CAPITALAND LIMITED
(Registration Number: 198900036N)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

Extraordinary General Meeting and Scheme Meeting to be held on 10 August 2021
Responses to Substantial and Relevant Questions

CapitaLand Limited ("**CapitaLand**" or the "**Company**") would like to thank all Shareholders who submitted their questions in advance of the Extraordinary General Meeting ("**EGM**") and Scheme Meeting, to be held virtually via "live webcast" at 2:00pm and 2:15pm (or if the EGM concludes after 2:15pm, as soon thereafter following the conclusion of the EGM) respectively, on Tuesday, 10 August 2021.

The Company has published two sets of responses to substantial and relevant shareholders' questions received up till 5 August 2021 on the SGXNet and on our corporate website. The following pages are our responses to questions received since then and before the submission deadline at 2:15pm on 7 August 2021.This will be the final publication of our responses to all substantial and relevant questions on the SGXNet and on our corporate website.

We trust that Shareholders will understand that because of the overlapping questions received, we will not be responding to each and every question individually.

The directors of the CapitaLand Limited (the "**Directors**") (including any who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement in each case which relate to CapitaLand, CapitaLand Investment Limited ("**CLI**") and CapitaLand Integrated Commercial Trust ("**CICT**") (excluding information relating to CLA Real Estate Holdings Pte. Ltd. (the "**Offeror**") or any opinion expressed by the Offeror) are fair and accurate and that, where appropriate, no material facts which relate to CapitaLand, CLI and CICT have been omitted from this Announcement, and the Directors jointly and severally accept responsibility accordingly.

Where any information which relates to CapitaLand, CLI and CICT has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, the sole responsibility of the Directors has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement. The Directors do not accept any responsibility for any information relating to the Offeror or any opinion expressed by the Offeror.

By Order of the Board

Michelle Koh
Company Secretary

10 August 2021

Unless otherwise defined, capitalised terms used in the following responses should have the meanings ascribed to them in the Scheme Document issued by CapitaLand Limited ("CapitaLand") on 17 July 2021 (the "Scheme Document") or the Introductory Document issued by CapitaLand Investment Limited ("CLI") on 17 July 2021 (the "Introductory Document"), as the case may be.

No.	Questions and Responses
1.	**In regard to the forward P/E comparisons and historical P/NAV comparisons provided by CapitaLand, why are global REIMs used as comparison and yet when you compare with developers, only regional developers are used?**
	We believe it is appropriate to compare CapitaLand today to Singapore and Hong Kong developers given CapitaLand's significant exposure to China and Singapore. We also believe it is most appropriate to compare CLI to global REIMs due to the lack of comparable REIMs in Asia.
2.	**You mention the merit of restructuring that "CapitaLand Group's Valuable Ecosystem" can be "preserved". Does it mean that without restructuring, it cannot be "preserved"? If not, why not (even with the Right of First Refusal in acquiring property within CapitaLand Group)? If yes, then why you still mention this point as if it can only exist with restructuring?**
	The CapitaLand ecosystem exists today as both CLI and CapitaLand Development ("CLD") sit within the same listed entity, and would naturally continue to exist if the restructuring did not occur. Through this restructuring, CLD and CLI would be separated, with CLI being listed on the SGX-ST. Notwithstanding the separation of both businesses, the existing ecosystem would be preserved and CLI will continue to benefit from the inherent business advantages of scale, synergy, capabilities and expertise embedded within the existing CapitaLand Group ecosystem.
3.	**What happens when your $10.1B worth of CLI pipeline runs out in about 3 years and when CLD's development pipeline of $7.6B runs out subsequently? In this interim period as CLI taps on these pipelines, what are the concrete plans we have to grow and incubate the other key growth engines so that we gradually reduce our dependence on these pipelines as CLI becomes more asset light?**
	The pipelines of both CLI and CLD are as at 31 December 2020 on a pro forma basis. The pipelines may be replenished as CLD and/or CLI undertake more development or investments projects (as the case may be). CapitaLand's listed and unlisted funds have increasingly demonstrated that they are able to grow independently. In more recent examples, Ascendas Reit acquired a portfolio of 11 data centres in Europe, Ascendas India Trust conducted a forward purchase of an IT Park in Hebbal, Bangalore, Ascott Trust acquired a PBSA in Atlanta, Georgia, and one of our recent unlisted funds, Athena LP acquired ABI Plaza from third-party vendors (please see page 22 of the presentation on the proposed restructuring). We will continue to extend our leadership in the management of our Listed Funds, and diversify and distribute new fund products to grow our Unlisted Funds business. We will look to deepen strategic relationships with existing capital partners and

	expand new capital partnerships across a spectrum of strategies. We may also acquire new capabilities and fee income platforms. On the lodging side, we will continue to grow our distinctive fee-centric lodging platform via scaling units under management, and expand the product offerings within the lodging sector to augment FUM growth. Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for more information
4.	**With the restructuring, could CapitaLand share how you would utilise available resources to future proof (e.g. what plans would be in place to be more sustainable/green) and digitise to stay relevant?**
	CapitaLand's 2030 Sustainability Master Plan has set out the company's sustainability framework and targets in 2020 (please read that here). CLI expects to align to CapitaLand's Master Plan's framework to collectively achieve the set targets and continue to place strong emphasis on our sustainability goals alongside profits in business operations. As a core pillar of focus for us, it is intended that the elements of sustainability remain embedded in the strategic decisions and investments we embark on, cementing our leadership in this field within Asia. For more, please refer to the section "Business – Sustainability" in the Introductory Document for further details on CLI's sustainability strategy. CapitaLand has also embarked on a number of digitalisation initiatives over the years. Many of these efforts saw acceleration due to COVID-19. Internally, we have increasingly digitalised our operations. Over 100 dashboards were developed in 2020 to drive data-driven decisions, from investments and operations to human resources, to improve accuracy and productivity. Dovetailing with our ESG commitments, we also committed to reducing our reliance on paper with digital workflow substitutes, and implementing paperless procedures. Externally, CapitaLand's established digital platform, CapitaStar, with more than 13 million CapitaStar members in China and more than 1 million in Singapore, is ideally positioned to offer our retailers and customers omnichannel options, when conventional shopping routines are disrupted by the pandemic. Please see Page 22 of CapitaLand's 2020 Annual Report for more information.
5.	**a) Would CLI continue with the scrip dividend scheme which CapitaLand now has?** **b) CapitaLand has not conducted any EFR (equity fund raising) for a long time. As an asset light REIM, would CLI be open to EFR which retail investors can participate in?**
	(a) CLI may consider the adoption of a Scrip Dividend Scheme similar to the one adopted by CapitaLand. If such Scrip Dividend Scheme is adopted, CLI will make an announcement in accordance with the SGX-ST listing rules. (b) Every fund raising and/or investment proposal should be assessed based on the merits of each proposal. CLI will consider all methods of financing to ensure that they are prudently structured, with the long-term interest of Shareholders in mind. When deciding on an EFR, the key consideration for CLI will be whether it is value accretive to our shareholders in addition to the long-term benefits to the overall portfolio.
6.	**How is CLI going to tackle the issue of decrease demand in lodging due to the trend of remote working and decrease business travel?**

	CLI's lodging management business is focused on securing asset-light management contracts with third-party asset owners and generating fee income in the process. Despite the COVID-19 pandemic's negative impact on travel, the longer-stay segment which forms the largest part of CLI's lodging product types, have remained resilient due to Ascott's unique position as a global leader in the longer-stay and/or corporate segments. Asset owners continue to sign new management and franchise contracts with The Ascott Limited, CapitaLand's wholly-owned lodging unit, which allowed Ascott to secure 14,200 units and achieve its fourth consecutive year of record growth in FY 2020. Due to the evolving nature of the COVID-19 virus, we proactively ensure our strategy and growth plans adjusted when required in order to stay relevant. We will continue to grow our distinctive fee-centric lodging platform via scaling units under management, and expand the product offerings within the lodging sector to augment FUM growth. Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for more information.
7.	**It is shared that there is S$20-25 million of fees to be earned for every 10,000 stabilised serviced residence units. Is this S$20-$25 million an annual figure? If so, how is the $2,500 per unit/year derived and whether it is low on an annual basis and can it increase further? What work does CLI perform for receiving the $2,500 per unit/year?**
	The S$20 to 25 million fee income per 10,000 stabilised serviced residence units is an annual figure. We negotiate these fees on a case-by-case basis with the underlying asset owners. In most of our management contracts, there is a variable component linked to the financial performance of the underlying assets – if the assets we manage perform well, the unit economics of our lodging business may also improve. Similar to other lodging and hotel managers, we receive fees for the provision of serviced residence operation services as well as licensing of our brands to owners of lodging assets.
8.	**Can you help me better understand the business model of the lodging business. Does Ascott Limited own the serviced residences or just the brand? Do you let hospitality providers use the Ascott brand and with it sign the management contracts with them? What is the duration of such management contracts and what is the typical termination fees?**
	Our lodging business owns brands such as Ascott, Somerset and Citadines. We also have direct or indirect stakes in some of the serviced residences, typically through our private equity funds or the Ascott Residence Trust. Similar to other lodging and hotel managers, we receive fees for the provision of serviced residence operation services as well as licensing of our brands to third party owners of lodging assets. We are unable to comment on the duration of the management contracts and the termination fees due to the commercially sensitive nature of such information.

9.	**Going forward, how would CapitaLand move faster in the multi-family asset class? It acquired 16 properties in 2018. 2 years passed before you formed a JV in 2020 to develop a property in Texas.**
	The acquisition of the 16 value-add multifamily properties was our maiden foray into the US multifamily market. To demonstrate prudence, we wanted the planned renovation to be executed successfully and deliver good renovation ROI before we take on similar opportunities. The resultant rental uplifts and expected approximate renovation payback period of 5 years for our renovated units has proved our multifamily asset management capability and built our track record, giving us confidence to pursue such opportunities in the market now which we are exploring. In 2020, we entered into a US$300 million programmatic JV with a local vertically integrated multifamily player that gave us access to multifamily pipeline. Such programmatic JVs provide us with off market opportunities which do not require lengthy bidding processes, thus easing the securing of pipeline. We are in constant discussions with our joint venture partner to move forward on such pipeline opportunities. Additionally, our team is actively engaging owners, developers and brokers on various multifamily opportunities in the market to propel our multifamily portfolio growth. CapitaLand will continue to look out for more opportunities to build up a sizeable platform and strengthen our expertise in this asset class.
10.	**If Ascott Limited is mainly asset light, would it then be able to provide meaningful ROFR for ART or can we expect most of ART's acquisitions to be from third-parties?**
	Lodging assets form part of the CLI pipeline with potential for injection into CLI's funds. Please refer to Appendix G of the Introductory Document for the list of principal properties within CLI. That being said, ART will continue to evaluate potential acquisition opportunities from both CLI as well as third parties. ART's acquisitions in the past has been from both the Sponsor as well as third parties.
11.	**CapitaLand intends to further grow its presence in the PBSA sector. How many rooms of PBSA does CapitaLand have currently? Was CapitaLand a party that expressed interest and put in a bid for SPH's PBSA and non-media real estate assets?**
	ART has made its first PBSA acquisition in 2021 and has also entered into a joint venture with the Sponsor to develop another project. We expect ART and CLI to continue to acquire assets in this sector. The Group from time to time considers various strategic proposals with respect to mergers and acquisition and will make an announcement if any material proposals materialise.
12.	**Under Private Equity Fund Management, what is the differences between PE funds, open-ended funds, debt funds, lodging funds, and private capital markets?**

	• We intend to continue to scale up our Unlisted Funds business in a meaningful way by expanding into new strategies, products and geographies. The funds referred to in the question are some of the different fund products that we already have and/or plan to strengthen our position in. • PE funds or private equity funds refer to funds with an investment mandate to invest directly in real estate assets. Such funds are typically closed-end funds with a fixed term, limited period for new investors to join the fund, and no investor redemption rights throughout the fixed term. • Open-ended funds refer evergreen private funds (i.e. there is no end date to subscription compared to closed-ended funds which have closing dates for subscription). Investors can subscribe for and redeem fund units at regular intervals. Such funds typically focus on core investments and make regular distributions to investors. • Debt funds refer to funds with an investment mandate to invest in real estate private credit strategies from senior debt to mezzanine debt to stressed / distressed credit. • Lodging funds refer to funds with an investment mandate to invest directly in lodging assets or credit strategies relating to lodging assets. • Private capital markets broadly refer to the tapping of private capital of different investor types (e.g. institutions, family offices, co-investment with a peer) to participate in unlisted funds.
13.	**How much of uncalled capital or dry powder does CLI have at its inception? Is there a target of how much uncalled capital or dry powder which CLI hopes to achieve in the next 3 years?**
	As disclosed in the CapitaLand's 22 March 2021 presentation, CLI has approximately S$1 billion of third-party capital available for deployment. Additionally, based on the pro forma financial statements for CLI group as at 31 March 2021 (further details of which are set out in the section titled "Selected Pro Forma Financial Information" and Appendix F of the Introductory Document), CLI Group has consolidated cash of S$3.2 billion and a net debt-to-equity ratio of 0.55 times, with flexibility to gear up if there are interesting accretive opportunities. CLI will also seek to continue the momentum of an annual capital recycling target of S$3B across the group, of which net proceeds will be another source of dry powder which we can tap on for new investments. As of 31 March 2021, CLI's FUM is approximately S$79 billion. CLI aims to achieve an FUM of S$100 billion by Year 2024.
14.	**CapitaLand in some cases hold a substantial stake in some of its private funds (i.e. 30% to 50%). Will this be the case for new funds to be launched and why so? If no, what is the optimal holdings CLI would have in its private funds going forward?** **Wouldn't having high stake holdings in the funds allow CLI more control and hence profits, and taking the example of the recent divestment of partial stakes in Raffles City China developments, how does it work that the profits foregone by paring its holdings in the funds be adequately compensated for by the fees it would earn moving forward?**
	We expect to commit seed capital to our new Unlisted Funds to demonstrate alignment of interest with our LPs. There is no typical percentage of stakeholding

	in each fund that is required to show commitment to potential investors and we will consider the extent of our stakes in new funds on a case by case basis. The main intention of CLI is to drive FUM and FRE growth in an asset-light manner. This would mean only investing an optimal amount of capital, rather than taking huge stakes, in our new funds. Should such funds generate profits in excess of their hurdle rates, CLI will still participate in the upside through the receipt of promote fees. Please refer to the section titled “Business” in the Introductory Document for further details.
15.	**How do you intend to further reduce your holdings in your REITs, especially ART? Would management prioritise distribution in specie of ART units to CLI shareholders should it decide to pare its holdings?**
	There are numerous ways to reduce Sponsor’s stakes in Listed Funds, such as via equity fund raising or distribution in specie, in order to achieve our long-term plan to deconsolidate our Listed Funds. The exact mechanism we eventually adopt will depend on many factors, including but not limited to market conditions and operating and financial performance of the underlying Listed Funds.
16.	**CLI intends to grow its FRE. How is the fee structure like for its private funds? Do we have the “2-20” rules as seen in private equity companies and is there any “carried interest”? Do you have a target for your “carried interest” for the next 3 years?**
	The fee structure for our Unlisted Funds is negotiated on a case by case basis with our limited partners, and we are unable to share the exact fee structure as the information is commercially sensitive and confidential in nature. Management fees from managing our Unlisted Funds will typically include recurrent base management fee, acquisition fee, divestment fee, and promote fee. We will only earn the promote fee if the fund outperforms certain pre-agreed targets. Fund outperformance will depend on a wide range of factors including but not limited to the macroeconomic conditions, the operating environment, investor sentiment, and government regulations. As such, we are unable to provide guidance for these promote fees.
17.	**How is CapitaLand’s current private equity products/private funds different from those put forth by private equity investment managers, and how is CapitaLand taking steps to change this in line with the best-in-class industrial standards in order to accelerate growth in this area?**
	As a diversified real estate developer, CapitaLand historically focused more on the development business and management of Listed Funds. This restructuring will allow us to sharpen our focus on driving fee income and FUM growth. CapitaLand’s unique value proposition include our extensive footprint in Asia as well as our long-standing asset management and operating expertise, which allow us to provide full stack real estate capabilities as well as deal sourcing network for our capital partners, particularly in Asia. For our Unlisted Funds business, we intend to continue to scale it up in a meaningful way by expanding into new strategies, products and geographies that build on and are complementary to the core strengths and footprint of our Group. The new Unlisted Funds will contribute to growing our FUM, and in the process, our fee related earnings. In line with our strategy to continue to strengthen our position upon our listing on the SGX-ST as a leading listed global real estate

	investment manager with a strong Asia foothold, an expanded suite of Unlisted Funds will allow us to participate in investment opportunities globally, capitalise on our execution capabilities and at the same time, offer compelling investment opportunities to both our existing and new investors. To complement our existing Unlisted Funds products, we intend to explore more varied mandates including commingled funds, managed accounts, potentially incorporating new asset classes and investment structures that will enable us to extend more diversified offerings to our investors in their pursuit of different risk adjusted returns. Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for further details.
18.	**On growing FRE, would CLI venture into the private credit sector? What form and shape will it likely be?**
	As stated in the Introductory Document, for our Unlisted Funds business, we intend to expand into growing alternative asset classes including real estate private credit. Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for further details.
19.	**How is CICT going to tackle the trend of online shopping and decrease human traffic to malls with COVID-19 here to stay?**
	We are unable to comment on the strategy of CICT. We recognise that physical retail has been negatively impacted by the pandemic and the growth of e-commerce, but we believe shopping malls are here to stay due to the social nature of human beings. Our retail business has seen a strong rebound as the recovery trajectory heads towards pre-COVID-19 levels, and we expect this recovery to persist with the rollout of vaccination programs worldwide. In our 1Q 2021 business update, we noted that China retail registered an increase in shopper traffic and tenant's sales YoY, while Singapore retail shopper traffic and tenants' sales showed marked improvement. Committed occupancy remained above 90% for both China and Singapore in 1Q 2021. That being said, we will continue to proactively adapt to the evolving retail environment, such as by tapping on data analytics and increasing online customer engagements to drive new growth. For instance, in FY2020 our CapitaStar platform crossed the 14 million member mark, with over 2,700 onboarded tenants and in excess of S$46 million in GMV.
20.	a) **Who will be part of the leadership of the new CLI entity?** b) **Who will be part of the board of directors of the new CLI entity?** c) **What vision, plans and roadmaps does the leadership of the new CLI entity have for CLI?** d) **Where does the new CLI entity see itself in 5 to 10 years time? (long term target/vision)** e) **What does the new CLI entity hope to achieve in the near future? (near term target)**
	(a): We have assembled a strong leadership team with in-depth experience across strategies and asset classes. On average, the leadership team has about 20 years

	of relevant experience. Please refer to Introductory Document for detailed information pertaining to CLI's leadership team, in particular the section titled "Directors, Management and Staff". (b): Please refer to Introductory Document for detailed information pertaining to CLI's Directors, in particular the section titled "Directors, Management and Staff". (c), (d), and (e): We intend to continue to extend our leadership in the management of our Listed Funds, and diversify and distribute new fund products to grow our Unlisted Funds business. We also plan to deepen strategic relationships with existing capital partners and expand new capital partnerships across a spectrum of strategies. We may also acquire new capabilities and fee income platforms. On the lodging side, we will continue to grow our distinctive fee-centric lodging platform via scaling units under management, and expand the product offerings within the lodging sector to augment FUM growth. Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for more information.
21.	**a) Who are the competitors of CLI?** **b) How does the new CLI entity differentiate itself from its peers/competitors?** **c) What is the competitive advantage, if any, of CLI?** **d) How does the new CLI entity ensure that it retains this competitive advantage over its peers over the long run?** **e) What impact does the proposed merger of ARA+ESR have on the new CLI entity?** **f) What market share does CLI currently have?**
	(a) CLI's competitors include companies in the real estate and lodging markets, and the real estate investment management business. Please also refer to the section titled "Business – Competition" in the Introductory Document for further information. (b) and (c): The key competitive advantages of CLI are as follows: 1) Global listed REIM with a leadership position in Asia 2) FUM and FRE growth through full stack investment and operating capabilities 3) Proven track record of investment management and fee income growth 4) CapitaLand ecosystem retained 5) Experienced leadership team Please refer to the section titled "Summary – Competitive Strengths" in the Introductory Document for further details on our key competitive advantages. (d) We intend to continue to extend our leadership in the management of our Listed Funds, and diversify and distribute new fund products to grow our Unlisted Funds business. We also plan to deepen strategic relationships with existing capital

	partners and expand new capital partnerships across a spectrum of strategies. We may also acquire new capabilities and fee income platforms. On the lodging side, we will continue to grow our distinctive fee-centric lodging platform via scaling units under management, and expand the product offerings within the lodging sector to augment FUM growth. Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for more information. (e) We believe we are well positioned to continue executing on our growth strategy and creating value for our shareholders, given our diversification across a spectrum of asset classes and strategies, full stack operating capabilities across the real estate value chain, deep relationships with capital partners, distinctive fee-centric lodging platform, strong brand equity, and experienced leadership team. Please refer to the sections titled "Summary" and "Prospectus, Business Strategies and Future Plans" in the Introductory Document for more information. (f) As stated in the Introductory Document, the aggregate market capitalisation of our Listed Funds on the SGX-ST constitutes around one-third of the S-REITs market capitalisation in Singapore, making CLI the leading manager of S-REITs when measured by such market capitalisation. On the lodging front, Ascott is one of the leading international lodging owner-operators with a portfolio spanning more than 30 countries globally. As at the end of FY2020, we had 123,000 lodging units under management, and continue to strive towards our planned target of 160,000 units under management by FY2023.
22.	**a) What is the proforma geographical distribution of revenue for the new CLI entity?** **b) What is the proforma breakdown of recurring vs non-recurring revenue for the new CLI entity?**
	(a) Please refer to the section titled "Management's Discussion and Analysis of Financial Position and Results of Operations – Principal Income Statement Components - Revenue" in the Introductory Document for further details on the breakdown of CLI Group's revenue by geographical segment for FY2019 and FY2020 as well as the three months ended 31 March 2020 and 2021. (b) CLI is expected to have a higher proportion of recurring income than CapitaLand today. Our fee income-related fund management and lodging management businesses will generate recurring fee income, while we also benefit from the regular distributions by our investments in our Listed Funds and Unlisted Funds.
23.	**a) Why were CICT units given to shareholders as consideration for the scheme? Why not other REITS, such as ASCENDAS REIT, AIT, ASCOTT REIT, CRCT under the CapitaLand stable of REITs?** **b) What are the prospects and outlook for CICT going forward? Should shareholders keep or sell the CICT units given to them as consideration for the scheme?**

	(a) As part of the CICT DIS, Eligible Shareholders will receive 0.155 CICT Units per CapitaLand share, with fractional entitlements to be disregarded. The structure and terms of the current transaction, including the distribution of CICT Units pursuant to the Scheme, were agreed after extensive negotiations with the Offeror. CICT is the largest real estate investment trust managed by CapitaLand and its units are considerably most liquid as compared with other Listed Funds. Given that the CICT Units to be distributed represent a relatively low percentage of CICT's total issued units and, taking into account CICT's liquidity, CapitaLand believes that there would be sufficient market demand to facilitate Shareholders' trading of the CICT Units for cash should they not intend to hold these CICT Units. In addition, post-CICT DIS, CLI's percentage unitholding in CICT of 22.95% will also be broadly in line with that of its holdings in other Listed Funds, such as Ascendas Real Estate Investment Trust and CapitaLand China Trust. As stated in paragraph 7.1.4 of the Letter to Shareholders, this is also in line with CapitaLand's long-term plan to deconsolidate the Listed Funds. (b) As with our other Listed Funds, we will continue to build on the track record established by CICT and strengthen its leadership in the S-REIT market. We remain committed to: • Delivering sustainable returns through disciplined investment while seeking value opportunities; • Building resilience into the portfolio through the value-unlocking of certain assets; and • Recycling of certain assets to deploy the sale proceeds of such assets into acquisitions of assets with a view to long term returns. Please refer to the section titled "Prospects, Business Strategy and Future Plans" in the Introductory Document for further details. We are unable to comment on whether shareholders should retain or sell the CICT units distributed to them pursuant to the CICT DIS. Each shareholder would have different investment objectives and profiles, as such, any individual shareholder who may require advice in the context of his specific investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser.
24.	**Please help me understand or challenge my understanding. Internal strategic re-structuring of the investment business segment is what shareholders come to expect of the Board & Management of CapitaLand to deliver better returns from investment business segment to all shareholders including CLA. This restructuring does not require capital reduction exercises through CLI DIS and CICT DIS.**
	The Scheme is undertaken to facilitate faster growth and accelerate the transformation of CapitaLand's business through creation of CLI. Through the DIS, the real estate investment management business of the Group is separated from its capital intensive and longer-gestation real estate development business and assets, the value of which is not adequately appreciated by the public markets. This would also enable the Company to put greater focus on the real estate investment management to drive higher capital productivity, efficiency and returns.

	Through the DIS (which is effected via capital reduction exercise), CapitaLand shareholders will own CLI shares whose business profile more closely resembles that of real estate investment manager. Public markets value real estate investment managers differently from listed developers – listed real estate investment managers tend to trade at a premium to book value, while developers tend to trade at discount to book value.
25.	**The capital reduction exercise through CICT DIS will reduce both CLI's and CLA's holding of CICT units but increase eligible (minority) shareholders' holding of CICT units?**
	Pursuant to the CICT DIS, 6% CICT units are being distributed by CapitaLand to all Eligible Shareholders on a pro-rata basis. However, the Offeror will not participate in the CICT DIS. The CICT units that the Offeror that would otherwise be entitled to receive had it participated in the CICT DIS will accordingly be distributed to the Eligible Shareholders on a pro-rata basis as part of the consideration for the development business. As such, the Offeror will not receive any CICT Units, all Eligible Shareholders will receive an aggregate of approximately 6.00% of the CICT Units outstanding, and CLI will have a 22.9% ownership stake in CICT.
26.	**COVID-19 has significant impact on CICT REIT business recovery. Why CapitaLand not offering Ascendas Reit units or few different REITs for the capital reduction exercise? Why CICT only?**
	CapitaLand's current ownership stake in CICT is 28.9%. The DIS of CICT Units by CapitaLand, representing approximately 6.00% of the CICT Units outstanding, would lower our stake in CICT to 22.9%, broadly in line with our holdings in other Listed Funds, such as Ascendas REIT and CapitaLand China Trust. As stated in paragraph 7.1.4 of the Letter to Shareholders, this is also in line with our long-term plan to deconsolidate the Listed Funds. CICT is the largest real estate investment trust managed by CapitaLand and its units are considerably most liquid as compared with other Listed Funds. Given that the CICT Units to be distributed represent a relatively low percentage of CICT's total issue units, and taking into account CICT's liquidity, we believe that there would be sufficient market demand to facilitate Shareholders' trading of the CICT Units.
27.	**Will CLA consider offering more attractive/valuable Ascendas Reit units as part of consideration or full cash as consideration for acquisition of development business to make the offer more attractive?**
	The structure of the current transaction has been negotiated extensively and agreed with the Offeror. A-REIT units are not part of the offer, and we will continue to own an 18.0% stake A-REIT post the restructuring, broadly in line with our holdings in other Listed Funds.