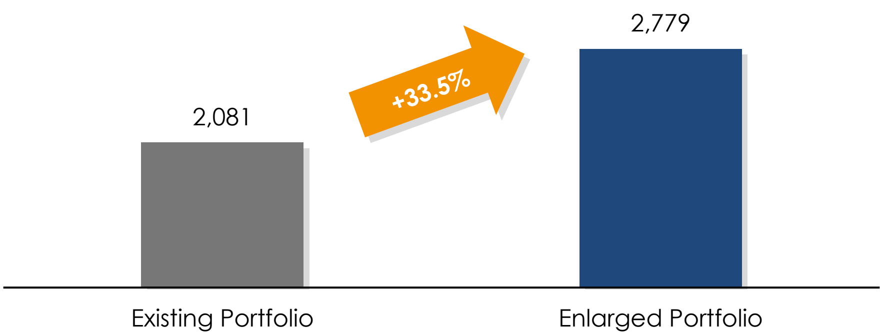
Note:
(1) Based on GRI for the month ended 31 August 2020 and on an effective stake basis.

4.6.4 Enlarge and Diversify CRCT's Tenant Base and Reduces Exposure to Top 10 Tenants and Single Tenant Concentration Risk

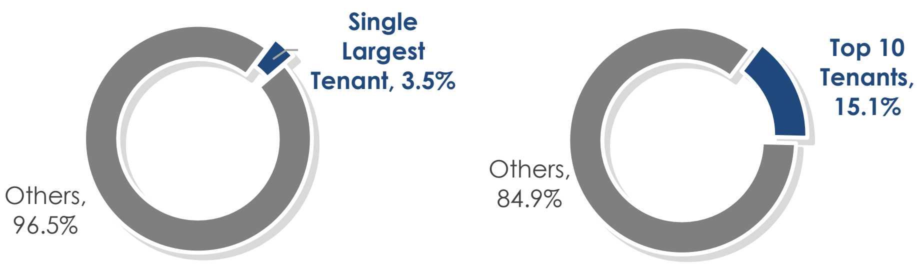
Following the Acquisition, the number of leases in CRCT's portfolio is expected to increase by 33.5%, reducing tenant concentration risk. The single largest tenant in the Enlarged Portfolio will account for 3.5% of GRI, compared to 4.8% previously. Additionally, the top 10 tenants will account for 15.1% of GRI in the Enlarged

Portfolio, down from 18.4% previously. The addition of new leases coupled with the addition of new tenants would translate into reduced exposure to any single tenant, enhancing the tenant base of the Enlarged Portfolio.

Number of Leases



Tenant Concentration by GRI[(1)]
(%)



Note:

(1) Based on GRI for the month ended 31 August 2020 and on an effective stake basis.

4.7 Leveraging on Sponsor's Strong Support, Network and Operational Expertise

4.7.1 Strong Sponsor Supporting CRCT's Growth and Diversification

The Sponsor, CapitaLand, is one of Asia's largest diversified real estate groups, equipped with in-depth local market knowledge in China and a full spectrum of real estate capabilities and resources. As at 30 June 2020, CapitaLand has a sizable China investment portfolio of 25 retail assets, 27 commercial assets, 22 integrated development assets and 10 logistics, industrial and business park assets (including the Properties).

CapitaLand – One of Asia's Largest Diversified Real Estate Groups

Note:

(1) As at 30 June 2020. Includes Acquisition Portfolio.

With the support of the Sponsor, CRCT is able to leverage on the strength and depth of CapitaLand's expertise to enter into new asset classes. Post-Acquisition, CRCT will be the dedicated Singapore listed REIT for CapitaLand Group's non-lodging China Business with an acquisition pipeline access to CapitaLand's China assets.

4.7.2 **Professional and Efficient Property Management is Highly Attractive to Corporate Tenants**

CRCT stands to benefit from the Sponsor's best-in-class resources, technology, network, operational and property management expertise.

The Sponsor's operations centre enables data visualisation and real-time monitoring of business parks through cutting-edge technology. CapitaLand also has a national level "one-stop" toll free number that enhances customer and tenant experiences through the unification of services such as leasing inquiries, repair requests, tenant accounting inquiries, user support, and community eco system events inquiries, amongst others.

Furthermore, the Sponsor's intelligent property management system supports remote metering, online feedback and service application, visitor/vehicle management system via facial recognition and QR code scanning, as well as toilet feedback and auto-scrubbers.

Tenancy stickiness is further enhanced via community-building events and programmes focused on technology, lifestyle and trendy fashion themes. The Sponsor's Bridge+ co-working portfolio supports the development of a collaborative community through signature events. These include but are not limited to, TEDx sessions, where occupiers and tenants share ideas through an 8-minute talk on high technology, new energy, virtual reality, and Drone Club, where a series of classes are organised through luncheon sessions, In addition, other signature events include flea markets, colour running, movie week and music festivals, amongst others.

5. METHOD OF FINANCING

The Manager intends to finance the Acquisition with (i) the proceeds from an equity fund raising (the "**Equity Fund Raising**"), which will comprise a placement of new Units to institutional and other investors and/or a preferential offering of new Units to existing Unitholders (the "**Preferential Offering**"), (ii) the issuance of perpetual securities under CRCT's S$1.0 billion multicurrency debt issuance programme, (iii) debt financing and (iv) internal cash resources.

The final decision regarding the proportion of the debt and equity to be employed to fund the Acquisition will be made by the Manager at the appropriate time with an objective to achieve accretion, taking into account the prevailing market conditions, interest rate environment, while maintaining an optimum level of aggregate leverage.

5.1 Undertakings by CapitaLand Group

To demonstrate its support for CRCT and the Preferential Offering, CapitaLand Limited's wholly owned subsidiary, Retail Crown Pte. Ltd. ("**Retail Crown**"), which owns direct interest in 235,233,091 Units representing approximately 19.09% of the total number of Units in issue as at the date of this announcement, has irrevocably undertaken to the Manager on 5 November 2020 that, among other things:

(i) in accordance with the terms and conditions of the Preferential Offering, it will by no later than the last day for acceptance and payment of the Preferential Offering Units, accept, subscribe and pay in full for its total provisional allotment of the Preferential Offering Units corresponding to its direct interest in CRCT (such provisional allotment of the Preferential Offering Units of Retail Crown, the "**Pro Rata Units**"); and

(ii) it will, in addition to paragraph (i) above, accept, subscribe and pay in full for such number of additional Preferential Offering Units in excess of the Pro Rata Units ("**Excess Units**") amounting to CICT's total provisional allotment of the Preferential Offering Units corresponding to CICT's direct interest in CRCT ("**CICT Pro Rata Units**"), it being understood that Retail Crown's obligation under this paragraph (ii) arises only to the extent that there remains any CICT Pro Rata Units unsubscribed by HSBC Institutional Trust Services (Singapore) Limited, acting solely in its capacity as trustee of CICT.

For the avoidance of doubt, should CICT subscribe for a proportion of the CICT Pro Rata Units, Retail Crown will only apply for excess based on the balance amount of the CICT Pro Rata Units unsubscribed by CICT. Pursuant to Rule 877(10) of the Listing Manual, in the allotment of any excess Units under the Preferential Offering, Retail Crown will rank last in priority amongst all existing Unitholders. Accordingly, the Excess Units will only be allocated to Retail Crown to the extent that there remains any Units unsubscribed by the existing Unitholders under the Preferential Offering.

CapitaLand Retail China Trust Management Limited (acting in its own capacity), which owns direct interest in 77,847,479 Units representing approximately 6.31% of the total number of Units in issue as at the date of this announcement, has irrevocably undertaken to the Manager in accordance with the terms and conditions of the Preferential Offering, that it will by no later than the last day for acceptance and payment of the Preferential Offering Units, accept, subscribe and pay in full for its total provisional allotment of the Preferential Offering Units corresponding to its direct interest in CRCT.

6. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

The pro forma financial effects of the Acquisition on the DPU and NAV per Unit presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of the CRCT Group for the financial year ended 31 December 2019 (the "**CRCT Group 2019 Audited Financial Statements**") as well as the audited financial statements of the Target Companies for the financial year ended 31 December 2019, taking into account the Agreed Value of the Properties and assuming that:

- the Acquisition is funded by perpetual securities, Equity Fund Raising, debt financing and internal cash resources; and
- the Manager's management fees, including the base management fee and the performance management fee, will be paid in the form of Units.

6.1.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on CRCT's DPU for the financial year ended 31 December 2019, as if the Acquisition was completed on 1 January 2019 and CRCT held and operated its respective interests in the Properties through to 31 December 2019 are as follows:

	Before the Acquisition	**After the Acquisition**(1)
Distributable Income(2) (S$'000)	99,656	128,821
Issued Units ('000)	1,209,067(3)	1,483,576(4)
DPU(2) (5) (6) (cents)	9.33	9.59
DPU accretion (%)	-	2.8%

Notes:

(1) Assuming the Acquisition is funded through perpetual securities of S$100 million, Equity Fund Raising of S$300 million, internal cash resources of S$30 million and the remaining through debt financing. If assuming the Equity Fund Raising is S$325 million, the DPU after acquisition would be 9.48 Singapore cents and the DPU accretion would be 1.6%.

(2) The calculation of the Distributable Income and DPU exclude the contribution of CapitaMall Erqi (which was divested on 28 May 2020) as if it was divested since 1 January 2019.

(3) Number of Units issued as at 31 December 2019

(4) Includes (a) the number of New Units issued in connection with the Equity Fund Raising at an illustrative average issue price of S$1.130, (b) approximately 8.9 million new Units issuable as payment for the Acquisition Fee payable to the Manager at illustrative issue price of S$1.130 per new Unit.

(5) DPU after acquisition is calculated based on the weighted average Units in FY 2019 with the additional Units assumed in note 4.

(6) Includes capital distribution of S$1 million.

The pro forma financial effects of the Acquisition on CRCT's DPU for the financial period ended 30 June 2020, as if the Acquisition was completed on 1 January 2020 and CRCT held and operated the Properties through to 30 June 2020 are as follows:

	Before the Acquisition	After the Acquisition(1)
Distributable Income(2) (S$'000)	53,157	68,473
Issued Units ('000)	1,222,872(3)	1,497,381(4)
DPU (cents) (2) (5)	4.34	4.56
DPU accretion (%)	-	5.1%

Notes:

(1) Assuming the Acquisition is funded through perpetual securities of S$100 million, Equity Fund Raising of S$300 million, internal cash resources of S$30 million and the remaining through debt financing. If assuming the Equity Fund Raising is S$325 million, the DPU after acquisition would be 4.51 Singapore cents and the DPU accretion would be 3.9%.

(2) Excluded one-off rental rebate of S$17.9 million (net of fees and tax savings) provided to tenants by CRCT for the period from 1 January 2020 to 30 June 2020, pre-termination compensation of S$3.5 million received by CapitaMall Erqi and retained distributable income of S$1.8 million. If using the actual CRCT 1H 2020 reported numbers:
   (i) DPU before acquisition was 3.02 Singapore cents; and
   (ii) DPU after completion will be 3.43 Singapore cents.

(3) Number of Units issued as at 30 June 2020

(4) Includes (a) the number of New Units issued in connection with the Equity Fund Raising at an illustrative average issue price of S$1.130, (b) approximately 8.9 million new Units issuable as payment for the Acquisition Fee payable to the Manager at illustrative issue price of S$1.130 per new Unit.

(5) DPU after acquisition is calculated based on the weighted average Units on 30 June 2020 with the additional Units assumed in note 4.

6.1.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on CRCT Group's NAV per Unit as at 31 December 2019, as if the Acquisition was completed on 31 December 2019 are as follows:

	Before the Acquisition	After the Acquisition
NAV represented by Unitholders' funds (S$'000)(1)	1,830,020	2,140,075
Issued Units ('000)	1,209,067	1,483,576(2)
NAV represented by Unitholders' funds per Unit (S$)	1.51	1.44(2)(3)

Notes:

(1) Exclude CRCT's distributable income for the period 14 August 2019 to 31 December 2019, which was paid on 10 March 2020

(2) Includes (a) the number of New Units issued in connection with the Equity Fund Raising to raise S$300 million at an illustrative average issue price of S$1.130, (b) approximately 8.9 million new Units issuable as payment for the Acquisition Fee payable to the Manager at illustrative issue price of S$1.130 per new Unit.

(3) Assuming the Acquisition is funded through perpetual securities of S$100 million, Equity Fund Raising of S$300 million, internal cash resources of S$30 million and the remaining through debt financing.

6.1.3 Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY:

The table below sets out the aggregate leverage of CRCT Group as at 30 September 2020:

	Before the Acquisition	**After the Acquisition**
Aggregate Leverage	34.7%(1)	37.9%(2)(3)(4)(5)

Notes:
(1) Aggregate Leverage as at 30 September 2020.
(2) Includes the incremental deposited properties and gross borrowings as a result of the Acquisition, assuming existing onshore bank loans in relation to Ascendas Xinsu Portfolio, AIH, SHSTP Phase I and Phase II and Rock Square are fully or partially repaid using Target Companies' internal cash and/or CRCT's internal resources.
(3) Adjusted for the latest valuation for the existing properties as at 1 November 2020.
(4) Assuming the acquisition is funded through perpetual securities of S$100 million, Equity Fund Raising of S$300 million, internal cash resources of S$30 million and the remaining through debt financing. If assuming the Equity Fund Raising of S$325 million, the Aggregate Leverage would be 37.4%.
(5) Enlarged deposited properties and gross borrowings are translated based on the fixed exchange rate of RMB4.9179 = S$1.000 pursuant to the Agreement.

6.1.4 Pro Forma Capitalisation

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma capitalisation of CRCT Group as at 31 December 2019, as if the Acquisition was completed on 31 December 2019, is as follows:

	Actual (S$ million)	**After the Acquisition (S$ million)**
Debt		
Secured debt	123(1)	283(2)
Unsecured debt	1,303	1,685
Total debt	1,426	1,968
Unitholders' funds	1,830(3)	2,140
Perpetual Securities	-	100
Total Capitalisation	3,256	4,208

Notes:
(1) Includes 51% of Rock Square's onshore loan
(2) Relates to CRCT's effective stake of the onshore bank loan from the respective Target Companies, assuming the onshore bank loans in relation to Ascendas Xinsu Portfolio, AIH, SHSTP Phase I and Phase II and Rock Square are fully or partially repaid using Target Companies' internal cash and/or CRCT's internal resources.
(3) Exclude CRCT's distributable income for the period 14 August 2019 to 31 December 2019, which was paid on 10 March 2020.

7. AUDIT COMMITTEE STATEMENT

The Audit Committee of the Manager will obtain an opinion from Ernst & Young Corporate Finance Pte Ltd (the "**IFA**"), which has been appointed as the independent financial adviser, on the Acquisition before forming its own view.

The opinion of the IFA as to whether the Acquisition is on normal commercial terms and is not prejudicial to the interests of CRCT and its minority Unitholders will be disclosed in the Unitholders' Circular.

8. OTHER INTERESTED PERSON TRANSACTIONS

As at the date of this announcement, the interested person transactions entered into between (i) CRCT and (ii) entities within CapitaLand and its subsidiaries and associates, during the course of the current financial year amount to S$0.2 million. However, these transactions will not be the subject of aggregation pursuant to Rule 906 of the Listing Manual. There are no other transactions with any other interested person for the same financial year.

9. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 842,016 Units.

Mr Soh Kim Soon is the Chairman and a Non-Executive Independent Director of the Manager. Mr Tan Tze Wooi is the Chief Executive Officer and an Executive Non-Independent Director of the Manager. Mr Fong Heng Boo, Mr Christopher Gee Kok Aun, Professor Tan Kong Yam, Mr Neo Poh Kiat and Ms Kuan Li Li are Non-Executive Independent Directors of the Manager. Mr Lucas Ignatius Loh Jen Yuh and Mr Lim Cho Pin Andrew Geoffrey are Non-Executive Non-Independent Directors of the Manager.

As at the date of this announcement, CapitaLand through (i) its indirect wholly owned subsidiaries namely, Retail Crown Pte. Ltd. and the Manager and (ii) CICT has a deemed interest in 446,460,905 Units, which comprises approximately 36.23% of the total number of Units in issue.

Save as disclosed above and as at the date of this announcement, none of the directors of the Manager or controlling Unitholders has an interest, direct or indirect, in the Acquisition.

10. OTHER INFORMATION

10.1 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Acquisition or any other transactions contemplated in relation to the Acquisition. It should be noted that separate from the Acquisition, directors of the Manager may be appointed or replaced in line with the normal board renewal process.

10.2 Disclosure under Rule 1006 of the Listing Manual

Chapter 10 of the Listing Manual classifies transactions by an issuer into (i) non-discloseable transactions, (ii) discloseable transactions, (iii) major transactions and (iv) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on, *inter alia*, the following applicable bases of comparison set out in Rules 1006(b) and 1006(c) of the Listing Manual:

(i) the net profits attributable to the assets acquired, compared with the CRCT Group's net profits; and

(ii) the aggregate value of the consideration given, compared with the CRCT Group's market capitalisation.

Where any of the relative figures computed on the bases set out above exceeds 20.0%, the transaction is classified as a major transaction. The Listing Manual requires that a major transaction involving CRCT be made conditional upon approval by Unitholders in a general meeting. However, the approval of Unitholders is not required in the case of an acquisition of profitable assets if only sub-paragraph 10.2 (i) exceeds the relevant 20.0% threshold.

The relative figures for the Acquisition using the applicable bases of comparison as described above are set out in the table below.

Comparison of	Acquisition	CRCT Group	Relative figure (%)
Profits (S$ million)	23.7(1)	78.6(2)	30.2%
Consideration against market capitalisation (S$ million)	799.9(3)(4)	1,522.1(5)	52.5%

Notes:

(1) The figure is based on the unaudited management accounts of the Target Companies for the 6-month period ended 30 June 2020.

(2) The figure is based on the unaudited results of the CRCT Group for the 6-month period ended 30 June 2020.

(3) The figure represents the estimated Consideration of the Target Companies based on the unaudited management accounts as at 30 June 2020, which is subjected to post-completion adjustments.

(4) Includes the CRCT Xinsu Entrustment Loan provided to Xinsu to repay its onshore debt.

(5) The figure is based on the weighted average closing price of S$1.2354 as at 4 November 2020 being the market day prior to the date of the ACBPF4 Conditional Agreement, SHSTP Conditional Agreement and Rock Square Share Purchase Agreement.

As seen in the table above, the Acquisition constitutes a "major transaction" under Rule 1014(1) of the Listing Manual (read with Rule 1006(c) of the Listing Manual) as the aggregate of the Consideration (and the CRCT Xinsu Entrustment Loan) is approximately 52.5% of CRCT's market capitalisation as at 4 November 2020, being the market day preceding the date of the ACBPF4 Conditional Agreement, the SHSTP Conditional Agreement and the Rock Square Share Purchase Agreement. Accordingly, Unitholders' approval will be sought in respect of the Acquisition.

10.3 Documents Available for Inspection

Copies of the following documents are available for inspection upon prior appointment during normal business hours at the registered office of the Manager[1] located at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 from the date of this announcement up to and including the date falling three months after the date of this announcement:

(i) the Conditional Agreements;

(ii) the independent valuation reports on the Properties issued by JLL;

(iii) the independent valuation report on the Properties issued by CBRE; and

(iv) the forms of the Property Management Agreements.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as CRCT is in existence.

BY ORDER OF THE BOARD
CapitaLand Retail China Trust Management Limited
(Registration Number: 200611176D)
As manager of CapitaLand Retail China Trust

Chuo Cher Shing
Company Secretary

6 November 2020

Important Notice:

The value of units in CapitaLand Retail China Trust ("**Units**") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, CapitaLand Retail China Trust Management Limited (the "**Manager**"), as manager of CapitaLand Retail China Trust, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of CapitaLand Retail China Trust is not necessarily indicative of the future performance of CapitaLand Retail China Trust.

1 Prior appointment with the Manager is required. Please contact Ms Nicole Chen, Investor Relations (telephone: +65 6713 2888).

This announcement 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.