



CAPITALAND INTEGRATED COMMERCIAL TRUST

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

ANNOUNCEMENT

SALE OF ONE GEORGE STREET

1. INTRODUCTION

1.1 Sale

CapitaLand Integrated Commercial Trust Management Limited, in its capacity as manager of CapitaLand Integrated Commercial Trust (“**CICT**”, and the manager of CICT, the “**Manager**”), wishes to announce that One George Street LLP, which is a limited liability partnership in Singapore (“**OGS LLP**”), has on 12 November 2021 entered into a sale and purchase agreement (the “**SPA**”) with SG OGS Pte. Ltd. (the “**Purchaser**”) to divest the whole of Lot 573V of Town Subdivision 4, comprising the premises known as One George Street at 1 George Street, Singapore 049145 (“**One George Street**”, and the sale of One George Street, the “**Sale**”).

HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CICT (the “**Trustee**”), indirectly holds a 50% interest in OGS LLP which in turn owns One George Street.

1.2 Information on One George Street

One George Street is a 23 storey Grade A office building located at the Raffles Place precinct.

One George Street has a total net lettable area of 445,735 square feet and its committed occupancy rate was 96.9% as at 30 September 2021. The property’s net property income for year-to-date September 2021 was S\$30.4 million on a 100.0% interest.

2. PRINCIPAL TERMS OF THE SALE

2.1 Consideration and Valuation

The consideration for the Sale (including plant and equipment) is approximately S\$1,281.5 million (the “**Consideration**”) or approximately S\$2,875 per square foot and was arrived at through a bidding process conducted by an appointed property consultant. CICT will receive 50% of the Consideration, amounting to approximately S\$640.7 million. Based on the annualized year-to-date September 2021 net property income and the Consideration, the exit yield is approximately 3.17%.

A deposit of approximately S\$128.1 million being the sum equivalent to 10% of the Consideration, has been paid by the Purchaser to OGS LLP upon signing of the SPA. The balance of the Consideration shall be paid upon the completion of the Sale.

Based on the valuation report of Knight Frank Pte Ltd, the valuer commissioned by OGS LLP and the Trustee, the open market value of One George Street as at 30 September 2021 was S\$1,175 million. The valuation was carried out by Knight Frank Pte Ltd using the capitalisation method and the discounted cashflow method.

2.2 Salient Terms of the Sale

The salient terms of the SPA include, amongst others, the following:

- (i) One George Street is sold subject to existing tenancies and licences;
- (ii) there being no material damage or compulsory acquisition relating to One George Street prior to completion of the Sale;
- (iii) the Purchaser not receiving a reply to legal requisitions from the relevant authorities which materially adversely affects One George Street prior to completion of the Sale; and
- (iv) none of the warranties in respect of OGS LLP's title to One George Street becoming untrue or incorrect prior to completion of the Sale.

OGS LLP had on 4 June 2021 obtained the consent of the Singapore Land Authority for the Sale and the Sale is expected to be completed in December 2021.

3. NET PROCEEDS AND FINANCIAL EFFECTS

3.1 Net Proceeds

After taking into account the discharge of the bank loan owed by OGS LLP, the divestment fee of approximately S\$3.2 million (being 0.5% of CICT's share of the Consideration) to be paid to the Manager in cash and other divestment related expenses, the net proceeds to CICT from the Sale would be approximately S\$344.8 million (on a 50% basis through CICT's 50% interest in OGS LLP). This will provide CICT with greater financial flexibility to repay debt, to finance any capital expenditure and asset enhancement works, investments and/or to finance general corporate and working capital requirements.

3.2 Financial Effects

The Sale is not expected to have any material effect on the net asset value per unit of CICT and the distribution per unit of CICT for the financial year ending 31 December 2021.

3.3 Non-Discloseable Transaction

The Sale is classified as a non-discloseable transaction under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

4. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

Save as disclosed and based on information available to the Manager as at the date of this announcement, save for unitholding interests in CICT held by certain directors of the Manager and the controlling unitholders of CICT, none of the Directors of the Manager or controlling unitholders of CICT has any interest, direct or indirect, in the Sale.

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

Lee Ju Lin, Audrey
Company Secretary
12 November 2021

IMPORTANT NOTICE

The past performance of CapitaLand Integrated Commercial Trust ("**CICT**") is not indicative of future performance. The listing of the units in CICT ("**Units**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") does not guarantee a liquid market for the Units. The value of the Units and the income from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, CapitaLand Integrated Commercial Trust Management Limited, as manager of CICT (the "**Manager**"), or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

This announcement may contain forward-looking statements that involve assumptions, 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 other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.