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 70.0% INTEREST IN 79 ROBINSON ROAD

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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, "**CICT Manager**"), is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CICT (the "**Trustee**"), has, through 79RR Office Trust ("**79RR Office Trust**"), a wholly-owned sub-trust of CICT, entered into a conditional sale and purchase agreement (the "**SPA**") with Southernwood Investment Pte. Ltd. ("**SWI**") and MTC Japan Investment Pte. Ltd. ("**MTC**") to acquire 70.0% of the issued share capital of Southernwood Property Pte. Ltd. (the "**Target**") which holds the property located at 79 Robinson Road Singapore 068897 (the "**Property**"), in the following manner:

(a) 35.0% of the issued share capital of the Target shall be acquired from SWI (the "**SWI Acquisition**"); and

(b) 35.0% of the issued share capital of the Target shall be acquired from MTC (the "**MTC Acquisition**"),

(collectively, the "**Acquisition**").

CapitaLand Open End Real Estate Fund FCP-RAIF ("**COREF**"), a fund managed by CapitaLand Fund Management Pte. Ltd. (the "**COREF Manager**"), has, through STown 79RR Pte. Ltd. ("the "**COREF Party**"), a wholly-owned subsidiary of COREF, also entered into a separate sale and purchase agreement with Southernwood Holding Pte. Ltd. ("**SWH**") to acquire the remaining 30.0% of the issued share capital of the Target (the "**SWH Acquisition**").

Upon completion of the Acquisition and the SWH Acquisition ("**Completion**"), the Trustee will hold, through 79RR Office Trust, 251,720,168 ordinary shares in the issued share capital of the Target ("**Shares**") representing 70.0% of the total issued Shares, and the remaining

107,880,072 Shares representing 30.0% of the total issued Shares will be held by the COREF Party.

Shortly after Completion, the Target will apply to be converted into a limited liability partnership (the "**LLP**") pursuant to Section 27 of the Limited Liability Partnerships Act 2005 (the "**Conversion**"). As such, 79RR Office Trust and the COREF Party, as the shareholders of the Target following Completion, will enter into a limited liability partnership agreement (the "**LLP Agreement**") in relation to the LLP. The LLP Agreement will take effect on Conversion to regulate the relationship between 79RR Office Trust and the COREF Party *inter se* as partners of the LLP. The Conversion will allow unitholders of CICT (the "**Unitholders**") to enjoy tax transparency treatment on CICT's income from the letting of the Property that is received through 79RR Office Trust. The income generated from the Property will not be subject to corporate income tax at the LLP level as a limited liability partnership is tax transparent for Singapore tax purposes.

In connection with Completion, the Target will enter into a new property management agreement (the "**New PMA**") with CapitaLand Commercial Management Pte. Ltd. ("**CCMPL**"), a wholly-owned subsidiary of CapitaLand Investment Limited ("**CLI**").

2. INFORMATION ON THE PROPERTY

The Property is a new 29-storey Grade A office tower with ancillary retail with a leasehold interest of 99 years commencing from 10 January 1968. Located at the junction of Robinson Road and Maxwell Road within the Tanjong Pagar district, the Property is an office building that offers good quality and efficient workspaces optimised for scale and versatility with an excellent coastal view. The building is well connected to the transport network, providing unparalleled accessibility with a sheltered car drop-off and in-building parking, as well as end of trip facilities for cyclists with secured bicycle parking lots. In time to come, there will also be direct access to the Tanjong Pagar Mass Rapid Transit ("**MRT**") via an underground pedestrian link.

The Property has a total net lettable area of approximately 519,949 sq. ft. and has a committed occupancy rate of 92.9% as at 31 December 2021.

3. DETAILS OF THE ACQUISITION AND ANCILLARY TRANSACTIONS

3.1 The Acquisition

(a) Purchase Consideration

The consideration payable in relation to each of the SWI Acquisition and the MTC Acquisition (the "**SWI Consideration**" and the "**MTC Consideration**" respectively) is estimated to be S$210.6 million, being 35.0% of the adjusted net asset value of the Target as at the date of Completion (the "**Completion Date**"). The adjusted net asset value of the Target on a 100.0% basis is estimated to be S$601.6 million (subject to Completion adjustments), and takes into account, amongst other things, the agreed property value of the Property of S$1,260.0 million (the "**Agreed Property Value**") (which was negotiated on a willing-buyer willing-seller basis), other assets and other adjustments as provided for in the SPA, and less total liabilities (such liabilities include an existing S$620.0 million secured bank loan taken out by the Target (the "**Existing Loan**")).

The total purchase consideration for the SWI Acquisition and the MTC Acquisition, comprising the SWI Consideration and the MTC Consideration (the "**Purchase Consideration**"), is estimated to be S$421.1 million (subject to Completion adjustments).

(b) **Valuation**

The Trustee has commissioned Cushman & Wakefield VHS Pte. Ltd. ("**C&W**") and the CICT Manager has commissioned Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("**Colliers**"), in each case, as independent valuers, to value the Property as at 1 March 2022.

Each of C&W and Colliers has valued the Property at S$1,260.0 million as at 1 March 2022 using the discounted cash flow and capitalisation methods.

The Agreed Property Value (on a 100.0% basis) of S$1,260.0 million was negotiated on a willing-buyer and willing-seller basis with each of MTC and SWI, and determined with reference to the independent valuations.

(c) **Repayment of Existing Loan and Acquisition Outlay**

In connection with Completion, 79RR Office Trust and the COREF Party will, in their respective shareholding proportions, procure the payment of S$504.0 million (the "**Partial Loan Repayment Amount**") to the existing lenders towards the partial discharge of the Existing Loan on Completion. The Partial Loan Repayment Amount may be funded through debt.

CICT and the COREF Party will also provide shareholder loans to the Target (each based on their respective effective shareholding interest in the Target and on the same terms) (the "**Shareholder Loans**") for the balance amount to fully discharge the Existing Loan on Completion. The total amount of Shareholder Loans is approximately S$116.0 million. The final amount of the Shareholder Loans will be subject to the final amount of principal outstanding on the Existing Loan on the Completion Date.

The outlay for the Acquisition (the "**Acquisition Outlay**") is estimated to be S$855.1 million, comprising:

(i) the Purchase Consideration of approximately S$421.1 million;

(ii) CICT's 70.0% proportion of the Partial Loan Repayment Amount of S$504.0 million, amounting to S$352.8 million; and

(iii) CICT's 70.0% proportion of the Shareholder Loans of approximately S$116.0 million, amounting to approximately S$81.2 million (the "**CICT Shareholder Loan**").

Please also see paragraph 3.4 below.

(d) **Certain Terms and Conditions of the SPA**

The principal terms of the SPA include, *inter alia*, the following conditions precedent:

(i) there being no compulsory acquisition, no written notice of the compulsory acquisition or intended acquisition by any governmental or competent authority of any part of the Property;

(ii) there being no material damage to the Property; and

(iii) there being no unsatisfactory legal requisition replies received in respect of the Property.

Completion of the Acquisition shall occur simultaneously with the completion of the SWH Acquisition.

(e) **UPN Agreement**

Under the terms of the SPA, the Target will on the Completion Date enter into an agreement (the "**UPN Agreement**") with (i) the current shareholders of the Target (being SWI, MTC and SWH) (the "**Vendors**"); and (ii) the new shareholders of the Target (being 79RR Office Trust and the COREF Party), pursuant to which the Vendors shall, notwithstanding Completion, be obliged to carry out and complete the works required for the construction and completion of the underground pedestrian network (the "**UPN**") to be built at the Property and obtain the issuance of the Certificate of Statutory Completion for the entire development issued by the Building and Construction Authority (the "**BCA**").

3.2 **LLP Agreement**

As mentioned in paragraph 1 above, following Completion, the Target will apply to be converted into the LLP pursuant to Section 27 of the Limited Liability Partnerships Act 2005. As such, 79RR Office Trust and the COREF Party will enter into the LLP Agreement, which will take effect on Conversion, to regulate the relationship between them *inter se* as partners of the LLP (the "**Partners**" and each a "**Partner**").

The LLP Agreement contains a set of reserved matters in relation to key operational and management issues affecting the LLP.

Under the LLP Agreement, each Partner has a right of first refusal respectively in the event of any proposed sale, transfer or disposal by the other Partner of its interest in the LLP.

3.3 **New PMA**

As mentioned in paragraph 1 above, the Target will enter into the New PMA with CCMPL as property manager (the "**Property Manager**"), pursuant to which CCMPL will provide certain property management services relating to the Property.

The New PMA will take effect from the Completion Date and expire on 29 February 2024.

Under the agreed fee structure set out in the New PMA, the fees payable to the Property Manager are as follows:

(a) for property and lease management services, 3.0% of net property income before the Property Manager’s property management fee;

(b) for marketing services, the following commissions are payable:

(i) two (2) months' Gross Rent or licence fee, as applicable, for securing a tenancy or licence of five (5) years or more;

(ii) one (1) month’s Gross Rent or licence fee, as applicable, for securing a tenancy or licence of less than five (5) years but at least two (2) years;

(iii) one-half (0.5) months' Gross Rent or licence fee, as applicable, for securing a tenancy or licence of less than two (2) years but at least a year and a proportionate part thereof for securing a tenancy or licence of less than a year;

(iv) one-half (0.5) months' Gross Rent or licence fee, as applicable, for securing a renewal of tenancy or licence of three (3) years or more; and

(v) one-quarter (0.25) months' Gross Rent or licence fee, as applicable, for securing a renewal of tenancy or licence of less than three (3) years but at least a year and a proportionate part thereof for securing a renewal of a tenancy or licence of less than a year; and

"**Gross Rent**" shall comprise the (i) base rental income (or licence fee, as applicable) and (ii) service charge; and

(c) if the tenancy, licence, renewal of tenancy or licence is secured by a third party agent appointed by the Target, the Property Manager will not be entitled to a commission for such tenancy, licence, renewal of tenancy or licence if such third party agent's commission equals to or exceeds the relevant commission payable to the Property Manager, in which case, the Target shall pay a sum equivalent to the third party agent's commission to the Property Manager who shall make payment of such commission to the third party agent. If such third party agent's commission is less than the commission payable to the Property Manager, the Property Manager shall be entitled to receive from the Target its commission, and in turn the Property Manager will be liable for payment of such third party agent's commission.

The fees payable to CCMPL under the New PMA are in line with the fees payable to CCMPL under the property management agreement entered into between CICT and CCMPL for other Singapore office properties in CICT's portfolio.

3.4 Total Acquisition Outlay

The total acquisition outlay is estimated to be approximately S$869.2 million comprising:

(a) the Acquisition Outlay of approximately S$855.1 million;

(b) the acquisition fee of approximately S$8.8 million for the Acquisition payable in cash and units of CICT ("**Units**") to the CICT Manager; and

(c) the estimated stamp duty, professional and other fees and expenses of approximately S$5.3 million incurred or to be incurred by CICT in connection with the Acquisition,

(collectively, the "**Total Acquisition Outlay**").

3.5 Payment of SWI Acquisition Fee in Units

Pursuant to the trust deed constituting CICT (as amended and/or supplemented from time to time), the CICT Manager is entitled to receive an acquisition fee at the rate of 1.0% of the Agreed Property Value (after deducting the interest of any co-owner or co-participant).

As elaborated in paragraph 5.1 below, the SWI Acquisition will constitute an "interested party transaction" under Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**"). Accordingly, the acquisition fee payable in respect of the SWI Acquisition of approximately S$4.4 million (the "**SWI Acquisition Fee**") will be in the form of Units (the "**Acquisition Fee Units**"), which shall not be sold within one (1) year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

3.6 Method of Financing the Acquisition

The CICT Manager intends to finance the Total Acquisition Outlay (less the SWI Acquisition Fee which will be paid through the issue of the Acquisition Fee Units), estimated to be approximately S$864.8 million, through a combination of debt and the net sale proceeds from the divestment of JCube (the "**Divestment**").

4. RATIONALE FOR AND KEY BENEFITS OF THE ACQUISITION

The CICT Manager believes that the Acquisition will bring the following key benefits to the Unitholders:

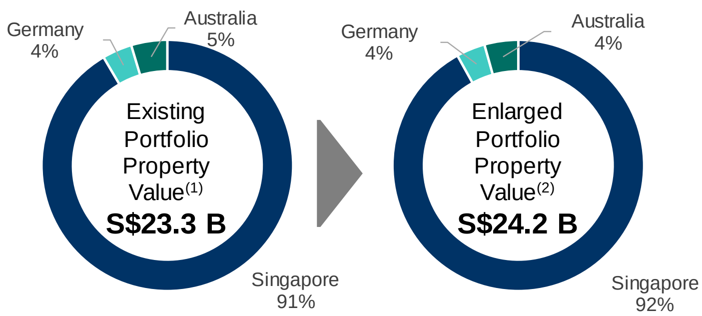
4.1 Delivering on CICT's value creation strategy through portfolio reconstitution

The Acquisition is in line with CICT's ongoing value creation strategy to reconstitute its portfolio by recycling capital from the Divestment into higher yielding and growth assets. The implied net property income ("**NPI**") yield of the Property is 4.0%[1], which is higher than the exit yield of <4% for the Divestment. This will provide income stability and distribution growth.

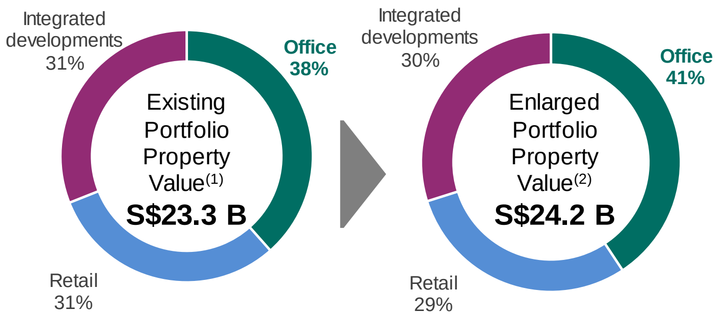
The Acquisition also delivers on CICT's strategy to be predominantly Singapore-focused and will strengthen the REIT's core in the Singapore Central Business District ("**CBD**").

Following the Acquisition, the total portfolio property value of CICT will increase to $24.2 billion.

Portfolio Property Value by Geography



Portfolio Property Value by Asset Class



Notes:

(1) Existing portfolio property value is based on valuation of CICT portfolio as at 31 December 2021 with the following adjustments:
(i) Excluding JCube following the completion of divestment;
(iii) Including 66 Goulburn Street and 100 Arthur Street following the completion of acquisition, which are based on valuations as at 15 November 2021; and
(iii) Including 50.0% interest in 101-103 Miller Street and Greenwood Plaza assuming completion of acquisition, which is based on valuation as at 1 December 2021.

(2) Enlarged portfolio property value includes existing portfolio value and 70.0% interest of 79 Robinson Road which is based on valuation as at 1 March 2022.

[1] Based on the pro forma NPI for January 2022 on an annualised basis.

4.2 **Augmenting CICT's office portfolio in Singapore**

The Acquisition will also anchor CICT's position to ride the transformation of the Singapore CBD and the rejuvenation of the Tanjong Pagar district.

The Urban Redevelopment Authority's Master Plan 2019 aims to transform the CBD from mostly commercial use to mixed use properties, which will strengthen the CBD's position as a dynamic 24/7 downtown and global financial hub.

With further redevelopment/development plans to revitalise the area, the Property is expected to enjoy the benefits of more amenities and connectivity to green spaces.

In addition, the Core CBD is an attractive office market with limited future office supply, strong office take-up and resilient rent. The forecasted gross new supply of private office space in the Core CBD continues to be limited at an average of 0.9 million sq. ft. per year for the years 2022 to 2024, and there are no visible new Government Land Sales (GLS) for office use in the CBD. The Government’s CBD Incentive Scheme will also potentially result in some withdrawal of office stock mitigating any near-term increase in shadow and secondary spaces[2].

The office market continues to see healthy levels of demand from various sectors, and Singapore's Core CBD occupancy remained high at 93.3% at the close of the last quarter of 2021.

Singapore's office market demand is underpinned by Singapore's continued attractiveness to global investors, given Singapore's strong stable local currency, low corporate tax and geographical proximity to other key Asian cities. There are healthy levels of demand from various sectors and increasingly, from the technological sector[3].

The healthy demand, coupled with the limited current Grade A office stock and tight supply, are expected to sustain rent growth of the Core CBD. Rents are expected to rebound and recover from 2022 onwards on the back of economic recovery supported by high vaccination rates as Singapore moves towards an endemic state.

[2] Shadow spaces refer to available area that existing tenants are keen to return to the landlord prior to lease expiry. Secondary spaces refer to available area when the existing lease expires.
[3] JLL Research, 3Q 2021: Singapore office rents: a long runway for growth

4.3 **Quality asset that enhances resilience of portfolio**

The Acquisition will enhance CICT's resilience and diversity of portfolio.

(a) **Quality asset and space**

The Property is a 29-storey Grade A property with 21 levels of office space, spanning over 500,000 sq. ft. Offering a spectacular view of the Singapore coast, the Property is also a workplace optimised for scale and versatility. The regular rectilinear and column free space, 3-metre floor-to-ceiling height and the typical floor plate of 24,000 sq. ft. offer tenants high efficiency and flexibility for space configuration. In addition, the hospitality-inspired lobby gives a welcoming entrance to its tenants.

(b) **Green ratings and features**

The Property has achieved the highest Green Mark Platinum certification by the BCA. Other than the extensive greenery on its sky terrace and roof garden, the design and construct of the Property has included green features such as high efficiency water chiller plants, a high-performance façade that provides increased thermal comfort and enhanced sun protection, and smart monitoring of the air-conditioning and mechanical ventilation (ACMV) systems for regulating temperatures.

(c) **Amenities**

The Property is also future-ready, incorporated with smart technologies such as facial recognition, automatic sliding doors and sensors on amenities. It is equipped with comprehensive end-of-trip facilities for cyclists, comprising showers, lockers and bike storage areas.

Bridge+ by CapitaLand offers flexible, collaborative working space, meeting rooms and event venues. It also provides tenants of the Property convenience and ease to take up flex spaces within the building in addition to typical core spaces.

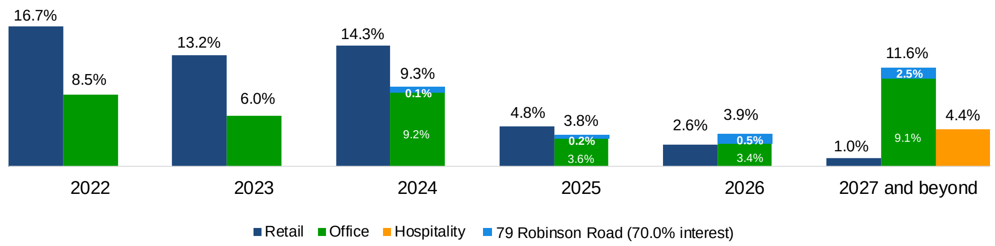
(d) **Excellent connectivity**

Another feature of the Property is its excellent transportation connectivity, with a sheltered car drop-off point, future underground access to the Tanjong Pagar MRT station, and close proximity to the upcoming Prince Edward MRT station and Shenton Way MRT station. The Property is also surrounded by hotels, fitness facilities, dining options, activated public spaces, and other urban offerings in the vicinity.

(e) **Portfolio lease expiry profile**

The Property has a well spread weighted average lease expiry ("**WALE**") profile of 5.8 years, and CICT's portfolio WALE will increase from 3.2 years[4] to 3.3 years post acquisition.

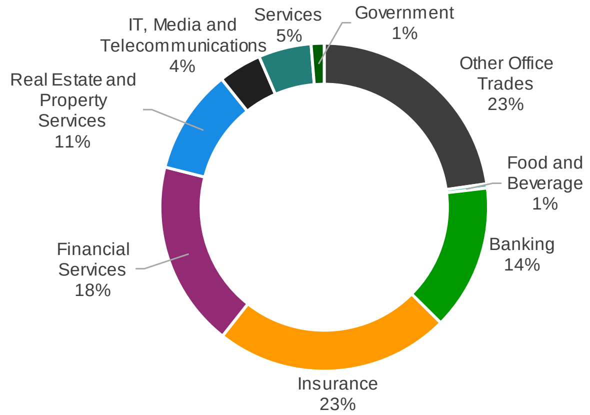
Portfolio Lease Expiry Profile Post-Acquisition



(f) **Tenant mix**

The Property has a well spread tenant mix that will further enhance the quality and diversification of CICT's tenant base.

The tenant mix[5] of the Property is as follows:



The top 3 tenants of the Property are reputable leading global companies, namely (1) Allianz, a global financial services provider for insurance and asset management,

[4] Weighted average lease expiry (WALE) based on:
(i) committed monthly gross rental income as at 31 December 2021 for CICT's portfolio and excludes gross turnover rents;
(ii) committed monthly gross rental income as at 30 September 2021 for 66 Goulburn Street and 100 Arthur Street, and as at 20 October 2021 for 50.0% interest in 101-103 Miller Street & Greenwood Plaza, and as at 31 December 2021 for the Property and excludes gross turnover rents;
(iii) 94.9% interest in Gallileo and Main Airport Center, Frankfurt; and
(iv) exclusion of JCube.

[5] Based on monthly gross rental income as at 31 December 2021 and excludes gross turnover rents.

(2) Equinix Asia Pacific, the world's largest data centre and colocation infrastructure provider and (3) the Boston Consulting Group, the global leader in global management consultancy. The aforesaid tenants collectively account for approximately 48% of gross rental income and WALE of 5.9 years. Such quality tenants will provide CICT income stability through long leases and strong tenant covenants.

4.4 Acquisition is DPU accretive

The Acquisition is expected to be DPU accretive on a pro forma basis assuming the Acquisition were completed on 1 January 2021. Please refer to paragraph 7 of this announcement for the pro forma financial effects of the Acquisition.

The Property’s committed occupancy rate of 92.9% will provide CICT the opportunity to grow as occupancy rate increases with active leasing amidst the rising office market trend.

5. INTERESTED PERSON TRANSACTION AND INTERESTED PARTY TRANSACTION

Pursuant to Chapter 9 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), 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) entered into with the same interested person during the same financial year) is equal to or exceeds 3.0% of CICT's latest audited net tangible asset value ("**NTA**"), an announcement in respect of such transaction must be made immediately.

Further, under Paragraph 5 of the Property Funds Appendix, a property fund is also required to make an immediate announcement, if the value of the transaction (either in itself or when aggregated with the value of other transactions entered into with the same interested party during the same financial year) entered into with an interested party is equal to or exceeds 3.0% of its net asset value ("**NAV**").

Based on the audited financial statements for CICT for the financial year ended 31 December 2021 (the "**Audited FY2021 Financial Statements**"), the latest audited NAV and NTA of the CICT group (the "**Group**") was S$13,667.7 million as at 31 December 2021.

5.1 SWI Acquisition

SWI is indirectly wholly-owned by CLI. As at the date of this announcement, CLI is a controlling unitholder of CICT, and a controlling shareholder of the CICT Manager under both the Listing Manual and the Property Funds Appendix.

Accordingly, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, SWI is an "interested person" and "interested party" of 79RR Office Trust (being the entity at risk). Therefore, the SWI Acquisition constitutes an "interested person transaction" under Chapter 9 of the Listing Manual and an "interested party transaction" under the Property Funds Appendix.

The aggregate value at risk to CICT in respect of the SWI Acquisition is S$387.0 million, comprising:

(a) the estimated SWI Consideration of S$210.6 million; and

(b) 35.0% (being SWI's percentage interest in the Target) of the Partial Loan Repayment Amount of S$504.0 million, being approximately S$176.4 million.

Please also refer to paragraph 5.3 for details on the CICT Shareholder Loan.

5.2 **LLP Agreement**

As COREF is managed by the COREF Manager, a wholly-owned subsidiary of CLI, COREF is deemed to be an "interested person" and "interested party" under Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix. Accordingly, the COREF Party, being a wholly-owned subsidiary of COREF, is an "interested person" of 79RR Office Trust (being the entity at risk) under Chapter 9 of the Listing Manual. The entry into the LLP Agreement between 79RR Office Trust and the COREF Party constitutes an "interested person transaction" under Chapter 9 of the Listing Manual.

Pursuant to Rule 909(2) of the Listing Manual, the value at risk to CICT in respect of the LLP Agreement would be the amount of the CICT Shareholder Loan, which will be aggregated for purposes of Rule 905 of the Listing Manual. Please refer to paragraph 5.3 for further details.

Nonetheless, it should be noted that the entry into the LLP Agreement falls within the exception under Rule 916(2) of the Listing Manual and is thus not the subject of aggregation pursuant to Rule 906 of the Listing Manual.

5.3 **Shareholder Loans**

As mentioned in paragraph 3.1(c) above, CICT and the COREF Party will provide Shareholder Loans to the Target.

(a) **CICT Shareholder Loan**

As the COREF Party has an interest of 30.0% in the Target, the Target would be an associate of the COREF Party and thus an "interested person" of CICT (being the entity at risk) under Chapter 9 of the Listing Manual. The grant of the CICT Shareholder Loan to the Target constitutes an "interested person transaction" under Chapter 9 of the Listing Manual.

Pursuant to Rule 909(3) of the Listing Manual, the value at risk to CICT in respect of the CICT Shareholder Loan is estimated to be S$101.5 million, comprising the principal of S$81.2 million, as well as interest of S$20.3 million[6] payable thereon.

[6] The interest payable in respect of the shareholder loans is based on an assumed interest rate of 5.0% per annum and a loan tenure of five (5) years.

(b) **COREF Shareholder Loan**

As 79RR Office Trust has an interest of 70.0% in the Target, the Target would be an entity at risk of CICT. The COREF Party is an "interested person" of the Target. The borrowing of a shareholder loan of S$34.8 million by the Target from the COREF Party (the "**COREF Shareholder Loan**") constitutes an "interested person transaction" under Chapter 9 of the Listing Manual.

Pursuant to Rules 909(1) and 909(3) of the Listing Manual, the value at risk to CICT in respect of the COREF Shareholder Loan is S$6.1 million[5], representing 70.0% (being CICT's effective interest in the Target) of the interest payable on the COREF Shareholder Loan.

The values at risk stated in paragraphs 5.3(a) and 5.3(b) in respect of the Shareholder Loans will be aggregated pursuant to Rule 905 of the Listing Manual[7]. Nonetheless, it should be noted that the Shareholder Loans fall within the exception under Rule 916(3) of the Listing Manual, and are thus not the subject of aggregation pursuant to Rule 906 of the Listing Manual.

5.4 **New PMA**

As CCMPL is a wholly-owned subsidiary of CLI, CCMPL is an associate of CLI and is thus an "interested person" of the Target (being the entity at risk) for the purposes of Chapter 9 of the Listing Manual. Therefore, the entry by the Target into the New PMA with CCMPL constitutes an "interested person transaction" under Chapter 9 of the Listing Manual.

Pursuant to Rule 909(1) of the Listing Manual, the value at risk to CICT in respect of the New PMA is S$4.1 million, representing 70.0% (being CICT's effective interest in the Target) of the total estimated fees payable to CCMPL under the New PMA.

5.5 **Other Interested Person Transactions**

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 2022 (including the SWI Acquisition, the Shareholder Loans, the LLP Agreement and the New PMA, but excluding any transaction with a value of less than S$100,000) is approximately S$624.4 million (which is approximately 4.6% of the latest audited NTA and latest audited NAV of the Group). As this value exceeds 3.0% of the latest audited NTA and latest audited NAV of the Group, an announcement is required under Rule 905 of the Listing Manual and Paragraph 5.2(a) of the Property Funds Appendix.

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

[7] As the value at risk in respect of the CICT Shareholder Loan would have been aggregated as part of the value at risk for the LLP Agreement (as stated in paragraph 5.2), it will not be taken into account for the value at risk in respect of the Shareholder Loans, to avoid double counting.

associates) (excluding transactions with a value of less than S$100,000) is approximately S$1,128.0 million.

5.6 **Unitholders' Approval Not Required**

As at the date of this announcement, the value of all interested person transactions (as aggregated under Rule 906 of the Listing Manual) entered into between CICT and CLI and its subsidiaries and associates for the current financial year (including the SWI Acquisition and the New PMA, but excluding the LLP Agreement, the Shareholder Loans[8] and any transaction with a value of less than S$100,000) is approximately S$516.8 million, representing approximately 3.8% of the latest audited NTA and latest audited NAV of the Group. As this value represents less than 5.0% of the latest audited NTA and latest audited NAV of the Group, the SWI Acquisition and the entry into the New PMA are not subject to Unitholders' approval pursuant to Rule 906(1) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix.

6. RELATIVE FIGURES COMPUTED ON BASES SET OUT IN RULE 1006

Chapter 10 of the Listing Manual classifies transactions by CICT into (i) non-discloseable transactions, (ii) discloseable transactions, (iii) major transactions and (iv) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on, *inter alia*, the following applicable bases of comparison set out in Rules 1006(b) and 1006(c):

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

(b) aggregate value of the consideration given for the Acquisition, compared with CICT's market capitalisation.

Comparison of	Acquisition (S$' million)	CICT (S$' million)	Relative Figures (%)
Profit before tax	4.6[(1)]	1,102.3[(2)]	0.4
Consideration for the Acquisition against market capitalisation	855.1[(3)]	14,540.9[(4)]	5.9

Notes:

(1) The figure is based on CICT's 70.0% share of the unaudited net profit before tax of the Target for FY2021.

[8] The entry into the LLP Agreement and the Shareholder Loans need not be aggregated for purposes of Rule 906 since the exceptions under Rules 916(2) and 916(3) apply. Please refer to paragraphs 5.2 and 5.3 above for further details.

(2) Based on the Audited FY2021 Financial Statements.

(3) The figure represents the sum of the estimated (a) Purchase Consideration; (b) 70.0% (being CICT's effective interest in the Target) of the Partial Loan Repayment Amount; and (c) the CICT Shareholder Loan. The actual Purchase Consideration is subject to Completion adjustments. The final amount of the CICT Shareholder Loan will be subject to the final amount of principal outstanding on the Existing Loan on the Completion Date.

(4) The figure is based on the 6,622 million Units in issue and the weighted average price of S$2.1958 per Unit on SGX-ST as at 24 March 2022, being the trading day immediately prior to the entry into of the SPA dated 25 March 2022.

The CICT Manager is of the view that the Acquisition is in the ordinary course of CICT's business as the Property being acquired is within the investment policy of CICT and does not change the risk profile of CICT. As such, the Acquisition should not be subject to Chapter 10 of the Listing Manual.

7. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

7.1 **FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Acquisition presented below are strictly for illustrative purposes only and do not represent CICT's actual financial position after completion of the Acquisition. The pro forma financial effects in this paragraph 7 were prepared based on the Audited FY2021 Financial Statements and the unaudited financial statements of the Target for FY2021, and on the following bases and assumptions:

(a) the SWI Acquisition Fee of approximately S$4.4 million were paid to the CICT Manager by way of the issuance of approximately 2.1 million Acquisition Fee Units at the illustrative issue price of S$2.10 per new Unit (purely for illustrative purposes only); and

(b) the Conversion takes place immediately upon Completion and no tax liability is imposed due to the Conversion.

7.2 **Pro Forma NAV**

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the NAV per Unit as at 31 December 2021, as if the Acquisition were completed on 31 December 2021 are as follows:

	Before the Acquisition	After other divestments and investments and before the Acquisition[(1)]	After the Acquisition (Assuming 62% LTV)[(2)]

NAV (S$ million)	13,643.3[3]	13,708.2[4]	13,712.6
Issued and Issuable Units (million)	6,621.3[5]	6,625.3[6]	6,627.4[7]
NAV per Unit (S$)	2.06	2.07	2.07

Notes:

(1) Assuming completion of the Divestment and the acquisitions of 66 Goulburn Street, 100 Arthur Street, 101-103 Miller Street and Greenwood Plaza as at 31 December 2021.

(2) The LTV scenario refers to the amount of debt as a percentage of the Total Acquisition Outlay less the Acquisition Fee Units. The 62% LTV scenario assumes that S$330.0 million of the sales proceeds from the Divestment is used to partially finance the Acquisition and the balance is funded by debt.

(3) Based on the Audited FY2021 Financial Statements and excludes CICT's distributable income for the period from 16 December 2021 to 31 December 2021.

(4) Includes gain on the Divestment.

(5) Refers to the number of issued and issuable Units as at 31 December 2021.

(6) Includes approximately 4.0 million Units issued to the CICT Manager as payment for acquisition and divestment fees.

(7) Includes approximately 2.1 million Acquisition Fee Units issuable as payment of the SWI Acquisition Fee to the CICT Manager at the illustrative issue price of S$2.10 per new Unit (purely for illustrative purposes only).

7.3 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on CICT's DPU for the financial year ended 31 December 2021 as if the Acquisition were completed on 1 January 2021, and CICT held and operated 70.0% of the Target through to 31 December 2021, are as follows:

Assuming 62% LTV and S$330.0 million of the sales proceeds from the Divestment is used to finance the Acquisition

		After other divestments	After the Acquisition

	Before the Acquisition	and investments and before the Acquisition(1)	Based on the unaudited financial statements of the Target for FY2021	Based on the Target's NPI for January 2022 annualised(2)
Distributable Income (S$ million)	674.7	680.3	697.3	700.5
Issued and Issuable Units (million)	6,608.6(3)	6,626.6(4)	6,629.5(5)	6,629.6(5)
DPU (cents)	10.40	10.26	10.51	10.56
DPU accretion (%)	N.A.	N.A.	2.4	2.9(6)

Notes:

(1) Assuming the divestment of One George Street, the Divestment and acquisition of 66 Goulburn Street, 100 Arthur Street, 101-103 Miller Street and Greenwood Plaza were completed on 1 January 2021.

(2) Assuming an occupancy rate of 92.9% as at 1 January 2022.

(3) Refers to the number of Units in issue as at 31 December 2021.

(4) Includes new Units issuable as payment of management fees and approximately 4.0 million Units issued to the CICT Manager as payment for acquisition and divestment fees.

(5) Includes (a) new Units issuable as payment of management fees; and (b) approximately 2.1 million Acquisition Fee Units issuable as payment of the SWI Acquisition Fee payable to the CICT Manager at the illustrative issue price of S$2.10 per new Unit (purely for illustrative purposes only).

(6) For illustrative purposes only, a 2.2% DPU accretion would be obtained instead if the Acquisition was financed based on a loan-to-value ratio of approximately 40%, S$330.0 million of the net sales proceeds from the Divestment and equity.

7.4 Pro Forma Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma aggregate leverage of CICT as at 31 December 2021 as if CICT had completed the Acquisition on 31 December 2021, are as follows:

	Before the Acquisition	After the Acquisition (Assuming 62% LTV)[(1)]
Aggregate leverage (pro forma as at 31 December 2021)	37.2%[(2)]	41.1%[(3)]

Notes:

(1) The 62% LTV scenario assumes that S$330.0 million of the sale proceeds from the Divestment is used to partially finance the Acquisition and the balance is financed by debt.

(2) The Group's aggregate leverage as at 31 December 2021.

(3) Based on the Group's aggregate leverage as at 31 December 2021 and assumes the completion of the Divestment and the acquisitions of 66 Goulburn Street, 100 Arthur Street, 101-103 Miller Street and Greenwood Plaza. This figure also includes incremental gross borrowings as a result of the Acquisition, and the incremental deposited property as a result of the Acquisition.

8. STATEMENTS OF THE INDEPENDENT DIRECTORS AND AUDIT COMMITTEE

8.1 Opinion of the IFA

The CICT Manager has appointed Ernst & Young Corporate Finance Pte Ltd as an independent financial advisor (the "**IFA**") to advise the audit committee of the CICT Manager (the "**Audit Committee**") and the Trustee in respect of the SWI Acquisition, the Shareholder Loans, the LLP Agreement and the New PMA, and the IFA has given its opinion to the Audit Committee that:

(a) the SWI Acquisition and the New PMA are on normal commercial terms and are not prejudicial to the interests of CICT and its minority Unitholders;

(b) in relation to the entry into the LLP Agreement, the risks and rewards of the joint venture under the LLP Agreement are in proportion to the equity of each Partner of the LLP and the terms of the LLP Agreement are not prejudicial to the interests of CICT and its minority Unitholders; and

(c) in relation to the borrowing of the COREF Shareholder Loan and the grant of the CICT Shareholder Loan, the provision of the Shareholder Loans is not prejudicial to the interests of CICT and its minority Unitholders, the risks and rewards of the joint venture are in proportion to the equity of each of CICT and the COREF Party and the terms of the joint venture are not prejudicial to the interests of CICT and its minority Unitholders.

8.2 Opinion of the Audit Committee

The Audit Committee has considered the SWI Acquisition, the New PMA, the LLP Agreement, the Shareholder Loans and the IFA's opinion and is of the view that:

(a) the SWI Acquisition and the New PMA are on normal commercial terms and are not prejudicial to the interests of CICT and its minority Unitholders;

(b) in relation to Rule 916(2) of the Listing Manual, the risks and rewards of the joint venture under the LLP Agreement are in proportion to the equity of each Partner of the LLP and the terms of the LLP Agreement are not prejudicial to the interests of CICT and its minority Unitholders; and

(c) in relation to Rule 916(3) of the Listing Manual, the provision of the Shareholder Loans is not prejudicial to the interests of CICT and its minority Unitholders, the risks and rewards of the joint venture are in proportion to the equity of each of CICT and the COREF Party and the terms of the joint venture are not prejudicial to the interests of CICT and its minority Unitholders.

The CICT Manager also confirms that the COREF Party does not have an existing equity interest in the Target prior to the participation of 79RR Office Trust in the joint venture.

9. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, certain directors of the CICT Manager (the "**Directors**") collectively hold an aggregate direct and indirect interest in 964,858 Units and 2,004,499 shares of CLI.

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

As at the date of this announcement, CLI, through its subsidiaries and associated companies, has an aggregate deemed interest in 1,504,009,163 Units, which is equivalent to approximately 22.71% of the total number of Units in issue.

Save as disclosed in this announcement and as at the date of this announcement, none of the Directors or the controlling Unitholders has an interest, direct or indirect in the Acquisition.

10. DIRECTORS' SERVICE CONTRACTS

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

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
25 March 2022

IMPORTANT NOTICE

This Announcement may contain forward-looking statements. 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, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs and property operating expenses), 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 CICT 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 CICT 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 and the CICT Manager is not indicative of future performance. The 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. The Units are not obligations of, deposits in, or guaranteed by, the CICT Manager and/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 CICT Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of the 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.