CAPITALAND INTEGRATED COMMERCIAL TRUST
(Constituted in the Republic of Singapore pursuant to a trust deed dated 29 October 2001 (as amended))

ANNOUNCEMENT

PROPOSED ACQUISITION OF 50.0% INTEREST IN ION ORCHARD AND ION ORCHARD LINK

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1. INTRODUCTION

CapitaLand Integrated Commercial Trust Management Limited, in its capacity as manager of CapitaLand Integrated Commercial Trust ("**CICT**", and the manager of CICT, the "**Manager**"), is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CICT (the "**Trustee**"), has entered into a share purchase agreement (the "**Share Purchase Agreement**") with CLI Singapore Pte. Ltd. (the "**Vendor**"), a wholly-owned subsidiary of CapitaLand Investment Limited ("**CLI**"), to acquire 100.0% of the issued share capital of CapitaLand Retail Singapore Investments Pte. Ltd. ("**CRSI**") which holds, among others, an indirect 50.0% interest in the property known as ION Orchard located at 2 Orchard Turn, Singapore 238801 and comprised in strata Lot U7941T, Lot U7942A and Lot U7943K, all of Town Subdivision 21 ("**ION Orchard**") and an indirect 50.0% interest in the property known as ION Orchard Link comprised in Lot 70002P and Lot 80011L of Town Subdivision 21 ("**ION Orchard Link**", and together with ION Orchard, the "**Property**"[1], and the acquisition of 100.0% of the issued share capital of CRSI, the "**Proposed Acquisition**") for an estimated purchase consideration of approximately S$1,076.3 million (the "**Purchase Consideration**"), subject to completion adjustments.

2. INFORMATION ON THE PROPERTY[2]

The Property is an eight-storey iconic destination mall at the gateway of Singapore's renowned Orchard Road. With a total net lettable area of approximately 57,935 square metres (623,608 square feet), and a committed occupancy rate of approximately 96% as at

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1 Unless otherwise indicated, references to the Property will include ION Orchard Link, the underpass which connects ION Orchard to Tangs Orchard, which is held under separate title from ION Orchard and hence held by a special purpose vehicle, ION Orchard Link Pte. Ltd. ("**IOL**"). IOL was only incorporated in 2010 subsequent to the award of the tender for the ION-Tangs Orchard underpass by the relevant authorities.

2 The Property has a leasehold tenure of 99 years with effect from 13 March 2006. The Property has a gross floor area of 87,822 square metres (945,311 square feet) with approximately 520 carpark lots. The Property is certified Building and Construction Authority Green Mark Gold and LEED Gold.

30 June 2024, it is home to a diverse mix of approximately 300 international and local brands across the luxury and necessity retail segments. Known for its iconic architecture and its prominent digital façade that wraps around the frontage spanning approximately 120 metres, ION Orchard attracts millions of locals and foreign visitors annually. The asset is also built to exceptional standards and design specifications, allowing it to command premium rent and making it a one of the prime choices for luxury retail brands. It is part of an integrated development that also comprises a 56-storey condominium, The Orchard Residences. The Property is seamlessly connected via sheltered access to the Orchard Mass Rapid Transit ("**MRT**") station and is well-connected to the rest of Singapore by two MRT lines, namely the North-South Line ("**NSL**") and the Thomson East Coast Line ("**TEL**"), as well as ION Orchard Link, an underground pedestrian link with retail offerings. ION Orchard Link is a vital connection that links ION Orchard to other parts of Orchard Road.

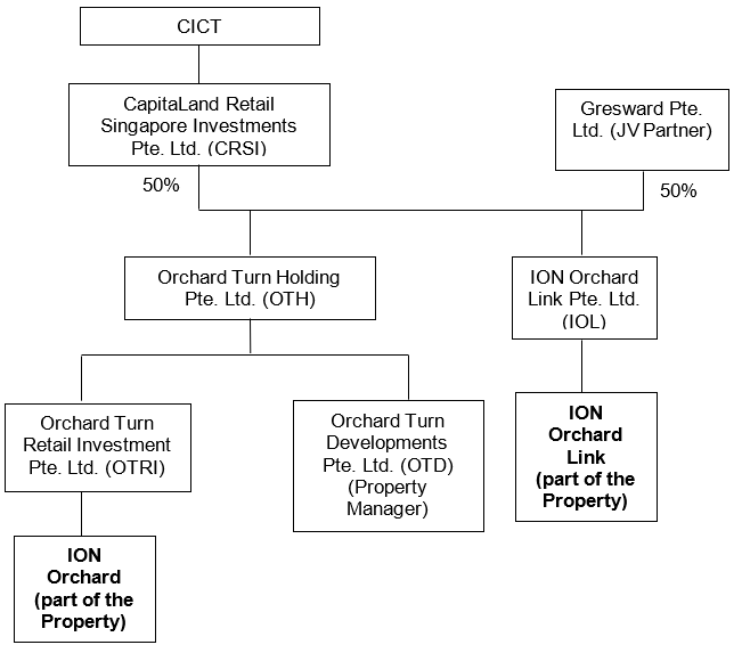
3. DETAILS OF THE PROPOSED ACQUISITION

3.1 Structure of the Proposed Acquisition

CRSI holds 50.0% of Orchard Turn Holding Pte. Ltd. ("**OTH**") and IOL. The remaining 50.0% stake in OTH and IOL is held by Gresward Pte. Ltd. (the "**JV Partner**"), which is an unrelated third party. OTH holds Orchard Turn Retail Investment Pte. Ltd. ("**OTRI**"), which holds ION Orchard) and Orchard Turn Developments Pte. Ltd. ("**OTD**"), which is the property manager of the Property (the "**Property Manager**"). IOL holds ION Orchard Link.

Through the Proposed Acquisition, CICT will indirectly hold 50.0% of OTH and IOL which amounts to a 50.0% stake in the Property and a 50.0% stake in OTD, the property management function of the Property.

The following diagram illustrates the holding structure of the Property upon completion of the Proposed Acquisition ("**Completion**"):



3.2 Purchase Consideration

The estimated Purchase Consideration for the Proposed Acquisition is S$1,076.3 million, which is computed based on the consolidated net asset value of the CRSI Group[3], adjusted for, among others, (1) 50.0% of the agreed value of the Property ("**Agreed Property Value**") of S$3,697.0 million for both ION Orchard and ION Orchard Link; and (2) 50.0% of the agreed value[4] of OTD, and taking into account 50.0% of the secured bank loan taken out by OTRI.

The final Purchase Consideration will be subject to completion adjustments.

The agreed values of the Property and OTD were negotiated on a willing-buyer and willing-seller basis.

3.3 Valuation

The Trustee has commissioned an independent property valuer, Cushman & Wakefield VHS Pte. Ltd. ("**Cushman**"), and the Manager has commissioned another independent property valuer, Savills Valuation and Professional Services (S) Pte Ltd ("**Savills**"), to value the Property.

Cushman has valued the Property (on a 100.0% basis) at S$3,690.0 million and Savills has valued the Property (on a 100.0% basis) at S$3,715.0 million using the Income Capitalisation and Discounted Cash Flow methods. The valuations of the Property as at 31 July 2024 are set out below.

The Agreed Property Value of the Property of S$3,697.0 million is within the range of the two independent valuations.

	Cushman	**Savills**
Market Valuations	S$3,690.0 million	S$3,715.0 million
Agreed Property Value	**S$3,697.0 million (on a 100.0% basis)**	
Premium / (Discount) to Valuation	0.2%	(0.5)%

3.4 Certain Terms and Conditions of the Share Purchase Agreement

The Share Purchase Agreement contains provisions relating to the Proposed Acquisition, including representations and warranties and other commercial terms such as completion of the Proposed Acquisition being subject to the satisfaction of certain conditions, including the following:

(i) CICT having obtained the approval of holders of Units in CICT ("**Units**", and the holders of Units, "**Unitholders**") at the extraordinary general meeting ("**EGM**") for the Proposed Acquisition;

3 "**CRSI Group**" refers to the entities directly and indirectly held by CRSI as set out in the chart in paragraph 3.1.

4 The negotiated agreed value of OTD is S$34.0 million.

(ii) there being no compulsory acquisition on or before Completion of, and no written notice of the compulsory acquisition or intended acquisition by any governmental or competent authority issued on or before Completion which requires the acquisition of:

(a) any part of the buildings within which the Property is comprised to any extent or measure which affects the use of, access to or function of, ION Orchard or ION Orchard Link; or

(b) more than a certain percentage of the land area of the land lots within which ION Orchard is comprised or the land area of ION Orchard Link;

(iii) there being no damage to the Property where (a) the cost of restoration works is more than a certain percentage of the Agreed Property Value, or (b) more than a certain percentage of the net lettable area of the Property is damaged, and such damage (1) results in OTRI or IOL being unable to lease or licence out such damaged space or (2) allows the occupiers of such damaged space to either terminate the occupation agreements or entitles such occupier(s) not to pay rental(s) or licence fee(s);

(iv) there being no unsatisfactory legal requisition replies received in respect of the Property; and

(v) there having been no breach of any of the fundamental warranties (as if repeated at Completion).

3.5 Joint Venture Agreement

There are existing joint venture agreements which CRSI had entered into with the JV Partner in relation to OTH and IOL (the "**JVAs**"). The JVAs would continue in place after the Proposed Acquisition. Further details in relation to the above will be set out in the circular (the "**Circular**") to be issued to Unitholders in due course.

3.6 Property Management Agreements

There are existing property management agreements in place in respect of the Property, which was entered into between (i) OTRI and the Property Manager; and (ii) IOL and the Property Manager on 2 September 2021 to appoint the Property Manager to provide property management services for the Property, which will continue to be in force following Completion of the Proposed Acquisition.

Through the Proposed Acquisition, CICT will indirectly hold 50.0% of OTD, being the Property Manager.

3.7 Total Acquisition Outlay

The total acquisition outlay (the "**Total Acquisition Outlay**") is approximately S$1,101.3 million, comprising:

(i) the estimated Purchase Consideration of approximately S$1,076.3 million, subject to completion adjustments;

(ii) an acquisition fee (the "**Acquisition Fee**") payable in Units to the Manager pursuant to the trust deed dated 29 October 2001 constituting CICT (as amended and/or

supplemented from time to time) (the "**Trust Deed**") for the Proposed Acquisition (the "**Acquisition Fee Units**") of approximately S$18.7 million (representing an acquisition fee at the rate of 1.0% of 50.0% of the Agreed Property Value and 1.0% of 50.0% of the agreed value for OTD)[5]; and

(iii) the fees and expenses incurred or to be incurred by CICT in connection with the Proposed Acquisition, including stamp duty, goods and services tax, professional fees and other fees and expenses of approximately S$6.4 million.

3.8 Method of Financing

The Manager intends to finance the Total Acquisition Outlay (save for the Acquisition Fee) from the net proceeds from the equity fund raising which was announced today (the "**Equity Fund Raising**"). The Acquisition Fee in relation to the Proposed Acquisition is to be paid in the form of Acquisition Fee Units to be issued to the Manager[6].

The Manager has, today, launched the Equity Fund Raising comprising to raise gross proceeds of no less than S$1.1 billion.

(See the announcement titled "*Launch of Equity Fund Raising to raise Gross Proceeds of no less than approximately S$1.1 billion*" issued on 3 September 2024 for further details of the Equity Fund Raising.)

As part of the Manager's portfolio optimisation strategy, the Manager constantly explores opportunities to unlock value, which may include the sale of CICT's properties. In the event that CICT sells any assets prior to completion of the Proposed Acquisition, the proceeds from the sale of such assets will enhance its financial flexibility.

3.9 Undertakings by CLI

To demonstrate CLI's support for CICT and the Equity Fund Raising, CLI has provided an irrevocable undertaking to the Manager that, among other things, subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including SGX-ST) it will procure its wholly owned subsidiaries which hold Units to accept, subscribe and pay in full for their total provisional allotment of the new Units to be issued under the Preferential Offering based on their respective entitlements.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Manager believes that the rationale for and the benefits of the Proposed Acquisition are as follows:

Overview

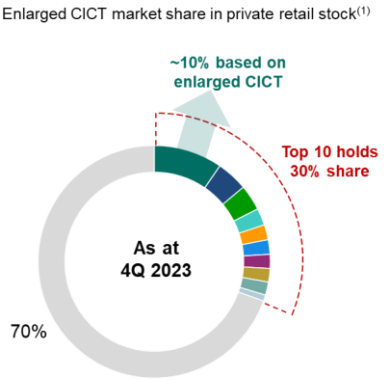
Since the merger of CapitaLand Mall Trust and CapitaLand Commercial Trust in November 2020, CICT has delivered DPU growth and resilient performance with its diversified

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5 As the Proposed Acquisition will constitute an "**interested party transaction**" under the Property Funds Appendix issued by the MAS, 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.

6 Based on the Trust Deed, the Manager shall be entitled to receive such number of Acquisition Fee Units as may be purchased for the relevant amount of the Acquisition Fee issued at the prevailing market price.

commercial portfolio, comprising retail and office assets and integrated developments, located predominantly in Singapore. This Proposed Acquisition of an iconic destination mall is expected to enhance the resilience of its high-quality and diversified portfolio of retail and office properties and integrated developments, further reinforcing CICT's proposition as the proxy for high-quality commercial real estate in Singapore. It will also augment CICT's leading position as the largest owner of Singapore's private retail stock.



Note:

(1) Total private retail stock, CBRE, 4Q 2023.

4.1 Transformative acquisition of Singapore's iconic destination mall with universal appeal

The opportunity to acquire the Property, an iconic destination mall represents a significant stride forward in delivering CICT's growth strategy and in deepening its presence in Singapore.

ION Orchard is conveniently located at the gateway of Singapore's renowned Orchard Road and is seamlessly integrated with the Orchard MRT interchange station that is served by the NSL and TEL, several neighbouring malls through underground pathways, and The Orchard Residences. Known for its iconic architecture and its prominent digital façade that wraps around the frontage spanning approximately 120 metres, ION Orchard attracts millions of locals and foreign visitors annually. The asset is also built to exceptional standards and design specifications, allowing it to command premium rent and making it a one of the prime choices for luxury retail brands.

The eight-storey destination mall is home to a diverse mix of approximately 300 international and local brands across the luxury and necessity retail segments. This mix includes fine jewellery and watches, luxury fashion and accessories, food and beverage, to lifestyle and services. This diversity of offerings and positioning has resulted in the Property having a unique appeal to a wide spectrum of consumers, solidifying its reputation as the premium retail destination.

With the addition of the Property to its portfolio, CICT will have more brands and tenants in the luxury retail sector in Singapore. The universal appeal of the Property provides stability through market cycles and enhances CICT's overall portfolio resilience.

4.2 Consolidates CICT's retail presence in the tightly held downtown precinct

The Proposed Acquisition allows CICT to achieve significant presence in the downtown retail market, especially from the Orchard shopping belt where retail stock is limited through to City Hall. This stretch in downtown is served by four[7] MRT stations and has some of the highest ridership in Singapore (an aggregate of over 160,000 passengers per day on average[8]). Post the Proposed Acquisition, CICT will have ION Orchard located in the prime Orchard Road shopping belt, Plaza Singapura and The Atrium@Orchard located in Dhoby Ghaut, as well as Raffles City Singapore and Funan located in the City Hall area.

Orchard Road is a prime catchment area with a deep base of affluent residents. ION Orchard itself is part of an integrated development which comprises The Orchard Residences, the district's tallest and most architecturally definitive 56-storey landmark, with 175 exclusive, super-luxury apartments. The Orchard Road vicinity[9] is also home to over 20,000 residential units and these residents serve as a steady base of consumers of both casual and high-end necessity goods. The stickiness and proximity of such residents provide resilient demand for retailers on Orchard Road through economic cycles. On top of that, Orchard Road stands to benefit from healthy domestic consumption given the positive outlook in Singapore's economy[10]. Annual GDP growth is expected to reach 2.0% - 3.0% and disposable income per capita growth is expected to reach 3.2% by 2024[11].

Orchard Road is also a top-rated tourist destination attracting a broad base of tourists. In 2023, Orchard Road attracted approximately 4.5 million international tourists comprising of approximately 1.7 million from Southeast Asia, approximately 0.9 million from Greater China, and approximately 0.5 million from the Americas and Europe[12]. Orchard Road's catchment includes over 10,600 hotel rooms, one of the highest concentrations in Singapore[13]. This allows ION Orchard to benefit from high tourist visitation and tourism receipts that are expected to rebound to pre-pandemic levels[14].

The attractive retail real estate fundamentals further support a positive outlook for Orchard Road retail market. It is a coveted location marked by limited retail stock, with Orchard Road contributing only 14% of the total private retail stock in Singapore. No known new retail stock supply is expected to be added along Orchard until year 2027[15]. This allows Orchard Road to continue commanding a premium rent on a moderate growth trajectory[16] on the back of continued recovery in tourism and resilient domestic spending.

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7 Orchard, Somerset, Dhoby Ghaut and City Hall.

8 For the month of June 2024; Based on Land Transport Authority – DataMall.

9 Comprises dwellings in apartments and condominium units within Singapore postal district 9, excludes landed properties.

10 Please refer to slide 46 of 1H 2024 Financial Results presentation slides which are available on CICT's website (https://investor.cict.com.sg/financial_results.html).

11 Source: Singapore Department of Statistics, BMI research.

12 Based on Singapore Tourism Board's Annual Visitor Profile Statistics for 2023 extracted on 2 September 2024.

13 As at 30 August 2024 per Singapore Tourism Board.

14 Please refer to slide 51 of 1H 2024 Financial Results presentation slides which are available on CICT's website (https://investor.cict.com.sg/financial_results.html).

15 CBRE, 2Q 2024. Please also refer to slide 48 of 1H 2024 Financial Results presentation slides which are available on CICT's website (https://investor.cict.com.sg/financial_results.html).

16 CBRE, 2Q 2024. Please also refer to slide 49 of 1H 2024 Financial Results presentation slide available on CICT's website (https://investor.cict.com.sg/financial_results.html).

4.3 Reinforces CICT's proposition as the proxy for high quality Singapore commercial real estate

The Proposed Acquisition is aligned with CICT's growth strategy and reinforces CICT's leading market position as the proxy for high-quality commercial real estate in Singapore. Upon the completion of the Proposed Acquisition, CICT's portfolio asset mix continues to be balanced and diversified based on portfolio property value – 35% for retail properties, 37% for office properties and 28% for integrated developments (mainly retail and office assets) (Chart I). The retail assets' contribution by value grew to 35% from 30%. Specifically, CICT's Singapore retail footprint will increase by approximately 14.3% in terms of net lettable area ("**NLA**"), and the footprint will become more balanced across downtown core and Orchard Road (Chart III).

CICT remains predominantly Singapore focus with 94% of its portfolio property value from Singapore after an expected rise in assets under management to S$26.4 billion from S$24.5 billion post-Proposed Acquisition (Chart II).

Chart I: Portfolio Property Value by Asset Class Remains Balanced and Diversified

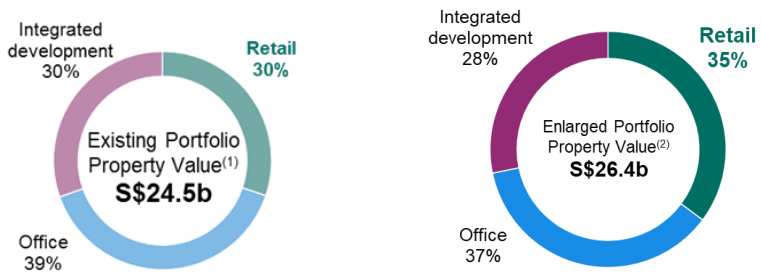
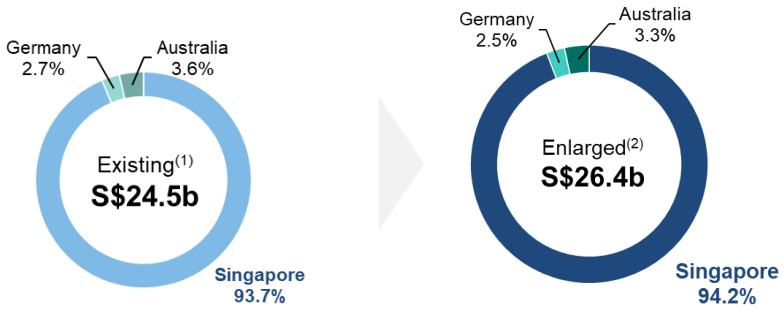


Chart II: Portfolio Property Value by Geography Remains Singapore Focus

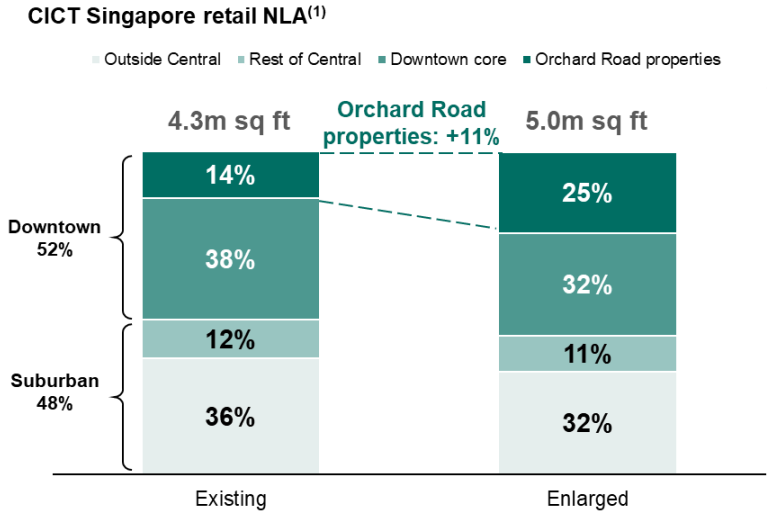


Notes:

(1) Based on the valuation of CICT's existing portfolio as at 31 December 2023 and includes CICT's proportionate interest in Gallileo and Main Airport Center (94.9% interest each), CapitaSky (70.0% interest), CapitaSpring (45.0% interest), 101-103 Miller Street and Greenwood Plaza (50.0% interest).

(2) Enlarged portfolio property value includes the property value of the existing portfolio and a 50.0% interest of ION Orchard based on Agreed Property Value (S$1,848.5 million).

Chart III: CICT's Retail Portfolio in Singapore Expected to Expand Proportion of Orchard Road by NLA (million sq ft)

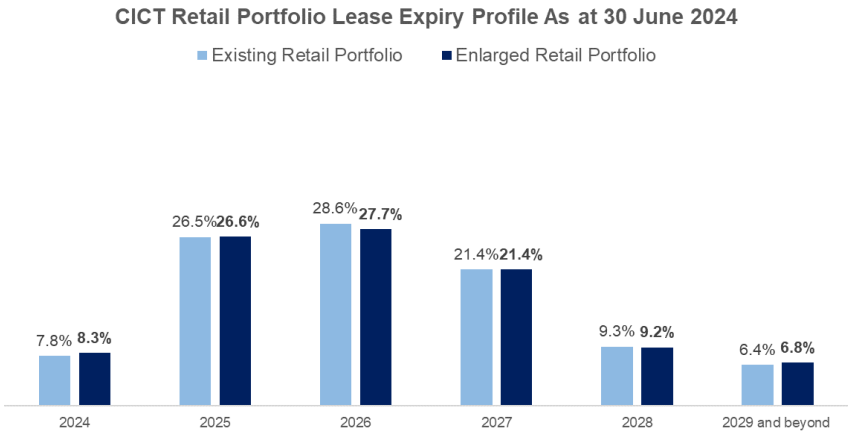


Note:

(1) Retail comprises retail-only properties and the retail component in integrated developments.

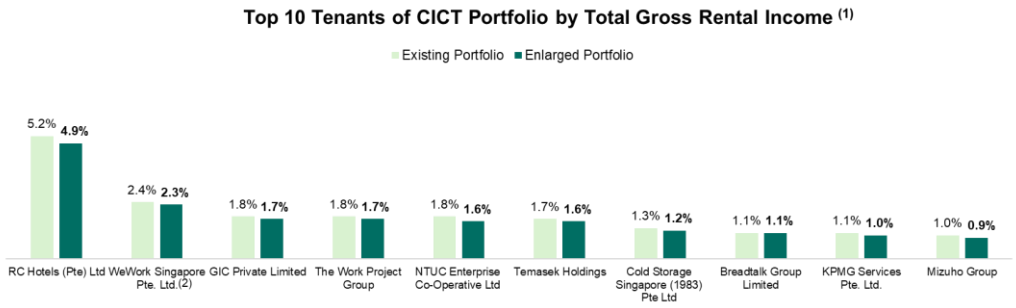
Post the Proposed Acquisition, CICT's retail portfolio lease expiry profile and weighted average lease expiry ("**WALE**"), both by NLA, are expected to remain largely unchanged (Chart IV). CICT's retail portfolio WALE (by NLA) is expected to stay at 2.2 years. ION Orchard will bring to CICT's portfolio several new-to-portfolio tenants across a variety of retail trade, such as Gentle Monster, Louis Vuitton, Loewe, Longchamp, Taste Paradise, ZARA, and Singapore Airlines. This adds quality and diversification to CICT's overall retail tenant profile and reduces the top 10 tenants' contribution to the overall portfolio's Gross Rental Income to 18.0% from 19.2% (Chart V). The acquisition of ION Orchard also introduces several new retail concepts and retail experiences to CICT's offerings, such as the 2023 Tag Heuer pop-up event. As retail brands place more emphasis on in-store retail experience to differentiate from online competition, it is important for CICT's portfolio to be able to accommodate such innovative retail approaches.

Chart IV: CICT's Singapore Retail Portfolio Lease Expiry Profile by NLA To Remain Largely Unchanged as at 30 June 2024



Note: Retail comprises retail-only properties and the retail component in integrated developments (except Greenwood Plaza which is a small retail component).

Chart V: Post Proposed Acquisition, Contribution From Portfolio Top 10 tenants To Reduce to 18.0% From 19.2%; Top Tenant's Contribution Would Be <5%



Notes:

(1) For the month of June 2024 and excludes gross turnover rent.

(2) Income contribution comprised the tenant's lease at Funan and 21 Collyer Quay.

Upon completion of the Proposed Acquisition, and on the assumption that the Proposed Acquisition is completed before or on 30 June 2024, the size of CICT's overall portfolio would likely have expanded with the following operating metrics, as shown in the table below.

	CICT's Portfolio as at 30 June 2024	**CICT's Portfolio Post Proposed Acquisition**
Portfolio NLA (million square feet)	12.0	12.6
Portfolio Occupancy (%)	96.8	96.7
Portfolio WALE by NLA (years)	5.0	4.8

4.4 Immediate DPU Accretion and Well Positioned For Growth

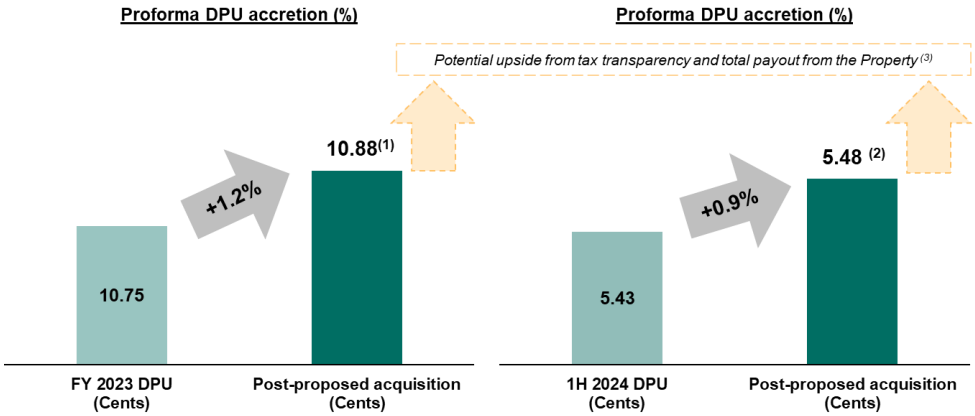
The Property is acquired at a gross yield of approximately 7.1%, based on the annualised 1H 2024 gross revenue for the Property.

The Proposed Acquisition is also expected to be accretive to CICT's DPU. Based on the pro forma financial impact for the financial year ended 31 December 2023 ("**FY 2023**") and six-month period ended 30 June 2024 ("**1H 2024**"), the Proposed Acquisition is expected to provide a DPU accretion of 1.2% and 0.9%, respectively (Chart VI).

The pro forma DPU accretion may potentially be higher due to the possibility of tax savings should there be a conversion of the Property holding entities to allow for tax transparency[17], along with the possibility of a total payout from the Property. The potential conversion of the Property holding entities for tax transparency purposes is subject to the JV Partner's agreement, and the approval of the relevant authorities.

17 The Property is currently subject to corporate income tax rate of 17% as the Property is held by companies.

Chart VI: Proposed Acquisition Is DPU-accretive



Notes: DPU accretion for illustrative purpose above is shown assuming illustrative issue price of S$2.038[18] per Private Placement Unit and issue price of S$2.007 per Preferential Offering Unit.

(1) The FY 2023 pro forma DPU accretion is for illustrative purposes and is prepared based on CICT's audited financial statements for the financial year ended 31 December 2023. It is calculated assuming (a) the Proposed Acquisition had been completed on 1 January 2023 and CICT had held and operated the Property for the financial year ended 31 December 2023; and (b) the Proposed Acquisition is funded by the net proceeds from the Equity Fund Raising.

(2) The 1H 2024 pro forma DPU accretion is for illustrative purposes and is prepared based on CICT's interim financial statements for the six-month period ended 30 June 2024. It is calculated assuming (a) the Proposed Acquisition had been completed on 1 January 2024 and CICT had held and operated the Property for the six-month period ended 30 June 2024; and (b) Proposed Acquisition is funded by the net proceeds from the Equity Fund Raising.

(3) The Property is currently subject to corporate income tax rate of 17% as the Property is held by companies; Potential conversion of the Property holding entities to achieve tax transparency will result in tax savings and enhanced earnings, subject to JV Partner's agreement and relevant authorities' approval.

Please refer to paragraph 5.1 of this Announcement for further details on the pro forma financial effects of the Proposed Acquisition.

The Property is well-positioned for further growth given its committed occupancy of approximately 96% compared to CICT's high retail portfolio occupancy levels. CICT is able to drive growth through active asset management in partnership with its JV Partner[19]. Collaborating closely with the JV Partner, CICT will work towards realising potential upside from the resilient Proposed Acquisition.

5. DETAILS AND FINANCIAL INFORMATION OF THE PROPOSED ACQUISITION

5.1 Pro Forma Financial Effects of the Proposed Acquisition

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisition on the DPU, NAV per Unit and aggregate leverage presented below are strictly for illustrative purposes and were prepared

18 The illustrative issue price of S$2.038 per Private Placement Unit is purely for illustrative purposes and is not the actual issue price of the new Units pursuant to the Equity Fund Raising.

19 The JV partner is Sun Hung Kai Properties, a leading property developer and operator in Greater China renowned for premium large scale integrated developments.

based on the audited financial statements of CICT for FY 2023 (the "**CICT FY 2023 Audited Financial Statements**") as well as the following assumptions:

(i) the Proposed Acquisition is funded by the net proceeds from the Equity Fund Raising;

(ii) the fees and expenses incurred or to be incurred by CICT in connection with the Proposed Acquisition, including stamp duty, goods and services tax, professional fees and other fees and expenses of approximately S$6.4 million; and

(iii) approximately 8.7 million Acquisition Fee Units are issued for the Acquisition Fee payable to the Manager at the illustrative issue price of S$2.1338 per Acquisition Fee Unit (purely for illustrative purposes only).

5.1.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisition on CICT's DPU for FY 2023, as if the Proposed Acquisition were completed on 1 January 2023 and CICT held and operated the Property through to 31 December 2023, are as follows:

	Actual FY 2023 (Before the Proposed Acquisition)	**Pro Forma FY 2023 (After the Proposed Acquisition)**
Distributable Income (S$ million)	715.7	786.4[(1)]
Issued and Issuable Units (million)	6,657.7[(2)]	7,226.9[(3)]
DPU (Singapore cents)	10.75	10.88
DPU accretion (%)	-	1.2

Notes:

(1) The interest rate is based on the assumed interest rate post financing arrangements.

(2) Refers to the number of Units in issue as at 31 December 2023.

(3) Includes (a) approximately 171.7 million Private Placement Units at S$2.038[18] per Private Placement Unit issued pursuant to the Private Placement; (b) approximately 377.3 million Preferential Offering Units at S$2.007 per Preferential Offering Unit issued pursuant to the Preferential Offering; (c) approximately 8.7 million Acquisition Fee Units issuable at an illustrative issue price of S$2.1338 per Acquisition Fee Unit and (d) approximately 11.4 million new Units issuable to the Manager at an illustrative issue price of S$2.1338 per Unit on the basis that 70.0% of the total management fees for the whole portfolio (including the Property) will be paid to the Manager in the form of Units.

The pro forma financial effects of the Proposed Acquisition on CICT's DPU for the financial period ended 30 June 2024, as if the Proposed Acquisition were completed on 1 January 2024 and CICT held and operated the Property through to 30 June 2024, are as follows:

	Actual 1H 2024 (Before the Proposed Acquisition)	Pro Forma 1H 2024 (After the Proposed Acquisition)
Distributable Income (S$ million)	366.5	400.5(1)
Issued and Issuable Units (million)	6,734.6(2)	7,298.1(3)
DPU (Singapore cents)	5.43	5.48
DPU accretion (%)	-	0.9

Notes:

(1) The interest rate is based on the assumed interest rate post financing arrangements.

(2) Refers to the number of Units in issue as at 30 June 2024.

(3) Includes (a) approximately 171.7 million Private Placement Units at S$2.038[18] per Private Placement Unit issued pursuant to the Private Placement; (b) approximately 377.3 million Preferential Offering Units at S$2.007 per Preferential Offering Unit issued pursuant to the Preferential Offering; (c) approximately 8.7 million Acquisition Fee Units issuable at an illustrative issue price of S$2.1338 per Acquisition Fee Unit and (d) approximately 5.8 million new Units issuable to the Manager at an illustrative issue price of S$2.1338 per Unit on the basis that 70.0% of the total management fees for the whole portfolio (including the Property) will be paid to the Manager in the form of Units.

5.1.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisition on CICT's NAV per Unit as at 31 December 2023, as if the Proposed Acquisition were completed on 31 December 2023, are as follows:

	Actual as at 31 December 2023 (Before the Proposed Acquisition)	Pro Forma as at 31 December 2023 (After the Proposed Acquisition)
NAV (S$ million)	13,837.3	14,918.3
Issued and Issuable Units (million)	6,671.7(1)	7,229.5(2)
NAV per Unit (S$)	2.07	2.06

Notes:

(1) Refers to the number of issued and issuable Units as at 31 December 2023.

(2) Includes (a) approximately 171.7 million Private Placement Units at S$2.038[18] per Private Placement Unit issued pursuant to the Private Placement; (b) approximately 377.3 million Preferential Offering Units at S$2.007 per Preferential Offering Unit issued pursuant to the Preferential Offering and (c) approximately 8.7 million Acquisition Fee Units issuable at an illustrative issue price of S$2.1338 per Acquisition Fee Unit.

The pro forma financial effects of the Proposed Acquisition on CICT's NAV per Unit as at 30 June 2024, as if the Proposed Acquisition were completed on 30 June 2024, are as follows:

	Actual as at 30 June 2024 (Before the Proposed Acquisition)	**Pro Forma as at 30 June 2024 (After the Proposed Acquisition)**
NAV (S$ million)	13,975.1	15,056.0
Issued and Issuable Units (million)	6,743.6[(1)]	7,301.4[(2)]
NAV per Unit (S$)	2.07	2.06

Notes:

(1) Refers to the number of issued and issuable Units as at 30 June 2024.

(2) Includes (a) approximately 171.7 million Private Placement Units at S$2.038[18] per Private Placement Unit issued pursuant to the Private Placement; (b) approximately 377.3 million Preferential Offering Units at S$2.007 per Preferential Offering Unit issued pursuant to the Preferential Offering and (c) approximately 8.7 million Acquisition Fee Units issuable at an illustrative issue price of S$2.1338 per Acquisition Fee Unit.

5.1.3 Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Acquisition on CICT's aggregate leverage as at 30 June 2024, as if the Proposed Acquisition were completed on 30 June 2024, are as follows:

	Actual as at 30 June 2024 (Before the Proposed Acquisition)	**Pro Forma as at 30 June 2024 (After the Proposed Acquisition)**
Aggregate Leverage	39.8%	39.9%

5.2 Requirement for Unitholders' Approval

5.2.1 Discloseable Transaction

Chapter 10 of the Listing Manual governs the acquisition or divestment of assets, including options to acquire or dispose of assets, by CICT. Such transactions are classified into the following categories:

(a) non-discloseable transactions;

(b) discloseable transactions;

(c) major transactions; and

(d) very substantial acquisitions or reverse takeovers.

A transaction by CICT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison:

(i) the NAV of the assets to be disposed of, compared with CICT's NAV;

(ii) the net profits attributable to the assets acquired, compared with CICT's net profits;

(iii) the aggregate value of the consideration given, compared with CICT's market capitalisation; and

(iv) the number of Units issued by CICT as consideration for an acquisition, compared with the number of Units previously in issue.

Where any of the relative figures computed on the bases set out above exceeds 5.0% but does not exceed 20.0%, the transaction is classified as a discloseable transaction under Rule 1010 of the Listing Manual which would not be subject to the approval of Unitholders.

The Manager is also of the view that the Proposed Acquisition is in the ordinary course of CICT's business as the Proposed Acquisition is within the investment policy of CICT and does not change the risk profile of CICT.

5.2.2 Relative Figures Computed on the Bases set out in Rule 1006

The relative figures for the Proposed Acquisition using the applicable bases of comparison described in sub-paragraph 5.2.1 above are set out in the table below.

Rule 1006(a) of the Listing Manual is not applicable to the Proposed Acquisition as CICT will not be disposing of any assets under the Proposed Acquisition. Rule 1006(d) of the Listing Manual is not applicable to the Proposed Acquisition as CICT will not be issuing any Units as consideration for the Proposed Acquisition.

	Proposed Acquisition (S$ million)	**CICT (S$ million)**	**Relative figure (%)**
Net Profits(1)	29.7(2)	372.8(3)	8.0
Consideration against market capitalisation	1,076.3(4)	14,376.6(5)	7.5

Notes:

(1) "**Net profits**" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interest.

(2) Based on the unaudited results of the CRSI Group for the 6-month period ended 30 June 2024.

(3) Based on the unaudited results of the CICT Group for the 6-month period ended 30 June 2024.

(4) This figure represents the Purchase Consideration.

(5) Based on the weighted average price of S$2.1338 per Unit on the SGX-ST as at 2 September 2024, being the market day prior to the date of the Share Purchase Agreement.

As shown in the table above, the Proposed Acquisition constitutes a "discloseable transaction" under Rule 1010 of the Listing Manual and is not subject to the specific approval of Unitholders at an EGM under Chapter 10 of the Listing Manual.

However, as the Proposed Acquisition constitutes an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party

transaction" under Paragraph 5 of the Property Funds Appendix, the Proposed Acquisition will still be subject to the specific approval of Unitholders.

5.3 Interested Person Transaction and Interested Party Transaction

Under Chapter 9 of the Listing Manual, where CICT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of CICT's latest audited NTA, Unitholders' approval is required in respect of the transaction. Based on the CICT FY2023 Audited Financial Statements, the NTA of CICT Group was S$14,199.8 million (represented by Unitholders' funds) as at 31 December 2023. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by CICT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S$710.0 million, being 5.0% of the latest audited NTA of CICT, such a transaction would be subject to Unitholders' approval.

Paragraph 5.2(b) of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by CICT whose value exceeds 5.0% of CICT's latest audited NAV. Based on the CICT FY 2023 Audited Financial Statements, the NAV of CICT Group was S$14,199.8 million (represented by Unitholders' funds) as at 31 December 2023. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by CICT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with an interested party during the current financial year, equal to or greater than S$710.0 million, being 5.0% of the latest audited NAV of CICT, such a transaction would be subject to Unitholders' approval.

As at the date of this Announcement, CLI, through its subsidiaries and through its interest in the Manager, has deemed interests in 1,601,662,838 Units, which is equivalent to approximately 23.77% of the total number of Units in issue as at the date of this Announcement[20].

CLI is therefore regarded as a "controlling unitholder" of CICT under both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is an indirect wholly owned subsidiary of CLI, CLI is therefore regarded as a "controlling shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

The Vendor is a wholly owned subsidiary of CLI. For the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Vendor (being an associate of a "controlling unitholder" of CICT and a "controlling shareholder" of the Manager) is (for the purpose of the Listing Manual) an "interested person" and (for the purpose of the Property Funds Appendix) an "interested party" of CICT.

The Purchase Consideration is S$1,076.3 million or 7.6% of the latest audited NTA and NAV of CICT as at 31 December 2023. Accordingly, the value of the Proposed Acquisition

20 Based on a total number of 6,737,570,975 Units in issue as at the date of this Announcement.

exceeds the said thresholds and Unitholders' approval is required to be sought pursuant to Rule 906(1) of the Listing Manual and Paragraph 5 of the Property Funds Appendix. Accordingly, the Proposed 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 is required.

As at the date of this Announcement, the value of all interested person transactions (as aggregated under Rule 905 of the Listing Manual) entered into between CICT and CLI and its subsidiaries and associates during the course of the current financial year ending 31 December 2024 (excluding the Proposed Acquisition and any transactions with a value of less than S$100,000) is approximately S$65.6 million (which is approximately 0.5% of CICT's latest audited NTA and latest audited NAV as at 31 December 2023).

The value of all interested person transactions (as aggregated under Rule 905 of the Listing Manual) entered into during the course of the current financial year up to the date of this Announcement between CICT and all interested persons (including CLI, its subsidiaries and associates) (excluding the Proposed Acquisition and any transactions with a value of less than S$100,000) is approximately S$113.5 million.

5.4 Interests of Directors and Substantial Unitholders

Mr Jonathan Yap Neng Tong, a Non-Executive Non-Independent Director of the Manager, is the Chief Executive Officer of CapitaLand Group Pte. Ltd., a controlling shareholder of CLI, and Ms Janine Gui Siew Kheng, a Non-Executive Non-Independent Director of the Manager, is the Chief M&A Officer of CLI and the Deputy Chief Executive Officer of CLI International.

As at the date of this Announcement, all of the directors of the Manager collectively hold an aggregate direct and indirect interest in 1,627,379 Units and certain directors of the Manager collectively hold an aggregate direct and indirect interest in 2,665,302 ordinary shares of CLI.

As at the date of this Announcement, CLI, through its subsidiaries and through its interest in the Manager, has deemed interests in 1,601,662,838 Units, which is equivalent to approximately 23.77% of the total number of Units in issue as at the date of this Announcement.

Save as disclosed in this Announcement and as at the date of this Announcement, none of the Directors or the Substantial Unitholders[21] has an interest, direct or indirect in the Proposed Acquisition.

5.5 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Proposed Acquisition or any other transactions contemplated in relation to the Proposed Acquisition.

21 "**Substantial Unitholder**" means a person with an interest in Units constituting not less than 5.0% of the total number of Units in issue.

6. OPINION OF THE INDEPENDENT FINANCIAL ADVISER AND STATEMENT OF THE INDEPENDENT DIRECTORS, THE AUDIT AND RISK COMMITTEE

The Manager has appointed Ernst & Young Corporate Finance Pte Ltd as the independent financial adviser (the "**IFA**") pursuant to Rule 921(4)(a) of the Listing Manual as well as to advise the independent directors of the Manager (the "**Independent Directors**"), the Audit and Risk Committee of the Manager (the "**Audit and Risk Committee**") and the Trustee in relation to the Proposed Acquisition, as an interested person transaction.

The Audit and Risk Committee will obtain an opinion from the IFA on the Proposed Acquisition before forming its view as to whether the transaction is on normal commercial terms, and is not prejudicial to the interests of CICT and its minority Unitholders.

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

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager 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 independent valuation report on the Property issued by Savills; and

(ii) the independent valuation report on the Property issued by Cushman.

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

Prior appointment to be arranged with the Investor Relations team via ask-us@cict.com.sg is requested for inspection of the respective documents.

BY ORDER OF THE BOARD
CapitaLand Integrated Commercial Trust Management Limited
(Company Registration Number: 200106159R)
As Manager of CapitaLand Integrated Commercial Trust

Lee Ju Lin, Audrey
Company Secretary
3 September 2024

IMPORTANT NOTICE

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 and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the Manager regarding future events. No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this Announcement. None of the Manager or any of its affiliates, advisers or representatives undertakes any obligation to update publicly or revise any forward-looking statements, and none of them shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this Announcement or its contents or otherwise arising in connection with this Announcement.

The past performance of CICT is not necessarily indicative of the future performance of CICT. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its respective affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Unitholders have no right to request that the Manager redeems or purchases their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST.

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.