CAPITALAND INTEGRATED COMMERCIAL TRUST

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

ANNOUNCEMENT

ENTRY INTO INTERESTED PERSON TRANSACTIONS -

EXTENSION OF:

(I) MASTER PROPERTY MANAGEMENT AGREEMENT IN RELATION TO CERTAIN RETAIL PROPERTIES; AND

(II) PROPERTY MANAGEMENT AGREEMENT IN RELATION TO RAFFLES CITY SINGAPORE

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1. INTRODUCTION

CapitaLand Integrated Commercial Trust Management Limited, as manager of CapitaLand Integrated Commercial Trust ("**CICT**", and the manager of CICT, the "**Manager**") wishes to announce that the following agreements have been entered into on 24 June 2022:

(a) a letter of extension between HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee of CICT, the Manager and CapitaLand Retail Management Pte Ltd ("**CRMPL**"), a subsidiary of CapitaLand Investment Limited ("**CLI**"), to extend the existing master property management agreement dated 1 December 2011 as amended and supplemented from time to time (the "**MPMA**"), pursuant to which CRMPL will operate, maintain, manage and market certain retail properties of CICT ("**Retail Properties**[1]", and such extension, the "**MPMA Extension**"); and

(b) a letter of extension between HSBC Institutional Trust Services (Singapore) Limited in its capacity as trustee-manager of RCS Trust, the Manager and CapitaLand (RCS) Property Management Pte Ltd (the "**RCS Property Manager**"), a subsidiary of CLI, to extend the existing property management agreement dated 9 November 2021 (the "**RCS PMA**"), pursuant to which the RCS Property Manager will operate, maintain, manage and market Raffles City Singapore ("**RCS**", and such extension, the "**RCS PMA Extension**").

2. DISCLOSURE REQUIREMENTS

Under Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), where an entity at risk (as defined in the Listing Manual) proposes to enter into a transaction with an interested person (as defined in the Listing Manual) 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 three per cent. (3%), but is less than five per cent. (5%), of

[1] The Retail Properties include Bedok Mall, Bukit Panjang Plaza, Bugis+, Bugis Junction, Clarke Quay, Funan, IMM Building, Junction 8, Lot One Shoppers' Mall, Plaza Singapura, Tampines Mall, The Atrium@Orchard and Westgate.

the latest audited consolidated Net Tangible Asset ("**NTA**") of the issuer and its subsidiaries (the "**Issuer Group**"), an immediate announcement of the transaction must be made and if the value is equal to or exceeds five per cent. (5%) of the Issuer Group's latest audited consolidated NTA, approval of the unitholders of the issuer must be obtained.

As at the date of this announcement, CLI has an aggregate interest in 1,511,417,451 units in CICT ("**Units**"), representing approximately 27.80%[2] of the total number of Units in issue, and is therefore regarded as a "controlling unitholder" of CICT under both the Listing Manual and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**"). In addition, as the Manager is a 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.

For the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of Appendix 6 of the Property Funds Appendix, each of CRMPL and the RCS Property Manager, being a subsidiary of CLI, is considered an "associate" of (i) a "controlling unitholder" of CICT and (ii) a "controlling shareholder" of the Manager, and therefore an "interested person" (for the purposes of the Listing Manual) and "interested party" (for the purposes of the Property Funds Appendix) of CICT, which is regarded as an "entity at risk" for these purposes.

Therefore, each of the MPMA Extension and the RCS PMA Extension constitutes an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix. The MPMA Extension and the RCS PMA Extension, when aggregated with the existing interested person transactions with CLI and its subsidiaries and associates (the "**CLI Group**") would exceed 3.0% of the latest audited net tangible assets ("**NTA**") of CICT, and accordingly under Rule 905 of the Listing Manual, the Manager must make an announcement of such interested person transaction.

3. CERTAIN PRINCIPAL TERMS OF THE INTERESTED PERSON TRANSACTIONS

3.1 Key Terms of the MPMA Extension

CRMPL has been appointed to operate, maintain, manage and market the Retail Properties under the MPMA, which is due to expire by 27 December 2022. The MPMA is now being extended on the same terms and conditions till the earlier of:

(a) midnight of 31 May 2023; and

(b) midnight of the day preceding the commencement date of a new master property management agreement that is expressly stated to take effect upon the expiry of the MPMA / midnight of the date of termination of the MPMA,

(the "**MPMA Extension Expiry Date**").

Pursuant to the MPMA Extension, CICT shall pay CRMPL, an estimated sum of S$29.9 million ("**MPMA Fees**") as fees for the property management services provided by CRMPL.

The MPMA Fees are calculated based on the fee structure set out in the MPMA as follows:

(a) 2.0% per annum of the gross revenue of each of the Retail Properties;

(b) 2.0% per annum of the net property income ("**NPI**") of each of the Retail Properties;

[2] Based on a total of 6,629,556,440 Units as at 24 June 2022.

(c) 0.5% per annum of the NPI of each of the Retail Properties, in lieu of leasing commissions;

(d) reimbursement for the agreed employee expenditure incurred; and

(e) reimbursement of information technology costs incurred by CRMPL, in the course of the provision of property management services to the Retail Properties.

The fee structure used to calculate the MPMA Fees for the MPMA Extension is based on the same fee structure as set out in the MPMA. The Manager had carried out a benchmarking exercise to compare the MPMA Fees against the fee structures adopted by other Singapore real estate investment trusts which hold retail properties, and had also evaluated the MPMA Fees based on various factors including the performance of the Retail Properties. Based on the benchmarking exercise, the MPMA Fees are in line with the fee structures of other comparable Singapore real estate investment trusts.

Accordingly, the Manager is of the view that the MPMA Extension is on normal commercial terms and not prejudicial to the interests of CICT and its minority unitholders.

3.2 **Key Terms of the RCS PMA Extension**

The RCS Property Manager has been appointed to operate, maintain, manage and market RCS under the RCS PMA, which is due to expire by 27 December 2022. The RCS PMA is now being extended on the same terms and conditions till the earlier of:

(a) midnight of 31 May 2023; and

(b) midnight of the day preceding the commencement date of a new master property management agreement that is expressly stated to take effect upon the expiry of RCS PMA / midnight of the date of termination of RCS PMA,

(the "**RCS PMA Extension Expiry Date**").

Pursuant to the RCS PMA Extension, RCS Trust shall pay the RCS Property Manager an estimated sum of S$6.9 million ("**RCS Fees**") as fees for the property management services provided by the RCS Property Manager.

The RCS Fees are calculated based on the fee structure set out in the RCS PMA as follows:

(a) 2.0% per annum of the gross revenue of RCS;

(b) 2.0% per annum of the NPI of RCS;

(c) 0.5% per annum of the NPI of RCS, in lieu of leasing commissions; and

(d) reimbursement for the agreed employee expenditure incurred.

The fee structure used to calculate the RCS Fees for the RCS PMA Extension is based on the same fee structure as set out in the RCS PMA. The Manager had carried out a benchmarking exercise to compare the RCS Fees against the fee structures adopted by other Singapore real estate investment trusts which hold retail properties, and had also evaluated the RCS Fees based on various factors including the performance of RCS. Based on the benchmarking exercise, the RCS Fees are in line with the fee structures of other comparable Singapore real estate investment trusts.

Accordingly, the Manager is of the view that the RCS PMA Extension is on normal commercial terms and not prejudicial to the interests of CICT and its minority unitholders.

4. RATIONALE FOR THE INTERESTED PERSON TRANSACTIONS

The Manager is extending the appointments of CRMPL and the RCS Property Manager as the property managers of the Retail Properties and RCS respectively due to their proven track record and familiarity with operating, maintaining, managing and marketing the Retail Properties and RCS respectively. These are short-term extensions of the appointments until the MPMA Extension Expiry Date and the RCS PMA Extension Expiry Date for CRMPL and the RCS Property Manager respectively, while the Manager carries out a holistic review of the various property management agreements for the properties of CICT.

5. AUDIT COMMITTEE STATEMENT

The Audit Committee has considered the terms of the MPMA Extension and the RCS PMA Extension and is of the view that each of the MPMA Extension and the RCS PMA Extension is on normal commercial terms and is not prejudicial to the interests of CICT and its minority unitholders.

6. TOTAL VALUE OF INTERESTED PERSON TRANSACTIONS WITH CLI GROUP FOR THE CURRENT FINANCIAL YEAR

As at the date of this announcement, the value of all interested person transactions entered into between (1) CICT and (2) CLI and members of the CLI Group during the course of the current financial year (including the MPMA Extension and the RCS PMA Extension but excluding any transaction with a value of less than S$100,000) is approximately (a) S$661.30 million and (b) S$553.71 million pursuant to Rules 905 and 906 of the Listing Manual respectively.

The value of all interested person transactions entered into between (1) CICT and (2) all interested persons during the course of the current financial year (including the MPMA Extension and the RCS PMA Extension but excluding any transaction with a value of less than S$100,000) is approximately (a) S$1,250.27 million and (b) S$1,128.40 million pursuant to Rules 905 and 906 of the Listing Manual respectively.

7. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS[3]

As at the date of this announcement, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 1,013,962 Units and 2,087,778 shares of CLI.

Mr Tony Tan Tee Hieong is the Chief Executive Officer and an Executive Non-Independent Director of the Manager. Mr Jonathan Yap Neng Tong is a Non-Executive Non-Independent Director of the Manager and Chief Executive Officer (Fund Management) of CLI. Mr Lim Cho Pin Andrew Geoffrey is a Non-Executive Non-Independent Director of the Manager and the Group Chief Financial Officer of CLI.

Save as disclosed in this announcement and as at the date of this announcement, none of the directors of the Manager or Controlling Unitholders has an interest, direct or indirect, in the MPMA Extension and RCS PMA Extension.

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

24 June 2022

[3] "**Controlling Unitholders**" refers to a person with an interest in Units constituting not less than 15.0% of all Units in issue.

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

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.