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China Merchants Commercial Real Estate Investment Trust

(Hong Kong collective investment scheme recognized under section 104 of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong)

(Stock Code: 01503)

Managed by

China Merchants Land Asset Management Co., Limited

UNAUDITED OPERATING STATISTICS FOR THE THREE MONTHS ENDED 31 DECEMBER 2023

The board of directors (the “**Board**”) of China Merchants Land Asset Management Co., Limited (the “**Manager**”), as manager of China Merchants Commercial Real Estate Investment Trust (“**CMC REIT**”) is pleased to announce the unaudited operating statistics of CMC REIT’s property portfolio for the three months ended 31 December 2023.

UNAUDITED OPERATING STATISTICS FOR THE THREE MONTHS ENDED 31 DECEMBER 2023

Property	Occupancy Rate		Passing Rent (RMB/sq.m.)	
	As at 31 Dec 2023	As at 30 Sep 2023	As at 31 Dec 2023	As at 30 Sep 2023
Office				
New Times Plaza	89.6%	80.6%	173.9	177.4
Cyberport Building	81.4%	84.3%	131.3	130.4
Technology Building	100%	100.0%	133.6	133.4
Technology Building 2	96.6%	79.1%	124.1	131.1
Onward Science & Trade Center	81.9%	76.2%	301.4	314.8
Average	89.9%	83.6%		
Retail				
Garden City Shopping Centre	73.7%	64.0%	152.3	170.5*
Property Average	87.2%	79.9%		

Note: The operating statistics above are based on preliminary internal records, which have not been audited. As such, the statistics contained herein are for investors’ reference only.

* This figure has been revised from the figure stated in the previous quarterly operating statistics.

RENTAL AND OCCUPANCY

Over the fourth quarter, the property market remained in a transitional recovery period and operating conditions continued to be challenging. There was fierce competition in the office market between existing stock and new supply and the backfill of vacant space has slowed. Against this background, the average occupancy rate of our property portfolio continued to improve significantly due to pricing adjustments in our pro-occupancy strategy.

As various new technology companies moved in, the occupancy rate of Technology Building 2 recorded a remarkable 17.5 percentage point increase to 96.6%, achieving the best improvement among the six properties. The occupancy rates of New Times Plaza and Onward Science & Trade Center both increased significantly, by 9 and 5.7 percentage points, respectively. Due to the expiry of some leases, the occupancy rate of Cyberport Building dropped by 3 percentage points to 81.4%, while the occupancy rate of Technology Building remained at 100%. While we have made material progress in boosting the occupancy of our office properties, in light of the weakening demand and a large amount of new supply looming, we should pay more attention on the office buildings, especially in the case of Grade-A office buildings.

In terms of passing rent, Cyberport Building and Technology Building recorded a slight increase, but the opposite was true of the remaining office buildings, to varying degrees. In particular, the passing rent at Onward Science & Trade Center dropped by RMB13.40 per sq.m. due to new tenants signed at lower rents. Also, the passing rent at Technology Building 2 decreased by RMB7.00 per sq.m.

The occupancy rate of Garden City Shopping Centre rose significantly this quarter, by nearly 10 percentage points to 73.7% as tenants started to move in after the upgrading and renovation of the North Zone was completed. However, there was a fall in passing rent to RMB152.30 per sq.m. Throughout most of 2023, the passing rents as well as the occupancy rate at Garden City Shopping Centre have fluctuated greatly due to the renovation. In 2024, the situation should stabilize and a recovery in occupancy is expected.

ASSET ENHANCEMENT

The North Zone of Garden City Shopping Centre has completed all renovation and upgrading works and was reopened to the public on 29 December. A ribbon-cutting ceremony to mark the official reopening of the mall will be held on 26 January 2024.

By order of the Board
China Merchants Land Asset Management Co., Limited
(as manager of China Merchants Commercial
Real Estate Investment Trust)
Mr. HUANG Junlong
Chairman of the Manager

Hong Kong, 22 January 2024

As at the date of this announcement, the Board comprises Mr. HUANG Junlong (Chairman) and Mr. LI Yao as Non-executive Directors, Mr. GUO Jin and Mr. ZHONG Ning as Executive Directors, and Mr. LIN Chen, Ms. WONG Yuan Chin Tzena and Mr. Wong Chun Sek Edmund as Independent Non-executive Directors.