CAPITALAND INTEGRATED COMMERCIAL TRUST

2022

ANNUAL REPORT

CapitaLand Integrated Commercial Trust (CICT or the Trust) is the first and largest real estate investment trust (REIT) listed on Singapore Exchange Securities Trading Limited (SGX-ST) with a market capitalisation of S$13.5 billion as at 31 December 2022. It debuted on SGX-ST as CapitaLand Mall Trust in July 2002 and was renamed CICT in November 2020 following the merger with CapitaLand Commercial Trust (CCT).

CICT owns and invests in quality income-producing assets primarily used for commercial (including retail and/or office) purposes, located predominantly in Singapore. As the largest proxy for Singapore commercial real estate, CICT's portfolio comprises 21 properties in Singapore, two properties in Frankfurt, Germany, and three properties in Sydney, Australia with a total property value of S$24.2 billion based on valuations of its proportionate interests in the portfolio as at 31 December 2022.

CICT is managed by CapitaLand Integrated Commercial Trust Management Limited, a wholly owned subsidiary of CapitaLand Investment Limited (CLI), a leading global real estate investment manager with a strong Asia foothold.

MISSION

To deliver stable distributions and sustainable total returns to Unitholders

VISION

To be globally recognised as the premier commercial REIT and the largest proxy for Singapore's commercial real estate

PURPOSE

Creating inspiring work-play environments and delightful experiences anchored by a strong ESG commitment

VALUES

Winning Mindset
Integrity
Respect
Enterprising

Contents

Please access our Sustainability Report 2022 via https://www.cict.com.sg/sustainability.html

Our cover page features the letters "**C**" and "**O**" intersecting to form an interlocked design, where "**C**" stands for **CapitaLand** and the "**O**" stands for **ONE**. Together, they represent the **ONE CapitaLand** ecosystem, and symbolise how the respective REITs, business trusts and businesses that are part of the CapitaLand Investment Group benefit from cross-platform synergies and complementary strengths; and are united and committed to the same shared purpose of ***Making a Positive Impact. Think Big. Do Right. Make it Last.*** by adhering to the principles of diversity and inclusion, doing right by our stakeholders and contributing to the long-term interests of the communities that we operate in.

At CICT, we aim to create inspiring work-play environments and delightful experiences in our properties. The subsequent divider pages present glimpses of how we design our spaces, incorporate elements of nature and convenience, leverage technologies and trends, and foster community for our retail, office and integrated developments.



Note: Any discrepancies in the table and charts between the listed figures and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

SEIZING OPPORTUNITIES

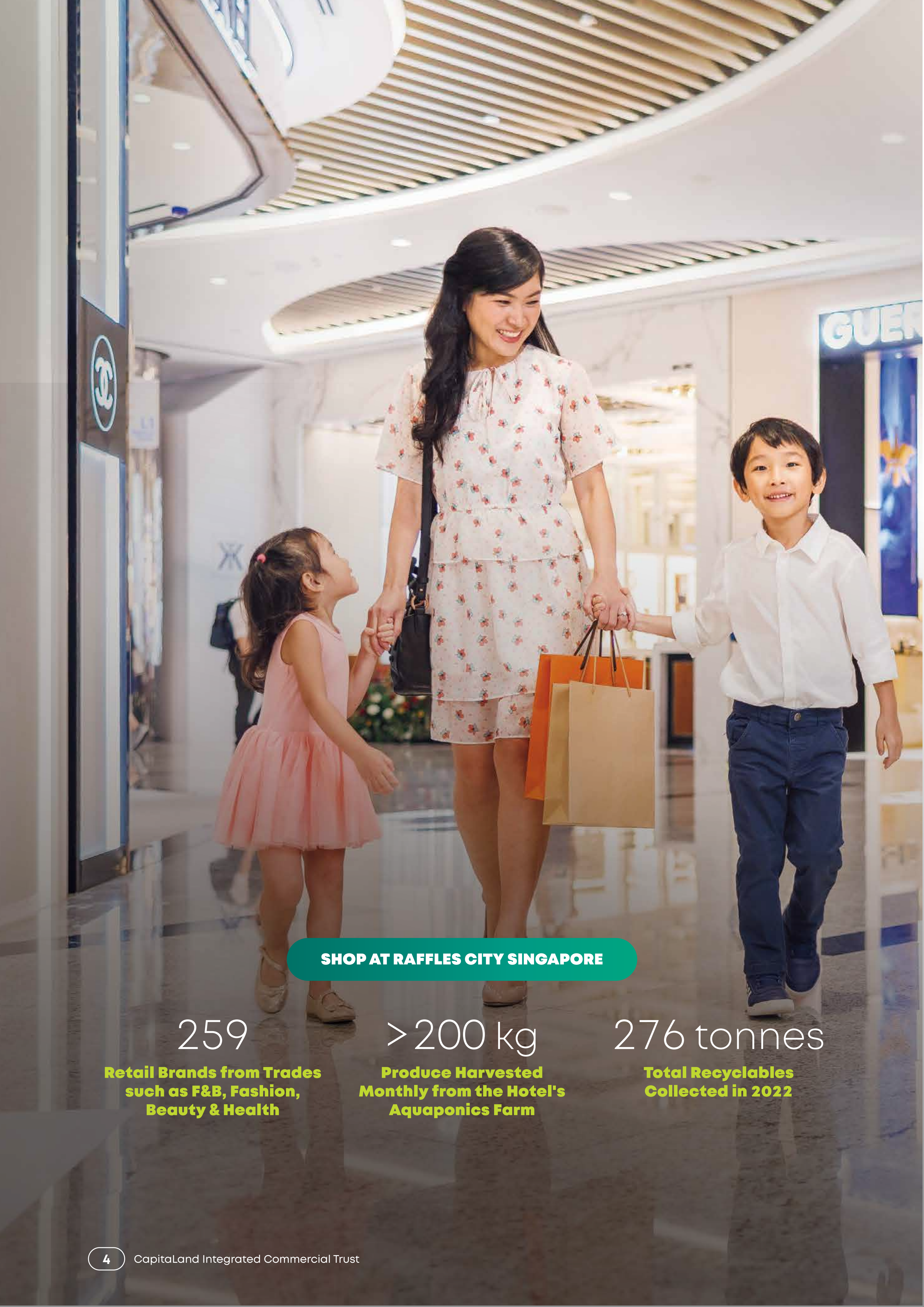
TIMELY ACQUISITIONS ENABLE CICT TO GROW A DIVERSIFIED PORTFOLIO OF WELL-LOCATED HIGH-QUALITY PROPERTIES. THESE ASSETS PROVIDE OPTIONS FOR OUR STAKEHOLDERS, WHILE GENERATING SUSTAINABLE FINANCIAL RETURNS FOR OUR UNITHOLDERS.

We adopt a disciplined approach as we look for accretive investment opportunities befitting CICT's portfolio, after considering the asset's attributes, growth potential and environmental impact, as well as the optimal funding structure under prevailing market conditions. Acquiring CapitaSky together with COREF gives CICT an opportunity to own a Green Mark Platinum Grade A office building.

INVESTMENT TEAM LED BY JACQUELINE LEE

WORK AT CAPITASKY

92	>25,000 sq m	1,000
Bicycle Lots	**Green Area**	**Facade LED Lights**



SHOP AT RAFFLES CITY SINGAPORE

259

Retail Brands from Trades such as F&B, Fashion, Beauty & Health

>200 kg

Produce Harvested Monthly from the Hotel's Aquaponics Farm

276 tonnes

Total Recyclables Collected in 2022

STRENGTHENING PORTFOLIO

GROWTH FOR CICT'S EXISTING ASSETS IS DRIVEN BY HIGHER OCCUPANCY AND RENTS. AT THE OPPORTUNE TIME, WE EMBARK ON ASSET ENHANCEMENT INITIATIVES TO REPOSITION PROPERTIES AND REJUVENATE TRADE MIX TO MAXIMISE AN ASSET'S VALUE AND STAY RELEVANT TO THE STAKEHOLDERS.

> Raffles City's rejuvenation plans are part of our continuous efforts to keep us on the pulse of the rapidly evolving shopping and lifestyle needs of our shoppers. Our new tenant mix has been carefully curated to cater to the diverse demographics who frequent our mall.

RAFFLES CITY TEAM LED BY STEVE NG TOGETHER WITH ASSET MANAGEMENT TEAM

GROWING AS ONE

PEOPLE MATTERS. OUR SOCIAL PURPOSE IS TO CREATE INSPIRING ENVIRONMENTS AND CURATE DELIGHTFUL EXPERIENCES FOR OUR THRIVING COMMUNITIES AND STAKEHOLDERS.

"We welcome our stakeholders to go green and do good together, driving positive impact within the communities where we operate, as part of our environmental, social and governance (ESG) journey. We are committed to creating a dynamic mix of sustainability and philanthropic initiatives that complement the shop, work and play experiences in our malls and workspaces."

CLI BUSINESS PARTNERSHIPS & RETAIL MARKETING TEAM LED BY TAN SIEW JUNE

UNWIND AT CAPITASPRING

>1,400
Community Activity Participants in 2022

94
Community Events in 2022

>80,000
Plants from over 130 Species

20 Years of Trust

BUILDING 20 YEARS OF TRUST

CICT was listed on the Singapore Exchange on 17 July 2002. With an initial portfolio of three retail properties (Funan, Junction 8 and Tampines Mall), CICT is Singapore's first REIT, dedicated to delivering stable and sustainable returns to Unitholders.

Listing ceremony of CapitaMall Trust (renamed CICT after the merger with CapitaLand Commercial Trust) in July 2002

Over the next two decades, CICT would continue to grow in size and stature, turning challenges into opportunities with disciplined strategies for asset management, acquisition and value creation.

Over the years, we generated value by astutely increasing our portfolio occupancy and optimising rental rates. We reviewed and evaluated existing properties, and where assets were no longer relevant, we would review the potential to monetise and redeploy the capital into higher yielding assets. Before the merger with CCT, the Trust acquired 15 assets and divested three assets and non-core parts of two other developments in Westgate and Funan.

2004

First to conceptualise and implement "decantation" as a unique asset enhancement initiative to generate additional retail area for properties: **Junction 8**

2006

Acquisition of first integrated development: **Raffles City Singapore**

2011

First greenfield development through JV: **Westgate[1]**

2012

First divestment to recycle capital: **Hougang Plaza**

2016

First redevelopment: **Funan**

2018

First foray into Germany through CCT: **Gallileo**

2022

First entry into Australia: **66 Goulburn Street and 100 Arthur Street**

1 In May 2011, the Trust took a 30.0% stake in a joint venture to develop a prime land parcel at Jurong Gateway, marking its first foray into greenfield developments. Westgate opened doors to shoppers in December 2013.

CICT'S VALUE CREATION JOURNEY

2002 IPO
- Tampines Mall
- Junction 8
- Funan DigitaLife Mall

2003

27.2% interest in CRS[2]
- Lot One Shoppers' Mall
- Bukit Panjang Plaza
- Rivervale Mall

IMM Building

2004

Plaza Singapura

2005
- Bugis Junction
- Sembawang Shopping Centre
- JCube
- Hougang Plaza[3]

2006
- Raffles City Singapore
- CapitaLand Retail China Trust (20.0% interest[4])

2007

Remaining 72.8% interest in CRS[2]

2008

The Atrium@ Orchard

2010

CQ @ Clarke Quay[5]

2011
- Bugis+
- Westgate – Office and retail components (30.0% interest)

2012

Hougang Plaza

2 Acquisition of Class 'E' bonds issued by CapitaRetail Singapore Limited (CRS) which owned Lot One Shoppers' Mall, Bukit Panjang Plaza (90 out of 91 strata lots) and Rivervale Mall.
3 Acquired 96.7% of Hougang Plaza's strata area in 2005 and the remaining 3.3% in 2006.
4 CapitaLand Retail China Trust was renamed CapitaLand China Trust in January 2021. CICT owns approximately 8.0% interest as at 31 December 2022.
5 Clarke Quay was renamed CQ @ Clarke Quay in July 2022.

CREATING VALUE SINCE 2002

	At listing (17 Jul 2002)		As at 31 Dec 2022
Total Property Value	S$0.9 billion	▶	S$24.2 billion
Market Capitalisation	S$0.7 billion (based on closing unit price as at 17 Jul 2002)	▶	S$13.5 billion
NAV per Unit	S$1.03 (as at 31 Dec 2002)	▶	S$2.06[6]
Properties	3 in Singapore	▶	26 in three countries
NLA	0.8 million sq ft	▶	11.9 million sq ft
NPI	S$78.4 million (FY 2003)	▶	S$1,043.3 million (FY 2022)
DPU	8.03 cents (FY 2003)	▶	10.58 cents (FY 2022)

At listing (17 Jul 2002) As at 31 Dec 2022

From retail innovator and market leader to commercial real estate proxy

CICT's portfolio comprises retail, office and integrated developments. The Trust benefitted from greater growth optionality, along with enhanced resilience and stability through market cycles. CICT's market liquidity was enhanced, generating a five-year return of 21.4% (assuming dividends were re-invested) for our Unitholders.

	2019 (pre-merger)	2020	2021	2022
Average Daily Trading Volume (million units)	10.2	20.6	18.4	22.6
Total Annual Trading Value (S$ million)	6,333.2	10,301.0	9,746.8	11,864.9
Free Float (as at 31 Dec)	72%	71%	77%	77%

Journeying the next 20 years and beyond

Empowered by our purpose and accomplishments over the last 20 years, we remain committed to providing stable and sustainable returns to our Unitholders.

Thank you for investing in CICT. We look forward to your continued support as we journey together in the next 20 years and beyond.

6 Excludes 2H 2022 distribution.

2015
- Rivervale Mall
- Bedok Mall

2016
- Start of Funan redevelopment
- Westgate – Office component (30.0% interest)

2017
- Funan – Serviced residence component

2018
- Sembawang Shopping Centre
- Westgate – Retail component (70.0% interest)

2019
- Reopening of Funan

2020
- **Merger of CMT and CCT**

2021
- Temporary Occupation Permit obtained for CapitaSpring
- One George Street (50.0% interest)

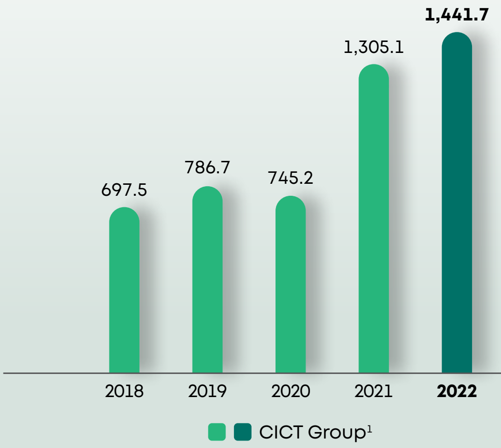
2022
- JCube
- 66 Goulburn Street
- 100 Arthur Street
- 101-103 Miller Street & Greenwood Plaza (50.0% interest)
- CapitaSky (70.0% interest)

▶ **2023**

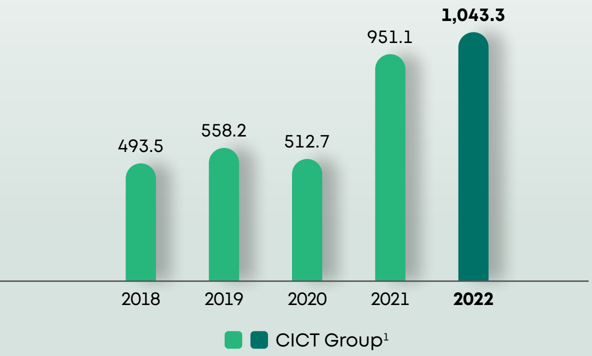
Acquisition Divestment Milestone Event

Financial Highlights

GROSS REVENUE
(S$ million)

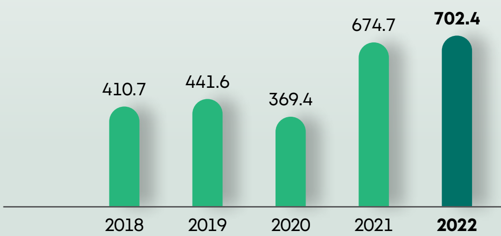


NET PROPERTY INCOME
(S$ million)

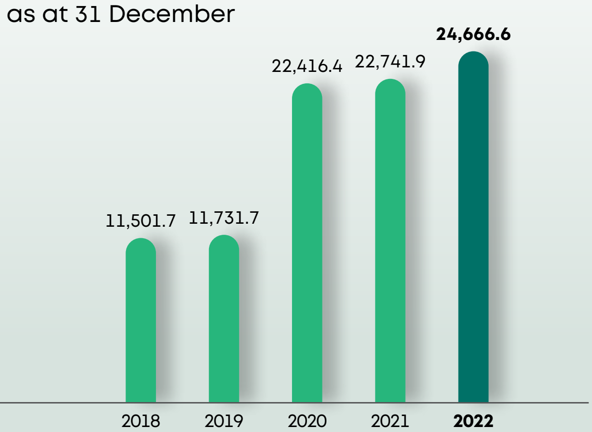


1 CICT Group refers to CICT and its subsidiaries. On 21 October 2020, CapitaLand Mall Trust (CMT) and CapitaLand Commercial Trust (CCT) were merged by way of a trust scheme of arrangement with the merged entity renamed CapitaLand Integrated Commercial Trust (CICT) on 3 November 2020.

DISTRIBUTABLE INCOME
(S$ million)



TOTAL ASSETS
(S$ million)
as at 31 December



GROUP For the Financial Year	2018	2019	2020[1]	2021	2022
Selected Statement of Total Return and Distribution Data (S$ million)					
Gross Rental Income	639.2	722.4	697.6	1,233.3	**1,352.2**
Car Park Income	20.2	19.8	17.7	27.7	**35.4**
Other Income	38.1	44.5	29.9	44.1	**54.1**
Gross Revenue	**697.5**	**786.7**	**745.2**	**1,305.1**	**1,441.7**
Net Property Income	493.5	558.2	512.7	951.1	**1,043.3**
Distributable income	410.7	441.6	369.4	674.7	**702.4**
Selected Statement of Financial Position Data (S$ million)					
Total Assets	11,501.7	11,731.7	22,416.4	22,741.9	**24,666.6**
Total Borrowings[2]	3,638.0	3,547.0	8,632.0	8,119.0	**9,457.0**
Net Asset Value Per Unit[3] (S$)	2.00	2.07	2.00	2.06	**2.06**
Unitholders' Funds	7,429.3	7,767.2	13,037.6	13,667.8	**14,073.4**
Market Capitalisation	8,332.4	9,074.5	13,976.7	13,481.6	**13,535.6**
Investment Properties	10,075.6	10,415.8	21,366.1	21,431.1	**23,744.8**
Key Financial Indicators					
Earnings Per Unit (cents)	18.96	18.90	8.36	16.71	**10.92**
Distribution Per Unit (cents)	11.50	11.97	8.69	10.40	**10.58**
Management Expense Ratio[4] (%)	0.7	0.7	0.6	0.7	**0.7**
% of Total Assets that are Unencumbered (%)	89.8	100.0	95.8	96.1	**93.5**
Aggregate Leverage (%)	34.2	32.9	40.6	37.2	**40.4**
Interest Coverage (times)	5.2	4.7	3.8	4.1	**3.7**
Average Term to Maturity (years)	4.4	5.0	4.1	3.9	**3.9**
Average Cost of Debt (%)	3.1	3.2	2.8	2.3	**2.7**

1 On 21 October 2020, CMT and CCT were merged by way of a trust scheme of arrangement with the merged entity renamed CICT on 3 November 2020.
2 Includes foreign currency denominated notes which have been swapped to Singapore dollars at their respective swapped rates and foreign currency bank loans.
3 Excludes the distribution to be paid for the last quarter of the respective financial years except for 2018, 2020 and 2021 which exclude the distribution for the period from 8 November 2018 to 31 December 2018, 21 October 2020 to 31 December 2020 and 16 December 2021 to 31 December 2021 respectively.
4 Refers to the expenses excluding property expenses and finance costs but including performance component of management fees, expressed as a percentage of weighted average net assets.

Sustainability Highlights

MOVING TOWARDS OUR 2030 TARGETS

Aligned with CapitaLand's commitment to Net Zero by 2050 and elevate carbon emissions reduction target to 1.5°C scenario[1]

	2022 Progress	2030 Targets
Energy Consumption Intensity	▼31.3%	▼35%
Carbon Emissions Intensity	▼49.9%	▼78%
Water Consumption Intensity	▼35.4%	▼45%
Recycling Rate in day-to-day operations	8.4%	25%

2022 Progress 2030 Targets

Compared to base year 2008

Building Portfolio Resilience and Resource Efficiency

Green Rating
99%
of portfolio by GFA

Recycled Water
37.6% of
total water consumption

E-Waste Collection
19.6 tonnes
collected

AFFIRMATION OF ESG COMMITMENT BY INDEPENDENT THIRD PARTIES

GRESB ★★★★★ 2022

GRESB **5 Star rated** and **'A'** for public disclosure

FTSE4Good

Constituent of the FTSE4Good Index Series for 16 consecutive years

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | AA | AAA

EQUILEAP MAKE A DIFFERENCE AND A RETURN

Ranked **Top 10** in Singapore for Gender Equality in 2022

Rated **11.6 - Low Risk** and included in the **2023 Top-Rated ESG Companies List** by *Sustainalytics*

CDP Climate Change
Scored B
for 4 consecutive years

COMMITMENT TOWARDS SOCIAL GOOD AND STAKEHOLDER ENGAGEMENT

Total Employee Volunteer Hours
> 1,800

ALL
Term contractors are minimally bizSAFE Level 3 certified at point of contract award

Community Engagement Events
- Let's Get Down to Earth
- Project Green at Raffles City Singapore

Total Employee ESG Training Hours
> 4,700

Female Representation in Senior Management Level
78%

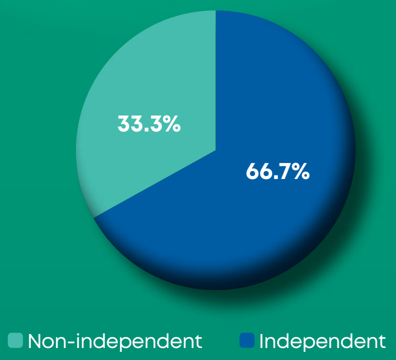
Investor Engagements
~**600** institutional investors from **400** local and global companies

1 To operationalise its SBTi approved carbon emissions reduction target for scope 1 and 2 emissions, CLI is reviewing its carbon emissions intensity reduction targets and other environment targets, including changing reference to 2019 as the baseline year instead of 2008. The targets are being reviewed as part of the scheduled review of CapitaLand's 2030 Sustainability Master Plan in 2022 and will be published before end May 2023.

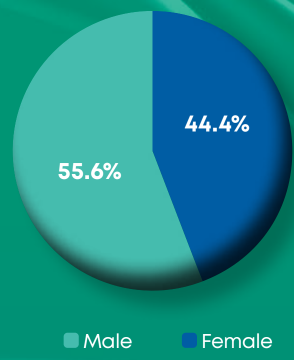
Corporate Governance Highlights

PROFILE OF THE MANAGER'S BOARD COMPRISING NINE DIRECTORS

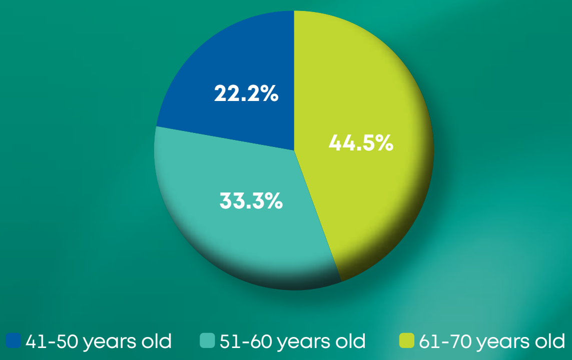
BOARD INDEPENDENCE



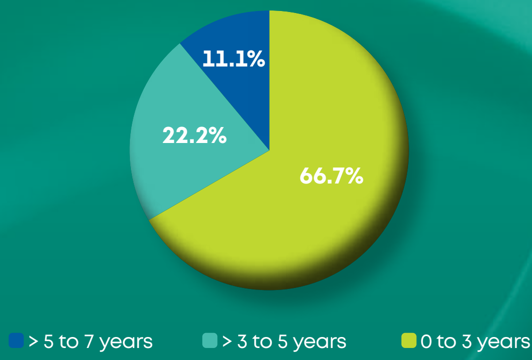
BOARD GENDER DIVERSITY



AGE SPREAD



TENURE MIX



BOARD TRAINING

All directors attended minimally one ESG training in 2022 such as Listed Entity Directors Programme on Environmental, Social, and Governance Essentials and Stakeholders' Engagement

RECOGNITION OF OUR GOVERNANCE AND TRANSPARENCY PRACTICES

(under REITs and Business Trusts category)

SIAS Investors' Choice Awards 2022

- Winner of the Singapore Corporate Governance Award

Singapore Corporate Awards 2022

- Gold for Best Annual Report

Singapore Governance and Transparency Index (SGTI) Award

- Ranked 4th with a score of 107.2

Governance Index for Trusts (GIFT)

- Ranked 4th with a score of 80.5

Year in Brief

JANUARY 2022

24th
- Announced the divestment of JCube for S$340.0 million to Tanglin R.E. Holdings Pte. Ltd..

27th
- Westgate renewed its BCA Green Mark Platinum certification.

28th
- Reported FY 2021 distribution per unit (DPU) of 10.40 cents.

FEBRUARY 2022

9th
- CapitaSpring reported 93% leasing commitment upon official completion.

18th
- CICT through CMT MTN Pte. Ltd. issued HK$900.0 million of fixed rate notes due 18 February 2031 at 2.95% per annum under the unsecured US$3.0 billion Euro-Medium Term Note Programme. The proceeds were swapped into Singapore dollars under a cross currency swap arrangement and used for refinancing purpose.

MARCH 2022

10th
- Completed the divestment of JCube.

24th
- Completed the acquisition of the units in two separate trusts that hold 66 Goulburn Street and 100 Arthur Street in Sydney, Australia.

25th
- Proposed acquisition of CapitaSky (previously known as 79 Robinson Road) with CapitaLand Open End Real Estate Fund (COREF) at an agreed property value of S$1,260.0 million. CICT holds a 70.0% interest in CapitaSky.

Acquired 70.0% interest in CapitaSky on 27 April 2022

APRIL 2022

21st
- Unitholders approved all resolutions at Annual General Meeting.

25th
- Appointed Mr Tan Boon Khai as Non-Executive Independent Director and member of the Audit Committee.

27th
- Completed the acquisition of 70.0% interest in CapitaSky.

28th
- Converted Southernwood Property Pte. Ltd to 79RR LLP, a limited liability partnership. This allowed unitholders of CICT to enjoy tax transparency treatment on CICT's income received from its 70.0% interest in CapitaSky.

29th
- Announced business update for the first quarter ended 31 March 2022.

JUNE 2022

21st
- Completed the acquisition of 50.0% interest in 101-103 Miller Street and Greenwood Plaza, North Sydney, Australia.

JULY 2022

24th
- Lot One Shoppers' Mall recognised as the Best Green Library for 2022 by the International Federation of Library Associations and Institutions (IFLA).

25th
- Announced the following changes to the Board and Board Committees composition with effect from 25 July 2022:
  - Retirement of Mr Lim Cho Pin Andrew Geoffrey as Non-Executive Non-Independent Director and member of the Executive Committee; and
  - Appointment of Ms Janine Gui Siew Kheng as Non-Executive Non-Independent Director and member of the Executive Committee.

26th
- Announced the transformation of CQ @ Clarke Quay into a day-and-night destination with a S$62.0 million asset enhancement initiative.
- CapitaSpring awarded ACES Design Excellence Award 2022 by Association of Consulting Engineers Singapore.

28th
- Reported 1H 2022 DPU of 5.22 cents.

AUGUST 2022

3rd

- Ranked 4th with a score of 107.2 in the Singapore Governance and Transparency Index (SGTI) Award (REIT and Business Trust category).

23rd

- Established a S$500.0 million Euro-Commercial Paper Programme.

30th

- Achieved the Gold award for Best Annual Report for REITs & Business Trusts, at the Singapore Corporate Awards 2022.

Celebrating the Gold award for Best Annual Report

SEPTEMBER 2022

13th

- Raffles City Singapore achieved Temporary Occupation Permit for the area under asset enhancement works.

22nd

- Six Battery Road achieved Temporary Occupation Permit for the area under asset enhancement works.

27th

- CapitaGreen, Capital Tower and Six Battery Road awarded Fire Safety Excellence Award 2022 by the National Fire and Emergency Preparedness Council, supported by Singapore Civil Defence Force.

28th

- IMM Building, Asia Square Tower 2, CapitaGreen and Capital Tower awarded the Outstanding Individual Award at the National Safety & Security Watch Group (NSSWG) Awards 2022 accorded by the Singapore Police Force and Singapore Civil Defence Force.

OCTOBER 2022

1st

- Won the Singapore Corporate Governance Award (REITs & Business Trusts Category) at the SIAS Investors' Choice Awards 2022 by Securities Investors Association (Singapore).

18th

- Achieved GRESB 5 Star rating in Asia, Diversified-Office/Retail, Listed category with a score of 88 and 'A' for public disclosure in 2022.

21st

- Announced business update for the third quarter ended 30 September 2022.

NOVEMBER 2022

8th

- Tampines Mall renewed its BCA Green Mark Gold certification.

11th

- Raffles City Singapore awarded My Favourite Shopping Mall award by the Singapore Retailers Association.
- Funan awarded Best Efforts in Advertising & Promotions (Shopping Centre) by the Singapore Retailers Association.
- CapitaSpring conferred the High Rise/Slender Building award at the IStructE Singapore Structural Award 2022 presented by The Institution of Structural Engineers.

15th

- Funan renewed its BCA Green Mark GoldPLUS certification.
- IMM Building renewed its BCA Green Mark GoldPLUS certification.

16th

- CQ @ Clarke Quay certified BCA Green Mark GoldPLUS.

17th

- Ranked 4th with a score of 80.5 points in the Governance Index for Trusts (GIFT) 2022.

DECEMBER 2022

1st

- Included in ASEAN Asset Class list for excellence in corporate governance in 2021 ASEAN Corporate Governance Scorecard (ACGS), an initiative of the ASEAN Capital Markets Forum (ACMF).

7th

- CapitaSpring won Silver for Best Mixed-Use Development at the MIPIM Asia Award 2022.

12th

- CapitaSpring won Merit for the Commercial & Industrial Category at the Singapore Landscape Architecture Awards (SILA) 2022 presented by Singapore Institute of Landscape Architects.

Message to Unitholders

As the proxy for Singapore commercial real estate, we are poised to leverage real estate trends and opportunities in retail, office, and integrated developments locally and ride on the different market cycles.

TONY TAN TEE HIEONG
Chief Executive Officer

TEO SWEE LIAN
Chairman

Dear Unitholders

Emerging from the COVID-19 pandemic, 2022 marked the reopening of several economies around the world. With the easing of safe management measures, workers returning to the workplace and the resumption of travel, business activity gradually returned to a steady clip.

However, geopolitical tensions, high energy prices and inflation have fuelled economic uncertainty worldwide. In FY 2022, the key markets in which we operate – Singapore, Australia and Germany – registered cautious growth.

Compared to a year ago, Singapore's gross domestic product for 2022 was at 3.6%, Australia at 2.7% and Germany at 1.9%.

DELIVERING GROWTH AMID HEADWINDS

Despite the economic uncertainty, CapitaLand Integrated Commercial Trust (CICT) delivered a distributable income of S$702.4 million for FY 2022, translating to a DPU of 10.58 cents, up 1.7% year-on-year (YoY). CICT's closing price of S$2.04 as at 31 December 2022 held steady YoY, resulting in a DPU yield and a total return of 5.2%.

As the largest proxy for commercial real estate in Singapore, our gross revenue for the year climbed by 10.5% to S$1,441.7 million. For the first time, our net property income (NPI) surpassed the S$1 billion mark, growing by 9.7% to S$1,043.3 million.

New acquisitions and higher revenue from gross rental income and gross turnover rent contributed to the positive performance. The easing of COVID-19 restrictions buoyed Singapore office and retail operations, leading to the increased revenue. This was partially offset by higher energy cost for FY 2022, as the energy tariff rate was almost double that of FY 2021.

MAINTAINING A HEALTHY BALANCE SHEET

We reported an aggregate portfolio property value of S$24.2 billion based on proportionate interests in the portfolio as at 31 December 2022. Net asset value (NAV) per unit remained unchanged at S$2.06[1], from a year ago. Portfolio NPI yield was 4.6%[2], which was higher than the 4.2% for FY 2021.

Underpinned by our proactive capital management strategy, we continued to enjoy access to diversified funding sources and maintain a well-spread debt maturity profile of 3.9 years, with the longest tenor debt maturing in 2033. During FY 2022, we secured a total of S$2.7 billion in sustainability-linked/green loan facilities, including the issuance of HK$900 million 9-year fixed rate notes to finance or refinance, in whole or in part, eligible green projects undertaken by CICT in accordance with the CICT Green Finance Framework.

Our aggregate leverage ratio was 40.4% as at 31 December 2022. Interest coverage remained healthy at 3.7 times, with 81% of total borrowings in fixed interest rates to mitigate interest rate movements.

Moody's Investors Service maintained CICT's issuer rating at 'A3', and S&P Global Ratings at 'A-'.

SINGAPORE RETAIL TAKES ON A NEW GLOW

We are encouraged by the strong return of shoppers to our malls, upon the gradual easing of COVID-19 restrictions during the year. Shopper traffic climbed 25.0% YoY in FY 2022, boosted by a strong recovery of traffic in our downtown malls since 3Q 2022.

Downtown malls, including Raffles City Singapore, unveiled a diverse mix of offerings for shoppers and tourists to immerse in new retail experiences

Riding on the positive momentum of Singapore's reopening, we unveiled new retail and lifestyle offerings at our downtown malls, including Bugis Junction, Bugis+, Funan and Raffles City Singapore, in June 2022 to attract shoppers and tourists.

1 Excludes 2H 2022 distribution.
2 Excludes the new acquisitions completed in FY 2022.

Message to Unitholders

We continued to leverage CapitaStar, the main digital enabler of CapitaLand's holistic retail ecosystem, to delight shoppers and drive more sales to our tenants. CapitaStar offers a one-stop solution for retailers to unlock new business potential and synergies as shoppers earn cashback in the form of STAR$® when they dine and shop at CapitaLand retail and workspace properties.

Recovery in the average islandwide prime retail rents started in 3Q 2022 while the suburban market rents continued to outperform in 2022[3]. For our retail portfolio, rental reversion for FY 2022 was 1.2% (FY 2021: -3.2%) when compared on an average-to-average basis[4], with encouraging recovery seen at suburban and downtown malls. The weighted average lease expiry (WALE) as at 31 December 2022 was stable at 2.2 years.

Retail tenant retention was robust at 89.1%. Average gross turnover rent was about 7.6% of retail gross revenue for FY 2022. Occupancy cost for tenants was healthy at 16.6%, compared with 18.3% a year earlier. Overall tenants' sales per square foot jumped 22.5% against that of FY 2021, exceeding the pre-pandemic level in 2019.

As at 31 December 2022, the occupancy for our retail portfolio improved by 1.5 percentage points (ppts) to 98.3%, higher than Urban Redevelopment Authority's Singapore retail occupancy rate of 92.9%. The occupancy for our integrated development portfolio held steady at 97.1% for the same period.

SINGAPORE OFFICE SEGMENT REBOUNDS

As a resilient financial hub, Singapore saw a recovery in demand for office space as safe management measures eased in 2022. Companies were more certain about their workspace requirements compared with the year before.

The average Grade A office market rent in 2022 surpassed peak rent in 4Q 2019. In tandem with this market trend, we recorded a positive office rental reversion of 7.6% for FY 2022.

Office demand in Singapore was robust. The committed occupancy for our Singapore office portfolio rose by 5.8 ppts YoY to 96.2%, above CBRE's Singapore Core CBD market occupancy of 94.7%. CapitaSpring, which obtained its temporary occupation permit in November 2021, achieved 100% committed occupancy for its office tower as at 31 December 2022.

Partnering with flexible workspace providers such as The Work Project at CapitaSpring is part of CICT's core and flex strategy

At CICT, we incorporate a core and flexible strategy in our workspace leasing to address the evolving needs of our tenants. During the post-pandemic recovery phase in FY 2022, tenants had the options to consider flexible workspaces for remote working, business continuity planning, and split team arrangements. These include managed or leased flexible workspaces within our portfolio.

Providing an elevated and more rewarding user experience to our workspace community across our office properties, we leverage the CapitaStar@Work platform where tenants could manage their visitors' access, amongst other features.

We are heartened by our stable performance in the Singapore office market in 2022. Overall, we achieved a tenant retention rate of 81.1% for FY 2022 with a healthy WALE at 3.8 years. This was only possible through our proactive leasing and active management of lease expiries.

PROACTIVE MANAGEMENT OF OUR OVERSEAS PORTFOLIO

Outside Singapore, we also experienced rising interest rates, high energy costs and inflation, which impacted our overseas portfolio in FY 2022.

To enhance the value of our overseas assets, we focused on optimising these properties through proactive lease management to ramp up occupancies and providing fitted-out workspace to target different segments of the market.

Specifically, for our newly acquired portfolio in Australia comprising 66 Goulburn Street, 100 Arthur Street and 101 - 103 Miller Street, we are also exploring flexible workspace solutions in line with our office strategy.

3 Source: CBRE Research 4Q 2022
4 Comparing the average of incoming rents with the average of outgoing rents over the respective lease period.

For Gallileo in Frankfurt, Germany, its anchor tenant, Commerzbank has given notice to end its lease in January 2024. While we are actively leasing the upcoming vacant space and evaluating possible asset enhancement works, this will take time. As such, Gallileo is expected to be non-income generating for at least 18 months.

SEIZING OPPORTUNITIES, STRENGTHENING OUR POSITION

At CICT, we regularly review and evaluate our portfolio with the goal of enhancing value for our Unitholders. As part of our ongoing portfolio reconstitution strategy, we actively explore accretive investments, asset enhancements and capital recycling opportunities to enhance income diversification. This could be in Singapore or other developed markets, depending on the opportunities and strategic fit to our portfolio.

With Singapore as our core market, we want to continue exploring opportunities to strengthen our position. On 27 April 2022, we partnered with CapitaLand Open End Real Estate Fund (COREF) to acquire CapitaSky, a quality Grade A office building located in the central business district, for an agreed property value of S$1,260.0 million. CICT owns a 70.0% interest in CapitaSky.

The acquisition was partially funded by the sale proceeds from the divestment of JCube, which is in line with our ongoing portfolio reconstitution strategy to enhance portfolio quality and resilience. Besides recycling sale proceeds, we collaborated with COREF to optimise our funding arrangements. For future investments, we will continue to explore different funding sources to drive growth.

With the acquisition of CapitaSky and together with Capital Tower, CICT holds a dominant position in Singapore's Tanjong Pagar office sub-market with more than 1.2 million sq ft of NLA.

In FY 2022, opportunities for asset enhancement initiative (AEI) were also identified and carefully evaluated before we embarked on two AEIs at Raffles City Singapore and CQ @ Clarke Quay.

At Raffles City Singapore, works began in January 2022 to reconfigure and reposition 111,000 sq ft of space previously occupied by an anchor tenant across levels 1 to 3 to create smaller units to cater to large format and specialty retail brands. A new set of escalators was added to provide greater convenience to shoppers.

The works were completed in 4Q 2022, bringing a unique experience to shoppers that includes a rejuvenated mix of beauty, fashion, and lifestyle offerings. Over 65 new brands were unveiled, contributing to the mall's rejuvenation exercise to capture the pulse of the evolving shopping and lifestyle needs of shoppers and the increased tourist arrivals.

At CQ @ Clarke Quay, we kicked off AEI works in 3Q 2022 with the aim to transform it into a day-and-night destination. The S$62.0 million AEI is set to revitalise the property's inner streets and enhance its appeal to day-time visitors. With its unique godown typology of the conserved warehouses at Block B, an exciting blend of lifestyle and F&B tenants will be introduced.

As we carry out the AEI at CQ @ Clarke Quay, we continue to place emphasis on achieving our sustainability targets. Approximately 34% of the total project cost is dedicated to green features, such as a more energy-efficient chiller and a new ETFE (ethylene tetrafluoroethylene) canopy. We are pleased to be awarded an upgrade of our green rating to BCA Green Mark Gold^{PLUS} in November 2022.

CQ @ Clarke Quay will remain open as we carry out the AEI in phases slated for completion by 3Q 2023.

GROWING RESPONSIBLY

As a responsible corporate citizen, we aim to add long-term economic value to the communities we serve in an environmentally friendly manner.

Fostering a sense of community with curated events using the spaces within our properties

Message to Unitholders

Our sponsor, CapitaLand Investment Limited, has announced its commitment to achieve Net Zero emissions by 2050, building on its 2030 Sustainability Master Plan (SMP). CICT is aligned with this vision.

We have prioritised efforts to reduce our carbon footprint. Some of our initiatives include buying green energy for use in our properties and installing renewable energy facilities onsite at more properties. For example, solar panels will be installed at IMM Building in Singapore in two phases to generate renewable energy. The first phase to install 3,633 solar panels (11,960 sq m) is expected to be operational by April 2023. The second phase will include an additional installation of 672 solar panels (1,760 sq m) in 1H 2023. Collectively, the estimated annual renewable energy generated will be approximately 2.9 GWh. Please refer to the Sustainability Report 2022 for more details.

In FY 2022, we published our Green Finance Framework outlining the criteria and guidelines underpinning our green finance transactions. As at end-2022, about 30% of our total borrowings comprised sustainability-linked/green loan facilities and green bond issuance.

Our efforts in sustainability have garnered us a 5 Star rating and an ‘A’ for Public Disclosure in GRESB 2022. CICT is also rated ‘AA’ by MSCI ESG and ‘Low Risk’ by Sustainalytics. Going forward, we aim to maintain high standards in corporate governance, safeguarding the interest of unitholders.

ACCOLADES AND AWARDS

CICT's CEO Mr Tony Tan receiving the Singapore Corporate Governance Award at the SIAS Investors' Choice Awards 2022

We are heartened that our efforts in adopting best practices in corporate governance have been recognised by the following entities under the REITs and Business Trusts category:

SIAS Investors' Choice Awards 2022
- Singapore Corporate Governance Award 2022 (Winner)

Singapore Governance and Transparency Index 2022
- Ranked fourth with a score of 107.2

Governance Index for Trusts (GIFT) 2022
- Ranked fourth with improved score

Singapore Corporate Awards 2022
- Best Annual Report (Gold)

MARKING OUR 20TH YEAR OF LISTING

In FY 2022, we celebrated our 20th year as a listed entity. Over the years, we have weathered several global events such as the 2002-2004 SARs outbreak, the 2008 global financial crisis, and the 2009-2010 European debt crisis.

The lessons we have learnt from those crises have been invaluable. The challenges brought about by COVID-19 reaffirmed the merits of the merger between CapitaLand Mall Trust and CapitaLand Commercial Trust. We become more resilient as a diversified investment vehicle that can ride through the different market cycles. The merger has also enhanced our liquidity as we become the largest Singapore-listed REIT. Today, we are more agile than ever before, ready to respond when the need arises.

We believe in the power of teamwork and communication. This entails looking after the well-being of our employees and working closely with our stakeholders to understand their evolving needs. It is one of our key priorities in steering uncertainties and growing together as one.

We are heartened by your trust and support over the last 20 years and remain committed to delivering sustainable distribution and total returns in 2023 and beyond.

OUTLOOK

As we enter 2023, we face macroeconomic uncertainty amidst rising interest rates, inflation and geopolitical tensions.

Our strategy includes maintaining longer debt maturities, with a high proportion of fixed rate debt while remaining vigilant against interest rate movements to time our refinancing appropriately.

We expect energy prices to remain high in 2023. Thus, we have hedged our energy tariff rate to avoid further volatility in energy costs for 2023 and 2024.

To mitigate the financial impact of rising energy expense, we have taken measures in keeping our properties energy efficient while increasing the use of green energy as much as possible. From January 2023, service charges at most of our Singapore properties were increased to reflect higher operating costs. In alignment with the Fair Tenancy Framework[5], higher service charge will only be imposed on new leases or upon lease renewals for our retail portfolio.

As the proxy for Singapore commercial real estate, we are poised to leverage real estate trends and opportunities in retail, office, and integrated developments locally and ride on the different market cycles. Given our continuous efforts to enhance our products and services, we expect our current portfolio to cater well to market demands.

Driving value creation via asset enhancements and acquisitions remain our focus. With the current uncertain economic environment, we will explore the most optimal funding structures for accretive acquisitions when opportunities arise. Funding sources can be a combination of debt and/or equity fund raising when the conditions are favourable, recycling of divestment proceeds, or working with a capital partner.

Singapore will continue to be our most important market for expansion and growth, while we will be patient for the right opportunities to deepen our presence in our existing overseas market.

ACKNOWLEDGEMENTS

On behalf of the Board, we thank Mr Lim Cho Pin Andrew Geoffrey, who has retired from his role as Non-Executive Non-Independent Director and Member of the Executive Committee.

We warmly welcome Mr Tan Boon Khai as Non-Executive Independent Director and Ms Janine Gui Siew Kheng as Non-Executive Non-Independent Director. Mr Tan serves as a member of the Audit Committee; and Ms Gui is a member of the Executive Committee.

In closing, we sincerely thank our Board as well as our Unitholders and employees for their invaluable support, without which we would not have achieved as much as we did in FY 2022.

TEO SWEE LIAN
Chairman

TONY TAN TEE HIEONG
Chief Executive Officer

February 2023

5 In line with the Code of Conduct for leasing of retail premises in Singapore, an increase in service charge will be applicable for new tenancy agreements or renewals of retail leases. For the existing retail leases, any increase in service charge will not affect overall gross rent unless separately agreed.

致信托单位持有人之信函

尊敬的信托单位持有人，

2022年标志着世界逐渐从冠病疫情中走出来，许多经济体重新对外开放。随着安全管理措施逐一松绑，员工重返工作场所、旅游恢复、商业活动也稳健复苏。

然而，地缘政治紧张、能源价格高长、通货膨胀日渐加剧，再再加深了全球经济的不稳定。于2022财政年度，我们经营的主要市场，即新加坡、澳大利亚和德国，都出现了经济增长放缓。相较于前一年，新加坡2022年的国内生产总值为3.6%、澳大利亚为2.7%、德国为1.9%。

在逆境中持续增长

尽管经济前景不明，凯德综合商业信托（凯德综合信托）仍然在2022财政年度取得了7亿零240万新元的可派发收入，每单位派息同比上升1.7%至10.58分。　凯德综合信托2022年12月31日截至闭市价为2.04新元，同比保持稳定，每单位派息的收益率和总回报率同为5.2%。

作为新加坡商业地产的最大指标，我们今年的总收入上升了10.5%，达到14亿4170万新元。净房地产收入首次超越10亿新元大关，以9.7%的增长达到10亿4330万新元。

凯德综合信托较好的业绩来自收购新项目及收获更高的总租金收入和总营业额收入。疫情管控措施放宽，带动办公和零售租赁市场回温，提高了凯德综合信托的收入。然而，能源开支增加抵消了部分收入。

维持良好财务状况

根据截至2022年12月31日，我们的总资产价值稳定，达到242亿新元，每单位资产净值为2.06新元[1]，与2021年维持不变。我们的组合净资产收益率为4.6%[2]，高于2021财政年度的4.2%。

我们秉持积极的资本管理策略，建立多元资金来源，将良好债务期限分布保持在3.9年，最长期限延至2033年。年内，与可持续发展挂钩或绿色贷款总计27亿新元，包括发行9亿港元的9年期固定利率票据，以全部或部分资助或再资助我们在绿色融资框架中所进行的绿色项目。

截至2022年12月31日，我们的总杠杆率为40.4%。利息覆盖率保持在3.7倍的健康水平，其中固定贷款占总贷款额的81%，在利率动荡环境中提供缓冲。

穆迪投资者服务公司将凯德综合信托的发行人评级维持在 "A3"级别，而标普全球评级保持在 "A-"。

新加坡零售业焕发新光彩

管理措施逐步放宽带动购物者回返我们的商场，我们对年内购物者强势回流凯德商场感到鼓舞。2022财政年度，商场客流量与前一年同期相比攀升25.0%，其中位于市中心的商场从2022年第3季度开始出现强劲复苏。

顺应新加坡重新开放边境的有力势头，我们于2022年6月在市中心的白沙浮广场、白沙浮娱乐广场、福南和新加坡来福士城推出了新的零售和生活时尚项目，以吸引购物者和游客。

我们也继续通过凯德星为租户和购物者提供优惠，从而提高租户业绩。作为凯德集团零售生态系统的主要数码平台，凯德星为零售商提供一站式解决方案，激发新的业务潜力和协同效应。购物者在凯德集团的商办物业用餐或购物时，则可获得STAR$®现金回馈。

新加坡黄金地段平均零售租金在2022年第3季度开始回升[3]，邻里市场在2022年的表现依旧出色。我们的零售组合在2022财政年度的平均租金[4]调升率为1.2%（2021财政年度为负3.2%），邻里与市区商场都开始复苏。截至2022年12月31日，我们的加权平均租赁到期日（WALE）维持稳定，为2.2年。

2022财政年度，零售业续租率为89.1%，总营业额租金占零售业总收入的平均 7.6% 左右。同时，我们的出租成本从前一年的18.3%下降至16.6%，属于健康水平。整体租户的每平方英尺销售额表现出色，与2021财政年度相比增加了22.5%，超越了2019年疫情前的水平。

截至2022年12月31日，我们零售组合的出租率提高了1.5个百分点，达到98.3%，高于新加坡市区重建局92.9%的零售出租率。同一时期，综合发展项目的出租率稳定在97.1%。

新加坡办公楼市场回弹

2022年，新加坡从疫情管控过渡到开放，对办公空间的需求顺势回弹，企业较之前一年，更能确定对办公空间的需求。

2022年的甲级办公楼市场平均租金超过了2019年第4季度的峰值租金。与这一市场趋势一致，我们在2022财政年度的办公楼租金调升率上升到7.6%。

新加坡对办公楼的需求强劲，我们新加坡办公楼组合的承诺出租率同期上升了5.8个百分点至96.2%，高于世邦魏理仕的新加坡核心中央商业区市场94.7%的出

1　不含2022下半年的派息。
2　不含2022 财年新收购的项目。
3　资料来源：CBRE Research Q4 2022。
4　对比相应租期的入租租金平均值与出租租金平均值。

租率。凯源中心也于2021年11月获得临时入伙证，截至2022年12月31日实现了100%的办公楼承诺出租率。

凯德综合信托在办公楼出租业务上结合核心和灵活战略以应对市场变动。在2022财政年度，市场进入疫情后恢复阶段，租户可选择灵活工作空间实施远程办公、业务连续性规划和分组办公的安排。其中包括我们物业组合中的托管或租赁工作空间。

我们通过CAPITASTAR@WORK平台为使用凯德办公物业的社群提供更优质的用户体验。租户可通过该平台管理访客出入并操作其他便捷功能。

我们对2022年新加坡办公楼市场的稳定表现感到欣慰。我们在2022财政年度通过积极的租赁招商和租约管理取得了81.1%的续租率，加权平均租赁到期日也保持在3.8年的健康水平。

积极管理海外投资组合

2022财政年度，凯德综合信托在新加坡以外的业务同样受利率上升、能源成本提高和通货膨胀的影响。

为了提高海外资产的价值，我们着重通过积极的租赁管理优化物业以提高出租率，同时增加含装备的工作空间，满足市场需求。针对在澳大利亚新收购的投资组合，即66号 GOULBURN STREET, 100号 ARTHUR STREET和101至103号MILLER STREET，我们也配合我们的办公楼战略探讨灵活工作空间解决方案。

至于我们在德国法兰克福的GALLILEO办公大楼，其主租户德国商业银行将在2024年1月组约到期后退出。我们在积极招租的同时，也评估可行的资产增值方案。由于这些工作需要时间进行，因此我们预计GALLILEO至少有18个月无法产生收入。

把握机遇，增强业绩

我们定期审查和评估我们的投资组合，以提高单位持有人的价值。作为我们正在进行的投资组合重组战略的一部分，我们正在新加坡和其他发达市场积极探讨增值投资、组合重组和资产增值的机会，在符合投资组合战略的前提下把握适当机遇。

新加坡是我们的主要市场，我们将继续物色投资机会巩固市场地位。我们与CAPITALAND OPEN END REAL ESTATE FUND（COREF）合作，于2022年4月27日以议价12亿6000万新元收购优质甲级办公楼凯蔚大厦。目前凯德综合信托拥有凯蔚大厦 70.0%的股权。

此次收购的部分资金来自裕冰坊的销售收入（退出收益率低于4%），这符合我们正在进行的投资组合重组战略，以进一步提高投资组合的质量和韧性。除了运用销售所得，我们还与COREF携手优化资金安排。对于未来的收购，我们将继续探索不同的资金来源，通过投资推动增长。

凯蔚大厦与资金大厦两个物业让凯德综合信托在新加坡丹戎巴葛区办公楼市场占据了主导地位，包括零售配套空间的可出租面积超过120万平方英尺。

在2022财政年度中，我们认真评估并选定两项资产增值计划翻新工程，为新加坡来福士城和克拉码头增添新气象。

从2022年1月开始，我们将来福士城1至3层111,000平方英尺的前主租户空间进行重新配置和定位改造成较小的单元，以满足大型业态和专业零售品牌的需求。商场也加装了一套新的自动扶梯，方便购物者的流动。

改造工程于2022年第4季度竣工，为购物者带来独特的体验，包括美妆、服装和生活时尚产品的重新组合。超过65个新品牌亮相为商场注入活力，吸引购物者和逐渐增加的游客数。

2022年第3季度，我们也在克拉码头启动了资产增值计划翻新工程，将其转型为全天候生活时尚地点。

耗资6200万新元的翻新计划将CQ @ CLARKE QUAY的内部街道改造为更吸引日间游客的场所。配合B座获保留货仓的独特建筑类型，我们将引进各种生活时尚和餐饮配套服务的租户，注入新活力。

随着CQ @ CLARKE QUAY的改造，我们将更注重我们的可持续发展目标。绿色装备占此项目总成本约34%，设施包括更节能的冷水机系统和采用环保塑料聚四氟乙烯装置的顶棚。我们很荣幸获得新加坡建设局于2022年11月将CQ @ CLARKE QUAY的绿色建筑级别提升至绿色建筑标志超金奖（GREEN MARK GOLD[PLUS]）。

CQ @ CLARKE QUAY在分阶段进行翻新工程期间继续营业，预计在2023年第3季度竣工。

坚持负责任增长的原则

身为负责任的企业公民，我们力图以环保的方式，为我们服务的社区贡献长期经济价值。

我们的发起人凯德集团投资有限公司承诺在2050年前实现净零排放，作为其2030年可持续发展总体规划的一部分。凯德综合信托与发起人的愿景一致。

我们已将减少碳足迹的工作列为优先事项，包括采购绿色能源以及在局部产业装置可再生能源设施。例如，新加坡IMM大厦将分两个阶段安装太阳能板化成可再生能源。第一阶段安装3633片太阳能电池板，约占11,960平方米，预计于2023年4月开始运营。第二阶段将在2023上半年内增加672片太阳能板，面积约为1,760平方米。预计每年可产生总体约为2.9GWH的电力。详情请参考我们的2022年可持续发展报告。

2022财政年度，我们发布了绿色金融框架，概述了我们绿色金融交易的标准和指南。截至2022年底，与可持续发展挂钩或绿色贷款融资及绿色债券的发行总额约占我们总借款的30%。

致信托单位持有人之信函

我们在推动可持续发展方面所做的努力有幸获得各方肯定，包括GRESB 2022五星评级、和公开披露程度"A"级，MSCI ESG "AA"级和 SUSTAINALYTICS "低风险"级别。

展望未来，我们将继续以高标准治理公司，保障单位持有人的利益。

荣誉和奖项

我们很荣幸在房地产投资信托和商业信托中的企业治理实践方面更上一层楼，获得以下各机构对我们的认可：

新加坡证券投资者协会所主办的"投资者的选择"2022

- 新加坡企业治理奖2022

2022年新加坡治理和透明度指数

- 以107.2分排名第四

信托治理指数(GIFT)

- 以比往年更高的得分排名第四

2022年新加坡企业奖

- 获得最佳年度报告金奖

庆祝上市20周年

2022财政年度，我们庆祝信托上市20周年。多年来，我们历经了全球重大事件，如2002-2004年SARS病毒、2008年全球金融危机和2009-2010年欧洲债务危机。

我们从中吸取了宝贵的教训。新冠疫情带来的挑战再次证实了凯德商用新加坡信托与凯德商务产业信托合并的优势。作为一个多元化投资工具，我们更能凌驾市场周期波动也变得更有韧性。随着我们成为新加坡最大的上市房地产投资信托基金，合并也增强了我们的资金流动性。如今，我们比以往任何时候更能顺应变化，能在必要时适时作出调整。

我们相信团队合作和沟通的力量，因此注重员工福利并与利益相关者紧密合作，关注他们蜕变中的需求。这是我们的重点工作之一，攸关我们能否共同面对未知数，并且一起成长。

感谢诸位在过去20年的信任和支持，我们将继续努力，在2023年与往后的日子里实现可持续的派息和总回报。

展望未来

迈入2023年，我们面临利率上升、通货膨胀和持续的地缘政治紧张局势对宏观经济所造成的不确定性。

凯德综合信托的策略包括保持较长的债务期限，维持比例较高的固定利率债务的同时，留意利率变动和再融资的适当时机。

我们预计2023年能源价格保持高位。因此，我们已经对冲了能源费率，以避免2023年和2024年能源成本的进一步波动。

为了减轻能源支出上涨对财政的影响，我们采取措施注重物业的能源效率，同时尽可能增加绿色能源的使用。自2023年1月起，我们调高了大部分新加坡物业租户所缴的服务费以反映更高的运营成本。有鉴于公平租约框架[5]，服务费上调将只在零售组合中新租约或续租时生效。

作为新加坡商业地产的指标，我们借助本地零售、办公和综合房地产的发展趋势，在不同的市场周期中把握机遇。我们预计目前的投资组合足够满足市场需求。

我们的重点仍然是通过资产增值和收购来推动创造价值。尽管当前经济环境不稳定，我们将采取最有利的资金结构，寻找机会进行增值性收购，包括在有利的条件下结合债务或股权融资，将撤资所得转投到更高收益的资产或与资本合作伙伴一起进场。

新加坡仍然是我们最重要的扩张和增长市场，同时我们将持续等待合适的机会深化现有海外市场的立足点。

致谢

我们谨代表董事会，向林卓斌致以最深谢意，感谢他在担任非执行非独立董事和执行委员会成员时的宝贵付出。

我们热烈欢迎新董事陳文凱加入，担任非执行独立董事和审计委员会成员；我们也热烈欢迎魏秀卿加入，担任非执行非独立董事和执行委员会成员。

最后，我们衷心感谢董事会，以及单位持有人和职工的大力支持，我们才能在2022财政年度取得良好的成果。

张瑞莲
主席

陈智雄
首席执行官

2023年2月

5 根据新加坡零售场所租赁的行为准则，新的租赁协议或零售租约的续期将适用于增加服务费。就现有的零售租约而言，除非另行议定，否则服务费的增加不会影响整体总租金。

Conversation with CEO

Mr Tony Tan, Chief Executive Officer and Executive Director of CICTML

1. WHAT OPPORTUNITIES AND THREATS DO YOU FORESEE IN THE OFFICE AND RETAIL SEGMENTS?

With the easing of safe management measures in April 2022, we have seen tenants' sales per sq ft in FY 2022 surpassed the FY 2019 pre-pandemic figure, and shopper traffic continued to trend upwards.

Our downtown malls have recovered well with the increase in domestic consumption and the return of tourists. Demand for atrium space rose as tenants launched campaigns to woo shoppers.

The pandemic has strengthened our resilience. With an aim for our malls to keep up with the times, we consistently optimise tenant mix to curate offerings that excite shoppers. In FY 2022, we launched asset enhancement initiatives (AEI) at Raffles City Singapore and CQ @ Clarke Quay. More information can be found under Value Creation in this annual report.

An important driver to grow our malls' business is CapitaStar, the digital enabler of CapitaLand's holistic retail ecosystem that supports retailers and engages shoppers online and offline. The loyalty programme has enabled us to acquire new customers and retain existing ones as we drive omnichannel activations on the platform.

For our office segment, we see more than 60% of our tenants' employees returning to the workplace. We observed that our tenants are more certain about their space requirements than a year ago. At the same time, companies are leaning towards flexible work arrangements, with most requiring their employees to work in the office for at least three days a week.

To cater to their evolving needs, we have adopted a core and flex strategy for our office business. For example, we focus on managing flexible workspaces by partnering with The Work Project at CapitaSpring and Six Battery Road while taking on leased models with flex space tenants such as JustCo at Asia Square Tower 2 and WeWork at 21 Collyer Quay.

With the changing global economic outlook, we remain agile in navigating the economic and real estate market trends.

Conversation with CEO

2. HOW IS CICT MITIGATING THE IMPACT OF INFLATION AND RISING INTEREST RATES?

We are coping with rising costs primarily by encouraging the reduction of our energy and water consumption, as well as being prudent with less urgent expenses.

We have implemented measures to enhance operational efficiency and alleviate cost pressures, such as leveraging economies of scale across CapitaLand's Singapore portfolio through bulk tender, installing smart building features, and integrating automation initiatives.

While we strive to manage and contain cost increases through our best efforts, any net residual cost increases will be adjusted through increased service charges from January 2023. However, for retail leases, the adjustment is prevalent only for new and renewal leases as we adhere to the Code of Conduct for Leasing of Retail Premises in Singapore[1].

To manage rising interest rates, we are maintaining a relatively high fixed-rate ratio and a debt maturity profile that is well spread out. Overall, we are comfortable with about 70% to 80% of total borrowings being on fixed interest rates.

With an aggregate leverage ratio of 40.4%, which is below the 45% regulatory threshold, our interest coverage ratio is managed at a healthy level of 3.7 times.

3. WHAT GROWTH OPPORTUNITIES ARE CICT EYEING?

We are looking at organic and inorganic growth. For organic growth, we have asset plans to drive net property income over time. We adopt a disciplined and prudent approach for inorganic growth, taking into consideration the prevailing market conditions. Each acquisition must satisfy key criteria such as yield, accretion, rental sustainability, the potential for value creation over time and whether these assets fulfil, or have the potential to fulfil our ESG objectives.

Our portfolio will be predominantly Singapore-focused, covering office, retail, and integrated developments. We will also look overseas in developed markets for investment opportunities for diversification, and where possible, deepen our presence in existing markets that we are already in.

Our key objective is delivering stable and sustainable returns to Unitholders, while remaining committed to ESG requirements that underpin our business.

4. WHAT IS CICT'S ESG FOCUS IN 2023 AND YOUR PLAN TO ACHIEVE THE ORGANISATION'S 2050 NET ZERO TARGET?

Our environmental commitments are aligned with CapitaLand's 2030 SMP and a commitment to Net Zero by 2050. The SMP outlines the targets and pathways that guide our transition to a low-carbon business.

To progress towards our targets, we are exploring green energy procurement. In addition, we will leverage technology to enhance our efficiency, such as initiating pilot programmes through the CapitaLand Sustainability X Challenge.

We continue to enhance our ESG disclosures and integrate the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in our Sustainability Report.

We are also looking to achieve a 100% green-rated portfolio for our operational properties by 2030. For new investments, the green rating of each property will be an evaluation criterion.

Lastly, we have established a Green Finance Framework in February 2022 to allocate and manage the green financing raised for projects which will deliver environmental benefits that support CICT's objectives.

Sustainability is core to what we do. As a responsible corporate citizen, it is a priority for the business as we forge ahead in the new year.

1 Please visit https://www.sra.org.sg/policies-and-guidelines/code-of-conduct/ for the complete list of items covered under the Code of Conduct for Leasing of Retail Premises in Singapore.

Global Trends

At CICT, we anticipate, acknowledge and navigate global trends and environmental changes that affect our investment decisions, business operations and financial performance. We position ourselves strategically and stay vigilant to potential risks as we seize valuable opportunities that arise alongside the trends. We have identified three global trends that are most crucial to us and how we have responded to them.

CLIMATE CHANGE

Climate change has been an increasingly important focus as its outcomes bear implications on the physical environment, resources management, well-being of people and financials. One significant trend for CICT in FY 2022 was the high energy rate indirectly brought about by the war in Ukraine. With the commitments to Net Zero by the various governments, there are also plans to implement a carbon tax in time to come. All these underpin the urgent need for alternative energy, such as green energy.

Our Response:

- Aligned with our sponsor, CapitaLand Investment, CICT is committed to Net Zero by 2050 and elevate our 2030 carbon emissions reduction target to the 1.5°C scenario[1], in line with the goals of the Paris Agreement.
- Integrating sustainability as an operational focus and actively enhancing our measures to improve efficiencies.
- Integrating TCFD recommendations in our annual reporting.
- Accelerating efforts to reduce our properties' carbon footprint, we seek to procure green energy and install onsite renewable energy at more properties. In December 2022, we installed 3,633 solar panels (11,960 sq m) at IMM Building for phase 1.
- Retaining green rating for our portfolio of properties.
- Participating in the annual GRESB Assessment for benchmarking purpose. CICT achieved GRESB 5 Star Rating for the 2022 Assessment.
- Please see CICT's Sustainability Report 2022 for more information.

EVOLVING REAL ESTATE TRENDS

With the progressive relaxation of COVID-19 restrictions from May 2022, the hybrid work environment is here to stay. Many organisations are incorporating greater flexibility in allowing employees to work from home/office and making their office space more collaborative and conducive to encourage the return to office. On the retail front, Singapore's retail sales and shopper traffic performance have steadily improved. The proportion of online sales has declined from its peak in 2020 but remained in double digits, higher than that of pre-pandemic levels.

Our Response

- Acquiring and retaining shoppers through loyalty programme and omnichannel activations via CapitaStar platform, the main digital enabler of CapitaLand's retail ecosystem.
- Delivering elevated and rewarding user experience to the workspace community across CICT properties with CapitaStar@Work that embeds community features offering convenience and connectivity.
- Creating a one-stop office solution for our tenants, such as offering flexible workspace at CapitaSpring managed by The Work Project, CapitaLand's joint venture.
- Providing a sense of community, convenience and access for shopper and tenants in our properties.
- Maintaining the relevance of our properties through regular reviews of asset plans and asset enhancement initiatives.
- Please see Value Creation in CICT's Annual Report 2022 for more information.

TECHNOLOGICAL DEVELOPMENT

Digital adoption and innovation that enhance customers' experiences and ensure security have become a vital strategy in many organisations, while keeping the appropriate safeguards to preserve financial stability. While we invest in technology, equipping employees with the appropriate skillset will be essential to drive technological development within the organisation.

In addition, technology can enhance our operational efficiency and enable our progress towards our 2030 targets.

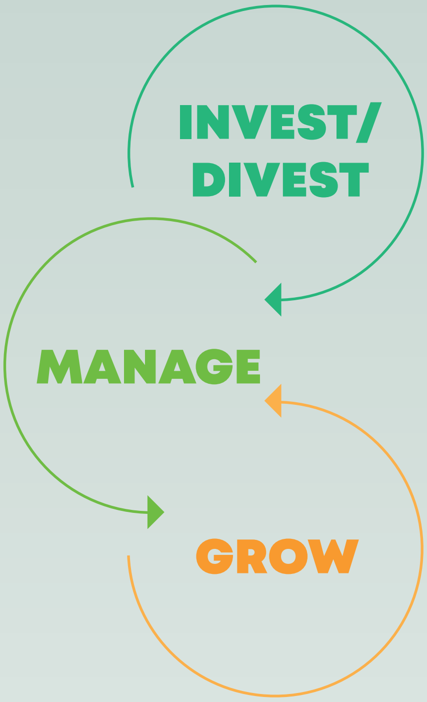
Our Response

- Providing training to employees on digital skills, fluency and cyber security management.
- Leveraging analysed consumer data captured by digital platforms to curate retail offerings for shoppers.
- Providing contactless access features at our properties.
- Utilising technology to improve operational efficiency, such as rolling out pilot initiatives from the CapitaLand Sustainability X Challenge (CSXC) to our properties. One example is the Water Treatment System for Cooling Water at CapitaGreen.

1 To operationalise its SBTi approved carbon emissions reduction target for scope 1 and 2 emissions, CLI is reviewing its carbon emissions intensity reduction targets and other environment targets, including changing reference to 2019 as the baseline year instead of 2008. The targets are being reviewed as part of the scheduled review of CapitaLand's 2030 Sustainability Master Plan in 2022 and will be published before end May 2023.

Business Model

OUR RESOURCES	HOW WE CREATE VALUE	OUR VALUE DRIVERS
FINANCIAL		• Organic growth • Asset enhancement initiatives and redevelopments • Portfolio reconstitution • Acquisitions • Cost and capital management
ORGANISATIONAL		• Upkeep high standards of corporate governance • Ensure vigilant compliance and risk management • Encourage learning and development
PROPERTIES		• Maximise potential and enhance portfolio • Enhance accessibility (social integration) • Embrace innovation
ENVIRONMENT		• Manage resources efficiently • Upkeep green buildings • Ensure climate change resilience
STAKEHOLDERS & COMMUNITIES		• Create delightful customer experience • Engage stakeholders regularly • Ensure health and safety



VALUE CREATED

SUSTAINABLE RETURNS FOR FY 2022

Distributable Income	DPU	NPI Yield[1]	Total Return
S$702.4 million	10.58 cents	4.6%	5.2%

HIGH STANDARDS OF GOVERNANCE & ACCOUNTABILITY

Board Independence	Female Representation on Board	Winner of the Singapore Corporate Governance Award (REITs & Business Trusts Category) at the SIAS Investors' Choice Awards 2022	Audit Committee Independence
66.7%	44.4%		100%

QUALITY ASSETS & DIFFERENTIATED OFFERINGS
As at 31 December 2022

Portfolio Value	NAV per Unit[2]	Portfolio WALE[3]	Portfolio Occupancy
S$24.2 billion	S$2.06	3.7 years	95.8%

PORTFOLIO RESILIENCE & RESOURCE EFFICIENCY

Green Rating	Carbon Emissions Intensity Reduction	Water Consumption Intensity Reduction	GRESB 5 Stars
99% of portfolio GFA	49.9% (Compared to base year 2008)	35.4% (Compared to base year 2008)	and 'A' for public disclosure

PARTNER OF CHOICE, THRIVING COMMUNITIES & HIGH-PERFORMANCE CULTURE

Portfolio Tenant Retention Rate	NLA of total new and renewed leases in 2022	Average training hours per employee	Community Engagement Programmes
84.9%	2.5 million sq ft	22.5	10

1 Excludes the new acquisitions completed in FY 2022.
2 Excludes 2H 2022 distribution.
3 Based on committed gross rental income.

Trust Structure

Unitholders

Investment in CICT

Distributions

Manager

CapitaLand Integrated Commercial Trust Management Limited

Management Services

Management Fees

CapitaLand Integrated Commercial Trust

Represents Interests of Unitholders

Trustee's Fees

Trustee

HSBC Institutional Trust Services (Singapore) Limited

Ownership of Assets

Net Property Income

Property Managers

CapitaLand Retail Management Pte Ltd (CRMPL)

CapitaLand Commercial Management Pte. Ltd. (CCMPL)

CapitaLand (RCS) Property Management Pte. Ltd.[1]

Property Management Services

Property Management Fees

Properties

Retail and Integrated Developments

1. Bedok Mall
2. Bugis+
3. Bugis Junction
4. CQ @ Clarke Quay
5. IMM Building
6. Junction 8
7. Lot One Shoppers' Mall
8. Tampines Mall
9. Westgate
10. Bukit Panjang Plaza (90 out of 91 strata lots)
11. Funan
12. Plaza Singapura
13. The Atrium@Orchard
14. Raffles City Singapore
15. CapitaSpring (45.0% interest)
16. 101-103 Miller Street and Greenwood Plaza, Australia (50.0% interest)[3]

Office

1. Asia Square Tower 2
2. CapitaGreen
3. Capital Tower
4. Six Battery Road
5. 21 Collyer Quay
6. CapitaSky (70.0% interest)
7. Gallileo, Germany (94.9% interest)[2]
8. Main Airport Center, Germany (94.9% interest)[2]
9. 66 Goulburn Street, Australia[3]
10. 100 Arthur Street, Australia[3]

1 CapitaLand (RCS) Property Management Pte. Ltd. only manages Raffles City Singapore.
2 Managed by third party service providers in Germany.
3 Managed by third party service providers in Australia.

Organisation Structure

THE MANAGER
CAPITALAND INTEGRATED COMMERCIAL TRUST MANAGEMENT LIMITED

Board of Directors

Chief Executive Officer
Tony Tan Tee Hieong

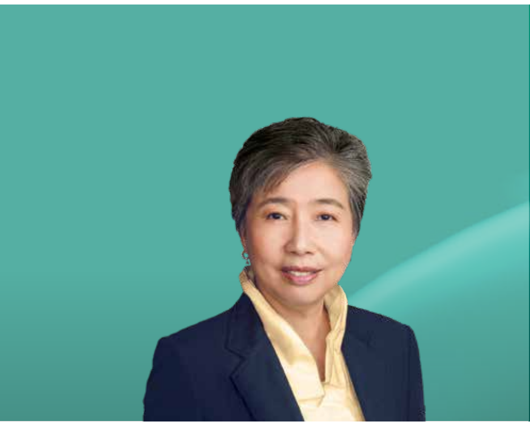
Chief Financial Officer
Wong Mei Lian

Head, Investment
Jacqueline Lee

Head, Portfolio Management
Lee Yi Zhuan

Head, Investor Relations
Ho Mei Peng

Our Board of Directors



TEO SWEE LIAN
Chairman
Non-Executive Independent Director

TONY TAN TEE HIEONG
Chief Executive Officer
Executive Non-Independent Director

QUEK BIN HWEE
Non-Executive Independent Director

LEO MUN WAI
Non-Executive Independent Director

JEANN LOW NGIAP JONG
Non-Executive Independent Director

STEPHEN LIM BENG LIN
Non-Executive Independent Director

TAN BOON KHAI
Non-Executive Independent Director

JONATHAN YAP NENG TONG
Non-Executive Non-Independent Director

JANINE GUI SIEW KHENG
Non-Executive Non-Independent Director

Our Board of Directors

▶ TEO SWEE LIAN, 63

Chairman
Non-Executive Independent Director

- Bachelor of Science (First Class Honours) in Mathematics, Imperial College of Science and Technology, University of London, UK
- Master of Science in Applied Statistics, University of Oxford, UK

Date of first appointment as a Director
12 April 2019
Date of appointment as Chairman
12 April 2019
Length of service as a Director (as at 31 December 2022)
3 years 8 months

Board committee served on
- Nominating and Remuneration Committee (Chairman)

Present directorships in other listed companies
- AIA Group Limited
- Singapore Telecommunications Limited

Present principal commitments
- Asian Bureau of Finance & Economic Research, National University of Singapore (Council Member)
- Avanda Investment Management Pte. Ltd. (Director)
- CSCC Agape Fund, Caritas Singapore Community Council Limited (Member of the Board of Trustees)
- Clifford Capital Holdings Pte. Ltd. (Director)
- Clifford Capital Pte. Ltd. (Director)
- Dubai Financial Services Authority, United Arab Emirates (Director)
- Duke-NUS Medical School (Member of Governing Board)

Background and working experience
- Special Advisor, Managing Director's Office of Monetary Authority of Singapore (MAS) (From September 2013 to June 2015)
- Deputy Managing Director, Financial Supervision of MAS (From April 2010 to August 2013)
- Deputy Managing Director, Prudential Supervision of MAS (From March 2005 to March 2010)

Awards
- The Public Administration Medal (Gold) (Bar) (2012)
- The Public Administration Medal (Gold) (2006)
- The Public Administration Medal (Silver) (1999)

▶ TONY TAN TEE HIEONG, 56

Chief Executive Officer
Executive Non-Independent Director

- Bachelor of Accountancy, National University of Singapore
- Master of Business Administration (Distinction), University of Manchester, UK

Date of first appointment as a Director
1 May 2017
Length of service as a Director (as at 31 December 2022)
5 years 8 months

Board committee served on
- Executive Committee (Member)

Background and working experience
- Senior Vice President, CEO's Office of CapitaLand Mall Asia Limited (From 1 April 2017 to 30 April 2017)
- CEO of CapitaLand Retail China Trust Management Limited (From July 2010 to March 2017)
- Deputy CEO of CapitaRetail China Trust Management Limited (From April 2010 to June 2010)
- Head, Finance of CapitaRetail China Trust Management Limited (From September 2007 to June 2010)
- Asia Pacific Treasurer of IKEA (From August 1998 to September 2007)
- Treasury Accountant of Wearnes International (From May 1995 to August 1998)
- Money Market Dealer of Credito Italiano Bank (From April 1994 to May 1995)
- Money Market Broker of Harlow Ueda Sassoon (From November 1992 to April 1994)
- Auditor of Ernst & Young (From June 1991 to October 1992)

▶ QUEK BIN HWEE, 65

Non-Executive Independent Director

- Bachelor of Accountancy (Honours), University of Singapore
- Chartered Accountant of Singapore

Date of first appointment as a Director
3 November 2020
Length of service as a Director (as at 31 December 2022)
2 years 2 months

Board committee served on
- Audit Committee (Chairman)

Present directorship in other listed company
- SIA Engineering Company Limited

Present principal commitments
- Certis Cisco Security Pte. Ltd. (Director and Chairman of Audit Committee)
- National Heritage Board (Board Member and Chairman of Audit Committee)
- Marelli Holdings Co., Ltd. (Director)

Past directorship in other listed company held over the preceding three years
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust[1])

Background and working experience
- Vice Chairman of PricewaterhouseCoopers (PwC) Singapore (From 2013 to 2017)
- PwC Asia Leadership Team (From 2012 to 2016)
- Partner of PwC and Price Waterhouse (From 1991 to 2017)
- Board Member and Member of Audit, Investment and Personnel Committees of Maritime and Port Authority of Singapore (From 2015 to 2021)
- Member of Governing Board and Chairman of Audit Committee of Duke-NUS Medical School (From 2013 to 2020)
- President of Singapore Anti-Narcotics Association (From 2013 to 2019)
- Board Member and Member of Audit Committee of Housing & Development Board (From 2002 to 2012)

Awards
- The Public Service Star (BBM) (2017)
- The Public Service Medal (PBM) (2012)

1 Delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 November 2020.

Our Board of Directors

LEO MUN WAI, 56
Non-Executive Independent Director

- Bachelor of Accountancy, National University of Singapore
- Master of Finance, International Finance, RMIT University, Singapore

Date of first appointment as a Director
1 January 2021
Length of service as a Director (as at 31 December 2022)
2 years

Board committee served on
- Audit Committee (Member)

Present principal commitments
- Great Eastern General Insurance Limited (Director and Chairman of Audit Committee and Member of Sustainability Committee)
- The Great Eastern Life Assurance Company Limited (Director and Chairman of Audit Committee and Member of Sustainability Committee)

Background and working experience
- Self-employed consultancy work (From April 2012 to Present)
- Managing Director and Advisor of State Street Bank and Trust Company (From May 2015 to November 2015)
- Senior Partner of Capelle Consulting Pte. Ltd. (From February 2014 to March 2015)
- Monetary Authority of Singapore (MAS) Academy (From April 2012 to January 2014)
- Assistant Managing Director (Capital Markets) of MAS (From April 2010 to March 2012)
- Executive Director (Banking Supervision) of MAS (From October 2005 to March 2010)

JEANN LOW NGIAP JONG, 62
Non-Executive Independent Director

- Bachelor of Accountancy (Honours), National University of Singapore
- Fellow of the Institute of Singapore Chartered Accountants

Date of first appointment as a Director
16 August 2021
Length of service as a Director (as at 31 December 2022)
1 year 5 months

Board committee served on
- Audit Committee (Member)

Present directorships in other listed company
- Advanced Info Service Public Company Limited
- Aztech Global Ltd
- Intouch Holdings Public Company Limited

Present principal commitments
- Advanced Wireless Network Co., Ltd. (Director)
- Lee Kong Chian School of Medicine, Nanyang Technological University of Singapore (Member of Governing Board)
- Prison Fellowship Singapore Limited (Director)
- Seventy Times Seven (Board Member)
- Singapore Telecommunications Limited (Senior Advisor)
- Singtel Asian Investments Pte. Ltd. (Director)
- Singtel Strategic Investments Pte. Ltd. (Director)
- The Turning Point (Executive Committee Member)
- Trustwave Holdings, Inc. (Director)

Background and working experience
- Group Chief Corporate Officer of Singapore Telecommunications Limited (From April 2015 to April 2021)
- Group Chief Financial Officer of Singapore Telecommunications Limited (From September 2008 to April 2015)

Awards
- Best Chief Financial Officer (Singapore & Southeast Asia), Corporate-Institutional Investor Awards (2012)
- Best Chief Financial Officer (Singapore), Asian Excellence Recognition Awards (2012)
- Best Chief Financial Officer, Singapore Corporate Awards (2010)

STEPHEN LIM BENG LIN, 64

Non-Executive Independent Director

- Bachelor of Science, Electrical and Electronics Engineering, University of Birmingham, UK
- Master in Business Administration and Management, General, Imperial College London, UK

Date of first appointment as a Director
16 August 2021
Length of service as a Director (as at 31 December 2022)
1 year 5 months

Board committee served on
- Nominating and Remuneration Committee (Member)

Present directorship in other listed company
- PT Diamond Food Indonesia Tbk (Independent Commissioner)

Present principal commitments
- Christian Columbarium Pte Ltd (Chairman)
- ESP Aspire Holding Pte. Ltd. (Director)
- Housing & Development Board (Board Member)
- SQL View Pte Ltd (CEO and Managing Director)

Background and working experience
- CEO and Managing Director of SQL View Pte Ltd (From May 1992 to Present)

Awards
- The Meritorious Service, NTUC May Day Awards (2021)
- Friend of Labour, NTUC May Day Awards (2018)
- Person of the Year, Singapore Computer Society IT Leader Awards (2007)
- Singapore Youth Award (1993)

TAN BOON KHAI, 49

Non-Executive Independent Director

- Bachelor of Laws (Honours), University of Nottingham, UK
- Advocate & Solicitor

Date of first appointment as a Director
25 April 2022
Length of service as a Director (as at 31 December 2022)
8 months

Board committee served on
- Audit Committee (Member)

Present principal commitments
- Alexandra Health Fund Limited (Chairman)
- China-Singapore Suzhou Industrial Park Development Group Co., Ltd (Deputy Chairman)
- Jurong Port Pte Ltd (Director)
- JTC Corporation (CEO)
- Singapore-Suzhou Township Development Pte Ltd (Director)
- Vanguard Healthcare Pte. Ltd. (Director)

Background and working experience
- CEO of JTC Corporation (From September 2020 to Present)
- Chief Executive of the Singapore Land Authority (From May 2015 to August 2020)
- Head, Group Procurement of CapitaLand Limited (From January 2015 to April 2015)
- Regional General Manager (Singapore and Malaysia) of The Ascott Limited (April 2011 to December 2014)

Our Board of Directors

JONATHAN YAP NENG TONG, 55

Non-Executive Non-Independent Director

- Bachelor of Science in Estate Management (Honours), National University of Singapore
- Master of Science in Project Management, National University of Singapore

Date of first appointment as a Director
10 October 2019

Length of service as a Director (as at 31 December 2022)
3 years 2 months

Board committees served on
- Executive Committee (Chairman)
- Nominating and Remuneration Committee (Member)

Present directorships in other listed companies
- CapitaLand India Trust Management Pte. Ltd. (trustee-manager of CapitaLand India Trust)
- CapitaLand Malaysia REIT Management Sdn. Bhd. (manager of CapitaLand Malaysia Trust)

Present principal commitments
- CapitaLand Investment Limited (CEO, Listed Funds)
- Institute of South Asian Studies, National University of Singapore (Member of Management Board)

Past directorship in other listed company held over the preceding three years
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust[1])

Background and working experience
- CEO, Fund Management of CapitaLand Investment Limited (From September 2021 to April 2022)
- President, CapitaLand Financial of CapitaLand Group (From July 2019 to September 2021)
- Group Chief Operating Officer of Ascendas-Singbridge Pte. Ltd. (From July 2018 to June 2019)
- Group Chief Financial Officer of Ascendas-Singbridge Pte. Ltd. (From September 2017 to June 2019)
- Chief Investment Officer and Head of Real Estate Funds of Ascendas-Singbridge Pte. Ltd. (From June 2015 to November 2017)
- Assistant Group Chief Executive Officer for Overseas Funds & India of Ascendas Pte Ltd (From July 2012 to May 2015)
- Head of Real Estate Funds of Ascendas Pte Ltd (From January 2008 to May 2015)
- Executive Director and Chief Executive Officer of Ascendas Property Fund Trustee Pte. Ltd. (From June 2007 to September 2014)

JANINE GUI SIEW KHENG, 43

Non-Executive Non-Independent Director

- Bachelor of Accountancy (Honours), Nanyang Technological University, Singapore
- Member of the Institute of Singapore Chartered Accountants

Date of first appointment as a Director
25 July 2022

Length of service as a Director (as at 31 December 2022)
5 months

Board committee served on
- Executive Committee (Member)

Present principal commitment
- CapitaLand Investment Limited (Chief M&A Officer (CLI), and Deputy CEO (CLI International))

Background and working experience
- Managing Director and Head, Group Strategic Investment, CapitaLand Investment Limited (From September 2021 to December 2022)
- Head, Group Strategic Investment, CapitaLand Limited (From April 2019 to August 2021)
- Head, CapitaLand (USA), CapitaLand International Pte. Ltd. (From January 2018 to March 2019)
- Vice President, Business Development & Asset Management (USA), The Ascott Limited (From January 2016 to December 2017)
- Vice President, Corporate Asset Management & Investor Relations, The Ascott Limited (From June 2014 to March 2017)
- Assistant Vice President, Corporate Asset Management, The Ascott Limited (From April 2012 to May 2014)

1 Delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 November 2020.

Trust Management Team

WONG MEI LIAN
Chief Financial Officer

HO MEI PENG
Head, Investor Relations

JACQUELINE LEE
Head, Investment

TONY TAN TEE HIEONG
Chief Executive Officer

LEE YI ZHUAN
Head, Portfolio Management

Trust Management Team

▶ TONY TAN TEE HIEONG
Chief Executive Officer (CEO)

Tony is the CEO of CICTML since 1 May 2017. He is responsible for leading the management team in the planning and execution of CICT's value creation and growth strategy, including matters relating to operations, environmental, social and governance (ESG) aspects of the business.

Tony has more than 15 years of experience in the Singapore REITs industry as a CEO and Head of Finance. In addition, he has more than 25 years of experience in international treasury, finance and risk management. Tony's working experience is detailed in the Board of Directors section. Tony holds a Master of Business Administration (Distinction) from the University of Manchester, United Kingdom, and a Bachelor of Accountancy degree from the National University of Singapore.

▶ WONG MEI LIAN
Chief Financial Officer (CFO)

Mei Lian heads the Finance team which is responsible for financial reporting, accounting, taxation, treasury and capital management functions of CICT. The Finance team also works closely with the Investment and Portfolio Management teams to support the requirements of investment assessments and adopts a proactive capital management strategy to optimise portfolio value.

Mei Lian served in senior finance roles in various entities and has more than 25 years of experience in corporate finance and treasury, including over 18 years in real estate and the Singapore REITs industry. Prior to this appointment, Mei Lian was Senior Vice President, Capital Partnership and Development of CapitaLand Financial and has held leadership positions in Ascendas-Singbridge and Mapletree Group. Mei Lian graduated with a Bachelor of Business Administration degree from National University of Singapore.

▶ JACQUELINE LEE
Head, Investment

Jacqueline heads the Investment team of CICTML and is responsible for value creation, including developing and executing CICT's investment and portfolio reconstitution strategy in Singapore and overseas. The Investment team identifies, evaluates, proposes and executes appropriate acquisitions, divestments and other portfolio reconstitution/optimisation initiatives to enhance CICT's portfolio value.

Jacqueline has more than 25 years of experience in real estate, including investment, portfolio and asset management, mergers and acquisitions, development of mixed-use projects and engineering. Prior to joining CICTML, she worked in a public listed company handling mergers, acquisitions, divestments and business valuation. Jacqueline has more than 13 years of experience in the Singapore REIT industry, heading CICTML's Investment team for the last 10 years and concurrently heading the portfolio/asset management team for 9 years. She holds a Master of Business Administration from the University of Sydney, Australia, and a Master of Arts and a Bachelor of Arts (Honours) in Engineering Science from the University of Oxford, United Kingdom.

▶ LEE YI ZHUAN
Head, Portfolio Management

Yi Zhuan heads the Portfolio Management team of CICTML. He oversees both the Singapore and overseas portfolios, and is responsible for portfolio performance and value creation. The team develops and executes portfolio asset strategies, including redevelopments and asset enhancement initiatives, to enhance portfolio value. The team also works closely with asset managers and property managers to optimize asset performance.

Yi Zhuan has more than 14 years of experience in real estate, including development and asset management. He holds a Bachelor of Science in Real Estate (Honours) from the National University of Singapore, and a Bachelor of Science in Banking and Finance (Honours) from the University of London.

▶ HO MEI PENG
Head, Investor Relations (IR)

Mei Peng heads the IR team of CICTML. The team is responsible for cultivating relationships and facilitating clear, timely communications and engagements with Unitholders and stakeholders, including analysts and investors. The communications are through various online and face-to-face channels including property visits, conferences and meetings. Alongside the management, the team engages investors and analysts regularly and develops communication collaterals such as news releases, annual reports, website and presentations for financial reporting, business updates and corporate actions. The team also manages the sustainability reporting and engagements with the Environment, Social and Governance (ESG) investors.

Mei Peng has more than 25 years of experience in investor relations, communications and marketing in the real estate and Singapore REIT industry. Mei Peng graduated with an Honours degree in Japanese Studies from the National University of Singapore.

Sustainability Approach

SUSTAINABILITY COMMITMENT

BOARD STATEMENT

At CICT, sustainability is at the core of everything we do. We are committed to growing in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of our communities. The material environmental, social and governance (ESG) factors have been identified with set targets for 2030, in alignment with CapitaLand 2030 Sustainability Master Plan (SMP). This will be reviewed by the Board of the Manager of CICT together with management every two years.

CICT's ESG plan steers our efforts on a common course to maximise impact through building a resilient and resource-efficient real estate portfolio, enabling thriving and future-adaptive communities, and accelerating sustainability innovation and collaboration. Ambitious ESG targets have been set by CapitaLand and adopted throughout the organisation including CICT and these targets include carbon emissions reduction targets validated by the Science Based Targets initiative (SBTi). Following the Group's first scheduled review in 2022, the SMP targets have been revised to include SBTi-approved targets in line with a 1.5˚C scenario[1], Net Zero commitment, and enhanced focus on social indicators.

The Board of the Manager of CICT is responsible for overseeing the Trust's sustainability efforts and takes these ESG factors into consideration in determining its strategic direction and priorities.

The Board also approves the executive compensation framework based on the principle of linking pay to performance. The Manager's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices.

CAPITALAND 2030 SUSTAINABILITY MASTER PLAN

CICT's sustainability targets are set, and efforts are guided by CapitaLand Investment (CLI) as a CLI-sponsored real estate investment trust (REIT). The Manager and the Property Managers who oversee the operations of CICT abide by CapitaLand's sustainability framework, policies and guidelines, as well as ethics and code of business conduct.

CICT is aligned with CapitaLand's 2030 SMP unveiled in 2020 to elevate the Group's commitment to global sustainability in the built environment. The SMP drives CapitaLand's sustainability efforts in the ESG pillars, enabling the Group to create a larger positive impact for the environment and society.

CapitaLand's 2030 SMP is regularly reviewed where necessary to complement the group's business strategy and align with climate science. The first scheduled review in 2022 is in progress and the outcome will be published before end-May 2023.

COMMITMENT AND INVOLVEMENT OF CLI AND CICTML BOARDS, MANAGEMENT AND STAFF

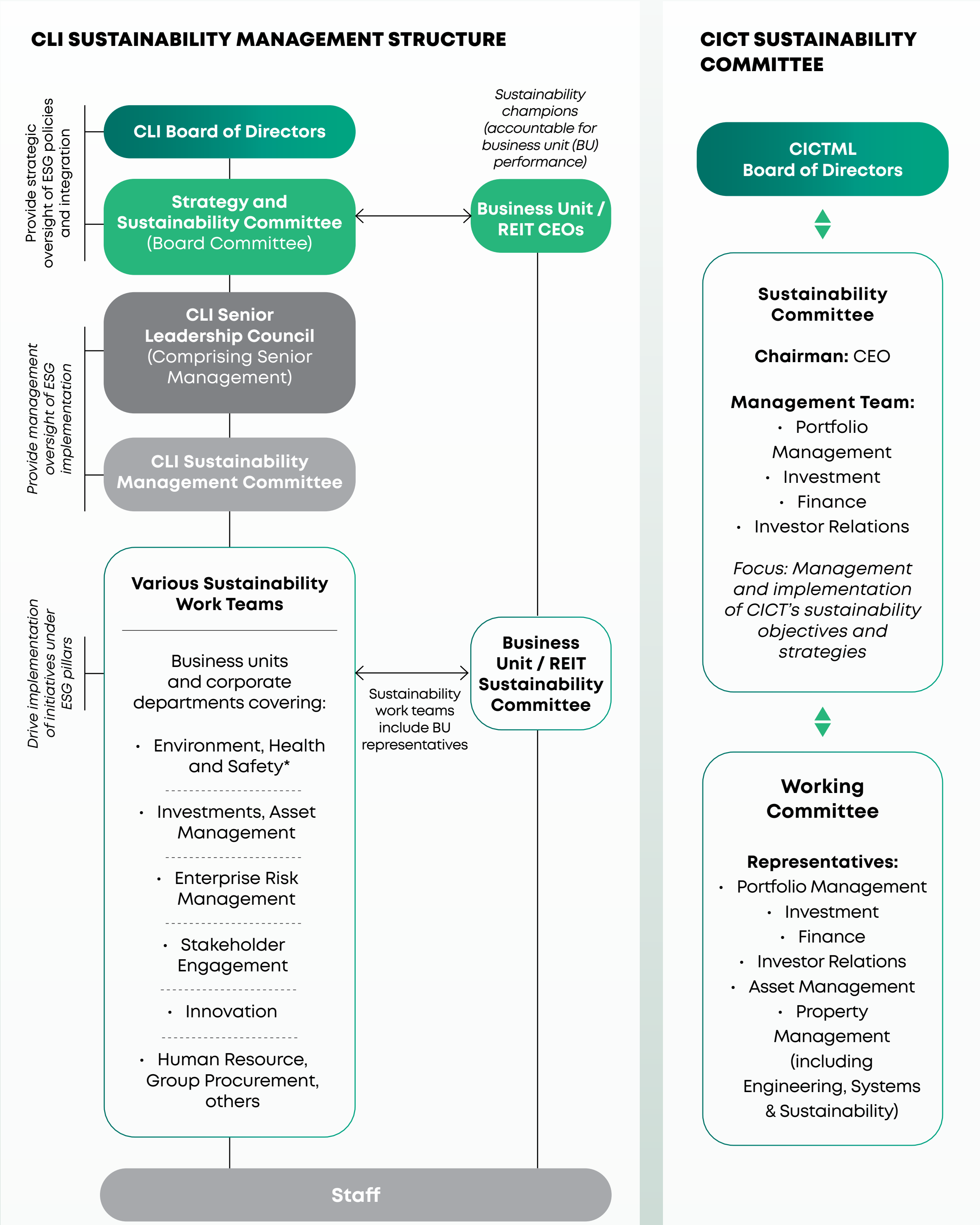
Role of CLI Board, Management and Staff

CLI group-wide sustainability management comes under the purview of a CLI Board Committee - the Strategy and Sustainability Committee (SSC). The CLI SSC, chaired by Lead Independent Director, is responsible for overseeing sustainability strategies and goals including providing guidance to management and monitoring progress against achieving the goals of any sustainability initiatives in 2022. It is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. The work teams comprise representatives from CLI business units and corporate functions. This governance is cascaded from the Group level to CICT level through CICT's Sustainability Committee.

As Head of the business unit, the CEO of Retail and Workspace, CLI, oversees the Property Managers, which have their own Environmental, Health and Safety (EHS) Committee. The Property Managers have an Engineering, Systems and Sustainability team whose role includes integrating sustainability into operations.

1 To operationalise its SBTi-approved carbon emissions reduction target for scope 1 and 2 emissions, CLI is reviewing its carbon emissions intensity reduction targets and other environment targets, including changing reference to 2019 as the baseline year instead of 2008. The targets are being reviewed as part of the scheduled review of CapitaLand's 2030 SMP in 2022 and will be published before end May 2023.

Sustainability Approach



* Including EHS Internal Audit committee and Environmental Tracking System (ETS) Committee

Role of CICTML Board, Management and Staff

The Board of the Manager of CICT (the Board) considers sustainability issues as part of its strategic formulation, confirms the material ESG factors listed by the Manager and Property Managers and oversees the management and monitoring of the material ESG factors. The Board sets the Trust's risk appetite, which determines the nature and extent of material risks that CICT is willing to take to achieve their strategic and business objective. As part of the material risk issues being highlighted, climate change has been identified as critical. The Board is actively involved in discussions on climate-related initiatives and regularly reviews climate change risks as part of its Enterprise Risk Management (ERM) Framework. The update to the Board is conducted at least twice a year at the quarterly or ad hoc Board meetings and covers relevant climate-related topics including CapitaLand 2030 SMP, green capital expenditure plan and review to sustain green rating of the properties, performance metrics such as carbon emissions performance, progress on the reduction targets, as well as stakeholders' expectations on climate change. Any environmental incidents, which may include climate-related damages or disruptions, are also reported to the Board. As EHS factors are considered as part of the asset investment evaluation process and strategy, they are presented to the Board where relevant.

CICT has a Sustainability Committee championed by the CEO (also an Executive Director) of the Manager. This Sustainability Committee provides strategic oversight, drives initiatives and reporting related to climate-related risks and opportunities, as well as the broader environmental issues. The CEO of the Manager is responsible for CICT's climate change-related targets. A key objective of the Manager's senior management is to transit to a low-carbon business that is aligned with climate science and to build a resilient and resource efficient portfolio. As part of these efforts, the directors of CICT Manager, senior management and relevant stakeholders will undergo training to further build capacity with respect to climate-related risk and opportunity management. The frequency and content of these capacity building trainings will be regularly reviewed to incorporate current and emerging issues relating to environmental risk management.

Roles and Responsibilities of CICT's Sustainability Committee

	Roles and Responsibilities
CEO and Executive Director	• Responsible for decisions on ESG-related targets and engagements with stakeholders
Portfolio Management	• Works closely with Asset Management and Property Management teams to evaluate solutions relating to matters including green energy procurement, greening of the portfolio and related capital expenditure, and promoting workplace safety and health. • Engages with staff and investors for ESG matters
Investment	• Responsible for seeking growth opportunities with climate change impact as one of the assessment criteria
Finance	• Responsible for securing green financing and engaging with stakeholders such as bankers and debt investors
Investor Relations	• Responsible for engagements with stakeholders including investors and ESG rating agencies as well as ESG reporting matters
Asset Management	• Responsible for proposing solutions relating to matters including green energy procurement, greening of the portfolio and related capital expenditure. • Engages various internal stakeholders on ESG matters.
Property Management • **Engineering, Systems and Sustainability** • **Operations**	• Responsible for driving innovative ESG solutions and operational efficiency and processes, piloting CapitaLand Sustainability X Challenge initiatives roll-out, achieving target consumption savings, promoting workplace safety and health and engaging with staff, tenants, service providers and relevant government agencies for ESG matters.

Sustainability Approach

BOARD DIVERSITY

The Board embraces diversity and has formally adopted a Board Diversity Policy. The Board Diversity Policy provides for the Board to comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity factors.

The Board believes in diversity and values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Manager has the opportunity to benefit from all available talent and perspectives, which is essential to the effective governance of CICT's business and for ensuring long-term sustainable growth.

The Nominating and Remuneration Committee (NRC), in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, considers, amongst others, achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as age, educational, business and professional backgrounds of its members. Gender diversity is also considered an important aspect of diversity. There has been an increase in female representation on the Board in FY 2022 and progressively over the past financial years. For more information, please refer to the Corporate Governance Report in Annual Report 2022.

MEASURED AGAINST GLOBAL BENCHMARKS

CLI and CICT remain guided by externally validated international standards and frameworks in our sustainability reporting and will strive to continue enhancing our disclosures.

CICT's Sustainability Report 2022 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, aligned with GRESB with references to Value Reporting Foundation Integrated Reporting Framework and United Nations Sustainable Development Goals (UN SDGs). CICT has also started a work-in-progress update under the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in FY 2021 as well as the Sustainability Accounting Standards Board (SASB) real estate sector-specific standards in FY 2022.

CICT relies on CLI, a signatory to the United Nations (UN) Global Compact, and CLI's Communication on Progress for FY 2022 will be made available at www.unglobalcompact.org when published. In February 2023, CLI has also become a signatory of the UN-supported Principles of Responsible Investing (UN PRI), as part of our commitment to investing responsibly.

As a testament of our efforts to strengthen ESG standards and improve disclosures, CICT is listed in ESG indices such as FTSE4Good Index Series, iEdge ESG Leaders Index and iEdge ESG Transparency Index.

MATERIALITY

In line with CLI, the Manager and Property Managers have a regular review, assessment and feedback process in relation to ESG topics. One key avenue is the annual groupwide Risk and Control Self-Assessment exercise, which entails the identification, assessment and documentation of material risks and corresponding internal controls. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant. More information can be found under Risk Management in the Annual Report 2022.

Guided by CapitaLand's 2030 SMP to elevate the group's commitment to global sustainability, CLI and CICT identifies and reviews material issues that are most relevant and significant to the company and its stakeholders. These ESG material issues are assessed and prioritised based on the likelihood and potential impact of issues affecting the business continuity of CLI and CICT. For external stakeholders, priority is given to issues important to the community and applicable to CLI and CICT. For more details, please refer to the Material Topics and Boundaries in the Sustainability Report 2022.

PRIORITISATION OF ESG MATERIAL ISSUES

Environment	Social	Governance
Critical		
• Climate change and carbon reduction • Energy efficiency • Water management	• Occupational health and safety • Human capital • Stakeholder engagement • Products and services • Supply chain management • Diversity (Board and staff)	• Risk management • Business ethics
Moderate and Emerging		
• Waste management • Biodiversity	• Human rights	

Creating Value and Alignment to United Nations Sustainable Development Goals (UN SDGs)

CICT's material ESG issues and the value created, aligned to CapitaLand's 2030 SMP focus areas and commitments[2], are mapped to CICT's resources – Financial, Organisational, Properties, Environment, and Stakeholders & Communities. This is further mapped against eight UN SDGs that are most aligned with CapitaLand's 2030 SMP focus areas, and where CICT can achieve the greatest positive impact.

The UN SDGs call on companies everywhere to advance sustainable development through the investments they make, the solutions they develop, and the business practices they adopt. In doing so, the goals encourage companies to reduce their negative impacts while enhancing their positive contributions to the sustainable development agenda.

	Areas of Focus	CICT's Commitments	Resources and UN SDGs supported
ENVIRONMENT	**Low-carbon Transition**	• Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increase use of renewable energy • Green global operational portfolio by 2030[3] • Strengthen climate resilience of portfolio by addressing climate-related risks and opportunities throughout the real estate life cycle	**Environment** **Properties** 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS
	Water Conservation and Resilience	• Reduce water consumption, reuse water and prevent water pollution	
	Waste Management and Circular Economy	• Achieve higher recycling rate in its day-to-day operations	
	Sustainable Innovation and Technology	• Actively embrace innovation to ensure commercial viability without compromising the environment for future generations • Adopt CapitaLand's Supply Chain Code of Conduct, which influences its supply chain to operate responsibly in the area of environmental management	

2 CapitaLand's 2030 SMP is regularly reviewed where necessary to complement the group's business strategy and align with climate science. The first scheduled review in 2022 is in progress and will be published before end-May 2023.
3 Covers owned and managed properties by gross floor area.

Sustainability Approach

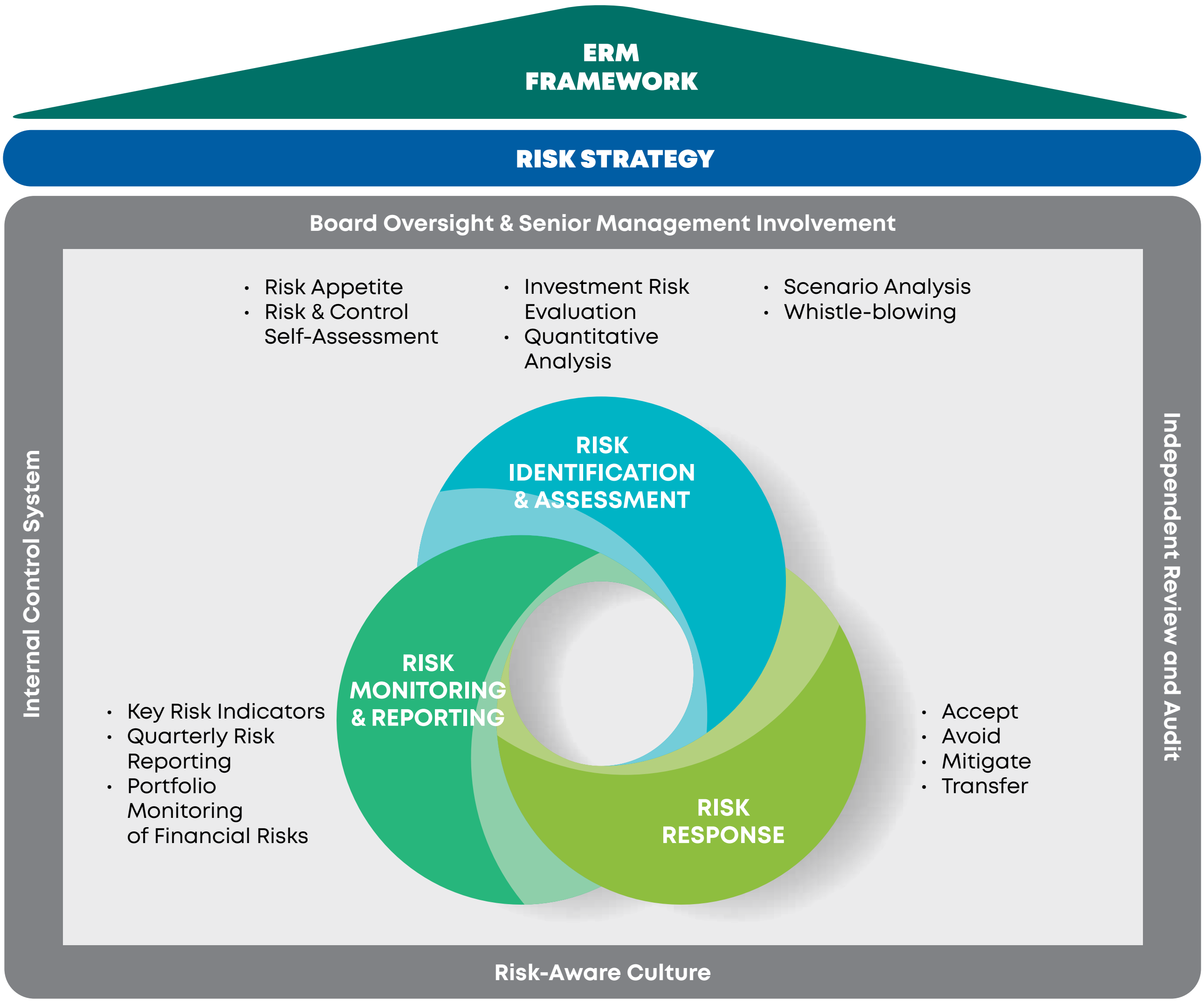
	Areas of Focus	CICT's Commitments	Resources and UN SDGs supported
SOCIAL	**Dynamic Human Capital**	• Regardless of ethnicity, age or gender, staff can make a significant contribution based on their talent, expertise and experience. Adopt consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff	**Stakeholders & Communities** **Properties** 3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 17 PARTNERSHIPS FOR THE GOALS
SOCIAL	**Healthy and Safe Buildings**	• Aim to provide a work environment that is safe and contributes to the general well-being of its staff, tenants, contractors, suppliers and the communities that use its properties	
SOCIAL	**Proactive Customer Relationship Management**	• Commit to activities that are aligned with its focus on community investment. Engage stakeholders to raise awareness in the areas of environment, health and safety, as well as promote sustainability within the tenant community	
SOCIAL	**Robust Supply Chain Management**	• Adopt CapitaLand's Supply Chain Code of Conduct, which influences its supply chain to operate responsibly in the areas of human rights, health and safety	
GOVERNANCE	**Sustainable Operational Excellence**	• Maintain ISO 14001 for Environmental Management System and ISO 45001 for Occupational Health and Safety Management System	**Stakeholders & Communities** **Organisational** 17 PARTNERSHIPS FOR THE GOALS
GOVERNANCE	**Compliance and Training**	• Upkeep high standards of corporate governance and ensure vigilant compliance and risk management • Adopt CapitaLand's Supply Chain Code of Conduct, which influences its supply chain to operate responsibly in the areas of anti-corruption • Require third party service providers and vendors to adhere to anti-bribery and anti-corruption provisions	

Risk Management

CapitaLand Integrated Commercial Trust and its subsidiaries (CICT Group) believes in maintaining a robust risk management framework to proactively identify, assess and respond to material risks that can impact our objective to deliver stable distributions and sustainable total returns to CICT Unitholders. By pursuing a risk strategy of optimisation of opportunities within the approved risk appetite levels, we have positioned CICT for long-term sustainable results.

Ensuring Best-in-class Risk Management, Corporate Governance and Compliance to Build a Sustainable Business

The Enterprise Risk Management (ERM) Framework is adapted from the International Organization for Standardization 31000 International Risk Management Standards. It is benchmarked against other relevant best practices and guidelines and reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond to, monitor and report material risks in an integrated, systematic and consistent manner as depicted below.



Risk Management

BOARD OVERSIGHT AND SENIOR MANAGEMENT INVOLVEMENT

The Manager's Board of Directors (the Board), assisted by the Audit Committee (AC), approves CICT Group's risk appetite (risk tolerance) which determines the nature and extent of material risks CICT Group is willing to take to achieve its strategic objectives.

The Board also regularly reviews CICT Group's risk profile, material risks and mitigation strategies; and ensures the adequacy and effectiveness of the risk management framework and policies.

The Manager's management team directs and monitors the implementation and practice of risk management across CICT Group, including monitoring the risk exposure through key risk indicators.

ROBUST INTERNAL CONTROL SYSTEM

CICT's ERM Framework operates within a risk governance structure based on three lines of defence. Employees have an important role as the first line of defence and are accountable for the effective management of risks that arise from their business activities. The first and second lines of defence are responsible for the design and implementation of effective internal controls using a risk-based approach.

Risk management and compliance departments as the second line of defence provides oversight and governance over risk management and compliance practices, promote and embed a culture of risk ownership and accountability.

REGULAR INDEPENDENT REVIEW AND AUDIT

Internal and External Audit as the third line of defence reviews the adequacy and effectiveness of risk management and internal control systems design and implementation so as to provide reasonable assurance to the Board.

A STRONG CULTURE OF RISK AWARENESS

The Manager works closely with the risk management and compliance departments at CapitaLand Investment Limited (CLI) as well as various specialist support functions to ensure risk management practices are implemented effectively and consistently across CICT Group.

Risk workshops are conducted regularly to ensure these practices are embedded in our decision-making and business processes.

The Manager's management team reinforces the culture by setting the right 'tone at the top', leading by example, and communicating our risk strategy.

CICT Group's Material Risks and Opportunities

A Group-wide Risk and Control Self-Assessment (RCSA) is conducted annually to identify key material risks, including new and emerging risks, that CICT Group faces in delivering our strategic objectives, its mitigating measures and the opportunities. Based on 2022 RCSA results, the measures taken to mitigate the material risks and opportunities to capitalise on are set out below:

Material Risks	Key Mitigating Actions	Opportunities
Business Interruption Sudden and major disaster events which include fire, prolonged power outages, major building infrastructure/ equipment failures or the pandemic causing major disruption.	• Ensure that there are emergency preparedness and standard operating procedures in place at each of our properties. • Our Property Managers are prepared to manage the situations together with the police and civil defence force in the event of terrorist attacks and sabotages. • Ensure business interruption insurance coverage is adequately purchased.	• Ride on the digital adoption trend and ongoing business digitalisation to innovate and improve product offerings for our customers. • Opportunities to reposition or repurpose our assets to meet the new norms.
Climate Change Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion. Transition risks including potentially more stringent regulations and increased expectations from stakeholders.	• Assessment of the detailed physical risks in the evaluation of any new acquisitions. • Incorporate shadow internal carbon price in the evaluation of new investment and major capital expenditure decisions. This helps to price in climate-related costs and opportunities, support low-carbon investments, prepare for stringent climate legislation, and avoid stranded assets. • Regularly review CICT Group's mitigation and adaptation efforts, which include – future proofing our portfolio against changing climatic conditions from the design stage and – improving the operational efficiency of our properties, setting targets for carbon emissions, water, energy and waste efficiency. • CLI has a well-established Group environmental management system which is externally certified to ISO 14001 in 15 countries.	• Enhance our positive reputation and strong track record in sustainability efforts as a competitive advantage for CICT Group to build a resilient portfolio of assets. • Accelerate sustainability innovation and collaboration with tenants, supply chain contractors, vendors and suppliers.
Fraud, Bribery & Corruption Any forms of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties.	• Foster a culture of ethics and integrity. • Adopt a zero-tolerance stance against fraud, bribery and corruption (FBC) across our businesses. • Communicate the commitment to integrity from the top through policies and practices, such as FBC Risk Management Policy, Whistle- blowing Policy, Ethics and Code of Business Conduct Policies and Anti- Money Laundering and Countering the Financing of Terrorism Policy and mandatory eLearning.	

Material Risks	Key Mitigating Actions	Opportunities
Safety, Health & Well-being Increased expectations from stakeholders to have a safe and healthy environment, including well-being, at our assets and operations	• Assess health and safety-related risks in the evaluation of any new acquisitions. • Entrench a sustainable safety culture through deep safety capabilities, disciplined safety practices, and a progressive and pervasive safety mindset that drive safety key performance targets in CICT Group. • Management emphasis on safety through safety site inspections and promote safety culture. • Conduct regular safety reviews and avenues for employees to feedback on safety matters • CLI has well-established occupational health and safety management system which is externally certified to ISO 45001 in 15 countries.	
Competition Keen industry competition from established and new real estate players who are able to capture our customers by meeting their expectations or reacting aptly to market trends	• Constantly strive to differentiate ourselves from competitors by proactively engaging customers on their requirements and provide relevant solutions. • Focus on building key enablers that give CICT Group a competitive advantage amidst the competition and digital disruptions, such as embarking on digital transformation in our processes, enhancing our data analytics capabilities to speed up data-driven decisions, and – leveraging innovation tools and solutions to assist our customers pivoting to the new digital operating model. • Incorporate ESG considerations in CICT Group's business. • Leverage in-house team of industry analysts to keep CICT Group on top of latest market trends. • Constant stream of customer-centric initiatives and a shopper loyalty programme also help to set us apart.	• Rely on strong experience in multi-sector asset and portfolio management as well as best-in class operating platforms. • Leverage on development partnership and assets pipeline with CapitaLand Development's via the ONE CapitaLand ecosystem to capitalise on the development opportunities without the associated risks.

Material Risks	Key Mitigating Actions	Opportunities
Cyber Security & Information Technology Ongoing business digitalisation exposes the business to IT-related threats, which may result in compromising the confidentiality, integrity and availability of CICT Group's information assets and/or systems.	• The outsourced Information Technology (IT) from CLI execute Cyber Security Strategy through ongoing review against existing/evolving threat landscapes, and institute measures to minimise vulnerability exposure and manage threat vectors. • Ongoing mandatory staff IT Security Awareness Training to counter human intervention in the information security chain. • Periodically review and update Group-wide IT Security Policy and Data Protection Framework to ensure relevancy. • Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation to cyber security incidents. • Conduct annual Disaster Recovery Plan exercise to ensure timely recoverability of business-critical IT systems. • Put in place enhanced protection controls for systems that hold personal data.	• Build a cyber resilient infrastructure and network to harness the full potential of innovation and digital transformation of our business processes.
Economic Economic instability or changes in macroeconomic factors such as inflation or unemployment, which result in challenging business conditions.	• Actively monitor macroeconomic trends, policies and regulatory changes in key markets. • Disciplined approach to financial management and a well-balanced portfolio. • Diversify our portfolio across asset classes and geographies in accordance with Board approved mandates. • Focus on markets where CICT Group or its Sponsor has an operational scale and the underlying economic fundamentals are more robust.	• Access investment opportunities in Singapore and developed markets with stable/robust economic fundamentals to enhance portfolio diversification to withstand unexpected economic shocks.
Financial Exposure to financial risks involving liquidity, foreign currency and interest rates and their volatility.	• Actively monitor CICT Group's debt maturity profile, operating cash flows and the availability of funding to ensure that there are sufficient liquid reserves, in the form of cash and banking facilities, to finance CICT Group's operations and AEIs. • Access to various sources of funds from both banks and capital markets to minimise over-reliance on single source of funds for any funding or refinancing requirements. • Actively review and maintain an optimal mix of fixed and floating rate borrowings. • Seek to minimise the level of interest rate risk by borrowing at fixed rate or hedging through interest rate swaps. • Seek to minimise foreign currency risks by entering into cross-currency swaps to hedge the foreign currency-denominated bonds into SGD for both the principal amount and the periodic interest payments. • Adopt natural hedging where possible, by borrowing in the same currency as the revenue stream.	• Manage our financial risks to give confidence to our investors.

Risk Management

Material Risks	Key Mitigating Actions	Opportunities
Investment & Divestment Deployment of capital into loss-making or below-target return investments due to wrong underwriting assumptions or poor execution. Inadequate planning to identify suitable divestment opportunities.	• Evaluate all investment and divestment proposals against a rigorous set of criteria which includes potential for growth in yield, rental sustainability and potential for value creation. • Board reviews and approves all major investment and divestment decisions. • Conduct rigorous due diligence process (including engaging third-party consultants) on all investment and divestment proposals where key financial assumptions and key sensitivity analysis are reviewed. Independent valuation is conducted, where required. • Identify potential risks associated with proposed projects and issues that may affect smooth implementation or attainment of projected outcomes at the evaluation stage and devise action plans to mitigate such risks as early as possible. • Integrate sustainability in real estate life cycle from the earliest stage of our investment and redevelopment processes.	• Build on strong experience and track record in multi-sector assets and portfolios to increase our competitive advantage.
Regulatory & Compliance Non-compliance with applicable laws and regulations, including tax, data protection and privacy, in the markets where CICT Group operates.	• Maintain a framework that proactively identifies the applicable laws and regulations, including taxation, and embeds compliance into day-to-day operations. • Leverage in-house specialised teams in CLI such as compliance and tax to provide advisory services and updates on the latest changes to laws and regulations. • CLI establishes group-wide procedures and policies to address the requirements of the applicable laws and regulations such as Personal Data Protection Policy and Anti-Money Laundering Policy. • Report significant regulatory non-compliance cases to the AC on a quarterly basis for oversight by the Board.	• Keep abreast of the changing regulatory landscape to identify opportunities for improvements in the various compliance areas.
Sales & Leasing Risk Strong competition, poor economic and market conditions are some key factors that could result in key tenants not renewing their leases, adversely affecting the leasing performance of CICT Group's properties.	• Establish and maintain a diversified tenant base and sustainable trade mix. • Proactive tenant management strategies to understand and address customers' changing needs. • Closely monitor tenants' sales performance and maintain positive relationships and rapport with retailers to build loyalty with CICT Group's properties. • Plan AEIs to maintain relevance and appeal of CICT Group's assets. • Actively monitor relevant leasing transactions in the market to ensure rental competitiveness of CICT Group's properties. • Achieve tenant retention through tenant-centric management and engagements.	• Tap on strong experience and track record of asset and property manager.

Corporate Governance

OUR ROLE

We, as the manager of CICT (Manager), set the strategic direction of CICT and its subsidiaries (CICT Group) and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CICT (Trustee), on any investment or divestment opportunities for CICT and the enhancement of the assets of CICT in accordance with the stated investment strategy for CICT. The research, evaluation and analysis required for this purpose are coordinated and carried out by us as the Manager.

As the Manager, we have general powers of management over the assets of CICT. Our primary responsibility is to manage the assets and liabilities of CICT for the benefit of the unitholders of CICT (Unitholders). We do this with a focus on generating rental income and enhancing asset value over time so as to maximise returns from the investments, and ultimately the distributions and total returns, to Unitholders.

Our other functions and responsibilities as the Manager include:

(a) using our best endeavours to conduct CICT's business in a proper and efficient manner;
(b) preparing annual business plans for review by the directors of the Manager (Directors), including forecasts on revenue, net income, and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
(c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of the CIS Code (Property Funds Appendix)), the Securities and Futures Act 2001 (SFA), written directions, notices, codes and other guidelines that MAS may issue from time to time, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of CICT and Unitholders and the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR);
(d) attending to all regular communications with Unitholders; and
(e) supervising CapitaLand Retail Management Pte Ltd and CapitaLand Commercial Management Pte. Ltd. (the Property Managers), the property managers which perform the day-to-day property management functions (including leasing, marketing, promotion, operations coordination and other property management activities) for CICT's properties; with regard to Raffles City Singapore (RCS), the Property Managers hold the entire interest in CapitaLand (RCS) Property Management Pte. Ltd. which provides property management services to RCS. As a result of their interest in CapitaLand (RCS) Property Management Pte. Ltd., the Property Managers are able to play a key role in directing the property management function for RCS.

The Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. CICT's sustainability policies and programmes are set out in the Sustainability Report 2022 and pages 12 and 39 to 44 of this Annual Report.

CICT, constituted as a trust, is externally managed by the Manager. The Manager appoints experienced and well qualified personnel to run its day-to-day operations.

The Manager was appointed in accordance with the terms of the trust deed constituting CICT dated 29 October 2001 (as amended, varied or supplemented from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Manager can be removed, including by notice in writing given by the Trustee upon the occurrence of certain events, or by resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

The Manager is a wholly owned subsidiary of CapitaLand Investment Limited (CLI) which holds a significant unitholding interest in CICT. CLI is a leading global real estate investment manager, with a vested interest in the long-term performance of CICT. CLI's significant unitholding in CICT demonstrates its commitment to CICT and as a result, CLI's interest is aligned with that of other Unitholders. The Manager's association with CLI provides the following benefits, among other things, to CICT:

(a) strategic pipelines of property assets through, amongst others, CLI's access to the development capabilities of and pipeline investment opportunities from CapitaLand group's development arm;

(b) wider and better access to banking and capital markets on favourable terms;
(c) fund raising and treasury support; and
(d) access to a bench of experienced management talent.

OUR CORPORATE GOVERNANCE FRAMEWORK AND CULTURE

The Manager embraces the tenets of good corporate governance, including accountability, transparency and sustainability. It is committed to enhancing long-term Unitholder value and has appropriate people, processes and structure to direct and manage the business and affairs of the Manager with a view to achieving operational excellence and delivering the CICT Group's long-term strategic objectives. The policies and practices it has developed to meet the specific business needs of the CICT Group provide a firm foundation for a trusted and respected business enterprise.

Our corporate governance framework as at the date of this Annual Report is set out below:

Board of Directors

6 Independent Directors (ID) and
3 Non-Independent Directors (Non-ID)
Led by ID, Ms Teo Swee Lian, Chairman

Key Responsibility: Oversee the Manager's strategic direction, performance and affairs and foster the success of CICT so as to deliver sustainable value over the long term to Unitholders

Audit Committee (AC)	Executive Committee (EC)	Nominating and Renumeration Committee (NRC)
4 IDs Led by Mrs Quek Bin Hwee, AC Chairman	**3 Non-IDs Led by Mr Jonathan Yap Neng Tong, EC Chairman**	**2 IDs and 1 Non-ID Led by Ms Teo Swee Lian, NRC Chairman**
Key Responsibility: Assist the Board in its oversight of the financial reporting process, internal controls system, internal and external audit processes, and management of compliance with legal, regulatory and company policies	**Key Responsibility:** Assist the Board in its oversight of the day-to-day activities of the Manager and CICT	**Key Responsibility:** Assist the Board on Board succession planning and appointments to the Board and Board Committees, and the review of the Board's performance, Director's independence and remuneration for the Directors and key management personnel of the Manager

The Board of Directors (Board) sets the tone from the top and is responsible for the Manager's corporate governance standards and policies, underscoring their importance to the CICT Group.

This corporate governance report (Report) sets out the corporate governance practices for the financial year (FY) 2022 with reference to the Code of Corporate Governance 2018 (Code).

Throughout FY 2022, the Manager has complied with the principles of corporate governance laid down by the Code and also, substantially, with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report. This Report also sets out additional policies and practices adopted by the Manager which are not provided in the Code.

CICT has received accolades from the investment community for excellence in corporate governance and corporate governance-related efforts.

In FY 2022, CICT was the winner of the Singapore Corporate Governance Award (SCGA) 2022 in the REITs and Business Trusts category at the SIAS Investors Choice Awards 2022. On both the Singapore Governance and Transparency Index (SGTI) and the Governance Index for Trusts (GIFT), CICT was ranked fourth in the REIT and Business Trust category. CICT also won Gold for Best Annual Report in the REITs and Business Trusts category at the Singapore Corporate Awards 2022. In recognition of its excellence in corporate governance, CICT is included in the ASEAN Asset Class list of the 2021 ASEAN Corporate Governance Scorecard (ACGS) by the ASEAN Capital Markets Forum.

As testament to its commitment to environment, social and corporate governance, CICT maintained its 5 Star rating in the Asia, Diversified-Office/Retail, Listed category and also scored 'A' for public disclosure for GRESB 2022.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Duties and Responsibilities
The Board oversees the strategic direction, performance and affairs of the Manager, in furtherance of the Manager's primary responsibility to foster the success of CICT so as to deliver sustainable value over the long term to Unitholders. It provides overall guidance to the management team (Management), led by the Chief Executive Officer (CEO). The Board works with Management to achieve CICT's objectives and long-term success and Management is accountable to the Board for its performance. Management is responsible for the execution of the strategy for CICT and the day-to-day operations of CICT's business.

The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with requirements under the Listing Manual, the Property Funds Appendix, as well as any other applicable guidelines prescribed by the SGX-ST, MAS or other relevant authorities, and applicable laws. It also sets the disclosure and transparency standards for CICT and ensures that obligations to Unitholders and other stakeholders are understood and met.

The Board has adopted a set of internal controls which establishes financial approval limits for capital expenditure, investments, divestments, bank borrowings and issuance of debt instruments and this is clearly communicated to Management in writing. The Board has reserved authority to approve certain matters including:

(a) material acquisitions, investments and divestments;
(b) issuance of new units in CICT (Units);
(c) income distributions and other returns to Unitholders; and
(d) matters which involve a conflict of interest for a controlling unitholder or a Director.

Apart from matters that specifically require the Board's approval, the Board delegates authority for transactions below the Board's approval limits to Board Committees and Management to optimise operational efficiency.

The Directors are fiduciaries and are collectively and individually obliged at all times to act honestly and objectively in the best interests of CICT. Consistent with this principle, the Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct and Ethics (Board Code) which provides that every Director is expected to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code. This sets the appropriate tone from the top in respect of the desired organisational culture, and assists the Board in ensuring proper accountability within the Manager. In line with this, the Board has a standing policy that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to CICT and his or her own interests. Where a Director has a conflict of interest in a particular matter, he or she will be required to disclose his or her interest to the Board, recuse himself or herself from deliberations on the matter and abstain from voting on the matter. During the financial year ended 31 December 2022 (FY 2022), every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meeting or written resolutions.

Furthermore, the Directors have the responsibility to act with due diligence in the discharge of their duties and ensure that they have the relevant knowledge to carry out and discharge their duties as directors, including understanding their roles as executive, non-executive, and independent directors, the business of CICT and the environment in which CICT Group operates. The Directors are also required to dedicate the necessary effort, commitment and time to their work as directors, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical or if a Director has to recuse himself/herself from the meeting in relation to the sole matter under consideration at such meeting.

Directors' Development

In view of the increasingly demanding, complex and multi-dimensional role of a director, the Board recognises the importance of continual training and development for its Directors so as to equip them to discharge the duties and responsibilities of their office as Directors to the best of their abilities. The Board ensures that the Manager has in place a training and professional development framework to guide and support the Manager towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. The costs of training are borne by the Manager. The induction, training and development provided to the new and existing Directors are set out below.

Upon appointment, each Director is provided with a formal letter of appointment and a copy of the Director's Manual (which includes information on a broad range of matters relating to the role, duties and responsibilities of a Director and policies relating to disclosure of interests in securities, conflicts of interests and securities trading restrictions). All Directors, upon appointment, also undergo an induction programme which focuses on orientating the Director to CICT's business, operations, strategies, organisation structure, responsibilities of CEO and other persons having executive roles with authority and responsibility for planning, directing and controlling the activities of the Manager (key management personnel), and financial and governance practices. The induction programme may include visits to the CICT Group's properties. Conducted by the CEO and senior management executives, the induction programme also provides opportunities for the new Director to get acquainted with members of Management which facilitates their interaction at Board meetings.

Following appointment, all Directors are provided with opportunities for continuing education in areas such as director's duties and responsibilities, changes to regulations and accounting standards, industry-related matters and sustainability matters as prescribed under the Listing Manual, at the Manager's expense, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members. The Directors may also contribute by recommending suitable training and development programmes to the Board. In FY 2022, the training and professional development programmes for the Directors included seminars conducted by experts and senior business leaders on board practices and issues faced by boards, and all the Board members attended the sustainability training courses prescribed under the Listing Manual conducted by providers that represent different constituencies in the capital markets. Sharing and information sessions were also organised as part of Board meetings, where guest speakers and Management team members presented on key topics to the Board. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications for the business.

Board Committees

The Board has established various Board Committees to assist it in the discharge of its functions. These Board Committees are the Audit Committee (AC), the Executive Committee (EC) and the Nominating and Remuneration Committee (NRC).

All the Board Committees have clear written terms of reference setting out their respective composition, authorities and duties, including reporting back to the Board. Each of the Board Committees operates under delegated authority from the Board with the Board retaining overall oversight. The decisions and significant matters discussed at the respective Board Committees are reported to the Board on a periodic basis. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The composition of the various Board Committees is set out on pages 31 to 36 and the inside back cover of this Annual Report. The duties and responsibilities of the Board Committees are set out in this Report.

The Board may form other Board Committees from time to time. The composition of each Board Committee is also reviewed regularly, and as and when there are changes to Board membership. Where appropriate, changes are made to composition of the Board Committees, with a view to ensuring there is an appropriate diversity of skills and experience, and fostering active participation and contributions from Board Committee members.

Meetings of Board and Board Committees

Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors. The Constitution of the Manager (Constitution) permits the Directors to participate in Board and Board Committee meetings via audio or video conference. If a Director is unable to attend a Board or Board Committee meeting, he or she may provide his or her comments to the Chairman or the relevant Board Committee chairman ahead of the meeting and these comments are taken into consideration in the deliberations. The Board and Board Committees may also make decisions by way of written resolutions.

In addition to scheduled meetings, the Board may also hold ad hoc meetings as required by business imperatives. The non-executive Directors, led by the independent Chairman or other independent Director as appropriate, also meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Management as appropriate. In FY 2022, the non-executive Directors, led by the independent Chairman, met once without the presence of Management.

At each scheduled Board meeting, the Board is apprised of the following:

(a) significant matters discussed at the AC meeting which is typically scheduled before the Board meeting;
(b) AC's recommendation on CICT's periodic and year-end financial results following AC's review of the same;
(c) decisions made by Board Committees in the period under review;
(d) updates on the CICT Group's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;
(e) financial performance, budgetary and capital management related matters in the period under review, including any material variance between any projections in budget or business plans and the actual results from business activities and operations;
(f) any risk management issues that materially impact CICT's operations or financial performance;
(g) updates on key Unitholder engagements in the period under review, as well as analyst views and market feedback; and
(h) prospective transactions which Management is exploring.

This allows the Board to develop a good understanding of the progress of the CICT Group's business as well as the issues and challenges faced by CICT, and also promotes active engagement with Management.

The Manager adopts and practises the principle of collective decisions and therefore, no individual Director influences or dominates the decision-making process. There is mutual respect and trust among the Directors and therefore the Board benefits from a culture of frank and rigorous discussions. Such discussions conducted on a professional basis contribute to the dynamism and effectiveness of the Board. The Board composition is such that there is diversity in views and perspectives which enriches deliberations and contributes to better decision-making of the Board in the best interests of CICT. At Board and Board Committee meetings, all the Directors actively participate in discussions, in particular, they engage in open and constructive debate and challenge Management on its assumptions and recommendations.

Management provides the Directors with complete, adequate and timely information prior to Board and Board Committee meetings and on an ongoing basis. This enables the Directors to make informed decisions and discharge their duties and responsibilities.

As a general rule, meeting materials are provided to the Directors at least five days prior to Board and Board Committee meetings, to allow them to prepare for the meetings and to enable discussions to focus on any questions or issues that they may have or identify. Agendas for Board and Board Committee meetings are prepared in consultation with the Chairman and the chairmen of the respective Board Committees. This provides assurance that there is time to cover all relevant matters during the meetings.

In line with the Manager's ongoing commitment to minimise paper wastage and reduce its carbon footprint, the Manager does not provide printed copies of Board and Board Committee meeting materials. Instead, the Directors are provided with tablet devices to enable them to access and review meeting materials prior to and during meetings. This initiative also enhances information security as the meeting materials are made available through a secure channel. The Directors are also able to review and approve written resolutions using the tablet devices.

A total of nine Board meetings, seven AC meetings and two NRC meetings were held in FY 2022. The key deliberations and decisions taken at Board and Board Committee meetings are minuted.

A record of the Directors' attendance at Board and Board Committee meetings for FY 2022 is set out on page 84 of this Annual Report. The CEO who is also a Director attends all Board meetings. He also attends all AC meetings and NRC meetings on an ex officio basis. Other members of Management attend Board and Board Committee meetings as required to brief the Board and Board Committees on specific business matters.

There is active interaction between the Directors and Management during and outside Board and Board Committee meetings. The Directors have separate, independent and unfettered access to Management for any information that they may require. The Board and Management share a productive and harmonious relationship, which is critical for good governance and organisational effectiveness.

The Directors also have separate and independent access to the company secretary of the Manager (Company Secretary). The Company Secretary has oversight of corporate secretarial administration matters and advises the Board and Management on corporate governance matters. The Company Secretary attends Board meetings and assists the Chairman in ensuring that Board procedures are followed. The Company Secretary also facilitates the induction programme for new Directors and oversees the administration work relating to professional development for the Directors. The appointment and the removal of the Company Secretary is subject to the Board's approval.

The Directors, whether individually or collectively as the Board, are entitled to have access to independent external professional advice where necessary, at the Manager's expense.

Principle 2: Board Composition and Guidance

Board Independence
The Board has a strong independent element as six out of nine directors, including the Chairman, are non-executive IDs. Other than the CEO who is the only executive director on the Board, non-executive directors make up the rest of the Board. None of the Directors have served on the Board for nine years or longer. No lead ID is appointed as the Chairman is an ID. Profiles of the Directors, their respective Board Committee memberships and roles are set out on pages 31 to 36 of this Annual Report. Key information on the Directors is also available on CICT's website at www.cict.com.sg (Website).

The Board, through the NRC, reviews from time to time the size and composition of the Board and each Board Committee, with a view to ensuring that the size is appropriate in facilitating effective deliberations and decision-making, and the composition reflects a strong independent element as well as balance and diversity of thought and background. The review takes into account the scope and nature of the CICT Group's operations, the evolving external environment and the competition that the CICT Group faces.

The Board, through the NRC, assesses annually (and as and when circumstances require) the independence of each Director in accordance with the requirements of the Listing Manual and the guidance in the Code, the Securities and Futures (Licensing and Conduct of Business) Regulations (SFR) and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he or she is independent in conduct, character and judgement and:

(a) has no relationship with the Manager, its related corporations, its substantial shareholders, CICT's substantial unitholders (being Unitholders who have interests in voting Units with 5% or more of the total votes attached to all voting Units) or the Manager's officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgement in the best interests of CICT;

(b) is independent from the management of the Manager and CICT, from any business relationship with the Manager and CICT, and from every substantial shareholder of the Manager and every substantial unitholder of CICT;

(c) is not a substantial shareholder of the Manager or a substantial unitholder of CICT;

(d) is not employed and has not been employed by the Manager or CICT or their related corporations in the current or any of the past three financial years;

(e) does not have an immediate family member who is employed or has been employed by the Manager or CICT or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Board and/or NRC; and

(f) has not served on the Board for a continuous period of nine years or longer.

There is a rigorous process to evaluate the independence of each ID. As part of the process:

(a) each ID provides information of his or her business interests and confirms, annually, that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the NRC; and

(b) the NRC also reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent business judgement in discharging his or her duties and responsibilities.

Thereafter, the NRC's recommendation is presented to the Board for its approval. Each ID is required to recuse himself or herself from the NRC's and the Board's deliberations on his or her independence. In appropriate cases, the NRC also reviews the independence of an ID as and when there is a change of circumstances involving the ID and makes its recommendations to the Board for its consideration and determination. In this regard, an ID is required to report to the Manager when there is any change of circumstances which may affect his or her independence.

The Board, through the NRC, has carried out the assessment of the independence of the IDs for FY 2022, and the paragraphs below set out the outcome of the assessment and the Board's determination of independence based on the information available and having taken into account the views of the NRC. Each of the IDs had recused himself or herself from the NRC's and the Board's deliberations on his or her independence.

Ms Teo Swee Lian

Ms Teo is a non-executive director of Singapore Telecommunications Limited (Singtel) which provides telecommunication services to the CICT Group and CLI and its subsidiaries (CLI Group). Singtel group is also a tenant of some shopping malls in CICT's portfolio. Ms Teo also serves as a non-executive director of AIA Group Limited (AIA). AIA group rented event spaces at some shopping malls in CICT's portfolio in FY 2022.

Ms Teo's roles in Singtel and AIA are non-executive in nature and she was not involved in the business operations of Singtel group and AIA group. She was not involved in the process or approval of (i) the engagement of Singtel by the CICT Group or the CLI Group for the provision of telecommunication services; (ii) the leases entered into between the CICT Group and Singtel group; and (iii) the licences for rental of event spaces entered into between the CICT Group and AIA group. The aforementioned transactions are conducted in the ordinary course of business, on arm's length basis and based on normal commercial terms and/or market rates.

In addition to her directorship in Singtel which is a subsidiary of Temasek Holdings (Private) Limited (Temasek), Ms Teo also serves as a non-executive director of an associated company of Temasek and such associated company's subsidiary. Temasek is deemed to be a substantial unitholder of CICT, through its indirect interest in CLI, which is a substantial unitholder of CICT. Ms Teo's role in these corporations is non-executive in nature and she is not involved in the day-to-day conduct of the business of these corporations. She has also confirmed that she is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the corporate affairs of CICT and the Manager.

The Board has considered the conduct of Ms Teo in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not interfere with the exercise of her independent business judgement in the discharge of her duties and responsibilities as a Director. Save for the relationships stated above, Ms Teo does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect her independent business judgement. The Board is therefore of the view that Ms Teo has exercised independent business judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Teo is an ID. Ms Teo will recuse herself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mrs Quek Bin Hwee
Mrs Quek served as a non-executive director of The Hongkong and Shanghai Banking Corporation Limited (HSBC), which provides banking services to the CICT Group and CLI Group; HSBC's wholly owned subsidiary, the Trustee, provides trustee services to the CICT Group and other listed funds in CLI Group. HSBC is also a tenant at The Atrium@Orchard, which is a property in CICT's portfolio. Mrs Quek stepped down from HSBC in June 2021. Mrs Quek's role in HSBC was non-executive in nature and she was not involved in the day-to-day conduct of the business of HSBC and the Trustee. She was not involved in the process or approval of (i) the engagement of HSBC and the Trustee by the CICT Group or the CLI Group for the provision of services; and (ii) the lease entered into between the CICT Group and HSBC. The aforementioned transactions were carried out in the ordinary course of business, on arm's length basis and based on normal commercial terms. Mrs Quek also served as a non-executive director of Mapletree Oakwood Holdings Pte Ltd (MOH), a subsidiary of Temasek, before stepping down in August 2022. Her role in MOH was non-executive in nature and she was not involved in the day-to-day conduct of the business of MOH. MOH invests in a different asset class from CICT and so this role does not pose any conflict of interest issues for Mrs Quek. Mrs Quek is also currently a non-executive director of Certis Cisco Security Pte. Ltd. (CCS) and SIA Engineering Company Limited (SIAEC), subsidiaries of Temasek. CCS group provides security and integrated services to the CICT Group and CLI Group. Mrs Quek's roles in MOH, CCS and SIAEC are non-executive in nature and she is not involved in the day-to-day conduct of the business of MOH, CCS and SIAEC. The services provided by CCS group are in the ordinary course of business, on arm's length basis and based on normal commercial terms. She has also confirmed that she is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the corporate affairs of CICT and the Manager.

The Board has considered the conduct of Mrs Quek in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not interfere with the exercise of her independent business judgement in the discharge of her duties and responsibilities as a Director. Save for the relationships stated above, Mrs Quek does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect her independent business judgement. The Board is therefore of the view that Mrs Quek has exercised independent business judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Mrs Quek is an ID. Mrs Quek will recuse herself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mr Leo Mun Wai
Mr Leo serves as a non-executive director of Great Eastern General Insurance Limited (GEGIL), which provided a range of corporate insurance plans and coverage for Industrial All Risks, Property Damages and Business Interruption and claim settlement services, to the CICT Group and CLI Group. Mr Leo also serves as a non-executive director of The Great Eastern Life Assurance Company Limited (GEL), which had purchased STAR$® under the CapitaStar app (CLI's lifestyle and loyalty app) from the CLI Group. CLI Group has also provided campaign management and marketing services through the CapitaStar app to GEL. Mr Leo's roles in GEGIL and GEL are non-executive in nature and he was not involved in the process or approval of (i) the engagement by the CICT Group and CLI Group of GEGIL for the provision of corporate insurance plans and coverage and claim settlement services, and (ii) the sale of STAR$® by the CLI Group to GEL or the provision of campaign management and marketing services through the CapitaStar app by the CLI Group to GEL. The aforementioned transactions were carried out in the ordinary course of business, on arm's length basis and based on normal commercial terms.

The Board has considered the conduct of Mr Leo in the discharge of his duties and responsibilities as a Director, and is of the view that the relationships set out above did not interfere with the exercise of his independent business judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Leo does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent business judgement. The Board is therefore of the view that Mr Leo has exercised independent business judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Leo is an ID. Mr Leo will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Ms Jeann Low Ngiap Jong
Ms Low was the Group Chief Corporate Officer of Singtel from April 2015 to April 2021 and presently serves as Singtel's Senior Advisor. Singtel provides telecommunication services to the CICT Group and CLI Group. Singtel group is also a tenant of some shopping malls in CICT's portfolio. Ms Low's role in Singtel is non-executive in nature and she is not involved in the business operations of Singtel group. She was not involved in the process or approval of (i) the engagement of Singtel by the CICT Group or the CLI Group for the provision of telecommunication services; and (ii) the leases entered into between the CICT Group and Singtel group. The aforementioned transactions are conducted in the ordinary course of business, on arm's length basis and based on normal commercial terms and market rates.

In addition to her role in Singtel which is a subsidiary of Temasek, Ms Low also serves as a non-executive director of certain other subsidiaries of Temasek under the Singtel group. Temasek is deemed to be a substantial unitholder of CICT through its indirect interest in CLI, which is a substantial unitholder of CICT. Ms Low's role in these corporations is non-executive in nature and she is not involved in the day-to-day conduct of the business of these corporations. She has also confirmed that she is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the corporate affairs of CICT and the Manager.

The Board has considered the conduct of Ms Low in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not interfere with the exercise of her independent business judgement in the discharge of her duties and responsibilities as a Director. Save for the relationships stated above, Ms Low does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect her independent business judgement. The Board is therefore of the view that Ms Low has exercised independent business judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Low is an ID. Ms Low will recuse herself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mr Stephen Lim Beng Lin
Mr Lim served as a non-executive director of NTUC Fairprice Co-operative Limited (NTUC) which is a tenant in some of the malls in CICT's portfolio. He stepped down from NTUC in May 2021. Mr Lim's role in NTUC was non-executive in nature and he was not involved in the business operations of NTUC. He was not involved in the process or approval of the leases entered into between the CICT Group and NTUC. The aforementioned transactions with the CICT Group are conducted in the ordinary course of business, on arm's length basis and based on normal commercial terms and market rates.

The Board has considered the conduct of Mr Lim in the discharge of his duties and responsibilities as a Director, and is of the view that the relationships set out above did not interfere with the exercise of his independent business judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Lim does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent business judgement. The Board is therefore of the view that Mr Lim has exercised independent business judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Lim is an ID. Mr Lim will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mr Tan Boon Khai
Mr Tan serves as the Chief Executive Officer of JTC Corporation (JTC). Leases/sub-leases have been entered into between JTC and CICT Group or CLI Group which includes (i) the payment of rent and various fees arising from such leases/sub-leases, and (ii) the payment of wayleave and driveway licence fees by CICT Group to JTC in relation to IMM Building, which is a property in CICT's portfolio. The payment of land

premium for renewal of the JTC lease for the land on which IMM Building is situated was made in 2004, which pre-dates Mr Tan's appointment in JTC as well as his appointment as a Director. The annual rent and various fees arising from the JTC lease for the land on which IMM Building is situated, as well as the wayleave and driveway licence fees in relation thereto, payable in FY 2021 and FY 2022 are nominal.

Mr Tan also serves as a non-executive director of Singapore-Suzhou Township Development Pte Ltd (SSTD). CLI Group had provided management services, and corporate secretariat and accounting services to SSTD in FY 2021. Mr Tan's role in SSTD is non-executive in nature and he was not involved in the process or approval of the engagement by SSTD of CLI Group for the provision of the management services, and corporate secretariat and accounting services. The aforementioned transactions were carried out in the ordinary course of business, on arm's length basis and based on normal commercial terms.

The Board has considered the conduct of Mr Tan in the discharge of his duties and responsibilities as a Director, and is of the view that the relationships set out above did not interfere with the exercise of his independent business judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Tan does not have any other relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, or any other relationships which may affect his independent business judgement. The Board is therefore of the view that Mr Tan has exercised independent business judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Tan is an ID. Mr Tan will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

The Board is of the view that as at the last day of FY 2022, each of Ms Teo, Mrs Quek, Mr Leo, Ms Low, Mr Lim, and Mr Tan was able to act in the best interests of all the Unitholders in respect of the period in which they served as directors in FY 2022.

The remaining Directors, namely, Mr Tony Tan Tee Hieong, Mr Jonathan Yap Neng Tong and Ms Janine Gui Siew Kheng, are all employees of CLI group and are not considered to be independent.

Board Diversity

The Board embraces diversity and has formally adopted a Board Diversity Policy. The Board Diversity Policy provides for the Board to comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity factors, including but not limited to, diversity in age and gender.

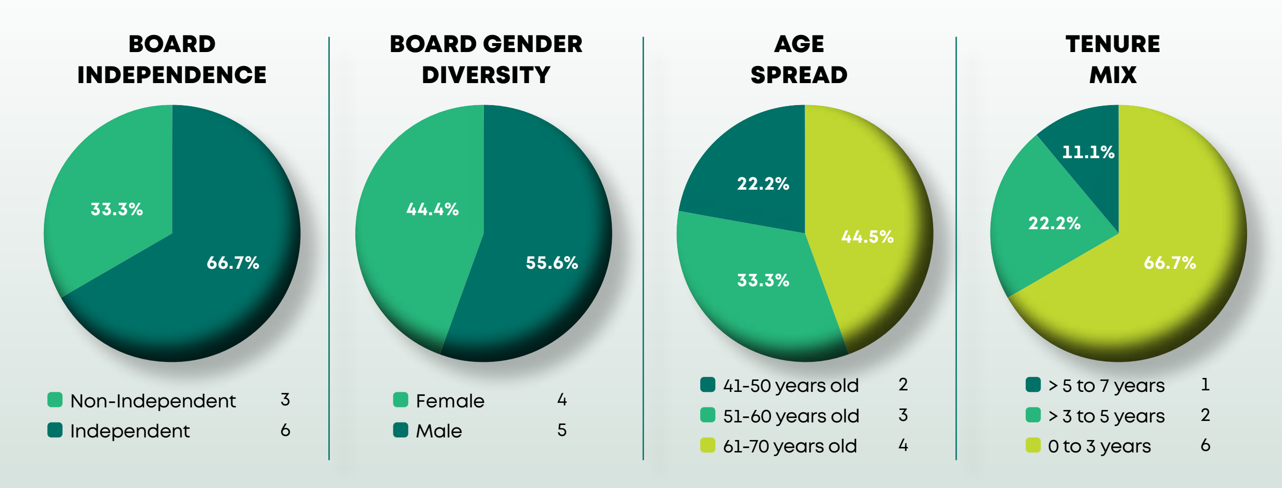
The Board believes in diversity and values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Manager has the opportunity to benefit from all available talent and perspectives, which is essential to the effective governance of CICT's business and for ensuring long-term sustainable growth.

The NRC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, identifies possible candidates that bring a diversity of background and opinion from amongst candidates with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations of board appointments to the Board, the NRC considers, amongst others, achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as age, educational, business and professional backgrounds of its members.

Gender diversity is also considered an important aspect of diversity. There has been an increase in female representation on the Board in FY 2022 and progressively over the past financial years. The current Board has four female members, one of whom is the Chairman of the Board.

The NRC has reviewed the size and composition of the Board and is of the opinion that the Board's current size is appropriate with an appropriate balance and diversity of skills, talents, experience and backgrounds, taking into account the objectives of the Board Diversity Policy and the CICT Group's business needs and plans, for effective decision-making and constructive debate. In line with the Board Diversity Policy, the current Board comprises nine members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in accounting and finance, banking and capital markets, investment, real estate and industry expertise in retail and office sectors, legal and compliance, technology, and leadership and governance. The Board also has a few members with prior working experience in the industry in which the CICT Group operates. The Board members bring with them the combination of skills, talents, experience and diversity required to serve the needs of the CICT Group.

For further information on the Board's work in this regard, please refer to "Board Membership" under Principle 4 in this Report.



Principle 3: Chairman and Chief Executive Officer

The roles and responsibilities of the Chairman and the CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management and that no one individual has unfettered powers of decision-making. The non-executive independent Chairman is Ms Teo Swee Lian, whereas the CEO is Mr Tony Tan Tee Hieong. They do not share any family ties. The Chairman and the CEO enjoy a positive and constructive working relationship between them, and support each other in their respective leadership roles.

The Chairman provides leadership to the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors. This includes setting the agenda of Board meetings in collaboration with the CEO, ensuring that there is sufficient information and time at meetings to address all agenda items, and promoting open and constructive engagement and dialogue among the Directors as well as between the Board and the CEO at meetings.

The Chairman devotes considerable time to keep herself updated as to the business of CICT, including the issues and the competition that CICT faces. She plays a significant leadership role by providing clear oversight, direction, advice and guidance to the CEO. She also maintains open lines of communication and engages with other members of Management regularly, and acts as a sounding board for the CEO on strategic and significant operational matters.

The Chairman also presides over the Annual General Meeting (AGM) each year and other general meetings where she plays a crucial role in fostering constructive dialogue between the Unitholders, the Board and Management.

The CEO has full executive responsibilities to manage the CICT Group's business and to develop and implement policies approved by the Board.

The separation of the roles and responsibilities of the Chairman and the CEO and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the CICT Group's business activities and the exchange of ideas and views to help shape the strategic process, and ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

As the roles of the Chairman and the CEO are held by separate individuals who are not related to each other, and the Chairman is an ID, no lead ID has been appointed. Moreover, the Board has a strong independent element as six out of nine directors (including the Chairman) are non-executive IDs. There are also sufficient measures in place to address situations where the Chairman is conflicted as the Directors are required to recuse themselves from deliberations and abstain from voting on any matters that could potentially give rise to conflict. Accordingly, the foregoing is consistent with the intent of Principle 3 of the Code.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board. The NRC makes recommendations to the Board on all appointments to the Board and Board Committees. All Board appointments are made based on merit and approved by the Board.

The NRC comprises three non-executive directors, two of whom (including the chairman of the NRC) are IDs. The members of the NRC are Ms Teo Swee Lian (NRC Chairman), Mr Stephen Lim Beng Lin and Mr Jonathan Yap Neng Tong. The NRC met twice in FY 2022.

The NRC has also reviewed and approved various matters within its remit via circulating papers. Under its terms of reference, the NRC's scope of duties and responsibilities in relation to the nomination and appointment of directors includes:

(a) reviewing and making recommendations to the Board on the structure, size and composition of the Board and Board Committees and formulating, reviewing and making recommendations to the Board on succession plans for Directors, in particular the appointment and/or replacement of the Chairman and CEO;
(b) reviewing and making recommendations to the Board on the process and criteria for the evaluation of the performance of the Board, Board Committees and individual Directors and the results of such evaluation annually;
(c) considering annually and, as and when circumstances require, if a Director is independent; and
(d) considering and making recommendations to the Board on the appointment and re-appointment of Directors.

Guided by its terms of reference, the NRC oversees the development and succession planning for the CEO. This includes overseeing the process for selection of the CEO and conducting an annual review of career development and succession matters for the CEO.

In addition to the above, the NRC and/or the Board as a whole is kept abreast of relevant matters relating to the review of succession plans relating to the key management personnel, in particular the appointment and/or replacement of the key management personnel. While this is a partial deviation from Provision 4.1(a) which requires the NRC to make recommendations to the Board on relevant matters relating to the review of succession plans, in particular the appointment and/or replacement of the key management personnel, the Board is of the view that such matters could be considered either by the NRC or by the Board as a whole. This is accordingly consistent with the intent of Principle 4 of the Code.

In respect of the review of training and professional development programmes for the Board and the Directors, the Board is of the view that this should be a matter involving the views and feedback of all members of the Board. Hence, any Director may contribute by recommending to the Board specific training and development programmes which he or she believes would benefit the Directors or the Board as a whole. The review of training and professional development programmes for the Board and its Directors is done by the Board as a whole, and this function was not delegated to the NRC. This is consistent with the intent of Principle 4 of the Code, notwithstanding that the NRC was not specifically assigned to review and make recommendations to the Board on such matters.

The NRC's duties and responsibilities in relation to remuneration matters are set out on pages 65 to 67 of this Annual Report.

Board Composition and Renewal

The Board, through the NRC, strives to ensure that there is an optimal blend in the Board of backgrounds, experience and knowledge in business and general management, expertise relevant to the CICT Group's business and track record, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the CICT Group. The channels used in the search and nomination process for identifying appropriate candidates, and the channels via which the eventual appointee(s) were found, and the criteria used to identify and evaluate potential new directors, are set out below.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. In undertaking its duty of reviewing and making board appointment recommendations to the Board, the NRC considers different time horizons for purposes of succession planning. The NRC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the long term to achieve CICT's strategy and objectives. As part of medium-term planning, the NRC seeks to refresh the membership of the Board progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The NRC also considers contingency planning to prepare for sudden and unforeseen changes. In reviewing succession plans, the NRC has in mind CICT's strategic priorities and the factors affecting the long-term success of CICT. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Manager continues to attract and retain highly qualified individuals to serve on the Board. The NRC aims to maintain an optimal board composition by considering the trends affecting CICT, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with CICT's strategy and environment, and includes the following considerations: (a) the current size of the Board and Board Committees, composition mix and core competencies, (b) the candidate's/Director's independence, in the case of an independent director, (c) the composition requirements for the Board and relevant Board Committees (if the candidate/Director is proposed to be appointed to any Board Committee), and (d) the candidate's/Director's age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the Board, which would provide an appropriate balance and contribute to the collective skills of the Board.

The NRC identifies suitable candidates for appointment to the Board. Searches for possible candidates are conducted through contacts and recommendations. In this regard, the Manager may rely on external consultants from time to time to assist the NRC in identifying candidates. Candidates are identified based on the needs of CICT and the relevant skills required, taking into account, among other things, the requirements in the Listing Manual and the Code, as well as the factors in the Board Diversity Policy. The candidates will be assessed against a range of criteria including their demonstrated business sense and judgement, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background). The NRC also considers the qualities of the candidates, in particular whether they are aligned to the strategic directions and values of CICT. In addition, the NRC assesses the candidates' ability to commit time to the affairs of CICT, taking into consideration their other current appointments. The NRC uses a skills matrix to determine the skills gaps of the Board and if the expertise and experience of a candidate would complement those of the existing Board members.

The NRC also assesses annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1 of the Code. Directors disclose their relationships with the Manager, its related corporations, its substantial shareholders, CICT's substantial Unitholders or the Manager's officers, if any, which may affect their independence, to the Board. For further information on the Board's determination in this regard, please refer to "Board Independence" under Principle 2 in this Report.

The Board supports the principle that board renewal is a necessary and continual process, for good governance and ensuring that the Board has the skills, expertise and experience which are relevant to the evolving needs of the CICT Group's business.

Board succession planning is carried out through the annual review by the NRC of the Board's composition as well as when a Director gives notice of his or her intention to retire or resign. The outcome of that review is reported to the Board. The Board also has in place guidelines on the tenure of Directors. The guidelines provide that an ID should serve for no more than a maximum of two three-year terms and any extension of tenure beyond six years will be reviewed on a yearly basis up to a period of nine years (inclusive of the initial two three-year terms served) by the NRC in arriving at a recommendation to the Board.

As part of the Board renewal process, Mr Tan Boon Khai was appointed as a non-executive ID and a member of the AC, with effect from 25 April 2022.

Ms Janine Gui Siew Kheng was also appointed as a non-executive non-ID and a member of the EC with effect from 25 July 2022, following Mr Lim Cho Pin Andrew Geoffrey stepping down as a non-executive non-ID and a member of the EC.

Directors who are appointed to the Board from time to time either have prior experience as a director of an issuer listed on the SGX-ST or will undergo the training required under Rule 210(5)(a) of the Listing Manual. Mr Tan Boon Khai and Ms Janine Gui Siew Kheng is or will be undergoing the requisite training under Rule 210(5)(a) of the Listing Manual before 24 April 2023 and 24 July 2023 respectively (being one year from the date of their respective appointments to the Board). In FY 2022, all Directors attended the sustainability training courses prescribed under the Listing Manual. Going forward, new Directors who are appointed to the Board from time to time will either have expertise in sustainability matters or will undergo further training required under Rule 720(7) of the Listing Manual.

Review of Directors' Ability to Commit Time
In view of the responsibilities of a director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NRC conducts a review of the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the affairs of the Manager. In this regard, Directors are required to report to the Board any changes in their other appointments.

In respect of the Directors' other appointments and commitments, no limit is set as to the number of listed company board appointments. The Board takes the view that the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and his or her near term plan regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Manager. IDs are also required to inform the Chairman before accepting any invitation for appointment as a director of another entity or offer of a full time executive appointment.

There is also no alternate director to any of the Directors. In keeping with the principle that a Director must be able to commit time to the affairs of the Manager, the Board has adopted the principle that it will generally not approve the appointment of alternate directors to the Directors.

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Manager. For FY 2022, all non-executive directors of the Manager had undergone the self-assessment and provided the confirmation.

On an annual basis and, where appropriate, when there is a change of circumstances involving a Director, the NRC assesses each Director's ability to commit time to the affairs of the Manager. In the assessment, the NRC takes into consideration each Director's confirmation, his or her other appointments and commitments, attendance record at meetings of the Board and Board Committees, as well as conduct and contributions (including preparedness, participation and level of engagement) at Board and Board Committee meetings.

The Directors' listed company directorships and principal commitments are disclosed on pages 32 to 36 of this Annual Report and their attendance record for FY 2022 is set out on page 84 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the CICT Group. For FY 2022, the Directors achieved high meeting attendance rates and have contributed positively to discussions at Board and Board Committee meetings. Based on the above, the NRC has determined that each Director has been adequately carrying out his or her duties as a Director and noted that no Director has a significant number of listed directorships and principal commitments.

The Board, taking into consideration the NRC's assessment, has noted that each Director has been adequately carrying out his or her duties and responsibilities as a director of the Manager.

Principle 5: Board Performance

The Manager believes that oversight from a strong and effective Board goes a long way towards guiding a business enterprise to achieving success.

Whilst Board performance is ultimately reflected in the long-term performance of the CICT Group, the Board believes that engaging in a regular process of self-assessment and evaluation of Board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, and for Directors to consider their performance and contributions. It also enables the Board to identify key strengths and areas for improvement which are essential to effective stewardship and attaining success for CICT.

The NRC recommends for the Board's approval the objective performance criteria, and the Board undertakes a process to evaluate the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors for every financial year. As part of the process, a questionnaire is sent to the Directors. The evaluation results are aggregated and reported to the NRC, and thereafter the Board. The findings are considered by the Board and follow up action is taken where necessary with a view to enhancing the effectiveness of the Board, Board Committees and individual Directors in the discharge of its and their duties and responsibilities. As and when required, external facilitators may be appointed to assist in the evaluation process of the Board and Board committees. For FY 2022, the evaluation process was conducted without involving any external facilitator.

Board and Board Committees
The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, performance and governance, access to information and Board Committee effectiveness. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. For FY 2022, the outcome of the evaluation was satisfactory and the Board as a whole, and each of the Board Committees, received affirmative ratings across all the evaluation categories.

Individual Directors
The evaluation categories covered in the questionnaire include Director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management. For FY 2022, the outcome of the evaluation was satisfactory and each of the Directors on the whole received affirmative ratings across all the evaluation categories.

The Board also recognises that contributions by an individual Director can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and Board Committee meetings.

Board Evaluation as an Ongoing Process
The Board believes that performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions between the Directors, and between the Directors and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Directors which also contributes to a positive Board culture. The collective Board performance and the contributions of individual Directors are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, and lending support to Management in steering CICT in the appropriate direction, as well as the long-term performance of CICT whether under favourable or challenging market conditions.

REMUNERATION MATTERS

Principles 6, 7 and 8: Procedures for Developing Remuneration Policies, Level and Mix of Remuneration and Disclosure on Remuneration

All fees and remuneration payable to Directors, key management personnel (including the CEO) and staff of the Manager are paid by the Manager.

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel.

The NRC's scope of duties and responsibilities in relation to remuneration matters under its terms of reference include:

(a) to review and determine the Board remuneration framework and the specific remuneration packages for the Directors; and
(b) to review and determine the compensation framework and the specific remuneration packages for the CEO and other key management personnel.

While Provision 6.1 of the Code provides for the NRC to make recommendations to the Board on such matters, the Board is of the view that such matters are best reviewed and determined by the NRC as part of its focused scope, and have delegated the decision-making on such matters to the NRC. The NRC reports any decisions made on such matters to the Board. This is accordingly consistent with the intent of Principle 6 of the Code.

For further information on the composition of the NRC, please refer to "Board Membership" under Principle 4 in this Report.

Remuneration Policy for Key Management Personnel
The remuneration framework and policy are designed to support the implementation of the CICT Group's business strategy and deliver sustainable returns to Unitholders. The principles governing the remuneration policies of the Manager's key management personnel are as follows:

Business Alignment
- Focus on generating rental income and enhancing asset value over time so as to maximise returns from investments and ultimately the distributions and total returns to Unitholders
- Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals
- Enhance retention of key talents to build strong organisational capabilities

Motivate Right Behaviour
- Pay for performance - align, differentiate and balance rewards according to multiple dimensions of performance
- Strengthen line-of-sight linking rewards and performance

Fair & Appropriate
- Ensure competitive remuneration relative to the appropriate external talent markets
- Manage internal equity such that remuneration is viewed as fair across the CICT Group
- Significant and appropriate portion of pay-at-risk, taking into account risk policies of the CICT Group, symmetrical with risk outcomes and sensitive to the risk time horizon

Effective Implementation
- Maintain rigorous corporate governance standards
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
- Facilitate employee understanding to maximise the value of the remuneration programme

These remuneration policies are in line with the CICT Group's business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is emphasised by linking total remuneration to the achievement of business and individual goals and objectives. The NRC considers all aspects of remuneration, including termination terms, to ensure they are fair, and has access to remuneration consultants for advice on remuneration matters as required.

In reviewing policies on remuneration and determining the remuneration packages for key management personnel, the NRC, through an independent remuneration consultant, takes into consideration appropriate compensation benchmarks within the industry, so as to ensure that the remuneration packages payable to key management personnel are competitive and in line with the objectives of the remuneration policies. It also considers the compensation framework of CLI as a point of reference. The Manager is a subsidiary of CLI which also holds a significant stake in CICT. The association with the CLI Group puts the Manager in a better position to attract and retain better qualified management talent. Additionally, it provides an intangible benefit to the Manager such that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

In FY 2022, Willis Towers Watson was appointed as independent remuneration consultant to provide professional advice on executive remuneration. Willis Towers Watson is a leading global advisory, broking and solutions company with over 45,000 employees serving more than 140 countries and markets. The consultant is not related to the Manager, its controlling shareholder, related corporations or any of its Directors.

Remuneration of Key Management Personnel

The remuneration of key management personnel comprises fixed components, a variable cash component, Unit-based components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term and long-term incentives, in keeping with the principle that the interests of the key management personnel should be aligned with those of Unitholders and that the remuneration framework should link rewards to business and individual performance and promote the long-term success of CICT.

A. Fixed Components:

The fixed components comprise the base salary, fixed allowances and compulsory employer contribution to an employee's Central Provident Fund.

B. Variable Cash Component:

The variable cash component comprises the Balanced Scorecard Bonus Plan (BSBP) that is linked to the achievement of annual performance targets for each key management personnel.

Under the Balanced Scorecard framework, the CICT Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

REIT Performance	This includes targets relating to profitability and distributions, capital structure, financial and risk management, as well as investor engagement;
Preparing For Future	This includes targets relating to asset enhancement initiatives, asset performance, occupancy and capital recycling;
Sustainability	This includes targets relating to talent retention, succession planning and sustainable corporate practices (including workplace safety); and
Manager Financial Health	This includes targets relating to the Manager's financial viability and efficiency.

These Balanced Scorecard targets are approved by the Board and cascaded down throughout the organisation, thereby creating alignment across the CICT Group.

After the close of each financial year, the Board reviews the CICT Group's achievements against the targets set in the Balanced Scorecard and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape and industry trends.

In determining the payout quantum for each key management personnel under the BSBP, the NRC considers the overall business and individual performance as well as the affordability of the payout to the Manager.

C. Unit-based Components:

Unit awards were granted in FY 2022 pursuant to the CapitaLand Integrated Commercial Trust Management Limited Performance Unit Plan (PUP) and CapitaLand Integrated Commercial Trust Management Limited Restricted Unit Plan (RUP) (together, the Unit Plans), approved by the Board. The Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and CICT's long-term growth and value. The obligation to deliver the Units is satisfied out of existing Units held by the Manager.

To promote the alignment of Management's interests with that of Unitholders in the longer term, senior members of Management are subject to Unit ownership guidelines to instil stronger identification with the longer-term performance and growth of the CICT Group. Under these guidelines, senior members of Management are required to retain a prescribed proportion of Units received under the Unit Plans worth up to at least one year of basic salary.

Units vested pursuant to the Unit Plans may be clawed back in circumstances where the relevant participants are found to be involved in financial misstatement, misconduct, fraud or malfeasance to the detriment of the CICT Group.

CapitaLand Integrated Commercial Trust Management Limited Performance Unit Plan

In FY 2022, the NRC granted awards which are conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipients at the end of the qualifying performance period, provided that minimally the threshold target is achieved. Under the PUP, an initial number of Units (PUP baseline award) is allocated conditional on the achievement of a pre-determined target in respect of the Relative Total Unitholder Return (TUR) of the CICT Group measured by the percentile ranking of the TUR of the CICT Group relative to the constituent REITs in the FTSE ST REIT Index.

The above performance measure has been selected as a key measurement of wealth creation for Unitholders. The final number of Units to be released will depend on the CICT Group's performance against the pre-determined targets over the three-year qualifying performance period. This serves to align Management's interests with that of Unitholders in the longer term and to deter short-term risk taking. No Units will be released if the threshold target is not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the PUP baseline award can be delivered up to a maximum of 200% of the PUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

For FY 2022, the relevant award for assessment of the performance achieved by the CICT Group is the award granted in FY 2020 where the qualifying performance period was FY 2020 to FY 2022. Based on the NRC's assessment that the performance achieved by the CICT Group has exceeded the pre-determined performance targets for such performance period, the resulting number of Units for the finalised award has been adjusted accordingly to reflect the performance level.

In respect of the Unit awards granted under the PUP in FY 2021 and FY 2022, the respective qualifying performance periods have not ended as at the date of this Report.

CapitaLand Integrated Commercial Trust Management Limited Restricted Unit Plan

In FY 2022, the NRC granted awards which are conditional on targets set for a one-year performance period. A specified number of Units will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the RUP, an initial number of Units (RUP baseline award) is allocated conditional on the achievement of pre-determined targets in respect of the following performance conditions:

(a) Net property income of the CICT Group; and
(b) Distribution per Unit of the CICT Group.

The above performance measures have been selected as they are the key drivers of business performance and are aligned to Unitholder value. The final number of Units to be released will depend on the CICT Group's performance against the pre-determined targets at the end of the one-year qualifying performance period. The Units will be released in equal annual tranches over a vesting period of three years. No Units will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the RUP baseline award can be delivered up to a maximum of 150% of the RUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

In respect of the Unit awards granted under the RUP in FY 2022, based on the NRC's assessment that the performance achieved by the CICT Group has exceeded the pre-determined performance targets for FY 2022, the resulting number of Units for the finalised award has been adjusted accordingly to reflect the performance level.

The Unit Plans of the Manager are performance-based and vest over a period of three years. Coupled with interlocking annual grants, this ensures ongoing alignment between remuneration and sustainable business performance in the longer term.

D. Employee Benefits:
The benefits provided are comparable with local market practices.

Each year, the NRC evaluates the extent to which each of the key management personnel has delivered on the business and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel. In such evaluation, the NRC considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage CICT for the long term. The CEO does not attend discussions relating to his own performance and remuneration.

While the disclosure of, among others, the CEO's exact remuneration amount and the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S$250,000 and the aggregate of the total remuneration paid to these key management personnel would be in full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Manager or Unitholders due to the intense competition for talent in the REIT management industry. Disclosure of such information may subject the Manager to undue risks including the risk of loss of key management personnel resulting in increased management turnover. Given the importance of retaining competent and experienced staff to ensure CICT's stability and continuity of business operations as well as the need to balance the confidential and commercial sensitivities associated with remuneration matters, the Manager is of the view that it is in the interests of Unitholders not to make such disclosures.

The remuneration of the CEO and the key management personnel is paid out of the fees that the Manager receives. The basis of such management fees is set out in the Trust Deed, with the Trust Deed being deemed approved by Unitholders upon listing of CICT and at various general meetings where Unitholders approved amendments to the Trust Deed in relation to the management fees. The quantum and basis of such management fees are also disclosed to Unitholders in the annual reports of CICT for transparency.

The Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures in this Report are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to the Unitholders on the Manager's remuneration policies and the level and mix of remuneration accorded to the key management personnel, and enable the Unitholders to understand the relationship between CICT's performance, value creation and the remuneration of key management personnel. For the above reasons, the Manager is of the view that the interests of Unitholders are not prejudiced by this partial deviation.

Apart from the key management personnel and other employees of the Manager, the Manager outsources various other services to a wholly owned subsidiary of CLI (CLI Subsidiary). The CLI Subsidiary provides these services through its employees and employees of CLI Group (together, the Outsourced Personnel). This arrangement is put in place so as to provide flexibility and maximise efficiency in resource management to match the needs of CICT from time to time, as well as to leverage on economies of scale and tap on the management talent of an established corporate group which can offer enhanced depth and breadth of experience. Notwithstanding the outsourcing arrangement, the responsibility for due diligence, oversight and accountability continues to reside with the Board and Management. In this regard, the remuneration of such Outsourced Personnel, being employees of the CLI Subsidiary and CLI Group, is not included as part of the disclosure of remuneration of key management personnel of the Manager in this Report.

The Board, together with the NRC, seeks to ensure that the remuneration of the CEO and other key management personnel is strongly linked to the achievement of business and individual performance targets. The performance targets are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on both shorter-term and longer-term quantifiable objectives.

In FY 2021, a one-time Special CLI Founders Performance Share Plan (Special PSP Award) was granted by the CLI Group to selected senior executives within the group (including the Manager) to commemorate its listing, foster a “founders' mindset” in driving transformation, and retain talent. The grant has a five-year vesting period with defined performance parameters which are linked to CLI. Subject to the performance achieved, the award may vest at the end of the third year and/or fifth year. In addition, such compensation is in the long-term interests of CICT as CICT is a key part of CLI's business and ecosystem (and it is also the largest Unitholder of CICT), and Management's actions to grow CICT and drive CICT's performance will also have a positive impact on CLI, thus reinforcing the complementary nature of the linked performance between CICT and CLI. The cost of this one-time award will be borne by the Manager and it will not form a significant part of the key management personnel's annual remuneration. In addition, a proportion of the Management's remuneration is paid in the form of Units, which further incentivises the Management to take actions which are beneficial to the Unitholders. Accordingly, the Special PSP Award will not result in the Management prioritising the interest of CLI over that of CICT given that the bulk of their remuneration is determined based on the evaluation of the performance of CICT and a proportion of their remuneration comprises Units. In addition, it should be further noted that under the SFA, the Manager and Directors of the Manager are required to act in the best interest of CICT and give priority to the interest of CICT over the interests of the shareholders of the Manager, and this would further mitigate any potential conflicts of interests. Save for the Special PSP Award, the NRC will continue to assess and reward the key management personnel based on the performance of CICT. Accordingly, the Manager is of the view that there would not be any conflicts of interest arising from the arrangement, nor would the arrangement result in any misalignment of interest with those of Unitholders. There was no new Special PSP Award in FY 2022. In respect of the Special PSP Award granted in FY 2021, the qualifying performance period has not ended as at the date of this Report.

In FY 2022, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any of the key management personnel.

In FY 2022, there were no employees of the Manager who were substantial shareholders of the Manager, substantial Unitholders of CICT or immediate family members of a Director, the CEO, any substantial shareholder of the Manager or any substantial Unitholder of CICT and whose remuneration exceeds S$100,000. “Immediate family member” refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

Disclosures under AIFMR

The Manager is required under the AIFMR to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of CICT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager's remuneration policies described in this Report.

The aggregate amount of remuneration awarded by the Manager to its staff (including CEO and non-executive Directors) in respect of FY 2022 was approximately S$5.97 million. This figure comprised fixed pay of S$3.06 million, variable pay of S$2.66 million (including Units issued under the Unit Plans, where applicable) and allowances and benefits-in-kind of S$0.25 million. There was a total of 21 beneficiaries of the remuneration described above. In respect of FY 2022, the aggregate amount of remuneration awarded by the Manager to its senior management (which are also members of staff whose actions have a material impact on the risk profile of CICT) was approximately S$3.89 million, comprising six individuals identified having considered, among others, their roles and decision-making powers.

Remuneration for Non-Executive Directors
The non-executive Directors' fees are paid by the Manager and the FY 2022 fees, together with a breakdown of the components, are set out in the Non-Executive Directors' Remuneration Table on page 85 of this Annual Report.

The compensation policy for non-executive Directors is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for attendance and serving on Board Committees. The non-executive Directors' fee structure and Directors' fees are reviewed and benchmarked against the REIT industry, appropriate to the level of contribution and taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of the CICT Group's business. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Manager and CICT.

The CEO, who is an executive director, is remunerated as part of the key management personnel of the Manager and does not receive any Director's fees for his role as an executive director. The non-executive Directors who are employees of the CLI Group also do not receive any Directors' fees.

The non-executive Directors' fees are paid in cash (about 80%) and in the form of Units (about 20%), save that (i) a non-executive Director (not being an employee of the CLI Group) who steps down from the Board during a financial year will be paid fees fully in cash, and (ii) Mr Tan Boon Khai's fees are paid fully in cash to a government agency, The Directorship & Consultancy Appointments Council. The Manager believes that the payment of a portion of the non- executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and CICT's long-term growth and value. The payment of non-executive Directors' fees in Units is satisfied from the Units held by the Manager. No individual Director is involved in any decision of the NRC relating to his or her own remuneration.

In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, a non-executive Director is required to hold a number of Units worth at least one year of the basic retainer fee or the total number of Units awarded, whichever is lower, at all times during his or her Board tenure.

As with previous years, an independent remuneration consultant, Willis Towers Watson, was appointed in FY 2022 to provide professional advice on Board remuneration, with a view to ensuring the fee structure remains in line with market. The framework for the non-executive Directors' fees has remained unchanged from that of the previous financial year.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Manager maintains adequate and effective systems of risk management and internal controls (including financial, operational, compliance and information technology (IT) controls) to safeguard Unitholders' interests and the CICT Group's assets.

The Board has overall responsibility for the governance of risk and oversees the Manager in the design, implementation and monitoring of the risk management and internal controls systems. The AC assists the Board in carrying out the Board's responsibility of overseeing CICT's risk management framework and policies for CICT Group.

Under its terms of reference, the scope of the AC's duties and responsibilities includes:

(a) making recommendations to the Board on the Risk Appetite Statement (RAS) for CICT Group;
(b) assessing the adequacy and effectiveness of the risk management and internal controls systems established by the Manager to manage risks;
(c) overseeing the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that are consistent with CICT Group's risk appetite and reports to the Board on its decisions on any material matters concerning the aforementioned;
(d) making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal controls systems can be made by the Board in the Annual Report in accordance with the Listing Manual and the Code; and
(e) considering and advising on risk matters referred to it by the Board or Management, including reviewing and reporting to the Board on any material breaches of the RAS, any material non-compliance with the approved framework and policies and the adequacy of any proposed action.

The Manager adopts an Enterprise Risk Management (ERM) Framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually.

As part of the ERM Framework, the Manager undertakes and performs a Risk and Control Self-Assessment (RCSA) annually to identify material risks along with their mitigating measures.

The adequacy and effectiveness of the systems of risk management and internal controls are reviewed at least annually, by Management, the AC and the Board, taking into account the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council and the Listing Manual.

The CICT Group's RAS, which incorporates the CICT Group's risk limits, addresses the management of material risks faced by the CICT Group. Alignment of the CICT Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key risk indicators set for Management) put in place across the various functions within the Manager.

More information on the Manager's ERM Framework including the material risks identified can be found in the Risk Management section on pages 45 to 50 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the AC. The AC also reviews the adequacy and effectiveness of the measures taken by the Manager on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the CEO and the Chief Financial Officer (CFO) of the Manager that the financial records of the CICT Group have been properly maintained and the financial statements for FY 2022 give a true and fair view of the CICT Group's operations and finances. It has also received assurance from the CEO, the CFO and the relevant key management personnel who have responsibility regarding various aspects of risk management and internal controls that the systems of risk management and internal controls within the CICT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the Manager considers relevant and material to the current business environment.

The CEO, the CFO and the relevant key management personnel of the Manager have obtained similar assurances from the respective risk and control owners.

In addition, for FY 2022, the Board received half-yearly certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

Based on the ERM Framework established and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the CFO, the Board is of the opinion that the systems of risk management and internal controls within CICT Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which CICT Group considers relevant and material to the current business environment as at 31 December 2022. The AC concurs with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board or the AC in the review for FY 2022.

The Board notes that the systems of risk management and internal controls established by the Manager provide reasonable assurance that the CICT Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

Principle 10: Audit Committee

At present, the AC comprises four members, all of whom (including the chairman of the AC) are IDs. The AC Chairman is a Director other than the Chairman of the Board. The members of the AC are Mrs Quek Bin Hwee (AC Chairman), Ms Jeann Low Ngiap Jong, Mr Leo Mun Wai and Mr Tan Boon Khai. The AC Chairman and members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains. The AC does not comprise former partners of CICT's external auditors, KPMG LLP (a) within a period of two years commencing from the date of their ceasing to be partners of KPMG LLP; or (b) who have any financial interest in KPMG LLP.

The AC has explicit authority to investigate any matter within its terms of reference. Management provides the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the AC. The AC has direct access to the internal and external auditors and full discretion to invite any Director or key management personnel to attend its meetings. Similarly, both the internal and external auditors have unrestricted access to the AC.

Under its terms of reference, the AC's scope of duties and responsibilities includes:

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of CICT Group and any announcements relating to the CICT Group's financial performance;
(b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems;
(c) reviewing the scope and results of the external audit and the adequacy, effectiveness, independence and objectivity of the external auditors;
(d) reviewing the scope and results of the internal audit and the adequacy, effectiveness, independence and objectivity of the Manager's internal audit and compliance functions;
(e) making recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
(f) reviewing and approving processes to regulate transactions between an interested person (as defined in Chapter 9 of the Listing Manual) and/or interested party (as defined in the Property Funds Appendix) (each, an Interested Person) and CICT and/or its subsidiaries (Interested Person Transactions), to ensure compliance with the applicable regulations. The regulations include the requirements that

Interested Person Transactions are on normal commercial terms and are not prejudicial to the interests of CICT and its minority Unitholders. In respect of any property management agreement which is an Interested Person Transaction, the AC also carries out reviews at appropriate intervals to satisfy itself that the Manager has reviewed the property manager's compliance with the terms of the property management agreement and has taken remedial actions where necessary; and

(g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, and independently investigated, for appropriate follow up action to be taken.

In addition to the above, the AC also reviews the assurance from the CEO and the CFO on the financial records and financial statements.

The AC undertook a review of the independence of the external auditors, taking into consideration, among other factors, the non-audit services provided, CICT's relationships with the external auditors in FY 2022, as well as the processes and safeguards adopted by the Manager and the external auditors relating to audit independence. Based on the review, the AC is satisfied that the independence of the external auditors is not affected by the provision of the non-audit services. The external auditors have also provided confirmation of their independence to the AC. The fees paid or payable to the external auditors for FY 2022 amounted to S$939,391, of which audit (and audit-related fees) amounted to S$919,149 and non-audit fees amounted to S$20,242.

The AC holds at least four scheduled meetings in a year and met seven times in FY 2022. At all AC meetings in FY 2022, the CEO and the CFO were in attendance. CICT adopts the practice of announcing its financial statements on a half-yearly basis and provides quarterly business updates in between such announcements or as and when necessary. Accordingly, during the AC meetings scheduled in January and July each year, among other things, the AC reviews the half-yearly financial statements, including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues, and recommends the half yearly financial statements and corresponding announcements to the Board for approval. During the AC meetings scheduled in April and October each year, the AC reviews, among other things, the quarterly business and financial updates presented by Management. Such business updates contain, among other things, information on the CICT Group's key operating and financial metrics.

In FY 2022, the AC also reviewed and assessed the adequacy and effectiveness of the internal controls and risk management systems established by the Manager to address the material risks faced by the CICT Group, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurances from the CEO and the CFO.

The AC also meets with the external auditors and internal auditors, without the presence of Management, at least once a year. In FY 2022, the AC met with the external auditors and internal auditors twice, separately and without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors.

Where relevant, the AC makes reference to the best practices and guidance for audit committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore (ACRA).

Key Audit Matter

In the review of the financial statements of CICT Group for FY 2022, the AC has discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The AC reviewed, amongst other matters, the following key audit matter as reported by the external auditors for FY 2022.

Key Audit Matter	How this Issue was Addressed by the AC
Valuation of investment properties	The AC considered the valuation methodologies and key assumptions applied by the valuers for investment properties in arriving at the valuations and also evaluated the valuers' objectivity and competency. In order to provide fresh perspectives to the valuation process, the valuers do not value the same property for more than two consecutive years. This practice has been consistently adhered to over time. The AC reviewed the outputs from the valuation process of the investment properties and held discussions with Management and the external auditors to review the valuation methodologies, focusing on significant changes in fair value measurement and key drivers of the changes including assessing the reasonableness of the capitalisation rates, discount rates and terminal yield rates adopted by the valuers. The valuation of investment properties was also an area of focus for the external auditors. The AC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the key assumptions applied in the valuation of investment properties. The AC was satisfied with the valuation process, the methodologies used and the valuation of the investment properties.

The Manager confirms, on behalf of CICT, that CICT complies with Rules 712 and 715 of the Listing Manual in relation to the appointment of its external auditors.

Internal Audit

The Manager has in place an internal audit function supported by CLI's Internal Audit Department (CLI IA). The head of CLI IA is Ms Jenny Tan. CLI IA is independent of the activities it audits and has unfettered access to the CICT Group's documents, records, properties and employees, including access to the AC, and has appropriate standing with respect to the Manager. The primary reporting line of CLI IA in respect of CICT Group is to the AC, however, the AC does not decide on the appointment, termination and remuneration of the head of CLI IA as it operates at the CLI Group level. While this is a deviation from Provision 10.4 which requires the AC to decide on the appointment, termination and remuneration of the head of the internal audit function, CLI IA is able to carry out its role effectively for the reasons below and is accordingly consistent with the intent of Principle 10 of the Code.

The AC monitors and assesses the role and effectiveness of the internal audit function through reviewing the internal audit process from time to time and may make recommendations to the Board for any changes to the internal audit process. The AC also reviews to ensure that the internal audit function is adequately resourced and skilled in line with the nature, size and complexity of the Manager and CICT's business, and that an adequate budget is allocated to the internal audit function to assure its proper functioning.

In respect of FY 2022, the AC has carried out a review of the internal audit function and is satisfied that the internal audit function performed by CLI IA is adequately resourced, effective and independent.

CLI IA formulates its internal audit plan in consultation with, but independently of, Management and its plan is submitted to the AC for approval prior to the beginning of each year. CLI IA adopts a risk-based approach in formulating the audit plan that aligns its activities to the key strategies and risks across the CICT Group's business. The reviews performed by CLI IA are focused on assisting the Board in promoting sound risk management, robust internal controls and good corporate governance, through assessing the design and effectiveness of operating controls that govern key business processes and risks identified in the overall risk framework of the CICT Group. CLI IA also reviews compliance with the CICT Group's policies, procedures and regulatory responsibilities, performed in the context of financial and operational and information system reviews.

During FY 2022, the AC reviewed the results of audits performed by CLI IA based on the approved audit plan. All findings are reported to Management and the AC, with highlights on any significant findings. CLI IA also reviews the status of implementation of the audit recommendations and whether there are any past due items, and reports the same to Management and the AC. The AC also reviewed reports on whistle blower complaints reviewed by CLI IA to ensure independent and thorough investigation and adequate follow up. The AC also received reports on Interested Person Transactions reviewed by CLI IA that they were on normal commercial terms and are not prejudicial to the interests of CICT and its minority Unitholders.

CLI IA is adequately resourced and staffed with persons with the relevant qualifications and experience. CLI IA is a corporate member of The Institute of Internal Auditors Inc. (IIA), Singapore, which is an affiliate of the IIA with its headquarters in the United States of America (USA). CLI IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by IIA, and has incorporated these Standards into its audit practices.

To ensure that internal audits are performed effectively, CLI IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. For instance, CLI IA staff who are involved in IT audits have the relevant professional IT certifications and are also members of the ISACA Singapore Chapter, a professional body administering information systems audit and information security certifications that is headquartered in the USA. The ISACA Information Systems Auditing Standards provide guidance on the standards and procedures to be applied in IT audits. CLI IA identifies and provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

UNITHOLDER RIGHTS AND ENGAGEMENT

Principles 11, 12 and 13: Shareholder Rights and Conduct of General Meetings, Engagement with Shareholders, Managing Stakeholder Relationships

The Manager is committed to treating all Unitholders fairly and equitably. All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions.

General Meetings
CICT supports the principle of encouraging Unitholder participation and voting at general meetings. CICT's Annual Report is provided to Unitholders within 120 days from the end of CICT's financial year. Unitholders may download the Annual Report (printed copies are available upon request) and notice of the general meeting from the Website. These documents are also available on SGXNet. More than the legally required notice period for general meetings is generally provided. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at the general meeting. This enables Unitholders to exercise their votes on an informed basis. To safeguard the Unitholders' interests and rights, a separate resolution is proposed for each substantially separate matter to be approved at a general meeting, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the reasons and material implications are explained in the notice of general meeting to enable Unitholders to make an informed decision. Further, if the resolution is in respect of an interested person transaction, the interested person (as defined in the Listing Manual) will be required to abstain from such voting.

In FY 2022, CICT's AGM was convened and held on 21 April 2022 (AGM 2022) by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (COVID-19 Temporary Measures Order) and in accordance with the checklist jointly issued by ACRA, MAS and Singapore Exchange Regulation, which gave guidance to listed and non-listed entities on the conduct of general meetings amid the evolving COVID-19 situation (Checklist).

The alternative arrangements put in place for the conduct of AGM 2022 included attendance at the AGM 2022 via electronic means under which Unitholders could observe and/or listen to the AGM 2022 proceedings via live audio-visual webcast or live audio-only stream, submission of questions in advance of and/or live at the AGM 2022 through the live chat function via the audio-visual platform, and voting at AGM 2022 live by themselves or their duly appointed proxy(ies) (other than the chairman of the meeting) via electronic means or by appointing the chairman of the meeting as their proxy to vote on their behalf at the AGM 2022. All Directors (including the CEO who is also a Director) attended the AGM 2022 either in-person or via electronic means. A record of the Directors' attendance at the AGM 2022 can be found in the record of their attendance at general meeting(s) and Board and Board Committee meetings for FY 2022 set out on page 84 of this Annual Report.

The upcoming AGM to be held on 19 April 2023 (AGM 2023) will be convened and held by way of physical meeting, with a live web-cast of the AGM 2023 available for Unitholders who may be unable to attend the AGM in-person. Unitholders will also be allowed to (a) submit questions to the chairman of the meeting in advance of the AGM, and substantial and relevant questions received from Unitholders will be addressed before the AGM via publication on the Website and on the SGXNet, or at the meeting, and (b) appoint proxy(ies) (other than the chairman of the meeting) or the chairman of the meeting as proxy to attend and vote on their behalf at the AGM 2023. Further information on the arrangements relating to the conduct of the upcoming AGM 2023 is provided in the notice of the upcoming AGM 2023.

Unitholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate Unitholder, through its appointed representative). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of CICT.

At AGMs, Management makes a presentation to Unitholders to update them on CICT's performance, position and prospects. The presentation materials are made available to Unitholders on the Website and also on SGXNet. At general meetings, Unitholders are given the opportunity to communicate their views, ask questions and discuss with the Board and Management on matters affecting CICT. Representatives of the Trustee, Directors (including the chairman of the respective Board Committees), key management personnel and the external auditors of CICT, attend and are present for the entire duration of the general meetings to address any queries that the Unitholders may have, including queries about the conduct of CICT's external audit and the preparation and contents of the external auditors' report. Directors and Management also interact with Unitholders after the general meetings.

To ensure transparency in the voting process and better reflect Unitholders' interests, CICT conducts electronic poll voting for all the resolutions proposed at general meetings. One Unit is entitled to one vote. Voting procedures and the rules governing general meetings are explained and vote tabulations are disclosed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed 'live' on-screen to Unitholders after each resolution is voted on at the general meetings. The total number of votes cast for or against each resolution and the respective percentages are also announced on SGXNet after the general meetings.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. CICT's Trust Deed currently does not permit Unitholders to vote at general meetings in absentia (such as via mail or email). The Manager will consider implementing the relevant amendments to CICT's Trust Deed to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and the authentication of the identity of Unitholders through the internet will not be compromised, and after the implementation of legislative changes to recognise remote voting. The Manager is of the view that despite the deviation from Provision 11.4 of the Code, Unitholders nevertheless have opportunities to communicate their views on matters affecting CICT even when they are not in attendance at general meetings. For example, Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

Minutes of the general meetings recording the substantial and relevant comments made, questions raised and answers provided, are prepared and are available to Unitholders for their inspection upon request. Minutes of general meetings are also made available on the Website. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the Code.

Distribution Policy

CICT's distribution policy is to distribute at least 90.0% of its taxable income (other than gains from the sale of real estate properties by CICT which are determined to be trading gains), with the actual level of distribution to be determined at the Manager's discretion. Distributions are generally paid within 35 market days after the relevant record date.

Timely Disclosure of Information

The Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of CICT's performance and any changes in the CICT Group or its business which is likely to materially affect the price or value of the Units.

In FY 2022, the Manager provided Unitholders with half year and full year financial statements within the relevant periods prescribed by the Listing Manual. These half year and full year financial statements were reviewed and approved by the Board prior to release to Unitholders by announcement on SGXNet. The release of half year and full year financial statements were accompanied by news releases issued to the media and which were also made available on SGXNet. In presenting the half year and full year financial statements to Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of CICT and the CICT Group's performance, position and prospects.

In addition to the announcement of half year and full year financial statements in FY 2022, in keeping with the Manager's commitment to provide its Unitholders with information promptly, the Manager also provided Unitholders, on a voluntary basis, with quarterly business updates in between the announcement of half-yearly financial statements. Such business updates contain, among other things, information on the CICT Group's key operating and financial metrics. In addition to the release of financial statements, the Manager also keeps CICT's Unitholders, stakeholders and analysts informed of the performance and changes in the CICT Group or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions. This is performed through the release on SGXNet of announcements in compliance with regulatory reporting requirements and news releases for the media, on a timely and consistent basis. These announcements and news releases are also posted on the Website. In addition, the Manager also conducts analysts' and media briefings, and the materials used for such briefings are uploaded on SGXNet.

The Manager has a formal policy on corporate disclosure controls and procedures to ensure that CICT complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate the decision-making process and an obligation on internal reporting of the decisions made.

The Manager believes in conducting the business of CICT in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for CICT and the Manager's accountability to Unitholders for CICT's performance. Prompt fulfilment of statutory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the Manager.

Investor Relations

The Manager has an Investor Relations department which facilitates effective communication with Unitholders and analysts. The Manager also maintains the Website which contains information on CICT including but not limited to its Prospectus, current and past announcements and news releases, financial statements, investor presentations and Annual Reports.

The Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place a Unitholders' Communication and Investor Relations Policy which allows for an ongoing exchange of views so as to promote regular, effective and fair communications with Unitholders. The Unitholders' Communication and Investor Relations Policy, which sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions, is available on the Website. Unitholders are welcomed to engage with the Manager beyond general meetings and they may do so by contacting the Investor Relations department whose details may be found on the Website under the *IR Home* page.

More information on the Manager's investor and media relations efforts can be found in the Stakeholders and Communities - Our Investors section on pages 56 to 58 of the Sustainability Report 2022.

The Manager also has in place a corporate communications function supported by CLI's Group Communications department which works closely with the media and oversees CICT's media communications efforts.

Managing Stakeholder Relationships

The Board's role includes considering sustainability as part of its strategy formulation. The Manager adopts an inclusive approach for CICT by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of CICT are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in CICT's business strategies and operations. The Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on the sustainability issues most important to them and to manage its relationships with such groups. Such arrangements include maintaining the Website, which is kept updated with current information on its sustainability approach and stakeholder engagements, to facilitate communication and engagement with CICT's stakeholders. For more details of CICT's sustainability approach, environmental policies and stakeholder engagements, please refer to the Sustainability Report 2022.

ADDITIONAL INFORMATION

Executive Committee

In addition to the AC and NRC, the Board has also established an EC. The members of the EC are Mr Jonathan Yap Neng Tong (EC Chairman), Mr Tony Tan Tee Hieong and Ms Janine Gui Siew Kheng.

The EC oversees the day-to-day activities of the Manager and that of CICT, on behalf of the Board. The EC is guided by its terms of reference, in particular, the EC:

(a) approves specific budgets for capital expenditure on development projects, acquisitions and enhancements/upgrading of properties within its approved financial limits;
(b) reviews management reports and operating budgets; and
(c) awards contracts for development projects.

The members of the EC also meet informally during the course of the year.

Dealings with Interested Persons

Review Procedures for Interested Person Transactions

The Manager has established internal control procedures to ensure that all Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties, and are not prejudicial to the interests of CICT and Unitholders. In respect of such transactions, the Manager would have to demonstrate to the AC that such transactions are undertaken on normal commercial terms and are not prejudicial to the interests of CICT and Unitholders which may include obtaining (where practicable) third party quotations or obtaining valuations from independent valuers (in accordance with applicable provisions of the Listing Manual and the Property Funds Appendix). The internal control procedures also ensure compliance with Chapter 9 of the Listing Manual and the Property Funds Appendix.

In particular, the procedures in place include the following:

Interested Person Transactions[1]	Approving Authority, Procedures and Disclosure
S$100,000 and above per transaction (which singly, or when aggregated with other transactions[2] with the same Interested Person in the same financial year is less than 3.0% of CICT's latest audited net tangible assets/net asset value)	• Management • Audit Committee
Transaction[2] which: (a) is equal to or exceeds 3.0% of CICT's latest audited net tangible assets/net asset value; or (b) when aggregated with other transactions[2] with the same Interested Person in the same financial year is equal to or exceeds 3.0% of CICT's latest audited net tangible assets/net asset value	• Management • Audit Committee • Immediate Announcement
Transaction[2] which: (a) is equal to or exceeds 5.0% of CICT's latest audited net tangible assets/net asset value; or (b) when aggregated with other transactions[2,3] with the same Interested Person in the same financial year is equal to or exceeds 5.0% of CICT's latest audited net tangible assets/net asset value	• Management • Audit Committee • Immediate Announcement • Unitholders[3]

1 This table does not include the procedures applicable to Interested Person Transactions falling under the exceptions set out in Rules 915 and 916 of the Listing Manual.
2 Any transaction of less than S$100,000 in value is disregarded.
3 In relation to approval by Unitholders for transactions that are equal to or exceed 5.0% of CICT's latest audited net tangible assets/net asset value (whether singly or aggregated), any transaction which has been approved by Unitholders, or is the subject of aggregation with another transaction that has been approved by Unitholders, need not be included in any subsequent aggregation.

A summary of Interested Person Transactions of S$100,000 and above entered into within each financial quarter will be reviewed by the Trustee on a quarterly basis, while the summary of all Interested Person Transactions within the financial year will be submitted by CLI IA to the AC for review on an annual basis. Guidelines and procedures established to monitor Interested Person Transactions will be audited by CLI IA on a periodic basis.

Role of the Audit Committee for Interested Person Transactions
The Manager's internal control procedures are intended to ensure that Interested Person Transactions are conducted at arm's length, on normal commercial terms and are not prejudicial to CICT and Unitholders' interests.

The Manager maintains a register to record all Interested Person Transactions which are entered into by CICT (and the basis on which they are entered into, including the quotations obtained to support such basis). All Interested Person Transactions of S$100,000 and above are subject to regular periodic reviews by the AC, which in turn obtains advice from CLI IA, to ascertain that the guidelines and procedures established to monitor Interested Person Transactions, including the relevant provisions of the Listing Manual and the Property Funds Appendix, as well as any other guidelines which may from time to time be prescribed by the SGX-ST, MAS or other relevant authorities, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the AC. If a member of the AC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

Details of all Interested Person Transactions (equal to or exceeding S$100,000 each in value) entered into by CICT in FY 2022 are disclosed on pages 272 to 273 of this Annual Report.

Dealing with Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Manager (including its Directors, key management personnel and employees) may encounter in managing CICT:

(a) the Manager is a dedicated manager to CICT and will not manage any other REIT or be involved in any other real property business;

(b) all resolutions at meetings of the Board in relation to matters concerning CICT must be decided by a majority vote of the Directors, including at least one ID;

(c) in respect of matters in which CLI and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CLI and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CLI and/or its subsidiaries;

(d) in respect of matters in which a Director or his or her associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s);

(e) if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CICT with an affiliate of the Manager, the Manager is obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CICT, has a prima facie case against the party allegedly in breach under such agreement, the Manager is obliged to pursue the appropriate remedies under such agreement; and

(f) at least one-third of the Board shall comprise IDs.

In respect of voting rights where the Manager would face a conflict between its own interests and that of Unitholders, the Manager shall cause such voting rights to be exercised according to the discretion of the Trustee.

Dealings in Securities

The Manager has adopted a securities dealing policy for the officers and employees which applies the best practice recommendations in the Listing Manual. Under this policy, Directors and employees of the Manager as well as certain relevant executives of the CLI Group (together, the Relevant Persons) are required to refrain from dealing in CICT's securities (i) while in possession of material unpublished price-sensitive information, and (ii) during the one-month period immediately preceding, and up to the time of the announcement of CICT's half-year and full year financial statements. Prior to the commencement of each relevant black-out period, an email would be sent to all the Relevant Persons to inform them of the duration of the black-out period. The Manager also does not deal in CICT's securities during the same black-out period. In addition, Directors and certain employees identified as "Key Insiders" are prohibited from dealing in the securities of CICT, except during the open trading window (being one calendar month commencing from the relevant date of announcement of CICT's results), provided that they are not in possession of undisclosed material or price-sensitive information. Employees and Capital Markets Services Licence Appointed Representatives (CMSL Representatives) of the Manager are also required to give a pre-trading notification to the CEO and the Compliance department before any dealing in CICT's securities.

This policy also provides for the Manager to maintain a list of persons who are privy to price-sensitive information relating to the CICT Group as and when circumstances require such a list to be maintained.

Directors and employees of the Manager are also required to refrain from dealing in CICT's securities if they are in possession of unpublished price-sensitive information of CICT arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in CICT's securities.

Under this policy, Directors and employees of the Manager are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

A Director is required to notify the Manager of his or her interest in CICT's securities within two business days after (a) the date on which he or she becomes a Director or (b) the date on which he or she acquires an interest in CICT's securities. A Director is also required to notify the Manager of any change in his or her interests in CICT's securities within two business days after he or she becomes aware of such change.

Dealings by the Directors are disclosed in accordance with the requirements in the SFA and the Listing Manual. In FY 2022, based on the information available to the Manager, save as disclosed in accordance with such requirements and other than the awards of Units in part payment of Directors' fees and CEO's remuneration under the Unit Plans, there were no dealings by the Directors in CICT's securities.

Code of Business Conduct

The Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place.

The policies and guidelines are published on CLI Group's intranet, which is accessible by all employees of the Manager.

The policies that the Manager has implemented aim to help to detect and prevent occupational fraud in mainly three ways, as set out below.

First, the Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face.

Second, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.

Finally, the Manager seeks to build and maintain the right organisational culture through its core values, educating its employees on good business conduct and ethical values.

Fraud, Bribery and Corruption Risk Management Policy

In line with its core values, the Manager is committed to doing business with integrity. This is reflected in its longstanding zero tolerance stance against fraud, bribery and corruption. Consistent with this commitment, various policies and guidelines are in place to guide all employees of the Manager to maintain the highest standards of integrity in their work and business dealings. This includes clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, and an annual pledge by all employees of the Manager to uphold the Manager's core values and to not engage in any corrupt or unethical practices. The Manager's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. Pursuant to this policy, the Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions.

The Manager's employees adhere to CLI's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the strong stance against fraud, bribery and corruption, and sets the overarching approach and standards in managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The Manager's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions.

Whistle-Blowing Policy

A whistle-blowing policy has been put in place by the Manager which sets out the procedures for the Manager's employees and parties who have dealings with the Manager to make a report to the Manager on misconduct or wrongdoings relating to the Manager and its officers. Procedures are put in place to provide such employees and parties with well-defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action. The Manager ensures that the identity of the whistle-blower is kept confidential. The objective of this policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal. The Manager is committed to ensuring protection of the whistle-blower against detrimental or unfair treatment. The AC is responsible for oversight and monitoring of the investigation of whistle-blowing reports made in good faith at its scheduled meetings. Independent, thorough investigation and appropriate follow up actions are taken. The outcome of each investigation is reported to the AC. All employees of the Manager are informed of this policy which is made available on CLI Group's intranet.

Business Continuity Management

The Manager has implemented a Business Continuity Management (BCM) programme that puts in place the prevention, detection, response and, business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events on the CICT Group's operations and also has in place a Business Continuity Plan (BCP). Under the BCP, Management has identified the critical business functions, processes and resources, and is able to tap on a pool of CLI Group's employees who are trained under a Business Psychological Resilience Programme to provide peer support to colleagues following the occurrence of adverse events. As part of the BCP, periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber attacks, data breaches and epidemics. This approach aims to minimise financial loss to CICT, allow the Manager to continue to function as the manager of CICT and mitigate any negative effects that the disruptions could have on the Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations. The Manager has also acquired insurance policies for the CICT Group on business interruption events.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

As a holder of a Capital Markets Services Licence issued by MAS, the Manager abides by the MAS' guidelines on the prevention of money laundering and countering the financing of terrorism. Under these guidelines, the main obligations of the Manager are:

(a) evaluation of risk;
(b) customer due diligence;
(c) suspicious transaction reporting;
(d) record keeping;
(e) employee and CMSL Representative screening; and
(f) training.

The Manager has in place a policy on the prevention of money laundering and terrorism financing and remains alert at all times to suspicious transactions. Enhanced due diligence checks are performed on counterparties where there is a suspicion of money laundering or terrorism financing. Suspicious transactions will also be reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department.

Under this policy, all relevant records or documents relating to business relations with the CICT Group's customers or transactions entered into must be retained for a period of at least five years following the termination of such business relations or the completion of such transactions.

All prospective employees, officers and CMSL Representatives of the Manager are also screened against various money laundering and terrorism financing information sources and lists of designated entities and individuals provided by MAS. Periodic training is provided by the Manager to its Directors, employees and CMSL Representatives to ensure that they are updated and aware of applicable anti-money laundering and countering of terrorism financing regulations, the prevailing techniques and trends in money laundering and terrorism financing and the measures adopted by the Manager to combat money laundering and terrorism financing.

COMPOSITION OF BOARD COMMITTEES IN FY 2022

Board Members	Audit Committee	Executive Committee#	Nominating and Remuneration Committee
Teo Swee Lian, C	-	-	C
Tony Tan Tee Hieong, CEO	-	M	-
Quek Bin Hwee	C	-	-
Leo Mun Wai	M	-	-
Jeann Low Ngiap Jong	M	-	-
Stephen Lim Beng Lin	-	-	M
Tan Boon Khai[1]	M	-	-
Jonathan Yap Neng Tong	-	C	M
Janine Gui Siew Kheng[2]	-	M	-
Lim Cho Pin Andrew Geoffrey[3]	-	M	-

Denotes: C - Chairman M - Member CEO - Chief Executive Officer

Given the nature and scope of the work of the EC, their business was discussed/transacted primarily through conference call, correspondence and informal meetings.
1 Mr Tan Boon Khai was appointed as Non-Executive Independent Director and member of the AC with effect from 25 April 2022.
2 Ms Janine Gui Siew Kheng was appointed as Non-Executive Non-Independent Director and member of the EC with effect from 25 July 2022.
3 Mr Lim Cho Pin Andrew Geoffrey stepped down as Non-Executive Non-Independent Director with effect from 25 July 2022 and relinquished his role as member of the EC on the same day.

ATTENDANCE RECORD OF MEETINGS OF UNITHOLDERS, BOARD AND BOARD COMMITTEES IN FY 2022[1]

	Board[5]	Audit Committee[6]	Nominating and Remuneration Committee	AGM
No. of Meetings Held	9	7	2	1
Board Members				
Teo Swee Lian	100%	-	100%	100%
Tony Tan Tee Hieong	100%	-	-	100%
Quek Bin Hwee	100%	100%	-	100%
Leo Mun Wai	100%	100%	-	100%
Jeann Low Ngiap Jong	100%	100%	-	100%
Stephen Lim Beng Lin	89%	-	100%	100%
Tan Boon Khai[2]	100%	100%	-	-
Jonathan Yap Neng Tong	100%	-	100%	100%
Janine Gui Siew Kheng[3]	100%	-	-	-
Lim Cho Pin Andrew Geoffrey[4]	100%	-	-	100%

1 All Directors are required to attend Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
2 Mr Tan Boon Khai was appointed as Non-Executive Independent Director and member of the AC with effect from 25 April 2022 (which was after the AGM).
3 Ms Janine Gui Siew Kheng was appointed as Non-Executive Non-Independent Director and member of the EC with effect from 25 July 2022 (which was after the AGM).
4 Mr Lim Cho Pin Andrew Geoffrey stepped down as Non-Executive Non-Independent Director with effect from 25 July 2022 and relinquished his role as member of the EC on the same day.
5 Included four ad hoc Board Meetings and one Board Strategy Meeting.
6 Included three ad hoc AC Meetings.

CEO'S REMUNERATION

CEO's Remuneration Table for FY 2022

Remuneration	Components of remuneration			
	Salary and employer's CPF	Bonus and other benefits inclusive of employer's CPF[1]	Award of Units[2]	Total
CEO				
Tony Tan Tee Hieong	**31%**	**32%**	**37%**	**100%**
Remuneration band for CEO: Above S$1,250,000 to S$1,500,000				

1 The amounts disclosed include bonuses earned which have been accrued for in FY 2022.
2 The proportion of value of the Unit awards is based on the fair value of the Units comprised in the contingent awards under the CapitaLand Integrated Commercial Trust Management Limited Restricted Unit Plan (RUP) and CapitaLand Integrated Commercial Trust Management Limited Performance Unit Plan (PUP) at the time of grant in FY 2022. The final number of Units released under the contingent awards of Units for the RUP and PUP will depend on the achievement of pre-determined targets and subject to the respective vesting period under the RUP and PUP.

NON-EXECUTIVE DIRECTORS' REMUNERATION TABLE FOR FY 2022

	Components of Directors' fees [1,2] (S$)		
	Cash component	Unit component[2]	Total
Non-Executive Directors			
Teo Swee Lian	132,000	33,000	165,000
Quek Bin Hwee	108,000	27,000	135,000
Leo Mun Wai	92,000	23,000	115,000
Jeann Low Ngiap Jong	91,760	22,940	114,700
Stephen Lim Beng Lin	74,400	18,600	93,000
Tan Boon Khai[4]	78,015	N.A.[4]	78,015
Jonathan Yap Neng Tong	N.A.[3]	N.A.[3]	N.A.[3]
Janine Gui Siew Kheng[5]	N.A.[3]	N.A.[3]	N.A.[3]
Lim Cho Pin Andrew Geoffrey[6]	N.A.[3]	N.A.[3]	N.A.[3]
Aggregate of remuneration for Non-Executive Directors: S$700,715			

N.A.: Not Applicable.

1 Inclusive of attendance fees of (a) S$2,000 (local meeting) and S$5,000 (overseas meeting) per meeting attendance in person, (b) S$1,700 per meeting attendance via audio or video conference, (c) S$1,000 per meeting attendance at project and verification meetings, and (d) S$500 per meeting attendance via audio or video conference at project and verification meetings. Attendance fees at project and verification meetings are subject to a maximum of S$10,000 per Director per annum.
2 Each non-executive Director (save for non-executive Directors who are employees of the CLI Group) shall receive up to 20% of his or her Director's fees in the form of Units (subject to truncation adjustments). The remainder of the Director's fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Manager from the existing Units it holds.
3 Non-executive Directors who are employees of the CLI Group do not receive Directors' fees.
4 Mr Tan Boon Khai was appointed as Non-Executive Independent Director and member of the AC with effect from 25 April 2022. All Director's fees payable to Mr Tan, a public officer, will be paid in cash to a government agency, The Directorship & Consultancy Appointments Council.
5 Ms Janine Gui Siew Kheng was appointed as Non-Executive Non-Independent Director and member of the EC with effect from 25 July 2022.
6 Mr Lim Cho Pin Andrew Geoffrey stepped down as Non-Executive Non-Independent Director with effect from 25 July 2022 and relinquished his role as member of the EC on the same day.

Value Creation

VALUE CREATION STRATEGY – TO DELIVER STABLE DISTRIBUTIONS AND SUSTAINABLE RETURNS TO UNITHOLDERS

VALUE CREATION STRATEGY

Asset Enhancements and Redevelopments

- Achieve the highest and best use for properties
- Reposition or repurpose assets in line with changing real estate trends and consumers' preferences
- Redevelop properties from single-use to integrated projects

Value created in 2022:

Raffles City Singapore

- Commenced rejuvenation with the reconfiguration of 111,000 sq ft of retail space on levels 1 to 3, and refreshed offerings with new retail formats and premium shopping experiences
- Completed reconfiguration works in 2022 and the new tenants have opened progressively since 3Q 2022

Six Battery Road

- Created a new 24/7 linkway connecting Raffles Place and the Singapore River, a refreshed lifestyle podium with new F&B outlets and a rooftop restaurant
- Work started in February 2020 and completed in September 2022

Acquisitions

- Invest through property market cycles in Singapore and developed markets overseas
- Guide for overseas exposure not more than 20% of portfolio value
- Seek opportunities from third parties and CapitaLand
- Focus on retail, office and integrated developments

Value created in 2022:

- Newly acquired 66 Goulburn Street and 100 Arthur Street contributing property income from 24 March 2022
- Newly acquired 70.0% interest in CapitaSky contributing property income from 27 April 2022
- Newly acquired 50.0% interest in 101-103 Miller Street and Greenwood Plaza contributing property income from 21 June 2022

Portfolio Reconstitution

- Undertake appropriate divestment of assets that have reached their optimal life cycle
- Redeploy divestment proceeds into higher yielding properties

Value created in 2022:

- Completed the divestment of JCube on 10 March 2022 and recycled the sales proceeds into acquisitions.

OPPORTUNITIES TO CREATE VALUE

Our portfolio of quality assets is a key resource in providing sustainable income to CICT. We create long-term value for our stakeholders by building on our competitive advantages, investing in timely asset enhancements, and providing quality spaces to our tenants and differentiated offerings to our shoppers. For our malls, we proactively manage tenants and trade mix to ensure optimal shopper traffic and tenants' sales. Flexible work arrangements as well as health and wellness elements are also curated for both our shoppers and tenants at our office and integrated developments, where the work-live-play concept meets evolving tenant and consumer lifestyle needs and preferences. This will provide CICT with greater resilience in the long term. Through proactive and long-term planning for each asset, we aim to keep our properties thriving, relevant and future-ready.

Through AEIs

CICT has a portfolio management strategy to optimise the value of every asset throughout its property life cycle. We enact plans to upkeep our assets regularly and upgrade each asset at the appropriate time. Over the years, we have successfully enhanced value by rejuvenating our properties through various AEIs.

Through portfolio reconstitution

Value is also created through our portfolio reconstitution strategy, where CICT reviews and evaluates existing properties, and where assets may no longer be relevant, we review the potential to monetise and redeploy the capital into higher yielding assets.

Through acquisitions

Geographically, we seek acquisition opportunities in Singapore and in developed markets overseas, guided by our strategic rationale, value and potential accretion in a disciplined manner.

Raffles City Singapore

Post-AEI and Rejuvenation of Trade Mix

A specially curated mix of over 65 new and well-established premium brands across fashion, beauty and lifestyle categories have entered the mall since late-2021. This is part of the mall's rejuvenation to excite shoppers with curated merchandises and unique shopping experiences. Some of the new brands include:

- Sephora's first ever Store of the Future concept in Asia showcasing exclusive and holistic beauty services, workshops, digital touchpoints and mobile checkouts for a seamless consumer store experience
- Popular athleisure brand Lululemon opened its new comprehensive store for all sporting needs, including their new 'Play' category, which currently includes products for golf and tennis
- Beauty brands such as Givenchy and Creed opened their first standalone and flagship boutique in Singapore with exclusive fragrances and services. Guerlain opened its first flagship boutique in Singapore with a skincare cabin and an exclusive collection of exquisite fragrances. Diptyque launched its flagship store in Singapore
- New F&B offerings include Venchi, TWG, Läderach Chocolatier Suisse, Omoté, Kanshoku Ramen Bar, NÚODLE, Asia Grand Restaurant as well as TAG Espresso's first retail store in Singapore
- Homes & Lifestyle brands include UCHINO Bath & Relaxation's flagship store with exclusive on-demand embroidery services, and SUNDAY BEDDING's flagship store in Singapore
- New-to-market brands include Kave Home's first and flagship store in Singapore, and Qoltured by Fortytwo, its first foray into the world of brick-and-mortar retail

Premium beauty brands greet shoppers as they enter the revamped walkway


New escalators are installed from levels 1 to 3 to enhance accessibility for the shoppers

CQ @ Clarke Quay

CQ @ Clarke Quay transformation into a day-and-night destination

CQ @ Clarke Quay embarked on its S$62.0 million AEI in 3Q 2022 to extend its appeal from a nightlife attraction to a day-and-night destination. The property will continue to operate throughout the AEI, which will be carried out in phases, with target completion in 3Q 2023. The scope includes improving the daytime thermal comfort of the property's inner streets, introducing an exciting blend of lifestyle and F&B concepts that best utilise the reinstated godown typology of the conserved warehouses at Block B, enhancing the selection of day-and-night dining options, and refreshing the outdoor refreshment areas. Conferred by the Building and Construction Authority (BCA), the green building rating of CQ @ Clarke Quay has been upgraded from Green Mark Certification to Green Mark Gold^{PLUS} in November 2022.

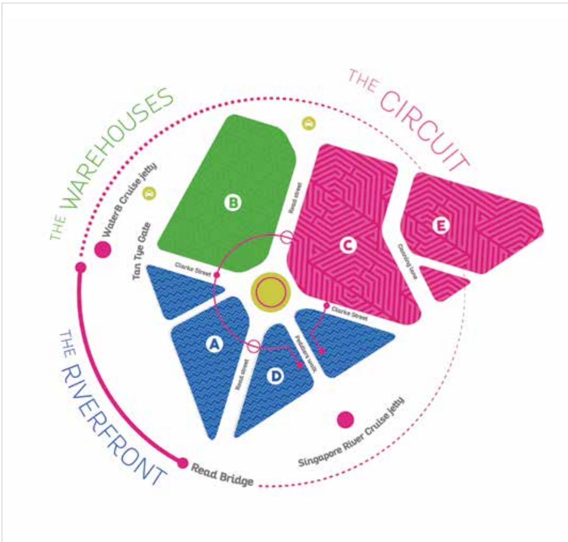
The property façade of Block B will be given a new coat of paint, which references historical palettes and highlights the characteristics of the reinstated godown typology. This is a view of the revamped CQ @ Clarke Quay from River Valley Road.

Transformation Plan

In conjunction with its transformation, the property is now named "CQ @ Clarke Quay" to reflect its modern interpretation of Clarke Quay's rich heritage.

CQ @ Clarke Quay is set to bring visitors an exciting mix of day-and-night offerings with three main zones:
- The Riverfront (Blocks A and D), featuring riverside dining in an alfresco or heritage shophouse setting;
- The Warehouses (Block B), offering an exciting blend of retail lifestyle and F&B concepts in a conserved godown setting; and
- The Circuit (Blocks C and E), showcasing high-energy concepts, entertainment and F&B establishments.

Scan QR code for a summary video concerning the rejuvenation plans for CQ @ Clarke Quay



CQ @ Clarke Quay will comprise three main zones, The Riverfront (Blocks A and D), The Warehouses (Block B), and The Circuit (Blocks C and E), each with an exciting mix of day-and-night offerings.

PORTFOLIO RECONSTITUTION

The announced acquisition of the three Sydney properties in December 2021 were progressively completed in the first half of 2022.

Continuing our portfolio reconstitution journey in 2022, we completed the divestment of JCube at an exit yield of less than 4% on 10 March 2022 to Tanglin R.E. Holdings Pte. Ltd. (indirectly wholly owned by CapitaLand Group Pte. Ltd.) for S$340.0 million[1] after a close bidding process.

The sales proceeds were redeployed to partially fund the acquisition of a 70.0% interest in CapitaSky at an NPI yield of 4.0%[2]. CapitaSky was jointly acquired by CICT and CapitaLand Open End Real Estate Fund (COREF) for S$1,260.0 million[3] from Southernwood Property Pte. Ltd. (SWP), owned by CLI (65.0% interest) and wholly owned subsidiaries that were jointly owned by Mitsui & Co., Ltd. and Tokyo Tatemono Co., Ltd. (35.0% interest).

SWP was converted to a limited liability partnership following the completion of the acquisition on 27 April 2022. This allows CICT Unitholders to enjoy tax transparency treatment on CICT's income from CapitaSky.

Completed divestment of JCube on 10 March 2022 at an exit yield of

< 4%

Capital Redeployed

Completed acquisition of the 70.0% interest in CapitaSky on 27 April 2022 at an NPI yield of

4.0%[2]

CapitaSky

CapitaSky at 79 Robinson Road is a Grade A office building with BCA Green Mark Platinum award.

Acquisition of CapitaSky
– An opportunity to capitalise on Singapore's growing prime office market

Completed in April 2020, CapitaSky is a new Grade A office building with premium specifications and notable green elements that appeal to increasingly sustainability-minded tenants. This investment reinforces CICT's continued focus in Singapore and its ongoing portfolio reconstitution to enhance portfolio quality and resilience. Coupled with Capital Tower, another prime office property across the street from CapitaSky, the acquisition bolstered CICT's dominant position in Singapore's Tanjong Pagar office sub-market, offering more than 1.2 million sq ft of net lettable area (NLA) including ancillary retail space.

CapitaSky has a NLA of approximately 519,700 sq ft as at 31 December 2022, serving multinational companies from diverse business sectors such as banking, legal, insurance & financial services, business consultancy, IT, aviation, media and telecommunications.

1 Savills Valuation and Professional Services (S) Pte Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd had valued the Property at S$278.0 million and S$280.0 million respectively as at 31 December 2021 using the discounted cash flow and capitalisation methods.
2 Based on the pro forma NPI for January 2022 on an annualised basis.
3 Each of Cushman & Wakefield VHS Pte. Ltd. and Colliers International Consultancy & Valuation (Singapore) Pte Ltd had valued the Property at S$1,260.0 million as at 1 March 2022 using the discounted cash flow and capitalisation methods.

Portfolio Valuation

Portfolio valuation of S$24.2 billion as at 31 December 2022 - Driven by improving Singapore market condition and addition of new acquisitions in FY 2022

CICT conducted independent valuation of its portfolio in December 2022 and the methodologies applied included the discounted cashflow method and/or the income capitalisation approach.

Independent valuations for Retail and Integrated Development properties as at 31 December 2022 improved while capitalisation rates held fairly steady compared to a year ago. Raffles City Singapore and CQ @ Clarke Quay registered increases in valuation due to the completion and work-in-progress AEIs in 2022 and 2023 respectively, resulting in higher committed rents and occupancies. The expected better tourism performance and outlook lifted the hotel component value in Raffles City Singapore. CapitaSpring reported a rise in value as the appraiser adopted lower capitalisation rates for both its office and serviced residences components due to improved market conditions.

Independent valuations as at 31 December 2022 for all Singapore Office properties were up compared to a year ago. The increase in the Singapore Office portfolio was largely due to improving market conditions, acquisition of the 70.0% interest in CapitaSky and uplift in Six Battery Road's valuation due to the completion of AEI in 2022. The addition of the Australia Office properties in FY 2022 further bolstered the increase for the Office portfolio which was partially offset by a decline in the German Office properties. The valuation of the German properties took into account the geo-political headwinds and the sharp rise in inflation, resulting in an expansion of discount rates. A further downward impact was due to the exchange rate as Euro weakened against the Singapore dollar in FY 2022 vis-à-vis that of FY 2021. Gallileo's valuation was further discounted due to the impending departure of Commerzbank in January 2024 and provision of capex and downtime for potential upgrading works.

On a like-for-like basis, excluding the acquisitions and divestment completed in FY 2022, CICT's portfolio valuation held steady, reporting a variance of +0.5%.

PORTFOLIO VALUATION - RETAIL

	Valuation as at 31 Dec 22	Valuation as at 31 Dec 21	Variance		Valuation as at 31 Dec 22
	S$ million	S$ million	S$ million	%	S$ per sq ft NLA
Bugis Junction	1,109.0[1]	1,088.0	21.0	1.9	2,821
Westgate	1,095.0	1,091.0	4.0	0.4	2,675
Tampines Mall	1,081.0	1,078.0	3.0	0.3	3,031
Junction 8	801.0	796.0	5.0	0.6	3,195
Bedok Mall	786.0	783.0	3.0	0.4	3,533
IMM Building	715.0	709.0	6.0	0.8	742
Lot One Shoppers' Mall	551.0	543.5	7.5	1.4	2,449
CQ @ Clarke Quay	359.7[2]	342.0	17.7	5.2	1,239
Bugis+	354.0	354.0	-	-	1,650
Bukit Panjang Plaza	344.0	338.6	5.4	1.6	2,098
Total	**7,195.7**	**7,123.1**	**72.6**	**1.0**	

Notes:
1 Valuation as at 31 December 2022 for Bugis Junction was uplifted mainly due to higher rents and occupancy.
2 Valuation as at 31 December 2022 for CQ @ Clarke Quay was uplifted on consideration of its AEI completion in FY 2023 and positive rental growth sentiments.
N.M. : Not meaningful
Figures may not add up due to rounding

PORTFOLIO VALUATION - OFFICE

	Valuation as at 31 Dec 22 S$ million	Valuation as at 31 Dec 21 S$ million	Variance S$ million	Variance %	Valuation as at 31 Dec 22 S$ per sq ft NLA
Asia Square Tower 2	2,235.5	2,225.0	10.5	0.5	2,883
CapitaGreen	1,663.0	1,657.0	6.0	0.4	2,379
Six Battery Road	1,509.0[1]	1,445.0	64.0	4.4	3,053
Capital Tower	1,450.0	1,449.0	1.0	0.1	1,974
21 Collyer Quay	634.0	629.9	4.1	0.7	2,977
CapitaSky (70.0%)	882.0	-	882.0	-	2,424
Singapore Office	**8,373.5**	**7,405.9**	**967.6**	**13.1**	
Gallileo (94.9%)	370.2[2]	474.5	(104.3)	(22.0)	N.M.
Main Airport Center (94.9%)	358.1[3]	419.0	(60.9)	(14.5)	N.M.
Germany Office	**728.2**	**893.5**	**(165.3)**	**(18.5)**	
66 Goulburn Street	278.1[4]	-	278.1	-	1,129
100 Arthur Street	340.4[5]	-	340.4	-	1,167
Australia Office	**618.4**	**-**	**618.4**	**-**	
Total	**9,720.1**	**8,299.4**	**1,420.8**	**17.1**	

Notes:
1 Valuation as at 31 December 2022 for Six Battery Road was uplifted mainly due to higher rents and occupancy.
2 Valuation for 100% interest in Gallileo was EUR275.0 million as at 31 December 2022 with a conversion rate of EUR1 = S$1.4184. Valuation for Gallileo was impacted by the impending departure of Commerzbank in January 2024, provision of capex and downtime for upgrading works, as well as an expansion of discount rate from 5.15% to 6.50%. Terminal yield increased from 2.95% to 3.15%.
3 Valuation for 100% interest in Main Airport Center was EUR266.0 million as at 31 December 2022 with a conversion rate of EUR1 = S$1.4184. The drop in valuation was attributable to an expansion of discount rate from 6.00% to 6.25% and terminal yield increased from 3.60% to 3.85%.
4 Valuation for 66 Goulburn Street was A$308.0 million as at 31 December 2022 using a conversion rate of A$1 = S$0.9028.
5 Valuation for 100 Arthur Street was A$377.0 million as at 31 December 2022 using a conversion rate of A$1 = S$0.9028.
N.M. : Not meaningful
Figures may not add up due to rounding

PORTFOLIO VALUATION - INTEGRATED DEVELOPMENT

	Valuation as at 31 Dec 22 S$ million	Valuation as at 31 Dec 21 S$ million	Variance S$ million	Variance %	Valuation as at 31 Dec 22 S$ per sq ft NLA
Raffles City Singapore	3,120.0[1]	3,072.0	48.0	1.6	N.M.[2]
Plaza Singapura[3]	1,349.0	1,339.0	10.0	0.7	2,785
The Atrium@Orchard[3]	763.0	756.2	6.8	0.9	1,981
Funan	794.0	785.0	9.0	1.1	1,493
CapitaSpring (45.0%)	918.5	873.0	45.5	5.2	N.M.[4]
Singapore Integrated Development	**6,944.5**	**6,825.2**	**119.3**	**1.7**	
101-103 Miller Street and Greenwood Plaza (50.0%)	359.3[5]	-	359.3	-	N.M.
Australia Integrated Development	**359.3**	**-**	**359.3**	**-**	**N.M.**
Total	**7,303.8**	**6,825.2**	**478.6**	**7.0**	

Notes:
1 Valuation as at 31 December 2022 for Raffles City Singapore was uplifted due to an increase in value post-AEI and hotel component due to recovering tourism sector.
2 Not meaningful as Raffles City Singapore comprises retail and office components, hotels and convention center.
3 Plaza Singapura and The Atrium@Orchard are classified as an integrated development.
4 Not meaningful as CapitaSpring comprises office and ancillary retail components and serviced residence.
5 Valuation for 101-103 Miller Street & Greenwood Plaza was A$398.0 million as at 31 December 2022 using a conversion rate of A$1 = S$0.9028.
N.M. : Not meaningful
Figures may not add up due to rounding

Portfolio Valuation

In 2022, independent valuations of the Singapore properties were conducted by Knight Frank Pte Ltd (Knight Frank), Jones Lang LaSalle Property Consultants Pte Ltd (JLL), Savills Valuation and Professional Services (S) Pte Ltd (Savills), Colliers International Consultancy & Valuation (Singapore) Pte Ltd (Colliers), CBRE Pte Ltd (CBRE) and Cushman & Wakefield VHS Pte. Ltd. (Cushman). For German properties, by Knight Frank Valuation & Advisory GmbH & Co. KG (KF) and for Australian properties, by Jones Lang LaSalle Advisory Pty Limited (JLL ADV).

	Valuer as at 31 Dec 22	Valuer as at 31 Dec 21	Cap Rate as at 31 Dec 22	Cap Rate as at 31 Dec 21
			%	%
Bugis Junction	Savills	Colliers	4.75	4.70
Westgate	Cushman	Savills	4.50	4.50
Tampines Mall	Knight Frank	Knight Frank	4.70	4.70
Junction 8	Savills	Knight Frank	4.75	4.70
Bedok Mall	Knight Frank	Knight Frank	4.60	4.60
IMM Building	JLL	JLL	Retail: 6.20 Warehouse: 7.00	Retail: 6.20 Warehouse: 7.00
Lot One Shoppers' Mall	Colliers	Cushman	4.70	4.70
CQ @ Clarke Quay	Cushman	Colliers	4.85	4.85
Bugis+	Savills	Colliers	5.10	5.20
Bukit Panjang Plaza	Colliers	Cushman	4.80	4.80
Raffles City Singapore	Savills	Savills	Retail: 4.70 Office: 3.80 Hotel: 4.75	Retail: 4.70 Office: 3.90 Hotel: 4.75
Plaza Singapura	Knight Frank	Savills	4.40	4.40
The Atrium@Orchard	Knight Frank	Savills	Retail: 4.65 Office: 3.55	Retail: 4.65 Office: 3.625
Funan	Savills	Colliers	Retail: 4.85 Office: 3.70	Retail: 4.85 Office: 3.70
CapitaSpring (45.0%)	CBRE	Colliers	Office: 3.75 SR: 3.75	Office: 4.00 SR: 4.50
101-103 Miller Street and Greenwood Plaza, Australia (50.0%)	JLL ADV	-	Retail: 5.75 Office: 5.125	-
Asia Square Tower 2	Cushman	Cushman	3.40	3.40
CapitaGreen	CBRE	Colliers	3.75	3.75
Six Battery Road	Colliers	Cushman	3.40	3.40
Capital Tower	JLL	JLL	3.50	3.50
21 Collyer Quay	CBRE	Savills	3.45	3.45
CapitaSky (70.0%)	JLL	-	3.60	-
Gallileo, Germany (94.9%)	KF	KF	3.15[1]	2.95[1]
Main Airport Center, Germany (94.9%)	KF	KF	3.85[1]	3.60[1]
66 Goulburn Street, Australia	JLL ADV	-	5.375	-
100 Arthur Street, Australia	JLL ADV	-	5.50	-

Note:
1 Refers to exit capitalisation rate at the end of discounted cashflow period.

Operations Review

CICT PORTFOLIO

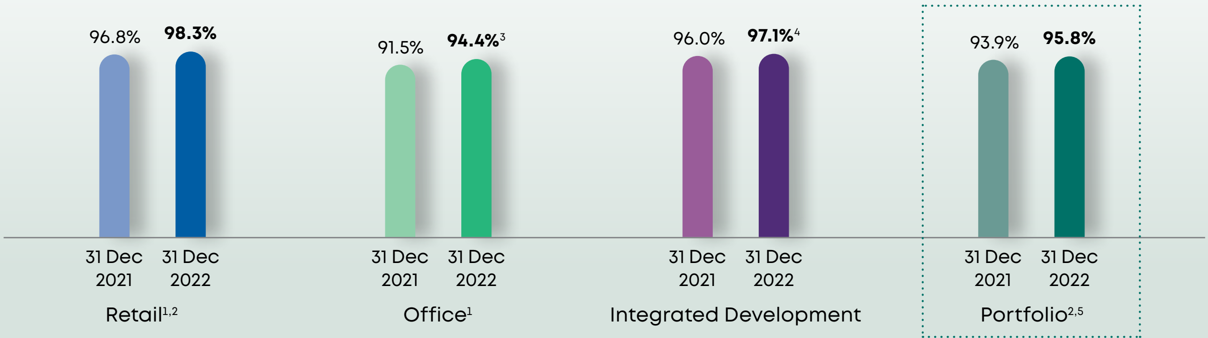
Retail | **Office** | **Integrated Development**

CICT's portfolio comprises three asset types: Retail, Office and Integrated Development. In this review, we have classified our information into four review sections – Portfolio, Retail, Office and Integrated Development. The Retail and Office information included the respective retail and office components of integrated developments unless stated otherwise, to show the operating metrics and trends of the sectors. The assets in Australia and Germany are mainly included in the Office section. All information is as at 31 December 2022, unless otherwise stated.

Portfolio: Committed Occupancy

PORTFOLIO COMMITTED OCCUPANCY UP 1.9 PERCENTAGE POINTS TO 95.8%

As at 31 December 2022



1 Retail comprises retail-only properties and the retail component in integrated developments (except Greenwood Plaza which is a small retail component), and office comprises office-only properties and the office component in integrated developments.
2 Retail and portfolio occupancies as at 31 December 2021 include JCube and CQ @ Clarke Quay but the same as at 31 December 2022 exclude the properties as JCube was divested on 10 March 2022 and CQ @ Clarke Quay is under AEI works since 3Q 2022.
3 Office occupancy as at 31 December 2022 includes the following newly acquired assets:
- 66 Goulburn Street and 100 Arthur Street in Australia, following the completion of the acquisitions on 24 March 2022.
- 70.0% interest in CapitaSky in Singapore, following the completion of the acquisition on 27 April 2022.
- 50.0% interest in 101-103 Miller Street in Australia, following the completion of the acquisition on 21 June 2022.

4 Integrated development occupancy as at 31 December 2022 includes the newly acquired Australian asset (101-103 Miller Street & Greenwood Plaza) following the completion of the acquisition on 21 June 2022.
5 Portfolio occupancy as at 31 December 2022 includes the newly acquired assets mentioned in footnotes 3 and 4.

Portfolio: Weighted Average Lease Expiry (WALE) and Lease Expiry Profile

Proactive management of lease expiries ensures a stable portfolio of well spread lease expiry profile. As at 31 December 2022, CICT's portfolio WALE by committed gross rental income, excluding gross turnover rent and based on CICT's proportionate interests, improved to 3.7 years from 3.2 years a year ago. Less than a quarter of the portfolio's GRI is due for renewal in a year. Compared to a year ago, the retail portfolio WALE increased to 2.2 years from 1.9 years, office portfolio WALE increased to 3.8 years from 3.2 years and integrated development portfolio WALE increased to 5.2 years from 5.0 years.

Retail Portfolio WALE[1] — 2.2 Years

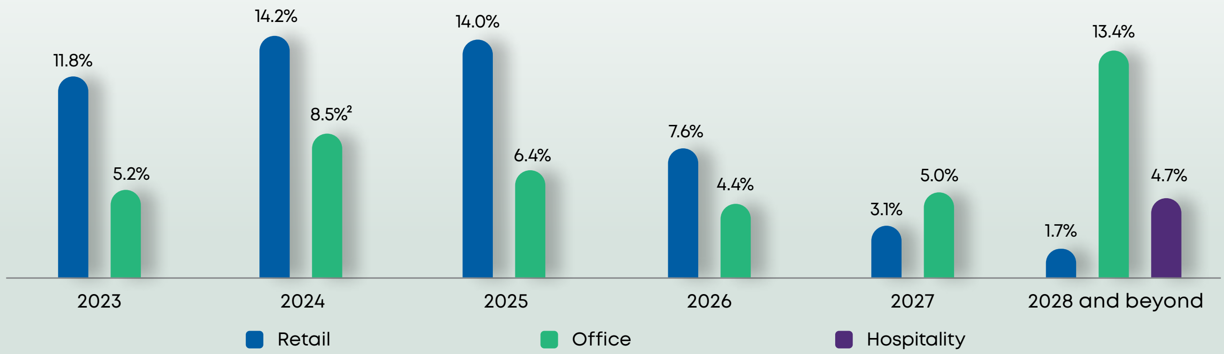
Office Portfolio WALE[2] — 3.8 Years

Integrated Development Portfolio WALE — 5.2 Years

1 Based on gross rental income of committed leases in retail properties and retail component in integrated developments (except Greenwood Plaza which is a small retail component).
2 Based on gross rental income of committed leases in office properties and office component in integrated developments.

Operations Review

PORTFOLIO WALE[1] IMPROVED TO 3.7 YEARS
Lease expiry profile[1] at 31 December 2022



1 Based on committed gross rental income as at 31 December 2022 and excludes gross turnover rent.
2 Commerzbank has given notice to end its lease at Gallileo in January 2024. While the Manager actively leases the space and evaluates possible asset enhancement works, this will take time and the building is expected to be non-income generating for at least 18 months. Commerzbank's contribution to CICT's monthly gross rental income in December 2022 was 1.8%.

Portfolio: Top 10 Tenants - by monthly gross rental income and excludes gross turnover rent

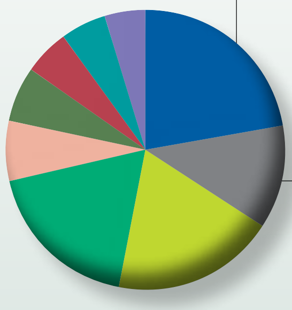
With a diversified trade mix from a total 3,080 tenants in CICT's portfolio, no single tenant contribution is above 5.0%. Collectively, the top 10 tenants accounted for 19.8%.

Ranking	Top 10 Tenants for December 2022	% of Total Gross Rent	Trade Sector
1	RC Hotel (Pte) Ltd	4.9	Hotel
2	WeWork Singapore Pte. Ltd.[1]	2.6	Real Estate and Property Services
3	NTUC Enterprise Co-operative Ltd	1.9	Supermarket / Beauty & Health / Services / Food & Beverage / Education / Warehouse
4	GIC Private Limited	1.9	Financial Services
5	Commerzbank A.G.[2]	1.8	Banking
6	Temasek Holdings	1.8	Financial Services
7	Cold Storage Singapore (1983) Pte Ltd	1.4	Supermarket / Beauty & Health / Services / Warehouse
8	The Work Project (Commercial) Pte. Ltd.	1.3	Real Estate and Property Services
9	Breadtalk Group Limited.	1.2	Food & Beverage
10	BHG (Singapore) Pte. Ltd.	1.0	Department Store
	Total top 10 tenants' contribution	**19.8**	

1 Income contribution comprises the tenant's lease at Funan and 21 Collyer Quay.
2 Based on 94.9% interest in Gallileo, Frankfurt. Commerzbank has given notice to end its lease at Gallileo in January 2024. While the Manager actively leases the space and evaluates possible asset enhancement works, this will take time and the building is expected to be non-income generating for at least 18 months.

Portfolio: Diversified Tenants' Business Trade Mix

% OF COMMITTED GROSS RENTAL INCOME[1] FOR DECEMBER 2022



Other Retail and Product Trades	22.3%
Other Office Trades	11.9%
Banking, Insurance & Financial Services	18.9%
Food & Beverage	18.3%
Beauty & Health	7.1%
Real Estate & Property Services	6.4%
Travel & Hospitality	5.3%
Fashion	5.3%
IT, Media & Telecommunications	4.5%

Other Retail and Product Trades	
Supermarket	2.6%
Gifts & Souvenirs / Toy & Hobbies / Books & Stationery / Sporting goods	2.5%
Services	2.4%
Home Furnishing	2.1%
Leisure & Entertainment / Music & Video	2.0%
IT & Telecommunications	2.0%
Department Store	1.9%
Shoes & Bags	1.8%
Electrical & Electronics	1.5%
Jewellery & Watches	1.2%
Education	1.0%
Others	1.3%

Other Office Trades	
Manufacturing and Distribution	2.3%
Business Consultancy	2.3%
Government	2.0%
Energy and Commodities	2.0%
Legal	1.9%
Maritime and Logistics	0.8%
Services	0.6%
Others	0.0%

1 Excludes gross turnover rent.

Portfolio: Tenure Profile

The portfolio comprises 15.9% of freehold and 84.1% of leasehold properties based on its aggregate gross floor area for Singapore and German properties and net lettable area for Australia assets. The weighted average unexpired leasehold remaining is 107 years.

Portfolio: Sensitivity Analysis - Impact of Occupancy and Rents

Assuming that the monthly average rental rate is maintained for each month in 2022, it is estimated that a 0.5% increase or decrease in occupancy in each month of 2022 would correspondingly result in a S$6.7 million increase or decrease in rental income for FY 2022.

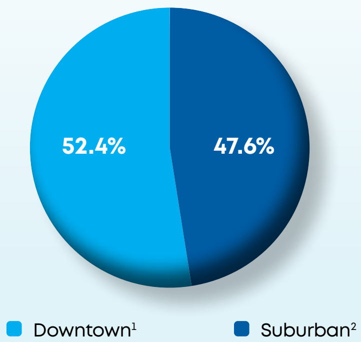
The impact on rental income for every 10.0% increase or decrease in rental rates for leases committed in 2022 for renewals, rent reviews and vacant units would be a variance of approximately S$14.1 million for FY 2022.

Sensitivity Analysis: Estimated Rental Income Impact Per Annum	S$ million
0.5% increase in occupancy	6.7
0.5% decrease in occupancy	(6.7)
10.0% increase in committed rental rates	14.1
10.0% decrease in committed rental rates	(14.1)

RETAIL

RETAIL: SUBURBAN VS DOWNTOWN PROPORTION

By NLA as at 31 December 2022



1 Comprises Bugis Junction, Bugis+, CQ @ Clarke Quay, Plaza Singapura, and the retail components of Raffles City Singapore, The Atrium@ Orchard and Funan.

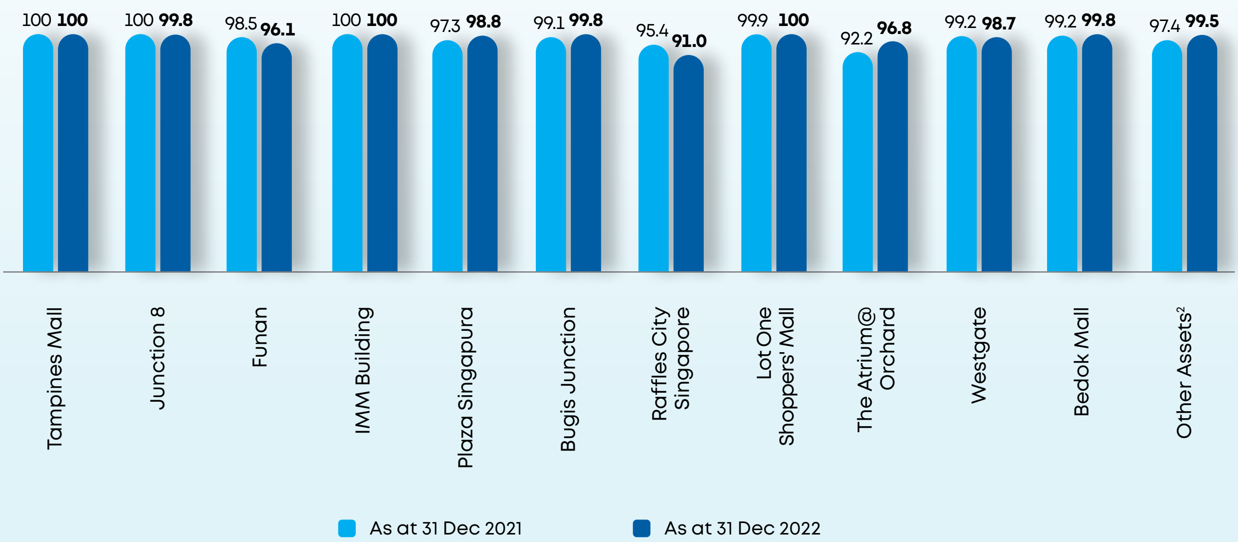
2 Comprises Tampines Mall, Junction 8, Lot One Shoppers' Mall, Bukit Panjang Plaza, Bedok Mall, Westgate and the retail component of IMM Building.

Retail: Operations Review

Stable and Healthy Retail Occupancy

CICT's retail portfolio maintained a healthy occupancy rate of 98.3% as at 31 December 2022 which outperformed the previous year's occupancy rate of 96.8%. The occupancy for CQ @ Clarke Quay was excluded as it is undergoing AEI works since 3Q 2022. Due to our proactive leasing strategy and active asset management, the occupancy was above URA's Singapore islandwide retail space occupancy rate of 92.9% for 4Q 2022.

COMMITTED OCCUPANCY (%)[1]



1 Retail occupancy includes retail only properties and the retail components within integrated developments (except Greenwood Plaza which is a small retail component). Excludes CQ @ Clarke Quay as it is under AEI works since 3Q 2022.

2 Other Assets comprises Bugis+ and Bukit Panjang Plaza.

Retail: Rent Reversion

Improving trend across suburban and downtown malls

CICT's retail portfolio achieved a healthy tenant retention rate of 89.1% in FY 2022. Incoming first year rents for new and renewed leases registered an average decrease of 1.5% against outgoing final year rents for FY 2022. On an average rent basis, incoming rents registered an increase of 1.2% against average outgoing rents as leases were signed with step-ups during the lease term. Overall, rental reversion turned less negative for FY 2022. Average rents for suburban and downtown malls have recovered with a positive rent reversion of 2.3% and 0.2% respectively for FY 2022. Overall average retail portfolio gross turnover rent was 7.6% for FY 2022, and within the range of 5% and 14% of the respective mall's retail gross rental income.

Renewed and New Retail Leases[1] for FY 2022					Rent Reversion[1,2] for FY 2022	
			Net Lettable Area			
Properties	No. of Renewals / New Leases	Retention Rate (%)	Area (sq ft)	Percentage of Retail Portfolio (%)	Incoming Year 1 Rents vs Outgoing Final Rents	Average Incoming Rents vs Average Outgoing Rents
Suburban Malls[3]	348	89.8	430,525	10.0	▲ 0.7%	▲ 2.3%
Downtown Malls[4]	350	88.6	563,225	13.0	▼ 3.5%	▲ 0.2%
CICT Retail Portfolio	**698**	**89.1**	**993,750**	**23.0**	**▼ 1.5%**	**▲ 1.2%**

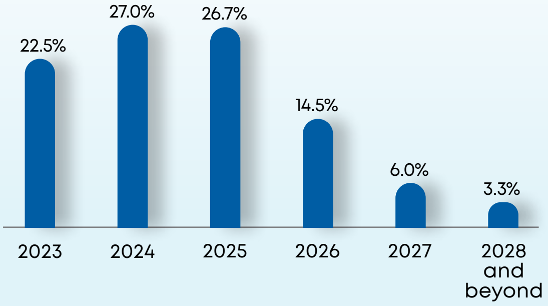
1 Based on committed leases. Excludes newly created and reconfigured units, as well as Greenwood Plaza in North Sydney, Australia, which is a small retail component.
2 Excludes gross turnover rent.
3 Suburban malls comprise Tampines Mall, Junction 8, Lot One Shoppers' Mall, Bukit Panjang Plaza, Bedok Mall, Westgate and the retail component of IMM Building.
4 Downtown malls comprise Bugis Junction, Bugis+, CQ @ Clarke Quay, Plaza Singapura, and the retail components of Raffles City Singapore, The Atrium@Orchard and Funan.

Retail: Lease Expiry Profile

Typical retail lease has a three-year term. As at 31 December 2022, the retail lease expiry profile remained well spread with 22.5% and 27.0% of the leases by committed gross rental income due for renewal in 2023 and 2024 respectively. For new retail leases signed and commenced in 2022, including retail components of Integrated Development (Plaza Singapura, The Atrium@Orchard, Funan and Raffles City Singapore), the WALE was 2.9 years and accounted for 28.3% of the retail portfolio gross rental income for December 2022.

RETAIL PORTFOLIO WALE[1]: 2.2 YEARS

Lease expiry profile[1] as at 31 December 2022



1 Based on gross rental income of committed leases in retail properties and retail components in Singapore integrated developments.

Retail: Tenants' Sales

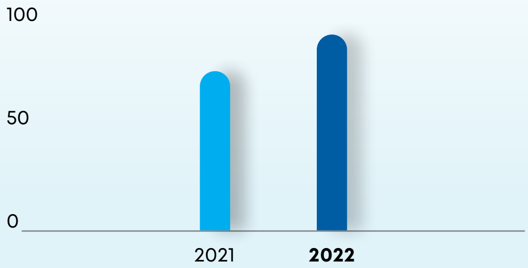
Strong recovery momentum in 2022, surpassing 2019 level

With the lifting of most COVID-19 restrictions, overall tenants' sales surpassed 2019 levels and shopper traffic was on a recovering momentum. Total tenants' sales per sq ft (psf) increased 22.5% YoY in FY 2022. Consumer sentiment improved towards 4Q 2022, boosting tenants' sales (psf/month) for FY 2022, surpassing both 2021 and pre-pandemic figures in FY 2019.

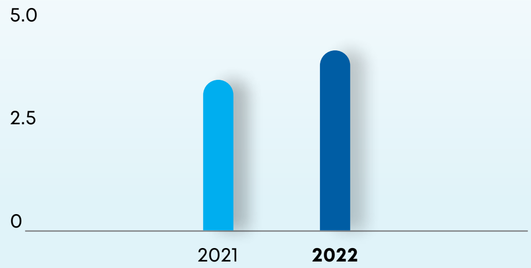
With more tourist arrivals and locals visiting downtown malls coupled with the return of the office community, a sharper increase of tenants' sale was registered in downtown malls compared to that of suburban malls. This is also partially due to a low base in 2021, boosted by the opening of nightclubs and karaoke from April 2022.

With big events such as Formula One and robust meetings, incentives, conferences, and exhibitions (MICE) events in 4Q 2022, tenants' sales psf also grew more than 24.0% YoY in 4Q 2022.

FY 2022 TENANTS' SALES
(S$ psf per month)



FY 2022 TENANTS' SALES
(S$ billion)



TENANTS' SALES PSF[1] YOY PERFORMANCE FOR FY 2022

Portfolio Average

▲22.5%

Suburban Mall Average	Downtown Mall Average
▲11.5%	▲38.1%

1 Tenants' sales psf adjusted for non-trading days.

TENANTS' SALES YOY PERFORMANCE FOR FY 2022

Portfolio Average

▲18.8%

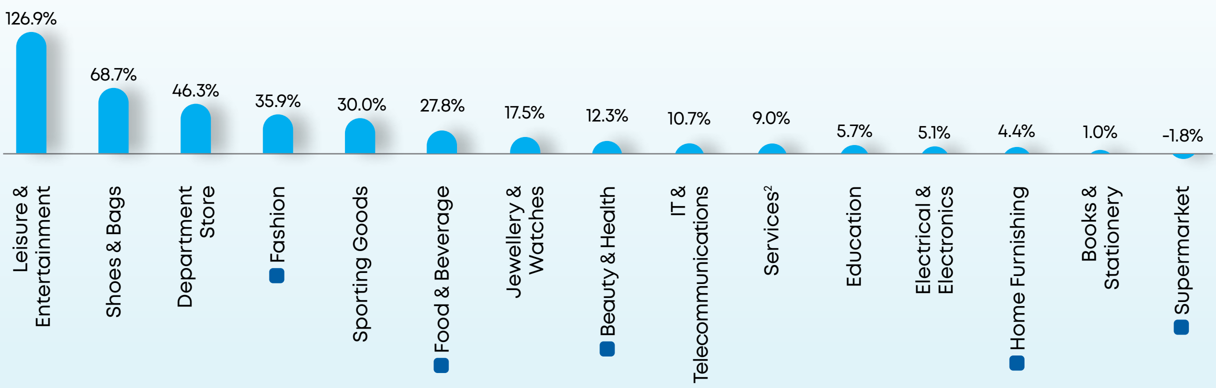
Suburban Mall Average	Downtown Mall Average
▲12.9%	▲28.3%

Retail: Performance of Tenants' Sales by Trade Categories

Recovery seen in almost all trade categories

The top five retail trade categories, which collectively accounted for more than 68% of FY 2022 retail gross rental income (excluding gross turnover rent), include Fashion, Food & Beverage, Beauty & Health, Home Furnishing, and Supermarket. These top five retail trade categories registered a 19.4% increase in FY 2022 on a combined basis.

FY 2022 TENANTS' SALES[1] YOY PERFORMANCE BY TRADE CATEGORIES



■ Top five trade categories contributed > 68% of total retail gross rental income[3]: ▲19.4% YoY

1 Tenants' sales are based on S$ per square foot per month.
2 Comprises convenience stores, bridal shops, optical shops, film processing shops, florists, magazine stores, pet shops, travel agencies, cobblers/locksmiths, laundromats and clinics.
3 For the period January 2022 to December 2022. Includes gross turnover rent.

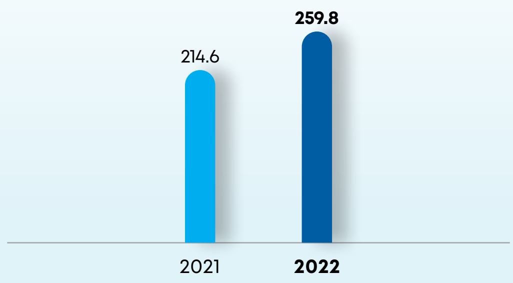
Retail: Shopper Traffic

Shopper traffic is expected to remain resilient

Overall portfolio shopper traffic registered an increase of 25.0% on the back of borders reopening and the subsequent lifting of COVID-19 restrictions.

Both suburban and downtown malls registered an upward trend as compared to the previous year, where downtown malls saw a 31.2% increase and suburban malls, a 20.0% increase.

SHOPPER TRAFFIC OF RETAIL PORTFOLIO
(million)



SHOPPER TRAFFIC YOY PERFORMANCE FOR FY 2022

Portfolio Average
▲25.0%

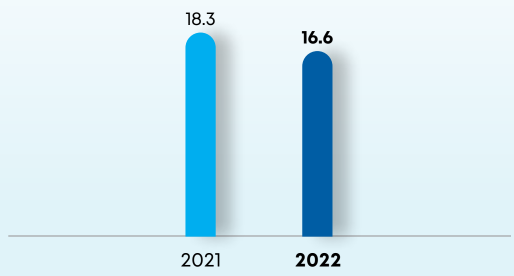
Suburban Mall Average	**Downtown Mall Average**
▲20.0%	▲31.2%

Retail: Occupancy Cost

Within a healthy range of 16% to 18% in FY 2022 compared to 18.2% in 2019

Occupancy cost is defined as a ratio of gross rental (inclusive of service charge, advertising & promotional charge and gross turnover rent) to tenants' sales. CICT's occupancy cost for the retail properties was 16.6% in FY 2022, a decrease from the occupancy cost of 18.3% for FY 2021. The lower occupancy cost can be attributed to a rebalancing of some trade categories in the portfolio. Occupancy cost is also dependent on various factors including trade mix and type of tenants in the portfolio.

OCCUPANCY COST OF RETAIL PORTFOLIO
(%)



Operations Review

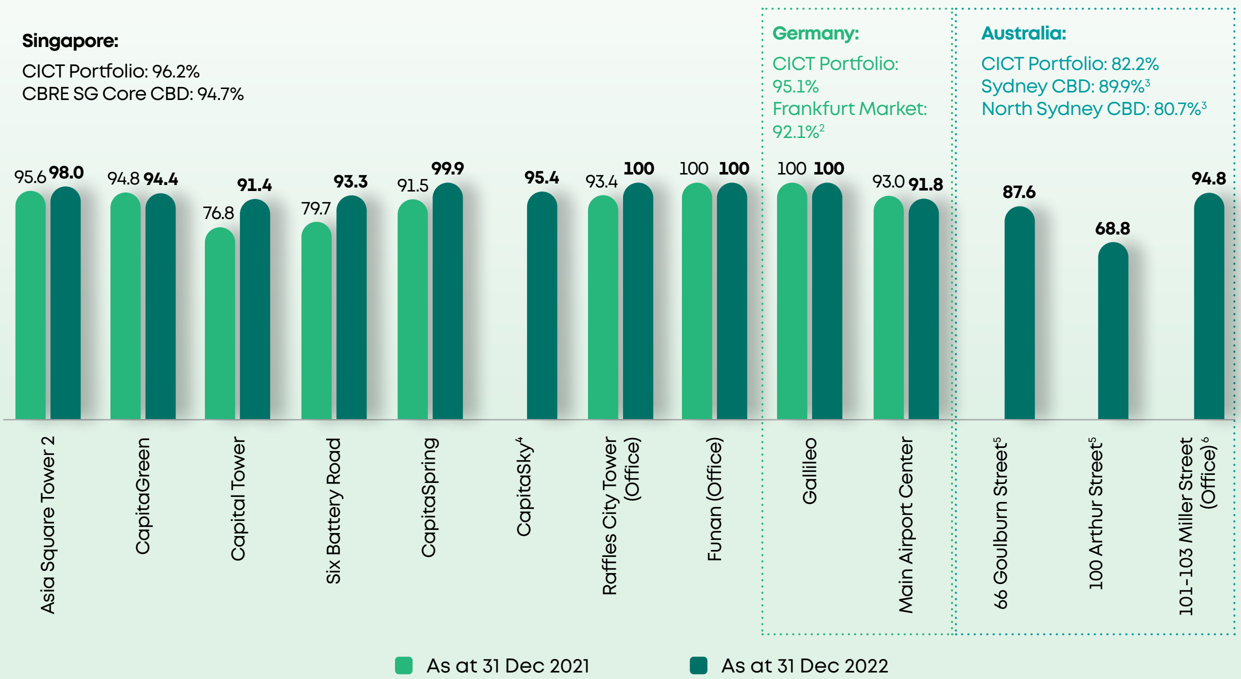
OFFICE

Office: Committed Occupancy

CICT's overall office portfolio committed occupancy improved to 94.4% as at 31 December 2022 compared to a year ago. In addition, the occupancy rates of CICT's office portfolio in Singapore, Germany and Australia were above their respective markets' occupancies.

The Singapore office portfolio achieved a committed occupancy rate of 96.2% as at 31 December 2022, a significant increase from 90.4% as at 31 December 2021. This is a result of our proactive tenant management and focused leasing approach.

COMMITTED OCCUPANCY[1] (%)



1 21 Collyer Quay and The Atrium@Orchard are both at 100% occupancy with committed long-term leases. Hence, these two properties are not shown on the chart.
2 Frankfurt CBRE office market occupancy as at 4Q 2022.
3 CBRE office market occupancy as at 2Q 2022 and Property Council of Australia's information for North Sydney CBD office market as at June 2022. Information retrieved in January 2023.
4 Acquisition of the 70.0% interest in CapitaSky was completed on 27 April 2022.
5 Acquisitions of 66 Goulburn Street and 100 Arthur Street in Sydney, Australia were completed on 24 March 2022.
6 Acquisition of the 50.0% interest in 101-103 Miller Street, North Sydney, Australia was completed on 21 June 2022.

Business Sectors of New Leases Signed in 2022[1]

	NLA (sq ft)	% of Total New Leases
Financial Services	136,867	35.7%
IT, Media and Telecommunications	121,534	31.7%
Manufacturing and Distribution	32,783	8.5%
Food and Beverage	26,627	6.9%
Business Consultancy	21,223	5.5%
Energy and Commodities	14,784	3.9%
Services	11,513	3.0%
Legal	11,108	2.9%
Insurance	2,900	0.8%
Maritime and Logistics	2,702	0.7%
Real Estate and Property Services	1,539	0.4%
	383,581	100%

1 Based on NLA of new leases and excluding new leases committed for Germany and Australia properties.

Office: Strong Demand for Space

The office occupancy was boosted by strong demand on the return of the office community, flight to quality and expansion by some sectors. Over 1.5 million sq ft of new and renewed office leases were signed in FY 2022. The FY 2022 tenant retention rate was 81.1%, largely due to the renewals of large anchor tenants.

CICT continued to attract new tenants from diverse trade sectors. The three largest sectors of demand were 1) Financial Services, 2) IT, Media and Telecommunications and 3) Manufacturing and Distribution. The WALE of office leases signed and commenced in 2022 including office components of Integrated Development (The Atrium@Orchard, Funan, Raffles City Singapore) was 5.3 years. The proportion of revenue attributed to these leases was approximately 17.7% of the office portfolio's committed gross rental income for the month of December 2022. This includes the proportionate interests in CapitaSpring, CapitaSky, 101 - 103 Miller Street and Greenwood Plaza, as well as the Germany assets.

Office: Rent Reversions

Achieved a positive rent reversion of 7.6%

The office portfolio achieved a positive rent reversion of 7.6% for FY 2022. The average monthly rent for the Singapore office properties, excluding Funan and The Atrium@Orchard, registered an uptick to S$10.53 per sq ft versus S$10.33 per sq ft a year ago. The rise was due to the higher signing rents achieved in FY 2022, which was in line with the strong market rent growth. Including Funan and The Atrium@Orchard, the average monthly office portfolio rent was S$10.24 per sq ft.

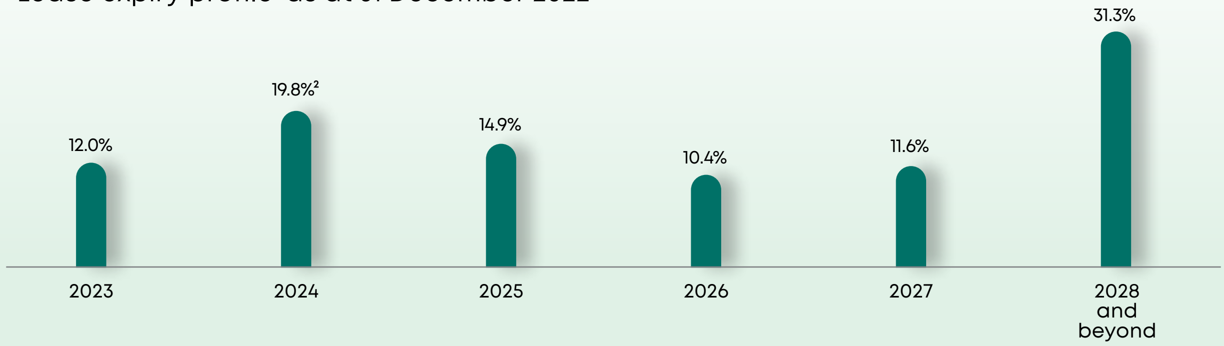
Office: Lease Expiry Profile

Well spread with a WALE of 3.8 years

This is attributed to a proactive leasing strategy, which includes active tenant engagement, forward lease renewals and active management of lease expiries. Please see the chart on the following page for more details.

Proactively Manage Lease Expiry for Stability Through Market Cycles

OFFICE PORTFOLIO WALE[1]: 3.8 YEARS
Lease expiry profile[1] as at 31 December 2022



1 Based on gross rental income of committed leases in office properties and office components in integrated developments as at 31 December 2022.
2 Commerzbank has given notice to end its lease at Gallileo in January 2024. While the Manager actively leases the space and evaluates possible asset enhancement works, this will take time and the building is expected to be non-income generating for at least 18 months. Commerzbank's contribution to CICT's monthly gross rental income in December 2022 was 1.8%.

Office: Expiry Profiles of Key Office Properties as Percentage of Office Portfolio

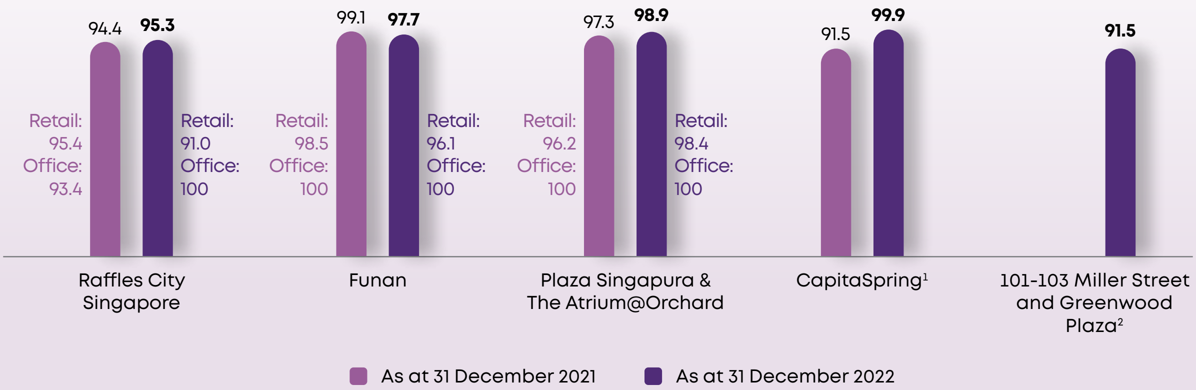
	2023		2024		2025	
	% of Expiring Lease	Monthly Average Expiring Gross Rent (S$ psf)	% of Expiring Lease	Monthly Average Expiring Gross Rent (S$ psf)	% of Expiring Lease	Monthly Average Expiring Gross Rent (S$ psf)
Asia Square Tower 2	3.8	11.16	3.6	10.89	2.4	12.07
Capital Tower	0.1	9.07	1.1	8.62	0.9	10.30
CapitaGreen	2.7	10.70	3.9	11.33	2.9	11.65
Six Battery Road	1.2	12.10	1.8	11.77	3.0	11.57
Total	**7.8**	**11.10**	**10.4**	**10.89**	**9.2**	**11.71**

INTEGRATED DEVELOPMENT

Integrated Development: High Committed Occupancy

Our integrated development portfolio maintained a high occupancy rate at 97.1%, based on the blended occupancy rates of the retail and office components. This was an improvement against an occupancy rate of 96.0% as at 31 December 2021.

COMMITTED OCCUPANCY (%)

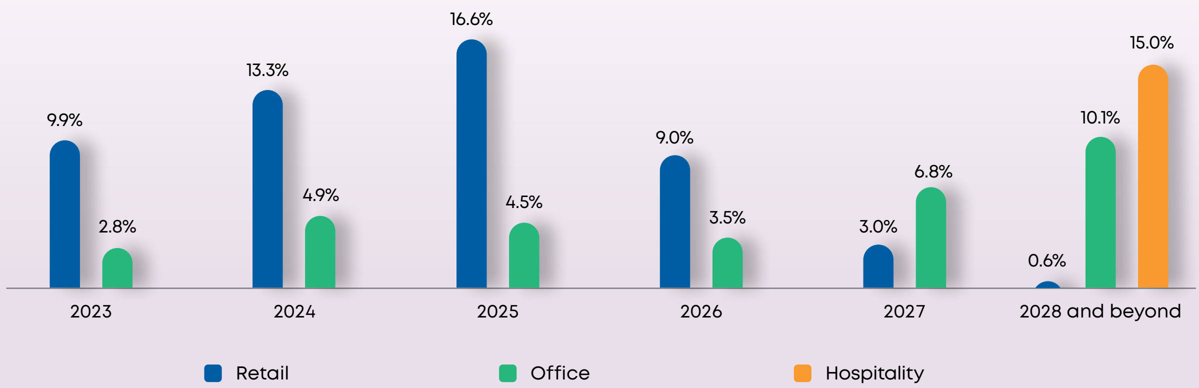


1 Committed occupancy includes the office and ancillary retail space but excludes the serviced residence component.
2 Committed occupancy includes both the office and retail space.

Integrated Development: Lease Expiry Profile

For our integrated development portfolio comprising retail, office and hotel components, the WALE by committed gross rental income was 5.2 years.

INTEGRATED DEVELOPMENT PORTFOLIO WALE[1]: 5.2 YEARS
Lease expiry profile[1] as at 31 December 2022



1 Based on gross rental income as at 31 December 2022, including CapitaSpring and excludes turnover rents.

Financial Review

Gross revenue for FY 2022 was S$1,441.7 million, an increase of S$136.6 million or 10.5% from FY 2021. The increase was mainly due to the contribution from the enlarged portfolio following the acquisitions of 66 Goulburn Street, 100 Arthur Street, a 50.0% interest in 101-103 Miller Street and Greenwood Plaza in Sydney, Australia and a 70.0% interest in CapitaSky (Acquisitions), higher occupancy and rental rates as well as higher rental on gross turnover.

NPI for FY 2022 was S$1,043.3 million, an increase of S$92.2 million or 9.7% from FY 2021 mainly due to higher contribution from the enlarged portfolio following the Acquisitions and better performance from existing properties.

Property	Gross Revenue (S$' million)		Net Property Income (S$' million)	
	FY 2022	FY 2021	FY 2022	FY 2021
Retail				
Tampines Mall	79.0	76.5	58.1	56.2
Junction 8	57.7	56.5	41.3	40.6
IMM Building	90.6	83.4	63.9	58.7
Westgate	71.6	64.1	51.9	45.3
Bugis Junction	77.5	73.7	56.3	53.5
CQ @ Clarke Quay	20.9	17.0	8.7	6.3
Lot One Shoppers' Mall	44.1	39.5	30.4	27.1
Bedok Mall	54.1	52.3	40.4	39.0
Other assets[1]	61.0	74.7	43.1	51.1
Subtotal	556.5	537.7	394.1	377.8
Office				
Asia Square Tower 2	101.3	94.6	74.8	70.7
CapitaGreen	86.3	89.3	67.2	71.0
Capital Tower	65.2	68.5	46.7	50.9
Six Battery Road	54.5	55.7	38.9	41.9
21 Collyer Quay	32.3	23.1	26.7	19.0
Gallileo[2]	27.4	29.1	20.7	24.0
Main Airport Center[2]	26.8	27.1	18.5	17.8
CapitaSky[3]	45.3	-	35.1	-
66 Goulburn Street	12.6	-	9.4	-
100 Arthur Street	11.9	-	8.5	-
Subtotal	463.6	387.4	346.5	295.3
Integrated Developments				
Raffles City Singapore	211.6	190.2	152.7	140.7
Funan	62.7	62.1	41.9	42.9
Plaza Singapura	87.4	82.1	64.2	60.4
The Atrium@Orchard	47.3	45.6	35.6	34.0
101-103 Miller Street and Greenwood Plaza (50.0% interest)	12.6	-	8.3	-
Subtotal	421.6	380.0	302.7	278.0
Total	**1,441.7**	**1,305.1**	**1,043.3**	**951.1**

1 Bukit Panjang Plaza, Bugis+ and JCube are classified under Other Assets. JCube was divested on 10 March 2022.
2 CICT owns 94.9% interest in Gallileo and Main Airport Center. The reported figure is on 100.0% basis.
3 CICT owns 70.0% interest in CapitaSky. The reported figure is on 100.0% basis.

CICT's interest in joint ventures' gross revenue and NPI are shown below for information:

Property	Gross Revenue (S$' million)		Net Property Income (S$' million)	
	FY 2022	FY 2021	FY 2022	FY 2021
One George Street (50.0% interest)[1]	-	24.4	0.2	18.5
CapitaSpring (45.0% interest)[2]	48.2	9.4	32.5	5.9
Total	**48.2**	**33.8**	**32.7**	**24.4**

1 CICT's 50.0% interest in One George Street, held through One George Street LLP was divested and the sale was completed on 9 December 2021.
2 CapitaSpring is held through CICT's 45.0% interest in Glory Office Trust and CCT's 45.0% interest in Glory SR Trust .

DISTRIBUTIONS

Distribution for FY 2022 was S$702.4 million, an increase of S$27.7 million or 4.1% compared to FY 2021. The increase was mainly attributable to higher contribution from the enlarged portfolio following the Acquisitions and better performance from existing properties. CICT had retained distribution income of S$7.9 million and S$2.7 million received from CapitaLand China Trust and Sentral REIT respectively for general corporate and working capital purposes.

Breakdown of the Unitholders' DPU in cents for FY 2022 as compared to FY 2021 are as follows:

2022	1 January to 30 June	1 July to 31 December	1 January to 31 December
DPU (cents)	5.22	5.36	10.58

2021	1 January to 30 June	1 July to 15 December	16 December to 31 December	1 January to 31 December
DPU (cents)	5.18	4.85	0.37[1]	10.40
		← 5.22 →		

1 DPU for 16 December to 31 December 2021 was based on the enlarged number of 6,608,618,340 Units as at 31 December 2021 after the issuance of 127,551,000 Units via the private placement exercise on 16 December 2021.

ASSETS

As at 31 December 2022, the total assets for the Group were S$24.7 billion compared with S$22.7 billion as at 31 December 2021. The increase was mainly attributed to the addition of the Acquisitions to investment properties during the year.

Capital Management

KEY FINANCIAL INDICATORS

	As at 31 December 2021	As at 31 December 2022
Aggregate Leverage[1] (%)	37.2	**40.4**
% of Total Assets that are Unencumbered (%)	96.1	**93.5**
Interest Coverage Ratio (ICR)[2] (times)	4.1	**3.7**
Average Term to Maturity (years)	3.9	**3.9**
Average Cost of Debt[3] (%)	2.3	**2.7**
CICT's Issuer Rating	'A3' by Moody's 'A-' by S&P	**'A3' by Moody's 'A-' by S&P**

1 In accordance with Property Funds Appendix of the Code on Collective Investment Schemes ("CIS code"), the computation of aggregate leverage ratio includes CICT's proportionate share of borrowings and deposited property values in joint ventures. As at 31 December 2022 and 31 December 2021, the total borrowings of CICT Group including its proportionate share of joint ventures' borrowings is S$10.0 billion and S$8.6 billion respectively. The ratio of total gross borrowings to total net assets is 70.1% and 63.1% as at 31 December 2022 and 31 December 2021 respectively. The Manager is of the view that the higher aggregate leverage as at 31 December 2022 will not have a material impact on the risk profile of CICT as it is still within a manageable range below the aggregate leverage limit of 45.0% under the CIS code.
2 ICR is defined as the ratio of earnings of CICT Group, before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, foreign exchange translation, non-operational gain/loss as well as share of results of joint ventures) and distribution income from joint ventures, over interest expense and borrowing-related costs, on a trailing 12-month basis as defined under the CIS code. As CICT Group did not issue any hybrid securities, the adjusted ICR is the same as ICR.
3 Ratio of interest expense over weighted average borrowings.

CAPITAL MANAGEMENT

On 18 February 2022, CICT through CMT MTN Pte. Ltd. issued HK$900.0 million of fixed rate notes due 18 February 2031 at 2.95% per annum under the unsecured US$3.0 billion Euro-Medium Term Note Programme.

The proceeds from above fixed rate notes were swapped into Singapore dollars under a cross currency swap arrangement and used for refinancing purpose.

During the year, the Manager completed three acquisitions in Australia, namely 66 Goulburn Street, 100 Arthur Street and 50.0% interest in 101-103 Miller Street and Greenwood Plaza as well as 70.0% interest in CapitaSky. The acquisitions were funded by a combination of debt, equity and capital redeployed from the divestments of the 50.0% interest in One George Street and JCube.

CICT Group holds derivative financial instruments to hedge its currency and interest rate risk exposures. The fair value derivative for FY 2022, which was included in the financial statements as financial derivatives assets and financial derivatives liabilities were S$58.9 million and S$112.7 million respectively. These net financial derivatives liabilities of S$53.8 million represented 0.4% of the net assets of CICT Group as at 31 December 2022.

The total borrowings of CICT Group[1] as at 31 December 2022 are as follows:-

Total borrowings of CICT Group[1]

	S$ million	%
Medium term notes[2]	4,941.1	52.2
Bank loans[3]	3,816.2	40.4
Total unsecured borrowings at CICT Group	**8,757.3**	**92.6**
Secured bank loans[3]	699.7	7.4
Total borrowings at CICT Group	**9,457.0**	**100**

1 Excludes CICT Group's 45.0% interest in Glory Office Trust and Glory SR Trust.
2 Includes foreign currency denominated notes which have been swapped into Singapore dollars at their respective swapped rates.
3 Includes fixed rate foreign currency bank loans.

FUNDING SOURCES[4]
(as at 31 December 2022)

4 Excludes share of joint ventures' borrowings.

Proforma impact assuming +1.0% p.a. increase in interest rate	
Estimated additional annual Interest expense	+S$18.77 million p.a[5].
Estimated DPU	-0.28 cents per Unit[6]

5 Computed on full year basis on floating rate borrowings of CICT Group (excluding proportionate share of joint ventures' borrowings) as at 31 December 2022.
6 Based on the number of units in issue as at 31 December 2022.

In summary, as at 31 December 2022, CICT Group's aggregate leverage was 40.4% with 92.6% in unsecured borrowings. Average cost of debt was at 2.7% as at 31 December 2022 compared to 2.3% as at 31 December 2021 mainly due to higher benchmark interest rates. 81% of CICT Group's borrowings have been hedged in fixed rates to mitigate the exposure to interest rates movements.

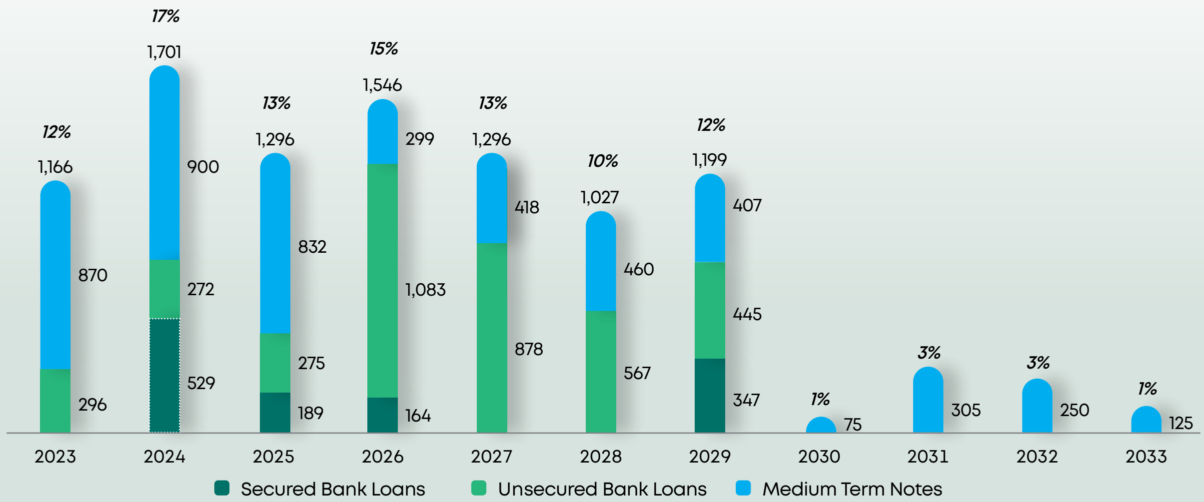
As at 31 December 2022, about 12% or S$1,166.1 million of CICT Group's borrowings (excluding interest in joint ventures) will mature in 2023. CICT has sufficient bank facilities and internal resources to repay the borrowings due in 2023. The Manager will continue to adopt a rigorous and focused approach to capital management.

The Manager is also committed to diversifying funding sources and will continue to review its debt profile to reduce refinancing risk.

CICT's interest in joint ventures

CICT has a 45.0% interest in Glory Office Trust (GOT) and Glory SR Trust (GSRT). As at 31 December 2022, the bank borrowings at GOT and GSRT amount to S$1,176.0 million. CICT's 45.0% share thereof is S$529.2 million.

DEBT MATURITY PROFILE AS AT 31 DECEMBER 2022



CICT 45.0% interest in Glory Trust and Glory SR Trust.

CASH FLOWS AND LIQUIDITY

CICT Group takes a proactive role in monitoring its cash flow position and requirements to ensure sufficient liquidity and adequate funding is available for distribution to the Unitholders as well as to meet any short-term obligations.

Net cash generated from operating activities for FY 2022 was S$1,023.5 million. This was an increase of S$196.0 million compared to FY 2021 and was mainly due to higher net income from existing portfolio and contributions from acquisitions completed during the year.

In FY 2022, net cash used in investing activities was S$926.0 million mainly due to acquisitions during the year.

Net cash used in financing activities for FY 2022 was S$214.2 million as cash was used to pare down debts during the year.

As at 31 December 2022, the value of cash and cash equivalents of CICT Group stood at S$248.4 million, a decrease of S$116.7 million compared with S$365.1 million as at 31 December 2021.

FOREIGN EXCHANGE RISK MANAGEMENT

CICT Group manages foreign exchange risks through natural and forward hedges. For CICT Group's German and Australian properties, Euro and AUD denominated borrowings were obtained as a hedge for CICT's net investment value. In addition, anticipated net dividends from the overseas properties were hedged with forward foreign exchange contracts.

ACCOUNTING POLICIES

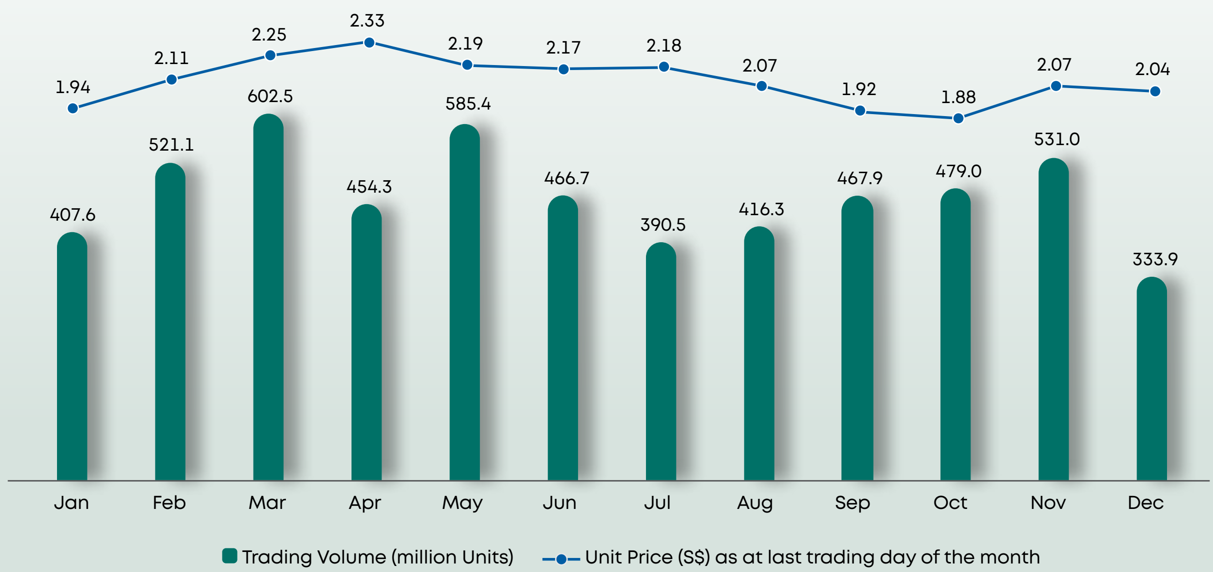
The financial statements have been prepared in accordance with the *Statement of Recommended Accounting Practice 7 Reporting Framework for Investment Funds (RAP 7)* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards.

Trading Performance

TRADING AND YIELD PERFORMANCE

Units in CICT traded in the price range of S$1.74 to S$2.35 in 2022, closing the year with a total trading volume of 5.7 billion Units. This translated to an average daily trading volume (ADTV) of approximately 22.6 million Units, higher than the ADTV of approximately 18.4 million in 2021. CICT's closing unit price was S$2.04 as at 31 December 2022, unchanged on a year-on-year basis.

2022 TRADING PERFORMANCE



TOTAL UNITHOLDER RETURN

TOTAL UNITHOLDER RETURN	1-year (from 1 Jan 2022 to 31 Dec 2022)	3-year (from 1 Jan 2020 to 31 Dec 2022)	5-year (from 1 Jan 2018 to 31 Dec 2022)
Closing unit price on the last trading day prior to the commencement of the period (S$)	2.04	2.46	2.13
Capital appreciation/(depreciation) (%)	0	(17.1)	(4.2)
Distribution yield (%)	5.2	12.1	25.0
Total return as at 31 Dec 2022 (%)	5.2	(5.0)	20.7
Total return (assuming dividends reinvested) (%) [1]	2.3	(5.1)	21.4

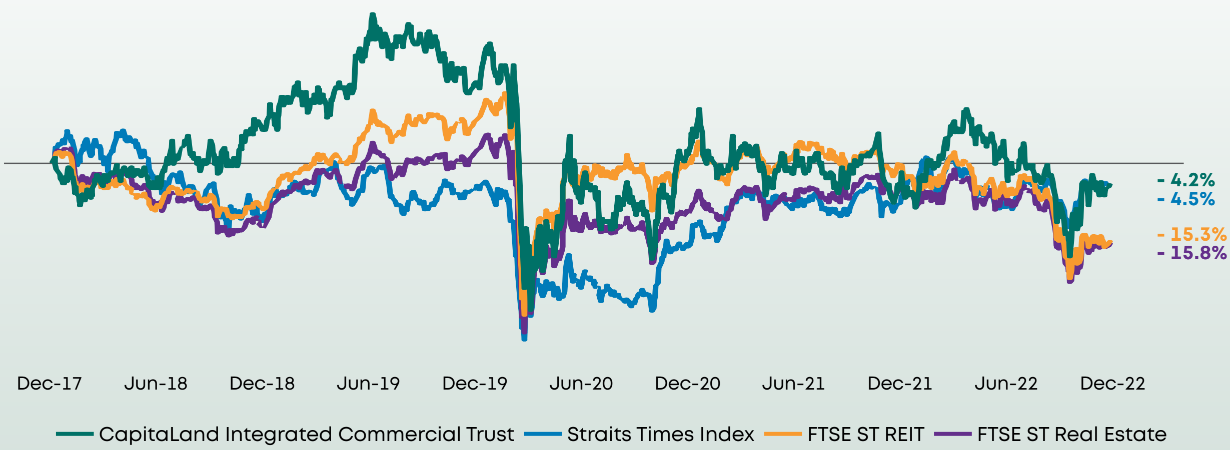
1 Based on Bloomberg data.
Numbers may not add up due to rounding.

FIVE-YEAR TRADING PERFORMANCE

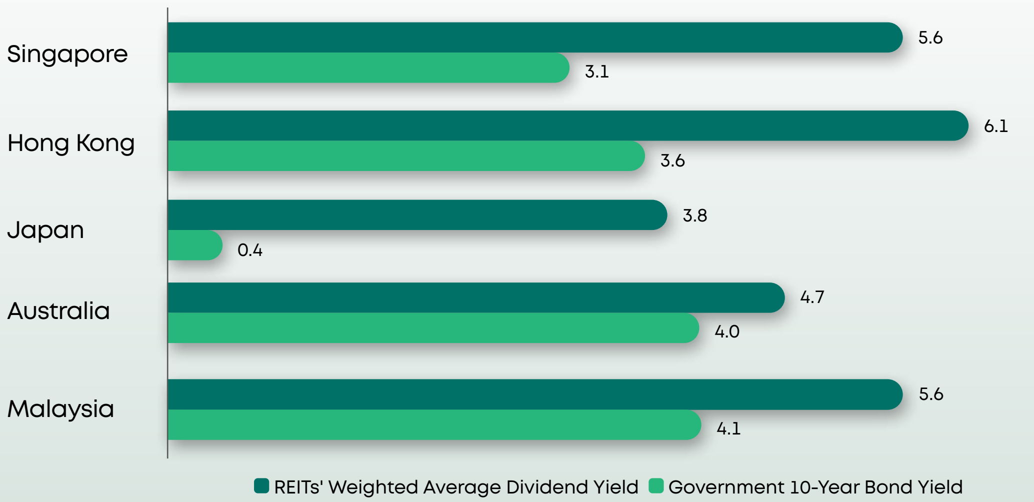
	2018	2019	2020	2021	2022
Opening price on first trading day of the year (S$)	2.13	2.27	2.44	2.16	**2.04**
Closing price on last trading day of the year (S$)	2.26	2.46	2.16	2.04	**2.04**
Highest closing price (S$)	2.31	2.74	2.62	2.35	**2.35**
Lowest closing price (S$)	1.95	2.26	1.52	1.96	**1.74**
Trading Volume (million units)	2,821.3	2,543.9	5,141.1	4,607.8	**5,656.2**
Net Asset Value Per Unit[2] (S$)	2.00	2.07	2.00	2.06	**2.06**

2 Excluding distribution to be paid for the last quarter of the respective financial year. Distribution frequency is semi-annual from financial year 2021.

FIVE-YEAR COMPARATIVE PRICE TRENDS



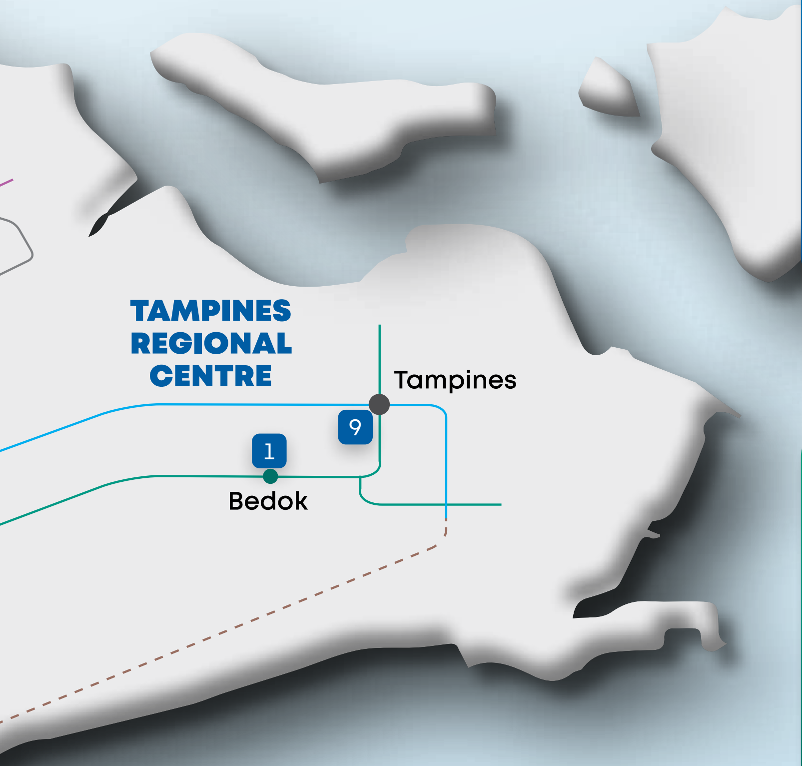
SINGAPORE REITS OFFER RELATIVELY ATTRACTIVE YIELD SPREADS VERSUS ASIAN REITS (%)



Source: Bloomberg, 31 December 2022

Property Portfolio

Singapore



RETAIL

1. Bedok Mall
2. Bugis Junction
3. Bugis+
4. Bukit Panjang Plaza
5. CQ @ Clarke Quay
6. IMM Building
7. Junction 8
8. Lot One Shoppers' Mall
9. Tampines Mall
10. Westgate

OFFICE

1. 21 Collyer Quay
2. Asia Square Tower 2
3. CapitaGreen
4. Capital Tower
5. CapitaSky (70.0% interest)
6. Six Battery Road

INTEGRATED DEVELOPMENT

1. CapitaSpring (45.0% interest)
2. Funan
3. Plaza Singapura
4. Raffles City Singapore
5. The Atrium@ Orchard

Property Portfolio

Sydney, Australia

Sydney	North Sydney	

66 GOULBURN STREET

- 350m or 5-min walk to Museum Station
- 550m or 7-min walk to Town Hall Station
- 550m or 7-min walk to Central Station

100 ARTHUR STREET

- 290m or 5-min walk to North Sydney Train Station
- 500m or 7-min walk to the upcoming Victoria Cross Metro Station to be completed in 2024
- Direct access to Sydney's major arterial roads

101-103 MILLER STREET AND GREENWOOD PLAZA
(50.0% interest)

- Direct integration to North Sydney Train Station via Greenwood Plaza
- 200m or 2-min walk to the upcoming Victoria Cross Metro Station to be completed in 2024
- Direct access to Sydney's major arterial roads

Frankfurt, Germany

GALLILEO
(94.9% interest)

MAIN AIRPORT CENTER
(94.9 % interest)

Close proximity between Frankfurt airport and city centre

20 mins by Car
Via A3 / A5 motorways

11 mins by Train
Inter City Express (ICE) high speed trains offer 204 domestic and regional connections

15 mins by S-Bahn Commuter Railway
4 stops to city centre (Frankfurt Central Station)

Property Details

BEDOK MALL

Bedok Mall is the first major mall in Bedok, one of Singapore's most populous housing estates. In the heart of the Bedok Town Centre, the mall is part of a residential-retail-transport hub development. Bedok Mall enjoys excellent connectivity with a direct link to Bedok Mass Rapid Transit (MRT) station and bus interchange. Bedok Mall is home to over 200 shops spanning four floors, serving everyday essentials, food & beverage, lifestyle and fashion options.

Property Information

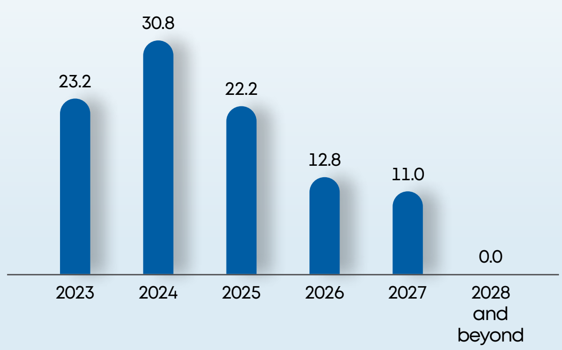
Address	311 New Upper Changi Road
Land Tenure	Leasehold tenure of 99 years with effect from 21 November 2011
Agreed Property Value in 2015	S$780.0 million
Carpark Lots	265
Bicycle Lots	200
Green Ratings	• BCA Universal Design Mark Gold[PLUS] (2016) • BCA Green Mark Platinum (2021)

As at 31 December	2021	2022
Valuation (S$ million)	783.0	**786.0**
Gross Floor Area (sq ft)	335,877	**335,877**
Net Lettable Area (sq ft)	222,469	**222,469**
Number of Tenants	191	**193**
Committed Occupancy (%)	99.2	**99.8**
Annual Shopper Traffic (million)	14.0	**16.1**
Gross Revenue[1] (S$ million)	52.3	**54.1**
Net Property Income (S$ million)	39.0	**40.4**

Top 5 Tenants[2]

1 NTUC Enterprise Co-Operative Ltd
2 Hanbaobao Pte. Ltd.
3 Paradise Group Holdings Pte. Ltd.
4 Uniqlo (Singapore) Pte. Ltd.
5 Cotton On Singapore Pte. Ltd.

LEASE EXPIRY PROFILE[2]
(%)



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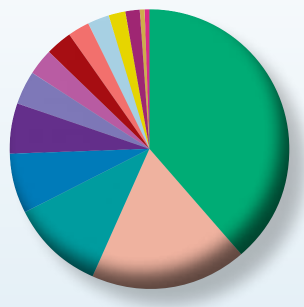


1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

BUGIS JUNCTION

Bugis Junction is located within Singapore's Civic and Cultural District and directly connected to Bugis MRT station, an interchange for the East-West Line and Downtown Line. Integrated with a hotel and an office tower, Bugis Junction is positioned as a lifestyle destination mall. The mall encompasses exciting dining choices for young adults and professionals. Blending new-and-old-world charm, the mall features Singapore's first and only air-conditioned sky-lit shopping streets flanked by rows of historical shophouses. With an overhead link bridge to Bugis+, shoppers can enjoy a wider range of retail, food & beverage, and entertainment offerings.

Property Information

Address	200 Victoria Street
Land Tenure	Leasehold tenure of 99 years with effect from 10 September 1990
Purchase Price in 2005	S$605.8 million
Carpark Lots	648
Bicycle Lots	19
Green Rating	BCA Green Mark Platinum (2021)

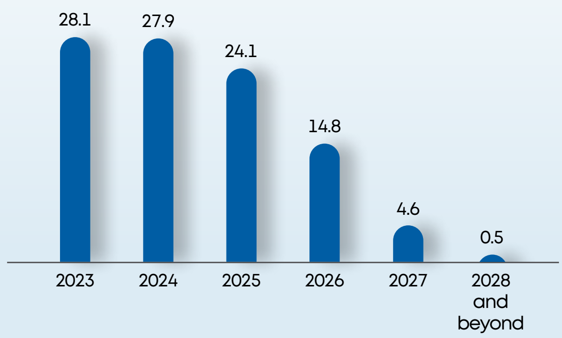
As at 31 December	2021	2022
Valuation (S$ million)	1,088.0	**1,109.0**
Gross Floor Area (sq ft)	577,025	**577,025**
Net Lettable Area (sq ft)	392,953	**393,105**
Number of Tenants	227	**231**
Committed Occupancy (%)	99.1	**99.8**
Annual Shopper Traffic (million)	18.4	**27.9**
Gross Revenue[1] (S$ million)	73.7	**77.5**
Net Property Income (S$ million)	53.5	**56.3**

Top 5 Tenants[2]

1 BHG (Singapore) Pte. Ltd.
2 Cold Storage Singapore (1983) Pte Ltd
3 Japan Foods Holding Ltd
4 Challenger Technologies Limited
5 Cotton On Singapore Pte. Ltd.

LEASE EXPIRY PROFILE[2]

(%)



TRADE MIX[2]

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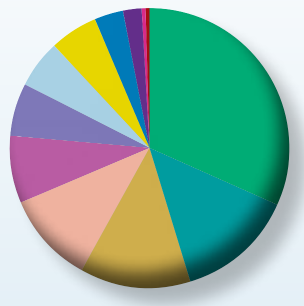


Food & Beverage	32.1
Fashion	13.6
Department Store	13.0
Beauty & Health	10.5
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	7.6
IT & Telecommunications	6.1
Jewellery & Watches	5.8
Shoes & Bags	5.5
Supermarket	3.2
Services	2.4
Leisure & Entertainment/ Music & Video	0.1
Electrical & Electronics	0.1

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

CQ @ CLARKE QUAY

CQ @ Clarke Quay is an iconic conserved historical landmark located along the Singapore River and at the fringe of Singapore's Central Business District (CBD). Conveniently located within walking distance of Clarke Quay MRT station and Fort Canning MRT station, the development comprises five blocks of restored shophouses and waterfront godowns. CQ @ Clarke Quay is a popular destination for locals and tourists, offering lifestyle and dining experiences. The property is undergoing asset enhancement works which is expected to complete in 3Q 2023.

Property Information

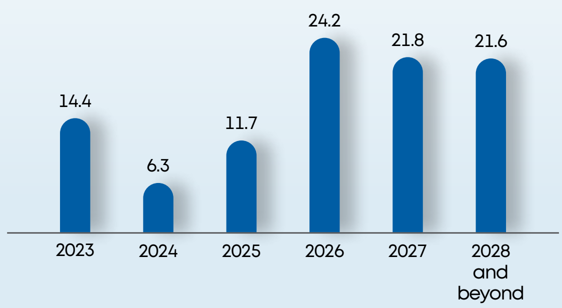
Address	3A/B/C/D/E River Valley Road
Land Tenure	Leasehold tenure of 99 years with effect from 13 January 1990
Purchase Price in 2010	S$268.0 million
Carpark Lots	424
Bicycle Lots	-
Green Rating	BCA Green Mark Gold^{PLUS} (2022)

As at 31 December	2021	2022
Valuation (S$ million)	342.0	**359.7**
Gross Floor Area (sq ft)	366,600	**366,600**
Net Lettable Area (sq ft)	293,248	**290,245**
Number of Tenants	44	**43**
Committed Occupancy (%)	73.5	**77.2**
Annual Shopper Traffic (million)	5.1	**7.1**
Gross Revenue[1] (S$ million)	17.0	**20.9**
Net Property Income (S$ million)	6.3	**8.7**

Top 5 Tenants[2]

1 Zouk Clarke Quay Pte. Ltd.
2 Katrina Holdings Pte Ltd
3 Huone Singapore Pte Ltd
4 Singapore Hai Di Lao Dining Pte. Ltd
5 Owling Enterprises Pte Ltd

LEASE EXPIRY PROFILE[2]
(%)



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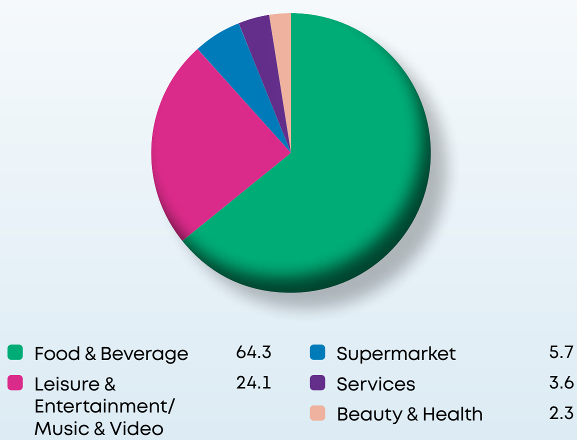


1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

IMM BUILDING

Strategically located adjacent to Jurong Gateway and Jurong Lake District, IMM Building (IMM) is Singapore's largest outlet mall. The outlet mall is seamlessly connected via an elevated covered walkway to Jurong East MRT station, an interchange for the East-West Line and North-South Line. IMM offers a wide variety of value shopping and dining options for families, professionals and young adults. Besides its proximity to the residential estates, IMM is surrounded by major developments such as Westgate and Ng Teng Fong General Hospital and is close to several office and industrial developments.

Property Information

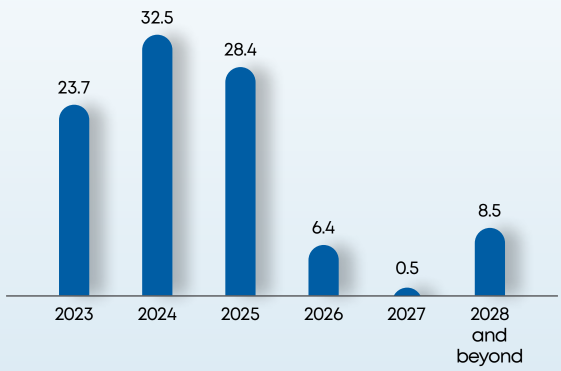
Address	2 Jurong East Street 21
Land Tenure	Leasehold tenure of 30 + 30 years with effect from 23 January 1989[1]
Purchase Price in 2003	S$247.4 million
Carpark Lots	1,324
Bicycle Lots	30
Green Rating	BCA Green Mark Gold^{PLUS} (2022)

As at 31 December	2021	2022
Valuation (S$ million)	709.0	**715.0**
Gross Floor Area (sq ft)	1,426,504	**1,426,517**
Net Lettable Area (sq ft)		
Total	963,126	**963,335**
Retail	423,743	**423,995**
Warehouse	539,382	**539,340**
Number of Tenants	474	**485**
Committed Occupancy (%)		
Total	96.3	**98.0**
Retail	100	**100**
Warehouse	93.3	**96.5**
Annual Shopper Traffic (million)	12.6	**13.6**
Gross Revenue[2] (S$ million)	83.4	**90.6**
Net Property Income (S$ million)	58.7	**63.9**

Top 5 Tenants[3]

1	Cold Storage Singapore (1983) Pte Ltd
2	Best Denki (Singapore) Pte. Ltd.
3	Extra Space Jurong Pte. Ltd.
4	NTUC Enterprise Co-Operative Ltd
5	Nike Global Trading B.V. Singapore Branch

LEASE EXPIRY PROFILE[3]
(%)



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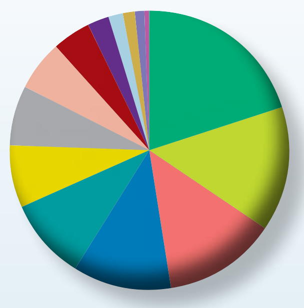


Food & Beverage	20.2
Warehouse	14.6
Home Furnishing	13.0
Supermarket	11.3
Fashion	9.5
Shoes & Bags	7.4
Sporting Goods	6.9
Beauty & Health	5.9
Electrical & Electronics	4.2
Services	2.6
Jewellery & Watches	1.6
Department Store	1.4
IT & Telecommunications	1.3
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	0.1

1 30-year extension was effected from 23 January 2019.
2 Gross revenue comprises gross rental income, car park income and other income.
3 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

JUNCTION 8

Junction 8 is located in the heart of Bishan sub-regional centre and is well connected to the bus interchange and Bishan MRT interchange station which serves the North-South Line and Circle Line. Positioned as the preferred one-stop shopping, dining and entertainment destination, Junction 8 caters to the needs and aspirations of residents from the surrounding estates, office crowd in the area and students from nearby schools.

Property Information

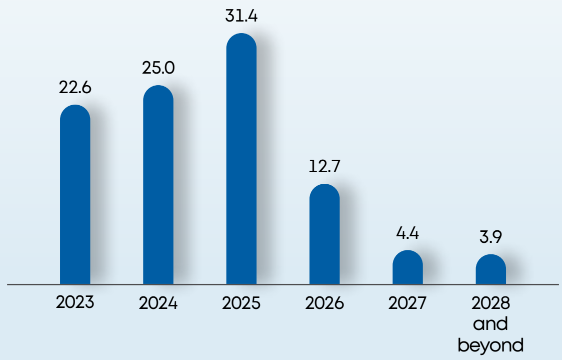
Address	9 Bishan Place
Land Tenure	Leasehold tenure of 99 years with effect from 1 September 1991
Purchase Price in 2002	S$295.0 million
Carpark Lots	305
Bicycle Lots	10
Green Rating	BCA Green Mark Gold^{PLUS} (2021)

As at 31 December	2021	2022
Valuation (S$ million)	796.0	**801.0**
Gross Floor Area (sq ft)	376,551	**376,608**
Net Lettable Area[1] (sq ft)	254,104	**250,714**
Number of Tenants	165	**158**
Committed Occupancy (%)	100	**99.8**
Annual Shopper Traffic (million)	17.0	**22.4**
Gross Revenue[2] (S$ million)	56.5	**57.7**
Net Property Income (S$ million)	40.6	**41.3**

Top 5 Tenants[3]

1	Breadtalk Group Limited
2	NTUC Enterprise Co-Operative Ltd
3	Best Denki (Singapore) Pte. Ltd.
4	BHG (Singapore) Pte. Ltd.
5	Golden Village Multiplex Pte. Ltd.

LEASE EXPIRY PROFILE[3]
(%)



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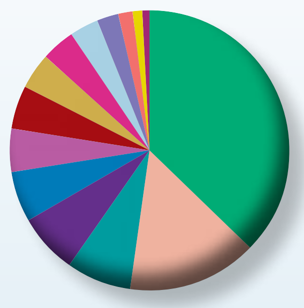


Food & Beverage	37.5
Beauty & Health	14.8
Fashion	7.6
Services	7.0
Supermarket	5.8
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	5.0
Electrical & Electronics	4.9
Department Store	4.2
Leisure & Entertainment/ Music & Video	4.0
Jewellery & Watches	3.2
IT & Telecommunications	2.4
Home Furnishing	1.7
Shoes & Bags	1.3
Education	0.6

1 Excludes the Community Sports Facilities Scheme area.
2 Gross revenue comprises gross rental income, car park income and other income.
3 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

LOT ONE SHOPPERS' MALL

Lot One Shoppers' Mall is in the heart of the Choa Chu Kang housing estate, located in the north-western region of Singapore. The mall is well connected by major arterial roads and is next to the Choa Chu Kang MRT station, the light rail transit (LRT) station and a bus interchange. It enjoys a large catchment, comprising residents from the precincts of Choa Chu Kang, Bukit Panjang, Bukit Batok and Upper Bukit Timah, as well as uniformed personnel from military camps in the vicinity and students from nearby schools.

Property Information

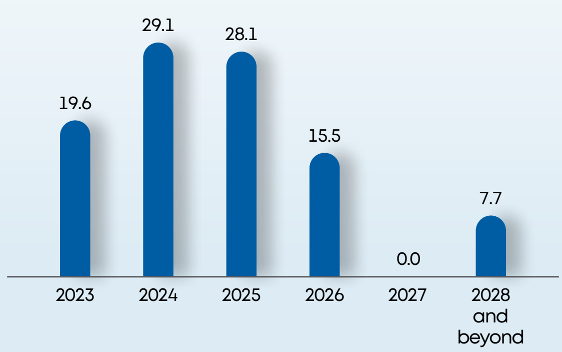
Address	21 Choa Chu Kang Avenue 4
Land Tenure	Leasehold tenure of 99 years with effect from 1 December 1993
Purchase Price in 2007	S$243.8 million
Carpark Lots	321
Bicycle Lots	-
Green Rating	BCA Green Mark Gold (2020)

Top 5 Tenants[2]

1. NTUC Enterprise Co-Operative Ltd
2. Breadtalk Group Limited
3. BHG (Singapore) Pte. Ltd.
4. Courts (Singapore) Pte. Ltd.
5. Shaw Theatres Pte Ltd

As at 31 December	2021	2022
Valuation (S$ million)	543.5	**551.0**
Gross Floor Area (sq ft)	333,286	**333,286**
Net Lettable Area (sq ft)	226,726	**224,998**
Number of Tenants	148	**145**
Committed Occupancy (%)	99.9	**100**
Annual Shopper Traffic (million)	10.2	**14.0**
Gross Revenue[1] (S$ million)	39.5	**44.1**
Net Property Income (S$ million)	27.1	**30.4**

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
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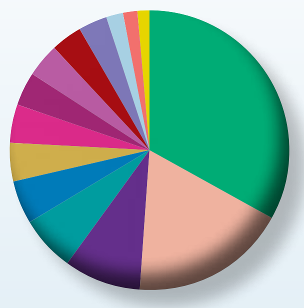


Food & Beverage	33.1
Beauty & Health	18.1
Services	8.8
Fashion	6.5
Supermarket	5.0
Department Store	4.5
Leisure & Entertainment/ Music & Video	4.4
Education	4.0
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	3.8
Electrical & Electronics	3.7
IT & Telecommunications	3.1
Jewellery & Watches	2.2
Home Furnishing	1.5
Shoes & Bags	1.3

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

TAMPINES MALL

Tampines Mall, located in the densely populated residential area of Tampines, is one of Singapore's leading suburban malls. Conveniently situated within the Tampines Regional Centre, the mall is accessible via Tampines MRT interchange station and bus interchange. To meet the needs of consumers living and working around the bustling Tampines Regional Centre, Tampines Mall provides a wide variety of shopping, dining and entertainment options for families, professionals and young adults.

Property Information

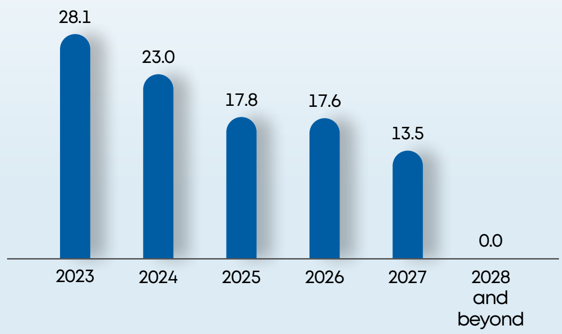
Address	4 Tampines Central 5
Land Tenure	Leasehold tenure of 99 years with effect from 1 September 1992
Purchase Price in 2002	S$409.0 million
Carpark Lots	637
Bicycle Lots	70
Green Rating	BCA Green Mark Gold (2022)

As at 31 December	2021	2022
Valuation (S$ million)	1,078.0	**1,081.0**
Gross Floor Area (sq ft)	507,324	**507,324**
Net Lettable Area (sq ft)	356,235	**356,698**
Number of Tenants	167	**158**
Committed Occupancy (%)	100	**100**
Annual Shopper Traffic (million)	17.9	**21.2**
Gross Revenue[1] (S$ million)	76.5	**79.0**
Net Property Income (S$ million)	56.2	**58.1**

Top 5 Tenants[2]

1	NTUC Enterprise Co-Operative Ltd
2	Isetan (Singapore) Limited
3	Uniqlo (Singapore) Pte. Ltd.
4	Golden Village Multiplex Pte. Ltd.
5	Courts (Singapore) Pte. Ltd.

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
(%)

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

WESTGATE

Westgate is CICT's first greenfield project. Strategically located in Jurong Gateway, within the Jurong Lake District, Westgate is a premier family and lifestyle mall in the west of Singapore. It has excellent connectivity with direct access to Jurong East MRT station, an interchange for the East-West Line and North-South Line, and the Jurong East bus interchange. Offering a holistic and city lifestyle shopping experience with many popular brands, Westgate encompasses unique features such as the naturally ventilated The Courtyard, alfresco dining options, and a thematic children's playground.

Property Information

Address	3 Gateway Drive
Land Tenure	Leasehold tenure of 99 years with effect from 29 August 2011
Agreed Property Value	2011[1]: S$227.5 million 2018[2]: S$789.6 million
Carpark Lots	610
Bicycle Lots	10
Green Ratings	• BCA Universal Design Mark Platinum (2015) • BCA Green Mark Platinum (2022)

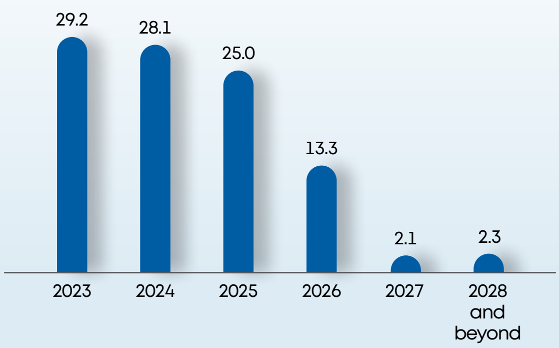
As at 31 December	2021	2022
Valuation (S$ million)	1,091.0	**1,095.0**
Gross Floor Area (sq ft)	593,906	**593,906**
Net Lettable Area (sq ft)	409,133	**409,310**
Number of Tenants	240	**241**
Committed Occupancy (%)	99.2	**98.7**
Annual Shopper Traffic (million)	35.6	**43.1**
Gross Revenue[3] (S$ million)	64.1	**71.6**
Net Property Income (S$ million)	45.3	**51.9**

Top 5 Tenants[4]

1 Breadtalk Group Limited
2 Paradise Group Holdings Pte. Ltd.
3 Timezone Singapore Pte. Ltd.
4 Hao Mart Pte. Ltd.
5 Fitness First Singapore Pte. Ltd.

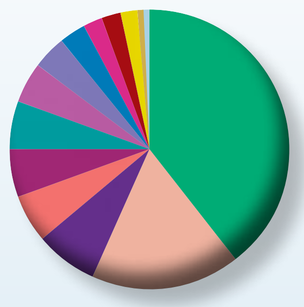
LEASE EXPIRY PROFILE[4]

(%)



TRADE MIX[4]

(%)



Food & Beverage	39.6	IT & Telecommunications	4.1
Beauty & Health	17.3	Supermarket	2.9
Services	7.0	Leisure & Entertainment/ Music & Video	2.4
Home Furnishing	5.7	Electrical & Electronics	2.1
Education	5.6	Shoes & Bags	2.0
Fashion	5.4	Department Store	0.6
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	4.7	Jewellery & Watches	0.6

1 The integrated development site (land) was acquired in 2011 at S$969.0 million, of which S$758.3 million pertained to the retail component (30.0% interest at S$227.5 million).
2 The acquisition of the balance 70.0% of the units in Infinity Mall Trust which holds Westgate was completed on 1 November 2018, at an agreed property value of S$1,128.0 million, on a completed basis (70.0% interest at S$789.6 million).
3 Gross revenue comprises gross rental income, car park income and other income.
4 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

BUGIS+

Bugis+ is strategically located within Singapore's Civic and Cultural District and directly opposite Bugis Junction. Easily accessible via Bugis MRT station, Bugis+ is connected by an overhead link bridge to Bugis Junction. The integration of the two malls further strengthens their overall appeal to shoppers with a combined retail space of more than 600,000 sq ft. Bugis+ exudes vibrancy with endless entertainment, exciting food & beverage options and stylish fashion offerings, creating a dynamic magnet for fun-seeking trendy youth in the heart of Bugis.

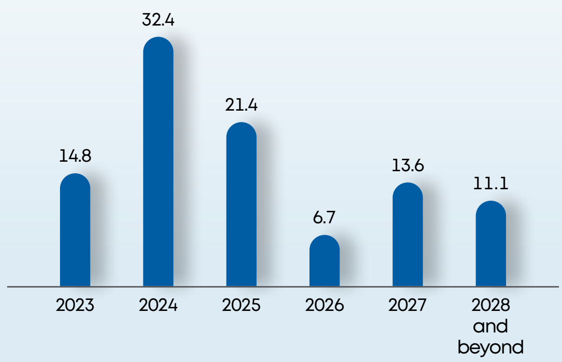
Property Information

Address	201 Victoria Street
Land Tenure	Leasehold tenure of 60 years with effect from 30 September 2005
Purchase Price in 2011	S$295.0 million
Carpark Lots	325
Bicycle Lots	15
Green Rating	BCA Green Mark Platinum (2021)

Top 5 Tenants[2]

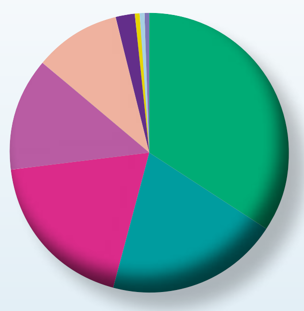
1 Uniqlo (Singapore) Pte. Ltd.
2 JD Sports Fashion Pte. Ltd.
3 Al-Futtaim Group
4 Singapore Hai Di Lao Dining Pte. Ltd.
5 Creative Eateries Pte. Ltd

LEASE EXPIRY PROFILE[2]
(%)



As at 31 December	2021	2022
Valuation (S$ million)	354.0	**354.0**
Gross Floor Area (sq ft)	319,652	**319,845**
Net Lettable Area (sq ft)	214,408	**214,602**
Number of Tenants	84	**86**
Committed Occupancy (%)	95.5	**99.5**
Annual Shopper Traffic (million)	8.4	**12.9**
Other Assets (Bugis+ and Bukit Panjang Plaza)		
Gross Revenue[1] (S$ million)	53.4	**56.4**
Net Property Income (S$ million)	38.4	**39.9**

TRADE MIX[2]
(%)



Food & Beverage	34.4
Fashion	19.8
Leisure & Entertainment/ Music & Video	19.0
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	13.1
Beauty & Health	10.0
Services	2.1
Shoes & Bags	0.6
Jewellery & Watches	0.5
IT & Telecommunications	0.5

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

BUKIT PANJANG PLAZA

Bukit Panjang Plaza is located in the residential area of Bukit Panjang, in the north-western region of Singapore. The mall is adjacent to Bukit Panjang Integrated Transport Hub, which incorporates an air- conditioned bus interchange with Bukit Panjang MRT station and LRT station. Besides the surrounding estates, the mall also serves residents from the precincts of Teck Whye, Choa Chu Kang and Upper Bukit Timah.

Property Information

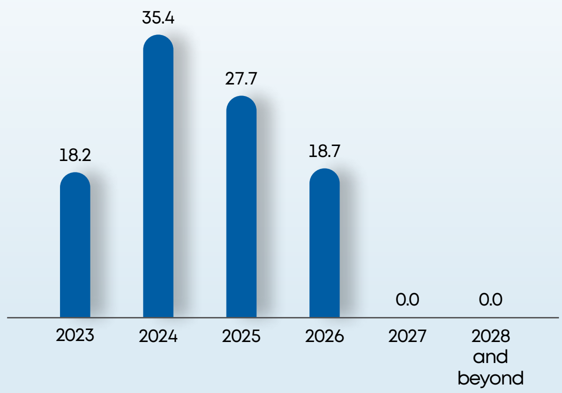
Address	1 Jelebu Road
Land Tenure	Leasehold tenure of 99 years with effect from 1 December 1994
Purchase Price in 2007	S$161.3 million
Carpark Lots	326
Bicycle Lots	60
Green Rating	BCA Green Mark Gold^{PLUS} (2020)

Top 5 Tenants[2]

1. NTUC Enterprise Co-Operative Ltd
2. Kentucky Fried Chicken Management Pte Ltd
3. Hanbaobao Pte. Ltd.
4. National Library Board
5. Pertama Merchandising Pte Ltd

LEASE EXPIRY PROFILE[2]

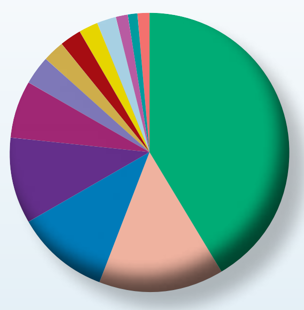
(%)



As at 31 December	2021	2022
Valuation (S$ million)	338.6	**344.0**
Gross Floor Area (sq ft)	247,545	**247,545**
Net Lettable Area (sq ft)	163,915	**163,998**
Number of Tenants	127	**116**
Committed Occupancy (%)	100	**99.5**
Annual Shopper Traffic (million)	8.1	**7.9**
Other Assets (Bugis+ and Bukit Panjang Plaza)		
Gross Revenue[1] (S$ million)	53.4	**56.4**
Net Property Income (S$ million)	38.4	**39.9**

TRADE MIX[2]

(%)



Food & Beverage	41.5
Beauty & Health	14.6
Supermarket	10.7
Services	10.1
Education	6.7
IT & Telecommunications	3.3
Department Store	2.5
Electrical & Electronics	2.4
Shoes & Bags	2.2
Jewellery & Watches	2.2
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	1.4
Fashion	1.2
Home Furnishing	1.2

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

ASIA SQUARE TOWER 2

Asia Square Tower 2 is a 46-storey integrated development located in the Marina Bay area with direct access to the Shenton Way MRT station along the Thomson-East Coast Line. It comprises premium Grade A offices with ancillary retail space and hotel premises (owned by an unrelated third party). Completed in September 2013, the building offers high quality office space through its large and efficient floor plates of up to 31,000 sq ft.

Property Information

Address	12 Marina View
Land Tenure	Leasehold tenure of 99 years with effect from 3 March 2008 (land lot only)
Agreed Property Value in 2017	S$2,094.0 million
Carpark Lots	266
Bicycle Lots	87
Green Ratings	• LEED Shell & Core Platinum (2014) • BCA Green Mark Platinum (2021)

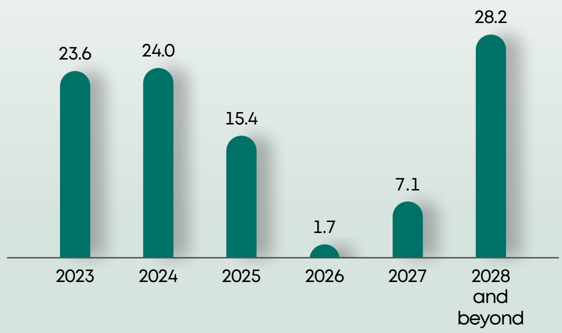
As at 31 December	2021	2022
Valuation (S$ million)	2,225.0	**2,235.5**
Gross Floor Area (sq ft)	916,931	**916,931**
Net Lettable Area (sq ft)	779,290	**775,360**
Number of Tenants	61	**68**
Committed Occupancy (%)	95.6	**98.0**
Gross Revenue[1] (S$ million)	94.6	**101.3**
Net Property Income (S$ million)	70.7	**74.8**

Top 5 Tenants[2]

1	Mizuho Bank, Ltd
2	Mitsui Group
3	The Work Project (Commercial) Pte. Ltd.
4	JustOffice (Marina View) Pte. Ltd.
5	Citadel Enterprise (Singapore) Pte. Limited

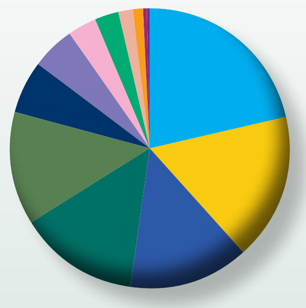
LEASE EXPIRY PROFILE[2]

(%)



TRADE MIX[2]

(%)



Banking	21.6
Business Consultancy	17.0
Energy & Commodities	14.0
Financial Services	13.9
Real Estate & Property Services	12.9
Maritime & Logistics	6.0
IT, Media & Telecommunications	5.2
Manufacturing & Distribution	3.2
Food & Beverage	2.9
Beauty & Health	1.7
Insurance	1.2
Education	0.3
Services	0.1

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

CAPITAGREEN

CapitaGreen is a 40-storey Grade A office tower located in the heart of Singapore's CBD, near the Raffles Place MRT interchange station and Telok Ayer MRT station. The tower was designed by Pritzker Prize winner Toyo Ito. CapitaGreen's environmentally sustainable and inclusive design has garnered numerous local and international awards, including Best Tall Building (Asia and Australasia) 2015 by The Council on Tall Buildings and Urban Habitat.

Property Information

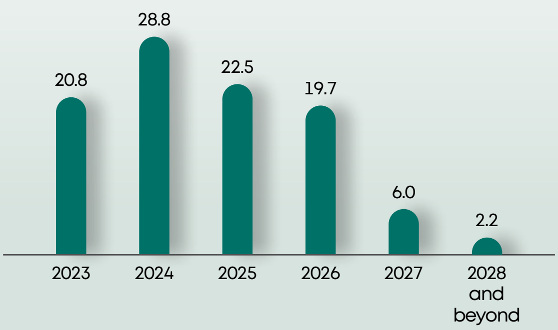
Address	138 Market Street
Land Tenure	Leasehold tenure of 99 years with effect from 1 April 1974
Agreed Property Value in 2016	S$1,600.5 million
Carpark Lots	184
Bicycle Lots	75
Green Ratings	• BCA Universal Design Mark Platinum (2016) • BCA Green Mark Platinum (2021)

As at 31 December	2021	2022
Valuation (S$ million)	1,657.0	**1,663.0**
Gross Floor Area (sq ft)	882,681	**882,681**
Net Lettable Area (sq ft)	699,831	**699,113**
Number of Tenants	57	**54**
Committed Occupancy (%)	94.8	**94.4**
Gross Revenue[1] (S$ million)	89.3	**86.3**
Net Property Income (S$ million)	71.0	**67.2**

Top 5 Tenants[2]

1. Rakuten Asia Pte. Ltd.
2. Lloyd's of London (Asia) Pte. Ltd.
3. Twitter Asia Pacific Pte. Ltd.
4. Schroder Investment Management (Singapore) Ltd.
5. Wells Fargo Bank, National Association

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
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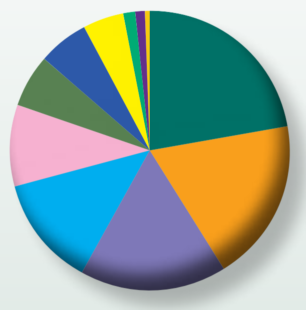


Financial Services	22.6
Insurance	18.9
IT, Media & Telecommunications	16.8
Banking	12.8
Manufacturing & Distribution	9.3
Real Estate & Property Services	6.1
Energy & Commodities	6.0
Legal	4.5
Food & Beverage	1.4
Services	1.2
Business Consultancy	0.4

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

CAPITAL TOWER

Capital Tower is a 52-storey Grade A office building located in the Robinson Road/Tanjong Pagar area. It is well served by public transportation and is seamlessly connected to the Tanjong Pagar MRT station and surrounding buildings via an underground pedestrian network. Set in an open landscaped plaza, Capital Tower offers ample on-site carparking and features a theatre-style auditorium and meeting facilities, flexible workspace, a fitness club, retail services and F&B outlets for the convenience of tenants and visitors. The penthouse of Capital Tower offers stunning panoramic 360 degree views of the sea and cityscape.

Property Information

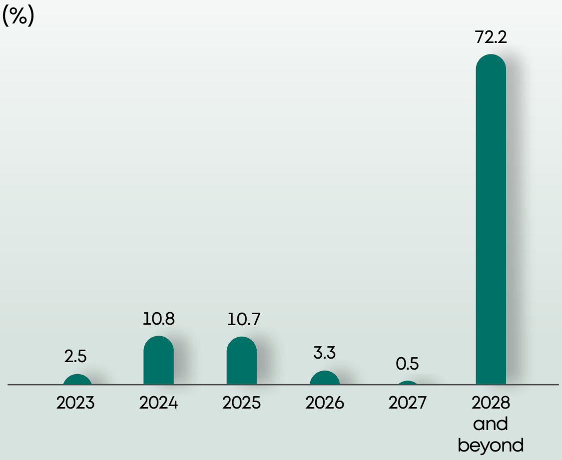
Address	168 Robinson Road
Land Tenure	Leasehold tenure of 99 years with effect from 1 January 1996
Purchase Price in 2004	S$793.9 million
Carpark Lots	415
Bicycle Lots	35
Green Ratings	• BCA Universal Design Mark Gold (2017) • BCA Green Mark Pearl (2018) • BCA Green Mark Platinum (2020)

As at 31 December	2021	2022
Valuation (S$ million)	1,449.0	**1,450.0**
Gross Floor Area (sq ft)	1,026,426	**1,026,426**
Net Lettable Area (sq ft)	734,739	**734,736**
Number of Tenants	27	**32**
Committed Occupancy (%)	76.8	**91.4**
Gross Revenue[1] (S$ million)	68.5	**65.2**
Net Property Income (S$ million)	50.9	**46.7**

Top 5 Tenants[2]

1 GIC Private Limited
2 CapitaLand Investment Limited
3 The Work Project Group
4 Credit Agricole Group
5 Goodyear Orient Company (Singapore) Pte Ltd

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
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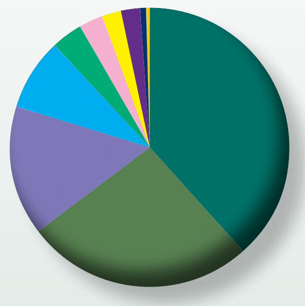


Financial Services	38.2	Manufacturing & Distribution	3.6
Real Estate & Property Services	25.9	Legal	2.3
IT & Media Telecommunications	15.0	Services	2.1
Banking	8.1	Maritime & Logistics	0.8
Food & Beverage	3.7	Business Consultancy	0.3

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

CAPITASKY

CapitaSky is prominently located at the junction of Robinson Road and Maxwell Road within the Tanjong Pagar district. The property will be highly accessible when the underground pedestrian link to the Tanjong Pagar MRT station is completed and is in close proximity to the Shenton Way MRT station on the Thomson-East Coast Line.

The property is well equipped with amenities such as electric vehicle lots and end-of-trip facilities with secured bicycle parking lots, mid level sky terrace, roof garden and F&B outlets. The highly efficient floor plates, curated co-working space, and hospitality-styled lobby lounge areas provide a versatile workplace for tenants.

Property Information

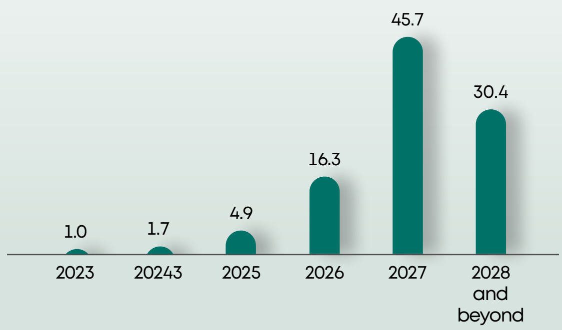
Address	79 Robinson Road
Land Tenure	99 years with effect from 10 January 1968
Joint Venture (% interest)	CICT: 70.0% COREF: 30.0%
Agreed Property Value in 2022[1]	S$1,260.0 million
Carpark Lots	133
Bicycle Lots	92
Green Rating	BCA Green Mark Platinum (2018)

As at 31 December (100% basis)	2022
Valuation (S$ million)	1,260.0
Gross Floor Area (sq ft)	613,600
Net Lettable Area (sq ft)	519,731
Number of Tenants	24
Committed Occupancy (%)	95.4
Gross Revenue[1,2] (S$ million)	45.3
Net Property Income[1] (S$ million)	35.1

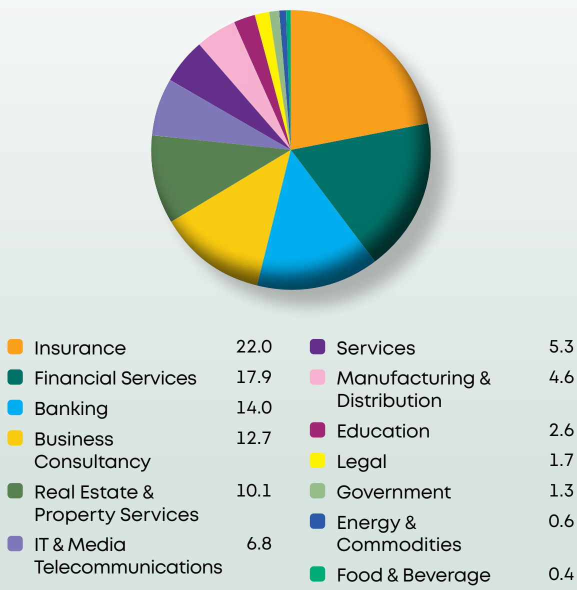
Top 5 Tenants[3]

1 Equinix Asia Pacific
2 The Boston Consulting Group
3 EFG Bank AG
4 Allianz Global Corporate & Specialty SE
5 ASB Flex Pte. Ltd.

LEASE EXPIRY PROFILE[3]
(%)



TRADE MIX[3]
(%)



1 Completion of the acquisition was 27 April 2022.
2 Gross revenue comprises gross rental income, car park income and other income.
3 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

SIX BATTERY ROAD

Six Battery Road is a 42-storey Grade A office building and a Raffles Place landmark. It is well connected to the Raffles Place MRT interchange station and other developments within the Raffles Place precinct. Combining prime location with towering views, excellent amenities and revitalised interiors, it is the first operating CBD office building to attain the Green Mark Platinum accolade. Six Battery Road also boasts the first vertical indoor garden in Singapore.

Property Information

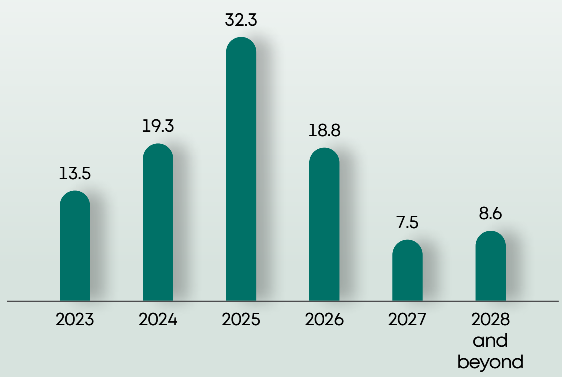
Address	6 Battery Road
Land Tenure	Leasehold tenure of 999 years with effect from 20 April 1826
Purchase Price in 2004	S$675.2 million
Carpark Lots	191
Bicycle Lots	18
Green Rating	BCA Green Mark Platinum (2021)

As at 31 December	2021	2022
Valuation (S$ million)	1,445.0	**1,509.0**
Gross Floor Area (sq ft)	655,179	**655,179**
Net Lettable Area (sq ft)	496,385	**494,255**
Number of Tenants	101	**109**
Committed Occupancy (%)	79.7	**93.3**
Gross Revenue[1] (S$ million)	55.7	**54.5**
Net Property Income (S$ million)	41.9	**38.9**

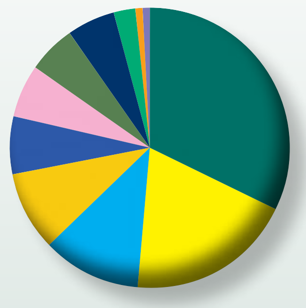
Top 5 Tenants[2]

1 Standard Chartered Bank (Singapore) Limited
2 Mayer Brown (Singapore) Pte. Ltd.
3 TSMP Law Corporation
4 The Executive Centre Singapore Pte. Ltd.
5 Sanetti Pte. Ltd.

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
(%)



Financial Services	32.3	Real Estate & Property Services	5.6
Legal	19.4	Maritime & Logistics	5.4
Banking	11.3	Food & Beverage	2.6
Business Consultancy	9.1	Insurance	0.9
Energy & Commodities	6.8	IT & Media Telecommunications	0.6
Manufacturing & Distribution	6.0		

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

21 COLLYER QUAY

21 Collyer Quay dominates the CBD skyline with its iconic building profile in Raffles Place. With unrivalled panoramic views of the Singapore skyline and the Marina Bay waterfront, the 21-storey prime office building has a sheltered access to the Raffles Place MRT interchange station and is surrounded by a wide range of amenities.

WeWork Singapore, a provider of flexible workspaces, has a seven-year lease for the lettable area until 2028.

Property Information

Address	21 Collyer Quay
Land Tenure	Leasehold tenure of 999 years with effect from 19 December 1850
Purchase Price in 2005	S$147.0 million
Carpark Lots	53
Bicycle Lots	10
Green Rating	BCA Green Mark Platinum (2020)

As at 31 December	2021	2022
Valuation (S$ million)	629.9	**634.0**
Gross Floor Area (sq ft)	276,927	**276,927**
Net Lettable Area (sq ft)	213,000	**213,000**
Number of Tenants	1	**1**
Committed Occupancy (%)	100	**100**
Gross Revenue[1] (S$ million)	23.1	**32.3**
Net Property Income (S$ million)	19.0	**26.7**

1 Gross revenue comprises gross rental income, car park income and other income.

Property Details

GALLILEO

Strategically located in the Banking District of Frankfurt's CBD, Gallileo is a 38-storey Grade A commercial building with ancillary retail and a 4-storey heritage building for office use.

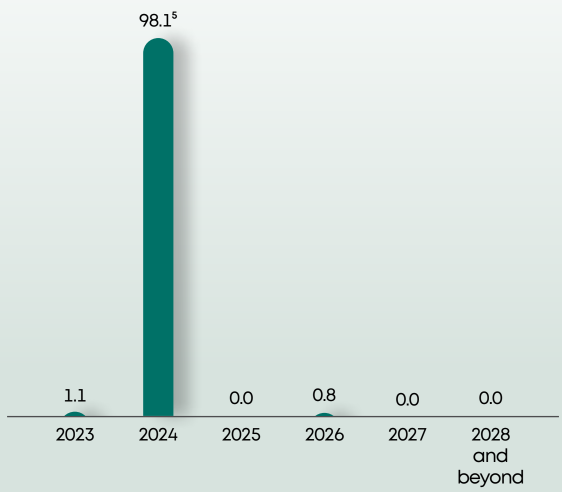
The property has easy access to a U-Bahn station at Willy-Brandt Platz, the Frankfurt Main Railway station, Frankfurt airport and Messe Frankfurt, one of the world's largest trade fair venues. It is also in close proximity to the Frankfurt Opera House.

Property Information

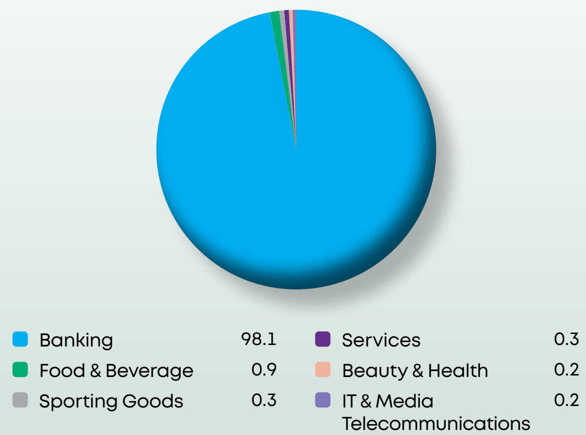
Address	Gallusanlage 7/Neckarstrasse 5, 60329 Frankfurt am Main, Germany
Land Tenure	Freehold
Joint Venture Partners' Interests	CICT: 94.9% CapitaLand: 5.1%
Agreed Property Value in 2018	EUR356.0 million
Carpark Lots	43
Bicycle Lots	46
Green Ratings	LEED Building Operations and Maintenance: Existing Buildings Gold (2020)

As at 31 December (100% basis)	2021	2022
Valuation (EUR million)	325.0	**275.0**
Valuation[1] (S$ million)	500.0	**390.1**
Gross Floor Area[2] (sq ft)	668,618	**668,618**
Net Lettable Area (sq ft)	435,899	**436,181**
Number of Tenants	7	**8**
Committed Occupancy (%)	100	**100**
Gross Revenue[3] (S$ million)	29.1	**27.4**
Net Property Income (S$ million)	24.0	**20.7**

LEASE EXPIRY PROFILE[4]
(%)



TRADE MIX[4]
(%)



1 Based on an exchange rate of EUR1 to S$1.538 in December 2021 and EUR1 to S$1.4184 in December 2022.
2 Gross floor area excludes car park.
3 Gross revenue comprises gross rental income, car park income and other income.
4 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.
5 Commerzbank has given notice to end its lease at Gallileo in January 2024. While the Manager actively leases the space and evaluates possible asset enhancement works, this will take time and the building is expected to be non-income generating for at least 18 months.

MAIN AIRPORT CENTER

Main Airport Center is a freehold multi-tenanted office building comprising 11 storeys and two basement levels located in the vicinity of Frankfurt airport, Germany. MAC was well designed such that all parts of the building have direct views of the neighbouring Frankfurt airport, the adjacent Stadtwald forest or the Frankfurt skyline. Located approximately 800 metres north of Frankfurt airport terminal 2 and forming part of the Frankfurt airport office submarket, it is well served by comprehensive transportation infrastructure. Frankfurt's city centre is a 20-minute drive via motorways.

Property Information

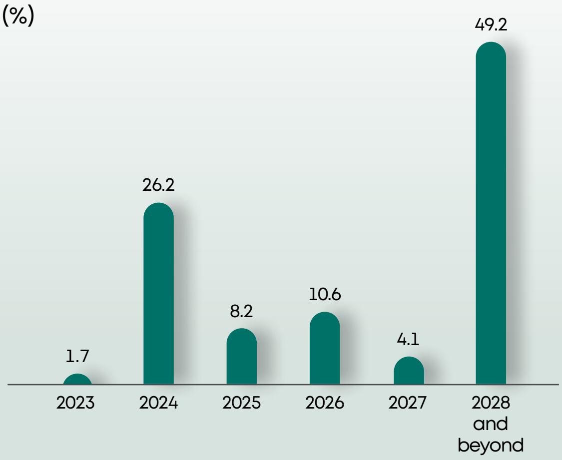
Address	Unterschweinstiege 2-14, 60549 Frankfurt, Germany
Land Tenure	Freehold
Joint Venture Partners' Interests	CICT: 94.9% CapitaLand: 5.1%
Agreed Property Value in 2019	EUR265.0 million
Carpark Lots	1,513
Bicycle Lots	120
Green Rating	BREEAM Good

As at 31 December (100% basis)	2021	2022
Valuation (EUR million)	287.0	**266.0**
Valuation[1] (S$ million)	441.5	**377.3**
Gross Floor Area[2] (sq ft)	719,602	**719,602**
Net Lettable Area (sq ft)	649,273	**648,800**
Number of Tenants	32	**35**
Committed Occupancy (%)	93.0	**91.8**
Gross Revenue[3] (S$ million)	27.1	**26.8**
Net Property Income (S$ million)	17.8	**18.5**

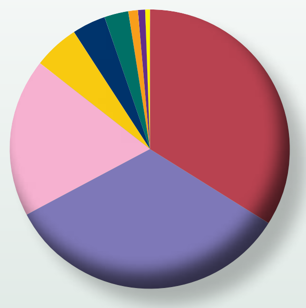
Top 5 Tenants[4]

1	Lufthansa Group
2	IQVIA Commercial GmbH & Co.
3	Dell GmbH
4	CJ Europe GmbH
5	Beam Suntory Deutschland GmbH

LEASE EXPIRY PROFILE[4]
(%)



TRADE MIX[4]
(%)



1 Based on an exchange rate of EUR1 to S$1.538 in December 2021 and EUR1 to S$1.4184 in December 2022.
2 Gross floor area excludes car park.
3 Gross revenue comprises gross rental income, car park income and other income.
4 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

66 GOULBURN STREET

66 Goulburn Street is a 24-storey Grade A office building with ancillary retail space and a basement carpark, located at the southern edge of the Midtown Precinct of the Sydney central business district. It is prominently located on the corner of Castlereagh Street, close to Museum Station and Central Railway Station, and is in close proximity to the upcoming precinct for Tech Central.

Property Information

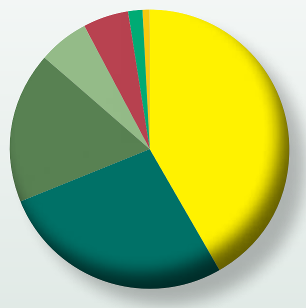
Address	Civic Tower, 66 Goulburn Street Sydney, New South Wales
Land Tenure	Leasehold expiring 16 August 2116
Agreed Property Value in 2022[1]	A$300.0 million
Carpark Lots	53
Green Ratings	• 5.5 STAR NABERS Energy • 4.5 STAR NABERS Water

As at 31 December	2022
Valuation (A$ million)	**308.0**
Valuation[2] (S$ million)	**278.1**
Net Lettable Area (sq ft)	**246,356**
Number of Tenants	**25**
Committed Occupancy (%)	**87.6**
Gross Revenue[1,3] (S$ million)	**12.6**
Net Property Income[1] (S$ million)	**9.4**

Top 5 Tenants[4]

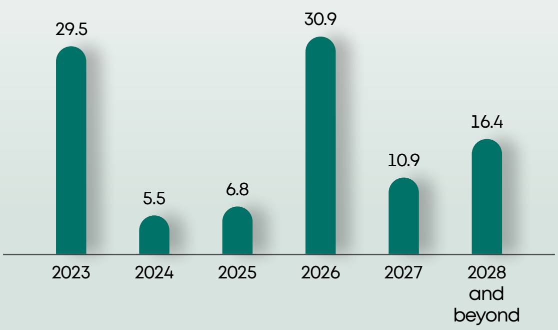
1 Government Property NSW
2 William Buck Services NSW
3 Prudential Investment Company of Australia
4 William Roberts Lawyers
5 Warren Smith Consulting Engineers

TRADE MIX[4]
(%)



Legal	41.7
Financial Services	27.2
Real Estate & Property Services	17.6
Government	5.9
Travel & Hospitality	5.1
Food & Beverage	1.7
Business Consultancy	0.8

LEASE EXPIRY PROFILE[4]
(%)



1 Completion of the acquisition was 24 March 2022.
2 Based on an exchange rate of A$1 to S$0.9028 as at 31 December 2022.
3 Gross revenue comprises gross rental income, car park income and other income.
4 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

100 ARTHUR STREET

100 Arthur Street is a 23-storey Grade A office building with ancillary retail space, located in the eastern quadrant of North Sydney CBD. It is in close proximity to North Sydney Station and other amenities, including Coles and Greenwood Plaza. From 2019 to 2021, 100 Arthur Street undertook major refurbishment works amounting to approximately A$17 million to upgrade its lobby, entrance foyer and vacant floors, as well its equipment and amenities.

Property Information

Address	100 Arthur Street, North Sydney, New South Wales
Land Tenure	Freehold
Agreed Property Value in 2022[1]	A$372.0 million[2]
Carpark Lots	140
Green Ratings	• 4.5 STAR NABERS Energy • 4 STAR NABERS Water

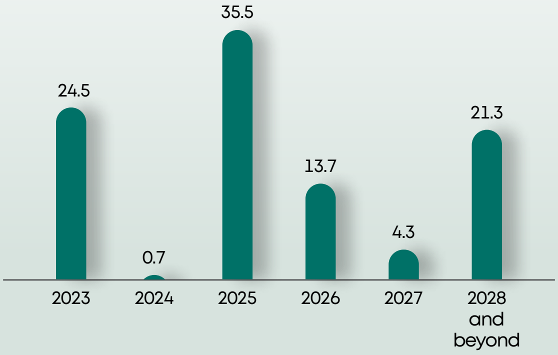
As at 31 December	2022
Valuation (A$ million)	377.0
Valuation[3] (S$ million)	340.4
Net Lettable Area (sq ft)	291,511
Number of Tenants	18
Committed Occupancy (%)	68.8
Gross Revenue[1,4] (S$ million)	11.9
Net Property Income[1] (S$ million)	8.5

Top 5 Tenants[5]

1	Equifax Australasia Group Services
2	Kimberly Clark Australia
3	Infosys Technologies
4	Fetch TV Management
5	Linchpin Labs

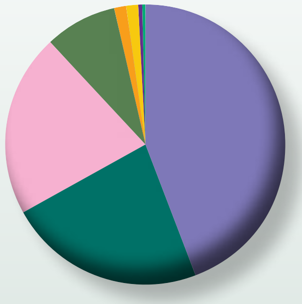
LEASE EXPIRY PROFILE[5]

(%)



TRADE MIX[5]

(%)



IT & Media Telecommunications	44.8
Financial Services	22.6
Manufacturing & Distribution	21.2
Real Estate & Property Services	8.3
Insurance	1.4
Business Consultancy	1.3
Services	0.3
Food & Beverage	0.1

1 Completion of the acquisition was 24 March 2022.
2 Includes an A$7.0 million rental guarantee (RG) granted by the vendor. The RG amount was deducted from the purchase consideration and does not have an effect on distributions of CICT as no distributions were made on the RG amount.
3 Based on an exchange rate of A$1 to S$0.9028 as at 31 December 2022.
4 Gross revenue comprises gross rental income, car park income and other income.
5 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

CAPITASPRING

Completed in November 2021, the 280-metre integrated development, CapitaSpring, offers work, live, play spaces in a vertically connected environment. Between the premium Grade A office floors and the modern 299-unit serviced residences is a Green Oasis with a height of more than 35 metres. Designed with social and activity spaces spread over four storeys of lush greenery and trees, the Green Oasis offers a re-connection with nature in the middle of the city. Featuring an iconic façade and harnessing the latest workplace and lifestyle innovations, the integrated development redefines Singapore's city skyline. In support of the government's drive toward a car-lite society and to promote healthy living, a cycling path, bicycle lots and end-of-trip facilities are included in the development.

Property Information

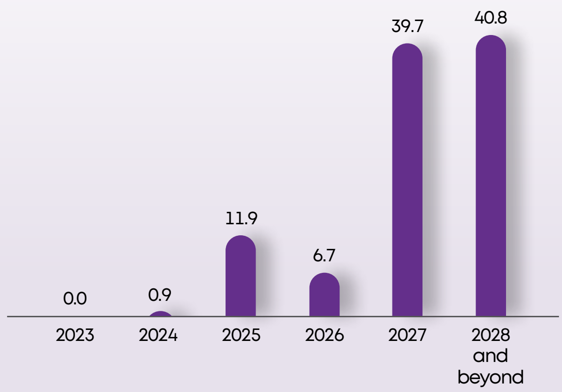
Address	86 & 88 Market Street
Land Tenure	Leasehold tenure of 99 years with effect from 1 February 1982
Joint Venture Partners' Interests	CICT: 45.0% CapitaLand: 45.0% Mitsubishi Estate Co., Ltd.: 10.0%
Project Development Estimate	S$1,820.0 million
Carpark Lots	350
Bicycle Lots	165
Green Ratings	• BCA Universal Design Mark Gold^{PLUS} (Design) (2018) • BCA Green Mark Platinum (2018)

As at 31 December (100% basis)	2021	2022
Valuation (S$ million)	1,940.0	**2,041.0**
Gross Floor Area (sq ft)	1,004,818	**1,004,818**
Net Lettable Area (sq ft)	673,387	**673,247**
Number of Tenants	24	**33**
Committed Occupancy (%)	91.5	**99.9**
(45.0% basis)		
Gross Revenue[1] (S$ million)	9.4	**48.2**
Net Property Income (S$ million)	5.9	**32.5**

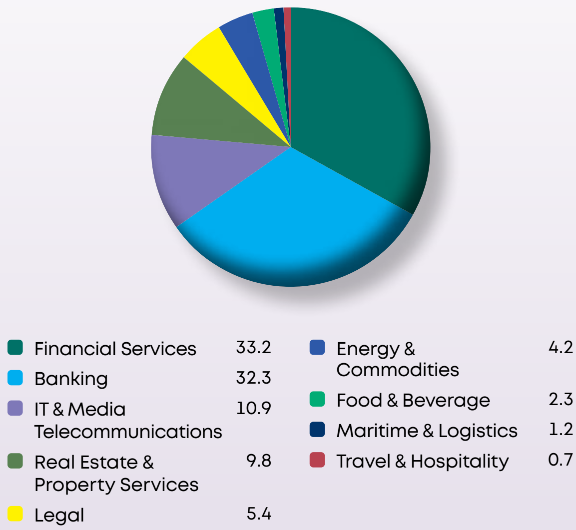
Top 5 Tenants[2]

1. JPMorgan Chase Bank, N.A.
2. Millennium Capital Management (Singapore) Pte. Ltd
3. Sumitomo Mitsui Banking Corporation Singapore Branch
4. Red Hat Asia Pacific Pte. Ltd.
5. Squarepoint Operations Private Limited

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
(%)



1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

FUNAN

Redeveloped and opened in June 2019, Funan is an integrated development comprising retail component, two office blocks and lyf Funan Singapore, a unique Singapore apartment hotel for the millennials. Right in the heart of the Civic and Cultural District, Funan enjoys excellent connectivity, including a direct underpass linking to City Hall MRT interchange station which opened in December 2021. As a new paradigm for live, work and play in Singapore's city centre, Funan offers a synergistic combination of retail, office and serviced residence apartment hotel components that is designed to appeal to savvy consumers pursuing quality life in a socially-conscious and creative environment.

Property Information

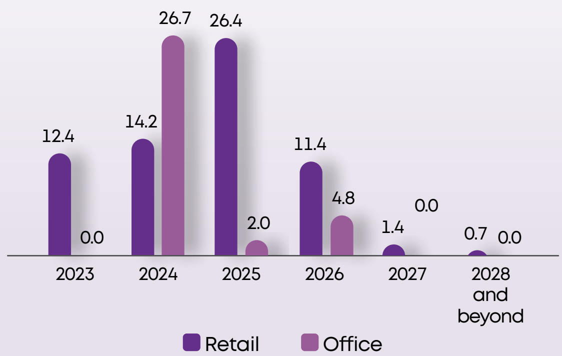
Address	107 and 109 North Bridge Road
Land Tenure	Leasehold tenure of 99 years with effect from 12 December 1979
Purchase Price in 2002	S$191.0 million
Project Development Cost	S$560.0 million
Carpark Lots	404
Bicycle Lots	174
Green Ratings	• BCA Green Mark Gold^{PLUS} (2022) • BCA Universal Design Mark Gold^{PLUS} (2020)

As at 31 December	2021	2022
Valuation (S$ million)	785.0	**794.0**
Gross Floor Area (sq ft)[1]	767,280	**767,288**
Net Lettable Area (sq ft)		
Total	531,634	**531,791**
Retail	317,506	**317,663**
Office	214,128	**214,128**
Number of Tenants	205	**183**
Committed Occupancy (%)		
Total	99.1	**97.7**
Retail	98.5	**96.1**
Office	100	**100**
Annual Shopper Traffic (million)	8.4	**12.0**
Gross Revenue[2] (S$ million)	62.1	**62.7**
Net Property Income (S$ million)	42.9	**41.9**

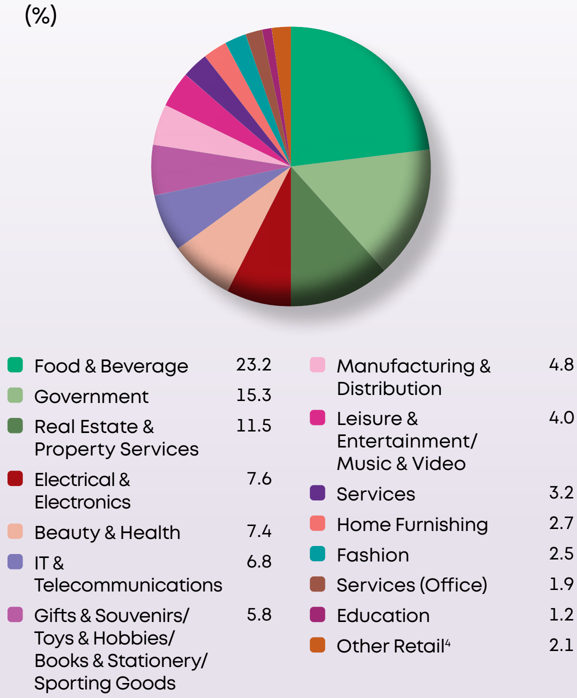
Top 5 Tenants[3]

1	WeWork Singapore Pte. Ltd.
2	Department Of Statistics
3	Adidas Singapore Pte Ltd
4	Attorney-General's Chambers
5	Smart Nation and Digital Government Office

LEASE EXPIRY PROFILE[3]
(%)



TRADE MIX[3]
(%)



1 Excludes the serviced residence component after the completion of the divestment of all the units of Victory SR Trust on 31 October 2017.
2 Gross revenue comprises gross rental income, car park income and other income.
3 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.
4 Other Retail includes: Supermarket (0.9%), Shoes & Bags (0.8%), and Jewellery & Watches (0.4%).

Property Details

PLAZA SINGAPURA

Plaza Singapura is strategically located along Orchard Road and within the Civic and Cultural District. The mall is conveniently linked to Dhoby Ghaut MRT station, an interchange which connects to three MRT lines, the North-South Line, North-East Line and Circle Line, via a direct passageway. Plaza Singapura and the retail podium of The Atrium@Orchard are seamlessly integrated as an all-encompassing retail, dining and entertainment destination that appeals to a wide profile of shoppers.

Property Information

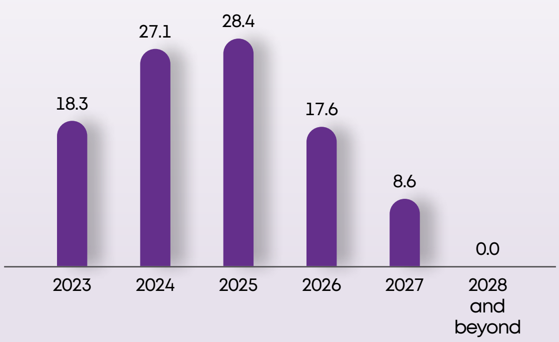
Address	68 Orchard Road
Land Tenure	Freehold
Purchase Price in 2004	S$710.0 million
Carpark Lots	695
Bicycle Lots	-
Green Rating	BCA Green Mark Gold (2019)

As at 31 December	2021	2022
Valuation (S$ million)	1,339.0	**1,349.0**
Gross Floor Area (sq ft)	757,203	**757,203**
Net Lettable Area (sq ft)	483,780	**484,455**
Number of Tenants	220	**225**
Committed Occupancy (%)	97.3	**98.8**
Annual Shopper Traffic (million)	16.1	**19.4**
Gross Revenue[1] (S$ million)	82.1	**87.4**
Net Property Income (S$ million)	60.4	**64.2**

Top 5 Tenants[2]

1 Golden Village Multiplex Pte Ltd
2 Cold Storage Singapore (1983) Pte Ltd
3 NTUC Enterprise Co-Operative Ltd
4 Spotlight Pte. Ltd.
5 Yamaha Music (Asia) Private Limited

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
(%)

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

THE ATRIUM@ORCHARD

The Atrium@Orchard is an integrated development that comprises a retail podium and two office towers. The development enjoys direct connectivity to Dhoby Ghaut MRT station, which serves the North-South Line, North-East Line and Circle Line. The retail podium is integrated seamlessly with Plaza Singapura as an all-encompassing retail, dining and entertainment destination that appeals to a wide profile of shoppers.

Property Information

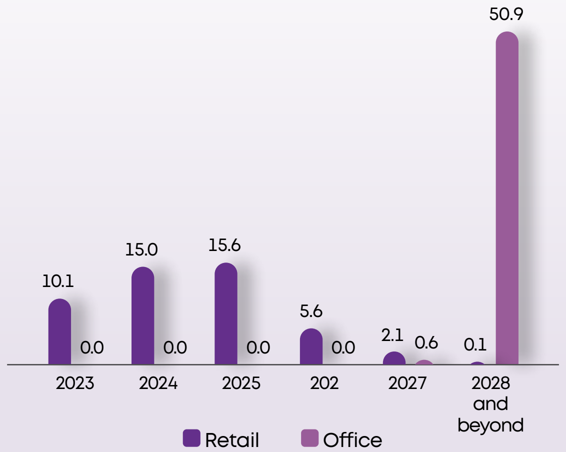
Address	60A and 60B Orchard Road
Land Tenure	Leasehold tenure of 99 years with effect from 15 August 2008
Purchase Price in 2008	S$839.8 million
Carpark Lots	127
Bicycle Lots	7
Green Rating	BCA Green Mark Gold (2019)

Top 5 Tenants[2]

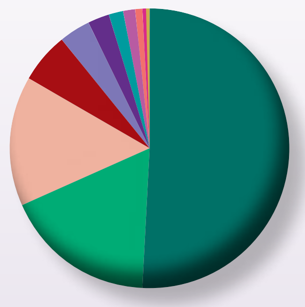
1. Temasek Holdings (Private) Limited
2. Best Denki (Singapore) Pte. Ltd.
3. Creative Eateries Pte Ltd
4. Beauty One International Pte. Ltd.
5. D&N Singapore Pte. Ltd.

As at 31 December	2021	2022
Valuation (S$ million)	756.2	**763.0**
Gross Floor Area (sq ft)	576,612	**576,612**
Net Lettable Area (sq ft)		
Total	387,269	**385,119**
Retail	134,961	**152,595**
Office	252,308	**232,524**
Number of Tenants	70	**72**
Committed Occupancy (%)		
Total	97.3	**97.8**
Retail	92.2	**96.8**
Office	100	**100**
Annual Shopper Traffic (million)	15.4	**17.4**
Gross Revenue[1] (S$ million)	45.6	**47.3**
Net Property Income (S$ million)	34.0	**35.6**

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
(%)



Financial Services	51.5	Fashion	1.7
Food & Beverage	17.5	Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	1.5
Beauty & Health	14.8	Home Furnishing	0.8
Electrical & Electronics	5.8	Leisure & Entertainment/ Music & Video	0.1
IT & Telecommunications	3.8	Department Store	0.1
Services	2.4		

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Property Details

RAFFLES CITY SINGAPORE

Raffles City Singapore is a prime landmark within the Civic and Cultural District and one of Singapore's largest integrated developments. The development is served by three MRT lines, including City Hall MRT interchange station. It comprises the 42-storey Raffles City Tower, 5-storey Raffles City Shopping Centre, Raffles City Convention Centre, the 73-storey Swissôtel The Stamford Singapore and the 28-storey twin-towers Fairmont Singapore.

Property Information

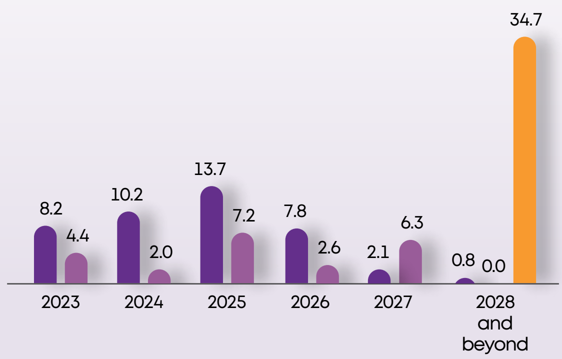
Address	250 & 252 North Bridge Road, 2 Stamford Road and 80 Bras Basah Road
Land Tenure	Leasehold tenure of 99 years with effect from 16 July 1979
Purchase Price in 2006	S$2,166.0 million
Carpark Lots	1,051
Bicycle Lots	10
Green Rating	BCA Green Mark Gold^{PLUS} (2020)

Top 5 Tenants[2]

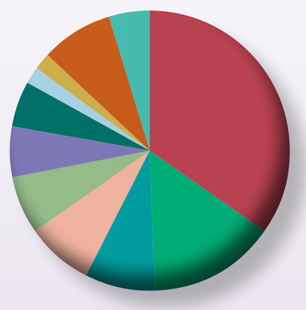
1	RC Hotels (Pte) Ltd
2	Economic Development Board
3	Accenture Pte. Ltd.
4	Breadtalk Group Limited
5	Cortina Watch Pte Ltd

As at 31 December	2021	2022
Valuation (S$ million)	3,072.0	**3,120.0**
Gross Floor Area (sq ft)	3,449,727	**3,449,727**
Net Lettable Area (sq ft)		
Total	809,426	**791,807**
Retail	428,059	**410,365**
Office	381,367	**381,442**
Number of Tenants	271	**288**
Committed Occupancy (%)		
Total	94.4	**95.3**
Retail	95.4	**91.0**
Office	93.4	**100**
Annual Shopper Traffic (million)	18.7	**24.8**
Gross Revenue[1] (S$ million)	190.2	**211.6**
Net Property Income (S$ million)	140.7	**152.7**

LEASE EXPIRY PROFILE[2]
(%)



TRADE MIX[2]
(%)



Travel & Hospitality	34.8	Financial Services	5.1
Food & Beverage	14.9	Luxury	2.1
Fashion	7.9	Department Store	1.8
Beauty & Health	7.9	Other Retail[3]	8.3
Government	6.7	Other Office[3]	4.7
IT & Media Telecommunications	5.8		

1 Gross revenue comprises gross rental income, car park income and other income.
2 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.
3 Other office and retail trade categories include: Manufacturing & Distribution (1.6%), Gifts & Souvenirs / Toys & Hobbies / Books & Stationery / Sporting Goods (1.6%), Shoes & Bags (1.5%), Supermarket (1.4%), Home Furnishing (1.4%), Energy and Commodities (1.3%), Services (Retail) (1.0%), Business Consultancy (0.9%), IT & Telecommunications (0.7%), Services (Office) (0.5%), Jewellery & Watches (0.4%), Art Gallery (0.3%), Insurance (0.3%), Real Estate and Property Services (0.1%).

101-103 MILLER STREET AND GREENWOOD PLAZA

101-103 Miller Street and Greenwood Plaza is an iconic integrated development comprising a 28-storey Premium Grade office tower, a 2-storey office building and a 3-storey retail centre. The retail centre offers high quality urban retailing and convenience options to the North Sydney workforce, resident and student populations. Strategically located in the North Sydney central business district, the integrated development is directly connected to North Sydney Train Station and located in close proximity to the upcoming Victoria Cross Metro.

Property Information

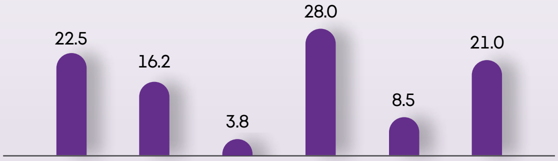
Address	101 - 103 Miller Street & 36 Blue Street, North Sydney, New South Wales
Land Tenure	Freehold
Co-Owners' Interests	CICT: 50.0% Mirvac: 50.0%
Purchase Price in 2022[1]	A$422.0 million[2]
Carpark Lots	537
Bicycle Lots	170
Green Ratings	• 5 STAR NABERS Energy[3] • 4.5 STAR NABERS Water[3]

As at 31 December (100% basis)	2022
Net Lettable Area (sq ft)	
Total	**499,406**
Retail	**96,047**
Office	**403,359**
Number of Tenants	**59**
Committed Occupancy (%)	**91.5**
(50.0% basis)	
Valuation (A$ million)	**398.0**
Valuation[4] (S$ million)	**359.3**
Gross Revenue[1,5] (S$ million)	**12.6**
Net Property Income[1] (S$ million)	**8.3**

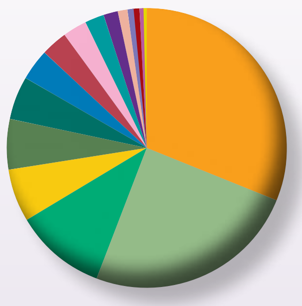
Top 5 Tenants[6]

1	Commonwealth of Australia
2	Genworth Financial Mortgage Insurance
3	Allianz
4	Chubb Insurance Australia Limited
5	Experian Australia

LEASE EXPIRY PROFILE[6]
(%)



TRADE MIX[6]
(%)



Insurance	31.2
Government	24.7
Food & Beverage	10.5
Business Consultancy	6.2
Real Estate & Property Services	5.8
Financial Services	5.2
Supermarket	3.5
Travel & Hospitality	3.0
Manufacturing & Distribution	2.8
Fashion	2.3
Services	1.7
Beauty & Health	0.9
IT & Media Telecommunications	0.7
Electrical & Electronics	0.7
Gifts & Souvenirs/ Toys & Hobbies/ Books & Stationery/ Sporting Goods	0.5
Shoes & Bags	0.3

1 Completion of the acquisition was 21 June 2022.
2 Includes an A$7.0 million rental guarantee (RG) granted by the vendor. The RG amount was deducted from the purchase consideration and does not have an effect on distributions of CICT as no distributions were made on the RG amount.
3 Only 101 Miller Street is rated. CICT intends to review the requirements to attain green ratings for 103 Miller Street and Greenwood Plaza which were not rated on acquisition.
4 Based on an exchange rate of A$1 to S$0.9028 as at 31 December 2022.
5 Gross revenue comprises gross rental income, car park income and other income.
6 As at 31 December 2022, based on committed gross rental income and excludes gross turnover rent.

Independent Market Review

Singapore

Singapore Economic Overview

2022 started with a global economic recovery from the COVID-19 pandemic, which was prominent over the previous two years, boosted by the reopening of international borders and the increasing global adoption of the vaccination programme. However, the onset and extended nature of the Russia-Ukraine conflict, as well as China's COVID-Zero policy had collectively affected global supply chains, disrupted global energy supply and led to the increase in commodity prices and utility costs. The resulting inflation has led to rising interest rates across many Central Banks globally, including Singapore.

On the weight of the global factors, the Ministry of Trade and Industry Singapore (MTI) has reported that Singapore's GDP expanded by 3.6% for the full year 2022, moderating from the 8.9% growth in the previous year. Overall unemployment rate was 2.0%[1] as of 4Q 2022, decreasing by 0.4 percentage points on a year-on-year (YoY) basis. The total population stood at 5.6 million, a 3.4% increase from the preceding year.

Services producing industries registered a growth of 4.8% for 2022. All sectors expanded as sentiments continued to recover alongside the lifting of domestic and border restrictions. Growth was largely contributed by the food & beverage services (18.2%) and retail trade (8.4%) sectors. The information & communications sector also grew 8.6%, driven by strong demand for IT and digital solutions, while the professional services sector expanded by 7.6%, supported by architectural & engineering segments and other professional services.

Goods producing industries expanded by 2.9% in 2022. The construction sector grew 6.7%, supported by both the public and private sector construction works. Similarly, the manufacturing sector grew by 2.5%, with all clusters expanding except for the chemicals and biomedical manufacturing clusters.

To increase public spending, the Government will raise the Goods and Services Tax (GST) progressively from 7% to 9% over two years[2]. A S$6.6 billion Assurance Package was announced in Budget 2022 to help Singaporeans cushion the impact of the progressive GST hikes. Additionally, in response to the continued challenging economic environment, the Government introduced an additional S$1.5 billion support package to provide immediate and targeted relief for the lower-income and more vulnerable groups.

Going forward, economic uncertainties remain elevated, with risks from high inflation and interest rates likely to contribute to the lack of clarity in the short-to-mid-term outlook of the global economy.

MTI forecasted the Singapore economy to grow between 0.5% and 2.5% in 2023, amid a weaker outlook for external demand and existing downside risks in the global economy.

Singapore Tourism Overview

With the reopening of the international borders, the Singapore Tourism Board (STB) reported 6.3 million international visitor arrivals in 2022, 18.1 times higher than in 2021. Tourism receipts from January to September 2022 totalled S$9.0 billion, representing a 6.5-fold increase from 2021 over the same period. The average length of stay for visitors in 2022 was 5.0 days. While the tourism sector has seen a return of international visitors to Singapore, the visitor levels remained 67.0% lower in comparison with 2019.

Meeting, Incentives, Conventions and Exhibitions (MICE) activities had picked up exponentially in 2022 with a 76.1% YoY growth in the number of events held[3], fuelled by some of the largest events like the Formula One Singapore Grand Prix (F1), ZoukOut 2022, Sentosa Food Fest 2022 and Food&HotelAsia.

In April 2022, STB announced that S$500 million had been allocated in the coming years to aid the tourism sector, with plans to promote Singapore's tourism sector while positioning itself as a sustainable urban destination. Within this budget, STB had announced in January 2022 that it plans to frontload S$110 million to ramp up business and leisure events over the next two years.

Source: CBRE, Singapore Tourism Board, 2022

1 Preliminary number (seasonally adjusted)
2 GST is raised to 8% on 1 January 2023 and will be raised to 9% on 1 January 2024.
3 Source: Singapore Tourism Board

By late 2022, Singapore had successfully transitioned to living with COVID-19, with major safe management measures (SMM) lifted[4]. The relaxation of measures significantly benefitted sectors with social elements like Food & Beverage (F&B), MICE, retail and tourism.

With a progressive reopening of travel borders around the world, a steady increase in visitor arrivals is anticipated in the coming months. In addition, China reopening its borders to tourists on 8 January 2023 will further support the recovery in the tourism and retail sectors. The Government announced "the careful restoration" of air connectivity with China by progressively increasing the number of weekly flights to China, while monitoring the volatile COVID-19 situation. With the expectation that the tourism sector will continue its growth momentum this year, STB forecasts international visitor arrivals to reach around 12 to 14 million visitors, bringing in approximately S$18 billion to S$21 billion in tourism receipts in 2023.

Retail Market Overview

Retail Sales Index

The total Retail Sales Index[5] (excluding motor vehicles) in December 2022 expanded by 5.8% YoY. Some retail subsectors registered significant YoY growth in sales. These included food & alcohol (27.8%), watches & jewellery (19.2%), wearing apparel & footwear (16.5%), and cosmetics, toiletries & medical goods (11.5%). Conversely, supermarkets & hypermarkets (-5.6%) and mini-marts & convenience stores (-4.4%) recorded YoY decline in sales over the same period.

The Food & Beverage Index[6] recorded a 5.9% YoY increase in December 2022, moderating from the 16.2% YoY growth in the preceding month. Most sectors within the F&B industry observed a positive YoY growth except for restaurants. The highest growth was observed in food caterers (102.2%), attributable to the higher demand for both in-flight and event catering fuelled by the easing of restrictions on large-scale events and international travel. On the other hand, restaurants contracted by 2.7% YoY.

Online Sales as a Percentage of Total Retail Sales

In Singapore, with the shift of consumer shopping habits to online purchase of products and services, the overall proportion of online retail trade (excluding motor vehicles) remained 6.6 percentage points higher compared to pre-COVID levels (December 2019), at 14.2% in December 2022[7]. However, this is 1.9 percentage points lower compared to that in December 2021.

The trends observed in online retailing in the United Kingdom (UK) and Australia are similar to that of Singapore. UK's proportion of online retailing accounted for 25.4%[8] of the total retail sales in December 2022, representing a 1.2 percentage points YoY decrease but was 6.4 percentage points higher than that of December 2019. Similarly, the proportion of total online retail sales in Australia accounted for 10.4%[9] of total retail sales in December 2022, a 0.1 percentage point decrease YoY but was 3.8 percentage points higher than that of December 2019.

In other countries, online retailing has seen increased levels of activity. China's online retail scene remained robust, with online sales accounting for 31.3%[10] of the total retail sales in 2022, representing a 1.7 percentage points YoY increase. In the United States, retail e-commerce sales accounted for 14.7%[11] of its total retail sales in 4Q 2022, a 0.1 percentage point growth YoY over 4Q 2021.

Shoppers' Consumption and Behavioural Trends

The retail sector continued to face headwinds despite the pick-up of retail activities in 2022, pressured by the global economic outlook and the volatile nature of the COVID-19 pandemic.

With the relaxation on social mobility, more people visited brick and mortar stores. However, online retailing continues to be an indispensable element in retail and a complement to offline channels, providing a seamless shopping experience for consumers.

Digital wallets, bank transfers, and "Buy Now, Pay Later" (BNPL) payment methods have been

4 Exception for healthcare facilities, residential care homes (including welfare and sheltered homes for the aged, as well as adult disability homes) and ambulances, and public transport.
5 Retail Sales Index (2017=100), in Chained Volume Terms (seasonally adjusted), Monthly, SA (SSIC 2015 Version 2018).
6 Food & Beverage Services Index (2017=100), in Chained Volume Terms, Monthly, Seasonally Adjusted.
7 Online Retail Sales Proportion (Out Of The Respective Industry's Total Sales, Excluding Motor Vehicles) in December 2019 was 7.6%.
8 Office for National Statistics, United Kingdom
9 Source: Australian Bureau of Statistics
10 Source: National Bureau of Statistics of China
11 Source: Census.gov

Independent Market Review

growing rapidly in Singapore and are expected to continue growing their presence through 2025. Many e-commerce platforms have started introducing their own digital wallet platforms, and are increasingly partnering with BNPL providers like Atome, Pace and PayLater by Grab, to create a cohesive and vibrant e-commerce ecosystem.

Throughout the pandemic, consumers have become more sophisticated and have higher expectations on retail experiences. Many landlords have introduced placemaking events and programming to attract shoppers. For example, CapitaLand Integrated Commercial Trust (CICT) hosted an outdoor movie screening at Funan's outdoor Roof Garden and an F1 Food Truck at Plaza Singapura to provide shoppers with an engaging retail experience. CapitaLand also partnered with Disney to set up Disney-themed exhibits across 16 malls. It was one of the largest Disney-themed festive celebrations in Southeast Asia.

As awareness of sustainability continues to grow, shoppers are increasingly more conscious about the environment. This is evident in the consumers' integration of environmental concerns into their shopping habits. For instance, CBRE's Global Consumer Survey 2022 highlighted that more than half of the consumers in Singapore have supported local by purchasing local produce or shopping at independent retailers.

New initiatives such as "Naked Shopping" where shoppers have to bring their own containers to cut down on disposable packaging are also growing in popularity. "Fashion Rental Revolution" is another eco-friendly and cost-effective initiative where shoppers rent instead of buy clothing. These contribute towards reducing fashion waste and carbon footprints as well as shoppers' impulse purchases.

Looking ahead, evolving lifestyle habits, as well as the increasing awareness and importance of sustainability, will continue to weigh in on the expectations, consumption patterns and behavioural trends of shoppers.

Existing Supply

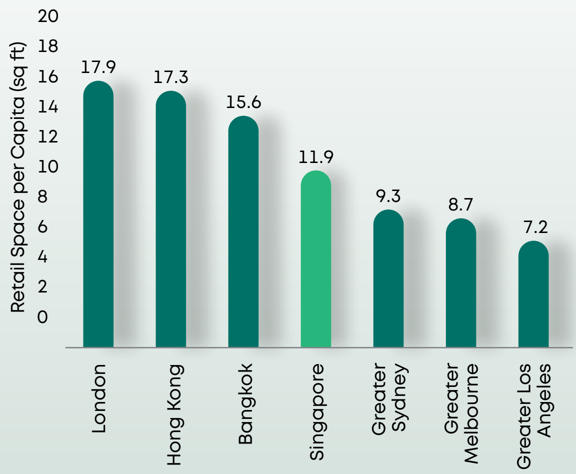
As of 4Q 2022, the total islandwide retail stock increased by 0.6% YoY to 67.1 million sq ft. Private retail stock represented 74.4% (49.9 million sq ft) of the total retail stock. Construction schedules for new projects continued to face delays in 2022 due to supply chain disruptions and manpower shortages. As such, Shaw Plaza Balestier, Sengkang Grand Mall, 8 Club Street, iMall, and Surbana Jurong Campus (SJ Campus), scheduled to complete in 2022, were postponed to 2023. Overall, the total new completions for 2022 was estimated at 88,700 sq ft, collectively contributed by the completion of Grantral Mall @ Macpherson and addition and alteration works (A&A) at Wilkie Edge.

In 4Q 2022, private retail stock in Orchard Road rose marginally by 0.4% YoY to 7.3 million sq ft and accounted for 10.9% of the total islandwide retail stock. Contrarily, the Downtown Core region, comprising Bugis, City Hall, Marina Centre, Raffles Place, and Shenton Way, saw a decrease in private retail stock by 1.3% YoY to 7.4 million sq ft in 4Q 2022 and accounted for approximately 11.1% of islandwide retail stock.

Total Retail Floor Space per Capita

Total retail floor space per capita in Singapore was estimated to be about 11.9 sq ft net lettable area (NLA) per capita in 2022, a contraction from the 12.2 sq ft in the previous year. This was attributed to population growth in 2022. Singapore's total retail floor space per capita provision is higher than those of Greater Sydney, Greater Melbourne, and Greater Los Angeles but lower than London, Hong Kong, and Bangkok.

PRIVATE RETAIL FLOOR SPACE PER CAPITA OF DEVELOPED CITIES AND METROPOLITAN AREAS IN 2022



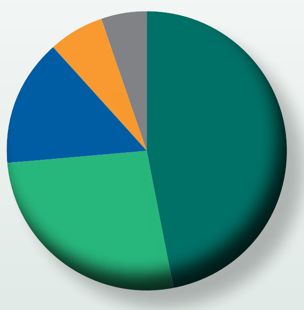
Source: CBRE, GOV.UK, Rating and Valuation Department, Property Council of Australia, Singstat, Australian Bureau of Statistics, United States Census Bureau, 2022

Private Retail Stock Ownership

Corporations and developers such as CapitaLand, Frasers Property Group and Far East Organization remained the largest owners of private retail stock in Singapore. They accounted for approximately 47.0%[12] of the private retail stock NLA as at 4Q 2022. Real Estate Investment Trusts (REITs), such as CICT, Mapletree Pan Asia Commercial Trust and Frasers Centrepoint Trust (FCT), are the second largest owners, representing an estimated 26.7% of private retail stock. The remaining 26.3% of the private retail stock is spread across strata-titled owners, funds and insurance houses, others and public.

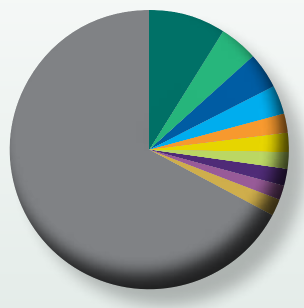
CICT continued to be the largest owner of private retail stock in Singapore, owning approximately 9.1% of the total private retail stock.

ESTIMATED BREAKDOWN OF PRIVATE RETAIL STOCK OWNERSHIP IN SINGAPORE[13]



Source: CBRE Singapore, 4Q 2022

ESTIMATED SHARE OF PRIVATE RETAIL STOCK BY OWNER[14]



Source: CBRE Singapore, 4Q 2022

Future Supply

The total retail supply coming into the market between 2023 and 2025 is approximately 1.7 million sq ft. This amounts to an average of about 551,000 sq ft of retail space per annum, which remains slightly lower than the historical 5-year annual average completion (2018-2022) of about 617,000 sq ft. As the construction sector continued to face challenges such as labour shortages and rising construction costs, several projects were delayed from 2022 to 2023.

In 2023, approximately 0.9 million sq ft of retail space is expected to come into the market, with the majority of the supply located in the Fringe area, including The Woodleigh Mall, One Holland

12 Based on URA's total private stock

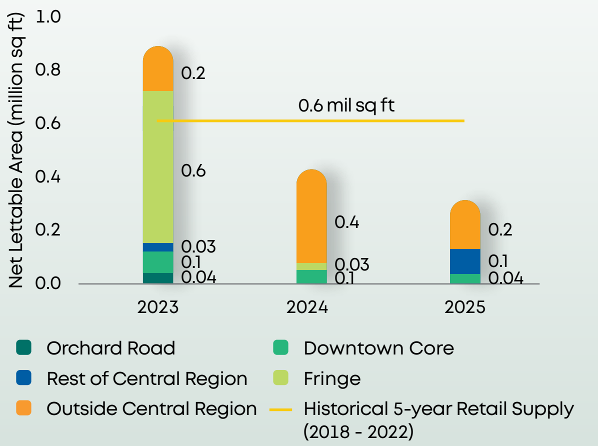
13 The share of ownership is as of 31 December 2022. Excludes Mercatus' divestment of its stakes in Jurong Point and Swing By @ Thomson Plaza, as well as its 50% stake in Nex, which are expected to complete in 1H 2023. Upon completion in 1H 2023, Corporations/Developers and REIT will represent 45.0% and 28.7% of the total private retail stock ownership in Singapore respectively, with the rest remaining unchanged. This also assumes no changes to the ownerships of the rest of the stock.

14 The share of ownership is as of 31 December 2022. Excludes Mercatus' divestment of its stakes in Jurong Point and Swing By @ Thomson Plaza, as well as its 50% stake in Nex, which are expected to complete in 1H 2023. Upon completion in 1H 2023, FCT, Mercatus and Link REIT will represent 4.4%, 2.0% and 1.7% of the total private retail stock respectively, assuming no changes to the ownership of the rest of the stock.

Village and Marine Parade Underground Mall. Other notable projects expected to complete include Sengkang Grand Mall in the Outside Central Region (OCR) submarket. Some 0.4 million sq ft of supply is scheduled to be completed in 2024, of which, the OCR submarket will be the largest contributor with the completion of Pasir Ris Mall and the A&A works of T2 Airport. In 2025, the retail supply is projected to be approximately 0.3 million sq ft and includes Punggol Digital District and CanningHill Square entering the OCR and the Rest of Central Region (RCR) respectively.

By submarket, the OCR and Fringe submarkets are the largest contributors of future supply from 2023 to 2025 and will account for 42.8% and 36.6% respectively, while the Downtown Core, RCR, and Orchard Road submarkets account for the remaining 20.5%.

ISLANDWIDE FUTURE RETAIL SUPPLY (2023 – 2025)



Source: CBRE Singapore, 4Q 2022

Major Future Retail Supply (2023 – 2025)

	2023: 0.9 million sq ft	2024: 0.4 million sq ft	2025: 0.3 million sq ft
Orchard Road	• Grange Road Carpark: 42,000 sq ft	N.A.	N.A.
Downtown Core	• Guoco Midtown: 50,000 sq ft • IOI Central: 30,000 sq ft	• Odeon Towers: 25,000 sq ft • Keppel South Central: 27,300 sq ft	• TMW Maxwell: 35,200 sq ft
Rest of Central Region	• 8 Club Street: 33,300 sq ft	N.A.	• CanningHill Square: 96,900 sq ft
Fringe	• The Woodleigh Mall: 208,000 sq ft • One Holland Village: 117,000 sq ft • Marine Parade Underground Mall: 99,800 sq ft • Shaw Plaza Balestier: 67,500 sq ft • iMall: 60,000 sq ft • The Linq: 25,100 sq ft	• Labrador Tower: 28,300 sq ft	N.A.
Outside Central Region	• Sengkang Grand Mall: 109,000 sq ft • Dairy Farm Mall: 32,300 sq ft • Komo Shoppes: 27,000 sq ft	• Pasir Ris Mall: 289,900 sq ft • T2 Airport: 64,600 sq ft	• Punggol Digital District: 185,000 sq ft

Source: CBRE Singapore, 4Q 2022

Demand and Vacancy

With the resumption of economic activities and the reopening of Singapore's borders, retailers are cautiously optimistic about the eventual return of tourist spending. The pandemic has significantly raised the expectations of consumers' retail experience and landlords began injecting freshness and strong placemaking to attract footfall. These included activity-based tenants, pop-up stores, supermarkets with niche concepts, and omnichannel-enabled fashion retailers. In particular, pop-up concept stores, which serve as a testbed for retailers to experiment with new concepts, was one of the key retail trends in 2022 and is expected to continue its popularity into 2023.

With the return of tourists and the pick-up in the hotel industry, retail spaces near and within hotels are gaining traction from tenants, particularly those in the F&B sector. Some new establishments include Nobu Restaurant at Four Seasons Hotel, Sol & Ora at The Outpost Hotel, Las Palmas at Courtyard by Marriott Singapore Novena and Café Natsu at Citadines Connect City Centre Singapore.

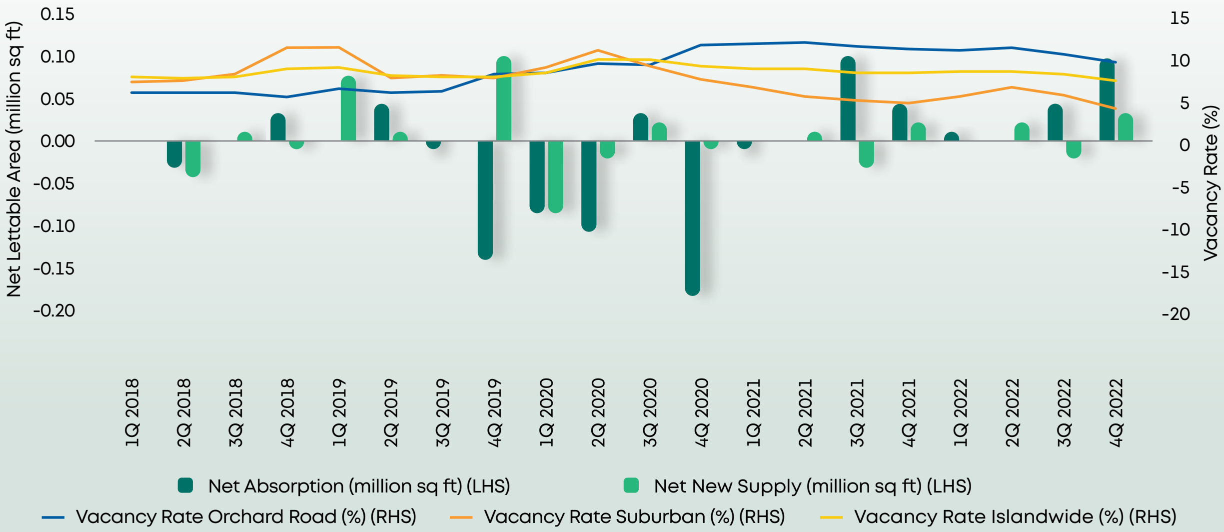
In terms of rental terms and lease structures, landlords have shown a preference for a base plus gross turnover (GTO) lease structure, which is compliant with the 'Code of Conduct for Leasing of Retail Premises in Singapore' and viewed as a fairer option as landlords share the burden and success of retail sales with the tenants. Green leases are also increasingly used in tenancy agreements as part of sustainability initiatives, where tenants and landlords work together to fulfil their respective commitments towards reduction in consumption of energy, water, and waste. In general, tenants prefer commercial buildings with green or sustainability credentials and these buildings can potentially command a price premium over developments that are not. CBRE observes the premium to be between 5% and 7% in Singapore, approximately 6% in Europe and between 2% and 8% in Australia.

The islandwide retail market registered a positive net absorption of 1.0 million sq ft for 2022. The positive net absorption was supported by businesses in the F&B sector (e.g. Shake Shack, PS Café, and Kaarla), the athleisure sector (e.g. Kydra, Nike, Puma and Fjällräven), as well as the fashion sector (e.g. Young Hungry Free, & Other Stories, Uniqlo and The Decorum Singapore). Nonetheless, there were some prominent closures over the same period. These included businesses in the entertainment sector (e.g. Filmgarde and Cathay Cineplex), the furniture sector (e.g. Vhive) and the fitness sector (e.g. X Fitness and Kyklos Studio).

The vacancy rate for islandwide retail contracted by 0.9 percentage points YoY to 7.1% in 4Q 2022 while the vacancy rate in Orchard Road declined 1.7 percentage points YoY to 9.3%, bolstered by improving retail sentiments on the back of the eventual return of tourist spending. Similarly, the suburban market recorded a marginal contraction in vacancy rate by 0.7 percentage points YoY to 3.8%.

For 2023, a majority of retailers display a strong appetite for expansion, with 71% of respondents to CBRE's 2023 Asia Pacific Retail Flash Survey priming to open more stores. Among Asia Pacific destinations, Singapore ranked as the second top destination for cross-border expansion, up from third place last year.

ORCHARD ROAD SUPPLY AND DEMAND



Source: CBRE Singapore, 4Q 2022

Rental Values

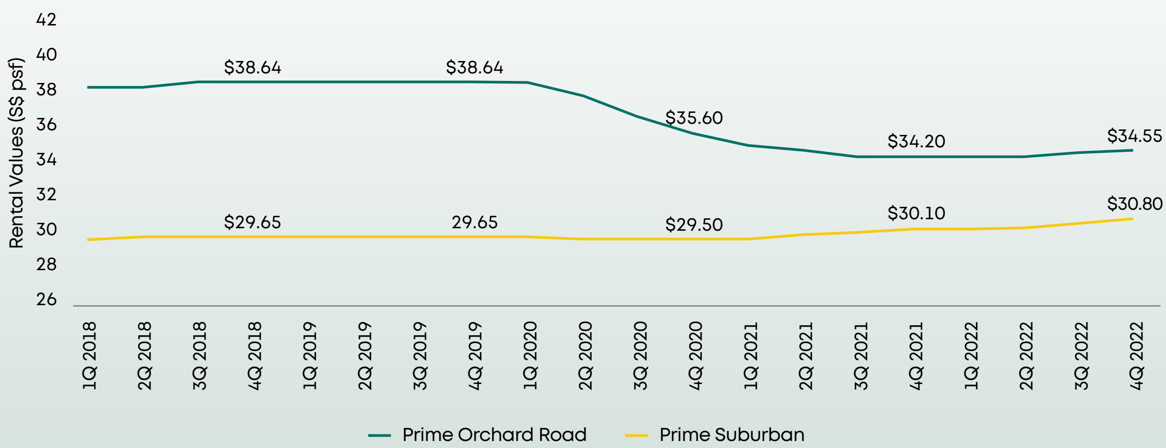
Average islandwide prime retail rents increased by 1.6% YoY in 2022, a turnaround from the negative 2.2% YoY in 2021. While the retail market continued to improve, the momentum remained challenged due to persistent inflation and manpower shortages. On the other hand, the rise in service charges has partially contributed to an increase in rental values in 4Q 2022. Prime Orchard Road rents increased by 0.3% QoQ and 1.0% YoY to S$34.55 psf/month in 4Q 2022. Retailers remained cautiously optimistic about the market in view of the return of tourism spending as well as the global economic uncertainties.

Meanwhile, supported by healthy footfall, prime Suburban rents continued its resilience in 4Q 2022, registering a positive rental reversion for seven consecutive quarters, recording a 1.0% QoQ and 2.3% YoY growth to S$30.80 psf/month. In 4Q 2022, the rental premium between the two markets continued to narrow due to the resilience of the Suburban market and its higher rate of rent growth.

Amidst the ongoing global economic challenges, the improved global and domestic mobility alongside a below-historical average new retail supply in the next few years will provide some support to the recovery in retail rents for the rest of 2023.

Independent Market Review

PRIME ORCHARD ROAD AND PRIME SUBURBAN MONTHLY RENTAL VALUES



Source: CBRE Singapore, 4Q 2022

Investment Transactions and Capital Values

Following a road to recovery in 2021, 2022 concluded with a remarkable 5.6-fold growth YoY in investment transactions totalling S$5.1 billion, mainly driven by a low base effect from the preceding year. Retail investment activities was active in the first three quarters of 2022. However, persistent increases in interest rates and an uncertain global economic backdrop began to weigh in on investment considerations for potential investors, contributing to a slowdown in activity in 4Q 2022.

Major retail investment transactions in 1Q 2022 included the acquisition of Jem (68.2%) by Lendlease Global Commercial REIT from Lendlease Commercial Investments and Lendlease Asian Retail Investment Fund 3 at S$1.4 billion (S$2,329 psf), the divestment of JCube by CICT to CapitaLand Development for S$340.0 million (S$1,619 psf), and the sale of Wisteria Mall by BBR Holdings-unit to Schroders, a UK private equity firm for S$208 million (S$1,115 psf).

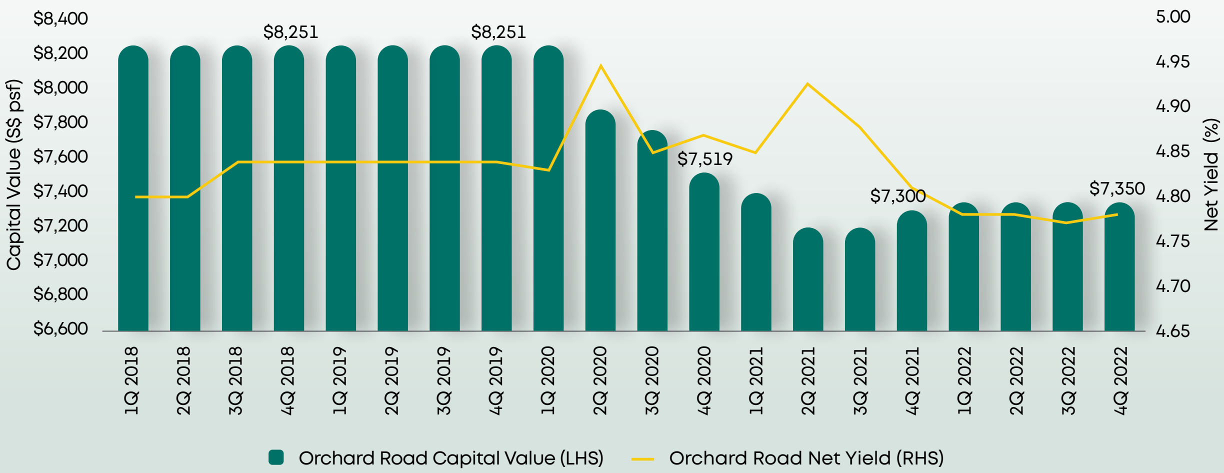
In 2Q 2022, Cuscaden Peak acquired the stakes held by Singapore Press Holding in The Seletar Mall (70%) and The Woodleigh Mall (50%) for S$336.4 million (S$3,651 psf) and S$315.5 million (S$3,033 psf) respectively. In 3Q 2022, Cuscaden Peak and its concert parties acquired a 61.7% stake in PARAGON REIT (formerly known as SPH REIT), whose portfolio includes Paragon (S$1,646.9 million, S$3,719 psf), The Clementi Mall (S$368.5 million, S$3,060 psf) and the Rail Mall (S$38.4 million, S$1,250 psf). Over the same period, a 10% stake in Waterway Point was acquired by FCT from Sapphire Star Trust at S$132.3 million (S$3,398 psf). There were no notable investment transactions that concluded in 4Q 2022.

Hong Kong's Link REIT announced in December 2022 that it would be acquiring Jurong Point Shopping Centre for S$2.0 billion (S$2,762 psf) and Swing By @ Thomson Plaza for S$172.5 million (S$1,568 psf), from Mercatus. The acquisition is expected to complete by end-March 2023.

In addition, Mercatus announced in January 2023 that it would divest 50% of its indirect stake in NEX for S$652.5 million (S$3,274 psf based on agreed property value) to Frasers Property Limited and FCT jointly. This acquisition is expected to complete by 1H 2023.

Orchard Road capital values increased by 0.7% YoY to S$7,350 psf in 4Q 2022, while net yields decreased by 3 basis points (bps) to 4.78% in the same period.

ORCHARD ROAD CAPITAL VALUE AND NET YIELDS



Source: CBRE Singapore, 4Q 2022

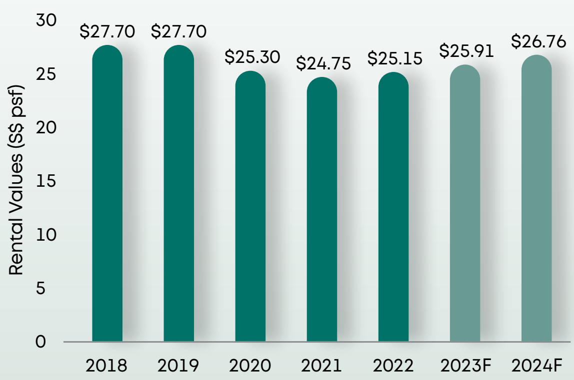
Market Outlook
With the growing emphasis on experiential retail, the Singapore Retailers Association has set out a transformative roadmap to support retailers in creating personalised retail experiences. In addition, Enterprise Singapore has also unveiled a similar road map for the sector, focusing on encouraging new experiential concepts and grooming talents. Landlords' compliance with the code of conduct will provide retailers with more confidence in signing lease agreements. As such, the retail industry is expected to be an attractive industry in the years to come.

However, key challenges such as the rise in manpower and utility costs, persistent inflation, slowdown in global economic growth, rising interest rates, and the GST hike would continue to weigh down on the overall retail market sentiments. In addition, the possible emergence of new COVID-19 variants, the geopolitical tension between Russia and Ukraine, and the resulting disruption in the supply chain could pose further challenges to Singapore and its retail market. Nonetheless, retailers remain cautiously optimistic about the retail outlook on the back of improved mobility and the return of tourists and office crowds.

Moving forward, the recovery in tourism market will support the retail sector. The reopening of China's borders, the largest source of overseas visitors in 2019 before the pandemic, will likely boost retail sales in tourist-dependent submarkets like Orchard Road. Similarly, malls in the Downtown Core will continue to benefit from the increase in footfall on the back of return-to-office arrangements since 2Q 2022. On the other hand, the suburban market will continue to be resilient and register rental growth amid strong demand from its local catchment and limited availability.

In all, CBRE expects improved mobility and a below-historical average new retail supply over the next few years to sustain the recovery of retail rents in 2023. Capital values are expected to remain resilient. However, investors are likely to exercise prudence in their investment decisions and adopt a wait-and-see approach during this period. Yields are anticipated to register a slight uptick in the meantime, as investors recalibrate their pricing expectations. Despite the shorter-term uncertainties, CBRE expects strategic assets with strong performances backed by solid underlying fundamentals and demand drivers to remain attractive to prospective investors in the longer term.

AVERAGE PRIME ISLANDWIDE MONTHLY RENTAL



Source: CBRE Singapore, 4Q 2022

Office Market Overview

Existing Supply

Islandwide office stock totalled 62.5 million sq ft as at 4Q 2022. The Central Business District (CBD) Core accounts for 32.0 million sq ft (or 51.2%) of islandwide office stock, of which 14.8 million sq ft is Grade A CBD Core office space. CBD Fringe and Decentralised Area office stock stood at 15.9 million sq ft (or 25.4%) and 14.7 million sq ft (or 23.4%) respectively.

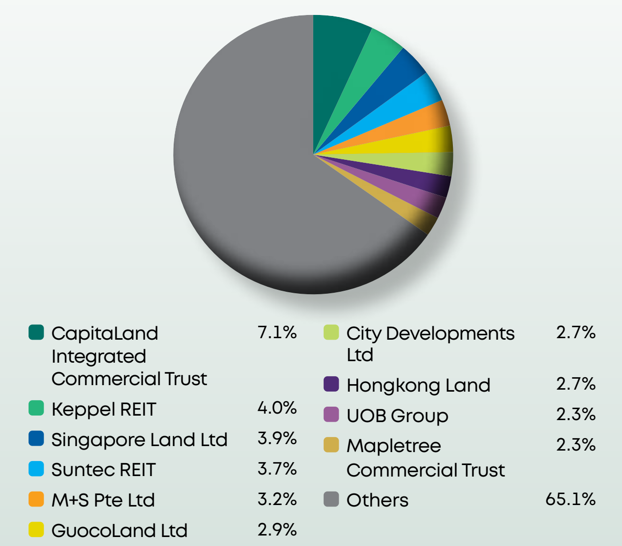
Approximately 1.0 million sq ft of office stock was completed in 2022. Major developments completed include the office component of Guoco Midtown (709,100 sq ft) and the redevelopment of Hub Synergy Point (117,000 sq ft) in the CBD Fringe, and Rochester Commons (195,000 sq ft) in the Decentralised Area.

Office Stock Ownership

The top 10 owners of office stock in Singapore are largely corporations, developers and REITs. As of 2022, CICT, which owns 7.1% of total office stock NLA[15], is the largest owner of office stock. This is followed by Keppel REIT (4.0%) and Singapore Land Limited (3.9%). Out of the total office stock, the top 10 owners own approximately 34.9%, while other developers, funds and insurance houses, strata-titled owners and others own the remaining 65.1%.

The CapitaLand Group, which includes CICT, CapitaLand Development, CapitaLand Investment and CapitaLand Ascendas REIT, owns approximately 8.7% of islandwide office stock.

ESTIMATED SHARE OF OFFICE STOCK BY OWNER



Source: CBRE Singapore, 4Q 2022

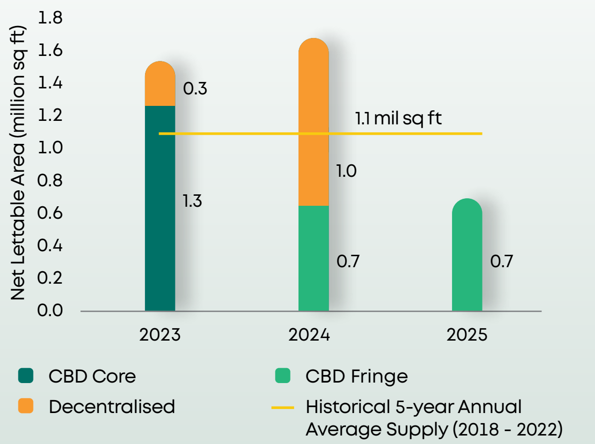
15 Based on CBRE's total islandwide office stock.

Future Supply

Between 2023 and 2025, islandwide new office supply is projected at 3.9 million sq ft. Out of this total pipeline supply, the CBD Core accounts for 32.2%, while the CBD Fringe and Decentralised Area account for the remaining 34.6% and 33.3% respectively. Average annual office supply from 2023 to 2025 is approximately 1.3 million sq ft, slightly higher than the last five-year historical average annual supply of 1.1 million sq ft.

In 2023, pipeline supply includes IOI Central Boulevard Towers (1.3 million sq ft), which is the only new supply coming into the CBD Core in the next three years, as well as the office components of SJ Campus (211,600 sq ft) and One Holland Village (65,200 sq ft) in the Decentralised Area. For 2024, expected office completions include 333 North Bridge Road (40,000 sq ft) and the redevelopment of Keppel Towers and Keppel Towers 2 (613,500 sq ft) in the CBD Fringe, and Labrador Tower (696,800 sq ft) and Paya Lebar Green (327,100 sq ft), originally Certis Paya Lebar, in the Decentralised Area. Developments coming into the market in 2025 comprise mainly redevelopments namely, Shaw Tower Redevelopment (435,000 sq ft) and Newport Tower (262,600 sq ft), which is the redevelopment of Fuji Xerox Towers in the CBD Fringe.

ISLANDWIDE FUTURE OFFICE SUPPLY (2023 – 2025)



Source: CBRE Singapore, 4Q 2022

Major Future Office Supply (2023 – 2025)

	2023: 1.5 million sq ft	2024: 1.7million sq ft	2025: 0.7 million sq ft
CBD Core	• IOI Central Boulevard Towers: 1,258,000 sq ft	N.A.	N.A.
CBD Fringe	N.A.	• Keppel Towers and Keppel Towers 2 Redevelopment: 613,500 sq ft • 333 North Bridge Road: 40,000 sq ft	• Shaw Tower Redevelopment: 435,000 sq ft • Newport Tower (Fuji Xerox Towers Redevelopment): 262,600 sq ft
Decentralised Area	• Surbana Jurong Campus (Office Component): 211,600 sq ft • One Holland Village (Office Component): 65,200 sq ft	• Labrador Tower: 696,800 sq ft • Paya Lebar Green (Certis Paya Lebar Redevelopment): 327,100 sq ft	N.A.

Source: CBRE Singapore, 4Q 2022

Going forward, the supply of new office spaces in the CBD is expected to be limited. Office space requirements are gradually changing as occupiers pivot into a new hybrid workplace model. Developers have recognised this shift and look to leverage the CBD Incentive (CBDI) and Strategic Development Incentive (SDI) schemes to redevelop and rejuvenate their older assets. This will further contribute to the tightening of office supply in the CBD.

Developments such as AXA Tower, Fuji Xerox Towers and Maxwell House are being redeveloped under the CBDI Scheme, while Central Mall, Central Square and Faber House, under the SDI Scheme. These will be redeveloped into mixed-use developments comprising offices, retail spaces, serviced apartments and hotels. Other buildings that have received in-principle approval under the CBDI Scheme are Realty Centre, ABI Plaza and 78 Shenton Way, while there are several planned redevelopments such as PIL Building, Clifford Centre and ComCentre which will not be redeveloped under either schemes. In addition, there are no new Government Land Sales (GLS) sites with a major office component available under the 1H and 2H 2022 GLS Programmes, further limiting the office supply in the CBD.

Even though the CBD currently has the largest quantum of office stock, new supply is slated to be outside the CBD as the Government's focus will be on decentralisation. A key area of interest is the Jurong Lake District, where it will eventually be the largest business district outside the CBD with the release of a "white site" under the 1H 2023 GLS Programme. With a potential to yield about 1.6 million sq ft GFA of office space, along with other complementary uses, this marks the largest GLS office space supply since 2016, and the largest in a decentralised location. The scalability and new development design concepts could potentially be a unique selling point for occupiers. The location could offer cost advantages with the right execution and target occupier groups.

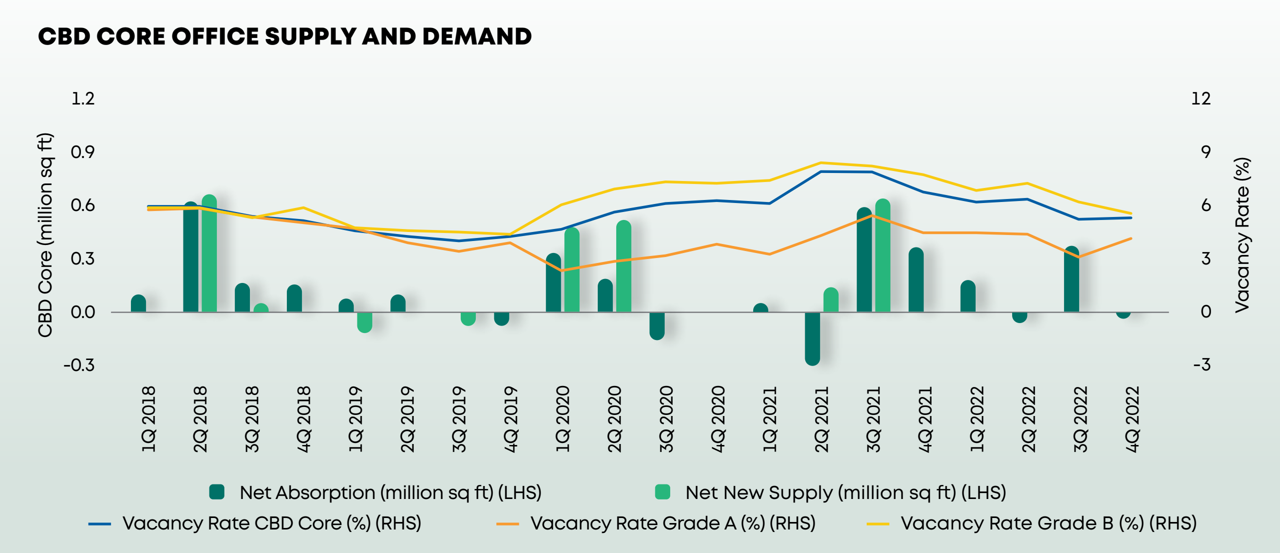
With the redevelopment of older office stock into mixed-use developments and more urban renewal projects expected in the next few years, coupled with limited new supply under the GLS scheme and the Government's focus on decentralisation, the mid and long-term CBD office stock is expected to remain limited.

Demand and Vacancy

The positive momentum of office demand from 2021 continued into 2022. Amid the adaptation of the hybrid model and recalibration of office space requirements, flight-to-quality persisted. While some rightsizing and consolidation across various sectors was observed, renewal and expansion activities have been robust. For most of 2022, key demand drivers were mainly technology firms, flexible workspace operators and non-bank financial companies.

However, demand slowed from these traditional markets following mass layoffs and hiring freezes in the technology sector, coupled with caution amongst flexible workspace operators due to rising business costs and economic uncertainty. Leasing activity in 4Q 2022 was dominated by the non-bank financial services, Fast-Moving Consumer Goods (FMCG) and legal sectors. The traditional banking sector continued to contract in 2022.

Leasing demand in 2023 is likely to be more broad-based. With Singapore's status as a key financial and wealth management hub, the non-bank financial companies are showing growing interests in Singapore as their headquarters, and sectors such as private wealth and asset managers have been expanding. This has created a higher demand for supporting industries such as legal & tax advisory, real estate and insurance sectors. Additionally, with improved consumption levels driven by the recovery of the tourism sector, the growth for the FMCG sector is expected to persist. Office demand will also continue to be supported by tenant displacement from planned redevelopments and the changing global dynamic.



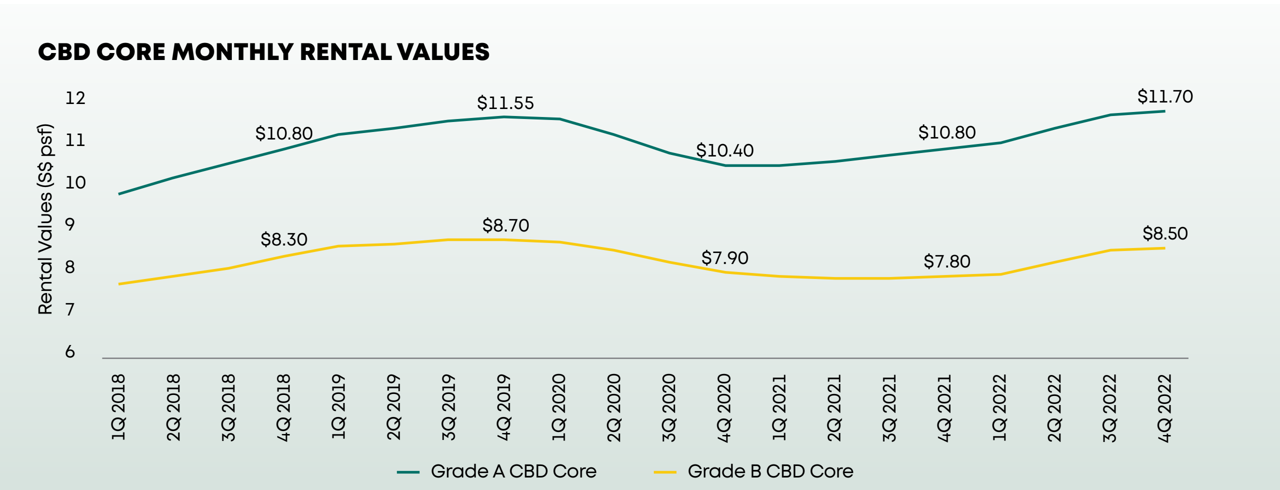
Source: CBRE Singapore, 4Q 2022

Islandwide net absorption was 1.1 million sq ft for the whole of 2022, surpassing the five-year historical islandwide office average annual net absorption (2018 – 2022) of 0.7 million sq ft. It also greatly exceeded the total take-up of 0.3 million sq ft in 2021. The strong positive net absorption was contributed by expansions and new setups in growth sectors and pre-commitments that actualised into occupied stock in newly completed developments like Guoco Midtown. The resilience in leasing demand is a testament to the integral role that the physical office still plays in the workplace ecosystem. While occupiers could grow more cautious in their expansion plans in anticipation of global economic uncertainties, the longer-term outlook for the Singapore office market remains positive in light of its strong fundamentals and a tight supply pipeline.

Against strong positive net absorption, islandwide office vacancy rate was 5.0% in 4Q 2022, a 1.3 percentage points decline from 6.3% YoY. Similarly, vacancy in the CBD Core fell to 5.3% in the same period, a 1.4 percentage points decrease from 6.7% YoY.

Rental Values

There was a broad-based rental recovery islandwide in 2022, as business confidence returned and demand spilled over to other submarkets on the back of low vacancy in the CBD Core. Grade A CBD Core rents registered its seventh consecutive quarter of growth, rising 0.9% QoQ and 8.3% YoY to $11.70 psf/month in 4Q 2022, surpassing the pre-pandemic peak of $11.55 psf/month in 4Q 2019. Similarly, Grade B CBD Core rents increased for the fifth consecutive quarter by 0.6% QoQ and 9.0% YoY to $8.50 psf/month. However, the accelerated pace of rental growth observed in the first three quarters of 2022 weakened in 4Q 2022, on the back of global economic uncertainties and a slowdown in the technology sector. As such, rents are largely expected to hold firm in 2023, barring increases in service charges as a result of rising utility costs and inflationary pressures.

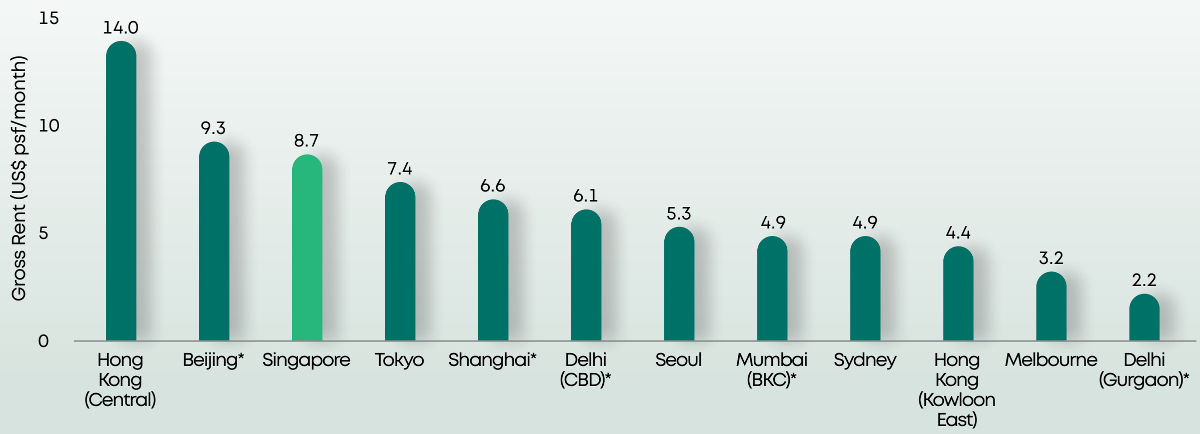


Source: CBRE Singapore, 4Q 2022

Gross Rent[16] in Major Cities in Asia Pacific

Singapore and Seoul were the only two Asia Pacific markets that saw an increase in occupancy costs YoY. Singapore Grade A gross rents expanded by 8.7% YoY and surpassed that of Tokyo to rank third among major Asia Pacific cities in 4Q 2022, after Hong Kong (Central) and Beijing. The growth in prime office gross rents in Singapore reflects the strong fundamentals in the office market and will remain an attractive location for businesses, given its strategic location as a key gateway city within Asia Pacific.

GRADE A GROSS RENT ACROSS ASIA PACIFIC CITIES



Source: CBRE APAC, 4Q 2022

* Rents quoted for mainland China and India are on a face rents basis, while the rest are effective rents. The data is also standardised into Net Floor Area.

Office Investment Market and Capital Values

The office investment market was active in 2022 with investment volume amounting to S$7.3 billion, increasing 53.6% YoY on the back of improved investor sentiments, particularly in 1H 2022.

Office transactions in 1Q 2022 were centred around big-ticket CBD office building deals. CICT and CapitaLand Open End Real Estate Fund acquired CapitaSky at 79 Robinson Road from Southernwood Property Pte. Ltd., a special-purpose vehicle set up by CapitaLand Investment Ltd. and wholly-owned subsidiaries of Mitsui & Co and Tokyo Tatemono, for S$1.3 billion (S$2,423 psf), Frasers Logistics and Commercial Trust divested Cross Street Exchange to SCC Straits Pte Ltd with the office component accounting for S$631.0 million (S$2,064 psf), and AEW sold Twenty Anson to Kohlberg Kravis Roberts & Co (KKR) for S$595.0 million (S$2,886 psf) and 55 Market Street to a Kajima Corporation unit for S$287.0 million (S$3,450 psf).

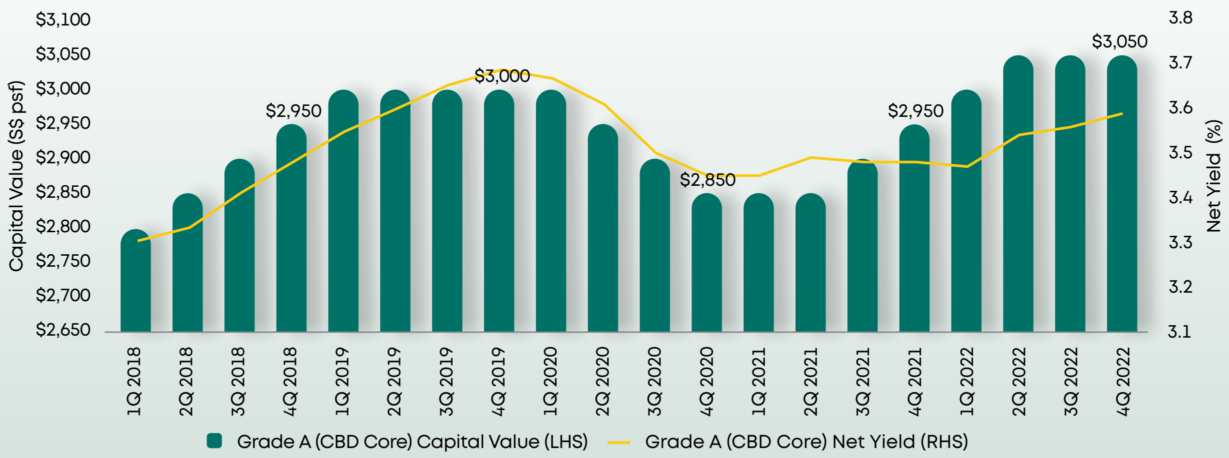
In 2Q 2022, NTUC Income Insurance sold Income@ Raffles to Bright Ruby Resources for S$1.0 billion (S$3,617 psf), AEW purchased Westgate Tower from Sun Venture Group for S$680.0 million (S$2,230 psf), SingHaiyi, Haiyi Holdings and Chip Eng Seng purchased a combined stake of 21% in AXA Tower from Kuok (Singapore), Shenton Circle, Imagine Properties, PE One and Huatland Development for S$352.8 million (S$1,083 psf), and Kajima Corporation purchased Nehsons Building from Nehsons Pte. Ltd. for S$111.1 million (S$2,200 psf).

Transactions in 3Q 2022 mainly comprised smaller strata unit sales purchased by family offices or private individuals for their own use or wealth preservation. The largest transaction for the quarter was Lendlease's S$798.7 million investment in a 49% stake in a joint venture company with Singtel to redevelop Singtel's headquarters, Comcentre. In 4Q 2022, transaction volume totalled S$683.5 million, a 32.2% contraction QoQ. Similar to the previous quarter, transactions were mainly strata units transactions, with a notable transaction being SMFL MIRAI Partners' purchase of a 50% stake in Lazada One from ESR Group for S$364.0 million (S$2,804 psf based on a full stake).

16 Gross rents (or occupancy costs) in US$ are standardised for all markets in Net Floor Area and value cannot be directly calculated by applying exchange rate only.

Independent Market Review

GRADE A CBD CORE OFFICE CAPITAL VALUE AND NET YIELDS



Source: CBRE Singapore, 4Q 2022

In 4Q 2022, Grade A CBD Core capital values increased by 3.4% YoY to S$3,050 psf. In particular, capital values grew from S$2,950 psf in 4Q 2021 to S$3,050 psf in 2Q 2022 and remained consistent through 2H 2022. Grade A CBD Core net spot yields also expanded by 0.1 percentage points YoY to 3.59% in 4Q 2022. Moving forward, capital values are expected to remain resilient even as investor sentiment turned cautious. Investors are adopting a wait-and-see approach amid the faster-than-expected interest rate hikes and global economic uncertainties.

In turn, yields may witness slight decompression in the short term. The mid-to-long-term outlook for office assets remains positive, supported by healthy liquidity in the market and strong market fundamentals. Strata office units are also expected to continue to attract market interests.

Office Market Outlook

While the office sector performed strongly in 2022, market sentiment started to turn cautious towards the end of the year. The demand slowdown was expected from larger occupiers, particularly those from the technology sector. Although the technology sector has traditionally been a strong demand driver, accounting for approximately 35% of leasing demand among the top 10 sectors in 2022, expansion activity is likely to ease due to cost cutting measures. CBRE also expects the amount of shadow space to increase in the short-term.

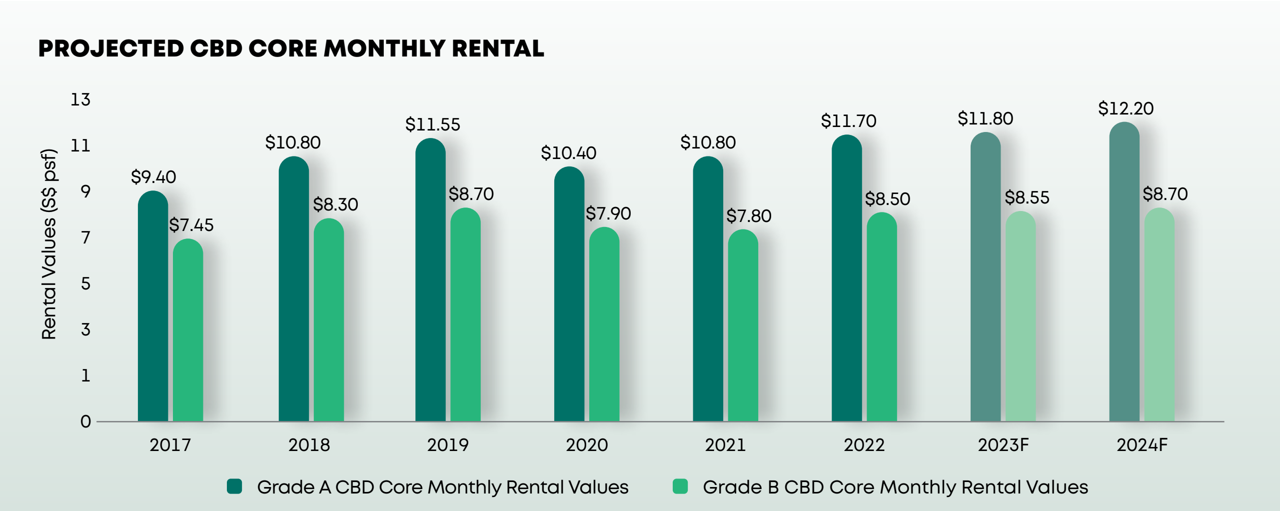
There are still other growth demand drivers such as demand from non-banking financial institutions and the legal sector, as well as relocations of corporates from both domestic and overseas markets. However, as their requirements tend to be mid-sized, their demand may not be sufficient to fill the gap from the weakening demand in the technology sector.

Moving forward, the softer market conditions could provide an opportunity for occupiers to reset and reassess their office requirements, on the back of the recovery from the pandemic, as well as inflationary pressures and higher business costs. In particular, flight-to-quality will likely persist as companies continue to pay more attention to employees' health and wellness post-pandemic. Occupiers inclined to reduce their footprint may choose to upgrade to smaller but better-quality offices. These occupiers may consider alternatives such as shadow spaces that have been given up by technology companies. The demand for higher quality buildings will impact the occupancies and rentals of Grade B buildings in the CBD. As the two-tier market surfaces, more landlords could likely see the opportunity to undertake Asset Enhancement Initiatives (AEIs) to unlock the value of their assets in the longer term. This will help to enhance the overall quality of office buildings in the CBD.

With the widespread adoption of hybrid working, office utilisation has stabilised to about 70% to 80%. While many occupiers are adopting hot-desking and other forms of flexible seating to maximise efficiency, there is no one-size-fits-all approach. As such, the challenge ahead would be accommodating employees' needs to cater to productivity, engagement and the culture of various companies.

CBRE expects a softer increase in Grade A CBD Core rents in 2023, mainly attributable to the service charges that landlords will effectively price in from the start of the year. Rents are likely to pick up more meaningfully in 2024 as the situation normalises. Vacancy rates, on the other hand, could potentially increase on the back of weaker demand conditions in 2023.

In the longer term, Singapore remains a regional technology hub and the prospects for the technology sector remains positive. The long-term office outlook and rental growth prospects also remain positive as future supply and vacancy rates remain relatively tight. Even as the market calibrates with the shifts in office demand and changing trends, Singapore will continue to be one of the major business hubs of choice in the Asia Pacific.



Source: CBRE Singapore, 4Q 2022

Integrated Development Market Overview

The shift towards a live-work-play environment in recent years has contributed to the strong demand for integrated developments, which are well supported by a working population and an immediate residential catchment, creating a sustainable and vibrant ecosystem.

While mixed-use developments typically comprise a commercial component in addition to a residential component, integrated developments are often seen as superior to other mixed-use developments, as they:

- feature a mix of different yet synergistic uses like retail, office, residential or hospitality, managed under one management;
- offer a mix of uses which provides a "campus-like" or "precinct-type" of environment;
- possess excellent connectivity to transportation nodes;
- have high-quality green features and open spaces for the community; and
- offer value-added services[17] for tenants and other stakeholders.

The Government, via the Urban Redevelopment Authority (URA) through programmes such as the Government Land Sales (GLS) Programme, CBDI Scheme and SDI Scheme, has successfully introduced more mixed-use precincts and integrated developments. Recent completions of such developments include Guoco Midtown and Rochester Commons.

In December 2022, the GLS Programme released two potential integrated development sites on the 1H 2023 Confirmed List, which consists of two sizeable "white sites" at Marina Gardens Crescent in the Central Region and Jurong Lake District in the West Region.

The 1.7-hectare site at Marina Gardens, which can potentially yield 6,000 sq m of commercial space and 775 housing units, is located within the Marina South precinct. The Marina South precinct is planned to be a mixed-use residential neighbourhood comprising residential, hotel, retail and some office uses. The precinct is also envisioned to be car-lite and characterised by pedestrian-friendly streets, a comprehensive cycling network, a pedestrian mall and an underground pedestrian network connecting the two Thomson-East Coast Line Mass Rapid Transit (MRT) stations at Gardens by the Bay and Marina South.

The Jurong Lake District site will be released for sale to a master developer and comprises three plots of land linking the Jurong East MRT station and the future Jurong Lake District station in the Cross Island Line. The 6.8-hectare site is estimated to yield a total GFA of 375,000 sq m, of which, the first phase will yield approximately 600 housing units and minimally 70,000 sq m of office quantum. It is also expected to include complementary uses such as retail, hotel and community uses.

17 Includes integrated services across different parts of the integrated development, tenant offers and events, access to certain privileges such as discounts and updates, and the use of other facilities and amenities within the larger integrated development.

Advantages and Observations of Integrated Developments
Integrated developments are observed to have advantages over conventional developments in certain aspects. In general, the office component within integrated developments can potentially command rental premiums of approximately 5% to 15% and are particularly more pronounced in decentralised locations.

In decentralised locations where quality stock is limited, offices in integrated developments have better specifications and are limited in supply. They are also highly connected to transport nodes and have greater accessibility to amenities. This contrasts with Grade B standalone offices in decentralised areas which typically do not enjoy the same level of connectivity and convenience. In the CBD Core, a smaller margin of premium is observed in offices of integrated developments over single-use developments and mixed-use developments with no direct transport connectivity (other developments) as premiums are largely dependent on the quality of the building, location and proximity to amenities. Most offices in the CBD Core, whether integrated or standalone, have good specifications and easy access to transport nodes and surrounding amenities. As such, the rental premiums between such Grade A offices in integrated developments and standalone buildings are likely to be less pronounced.

For the retail component within integrated developments, rents are primarily driven by retail trade, location and amenities within the locality. The enhanced accessibility to amenities and connectivity to transport nodes contributes to a 10% to 20% premium in retail spaces of integrated developments over other developments. Integrated developments in decentralised locations tend to have a larger premium, as they have distinct advantages such as a larger onsite catchment of office workers, residents, hotel guests or serviced apartment residents. Due to these advantages, there is a higher probability of visibility and thus footfall, which attract tenants to be located in such developments. In addition, integrated developments are generally owned and managed by established companies with proactive lease and property management teams, which retail tenants typically look for and are attracted to. As such, it could contribute in part to the rental premium observed.

Future Supply
Between 2023 and 2025, four new integrated development projects are expected to complete. This includes One Holland Village and The Woodleigh Residences in 2023, and Pasir Ris 8 in 2024, all of which are in the Decentralised Area. In 2025, the Liang Court Redevelopment, known as CanningHill Piers and CanningHill Square, is expected to enter the CBD Fringe. Additionally, the redevelopment of AXA Tower which plans to include office, retail, residential, hotel and leisure components is scheduled to enter the CBD Fringe in 2026.

Major Future Integrated Developments Supply (2023 – 2025)

Project	Developer	City Area	Office Est. NLA (sq ft)	Retail Est. NLA (sq ft)	No. of Residential Units	No. of Hotel / Serviced Apartment Units	Est. Year of Completion
One Holland Village	Far East Organization, Sekisui House, Sino Group	Decentralised	65,200	117,000	296	255	2023
The Woodleigh Residences & The Woodleigh Mall	Kajima Development & SPH Holdings Limited	Decentralised	Nil	208,000	667	Nil	2023 (Retail) / 2024 (Residential)
Pasir Ris 8 & Pasir Ris Mall	Allgreen Properties & Kerry Properties	Decentralised	Nil	289,900	487	Nil	2024 (Retail) / 2026 (Residential)
CanningHill Piers & CanningHill Square (Liang Court Redevelopment)	City Developments Limited, CapitaLand, CapitaLand Ascott Trust	Rest of Central Region	Nil	96,900	696	475 hotel rooms, 192 serviced apartments	2025

Source: CBRE Singapore, 4Q 2022

Investment Sales and Transactions
In 2022, there were no major integrated development transactions. However, stakes in the retail components of two integrated developments were transacted. They include Cuscaden Peak's acquisition of a 50% stake from PARAGON REIT in Woodleigh Mall as part of the latter's portfolio sales of non-media assets in 2Q 2022 and Waterway Point where FCT acquired an additional 10% stake to raise its effective interest in the mall to 50% in 3Q 2022.

Integrated Development Market Outlook
Going forward, the increasing presence of integrated developments will continue to be spearheaded by the change of dynamics in the urban landscape as well as government initiatives such as planning policies that encourage more mixed-use and integrated development precincts. This is in tandem with URA's decentralisation strategy to develop sub-regional centres to decentralise commercial activities to locations outside of the CBD, coupled with the resilience of suburban areas in light of the pandemic.

The demand for prospective integrated development land sites is anticipated to intensify with greater interest from developers with scale and experience across different uses, or a consortium of developers specialising in different components. The release of "white sites" under the GLS Programme such as at Marina Gardens Crescent and Jurong Lake District will provide potential opportunities for developers to conceptualise such developments.

The quality of integrated developments is expected to continue improving with more diverse offerings, better programming and better public spaces for users. Developers/landlords of non-integrated developments will need to continually innovate and invest in technology and enhance their placemaking efforts, to improve their services and offerings within their developments as the integrated development market becomes more competitive.

Frankfurt, Germany

Frankfurt Office Market
The impacts of the 2022 global uncertainties have been noticeable in the economy of Frankfurt. After the recovery of a 3.2% growth in 2021, the GDP growth moderated to 3.1% in 2022, representing a marginal decrease in the growth rate by 0.1 percentage points[18]. The average inflation rate for 2022 is expected to be 7.9%[19] and remain elevated for the next few months. Furthermore, with a decline in real income weighing on spending and a slowing labour market, these factors will likely add further downward pressure on the economy. On a brighter note, according to the Federal Employment Agency, the unemployment rate in Frankfurt fell from 7.0% in December 2020 to 5.8% in December 2021 and was 5.7% in December 2022.

After a recovery in 2021, take-up in the Frankfurt office market declined by 15.6% YoY in 2022 to just under 370,000 sq m, which was significantly below expectations. The best-performing subsector was the CBD cluster (Banking District, City, Westend), with a total take-up of 131,100 sq m (35% of total take-up). This is 4.2% above the previous year. The largest share of take-up was achieved in the Banking District (58,000 sq m / 16% of total take-up). The leasing of 18,000 sq m by the Oddo BHF bank contributed significantly to the submarket maintaining its usual top position as the largest source of take-up. The Eschborn submarket, which had the second highest take-up in 2022 (56,100 sq m / 15% of total take-up), was supported by the owner-occupier deal by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH for 28,000 sq m in 1Q 2022. It was also the biggest deal (by size) of the year.

In addition to the Banking District, the Frankfurt City Centre submarket contributed significantly to take up, which stood at 40,700 sq m (11%). Leasing activity within the submarket had increased by 37.0% in comparison to 2021. On the other hand, the Frankfurt Airport District submarket recorded a take-up of 9,600 sq m, which was well below the submarket's long-term average of 20,500 sq m.

Against total new or refurbished completions in 2022 (123,900 sq m), the vacancy rate for the overall market decreased by 0.3 percentage points YoY to 7.9%[20]. By submarkets, the Banking District recorded an increase in vacancy of 0.3 percentage points to 3.9% as compared to 4Q 2021, while the Airport District

18 Oxford Economics, December 2022
19 Federal Statistical Office Germany
20 The boundaries of CBRE's submarkets were adjusted in the beginning of 2022, resulting in slight differences in take-up and vacancy in the CBD and Banking District.

experienced an increase of 1.8 percentage points to 7.9%. The increase in vacancy within the submarket was largely contributed by the completion of the first phase of “The Flow” (16,800 sq m), which still has approximately 16,100 sq m of space immediately available. The pre-letting ratio of the developments and refurbishments planned for completion in 2023 across the total Frankfurt market is at 44% (total of 204,900 sq m) as of 4Q 2022.

In all, 57% of the new spaces (631,600 sq m) expected to come into the market by the end of 2025 are pre-let. In the CBD submarkets, 40% of the 163,500 sq m in the development pipeline is available (speculative) office space, while 60% are occupied.

In particular, the Banking District has just under 42% of the total planned 106,000 sq m that is still available for rent. Within the submarket, the “Frankfurt FOUR” development has the highest vacancy of 35%, which stands at 33,400 sq m as of 4Q 2022. In the Airport District submarket, 72% of the 54,700 sq m office space planned for completion until 2025 is currently available, including 19,000 sq m of speculative office space within the project "The Move".

Frankfurt's prime rent increased by 1.1% YoY to €46.00 per sq m/month, as a result of sharp rises in construction costs and the continued high demand for modern, high-quality office space. The area-weighted average rent (rolling 12-month) reached a new high of €24.57 per sq m/month in 2022, corresponding to a YoY increase of 12.7%. 11% of the take-up in 2022 was concluded at rents above €40.00 per sq m/month, compared to just under 6% in 2021. These deals were transacted in project developments or new builds located in the CBD cluster.

The area-weighted average rent (rolling 12-months) within the Banking District submarket fell by 4.2% YoY to €33.60 per sq m/month. In 2022, only three deals out of 48 deals in total were concluded at the prime top rent level of €46.00 per sq m/month.

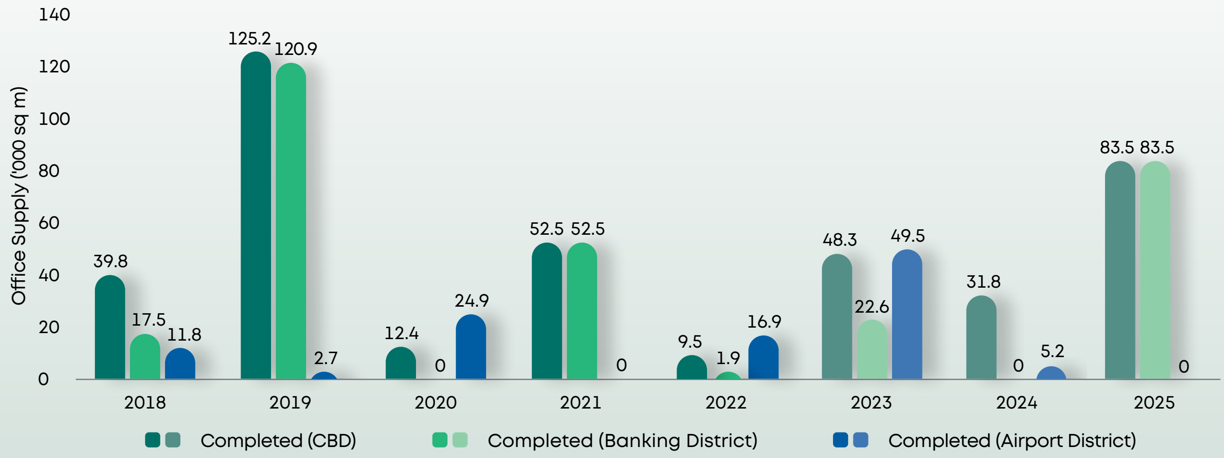
While prime rent in the Airport submarket remained stable compared with 4Q 2021 at €25.00 per sq m/month, the area-weighted average rent (rolling 12-months) decreased by 3.9% YoY to €19.00 per sq m/month.

In view of the higher interest rate environment, and the widening gap between expected purchase and sale prices, the number of transactions fell in 2H 2022. Frankfurt’s real estate investment market (including residential portfolios of 50 units or more) registered a transaction volume of €4.8 billion in 2022, a 40.8% YoY decline. Commercial real estate accounted for €4.2 billion, a 29.3% decrease YoY. With a market share of 85%, single transactions were still the focus of investors’ attention, which was represented by an 8.0 percentage points increase in the total market share in 2021 (77%). Foreign investors’ participation in market transactions had risen significantly by 37.5 percentage points YoY to approximately 54% after a decline in participation in 2021. The foreign investors from Europe and North America account for the largest share in 2022. Prime yields for prime office properties in the top location Banking District rose by 1.1 percentage points to 3.75% over the last twelve months.

FRANKFURT OFFICE SPACE COMPLETIONS AND FUTURE SUPPLY (OVERALL MARKET)

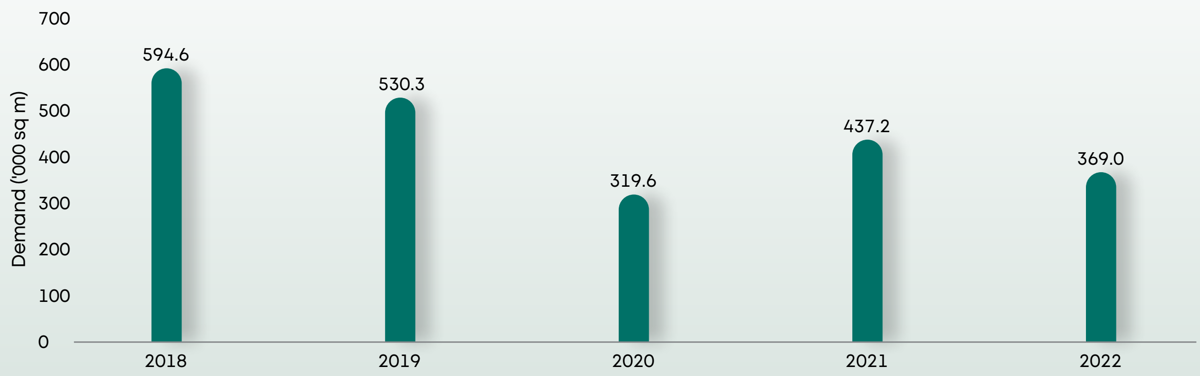
Source: CBRE Germany Research, 4Q 2022

FRANKFURT OFFICE SPACE COMPLETIONS AND FUTURE SUPPLY BY CBD, BANKING DISTRICT AND AIRPORT DISTRICT SUBMARKETS



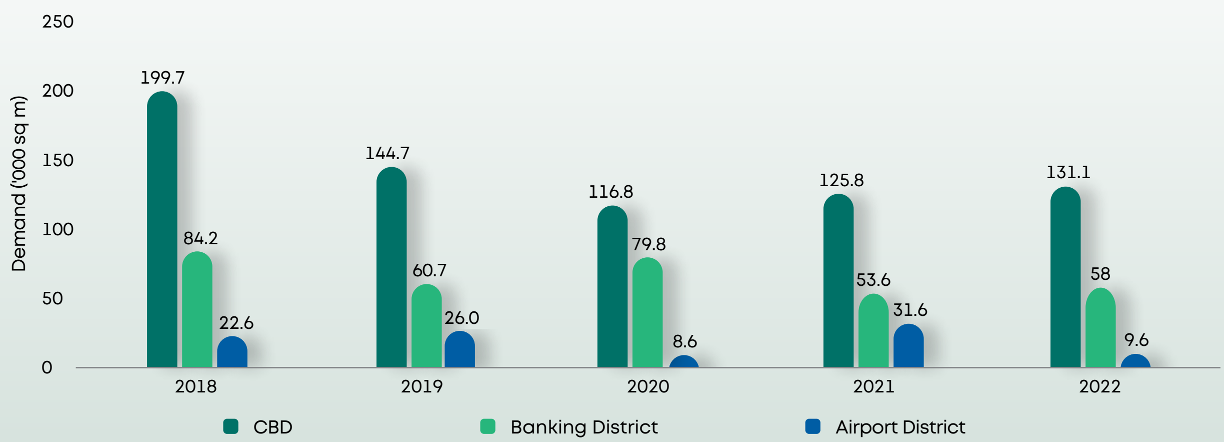
Source: CBRE Germany Research, 4Q 2022

FRANKFURT DEMAND (OVERALL MARKET)



Source: CBRE Germany Research, 4Q 2022

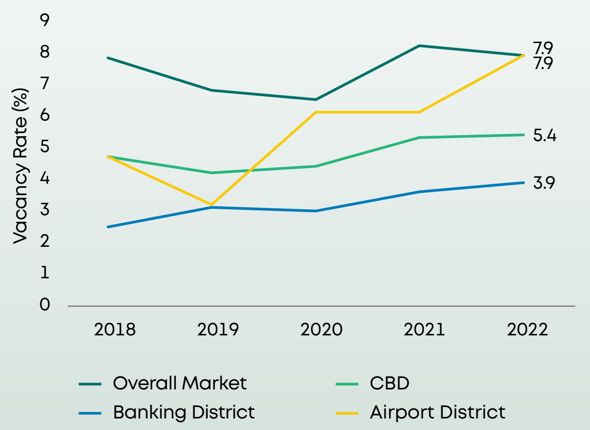
FRANKFURT DEMAND BY CBD, BANKING DISTRICT AND AIRPORT DISTRICT SUBMARKETS



Source: CBRE Germany Research, 4Q 2022

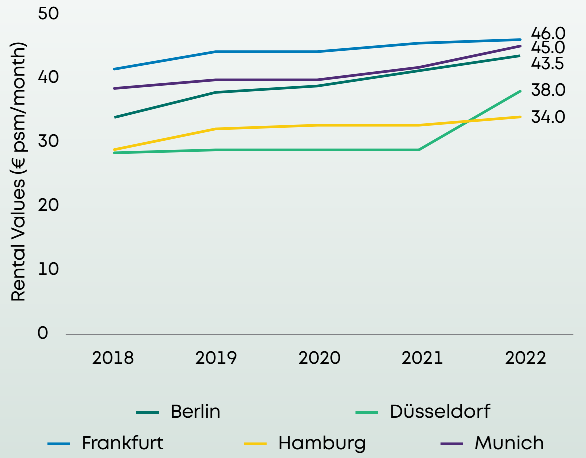
Independent Market Review

FRANKFURT VACANCY RATES (OVERALL MARKET, CBD, BANKING DISTRICT AND AIRPORT DISTRICT)



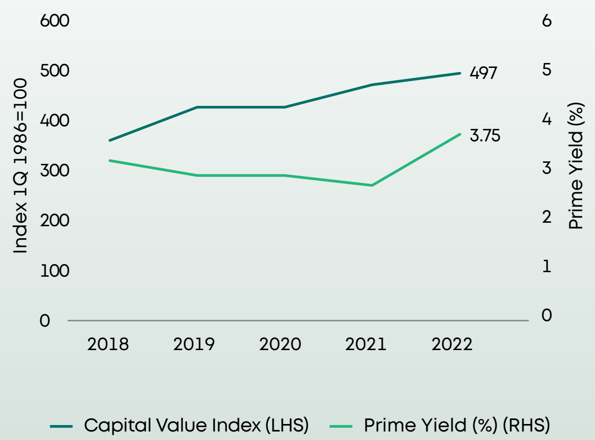
Source: CBRE Germany Research, 4Q 2022

GERMANY PRIME OFFICE RENTS



Source: CBRE Germany Research, 4Q 2022

FRANKFURT PRIME YIELDS / CAPITAL VALUE INDEX (CBD)



Source: CBRE Germany Research, 4Q 2022

FRANKFURT RENTAL BAND (OVERALL MARKET, BANKING DISTRICT AND AIRPORT)

Source: CBRE Germany Research, 4Q 2022

Sydney, Australia

Australia Economic Overview[21]

With the easing of lockdown restrictions in 1H 2022, coupled with the removal of all COVID-19 rules for travellers by July 2022, the Australian economy grew by 5.9% YoY in 3Q 2022. The growth was on the back of the return of migrants, students and tourists, as well as strong consumer spending, supported by rising wages and robust unemployment rates, which remained at 3.5% as of December 2022.

However, inflation has increased significantly in the year due to global and domestic factors such as the backlog of spending from strong growth in average wages and the provision of previous stimulus packages that have facilitated consumption. The Consumer Price Index (CPI) rose 7.8% YoY as at 4Q 2022, fuelled by housing (10.7% increase YoY) on the back of new dwelling purchases by owner-occupiers, food and non-alcoholic beverages (9.2%), recreation and culture (9.0%) and furnishings, household equipment and services (8.4%). The prolonged energy crisis and inflation have led the Reserve Bank of Australia (RBA) to increase its interest rates for eight straight months, with the latest in December 2022 at 0.25 percentage points to 3.1%.

These factors have impacted the growth of the Australian economy in recent months. Thus, while GDP grew 0.6% QoQ in 3Q 2022 on the back of sustained consumer spending, the household saving ratio decreased by 12.5 percentage points YoY to 6.9%. Overall, RBA expects overall GDP in 2022 to grow by 3.0%. Going forward, any sustained interest rates increase could weigh in on longer-term consumer spending.

There is the risk of "mortgage cliff", where fixed interest rates expire and borrowers would need to switch to variable rates. The debt servicing cost could potentially increase by 3.1 percentage points. However, we expect minimal disruption to the housing market with only approximately 0.3% to 1.0% of mortgages in distress[22]. The low unemployment rates and estimated 3% to 5% of wage growth could support the under-supplied residential market.

While the demand for new dwellings and consumer spending are expected to soften in 2023, there are other drivers which will contribute to the resilience of the Australian economy. Business investment is expected to grow, albeit at a slower rate, on the back of sustained levels of investments in machinery and equipment as well as mining. Public investment is expected to remain high, with approximately A$400 billion of publicly funded infrastructure projects expected to be ongoing in 2023. In addition, travel and education exports are expected to continue to grow as tourists' and students' travels are expected to increase. RBA expects GDP growth to slow to 1.5% over 2023 and 2024.

Trends in the Development of Sydney

Economic Overview and Trends

Sydney, the state capital of New South Wales (NSW), is the largest city in Australia by population with an estimated resident population of 5.3 million. It is also the largest financial centre in Australia, ranking 13th in the Global Financial Centres Index and 6th in the Asia Pacific Region in 2022. NSW remains the only state with a Moody's and Fitch AAA credit rating. The growth trends in NSW were largely in line with Australia's economic growth, with the State Final Demand (SFD) growing 11.1% YoY in September 2022, largely fuelled by household expenditure (17.9% YoY growth).

Since the easing of COVID-19 related lockdown measures, domestic and travel activities have begun to increase. The Sydney Airport registered 8.2 million international visitors passing through in 2022, a YoY increase of 9.7 times over 2021 but remained 34.5% lower than the same period in 2019. The office market has also seen organic growth in the return of employees to office, with Sydney's Post-COVID-19 office utilisation rate observed to be between 50% and 60% in the course of 2H 2022.

Investment in NSW Infrastructure

The NSW Government has committed to large investments in the state, with the government unveiling a A$112.7 billion infrastructure pipeline in the 2022-2023 NSW budget in June 2022. This also includes an amount of A$76.7 billion, which has been set aside for major transport projects such as the Sydney Metro West line (A$12.4 billion) which will link Paramatta to Sydney, the Western Sydney Airport Metro (A$8.4 billion) and A$4.1 billion over four years planning the Western bypass, Harbour tunnel and Beaches link. These investments will aid the office market, particularly with increased connectivity between Sydney and Western Sydney, and therefore improving access to jobs, educational opportunities and services for residents in these areas as well as the wider NSW.

21 Economic data is based on the latest available information from Australian Bureau of Statistics as of 12 January 2023.
22 National Australia Bank conducted a scenario analysis assuming cash rate is at 3.6% (i.e. mortgage rates of around 5.6%) and concluded that 0.3% of the home lending book has less than 3 months repayment buffer and the Dynamic Loan to Value Ratio is more than 90%.

NSW Major Infrastructure Projects and Timelines

Infrastructure Project	Projected Completion
Rail	
Parramatta Light Rail	2023
Sydney Metro City & Southwest	2024
Western Sydney Airport Metro	2026
South West Rail Link Extension	2026
Sydney Metro West	2030
Road	
Parramatta Light Rail	2022
Sydney Metro City & Southwest	2023
Western Sydney Airport Metro	2026
South West Rail Link Extension	2026
Sydney Metro West	2040

Source: Infrastructure NSW, CBRE Research, 4Q 2022

While macroeconomic factors such as inflationary pressures and increased interest rates are expected to have an impact on consumer spending and the general economy in the shorter term, there are strong drivers of growth which place NSW in a resilient position for future economic and social growth. NSW's strength in credit rating, as well as its focus in the growth of the Sydney and Western Sydney regions, will likely provide greater opportunities for economic and industry growth in these regions and greater NSW over the longer term.

Sydney CBD Office Market Overview

Demand and Supply

According to the Property Council of Australia (PCA), Sydney CBD has approximately 5.3 million sq m of stock as of December 2022, representing approximately 49,300 sq m of net new supply over the past twelve months. Major completions in 2022 included Quay Quarter Tower (88,200 sq m) in 1H 2022 and Salesforce Tower (55,200 sq m) in 2H 2022, each of which were delivered with near full occupancy. However, with only about 19,000 sq m of new supply expected to be delivered in 2023, net new supply for the year is expected to decrease by 45,600 sq m as spaces are withdrawn for future potential refurbishment. However, between 2024 and 2027, the overall supply is expected to increase by 419,000 sq m. Major developments that are expected to be completed in this period are mostly expected to come into the market in 2024. These developments include Metro Martin Place (105,000 sq m across two towers) and Parkline Place Pit (48,000 sq m). Most of the supply expected in 2024 and 2025 comprises refurbishments or projects that are in the early stages of feasibility studies and works.

The office market in Sydney has also seen new demand trends over the past 24 months. While hybrid working has become the new norm, the average days spent in the office have increased. In addition, occupiers have been open to greater adoption of the "hotelisation" of the office workspace, offering curated office experiences and providing space as a service on demand. The flexibility allows for companies to reduce the number of desks as well as gives employees greater flexibility over their schedule. These initiatives help to attract and retain talent.

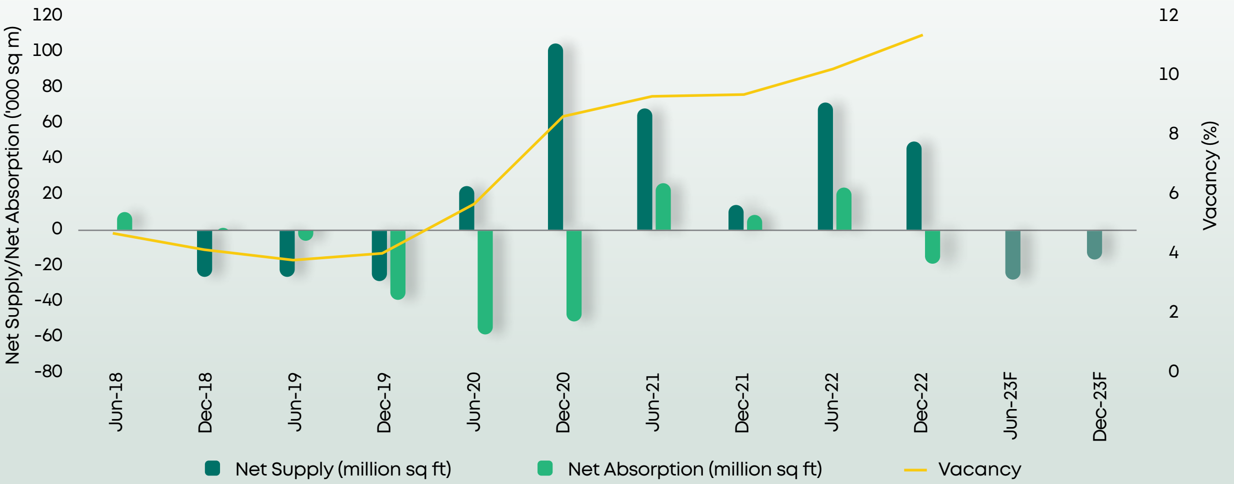
While sublease availability stood at approximately 90,200 sq m in 4Q 2022, this was significantly lower than the peak of 170,751 sq m registered in November 2022.

Sydney CBD's vacancy increased by 2.0 percentage points YoY to 11.3%, on the back of net new supply of 120,500 sq m outpacing the net absorption at 3,700 sq m over the past twelve months. Net absorption in 2H 2022, in particular, was negative 19,700 sq m. While prime assets recorded a net absorption of 25,500 sq m, secondary assets recorded a net absorption of negative 45,200 sq m. The recent flight-to-quality demand has led to tighter conditions in the premium inventory than the secondary stock. Demand for prime office space has accelerated more rapidly than that of the secondary space, as occupiers have taken advantage of favourable leasing conditions to upgrade their offices.

From 2020 to 2022, Sydney CBD saw an average of 148,000 sq m of new supply delivered per annum. While occupier demand increased steadily over this time, the relatively modest absorption could not offset the robust development pipeline for this period.

Over the next 12 months, supply in the CBD is expected to be limited. The new wave of supply expected to come into the market in 2024 is predominantly from the over-station development and Tech Central precinct. Therefore, the market will likely rebalance over the coming years. With the well leased newer stock entering into 2023, vacancy rate increases should moderate over the near term.

SYDNEY CBD NET SUPPLY, NET ABSORPTION AND TOTAL VACANCY



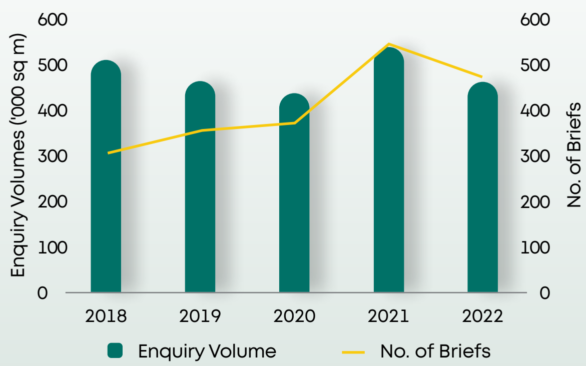
Source: PCA, CBRE Australia Research 4Q 2022

Demand Drivers
Whilst the momentum of leasing enquiries slowed at the start of 2022, CBRE recorded 475 leasing briefs in 2022. Enquiry volumes had also reached 461,700 sq m, approximately 14.1% lower than that received in 2021, but relatively similar to pre-pandemic volumes at 464,800 sq m in 2019.

The largest proportion of enquiry volume originated from Finance & Insurance (22.3%), Technology & IT (18.3%) and Professional Services (17.2%). While the enquiries have been driven mainly by sub-500 sq m tenants (45.6% of total enquiries), CBRE continues to observe strong enquiry levels from the 501 – 1,000 sq m (27.4%) and 1,000 to 3,000 sq m (21.3%) tenant sizes.

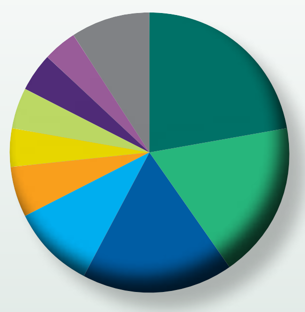
It is expected that the flight-to-quality trend will persist in the near term as tenants look to upgrade their spaces to better suit their needs in a post-COVID world. Elevated vacancy rates and the recent new wave of supply meant that occupiers had the opportunities to move into higher-grade properties or more centralised locations. Additionally, elevated incentive levels have provided occupiers with the opportunity to upgrade their fit-out when signing new leases.

SYDNEY CBD OFFICE ENQUIRY VOLUMES



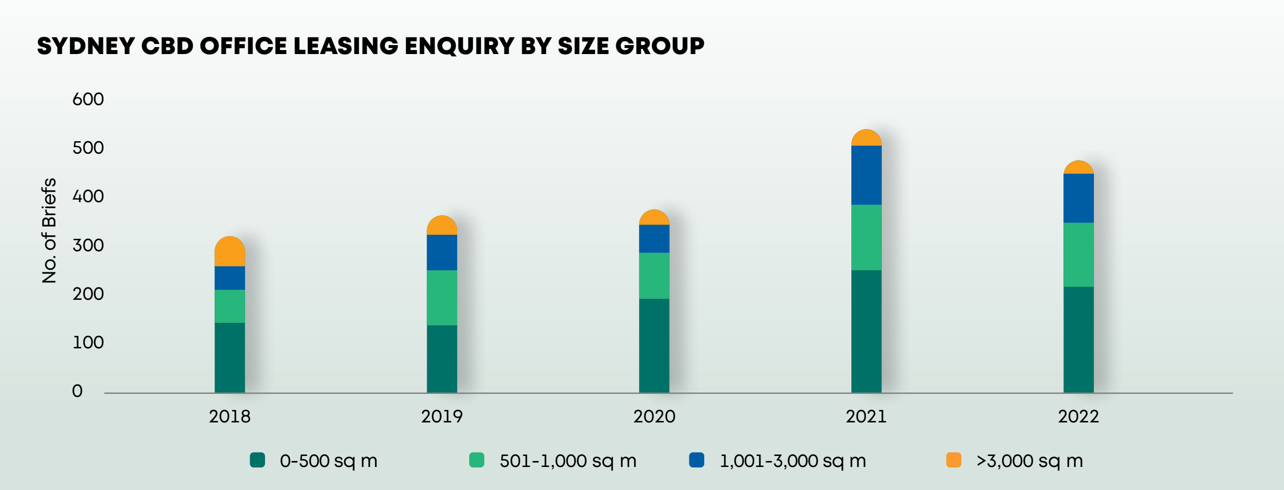
Source: CBRE Australia Office Leasing, CBRE Australia Research, 4Q 2022

SYDNEY CBD OFFICE LEASING ENQUIRY BY INDUSTRY (2022)



Finance & Insurance	22.3%	Media & Telecommunication	4.7%
Tech & IT	18.3%	Manufacturing	4.7%
Professional Services	17.3%	Property	4.3%
Legal	10.0%	Education and Training	4.0%
Government	5.6%	Other	9.0%

Source: CBRE Australia Office Leasing, CBRE Australia Research, 4Q 2022.

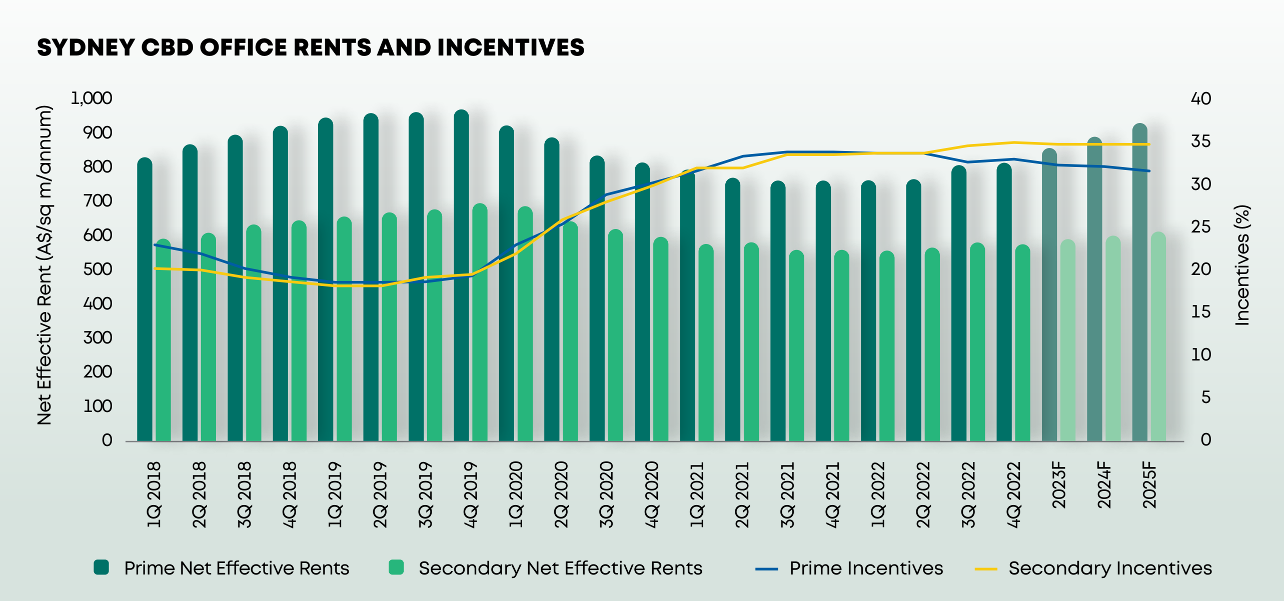


Source: CBRE Australia Office Leasing, CBRE Australia Research, 4Q 2022

Rental Values
Sydney CBD prime and secondary net face rents (NFR)[23] in 4Q 2022 had increased by 5.3% and 6.3% YoY to A$1,339 psm/annum and A$989 psm/annum respectively. The increased rents were mainly due to the completion of new premium buildings, freshly renovated Grade-A office buildings with better quality fit-outs, and inflationary pressures, particularly in the construction sector. The increase in rents in new developments have also encouraged landlords of existing assets to raise rents.

Rental incentives for prime developments decreased by 0.8 percentage points YoY to 33.1% in 4Q 2022. On the other hand, rental incentives in secondary developments increased to the mid-30% range and remained at historical highs. Overall, supported by the sustained leasing demand, prime and secondary net effective rentals[24] increased by 6.7% and 3.2% YoY respectively in 4Q 2022.

Going forward, with demand fundamentals expected to tighten in 2023 due to a slowdown in the supply pipeline, and demand being weighted towards more prime office quality spaces underpinned by the ongoing trends, CBRE anticipates that face rental growth is likely to accelerate across the prime and secondary markets, while incentives remain high. In all, net effective rents are likely to see positive movement in the near term.



Source: CBRE Australia Research, 4Q 2022

23 Base rent paid by a tenant excluding (or net of) outgoings.
24 Base rent that would be achieved, less the incentives paid by the owner. The average net effective rent for a market is the market net face rent less incentives which are amortised over the term of the lease.

Investment Market, Capital Values and Yields

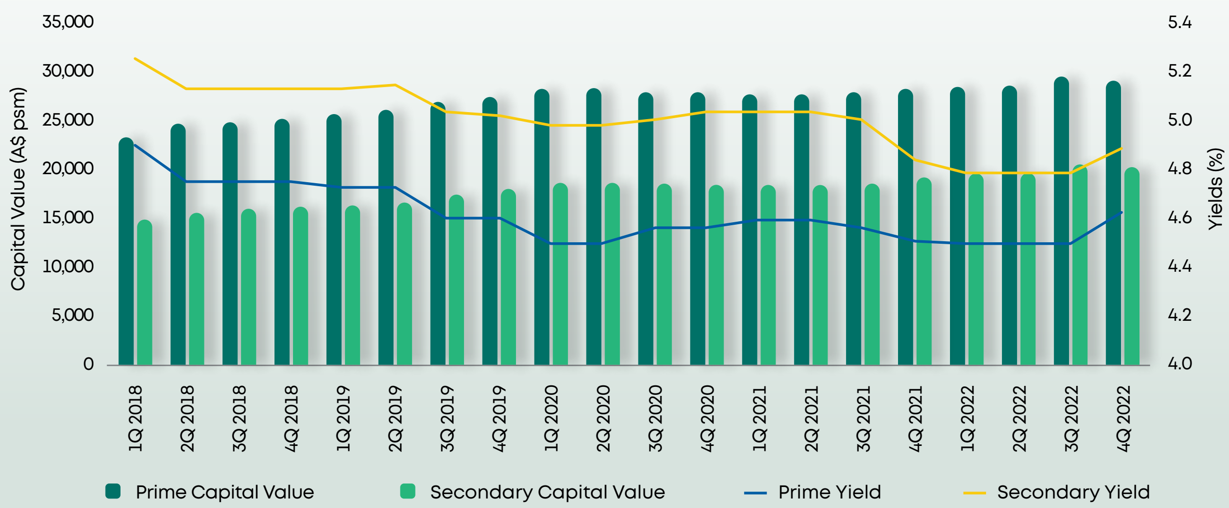
There were fewer transactions in 2022 compared to 2021. As of December 2022, the total office sales volumes decreased by 31.5% to A$3.6 billion, comprising 24 transactions. With the consistent increases in interest rates by the RBA for eight straight months, coupled with increased swap rates and bond yields across all maturities, funding cost have increased by more than 200 basis points. This has influenced market sentiment where investors and vendors have begun to recalibrate their pricing expectations and therefore, contribute to the slowdown in investment activity.

However, demand for high-quality Grade A assets with high NABERS ratings remains strong in the market. This was seen in transactions such as Allianz and National Pension Service's (NPS) 50% acquisition of Commonwealth Bank Place for A$625 million from Abu Dhabi Investment Authority (ADIA), Liu Chong Hing Investment Limited and Ashe Morgan's 50% stake acquisition of 309-321 Kent Street from Dexus (A$401 million), and Charter Hall Group's acquisition of 383 Kent Street (A$385 million) from Dexus.

While capital values for prime and secondary office developments increased by 2.7% and 5.3% respectively on a YoY basis in 4Q 2022, the respective capital values decreased by 1.5% and 1.6% on a QoQ basis to A$29,036 psm and A$20,243 psm. Correspondingly, prime and secondary office yields marginally increased by 0.1 percentage points on a YoY and QoQ basis to 4.6% and 4.9% respectively.

Over the next few quarters, as the uncertain interest rate environment weighs in on potential investors, the cost of financing and expected spreads are likely to be priced in on any potential investments. Therefore, capital values are expected to face downward adjustments, while capitalisation rates are expected to expand in the short-term. However, the capital values of strategic and quality assets in prime locations will likely be more resilient than secondary assets.

SYDNEY CBD OFFICE CAPITAL VALUES AND YIELDS



Source: CBRE Australia Research, 4Q 2022

Independent Market Review

North Sydney Office Market Overview

The North Sydney office market is located across the harbour, north of the Sydney CBD and is connected by the Harbour Bridge and several vehicular underground tunnels. The Victoria Cross Station, which will be part of the Sydney Metro City & Southwest line, will be completed in 2024. This will further enhance the connectivity between the North Sydney CBD and Sydney CBD, with an estimated travel time of about 6 minutes. The tight vacancy levels in prime Sydney CBD assets may lead to increased demand for similar assets in North Sydney, making the North Sydney CBD a viable alternative for occupiers and employees. The improved connectivity between the two markets could further contribute to this trend.

Demand and Supply

As of December 2022, the North Sydney office market had 918,300 sq m of office stock, representing 10.7% of the total size of Metropolitan Sydney's office market. This makes the North Sydney market the second largest office market in Metropolitan Sydney. The market remains a two-tiered market with about 60% of the office stock consisting of secondary-grade assets.

There is limited pipeline supply in the North Sydney CBD between 2023 and 2025, with only three projects projected to come into the market. These projects are 2-4 Blue Street (45,000 sq m) and 88 Walker Street (12,500 sq m), which are due for completion in 2023, as well as the Metro Victoria Cross Station development due for completion in 2024. A further 377,000 sq m of office developments have been mooted. However, they are either in the stage of early feasibility studies, contingent on pre-leasing or are undergoing refurbishments with no known commitment to construction.

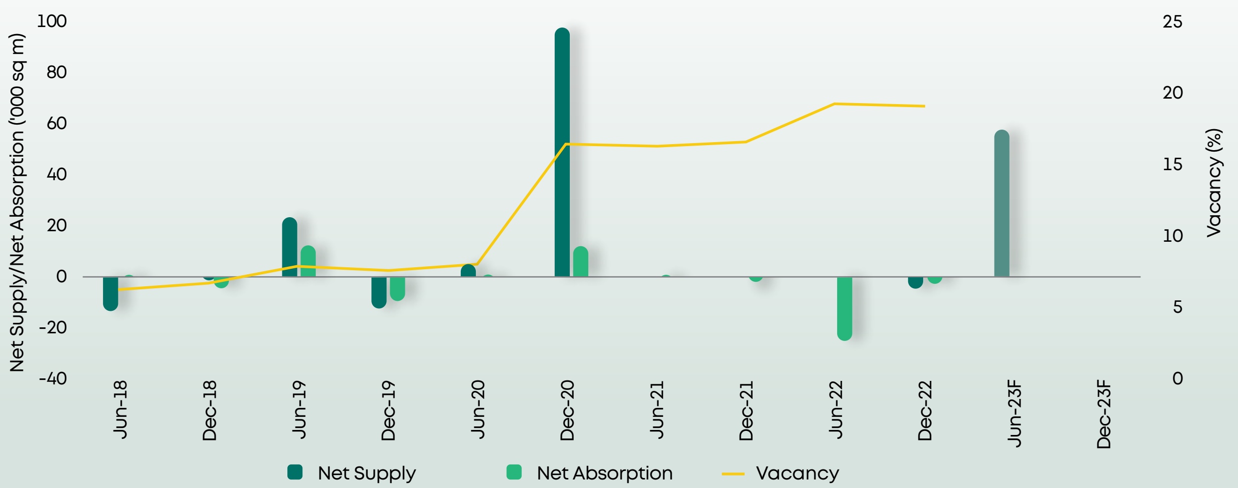
The majority of future stock is expected to be prime grade and will continue to narrow the spread between prime and secondary grade stock, offering a more balanced asset profile in North Sydney.

For full year 2022, the North Sydney market recorded a negative net absorption of 27,800 sq m. Secondary assets accounted for the majority of negative net absorption, standing at a negative 37,900 sq m over the past twelve months, partly contributed by financial company, MLC moving out of 105 Miller Street. Despite the downturn in demand for secondary spaces, prime assets showed signs of recovery in 2H 2022. Net absorption for prime assets stood at approximately 10,100 sq m.

With no new supply over the past twelve months, the overall vacancy rate increased by 2.6 percentage points to 19.2%.

However, tenant demand for premium Grade A spaces remains relatively strong, particularly for units above 1,000 sq m and office spaces with fit-outs.

NORTH SYDNEY NET SUPPLY, NET ABSORPTION AND VACANCY



Source: PCA, CBRE Australia Research, 4Q 2022

Demand Drivers
The tenant profile of North Sydney is dominated by the Professional, Scientific and Technical Services industry. Companies such as Coca Cola, Microsoft, Nine Entertainment, SAP, Sony, Ooh!Media and NBN Co have headquarters or major offices located in North Sydney.

With the increasing connectivity, a good variety of facilities and amenities, and high quality developments with similar specifications as the Sydney CBD, North Sydney has increasingly become popular with tenants and working staff.

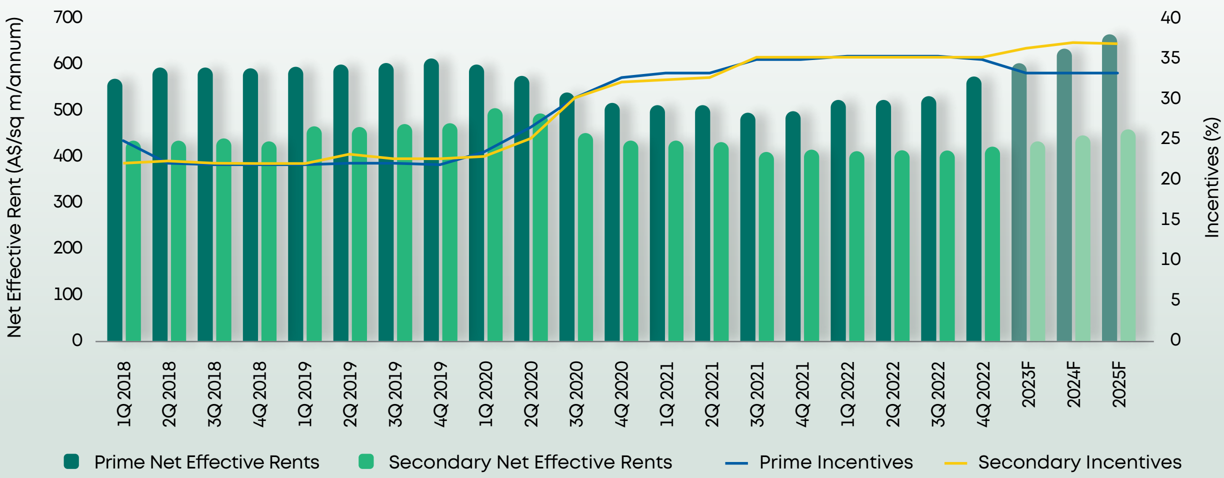
The return-to-office across the private and public sectors has contributed to the pickup of deal activity. In addition, occupiers have shown an increased desire to upgrade their spaces to meet changing business needs in a post-COVID-19 environment. Rising vacancy rates, significant new recent supply (particularly in 2020), and elevated incentives have presented these occupiers with ample opportunities to relocate and obtain modern fit-out upgrades. These conditions have driven many occupiers to consider relocating to higher-class properties within North Sydney; a trend that is expected to continue over the near term.

Rental Values
In 4Q 2022, net face rents in the prime and secondary markets increased by 14.1% and 2.4% YoY respectively. While incentives in the prime market decreased by 0.1 percentage points to 34.5%, incentives in the secondary market increased by 0.2 percentage points to 35.0% over the same period. This resulted in a YoY increase of 15.1% and 1.4% in prime and secondary net effective rents respectively.

The gap between North Sydney and Sydney CBD prime net effective rents narrowed by 2.2 percentage points YoY, to approximately 29.7% as of 4Q 2022.

Going forward, CBRE expects that the limited supply pipeline and the organic increase in the return of employees to offices are likely to see incentives tightening, resulting in strong net effective rental growth in the long term.

NORTH SYDNEY RENTS AND INCENTIVES



Source: CBRE Australia Research, 4Q 2022

Independent Market Review

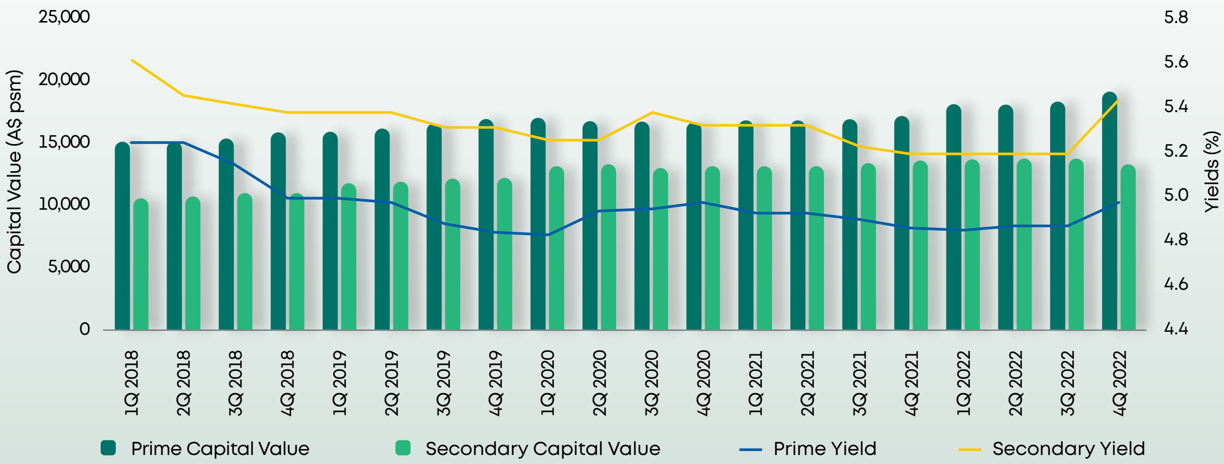
Investment Market, Capital Values and Yields
Transaction volumes in North Sydney totalled A$1.3 billion across 12 transactions in 2022, approximately 26.4% higher than the transaction volume in 2021, as well as 24.6% higher than the average transaction volume between 2018 and 2022. Singaporean investors had shown keen interest in the North Sydney Market in 2022.

The North Sydney office market has seen significant investments from Singapore entities in recent years. Some notable transactions include CICT's acquisition of a 50% stake in 101-103 Miller Street and Greenwood Plaza (A$422 million on the 50% stake), Roxy Pacific's acquisition of 165 Walker Street from the Intera Group (A$68.8 million) and Sun Venture's acquisition of 50 Miller Street from Sumner Capital (A$148 million). Total offshore investment contributed to approximately 72% of the total investment volume in 2022.

While capital values for prime offices have increased by 11.5% YoY to A$19,167 psm in 4Q 2022, secondary office capital values decreased by 2.3% over the same period to A$13,295 psm. Yields have also seen expansions, with prime and secondary office yields increasing by 0.1 and 0.2 percentage points to 5.0% and 5.4% respectively.

While rental growth for prime assets is expected on the back of strong demand fundamentals and limited supply, the investment and interest rate environment remain uncertain in the short term. Therefore, the rate of capital values growth is expected to moderate in prime assets, while the capital values in secondary assets are expected to decrease in the short term. Correspondingly, CBRE expects yields to expand over the next few quarters.

NORTH SYDNEY CAPITAL VALUE AND YIELDS



Source: CBRE Australia Research, 4Q 2022

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Heightened Market Volatility

We draw your attention to the fact that a combination of global inflationary pressures (leading to higher interest rates) and the recent geopolitical events in Ukraine, in addition to the on-going effects of the global Covid-19 pandemic in some markets has heightened the potential for greater volatility in property markets over the short-to-medium term. Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Investment decisions should reflect this heightened level of volatility and caution is advised in this regard.

You should note that the conclusions set out in this Market Report are current as at the date outlined only. Where appropriate, we recommend that market conditions are monitored closely.

This report has been prepared with the necessary diligence and information contained herein has been obtained from sources believed to be reliable. Nevertheless, it cannot be ruled out that, despite careful research and appropriate calculation of possible risks, the information provided in this report may contain mistakes and/or inaccuracies.

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This Market Report has been prepared with the necessary diligence and information contained herein has been obtained from sources believed to be reliable. Nevertheless, it cannot be ruled out that, despite careful research and appropriate calculation of possible risks, the Information provided in this report may contain mistakes and/or inaccuracies.

Thus, we make no guarantee, warranty or representation about the correctness, accuracy, timeliness and completeness of the content of this report and the sources it is based on. Any liability for the content of this report is limited to willful misconduct and gross negligence as well as to the violation of a material contractual obligation. This also applies to actions of legal representatives and vicarious agents. In case of a slightly negligent violation of a material contractual obligation, also by a legal representative or a vicarious agent, liability is limited to compensation of the damage typical for the contract and foreseeable at the time of its conclusion. For any slightly negligent violation of accessory contractual obligations that are not material contractual obligations, liability is excluded. Any liability for any damage falling in the scope of protection of a contractual guarantee or warranty as well as any liability for claims on the basis of the Product Liability Act and damage resulting from an injury of life, body or health remains unaffected. The purpose of this report is to provide information. It must not be understood as giving any recommendations for a specific course of action or as a call for making a buying offer. All opinions, projections, comments, assumptions and assessments are of general nature and not targeted to the specific situation of a single person or legal entity. Thus, no one should act on the basis of the information contained in this report, without having obtained in advance independent information and appropriate professional advice, and without a thorough analysis of the circumstances at hand. Further, we make no guarantee, warranty or representation that the opinions, projections, comments, assumptions and assessments made in this report, as well as the market, competitive, economic or regulatory environment, will remain unchanged in the future. Also in this regard, any use of the information contained in this report is in the sole responsibility of the user.

Contents

Financial Statements

Report of the Trustee

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of CapitaLand Integrated Commercial Trust (the "Trust") and its subsidiaries (the "Group") in trust for the Unitholders. In accordance with the Securities and Futures Act 2001, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of CapitaLand Integrated Commercial Trust Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the deed of trust dated 29 October 2001 constituting the Trust (as amended)[1] between the Manager and the Trustee (the "Trust Deed") in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements, set out on pages 176 to 271 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore
6 March 2023

1 As amended by the First Supplemental Deed dated 26 December 2001, the Second Supplemental Deed dated 28 June 2002, the Amending and Restating Deed dated 29 April 2003, the Fourth Supplemental Deed dated 18 August 2003, the Second Amending and Restating Deed dated 9 July 2004, the Sixth Supplemental Deed dated 18 March 2005, the Seventh Supplemental Deed dated 21 July 2005, the Eighth Supplemental Deed dated 13 October 2005, the Ninth Supplemental Deed dated 20 April 2006, the Third Amending and Restating Deed dated 25 August 2006, the Eleventh Supplemental Deed dated 15 February 2007, the Twelfth Supplemental Deed dated 31 July 2007, the Thirteenth Supplemental Deed dated 20 May 2008, the Fourteenth Supplemental Deed dated 13 April 2010, the Fifteenth Supplemental Deed dated 25 March 2013, the Sixteenth Supplemental Deed dated 3 February 2014, the Seventeenth Supplemental Deed dated 6 May 2015, the Eighteenth Supplemental Deed dated 12 April 2016, the Fourth Amending and Restating Deed dated 27 July 2018, the Twentieth Supplemental Deed dated 8 April 2019, the Twenty-First Supplemental Deed dated 6 April 2020, the Twenty-Second Supplemental Deed dated 29 September 2020 and the Twenty-Third Supplemental Deed dated 21 October 2020.

Statement by the Manager

In the opinion of the directors of CapitaLand Integrated Commercial Trust Management Limited, the accompanying financial statements set out on pages 176 to 271 comprising the Statements of Financial Position of the Group and the Trust and Portfolio Statement of the Group as at 31 December 2022, the Statement of Total Return, Distribution Statement and Statement of Cash Flows of the Group and the Statements of Movements in Unitholders' Funds of the Group and the Trust for the year then ended, and a summary of significant accounting policies and other explanatory information of the Group and of the Trust, are drawn up so as to present fairly, in all material respects, the financial positions of the Group and of the Trust and the portfolio holdings of the Group as at 31 December 2022, and the total return, distributable income, and cash flows of the Group and the movements in Unitholders' funds of the Group and of the Trust for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *"Reporting Framework for Investment Funds"* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
CapitaLand Integrated Commercial Trust Management Limited

Tan Tee Hieong
Director

Singapore
6 March 2023

Independent Auditors' Report

Unitholders of CapitaLand Integrated Commercial Trust
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 29 October 2001 (as amended))

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CapitaLand Integrated Commercial Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the consolidated statements of financial position and the portfolio statement of the Group and the statement of financial position of the Trust as at 31 December 2022, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and consolidated statement of cash flows of the Group and the statement of movements in unitholders' funds of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 176 to 271.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of movements in unitholders' fund of the Trust present fairly, in all material respects, the consolidated financial position and the portfolio holdings of the Group and the financial position of the Trust as at 31 December 2022, the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and consolidated cash flows of the Group and the movements in unitholders' funds of the Trust for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* ("RAP 7") issued by the Institute of Singapore Chartered Accountants.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties
(Refer to Note 5 to the financial statements)

Risk:

The Group's investment portfolio comprise a number of investment properties located in Singapore, Australia and Germany. Investment properties represent the largest category of assets on the statements of financial position.

In accordance with the accounting policy adopted by the Group, investment properties are stated at fair values based on independent external valuations.

The valuation of investment properties involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are sensitive to these key assumptions, including capitalisation rates, discount rates, terminal yield rates and future cash flows. A change in the key assumptions could have a significant impact on the valuation.

Our response:

We assessed the qualifications and objectivity of the external valuers. We also held discussions with the valuers to understand the valuation methods used and the assumptions applied.

We considered the valuation methodologies used by the valuers, comparing these to those applied by other valuers for similar property types. We also compared the projected cash flows used in the valuations to historical data, supporting leases and relevant information. We evaluated the reasonableness of discount rates, capitalisation rates and terminal yield rates used in the valuations by comparing these against industry data used for similar properties, taking into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of any additional factors.

We also considered the adequacy of disclosures in the financial statements in describing the inherent degree of subjectivity and the key assumptions used in the valuations.

Our findings:

The external valuers are members of recognised professional bodies for valuers. The valuation methodologies used at the reporting date are in line with generally accepted market practices and the key assumptions applied are within the range of comparable market data.

The disclosures in the financial statements are proportionate to the degree of subjectivity inherent in the valuations.

Other information

CapitaLand Integrated Commercial Trust Management Limited, the Manager of the Trust ("the Manager") is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Leong Kok Keong.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
6 March 2023

Statements of Financial Position

As at 31 December 2022

	Note	Group 2022 $'000	Group 2021 $'000	Trust 2022 $'000	Trust 2021 $'000
Non-current assets					
Plant and equipment	4	**5,311**	6,121	**1,335**	2,092
Investment properties	5	**23,744,817**	21,431,071	**7,902,400**	7,814,943
Subsidiaries	6	**–**	–	**11,628,523**	9,877,779
Joint ventures	7	**361,198**	320,347	**211,633**	212,284
Equity investments at fair value	9	**180,989**	193,168	**149,385**	158,723
Financial derivatives	10	**40,286**	20,639	**21,547**	1,014
Deferred tax asset	11	**4,216**	6,855	**–**	–
Other non-current assets		**947**	1,608	**628**	911
		24,337,764	21,979,809	**19,915,451**	18,067,746
Current assets					
Asset held for sale	12	**–**	278,000	**–**	278,000
Trade and other receivables	13	**61,837**	108,668	**233,035**	179,010
Cash and cash equivalents	14	**248,396**	365,133	**72,486**	165,962
Financial derivatives	10	**18,626**	10,240	**5,214**	45
		328,859	762,041	**310,735**	623,017
Total assets		**24,666,623**	22,741,850	**20,226,186**	18,690,763
Current liabilities					
Financial derivatives	10	**25,199**	–	**–**	–
Trade and other payables	15	**323,881**	557,481	**426,744**	418,622
Current portion of security deposits		**86,594**	94,318	**40,473**	45,855
Loans and borrowings	16	**1,155,045**	594,641	**469,933**	189,218
Lease liabilities	17	**1,932**	2,261	**1,138**	1,522
Provision for taxation		**12,506**	10,108	**873**	412
		1,605,157	1,258,809	**939,161**	655,629
Non-current liabilities					
Financial derivatives	10	**87,541**	32,428	**–**	2,034
Trade and other payables	15	**34,896**	1,072	**285,000**	495,000
Loans and borrowings	16	**8,430,216**	7,582,636	**5,701,373**	4,710,064
Lease liabilities	17	**24,069**	5,963	**4,033**	4,963
Non-current portion of security deposits		**198,208**	153,578	**85,603**	70,805
Deferred tax liability	11	**7,143**	11,664	**–**	–
		8,782,073	7,787,341	**6,076,009**	5,282,866
Total liabilities		**10,387,230**	9,046,150	**7,015,170**	5,938,495
Net assets		**14,279,393**	13,695,700	**13,211,016**	12,752,268
Represented by:					
Unitholders' funds	18	**14,073,447**	13,667,754	**13,211,016**	12,752,268
Non-controlling interests ("NCI")	19	**205,946**	27,946	**–**	–
		14,279,393	13,695,700	**13,211,016**	12,752,268
Units in issue ('000)	20	**6,635,122**	6,608,618	**6,635,122**	6,608,618
Net asset value per unit attributable to Unitholders[1] ($)		**2.12**	2.06	**1.99**	1.93

[1] Excludes management fees to be issued in units.

The accompanying notes form an integral part of these financial statements.

Statement of Total Return

Year ended 31 December 2022

	Note	Group 2022 $'000	Group 2021 $'000
Gross revenue	21	**1,441,747**	1,305,051
Property operating expenses	22	**(398,464)**	(353,969)
Net property income		**1,043,283**	951,082
Interest and other income	23	**5,336**	6,364
Investment income	24	**10,594**	12,703
Management fees			
– Base component		**(45,280)**	(42,193)
– Performance component		**(42,654)**	(39,981)
Professional fees		**(2,663)**	(1,255)
Valuation fees		**(585)**	(414)
Trustee's fees		**(3,274)**	(2,997)
Audit fees		**(914)**	(800)
Finance costs	25	**(242,437)**	(189,757)
Other expenses		**(1,100)**	(1,172)
Net income before share of results of joint ventures		**720,306**	691,580
Share of results (net of tax) of:			
– Joint ventures		**42,467**	140,202
Net income		**762,773**	831,782
Net change in fair value of financial derivatives		**402**	–
Net change in fair value of investment properties		**(90,438)**	270,507
Gain on divestment of investment property	33	**57,257**	–
Total return for the year before tax		**729,994**	1,102,289
Taxation	26	**(4,105)**	(19,224)
Total return for the year		**725,889**	1,083,065
Total return attributable to:			
Unitholders		**723,369**	1,083,086
Non-controlling interests		**2,520**	(21)
Total return for the year		**725,889**	1,083,065
Earnings per unit (cents)			
Basic	27	**10.92**	16.71
Diluted	27	**10.89**	16.68

The accompanying notes form an integral part of these financial statements.

Distribution Statement

Year ended 31 December 2022

	Group 2022 $'000	Group 2021 $'000
Amount available for distribution to Unitholders at beginning of the year	**346,581**	119,914
Total return attributable to Unitholders	**723,369**	1,083,086
Net tax and other adjustments (Note A)	**(71,130)**	(438,374)
Tax-exempt income	**51,376**	28,442
Capital distributions	**9,289**	–
Distribution income (taxable) from joint ventures	**64**	14,262
	712,968	687,416
Amount available for distribution to Unitholders	**1,059,549**	807,330
Distributions to Unitholders during the year:		
Distribution of 1.74 cents per unit for period from 21/10/2020 to 31/12/2020	**–**	(112,590)
Distribution of 5.18 cents per unit for period from 01/01/2021 to 30/06/2021	**–**	(335,456)
Distribution of 4.85 cents per unit for period from 01/07/2021 to 15/12/2021	**(314,332)**	–
Distribution of 0.37 cents per unit for period from 16/12/2021 to 31/12/2021	**(24,452)**	–
Distribution of 5.22 cents per unit for period from 01/01/2022 to 30/06/2022	**(346,063)**	–
	(684,847)	(448,046)
Amount retained for general corporate and working capital purposes (Note B)	**(10,594)**	(12,703)
Amount available for distribution to Unitholders at end of the year	**364,108**	346,581
Distribution per unit (cents)[1]	**10.58**	10.40

1 The Distribution per unit relates to the distributions in respect of the relevant financial year. The distribution relating to the period 1 July to 31 December 2022 will be paid after 31 December 2022.

Note A – Net tax and other adjustments comprise:

	Group 2022 $'000	Group 2021 $'000
– Management fees paid and payable in Units	**43,243**	40,378
– Trustee's fees	**3,096**	2,997
– Amortisation of transaction costs	**7,873**	7,300
– Net change in fair value of investment properties[1]	**84,699**	(271,893)
– Profit of subsidiaries	**(64,360)**	(60,888)
– Share of results (net of tax) of joint ventures	**(42,467)**	(140,202)
– Taxation[1]	**4,255**	18,712
– Gain on divestment of investment property	**(57,257)**	–
– Temporary differences and other adjustments	**(13,619)**	(34,660)
– Rollover adjustments[2]	**(36,593)**	(118)
Net tax and other adjustments	**(71,130)**	(438,374)

1 These exclude the non-controlling interests' share of Gallileo Property S.a.r.l. ("Gallileo Co."), MAC Property Company B.V. and MAC Car Park Company B.V. ("MAC entities") and 79RR LLP.

2 In FY 2022, taxable income distribution includes a rollover adjustment of $37.0 million arising from the COVID-19 cash grants received by the Group in FY 2020, which was previously included as part of the taxable income distribution in FY 2020. The COVID-19 cash grants received from the Government are exempted from tax. A corresponding adjustment of $37.0 million has been included in the tax-exempt income for FY 2022 with no resultant impact to the distributable income for FY 2022.

Note B

Amount retained for general corporate and working capital in financial year 2022 relates to distribution income received from CapitaLand China Trust ("CLCT") of $7.9 million (2021: $10.0 million) and Sentral REIT of $2.7 million (2021: $2.7 million).

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds
Year ended 31 December 2022

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Net assets attributable to Unitholders at beginning of the year	**13,667,754**	13,037,638	**12,752,268**	12,504,219
Operations				
Total return attributable to Unitholders for the year	**723,369**	1,083,086	**753,957**	740,020
Hedging reserves				
Effective portion of changes in fair value of cash flow hedges	**(23,324)**	37,882	**32,845**	5,520
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	**28,969**	5,636	**(5,109)**	3,485
Share of movements in hedging reserves of joint ventures	**–**	4,845	**–**	–
Movement in foreign currency translation reserves ("FCTR")	**2,465**	(1,515)	**–**	–
Movement in fair value reserves	**(12,179)**	(25,518)	**(9,338)**	(26,676)
Unitholders' transactions				
Creation of units				
– Management fees paid	**16,761**	15,721	**16,761**	15,721
– Management fees payable	**27,219**	25,366	**27,219**	25,366
– Acquisition fee	**11,228**	–	**11,228**	–
– Divestment fee	**1,700**	–	**1,700**	–
– Private placement	**–**	250,000	**–**	250,000
Issue expenses	**–**	(3,009)	**–**	(3,009)
Distributions to Unitholders	**(370,515)**	(762,378)	**(370,515)**	(762,378)
Net decrease in net assets resulting from Unitholders' transactions	**(313,607)**	(474,300)	**(313,607)**	(474,300)
Net assets attributable to Unitholders at end of the year	**14,073,447**	13,667,754	**13,211,016**	12,752,268

Non-controlling interests ("NCI")

	Group	
	2022	2021
	$'000	$'000
At beginning of the year	**27,946**	30,300
Total return attributable to NCI	**2,520**	(21)
Distributions to NCI	**(6,460)**	(1,315)
Hedging reserves attributable to NCI	**2,144**	–
Acquisition of subsidiary (Note 32)	**181,806**	–
Translation differences from financial statements of foreign operations	**(2,010)**	(1,018)
At end of the year	**205,946**	27,946

The accompanying notes form an integral part of these financial statements.

Portfolio Statement

As at 31 December 2022

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease
Group			
Investment properties in Singapore			
Retail			
Bugis Junction	Leasehold	99 years	67 years
Westgate[1]	Leasehold	99 years	88 years
Tampines Mall	Leasehold	99 years	69 years
Junction 8	Leasehold	99 years	68 years
Bedok Mall[2]	Leasehold	99 years	88 years
IMM Building	Leasehold	60 years	26 years
Lot One Shoppers' Mall	Leasehold	99 years	70 years
Clarke Quay	Leasehold	99 years	66 years
Bugis+	Leasehold	60 years	43 years
Bukit Panjang Plaza	Leasehold	99 years	71 years
Office			
Asia Square Tower 2[3]	Leasehold	99 years	84 years
CapitaGreen[4]	Leasehold	99 years	50 years
Six Battery Road[5]	Leasehold	999 years	802 years
Capital Tower[5]	Leasehold	99 years	72 years
CapitaSky[6]	Leasehold	99 years	44 years
21 Collyer Quay[5]	Leasehold	999 years	827 years
Integrated Developments			
Raffles City Singapore[7]	Leasehold	99 years	56 years
Plaza Singapura	Freehold	NA	NA
Funan[8]	Leasehold	99 years	56 years
The Atrium@Orchard	Leasehold	99 years	85 years
Investment properties in Germany			
Office			
Gallileo[9]	Freehold	NA	NA
Main Airport Center[10]	Freehold	NA	NA
Investment properties in Australia			
Office			
100 Arthur Street[11]	Freehold	NA	NA
66 Goulburn Street[11]	Leasehold	111 – 125 years	94 years
Integrated Developments			
101 – 103 Miller Street and Greenwood Plaza[12]	Freehold	NA	NA
Asset held for sale in Singapore			
JCube[13]	Leasehold	99 years	67 years
Other assets and liabilities (net)			
Net assets of the Group			
Non-controlling interests			
Net assets attributable to Unitholders			

NA Not Applicable

1 Westgate is held by Infinity Mall Trust ("IMT").
2 Bedok Mall is held by Brilliance Mall Trust ("BMT").
3 Asia Square Tower 2 is held by Asia Square Tower 2 Pte. Ltd. ("AST2 Co."), which is in turn held through MVKimi (BVI) Limited, (collectively referred to as "AST2 Group").
4 CapitaGreen is held by MSO Trust.
5 Six Battery Road, Capital Tower and 21 Collyer Quay are held by CapitaLand Commercial Trust ("CCT").
6 On 27 April 2022, the acquisition of 70.0% of the issued share capital of Southernwood Property Pte. Ltd. which holds the property located at 79 Robinson Road was completed. Southernwood Property Pte. Ltd. was converted to 79RR LLP and holds the property renamed as CapitaSky.
7 Raffles City Singapore is held by RCS Trust.
8 The retail component of Funan is held through the Trust and the office components are held through Victory Office 1 Trust ("VO1 Trust") and Victory Office 2 Trust ("VO2 Trust").
9 Gallileo is held by Gallileo Co..
10 Main Airport Center is held by MAC Property Company B.V..
11 On 24 March 2022, the acquisitions of Acacia Arthur Trust and Acacia Goulburn Trust which holds 100 Arthur Street and 66 Goulburn Street respectively were completed. Following the completion of the acquisitions, Acacia Arthur Trust and Acacia Goulburn Trust were renamed as Gateway Arthur Trust ("GAT") and Gateway Goulburn Trust ("GGT") respectively.
12 On 21 June 2022, the acquisition of 50.0% interest in 101 – 103 Miller Street and Greenwood Plaza was completed. 101 – 103 Miller Street and Greenwood Plaza is held directly and jointly as tenants in common by Monopoly Trust.
13 JCube is reclassified as Asset held for sale as at 31 December 2021 (Note 12).

Portfolio Statement

As at 31 December 2022

Location	Existing Use	Carrying Value 2022 $'000	Carrying Value 2021 $'000	Percentage of Total Net Assets 2022 %	Percentage of Total Net Assets 2021 %
200 Victoria Street	Commercial	**1,109,000**	1,088,000	**7.9**	8.0
3 Gateway Drive	Commercial	**1,095,000**	1,091,000	**7.8**	8.0
4 Tampines Central 5	Commercial	**1,081,000**	1,078,000	**7.7**	7.9
9 Bishan Place	Commercial	**801,000**	796,000	**5.7**	5.8
311 New Upper Changi Road	Commercial	**787,000**	784,739	**5.6**	5.8
2 Jurong East Street 21	Commercial Warehouse	**715,002**	709,002	**5.1**	5.2
21 Choa Chu Kang Avenue 4	Commercial	**551,000**	543,500	**3.9**	4.0
3A/B/C/D/E River Valley Road	Commercial	**359,760**	342,624	**2.5**	2.5
201 Victoria Street	Commercial	**354,529**	354,162	**2.5**	2.6
1 Jelebu Road	Commercial	**348,850**	344,455	**2.5**	2.5
12 Marina View	Commercial	**2,235,500**	2,225,000	**15.9**	16.3
138 Market Street	Commercial	**1,663,000**	1,657,000	**11.8**	12.1
6 Battery Road	Commercial	**1,509,000**	1,445,000	**10.7**	10.6
168 Robinson Road	Commercial	**1,450,000**	1,449,000	**10.3**	10.6
79 Robinson Road	Commercial	**1,260,000**	–	**9.0**	–
21 Collyer Quay	Commercial	**634,000**	629,900	**4.5**	4.6
250 and 252 North Bridge Road, 2 Stamford Road and 80 Bras Basah Road	Commercial	**3,120,000**	3,072,000	**22.2**	22.5
68 Orchard Road	Commercial	**1,349,259**	1,339,000	**9.6**	9.8
107 & 109 North Bridge Road	Commercial	**794,000**	785,000	**5.6**	5.7
60A & 60B Orchard Road	Commercial	**763,000**	756,200	**5.4**	5.5
Gallusanlage 7	Commercial	**390,060**	499,974	**2.8**	3.7
Unterschweinstiege 2-14	Commercial	**377,294**	441,515	**2.7**	3.2
100 Arthur Street	Commercial	**340,356**	–	**2.4**	–
Civic Tower, 66 Goulburn Street	Commercial	**297,893**	–	**2.1**	–
101 – 103 Miller Street & 36 Blue Street	Commercial	**359,314**	–	**2.6**	–
		23,744,817	21,431,071	**168.8**	156.9
2 Jurong East Central 1	Commercial	**–**	278,000	**–**	2.0
		(9,465,424)	(8,013,371)	**(67.3)**	(58.7)
		14,279,393	13,695,700	**101.5**	100.2
		(205,946)	(27,946)	**(1.5)**	(0.2)
		14,073,447	13,667,754	**100.0**	100.0

The accompanying notes form an integral part of these financial statements.

Portfolio Statement

As at 31 December 2022

On 31 December 2022, independent valuations of Tampines Mall, Bedok Mall, Plaza Singapura and The Atrium@Orchard were undertaken by Knight Frank Pte Ltd ("Knight Frank"), independent valuations of Junction 8, Bugis Junction, Bugis+, Funan and Raffles City Singapore were undertaken by Savills Valuation and Professional Services (S) Pte Ltd ("Savills"), independent valuations of IMM Building, Capital Tower and CapitaSky were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL"), independent valuations of Bukit Panjang Plaza, Lot One Shoppers' Mall and Six Battery Road were undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers"), independent valuations of Clarke Quay, Westgate and Asia Square Tower 2 were undertaken by Cushman & Wakefield VHS Pte. Ltd. ("C&W"), independent valuations of CapitaGreen and 21 Collyer Quay were undertaken by CBRE Pte. Ltd. ("CBRE"), independent valuations of Gallileo and Main Airport Center were undertaken by Knight Frank Valuation & Advisory GmbH & Co. KG, while the independent valuations of 101 – 103 Miller Street and Greenwood Plaza, 66 Goulburn Street and 100 Arthur Street were undertaken by Jones Lang LaSalle Advisory Services Pty Ltd.

On 31 December 2021, independent valuations of IMM Building and Capital Tower were undertaken by JLL, independent valuations of Bedok Mall, Tampines Mall and Junction 8 were undertaken by Knight Frank, independent valuations of The Atrium@Orchard, Plaza Singapura, Raffles City Singapore, JCube, Westgate and 21 Collyer Quay were undertaken by Savills, independent valuations of Bugis Junction, Bugis+, Funan, Clarke Quay and CapitaGreen were undertaken by Colliers, independent valuations of Bukit Panjang Plaza, Lot One Shoppers' Mall, Asia Square Tower 2 and Six Battery Road were undertaken by C&W, while the independent valuations of Gallileo and Main Airport Center were undertaken by Knight Frank Valuation & Advisory GmbH & Co. KG.

The valuations include the capitalisation method and/or discounted cash flow method. The Manager believes that the independent valuers have appropriate professional qualifications and experience in the location and category of the properties being valued. The net change in fair value of the properties has been recognised in the Statement of Total Return.

Investment properties comprise commercial properties that are leased to external customers. Generally, the leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with the lessees. Contingent rents recognised in the Statement of Total Return of the Group is $71,731,000 (2021: $52,595,000).

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 December 2022

	Group	
	2022	2021
	$'000	$'000
Cash flows from operating activities		
Total return for the year	**725,889**	1,083,065
Adjustments for:		
Amortisation of leasing incentives	**(16,443)**	(23,035)
Assets written off	**399**	18
Depreciation and amortisation	**4,169**	4,863
Doubtful debts written off	**270**	359
Finance costs	**242,437**	189,757
Gain on divestment of investment property	**(57,257)**	–
Gain on disposal of plant and equipment	**(1)**	(1)
Interest and other income	**(5,336)**	(6,364)
Investment income	**(10,594)**	(12,703)
Management fees paid/payable in units	**43,980**	41,087
Net change in fair value of financial derivatives	**(402)**	–
Net change in fair value of investment properties	**90,438**	(270,507)
Share of results of joint ventures	**(42,467)**	(140,202)
Taxation	**4,105**	19,224
Write back of doubtful debts	**(28)**	(1,948)
Operating income before working capital changes	**979,159**	883,613
Changes in working capital:		
Trade and other receivables	**(19,175)**	(23,632)
Trade and other payables	**43,528**	(34,513)
Security deposits	**29,317**	7,528
Cash generated from operations	**1,032,829**	832,996
Income tax paid	**(9,290)**	(5,464)
Net cash from operating activities	**1,023,539**	827,532
Cash flows from investing activities		
Capital expenditure on investment properties	**(126,904)**	(93,561)
Distributions received from joint ventures	**6,785**	43,709
Distribution received from equity investments at fair value	**10,594**	12,703
Interest received	**5,188**	1,088
Net cash inflow on divestment of investment property (Note 33)	**331,128**	–
Net cash outflow on acquisitions of subsidiaries and joint operation (Note 32)	**(1,153,885)**	–
Purchase of plant and equipment	**(484)**	(283)
Proceeds from disposal of plant and equipment	**1**	1
Return of capital from joint ventures	**1,553**	292,746
Net cash (used in)/from investing activities	**(926,024)**	256,403

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 December 2022

	Group	
	2022	2021
	$'000	$'000
Cash flows from financing activities		
Distributions paid to Unitholders	**(684,847)**	(448,046)
Distributions paid to non-controlling interests	**(3,989)**	(1,315)
Interest paid	**(237,409)**	(207,871)
Payment of issue and financing expenses	**(10,930)**	(12,347)
Payment of lease liabilities	**(2,635)**	(2,634)
Proceeds from issue of new Units	**–**	250,000
Proceeds from loans and borrowings	**4,376,135**	1,661,935
Proceeds from loans and borrowings from non-controlling interests	**34,200**	–
Repayment of loans and borrowings	**(3,684,777)**	(2,142,141)
Net cash used in financing activities	**(214,252)**	(902,419)
Net (decrease)/increase in cash and cash equivalents	**(116,737)**	181,516
Cash and cash equivalents at beginning of the year	**365,133**	183,617
Cash and cash equivalents at end of the year (Note 14)	**248,396**	365,133

Note:

(A) Significant Non-Cash Transactions

- In 2022, 20,642,852 (2021: 10,363,224) Units were issued to the Manager as payment for the management fees payable in units, amounting to $42,125,000 (2021: $21,915,000).
- In 2022, 804,962 (2021: Nil) Units were issued to the Manager as payment for the divestment fees payable in units in respect of the divestment of JCube, amounting to $1,700,000 (2021: $Nil).
- In 2022, 5,056,101 (2021: Nil) Units were issued to the Manager as payment for the acquisition fees payable in units in respect of the acquisitions of 66 Goulburn Street and 100 Arthur Street as well as CapitaSky, amounting to $11,228,000 (2021: $Nil).

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

As at 31 December 2022

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 6 March 2023.

1 GENERAL

CapitaLand Integrated Commercial Trust (the "Trust) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 29 October 2001 (as amended) (the "Trust Deed") between CapitaLand Integrated Commercial Trust Management Limited (the "Manager"), and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units").

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 17 July 2002 ("Listing Date") and was included under the Central Provident Fund ("CPF") Investment Scheme on 13 September 2002.

The principal activity of CICT is to invest, directly or indirectly, in real estate which is income producing and is used or primarily used for commercial purposes (including retail and/or office purposes), located predominantly in Singapore. The principal activities of the subsidiaries and joint ventures are set out in Notes 6 and 7.

The consolidated financial statements relate to the Trust and its subsidiaries (the "Group") and the Group's interests in its equity-accounted investees.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures of these services are as follows:

1.1 Property management fees

Under the property management agreement with CapitaLand Retail Management Pte Ltd, property management fees are charged as follows:

(a) 2.00% per annum of the gross revenue of the properties;

(b) 2.00% per annum of the net property income of the properties; and

(c) 0.50% per annum of the net property income of the properties, in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

1.2 Management fees

Pursuant to the Trust Deed, the management fees shall not exceed 0.70% per annum of the Deposited Property or such higher percentage as may be fixed by an Extraordinary Resolution at a meeting of Unitholders. Deposited Property refers to all the assets of the Trust, including all its Authorised Investments (as defined in the Trust Deed) for the time being held or deemed to be held upon the trusts of the Trust Deed. The management fees comprise:

(a) in respect of Authorised Investments which are in the form of real estate, a base component of 0.25% per annum of Deposited Property and a performance component of 4.25% per annum of net property income of the Trust for each financial year; and

(b) in respect of all other Authorised Investments which are not in the form of real estate, 0.5% per annum of the investment value of the Authorised Investment, unless such Authorised Investment is an interest in a property fund (either a real estate investment trust or private property fund) wholly managed by a wholly-owned subsidiary of CapitaLand Limited, in which case no management fee shall be payable in relation to such Authorised Investment.

1 GENERAL (continued)

1.2 Management fees (continued)

In respect of all Authorised Investments which are in the form of real estate acquired by the Trust:

(a) the base component shall be paid to the Manager in the form of cash and/or Units (as the Manager may elect); and

(b) the performance component shall be paid to the Manager in the form of cash, in the form of Units or a combination of both (as the Manager may elect).

When paid in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the management fee at the market price (as defined in the Trust Deed). The base and performance components of the management fees are payable quarterly and yearly in arrears respectively.

For all acquisitions or disposals of properties or investments, the Manager is entitled to receive acquisition fee of 1.0% of the purchase price and a divestment fee of 0.5% of the sale price.

1.3 Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.10% per annum of the Deposited Property (subject to a minimum sum of $15,000 per month) payable out of the Deposited Property of the Trust. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

The Trustee's fees are payable quarterly in arrears.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 *"Reporting Framework for Investment Funds"* ("RAP 7") issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS").

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as otherwise disclosed in the notes below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Trust's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2 BASIS OF PREPARATION (continued)

2.4 Use of estimates and judgements (continued)

Information about assumptions and estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year is included in the following note:

- Note 5 – Valuation of investment properties

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 5 – Valuation of investment properties
- Note 30 – Valuation of financial instruments

2.5 Changes in accounting policies

New standards and amendments

The Group has applied the recognition and measurement principles of the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 January 2022:

- Amendments to FRS 103: *Business Combinations – Reference to the Conceptual Framework*
- Amendments to FRS 16: *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to FRS 37: *Provisions, Contingent Liabilities and Contingent Assets Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to FRSs 2018-2020

The application of the recognition and measurement principles of these amendments to standards and interpretations does not have a material effect on the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group, except as explained in Note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any NCI in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a gain relating to negative goodwill is recognised immediately in the Statement of Total Return.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the Statement of Total Return.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the Statement of Total Return.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of consolidation (continued)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the Statement of Total Return. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments in joint ventures (equity-accounted investees)

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of that investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Joint operations

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including it share of those held or incurred jointly, in relation to the joint operation.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries and joint ventures in the separate financial statements

Investments in subsidiaries and joint ventures are stated in the Trust's Statement of Financial Position at cost less accumulated impairment losses.

3 **SIGNIFICANT ACCOUNTING POLICIES** (continued)

3.2 Plant and equipment

Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment is recognised in the Statement of Total Return.

Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in the Statement of Total Return as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised as an expense in the Statement of Total Return on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

Furniture, fittings and equipment – 2 to 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.3 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in the Statement of Total Return.

Cost includes expenditure that is directly attributable to the acquisition of the investment property, which includes transaction costs.

Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

- in such manner and frequency required under the CIS Code issued by MAS; and
- at least once in each period of 12 months following the acquisition of each parcel of real estate property.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the Statement of Total Return.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Investment properties (continued)

Any increase or decrease on revaluation is credited or charged to the Statement of Total Return as a net change in fair value of the investment properties.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above. For income tax purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act 1947.

3.4 Foreign currency

Foreign currency transactions

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency).

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in Statement of Total Return. However, foreign currency differences arising from the translation of the following items are recognised in the Statement of Movements in Unitholders' Funds:

- an equity investment designated as at fair value through Unitholders' Funds ("FVOCI");
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the Statement of Movements in Unitholders' Funds. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the Statement of Total Return as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the Statement of Total Return.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Foreign currency (continued)

Hedge of net investment in foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in the Statement of Movements in Unitholders' Funds and are presented in the foreign currency translation reserve within Unitholders' Funds.

3.5 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised costs; or
- fair value through Unitholders' fund ("FVOCI").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at fair value through profit or loss ("FVTPL"):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in the Statement of Movement in Unitholders' Funds. This election is made on investment-by-investment basis.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Total Return. Any gain or loss on derecognition is recognised in Statement of Total Return.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Total Return unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in Statement of Unitholders' Funds and are never reclassified to Statement of Total Return.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Total Return.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its Statement of Financial Position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the Statement of Total Return.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(iii) Derecognition (continued)

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss is recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– the change is necessary as a direct consequence of the reform; and

– the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies on accounting for modifications to the additional changes.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

(vi) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in the Statement of Total Return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Total Return, unless it is designated in a hedge relationship that qualifies for hedge accounting.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting (continued)

Hedges directly affected by interest rate benchmark reform

Phase 1 amendments: Prior to interest rate benchmark reform – when there is uncertainty arising from interest rate benchmark reform

For the purpose of evaluating whether there is an economic relationship between the hedged item(s) and the hedging instrument(s), the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affected Statement of Total Return. In determining whether a previously designated forecasted transaction in a discontinued cash flow hedge is still expected to occur, the Group assumes that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

The Group will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument (i) to a hedged item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued. For its highly probable assessment of the hedged item, the Group will no longer apply the specific policy when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

Phase 2 amendments: Replacement of benchmark interest rate – when there is no longer uncertainty arising from interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or the hedging instrument changes as a result of interest rate benchmark reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by interest rate benchmark reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

For this purpose, the hedge designation is amended only to make one or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting (continued)

Hedges directly affected by interest rate benchmark reform *(continued)*

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by interest rate benchmark reform by changing the basis for determining the contractual cash flow of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and

- the original hedging instrument is not derecognised.

The Group also amends the formal hedging documentation by the end of the reporting period during which a change required by interest rate benchmark reform is made to the hedged risk, hedging item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by interest rate benchmark reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of hedge accounting relationship, then the Group amends the formal hedged documentation for changes required by interest rate benchmark reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by interest rate benchmark reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in the Statement of Movements in Unitholders' Funds for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the Statement of Movements in Unitholders' Funds and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in the Statement of Movements in Unitholders' Funds is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Total Return.

For all hedged transactions, the amount accumulated in the hedging reserve is reclassified to the Statement of Total Return in the same period or periods during which the hedged expected future cash flows affect the Statement of Total Return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in unitholders' funds until it is reclassified to the Statement of Total Return in the same period or periods as the hedged expected future cash flows affect the Statement of Total Return.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to the Statement of Total Return.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting (continued)

Net investment hedges

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in the Statement of Movements in Unitholders' Funds and presented in the foreign currency translation reserve within Unitholders' Funds. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in the Statement of Total Return. The amount recognised in Unitholders' Funds is reclassified to the Statement of Total Return as a reclassification adjustment on disposal of the foreign operation.

3.6 Impairment

Non-derivative financial assets

The Group recognises loss allowances for expected credit loss ("ECLs") on financial assets measured at amortised costs.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improve such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Impairment (continued)

***Non-derivative financial assets** (continued)*

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the Statement of Financial Position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Impairment (continued)

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in the Statement of Total Return. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows from continuing use that are largely independent from other assets or CGUs. Impairment losses are recognised in the Statement of Total Return unless it reverses a previous revaluation, credited to Unitholders' funds, in which case it is charged to Unitholders' Funds.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Subsidiaries and joint ventures

An impairment loss in respect of a subsidiary or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in the Statement of Total Return. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increase.

3.7 Loans and borrowings

Loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, loans and borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Total Return over the period of the borrowings on an effective interest basis.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset (classified as plant and equipment or investment properties) and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset (classified as plant and equipment) is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset (classified as plant and equipment) reflects that the Group will exercise a purchase option. In that case the right-of-use asset (classified as plant and equipment) will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset (classified as plant and equipment) is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset (classified as plant and equipment) is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets (classified as investment properties) that meet the definition of investment property are carried at fair value in accordance with Note 3.3.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments; and
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Leases (continued)

As a lessee *(continued)*

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of Total Return if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'plant and equipment' in the Statement of Financial Position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

COVID-19-related rent concessions

The Group has applied COVID-19-Related Rent Concessions – Amendment to FRS 116. The Group applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies the principles of FRS 115 to allocate the consideration in the contract.

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.9 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and is classified as equity.

Incremental costs directly attributable to the issue of units are recognised as a deduction from Unitholders' funds.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Revenue recognition

Rental income

Rental income from investment properties is recognised in the Statement of Total Return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

Car park income

Car park income consists of season and hourly parking income. Car park income is recognised over time upon the utilisation of car parking facilities.

3.11 Expenses

Property operating expenses

Property operating expenses consist of property taxes, utilities, property management fees, property management reimbursements, marketing, maintenance and other property outgoings in relation to investment properties where such expenses are the responsibility of the Group.

Property management fees are recognised on an accrual basis based on the applicable formula, stipulated in Note 1.1.

Management fees

Management fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1.2.

Trustee's fees

The Trustee's fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1.3.

3.12 Interest income, investment income and finance costs

Interest income is recognised as it accrues, using the effective interest method.

Investment income is recognised in the Statement of Total Return when the Group's right to receive distribution income is established.

Finance costs comprise interest expense on borrowings, interest expense from lease liabilities and amortisation of borrowings related transaction costs, and are recognised in the Statement of Total Return using the effective interest method over the period of borrowings.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statement of Total Return using the effective interest method.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the Statement of Total Return except to the extent that it relates to a business combination, or items directly in Unitholders' Funds.

Current tax is the expected tax payable on the taxable income for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiaries and joint ventures to the extent the Group is able to control the timing of the reversal of the temporary difference and that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Income tax (continued)

The Inland Revenue Authority of Singapore (the "IRAS") has issued a tax ruling on the tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90.0% of the taxable income of the Trust, the Trustee is not subject to tax on the taxable income of the Trust to the extent of the amount distributed. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions. This treatment is known as the tax transparency treatment.

Individuals and qualifying Unitholders, i.e. companies incorporated and tax resident in Singapore, Singapore branches of companies incorporated outside Singapore, bodies of persons registered or constituted in Singapore, certain international organisations that are exempt from tax on distributions from the Trust and real estate investment trust exchange-traded funds which have been accorded the tax transparency treatment, are entitled to gross distributions from the Trust. For distributions made to foreign non-individual Unitholders and qualifying foreign funds managed by Singapore fund managers, the Trustee is required to withhold tax at the reduced rate of 10.0%. For other types of Unitholders, the Trustee is required to withhold tax at the prevailing corporate tax rate on the distributions made by the Trust. Such other types of Unitholders are subject to tax on the re-grossed amounts of the distributions received but may claim a credit for the tax deducted at source at the prevailing corporate tax rate by the Trustee.

The Trust has a distribution policy to distribute at least 90.0% of its taxable income (other than gains from the sale of real estate properties which are determined to be trading gains). For the taxable income that is not distributed, referred to as retained taxable income, tax will be assessed on the Trustee. Where such retained taxable income is subsequently distributed, the Trustee need not deduct tax at source.

3.14 Earnings per unit

The Group presents basic and diluted earnings per unit data for its units. Basic earnings per unit is calculated by dividing the total return by the weighted-average number of units outstanding during the year. Diluted earnings per unit is determined by adjusting the total return and the weighted-average number of ordinary units outstanding, for the effects of all dilutive potential units.

3.15 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Chief Executive Officer of the Manager (the Group's "Chief Operating Decision Maker" or "CODM") to make decisions about the resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

3.16 New standards and amendments not adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Group has not early adopted the recognition and measurement principles under the new or amended standards in preparing these financial statements.

(i) Amendments to FRS 1: Classification of Liabilities as Current or Non-Current

The amendments, as issued in 2020, aim to clarify the requirements on determining whether a liability is current or non-current, and apply for annual reporting periods beginning on or after 1 January 2023. However, the IASB has subsequently proposed further amendments to IAS 1 and the deferral of the effective date of the 2020 amendments to no earlier than 1 January 2024. Due to these ongoing developments, the Group is unable to determine the impact of these amendments on the consolidated financial statements in the period of initial application. The Group is closely monitoring the developments.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 New standards and amendments not adopted (continued)

(ii) Others

The Group does not expect the application of these standards to have a significant impact on the financial statements.

4 PLANT AND EQUIPMENT

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Furniture, fittings and equipment				
Cost				
At 1 January	**13,629**	13,868	**8,559**	8,839
Acquisition of subsidiaries (Note 32)	**75**	–	**–**	–
Additions	**478**	289	**146**	183
Disposals	**(45)**	(17)	**(4)**	(15)
Assets written off	**(789)**	(449)	**(772)**	(448)
Translation difference	**(130)**	(62)	**–**	–
At 31 December	**13,218**	13,629	**7,929**	8,559
Accumulated depreciation				
At 1 January	**7,508**	6,804	**6,467**	6,201
Charge for the year	**891**	1,177	**503**	711
Disposals	**(44)**	(16)	**(4)**	(15)
Assets written off	**(390)**	(431)	**(372)**	(430)
Translation difference	**(58)**	(26)	**–**	–
At 31 December	**7,907**	7,508	**6,594**	6,467
Carrying amounts				
At 1 January	**6,121**	7,064	**2,092**	2,638
At 31 December	**5,311**	6,121	**1,335**	2,092

5 INVESTMENT PROPERTIES

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
At 1 January	**21,431,071**	21,366,075	**7,814,943**	8,028,300
Acquisitions[1] (Note 32)	**2,419,446**	–	**–**	–
Capital expenditure	**138,012**	86,050	**29,299**	25,211
Net change in fair value of investment properties	**(90,438)**	270,507	**58,158**	39,432
Reclassification to asset held for sale (Note 12)	**–**	(278,000)	**–**	(278,000)
Straight-lining of rental adjustments	**21,430**	20,911	**–**	–
Translation difference	**(174,704)**	(34,472)	**–**	–
At 31 December	**23,744,817**	21,431,071	**7,902,400**	7,814,943

[1] Includes acquisition fees and acquisition related expenses of $84,351,000

Security

As at 31 December 2022, the Group's investment properties with a total carrying amount of $2,027.4 million (2021: $941.5 million) were pledged as security to banks to secure bank facilities (refer to Note 16).

As at 31 December 2022 and 2021, all investment properties, including investment property reclassified as asset held for sale, held by the Trust are unencumbered.

Fair value hierarchy

The fair value of investment properties, including investment property reclassified as asset held for sale, was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. External valuation of the investment properties is conducted at least once a year.

The fair value measurement for investment properties, including investment property reclassified as asset held for sale, for the Group and Trust have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Fair value of investment properties (based on valuation reports)	**23,718,287**	21,422,689	**7,896,700**	7,808,300
Add: Right-of-use asset classified within investment properties	**529**	158	**529**	158
Add: Carrying amount of lease liabilities	**26,001**	8,224	**5,171**	6,485
Carrying amount of investment properties	**23,744,817**	21,431,071	**7,902,400**	7,814,943

5 INVESTMENT PROPERTIES (continued)

Valuation technique

Investment properties, including investment property reclassified as asset held for sale, are stated at fair value based on valuation performed by independent professional valuers. In determining the fair value, the methodologies adopted by the valuers include capitalisation method and/or discounted cash flow method.

The capitalisation method is an investment approach whereby the estimated gross passing income (on both a passing and market rent basis) is adjusted to reflect anticipated operating costs and a natural vacancy to produce the net income on a fully leased basis. The adopted fully leased net income is capitalised over the remaining term of the lease from the valuation date at an appropriate investment yield.

The discounted cash flow method involves the estimation and projection of a net income stream over a period and discounting the net income stream with an internal rate of return to arrive at the market value. The discounted cash flow method requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements.

The above valuation methods involve certain estimates. The Manager reviews the key valuation parameters and underlying data including market-corroborated capitalisation rates, discount rates and terminal yield rates adopted by the valuers and is of view that they are reflective of the market conditions as at the reporting dates.

Significant unobservable inputs

The following table shows the valuation techniques and significant unobservable inputs used in measuring level 3 fair values of investment properties, including investment property reclassified as asset held for sale:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation method	**Capitalisation rate** <u>Group</u> *Singapore* Retail 2022: 4.50% to 7.00% (2021: 4.50% to 7.00%) Integrated Developments 2022: 3.55% to 4.85% (2021: 3.63% to 4.85%) Office 2022: 3.40% to 3.75% (2021: 3.40% to 3.75%) *Australia* Integrated Developments 2022: 5.13% to 5.75% (2021: NA) Office 2022: 5.38% to 5.50% (2021: NA)	The estimated fair value would increase/(decrease) if the capitalisation rates were lower/(higher).

5 INVESTMENT PROPERTIES (continued)

Significant unobservable inputs (continued)

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flow method	**Discount rate** <u>Group</u> *Singapore* Retail 2022: 7.00% to 8.00% (2021: 7.00% to 8.00%) Integrated Developments 2022: 6.75% to 7.25% (2021: 7.00% to 7.25%) Office 2022: 6.50% to 6.75% (2021: 6.50% to 6.75%) *Germany* Office 2022: 6.25% to 6.50% (2021: 5.15% to 6.00%) *Australia* Integrated Developments 2022: 6.00% to 6.50% (2021: NA) Office 2022: 6.13% to 6.25% (2021: NA)	The estimated fair value would increase/(decrease) if the discount rates were lower/(higher).
Discounted cash flow method	**Terminal yield rate** <u>Group</u> *Singapore* Retail 2022: 4.60% to 7.25% (2021: 4.75% to 7.25%) Integrated Developments 2022: 3.80% to 5.10% (2021: 3.88% to 5.10%) Office 2022: 3.45% to 4.00% (2021: 3.40% to 4.00%) *Germany* Office 2022: 3.15% to 3.85% (2021: 2.95% to 3.60%) *Australia* Integrated Developments 2022: 5.38% to 6.00% (2021: NA) Office 2022: 5.63% to 5.75% (2021: NA)	The estimated fair value would increase/(decrease) if the terminal yield rates were lower/(higher).

6 SUBSIDIARIES

	Trust	
	2022	2021
	$'000	$'000
Unquoted equity investments, at cost	**8,006,374**	6,946,711
Less: Allowance for impairment loss	**(155,361)**	(43,505)
	7,851,013	6,903,206
Loans to subsidiaries		
– Interest-bearing	**3,310,827**	2,511,627
– Non-interest-bearing	**471,903**	471,903
	3,782,730	2,983,530
Less: Allowance for impairment loss	**(5,220)**	(8,957)
	3,777,510	2,974,573
	11,628,523	9,877,779

During the financial year ended 31 December 2022, the Trust invested approximately $603 million and $434 million into CICT AU Trust and 79RR Office Trust respectively.

Loans to subsidiaries are unsecured and are not expected to be repaid in the next twelve months from the reporting date. The interest-bearing loans bear interest rates of 0.99% to 5.00% (2021: 0.87% to 3.26%) per annum. Interest rates are determined by the Trust from time to time.

In 2022, allowance for impairment loss amounting to $113,518,000 (2021: $7,345,000) and a reversal of impairment loss amounting to $1,662,000 (2021: $7,024,000) were recognised in respect of the Trust's investment in subsidiaries, taking into consideration the fair value of the underlying properties held by the subsidiaries. The recoverable amount was assessed based on fair value less costs to sell estimated using the revalued net assets of the subsidiaries and categorised as level 3 on the fair value hierarchy.

The movements in the allowance for impairment loss are as follows:

	Trust	
	2022	2021
	$'000	$'000
At the beginning of the year	**52,462**	53,904
Impairment loss recognised		
– Unquoted equity investments, at cost	**113,518**	7,345
Reversal of impairment loss		
– Unquoted equity investments, at cost	**(1,662)**	(7,024)
– Loans to subsidiaries	**(3,737)**	(1,763)
At the end of the year	**160,581**	52,462

6 SUBSIDIARIES (continued)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Ownership interest 2022 %	2021 %
CMT MTN Pte. Ltd.[1]	Singapore	**100.0**	100.0
Brilliance Mall Trust[1]	Singapore	**100.0**	100.0
Infinity Mall Trust[1]	Singapore	**100.0**	100.0
Victory Office 1 Trust[1]	Singapore	**100.0**	100.0
Victory Office 2 Trust[1]	Singapore	**100.0**	100.0
RCS Trust[1]	Singapore	**100.0**	100.0
MSO Trust[1]	Singapore	**100.0**	100.0
CapitaLand Commercial Trust[1]	Singapore	**100.0**	100.0
CCT MTN Pte. Ltd.[1, 2]	Singapore	**100.0**	100.0
MVKimi (BVI) Limited[2,3]	Singapore/British Virgin Islands	**100.0**	100.0
Asia Square Tower 2 Pte. Ltd.[1,2]	Singapore	**100.0**	100.0
CCT Galaxy One Pte. Ltd.[1,2]	Singapore	**100.0**	100.0
CCT Galaxy Two Pte. Ltd.[1,2]	Singapore	**100.0**	100.0
CCT Mercury One Pte. Ltd.[1,2]	Singapore	**100.0**	100.0
Gallileo Property S.a.r.l.[2,4]	Germany/Luxembourg	**94.9**	94.9
MAC Property Company B.V.[2,5]	Germany/Netherlands	**94.9**	94.9
MAC Car Park Company B.V.[2,3]	Germany/Netherlands	**94.9**	94.9
CICT AU Investments Pte. Ltd.[1]	Singapore	**100.0**	100.0
CICT AU Trust[3,6,8]	Australia	**100.0**	100.0
CICT AU 1 Trust[3,7]	Australia	**100.0**	100.0
Monopoly Trust[3,7,9]	Australia	**100.0**	100.0
Gateway Goulburn Trust[3,7,9]	Australia	**100.0**	–
Gateway Arthur Trust[3,7,9]	Australia	**100.0**	–
79RR Office Trust	Singapore	**100.0**	–
79RR LLP[1,10]	Singapore	**70.0**	–

1 Audited by KPMG LLP Singapore
2 Indirectly held through CCT
3 These are not subject to audit by laws of countries of incorporation
4 Audited by KPMG Luxembourg, Société cooperative
5 Audited by KPMG Accountants N.V.
6 99.0% directly held by the Trust and 1.0% indirectly held through CICT AU Investments Pte. Ltd.
7 Indirectly held through CICT AU Trust and CICT AU Investments Pte. Ltd.
8 Audited by KPMG LLP Singapore for group consolidation purpose
9 Audited by KPMG LLP Australia for group consolidation purpose
10 Indirectly held through 79RR Office Trust

For material subsidiaries, the property management fees, management fees payable and trustee fees are as follows:

RCS Trust

RCS Trust has entered into several service agreements in relation to the management of RCS Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement with CapitaLand (RCS) Property Management Pte. Ltd., property management fees are charged as follows:

(i) 2.00% per annum of the property income of the property; and

(ii) 2.50% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

6 SUBSIDIARIES (continued)

***RCS Trust** (continued)*

(b) Management fees

Pursuant to the RCS Trust Trust Deed, the Manager is entitled to receive the amount of management fees which comprise a base component of 0.25% per annum of the value of deposited property of RCS Trust and a performance component of 4.00% per annum of the net property income of RCS Trust, including all its authorised investments for the time being held or deemed to be held upon the trusts of the RCS Trust Trust Deed.

The management fees shall be paid entirely in the form of units or, with the approval of the Manager, either partly in units and partly in cash or wholly in cash.

The base and performance components of the management fees are payable quarterly and yearly in arrears respectively.

(c) RCS Trust Trustee-Manager's fees

Pursuant to the RCS Trust Trust Deed, the fees of HSBC Institutional Trust Services (Singapore) Limited as trustee-manager of the RCS Trust ("RCS Trust Trustee-Manager") shall not exceed 0.10% per annum of the value of deposited property of RCS Trust, as defined in the RCS Trust Trust Deed (subject to a minimum sum of $15,000 per month), payable out of the deposited property of RCS Trust. The RCS Trust Trustee-Manager is also entitled to reimbursement of expenses incurred in the performance of its duties under the RCS Trust Trust Deed.

RCS Trust Trustee-Manager's fees are payable quarterly in arrears.

MSO Trust

MSO Trust has entered into several service agreements in relation to the management of MSO Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement with CapitaLand Commercial Management Pte. Ltd., property management fees are charged at 3.00% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

(b) Management fees

Pursuant to the MSO Trust Trust Deed, the Manager is entitled to receive the amount of management fees which comprise a base component of 0.10% per annum of the value of deposited property of MSO Trust and a performance component of 5.25% per annum of the net investment income of the MSO Trust for each financial year.

The base and performance components of the management fees are payable quarterly and yearly in arrears respectively.

(c) Trustee's fees

Pursuant to the MSO Trust Trust Deed, the fees of HSBC Institutional Trust Services (Singapore) Limited as trustee of MSO Trust ("MSOT Trustee") shall not exceed 0.10% per annum of the value of deposited property of MSO Trust (subject to a minimum sum of $8,000 per month), payable out of the deposited property of MSO Trust. MSOT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the MSO Trust Trust Deed.

The MSOT Trustee's fees are payable quarterly in arrears.

6 SUBSIDIARIES (continued)

CapitaLand Commercial Trust

CCT has entered into several service agreements in relation to the management of CCT and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement with CapitaLand Commercial Management Pte. Ltd., property management fees are charged at 3.00% per annum of the net property income of the properties held by CCT.

The property management fees are payable monthly in arrears.

(b) Management fees

Pursuant to the CCT Trust Deed, the Manager is entitled to receive the amount of management fees which comprise a base component of 0.10% per annum of deposited property of CCT and its subsidiaries and a performance component of 5.25% per annum of net investment income of CCT and its subsidiaries for each financial year.

The base and performance components of the management fees are payable quarterly and yearly in arrears respectively.

The Manager's fees shall be paid in the form of cash, in the form of Units or a combination of both as the Manager may elect.

(c) Trustee fees

Pursuant to the CCT Trust Deed, the fees of HSBC Institutional Trust Services (Singapore) Limited as trustee of CCT ("CCT Trustee") shall not exceed 0.10% per annum of the value of deposited property of CCT and its subsidiaries (subject to a minimum sum of $8,000 per month), payable out of the deposited property of CCT and its subsidiaries. The CCT Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the CCT Trust Deed.

The CCT Trustee's fees are payable quarterly in arrears.

CICT AU Trust

CICT AU Trust has entered into several service agreements in relation to the management of CICT AU Trust. The fee structures of these services are as follows:

(a) Management fees

Pursuant to the Trust Deed, the Manager is entitled to the management fees in respect of the assets held by CICT AU Trust and its subsidiaries, of which it has elected for such management fees to be paid by both the Trust and CICT AU Trust. In accordance with the investment management agreement entered between CICT AU Trust and CapitaLand Australia Pty Ltd ("CAPL"), CAPL is entitled to receive the amount of management fees which comprise a base component of 0.175% per annum of deposited property of CICT AU Trust and a performance component of 2.975% per annum of net property income (as defined in the investment management agreement) of CICT AU Trust for each financial year. Deposited property refers to the trust assets (as defined in CICT AU Trust Trust Deed), including the investments of CICT AU Trust. The payment of the management fees to CAPL will reduce the management fees payable to the Manager as described in Note 1.2 correspondingly, such that there is no duplication in respect of the management fees due to the Manager pursuant to Note 1.2.

The base and performance components of the management fees shall be paid to CAPL in the form of cash and are payable quarterly and yearly in arrears respectively.

6 SUBSIDIARIES (continued)

***CICT AU Trust** (continued)*

(b) Trustee fees

Pursuant to the CICT AU Trust Trust Deed, the fees of The Trust Company (Australia) Limited as trustee of CICT AU Trust ("CICT AU Trust Trustee") are presently charged at 0.02% of the gross asset value of CICT AU Trust and its investments (subject to a minimum sum of AUD2,500 per month). The CICT AU Trust Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the CICT AU Trust Trust Deed.

The CICT AU Trust Trustee's fees are payable quarterly in arrears.

79RR Office Trust

79RR Office Trust has entered into several service agreements in relation to the management of 79RR Office Trust and the property operations of CapitaSky, held through 79RR LLP. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreement between 79RR LLP (directly held through 79RR Office Trust) and CapitaLand Commercial Management Pte. Ltd., property management fees are charged at 3.00% per annum of the net property income of the property.

The property management fees are payable monthly in arrears.

(b) Management fees

The management fees payable are as stipulated in Note 1.2.

(c) Trustee fees

The trustee fees of 79RR Office Trust are presently charged at a scaled basis of up to 0.03% per annum of the deposited property of 79RR Office Trust (subject to a minimum sum of $10,000 per month). HSBC Institutional Trust Services (Singapore) Limited as trustee of 79RR Office Trust ("79RR Office Trust Trustee") is also entitled to reimbursement of expenses incurred in the performance of its duties under the 79RR Office Trust Trust Deed.

The 79RR Office Trust Trustee's fees are payable quarterly in arrears.

7 JOINT VENTURES

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Investment in joint ventures	**184,218**	143,367	**61,274**	61,925
Loans to joint ventures[1]	**176,980**	176,980	**150,359**	150,359
	361,198	320,347	**211,633**	212,284

[1] Include interest receivable from joint ventures

Loans to joint ventures are unsecured and are not expected to be repaid in the next twelve months from the reporting date. The loans bear interest rate of 2.5% (2021: 2.5%) per annum. Interest rates are determined by the Group and the Trust from time to time.

7 JOINT VENTURES (continued)

Details of the joint ventures are as follows:

Name of joint ventures	Principal place of business/ Country of incorporation	Ownership interest 2022 %	2021 %
Glory Office Trust[1]	Singapore	**45.0**	45.0
Glory SR Trust[1,2]	Singapore	**45.0**	45.0
One George Street LLP[1,2,3]	Singapore	**50.0**	50.0
Infinity Office Trust[1]	Singapore	**–**[4]	30.0

1 Audited by KPMG LLP Singapore
2 Indirectly held through CCT
3 On 12 November 2021, the Manager announced the divestment of One George Street (50.0% interest) held through One George Street LLP and the sale was completed on 9 December 2021
4 Wound up by its unitholders, namely CMA Singapore Investments (5) Pte. Ltd., CICT and CL Jo Pte. Ltd on 15 March 2021 and the distribution of all remaining assets of the Trust was completed on 9 June 2022

Glory Office Trust and Glory SR Trust

Glory Office Trust ("GOT") and Glory SR Trust ("GSRT") holds CapitaSpring.

(a) As at 31 December 2022, the Group has provided $136.4 million (2021: $136.4 million) and $24.3 million (2021: $24.3 million) as unitholder's loans to GOT and GSRT respectively.

(b) As at 31 December 2021, the Group had provided sponsors' undertaking on cost overrun, interest shortfall, security margin and project completion, in respect of its 45.0% interest in each of GOT and GSRT, on the $1,180.0 million bank facility granted to CL Office Trustee Pte. Ltd. (in its capacity as trustee-manager of GOT) and Glory SR Trustee Pte. Ltd. (in its capacity as trustee-manager of GSRT). The Group's 45.0% interest is $531.0 million. As at 31 December 2021, the amount drawn down under the bank facility was $1,140.0 million, and the Group's 45.0% interest was $513.0 million.

During the financial year ended 31 December 2022, the $1,140.0 million drawn down was repaid, and the bank facility had been cancelled. Consequently, the sponsors' undertakings in respect of its 45.0% interest in each of GOT and GSRT had been discharged.

The following table summarises the financial information of each of the Group's material joint ventures based on the financial statements prepared in accordance with RAP 7/FRS, modified for differences in the Group's accounting policies. The table also analyses, in aggregate, the carrying amount and share of profit of the remaining individually immaterial joint ventures.

7 JOINT VENTURES (continued)

	GOT $'000	Immaterial joint ventures $'000	Total $'000
2022			
Gross revenue	**90,272**		
Expenses[1]	**(62,728)**		
Net change in fair value of investment property	**67,153**		
Total return for the year	**94,697**		
[1] Include:			
– depreciation and amortisation	**(2,637)**		
– interest expense	**(34,916)**		
– income tax expense	**–**		
Non-current assets[2]	**1,769,577**		
Current assets[3]	**33,056**		
Non-current liabilities[4]	**(1,339,816)**		
Current liabilities[5]	**(96,920)**		
Net assets	**365,897**		
[2] Include investment properties	**1,769,000**		
[3] Include cash and cash equivalents	**13,837**		
[4] Include non-current financial liabilities (excluding trade and other payables and provisions)	**(1,321,371)**		
[5] Include current financial liabilities (excluding trade and other payables and provisions)	**–**		
Group's interest in net assets of joint ventures at 1 January 2022	**122,040**	**21,327**	**143,367**
Group's share of total return for the year	**42,614**	**(147)**	**42,467**
Return of capital from joint ventures	**–**	**(1,553)**	**(1,553)**
Distributions received and receivable during the year	**–**	**(63)**	**(63)**
Carrying amount of interest in joint ventures at 31 December 2022	**164,654**	**19,564**	**184,218**
Group's share of joint ventures' capital commitment	**–**	**–**	**–**

7 JOINT VENTURES (continued)

	GOT $'000	Immaterial joint ventures $'000	Total $'000
2021			
Gross revenue	20,914		
Expenses[1]	(21,760)		
Net change in fair value of investment property	119,639		
Total return for the year	118,793		
[1] Include:			
– depreciation and amortisation	(597)		
– interest expense	(12,757)		
– income tax expense	–		
Non-current assets[2]	1,652,796		
Current assets[3]	49,839		
Non-current liabilities[4]	(1,319,053)		
Current liabilities[5]	(112,383)		
Net assets	271,199		
[2] Include investment properties	1,652,796		
[3] Include cash and cash equivalents	16,398		
[4] Include non-current financial liabilities (excluding trade and other payables and provisions)	(1,303,391)		
[5] Include current financial liabilities (excluding trade and other payables and provisions)	–		
Group's interest in net assets of joint ventures at 1 January 2021	64,484	274,185	338,669
Group's share of total return for the year	53,457	86,745	140,202
Return of capital from joint ventures	–	(292,746)	(292,746)
Distributions received and receivable during the year	–	(47,603)	(47,603)
Group's share of movement in Unitholders' funds	4,099	746	4,845
Carrying amount of interest in joint ventures at 31 December 2021	122,040	21,327	143,367
Group's share of joint ventures' capital commitment	–	–	–

8 JOINT OPERATION

The Group through its indirect wholly-owned subsidiary, Monopoly Trust, holds a 50.0% interest in 101 – 103 Miller Street and Greenwood Plaza, Australia. The Group classified its 50.0% interest in 101 – 103 Miller Street and Greenwood Plaza, Australia as a joint operation as the property is held jointly as tenants in common.

9 EQUITY INVESTMENTS AT FAIR VALUE

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Quoted equity investments at FVOCI	**180,989**	193,168	**149,385**	158,723

The Group and the Trust designated the investments shown below as equity investments at FVOCI because these equity investments represent investments that the Group and the Trust intend to hold for the long-term for strategic purposes.

	Fair value			
	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Investment in CLCT	**149,385**	158,723	**149,385**	158,723
Investment in Sentral REIT	**31,604**	34,445	**–**	–
	180,989	193,168	**149,385**	158,723

Quoted equity investments represent the Group's and the Trust's 8.0% (2021: 8.0%) interest in CLCT and the Group's 10.9% (2021: 10.9%) interest in Sentral REIT.

The principal activities of CLCT are those relating to investment on a long-term basis in a diversified portfolio of income-producing real estate and real estate-related assets in China, Hong Kong and Macau that are used primarily for retail, office and industrial purposes (including business parks, logistics facilities, data centres and integrated developments). The principal activities of Sentral REIT are to own and invest in commercial properties, primarily in Malaysia.

The fair value of the investments in CLCT and Sentral REIT represent 0.6% (2021: 0.7%) and 0.1% (2021: 0.2%) respectively of the Group's total assets as at 31 December 2022.

10 FINANCIAL DERIVATIVES

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Non-current assets				
Cross currency swaps	**1,614**	18,087	**–**	–
Interest rate swaps	**38,672**	2,552	**21,547**	1,014
	40,286	20,639	**21,547**	1,014
Current assets				
Cross currency swaps	**12,632**	9,674	**–**	–
Interest rate swaps	**5,776**	22	**5,214**	–
Forward exchange contracts	**218**	544	**–**	45
	18,626	10,240	**5,214**	45
Current liabilities				
Cross currency swaps	**25,190**	–	**–**	–
Forward exchange contracts	**9**	–	**–**	–
	25,199	–	**–**	–
Non-current liabilities				
Cross currency swaps	**87,541**	30,394	**–**	–
Interest rate swaps	**–**	2,034	**–**	2,034
	87,541	32,428	**–**	2,034
Total financial derivative assets	**58,912**	30,879	**26,761**	1,059
Total financial derivative liabilities	**112,740**	32,428	**–**	2,034

At the reporting date, the notional principal amounts of the financial derivatives were as follows:

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Cross currency swaps	**1,726,052**	1,760,952	**–**	–
Interest rate swaps	**1,970,489**	1,210,000	**1,307,034**	735,000
Forward exchange contracts	**6,669**	63,351	**–**	53,675
	3,703,210	3,034,303	**1,307,034**	788,675

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the Statement of Financial Position.

The Group entered into International Swaps and Derivatives Association ("ISDA") Master Agreements with various bank counterparties ("ISDA Master Agreement"). In certain circumstances following the occurrence of a termination event as set out in an ISDA Master Agreement, all outstanding transactions under such ISDA Master Agreement may be terminated and the early termination amount payable to one party under such agreements may be offset against amounts payable to the other party such that only a single net amount is due or payable in settlement of all transactions.

In accordance with accounting standards, the swaps presented below are not offset in the Statement of Financial Position as the right of set-off of recognised amounts is enforceable only following the occurrence of a termination event as set out in such ISDA Master Agreement. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

10 FINANCIAL DERIVATIVES (continued)

Financial instruments that are subject to enforceable master netting arrangements

	Gross amounts of recognised financial instruments $'000	Gross amounts of recognised financial instruments offset in the Statement of Financial Position $'000	Net amounts of financial instruments presented in the Statement of Financial Position $'000	Related amounts not offset in the Statement of Financial Position – Financial instruments $'000	Net amount $'000
Group					
31 December 2022					
Financial assets					
Cross currency swaps	**14,246**	**–**	**14,246**	**(14,246)**	**–**
Interest rate swaps	**44,448**	**–**	**44,448**	**–**	**44,448**
Forward exchange contracts	**218**	**–**	**218**	**(9)**	**209**
Financial liabilities					
Cross currency swaps	**112,731**	**–**	**112,731**	**(14,246)**	**98,485**
Forward exchange contracts	**9**	**–**	**9**	**(9)**	**–**
31 December 2021					
Financial assets					
Cross currency swaps	27,761	–	27,761	(5,003)	22,758
Interest rate swaps	2,574	–	2,574	–	2,574
Forward exchange contracts	544	–	544	–	544
Financial liabilities					
Cross currency swaps	30,394	–	30,394	(5,003)	25,391
Interest rate swaps	2,034	–	2,034	–	2,034
Trust					
31 December 2022					
Financial assets					
Interest rate swaps	**26,761**	**–**	**26,761**	**–**	**26,761**
31 December 2021					
Financial assets					
Interest rate swaps	1,014	–	1,014	–	1,014
Forward exchange contracts	45	–	45	–	45
Financial liabilities					
Interest rate swaps	2,034	–	2,034	–	2,034

11 DEFERRED TAX

	At 1 January 2022 $'000	Recognised in Statement of Total Return (Note 26) $'000	Translation differences $'000	At 31 December 2022 $'000
Group				
Deferred tax asset				
Fair value adjustments arising from a business combination	**6,855**	**(2,576)**	**(63)**	**4,216**
Deferred tax liability				
Fair value changes of investment properties	**(11,664)**	**3,712**	**809**	**(7,143)**
Net deferred tax asset/(liability)	**(4,809)**	**1,136**	**746**	**(2,927)**

	At 1 January 2021 $'000	Recognised in Statement of Total Return (Note 26) $'000	Translation differences $'000	At 31 December 2021 $'000
Group				
Deferred tax asset				
Fair value adjustments arising from a business combination	10,412	(3,531)	(26)	6,855
Deferred tax liability				
Fair value changes of investment properties	(4,706)	(7,408)	450	(11,664)
Net deferred tax asset/(liability)	5,706	(10,939)	424	(4,809)

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the Statement of Financial Position as follows:

	Group	
	2022 $'000	2021 $'000
Deferred tax asset	**4,216**	6,855
Deferred tax liability	**(7,143)**	(11,664)

Deferred tax liability relates to the taxable temporary differences in respect of the fair value changes of overseas investment properties held by the Group, with the fair value change only becoming taxable upon an eventual disposal of the investment properties.

12 ASSET HELD FOR SALE

As at 31 December 2021, the asset held for sale relates to JCube. The divestment was completed on 10 March 2022 (Note 33).

13 TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Trade receivables	**31,850**	24,973	**3,891**	7,122
Less: Allowance for impairment loss	**(525)**	(656)	**(43)**	(209)
Net trade receivables	**31,325**	24,317	**3,848**	6,913
Amounts due from related parties (non-trade)	**3,365**	340	**6,254**	760
Amounts due from subsidiaries (non-trade)	**–**	–	**212,988**	111,010
Amounts due from joint ventures (non-trade)	**29**	6,751	**–**	–
Deposits	**1,115**	894	**540**	567
Deposits for the Proposed Acquisitions[1]	**–**	53,647	**–**	53,647
Interest receivables	**3,410**	8	**4,791**	4,270
Other receivables	**8,968**	3,635	**3,918**	633
	48,212	89,592	**232,339**	177,800
Prepayments	**13,625**	19,076	**696**	1,210
	61,837	108,668	**233,035**	179,010

[1] On 3 December 2021 and 23 December 2021, the Manager announced the proposed acquisitions of 66 Goulburn Street and 100 Arthur Street and 50.0% interest in 101-103 Miller Street and Greenwood Plaza, Sydney, Australia respectively (the "Proposed Acquisitions"). The acquisitions were completed in 2022.

The non-trade amounts due from related parties, subsidiaries and joint ventures are unsecured, interest-free and repayable on demand.

14 CASH AND CASH EQUIVALENTS

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Cash at bank and in hand	**248,355**	260,133	**72,486**	60,962
Fixed deposits with financial institutions	**41**	105,000	**–**	105,000
Cash and cash equivalents in the statement of cash flows	**248,396**	365,133	**72,486**	165,962

The weighted average effective interest rate relating to cash and cash equivalents at the reporting date for the Group and Trust are 2.92% (2021: 0.18%) and 3.21% (2021: 0.26%) per annum respectively.

15 TRADE AND OTHER PAYABLES

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Current				
Trade payables and accrued operating expenses	**196,555**	141,156	**61,145**	52,932
Amounts due to related parties (trade)	**49,244**	34,220	**21,416**	14,335
Amounts due to subsidiaries (non-trade)	**–**	–	**297,570**	–
Deposits and advances	**22,240**	25,838	**8,578**	7,639
Distribution payable to Unitholders	**–**	314,332	**–**	314,332
Distribution payable to NCI	**2,471**	–	**–**	–
Interest payable	**53,371**	41,935	**38,035**	29,384
	323,881	557,481	**426,744**	418,622
Non-current				
Amount due to a subsidiary (non-trade)	**–**	–	**285,000**	495,000
Amounts due to NCI (non-trade)	**34,590**	423	**–**	–
Deferred income	**306**	649	**–**	–
	34,896	1,072	**285,000**	495,000

Included in the trade payables and accrued operating expenses of the Group and the Trust was an amount due to the Trustee of $1,295,000 (2021: $772,000) and $711,000 (2021: $364,000) respectively.

The amounts due to related parties (trade) of the Group mainly relate to amounts due to the Manager of $27,924,000 (2021: $25,367,000) and CapitaLand Retail Management Pte Ltd, CapitaLand Commercial Management Pte. Ltd. and CapitaLand (RCS) Property Management Pte. Ltd. of $16,947,000 (2021: $7,324,000). The amounts due to related parties (trade) of the Trust mainly relate to amounts due to the Manager of $11,233,000 (2021: $11,405,000) and CapitaLand Retail Management Pte Ltd of $7,229,000 (2021: $2,024,000).

The non-trade amounts due to subsidiaries are unsecured and interest-free. The amount of $87,570,000 (2021: Nil) is repayable on demand. An amount of $210,000,000 (2021: $210,000,000) is repayable in 2023 and the remaining amount of $285,000,000 (2021: $285,000,000) is repayable from 2024 to 2027.

The non-trade amounts due to non-controlling interests are unsecured, bear fixed interest rates from 2.7% to 5.0% (2021: 2.7%) per annum and are not repayable within the next twelve months.

16 LOANS AND BORROWINGS

	Group 2022 $'000	Group 2021 $'000	Trust 2022 $'000	Trust 2021 $'000
Current				
Medium term notes ("MTN")	**405,118**	75,642	**–**	–
Euro-Medium term notes ("EMTN")	**453,503**	199,199	**–**	–
Bank loans	**296,640**	320,700	**–**	–
Term loans	**–**	–	**470,000**	190,100
Unamortised transaction costs	**(216)**	(900)	**(67)**	(882)
	1,155,045	594,641	**469,933**	189,218
Non-current				
MTN	**3,466,250**	3,929,119	**–**	–
EMTN	**587,425**	891,606	**–**	–
Bank loans	**4,392,711**	2,776,615	**2,690,158**	1,385,226
Term loans	**–**	–	**3,021,387**	3,336,187
Unamortised transaction costs	**(16,170)**	(14,704)	**(10,172)**	(11,349)
	8,430,216	7,582,636	**5,701,373**	4,710,064
Total loans and borrowings	**9,585,261**	8,177,277	**6,171,306**	4,899,282

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	2022 Face value $'000	2022 Carrying amount $'000	2021 Face value $'000	2021 Carrying amount $'000
Group						
Unsecured						
USD fixed rate MTN	3.61	2029	**402,849**	**402,146**	405,432	404,623
JPY fixed rate MTN	0.73	2027	**102,064**	**101,934**	118,439	118,285
JPY floating rate MTN	3 months JPY TONA + Margin	2023	**175,118**	**175,115**	202,872	202,834
HKD fixed rate MTN and EMTN	2.50 – 3.84	2023 to 2033	**997,960**	**996,564**	1,047,089	1,045,751
SGD fixed rate MTN and EMTN	2.10 – 3.75	2023 to 2032	**3,234,305**	**3,231,285**	3,321,734	3,317,778
SGD bank loans	SORA + Margin, SOR + Margin	2024 to 2029	**2,325,726**	**2,320,403**	2,180,926	2,173,476
EUR bank loans	0.48 – 1.18	2023 to 2026	**465,897**	**465,427**	506,557	505,663
AUD bank loans	BBSW + Margin, BBSY + Margin	2027 to 2028	**1,025,138**	**1,022,120**	–	–
			8,729,057	**8,714,994**	7,783,049	7,768,410
Secured						
EUR bank loans	0.75 – 1.33	2025 to 2026	**376,590**	**375,908**	409,832	408,867
SGD bank loans	SORA + Margin	2029	**496,000**	**494,359**	–	–
			872,590	**870,267**	409,832	408,867
Total loans and borrowings			**9,601,647**	**9,585,261**	8,192,881	8,177,277

16 LOANS AND BORROWINGS (continued)

Terms and debt repayment schedule (continued)

	Nominal interest rate %	Year of maturity	2022 Face value $'000	2022 Carrying amount $'000	2021 Face value $'000	2021 Carrying amount $'000
Trust						
Unsecured						
SGD fixed rate term loans from CMT MTN	2.10 – 3.75	2023 to 2033	**3,491,387**	**3,486,887**	3,526,287	3,521,113
SGD bank loans	SORA + Margin, SOR + Margin	2024 to 2029	**2,150,726**	**2,145,452**	1,385,226	1,378,169
AUD bank loans	BBSW + Margin	2027 to 2028	**539,432**	**538,967**	–	–
Total loans and borrowings			**6,181,545**	**6,171,306**	4,911,513	4,899,282

TONA – Tokyo Overnight Average Rate
SORA – Singapore Overnight Average Rate
SOR – Swap Offer Rate
BBSW – Bank Bill Swap Rate
BBSY – Bank Bill Swap Bid Rate

The loans and borrowings comprise the following:

(1) *Unsecured MTN and EMTN*

(a) The Group has a $7.0 billion Multicurrency Medium Term Note Programme ("MTN Programme") and a USD3.0 billion Euro-Medium Term Note Programme ("EMTN Programme") under CMT MTN Pte. Ltd. ("CMT MTN").

As at 31 December 2022, notes issued by CMT MTN were as follows:

– under the MTN Programme:

(i) $1,990.0 million (2021: $1,990.0 million) of fixed rate notes maturing from 2023 to 2032 (2021: 2023 to 2032);

(ii) JPY8.6 billion (2021: JPY8.6 billion) of floating rate notes maturing in 2023 (2021: 2023);

(iii) HKD4.0 billion (2021: HKD4.0 billion) of fixed rate notes maturing from 2025 to 2033 (2021: 2025 to 2033); and

(iv) USD300.0 million (2021: USD300.0 million) of fixed rate notes maturing in 2029 (2021: 2029).

– under the EMTN Programme:

(i) HKD1.8 billion (2021: HKD2.0 billion) of fixed rate notes maturing from 2023 to 2031 (2021: 2022 to 2023).

CMT MTN has entered into cross currency swaps to swap the abovementioned foreign currency notes to Singapore dollars proceeds.

16 **LOANS AND BORROWINGS** (continued)

(1) Unsecured MTN and EMTN (continued)

(b) The Group has a $2.0 billion Multicurrency Medium Term Note Programme ("CCT MTN Programme") under CCT MTN Pte. Ltd. ("CCT MTN").

As at 31 December 2022, notes issued by CCT MTN were as follows:

(i) $500.0 million (2021: $575.0 million) of fixed rate notes maturing from 2024 to 2025 (2021: 2022 to 2025);

(ii) JPY8.6 billion (2021: JPY8.6 billion) of floating rate notes maturing in 2023 (2021: 2023); and

(iii) JPY10.0 billion (2021: JPY10.0 billion) of fixed rate notes maturing in 2027 (2021: 2027).

CCT has entered into cross currency swaps to swap the abovementioned foreign currency notes to Singapore dollars proceeds.

(c) The Group has a USD2.0 billion Euro-Medium Term Note Programme ("RCS EMTN Programme") under RCS Trust.

As at 31 December 2022, notes issued under RCS EMTN Programme comprised $725.0 million (2021: $725.0 million) of fixed rate notes maturing from 2023 to 2025 (2021: 2023 to 2025).

(2) Unsecured bank loans

As at 31 December 2022, the Group has drawn on $3,816.2 million (2021: $2,685.6 million) of unsecured bank loans with maturities up to 7 years (2021: up to 7 years) from various banks.

(3) Secured bank loans

(a) Loan facilities for Gallileo Co.

Under the loan agreement between the bank and Gallileo Co., the bank has granted Gallileo Co. secured loan facilities of EUR140.0 million.

As at 31 December 2022, Gallileo Co. has drawn down EUR140.0 million (2021: EUR140.0 million), at a fixed interest rate of 1.33% (2021: 1.33%) per annum.

As security for the facilities granted to Gallileo Co., Gallileo Co. has granted in favour of the banks the following:

(i) Land charges over Gallileo;

(ii) Assignment of claims for restitution; and

(iii) Assignment of rights and claims arising from rental and lease agreements.

16 LOANS AND BORROWINGS (continued)

(3) Secured bank loans (continued)

(b) Loan facilities for MAC entities

Under the loan agreement between the bank and the MAC entities, the bank has granted the MAC entities secured loan facilities of EUR121.9 million.

As at 31 December 2022, MAC entities has drawn down EUR121.9 million (2021: EUR121.9 million), at a fixed interest rate of 0.75% (2021: 0.75%) per annum.

As security for the facilities granted to MAC entities, the MAC entities have granted in favour of the banks the following:

(i) Land charges over Main Airport Center;

(ii) Assignment of claims for return of security;

(iii) Assignment of rights and claims arising under lease agreements; and

(iv) Pledge of account balances.

(c) Loan facilities for 79RR LLP

Under the loan agreement between the bank and 79RR LLP, the bank has granted 79RR LLP secured loan facilities of $539.0 million.

79RR LLP has drawn down $504.0 million and repaid $8.0 million during the year. As at 31 December 2022, the loan outstanding is $496.0 million (2021: NA).

As security for the facilities granted to 79RR LLP, 79RR LLP has granted in favour of the banks the following:

(i) A first mortgage over the investment property;

(ii) Assignment and charge of the rental proceeds, tenancy agreements and sales agreements relating to CapitaSky;

(iii) Assignment of the insurance policies relating to CapitaSky; and

(iv) A fixed and floating charge over the present and future assets of 79RR LLP relating to CapitaSky.

(4) Guarantee contracts

(a) The Trustee in its capacity as trustee of the Trust has provided unconditional and irrevocable corporate guarantee on all sums payable in respect of the notes issued by CMT MTN. CMT MTN has entered into cross currency swaps to swap the foreign currency notes into Singapore dollars. All sums payable in respect of the cross currency swaps are also guaranteed by the Trustee in its capacity as trustee of the Trust.

(b) As at 31 December 2022, the Trustee in its capacity as trustee of the Trust has provided unconditional and irrevocable corporate guarantee on all sums payable in respect of the loans and borrowings of a subsidiary, in respect of facility agreements of up to AUD 558.0 million. As at 31 December 2022, the total amount of utilised borrowing facilities is AUD538.0 million (approximately $485.7 million). The subsidiary has entered into interest rate swaps to swap floating interest rate to fixed interest rate. All sums payable in respect of the interest rate swaps are also guaranteed by the Trustee in its capacity as trustee of the Trust.

16 LOANS AND BORROWINGS (continued)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	1 January 2022	Financing cashflows[1]	Non-cash changes: Interest expense	Non-cash changes: Foreign exchange movement	Non-cash changes: Change in fair value	Non-cash changes: Acquisition of subsidiaries (Note 32)	Non-cash changes: Other changes	31 December 2022
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
Loans and borrowings[2]	**8,219,212**	**442,245**	**241,718**	**(218,212)**	**–**	**952,013**	**1,656**	**9,638,632**
Lease liabilities	**8,224**	**(3,354)**	**719**	**(2,336)**	**–**	**21,192**	**1,556**	**26,001**
Financial derivatives	**1,549**	**1,493**	**–**	**28,182**	**23,324**	**(720)**	**–**	**53,828**
Amounts due to NCI (non-trade)	**423**	**34,200**	**–**	**(33)**	**–**	**–**	**–**	**34,590**
	8,229,408	**474,584**	**242,437**	**(192,399)**	**23,324**	**972,485**	**3,212**	**9,753,051**

	1 January 2021	Financing cashflows[1]	Non-cash changes: Interest expense	Non-cash changes: Foreign exchange movement	Non-cash changes: Change in fair value	Non-cash changes: Other changes	31 December 2021
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group							
Loans and borrowings[2]	8,773,233	(708,047)	189,480	(47,071)	–	11,617	8,219,212
Lease liabilities	8,690	(2,910)	277	–	–	2,167	8,224
Financial derivatives	31,532	7,899	–	–	(37,882)	–	1,549
Amounts due to NCI (non-trade)	439	–	–	(16)	–	–	423
	8,813,894	(703,058)	189,757	(47,087)	(37,882)	13,784	8,229,408

1 Net of proceeds from loans and borrowings, repayment of loans and borrowings, settlement of financial derivatives, payment of lease liabilities, interest paid and payment of issue and financing expenses.

2 Includes interest payable.

17 LEASE LIABILITIES

	Group 2022	Group 2021	Trust 2022	Trust 2021
	$'000	$'000	**$'000**	$'000
Current				
Lease liabilities	**1,932**	2,261	**1,138**	1,522
Non-current				
Lease liabilities	**24,069**	5,963	**4,033**	4,963
Total lease liabilities	**26,001**	8,224	**5,171**	6,485

17 LEASE LIABILITIES (continued)

Amounts recognised in Statement of Total Return

	2022 $'000	2021 $'000
Group		
Expenses relating to short-term leases	**1,283**	903
Expense relating to variable lease payments not included in the measurement of lease liabilities	**435**	–
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**1**	1

Amounts recognised in Statement of Cash Flows

	2022 $'000	2021 $'000
Group		
Total cash outflow for leases	**5,073**	3,815

18 UNITHOLDERS' FUNDS

Hedging reserves

Hedging reserves comprise the effective portion of the cumulative net change in the fair value of cash flow hedging instruments.

Foreign currency translation reserves

Foreign currency translation reserves comprise the foreign exchange differences arising from the translation of the financial statements of foreign entities, the effective portion of the hedging instrument which is used to hedge against the Group's net investment in foreign currencies as well as from the translation of foreign currency loans that are considered to form part of the Group's net investments in foreign subsidiaries.

Fair value reserves

Fair value reserves comprise the cumulative net change in the fair value of equity investments at FVOCI until the asset is derecognised.

19 NON-CONTROLLING INTERESTS ("NCI")

Non-controlling interests relate to 30.0% ownership interest in 79RR LLP and 5.1% ownership interest in MAC entities and Gallileo Co. respectively.

The following subsidiary has non-controlling interest ("NCI") that is material to the Group.

Name	Principal places of business/Country of incorporation	NCI percentage of ownership interests	
		2022	2021
		%	%
79RR LLP	Singapore	**30.0**	NA

The following summarised financial information for the above subsidiary is prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	79RR LLP $'000	**Other individually immaterial subsidiaries $'000**	**Total $'000**
2022			
Gross revenue	**41,674**		
Total return for the year	**18,264**		
Attributable to NCI:			
– Total return for the year	**5,480**	**(2,960)**	**2,520**
Non-current assets	**1,264,925**		
Current assets	**12,451**		
Non-current liabilities	**(621,612)**		
Current liabilities	**(41,261)**		
Net assets	**614,503**		
Net assets attributable to NCI	**184,351**	**21,595**	**205,946**
Cash flows from operating activities	**33,387**		
Cash flows from investing activities	**(3,753)**		
Cash flows from financing activities (dividends to NCI: $5,079,000)	**(31,971)**		
Net decrease in cash and cash equivalents	**(2,337)**		

In 2021, there was no material NCI to the Group.

20 UNITS IN ISSUE

	Group and Trust	
	2022	2021
	'000	'000
Units in issue:		
At 1 January	**6,608,618**	6,470,704
Units created:		
– acquisition fees paid[a]	**5,056**	–
– divestment fees paid[b]	**805**	–
– management fees paid[c]	**20,643**	10,363
– private placement[d]	**–**	127,551
Total issued units at 31 December	**6,635,122**	6,608,618
Units to be issued:		
– payment of management fees	**13,495**	12,718
Total issued and issuable units at 31 December	**6,648,617**	6,621,336

Units issued during the year were as follows:

(a) 3,133,611 Units were issued at issue price of $2.1758 on 8 April 2022 and 1,922,490 Units were issued at issue price of $2.2939 on 18 May 2022 as payments of the acquisition fee of $6.8 million and $4.4 million in respect of the acquisitions of 66 Goulburn Street and 100 Arthur Street as well as CapitaSky respectively.

(b) 804,962 Units were issued at issue price of $2.1119 on 22 March 2022 as payment of the divestment fee of $1.7 million in connection with the divestment of JCube.

(c) 20,642,852 (2021: 10,363,224) Units were issued at issue price of $1.9771 to $2.2257 (2021: $2.0549 to $2.1613) per Unit, amounting to $42,124,707 (2021: $21,914,901) issued as payment of the 50.0% base component of the management fee for the period from 1 October 2021 to 30 September 2022 (2021: 3 November 2020 to 30 September 2021) and 50.0% of the performance component of the management fee for the period from 1 January 2021 to 31 December 2021 (2021: 3 November 2020 to 31 December 2020). The remaining 50.0% base component, and 50.0% performance component, of the management fee will be paid in cash.

(d) 127,551,000 Units were issued pursuant to the private placement at an issue price of $1.960 per unit on 16 December 2021.

Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust;
- Attend all Unitholders meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- One vote per unit.

20 UNITS IN ISSUE (continued)

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request the Manager to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable for indemnifying the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

21 GROSS REVENUE

	Group	
	2022	2021
	$'000	$'000
Gross rental income	**1,352,275**	1,233,338
Car park income	**35,407**	27,647
Other income	**54,065**	44,066
	1,441,747	1,305,051

22 PROPERTY OPERATING EXPENSES

	Group	
	2022	2021
	$'000	$'000
Property tax	**123,993**	118,749
Utilities	**51,690**	32,604
Property management fees	**48,243**	44,631
Property management reimbursements[1]	**63,171**	61,702
Marketing	**19,080**	14,755
Maintenance	**75,903**	70,118
Depreciation and amortisation	**4,169**	4,863
Write back of doubtful debts	**(28)**	(1,948)
Doubtful debts written off	**270**	359
Others	**11,973**	8,136
	398,464	353,969

[1] Relates to reimbursement of staff costs paid/payable under the respective property management agreements to CapitaLand Retail Management Pte Ltd, CapitaLand Commercial Management Pte. Ltd. and CapitaLand (RCS) Property Management Pte. Ltd.

23 INTEREST AND OTHER INCOME

	Group	
	2022	2021
	$'000	$'000
Interest income:		
– financial institutions	**1,164**	350
– joint ventures	**4,017**	3,980
Other income	**155**	2,034
	5,336	6,364

24 INVESTMENT INCOME

	Group	
	2022	2021
	$'000	$'000
Distribution income from equity investments at fair value	**10,594**	12,703

25 FINANCE COSTS

	Group	
	2022	**2021**
	$'000	**$'000**
Interest expense	**231,609**	181,766
Transaction costs	**10,109**	7,714
Interest from lease liabilities	**719**	277
	242,437	189,757

26 TAXATION

	Group	
	2022	2021
	$'000	$'000
Current tax expense		
Current year	**5,109**	7,909
Under provision in prior years	**132**	376
	5,241	8,285
Deferred tax expense		
Origination and reversal of temporary difference	**(1,136)**	10,939
Total taxation	**4,105**	19,224
Reconciliation of effective tax rate		
Total return for the year before tax	**729,994**	1,102,289
Tax calculated using Singapore tax rate of 17%	**124,099**	187,389
Effects of results of equity-accounted investees presented net of tax	**(7,208)**	(15,742)
Effect of tax rates in foreign jurisdictions	**(45)**	(195)
Tax deductible items	**6,531**	(37,903)
Non-taxable income	**(10,313)**	(4,835)
Tax transparency	**(109,091)**	(109,866)
Under provision in prior years	**132**	376
	4,105	19,224

Global minimum tax

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at the global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. In December 2021, the Organisation for Economic Co-operation and Development released a draft legislative framework, followed by detailed guidance released in March 2022, that is expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws. Once changes to the tax laws in any jurisdiction in which the Group operates are enacted or substantively enacted, the Group's tax position may be affected.

At the date when the financial statements were authorised for issue, none of the jurisdictions in which the Group operates had enacted or substantively enacted the tax legislation related to the top-up tax. Management is closely monitoring the progress of the legislative process in each jurisdiction the Group operates in. At 31 December 2022, the Group did not have sufficient information to determine the potential quantitative impact.

27 EARNINGS PER UNIT

Basic earnings per unit

The calculation of basic earnings per unit is based on the total return attributable to Unitholders for the year and weighted average number of units during the year.

	Group	
	2022	2021
	$'000	$'000
Total return attributable to Unitholders	**723,369**	1,083,086
Number of units	**'000**	**'000**
Weighted average number of units in issue during the year	6,626,119	6,481,772
	cents	**cents**
Basic earnings per unit	10.92	16.71

Diluted earnings per unit

In calculating diluted earnings per unit, the weighted average number of units during the year are adjusted for the effects of all dilutive potential units, calculated as follows:

	Group	
	2022	2021
	'000	'000
Weighted average number of units		
Weighted average number of units used in calculation of basic earnings per unit	**6,626,119**	6,481,772
– effect of payment of management fees	**13,681**	12,683
Weighted average number of units used in calculation of diluted earnings per unit	**6,639,800**	6,494,455
	cents	cents
Diluted earnings per unit	**10.89**	16.68

28 RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the parties or exercise significant influence over the parties in making financial and operating decisions, or vice versa, or where the Group and the parties are subject to common significant influence. Related parties may be individuals or other entities. The Manager, CapitaLand Retail Management Pte Ltd, CapitaLand Commercial Management Pte. Ltd., CapitaLand (RCS) Property Management Pte. Ltd. and Project Manager (CapitaLand Project Management Pte Ltd) are subsidiaries of a substantial Unitholder of the Trust. In the normal course of the operations, management fees and trustee's fees have been paid or are payable to the Manager and respective trustee. The property management fees and property management reimbursements are payable to CapitaLand Retail Management Pte Ltd, CapitaLand Commercial Management Pte. Ltd. and CapitaLand (RCS) Property Management Pte. Ltd.

During the financial year, other than those disclosed elsewhere in the financial statements, the following were significant related party transactions carried out in the normal course of business:

	Group	
	2022	2021
	$'000	$'000
Asset enhancement works and consultancy fees paid/payable to related companies of the Manager	**2,188**	590
Other expenses paid/payable to related companies of the Manager	**18,893**	18,213
Rental and other income received/receivable from related companies of the Manager	**29,119**	28,275

29 FINANCIAL RISK MANAGEMENT

Capital management

The board of directors of the Manager ("the Board") proactively reviews the Group's and the Trust's capital and debt management and financing policy regularly so as to optimise the Group's and the Trust's funding structure. Capital consists of Unitholders' funds of the Group. The Board also monitors the Group's and the Trust's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Trust is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS code. The CIS code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 45.0% (2021: 50.0%) of the fund's Deposited Property. The Trust has complied with the Aggregate Leverage limit of 45.0% (2021: 50.0%) during the financial year. There were no changes in the Group's and the Trust's approach to capital management during the financial year.

Overview of risk management

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee of the Manager (the "Audit Committee") oversees how the Manager monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

29 FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Exposure to credit risk

Trade receivables

The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants.

At 31 December 2022 and 31 December 2021, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Statement of Financial Position.

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied tenants. These tenants comprise retailers engaged in a wide variety of consumer trades or engaged in diversified business who are of good quality and strong credit standing. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, the Manager believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
At 1 January	**656**	3,117	**209**	1,208
Acquisition of subsidiary	**35**	–	**–**	–
Impairment loss recognised	**448**	590	**43**	209
Amount written off	**(89)**	(500)	**(88)**	(364)
Reversal of impairment loss	**(476)**	(2,538)	**(121)**	(844)
Translation difference	**(49)**	(13)	**–**	–
At 31 December	**525**	656	**43**	209

The Manager believes that, apart from the above, no impairment allowance is necessary in respect of the remaining trade receivables as these receivables arose mainly from tenants that have a good record with the Group and have sufficient security deposits as collateral.

29 FINANCIAL RISK MANAGEMENT (continued)

***Credit risk** (continued)*

Trade receivables (continued)

Expected credit loss assessment for tenants

The credit quality of trade receivables is assessed based on credit policies established by the Group. Trade receivables with high credit risk will be identified and monitored by the respective property management team. The Group's risk exposure in relation to trade receivables are set out in the provision matrix as follows:

	Not past due		Past due			
	Not under deferment scheme $'000	Under deferment scheme $'000	Within 30 days $'000	31 to 90 days $'000	More than 90 days $'000	Total $'000
2022						
Group						
Trade receivables	**17,810**	**7,046**	**2,087**	**1,804**	**3,103**	**31,850**
Loss allowance	**11**	**–**	**12**	**21**	**481**	**525**
Expected loss rate	**0.1%**	**–**	**0.6%**	**1.2%**	**15.5%**	
Trust						
Trade receivables	**2,826**	**–**	**468**	**193**	**404**	**3,891**
Loss allowance	**1**	**–**	**12**	**14**	**16**	**43**
Expected loss rate	**0.0%**	**–**	**2.6%**	**7.3%**	**4.0%**	
2021						
Group						
Trade receivables	17,566	2,702	1,433	2,286	986	24,973
Loss allowance	50	–	62	31	513	656
Expected loss rate	0.3%	–	4.3%	1.4%	52.0%	
Trust						
Trade receivables	5,061	299	703	420	639	7,122
Loss allowance	48	–	43	19	99	209
Expected loss rate	0.9%	–	6.1%	4.5%	15.5%	

No ageing analysis of other receivables are presented as the majority of outstanding balances as at 31 December 2022 and 31 December 2021 are current.

29 FINANCIAL RISK MANAGEMENT (continued)

Credit risk *(continued)*

Loans to subsidiaries and joint ventures and non-trade amounts due from subsidiaries, joint ventures and related parties

The Group and the Trust held loans to and non-trade receivables due from its related parties, subsidiaries and joint ventures to meet their funding requirements. Impairment on these balances has been measured on a 12-month and lifetime expected loss basis. The amount of the allowance for impairment loss on loans to subsidiaries is set out in Note 6. There is no allowance for impairment loss arising from the remaining outstanding balances as the ECL is not assessed to be material.

Financial derivatives

The financial derivatives are entered into with bank and financial institution counterparties, which are regulated.

Cash and cash equivalents

Cash and fixed deposits are placed with financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have sound credit ratings, thus the Manager does not expect any counterparty to fail to meet its obligations.

The Group and the Trust held cash and cash equivalents of $248,396,000 and $72,486,000 respectively at 31 December 2022 (2021: $365,133,000 and $165,962,000 respectively). The cash and cash equivalents are held with banks and financial institution counterparties which are rated A to AA-, based on Standard & Poor's and Fitch's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is not assessed to be material.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Manager monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. In addition, the Manager also monitors and observes the CIS Code issued by MAS concerning limits on total borrowings.

29 FINANCIAL RISK MANAGEMENT (continued)

***Liquidity risk** (continued)*

Exposure to liquidity risk

The following are the expected contractual undiscounted cash outflows of financial liabilities and derivative financial instruments including interest payments and excluding the impact of netting agreements:

	Carrying amount $'000	Contractual cash flows $'000	Cash flows Within 1 year $'000	Within 2 to 5 years $'000	More than 5 years $'000
Group					
31 December 2022					
Non-derivative financial liabilities					
Secured					
SGD bank loans	494,359	(603,894)	(14,325)	(67,057)	(522,512)
EUR bank loans	375,908	(383,638)	(3,938)	(379,700)	–
	870,267	(987,532)	(18,263)	(446,757)	(522,512)
Unsecured					
USD fixed rate MTN	402,146	(497,411)	(14,539)	(58,195)	(424,677)
JPY fixed rate MTN	101,934	(124,861)	(764)	(124,097)	–
JPY floating rate MTN	175,115	(174,238)	(174,238)	–	–
HKD fixed rate MTN and EMTN	996,564	(1,138,418)	(178,505)	(569,920)	(389,993)
SGD fixed rate MTN and EMTN	3,231,285	(3,513,404)	(618,891)	(1,982,678)	(911,835)
SGD bank loans	2,320,403	(2,793,931)	(120,658)	(2,074,061)	(599,212)
EUR bank loans	465,427	(469,834)	(298,504)	(171,330)	–
AUD bank loans	1,022,120	(1,092,754)	(42,245)	(637,252)	(413,257)
Trade and other payables[1]	358,471	(360,345)	(325,602)	(34,242)	(501)
Security deposits	284,802	(284,802)	(86,594)	(181,752)	(16,456)
Lease liabilities	26,001	(26,001)	(1,932)	(4,424)	(19,645)
	9,384,268	(10,475,999)	(1,862,472)	(5,837,951)	(2,775,576)
	10,254,535	(11,463,531)	(1,880,735)	(6,284,708)	(3,298,088)
Derivative financial assets					
Cross currency swaps (gross-settled)	(14,246)				
– Inflow		271,975	156,904	115,071	–
– Outflow		(258,234)	(144,669)	(113,565)	–
	(14,246)	13,741	12,235	1,506	–
Forward exchange contracts (gross-settled)	(218)				
– Inflow		4,525	4,525	–	–
– Outflow		(4,307)	(4,307)	–	–
	(218)	218	218	–	–
Interest rate swaps (net-settled)	(44,448)	57,535	33,043	24,492	–
Derivative financial liabilities					
Cross currency swaps (gross-settled)	112,731				
– Inflow		1,580,651	213,104	618,501	749,046
– Outflow		(1,706,430)	(238,648)	(651,144)	(816,638)
	112,731	(125,779)	(25,544)	(32,643)	(67,592)
Forward exchange contracts (gross-settled)	9				
– Inflow		(2,153)	(2,153)	–	–
– Outflow		2,144	2,144	–	–
	9	(9)	(9)	–	–

[1] Excluding deferred income

29 FINANCIAL RISK MANAGEMENT (continued)

***Liquidity risk** (continued)*

Exposure to liquidity risk (continued)

	Carrying amount $'000	Contractual cash flows $'000	Cash flows Within 1 year $'000	Within 2 to 5 years $'000	More than 5 years $'000
Group					
31 December 2021					
Non-derivative financial liabilities					
Secured					
EUR bank loans	408,867	(420,360)	(4,271)	(416,089)	–
Unsecured					
USD fixed rate MTN	404,623	(515,232)	(14,632)	(58,608)	(441,992)
JPY fixed rate MTN	118,285	(129,958)	(867)	(3,605)	(125,486)
JPY floating rate MTN	202,834	(201,441)	(472)	(200,969)	–
HKD fixed rate MTN and EMTN	1,045,751	(1,178,265)	(228,226)	(532,249)	(417,790)
SGD fixed rate MTN and EMTN	3,317,778	(3,684,204)	(170,822)	(2,478,607)	(1,034,775)
SGD bank loans	2,173,476	(2,290,463)	(347,703)	(1,516,841)	(425,919)
EUR bank loans	505,663	(514,540)	(4,964)	(509,576)	–
Trade and other payables[1]	557,904	(558,093)	(557,492)	(46)	(555)
Security deposits	247,896	(247,896)	(94,318)	(147,338)	(6,240)
Lease liabilities	8,224	(8,224)	(2,261)	(5,142)	(821)
	8,582,434	(9,328,316)	(1,421,757)	(5,452,981)	(2,453,578)
	8,991,301	(9,748,676)	(1,426,028)	(5,869,070)	(2,453,578)
Derivative financial assets					
Cross currency swaps (gross-settled)	(27,761)				
– Inflow		487,404	211,819	275,585	–
– Outflow		(459,778)	(201,544)	(258,234)	–
	(27,761)	27,626	10,275	17,351	–
Forward exchange contracts (gross-settled)	(544)				
– Inflow		63,351	63,351	–	–
– Outflow		(62,807)	(62,807)	–	–
	(544)	544	544	–	–
Interest rate swaps (net-settled)	(2,574)	2,561	(167)	2,728	–
Derivative financial liabilities					
Cross currency swaps (gross-settled)	30,394				
– Inflow		1,514,017	32,582	519,485	961,950
– Outflow		(1,554,631)	(39,258)	(529,168)	(986,205)
	30,394	(40,614)	(6,676)	(9,683)	(24,255)
Interest rate swaps (net-settled)	2,034	(2,613)	(2,220)	(393)	–

[1] Excluding deferred income

29 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk *(continued)*

Exposure to liquidity risk (continued)

	Carrying amount $'000	Contractual cash flows $'000	Cash flows Within 1 year $'000	Within 2 to 5 years $'000	More than 5 years $'000
Trust					
31 December 2022					
Non-derivative financial liabilities					
Unsecured					
SGD fixed rate term loans	**3,486,887**	**(3,954,400)**	**(565,392)**	**(1,660,535)**	**(1,728,473)**
SGD bank loans	**2,145,452**	**(2,600,981)**	**(105,696)**	**(1,896,073)**	**(599,212)**
AUD bank loans	**538,967**	**(543,337)**	**(21,132)**	**(402,171)**	**(120,034)**
Amount due to a subsidiary (unsecured)	**285,000**	**(285,000)**	**–**	**(285,000)**	**–**
Trade and other payables	**426,744**	**(426,744)**	**(426,744)**	**–**	**–**
Security deposits	**126,076**	**(126,076)**	**(40,473)**	**(83,139)**	**(2,464)**
Lease liabilities	**5,171**	**(5,171)**	**(1,138)**	**(4,031)**	**(2)**
	7,014,297	**(7,941,709)**	**(1,160,575)**	**(4,330,949)**	**(2,450,185)**
Interest rate swaps (net-settled)	**(26,761)**	**30,653**	**19,037**	**11,616**	**–**
31 December 2021					
Non-derivative financial liabilities					
Unsecured					
SGD fixed rate term loans	3,521,113	(4,054,986)	(291,642)	(1,870,133)	(1,893,211)
SGD bank loans	1,378,169	(1,475,841)	(20,827)	(1,029,095)	(425,919)
Amount due to a subsidiary (unsecured)	495,000	(495,000)	–	(390,000)	(105,000)
Trade and other payables	418,622	(418,622)	(418,622)	–	–
Security deposits	116,660	(116,660)	(45,855)	(70,275)	(530)
Lease liabilities	6,485	(6,485)	(1,522)	(4,142)	(821)
	5,936,049	(6,567,594)	(778,468)	(3,363,645)	(2,425,481)
Derivative financial assets					
Forward exchange contracts (gross-settled)	(45)				
– Inflow		53,675	53,675	–	–
– Outflow		(53,630)	(53,630)	–	–
	(45)	45	45	–	–
Interest rate swaps (net-settled)	(1,014)	963	123	840	–
Derivative financial liabilities					
Interest rate swaps (net-settled)	2,034	(2,613)	(2,220)	(393)	–

The Trustee in its capacity as trustee of the Trust has provided corporate guarantees to its subsidiaries (Note 16). At the reporting date, the Trust does not consider that it is probable that a claim will be made against the Trust under the financial guarantee contracts. Accordingly, the Trust does not expect any net cash outflows resulting from the financial guarantee contracts.

29 FINANCIAL RISK MANAGEMENT (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk on loans and borrowings and its operations in foreign countries that were denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are United States Dollars ("USD"), Hong Kong Dollars ("HKD"), Euro ("EUR"), Australian Dollar ("AUD") and Japanese Yen ("JPY"). The Group hedges this risk by entering into cross currency swaps with notional contracts amounting to USD0.3 billion, HKD5.8 billion and JPY27.2 billion (2021: USD0.3 billion, HKD6.0 billion and JPY27.2 billion).

Foreign exchange risks related to the borrowings of the Group's USD, HKD and JPY notes, issued by Singapore Dollars ("SGD") functional currency Group entities, have been fully hedged (2021: fully hedged) using cross currency swaps that mature on the same dates that the borrowings are due for repayment. These cross currency swaps are designated as cash flow hedges. The Group also used its EUR and AUD loans to hedge against the foreign currency risk arising from the Group's net investments in the foreign subsidiaries.

The Group applies a hedge ratio of 1:1 to its cross currency swaps to hedge its currency risk. The Group's policy is for the critical terms of the cross currency swaps to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the critical terms method. When all critical terms match, the economic relationship is considered 100% match.

In these hedge relationships, the main potential sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the cross currency swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and

- changes in timing of the hedged transactions.

29 FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk (continued)

Net investment hedge

The Group designates the loan to hedge the changes in the value of the net investment that is attributable to changes in the EUR/SGD and AUD/SGD spot rates (2021: EUR/SGD spot rate). The Group's policy is to hedge the net investment only to the extent of the debt principal.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency and amount. The Group assesses the effectiveness of each hedging relationship by comparing changes in the carrying amount of the debt that is due to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method).

Exposure to foreign currency risk

The Group's exposure to foreign currency risk is as follows:

	USD $'000	HKD $'000	EUR $'000	AUD $'000	JPY $'000
Group					
31 December 2022					
Cash and cash equivalents	**2**	**–**	**13**	**71**	**–**
Loans and borrowings	**(402,849)**	**(997,960)**	**(465,897)**	**(539,432)**	**(277,182)**
Net Statement of Financial Position exposure	**(402,847)**	**(997,960)**	**(465,884)**	**(539,361)**	**(277,182)**
Add: Effect of cross currency swaps	**402,849**	**997,960**	**–**	**–**	**277,182**
Add: Loans designated as net investment hedge	**–**	**–**	**458,642**	**539,432**	**–**
Net exposure	**2**	**–**	**(7,242)**	**71**	**–**
31 December 2021					
Cash and cash equivalents	–	–	57	–	–
Loans and borrowings	(405,432)	(1,047,089)	(506,557)	–	(321,311)
Net Statement of Financial Position exposure	(405,432)	(1,047,089)	(506,500)	–	(321,311)
Add: Effect of cross currency swaps	405,432	1,047,089	–	–	321,311
Add: Loans designated as net investment hedge	–	–	498,670	–	–
Net exposure	–	–	(7,830)	–	–

29 FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk (continued)

Sensitivity analysis

A 10.0% weakening of the Singapore dollar, as indicated below, against the following foreign currencies at 31 December would have (decreased)/increased the Statement of Total Return and Unitholders' Funds by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant.

	Statement of Total Return $'000	Unitholders' Funds $'000
Group		
2022		
USD	**–**	**(382)**
HKD	**–**	**(3,371)**
EUR	**(724)**	**–**
AUD	**7**	**–**
JPY	**–**	**6,109**
	(717)	**2,356**
2021		
USD	–	6,304
HKD	–	7,010
EUR	(783)	–
JPY	–	7,264
	(783)	20,578

A 10.0% strengthening of the Singapore dollar against the above currencies would have had an opposite effect of similar quantum on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

29 FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

The Group adopts a policy of ensuring that at least 70.0% (2021: 80.0%) of its interest rate risk exposure is at a fixed-rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a float rate and using interest rate swaps and cross currency swaps as hedges of the variability in cash flows attributable to interest rate risk. The Group applies a hedge ratio of 1:1.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from interest rate benchmark reform, then the Group assumes for this purpose that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the critical terms method. When all critical terms match, the economic relationship is considered 100% match.

In these hedge relationships, the main potential sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and

- differences in repricing dates between the swaps and the borrowings.

Hedging relationship that are impacted by interest rate benchmark reform may experience ineffectiveness because of a timing mismatch between the hedged item and the hedging instrument regarding interest rate benchmark reform transition. For further details, see 'Managing interest rate benchmark reform and associated risks' below.

Managing interest rate benchmark reform and associated risks

Overview

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives.

In 2022, the Group has undertaken amendments to

- its financial instruments with contractual terms indexed to JPY LIBOR to the Tokyo Overnight Average Rate (TONA);

- its financial instruments with contractual terms indexed to SOR to SORA

As at 31 December 2022, the Group's remaining IBOR exposure is financial instrument of $555,000,000 indexed to SOR.

The Manager monitors and manages the Group's transition to alternative rates. The Manager evaluates the extent to which contracts reference IBOR cash flows, whether such contacts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

Non-derivative financial liabilities

The Group's IBOR exposures to non-derivative financial liabilities of $555,000,000 as at 31 December 2022 included unsecured bank loans indexed to SOR. The Group has communicated with the counterparties for all SOR indexed exposures and agreed to effect the change to SORA in March and April 2023.

29 FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk (continued)

Derivatives

The Group holds interest rate swaps for risk management purposes that are designated in cash flow hedging relationship. The interest rate swaps of notional amount of $550,000,000 have floating legs that are indexed to SOR. These swaps will mature in March and April 2023.

Hedge accounting

The Group's hedged items and hedging instruments as at the reporting date are indexed to SOR, SORA and TONA. The IBOR cash flows are exchanged with counterparties as usual.

The Group replaced its JPY LIBOR and certain SOR interest rate derivatives used in cash flow hedging relationships with economically equivalent interest rate derivatives referencing TONA and SORA respectively by the end of 2022. Therefore, there is no longer uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments. As a result, the Group no longer applies the principles of amendments to FRS 109 issued in December 2019 (Phase 1) to those hedging relationships.

The Group continues to have other hedged items and hedging instruments used in cash flow hedging relationships indexed to SOR. Hedging relationship will discontinue on the expiry of the swaps with floating legs that are indexed to SOR.

The Group's and Trust's exposure to SOR designated in hedging relationships is a notional amount of $555,000,000 as at 31 December 2022, representing both the notional amount of the hedging interest rate swap and the principal amount of Group's hedged SGD denominated unsecured bank loans maturing from 2026 to 2028.

Exposure to interest rate risk

The Group's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. The Group manages its interest rate exposure through the use of interest rate swaps, cross currency swaps and fixed rate borrowings.

At the reporting date, the interest rate profile of the interest-bearing financial instruments, as reported to the management, was as follows:

	Group Nominal amount		Trust Nominal amount	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Fixed rate instruments				
Loans to subsidiaries	**–**	–	**2,803,692**	2,511,627
Loans to joint ventures	**176,980**	176,980	**150,359**	150,359
Loans and borrowings	**(5,579,665)**	(5,809,083)	**(3,491,387)**	(3,526,287)
Loans from non-controlling interests	**(34,590)**	(423)	**–**	–
Effect of interest rate swaps and cross currency swaps	**(2,145,607)**	(1,412,872)	**(1,307,034)**	(735,000)
	(7,582,882)	(7,045,398)	**(1,844,370)**	(1,599,301)
Variable rate instruments				
Loans to subsidiaries	**–**	–	**507,135**	–
Loans and borrowings	**(4,021,982)**	(2,383,798)	**(2,690,158)**	(1,385,226)
Effect of interest rate swaps and cross currency swaps	**2,145,607**	1,412,872	**1,307,034**	735,000
	(1,876,375)	(970,926)	**(875,989)**	(650,226)

29 FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate instruments at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect the Statement of Total Return.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased/(decreased) the Statement of Total Return and Unitholders' Funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Statement of Total Return		Unitholders' Funds	
	100 bp increase $'000	100 bp decrease $'000	100 bp increase $'000	100 bp decrease $'000
Group				
31 December 2022				
Variable rate instruments	**(40,220)**	**40,220**	**–**	**–**
Interest rate swaps and cross currency swaps	**21,456**	**(21,456)**	**26,762**	**(26,762)**
Cash flow sensitivity (net)	**(18,764)**	**18,764**	**26,762**	**(26,762)**
31 December 2021				
Variable rate instruments	(23,838)	23,838	–	–
Interest rate swaps and cross currency swaps	14,129	(14,129)	19,196	(19,196)
Cash flow sensitivity (net)	(9,709)	9,709	19,196	(19,196)
Trust				
31 December 2022				
Variable rate instruments	**(21,830)**	**21,830**	**–**	**–**
Interest rate swaps	**13,070**	**(13,070)**	**15,385**	**(15,385)**
Cash flow sensitivity (net)	**(8,760)**	**8,760**	**15,385**	**(15,385)**
31 December 2021				
Variable rate instruments	(13,852)	13,852	–	–
Interest rate swaps	7,350	(7,350)	12,825	(12,825)
Cash flow sensitivity (net)	(6,502)	6,502	12,825	(12,825)

Equity price risk

The Group's and Trust's exposure to change in equity price relates to equity investments at FVOCI in quoted equity securities listed in Singapore and/or Malaysia.

Sensitivity analysis

As at 31 December 2022, if the price for the quoted equity securities increased by 5.0% with all other variables being held constant, the increase in Unitholders' Funds of the Group and the Trust would be $9.0 million (2021: $9.7 million) and $7.5 million (2021: $7.9 million) respectively. A similar 5.0% decrease in the price would have an equal but opposite effect.

29 FINANCIAL RISK MANAGEMENT (continued)

Hedge accounting

Cash flow hedges

The Group and the Trust held the following instruments to hedge exposures to changes in foreign currency and interest rates.

	Maturity	
	Within 1 year $'000	**More than 1 year $'000**
Group		
2022		
Foreign currency risk		
Cross currency swaps		
Net exposure ($'000)	**340,000**	**1,386,052**
Average SGD:HKD forward contract rate	**0.1582**	**0.1741**
Average SGD:JPY forward contract rate	**0.0116**	**0.0125**
Average SGD:USD forward contract rate	**–**	**1.3570**
Interest rate risk		
Interest rate swaps		
Net exposure ($'000)	**618,196**	**1,352,293**
Average fixed interest rate %	**1.53**	**3.19**
2021		
Foreign currency risk		
Cross currency swaps		
Net exposure ($'000)	190,100	1,570,852
Average SGD:HKD forward contract rate	0.1653	0.1715
Average SGD:JPY forward contract rate	–	0.0119
Average SGD:USD forward contract rate	–	1.3570
Interest rate risk		
Interest rate swaps		
Net exposure ($'000)	300,000	910,000
Average fixed interest rate %	0.96	1.69
Trust		
2022		
Interest rate risk		
Interest rate swaps		
Net exposure ($'000)	**555,000**	**752,034**
Average fixed interest rate %	**1.54**	**3.23**
2021		
Interest rate risk		
Interest rate swaps		
Net exposure ($'000)	–	735,000
Average fixed interest rate %	–	1.68

29 FINANCIAL RISK MANAGEMENT (continued)

Hedge accounting (continued)

The following table provides a reconciliation by risk category of components of Unitholders' Funds resulting from cash flow hedge accounting.

	Group	Trust
	Hedging reserve	
	$'000	$'000
Cash flow hedges		
Balance at 1 January 2022	**10,578**	**(975)**
Changes in fair value:		
Foreign currency risk	**(70,128)**	**–**
Forward exchange contract	**(335)**	**(45)**
Interest rate risk	**47,139**	**32,890**
Amounts reclassified to Statement of Total Return:		
Foreign currency risk	**35,241**	**–**
Interest rate risk	**(6,272)**	**(5,109)**
Balance at 31 December 2022	**16,223**	**26,761**
Balance at 1 January 2021	(30,561)	(9,980)
Changes in fair value:		
Foreign currency risk	27,580	–
Forward exchange contract	1,155	45
Interest rate risk	9,147	5,475
Amounts reclassified to Statement of Total Return:		
Foreign currency risk	(3,599)	–
Interest rate risk	9,235	3,485
Amounts reclassified to revenue reserve:		
Interest rate risk	(7,224)	–
Share of movements in hedging reserves of joint ventures	4,845	–
Balance at 31 December 2021	10,578	(975)

29 FINANCIAL RISK MANAGEMENT (continued)

Hedge accounting (continued)

The amounts relating to items designated as hedged items and hedging instruments (excluding share of hedging reserves of joint ventures) were as follows:

	Nominal amount	Carrying amount		Line item in the Statement of Financial Position where	
		Assets	Liabilities	the hedging instrument is included	the hedged item is included
	$'000	$'000	$'000		
Group					
2022					
Foreign currency risk					
Cross currency swaps	**1,726,052**	**14,246**	**(112,731)**	**Financial derivatives**	**Loans and borrowings**
Forward exchange contracts	**6,669**	**218**	**(9)**	**Financial derivatives**	**–**
Interest rate risk					
Interest rate swaps	**1,970,489**	**44,448**	**–**	**Financial derivatives**	**Loans and borrowings**
2021					
Foreign currency risk					
Cross currency swaps	1,760,952	27,761	(30,394)	Financial derivatives	Loans and borrowings
Forward exchange contracts	63,351	544	–	Financial derivatives	–
Interest rate risk					
Interest rate swaps	1,210,000	2,574	(2,034)	Financial derivatives	Loans and borrowings
Trust					
2022					
Foreign currency risk					
Forward exchange contracts	**–**	**–**	**–**	**Financial derivatives**	**–**
Interest rate risk					
Interest rate swaps	**1,307,034**	**26,761**	**–**	**Financial derivatives**	**Loans and borrowings**
2021					
Foreign currency risk					
Forward exchange contracts	53,675	45	–	Financial derivatives	–
Interest rate risk					
Interest rate swaps	735,000	1,014	(2,034)	Financial derivatives	Loans and borrowings

Notes to the Financial Statements
As at 31 December 2022

Cash flow hedge reserve $'000	Changes in the fair value of the hedging instrument recognised in Unitholders Funds $'000	Amounts reclassified from Hedging Reserve to Statement of Total Return $'000	Line item in Statement of Total Return affected by the reclassification
(32,498)	**(70,128)**	**35,241**	**Finance costs**
537	**(335)**	**–**	**–**
45,258	**47,139**	**(6,272)**	**Finance costs**
2,389	27,580	(3,599)	Finance costs
872	1,155	–	–
4,391	9,147	9,235	Finance costs
–	**(45)**	**–**	**–**
26,761	**32,890**	**(5,109)**	**Finance costs**
45	45	–	–
(1,020)	5,475	3,485	Finance costs

29 FINANCIAL RISK MANAGEMENT (continued)

Hedge accounting (continued)

Net investment hedges

The Group has foreign currency exposures from the net investment in its foreign subsidiaries in Luxembourg and Netherlands that has EUR functional currency, and in Australia that has AUD functional currency.

The risk arises from fluctuation in spot exchange rates between EUR and AUD against SGD that will result in a fluctuation in the carrying amount of the Group's net investment in its foreign subsidiaries in Luxembourg, Netherlands and Australia.

As at reporting date, the Group's net investment in its foreign subsidiaries is hedged by a number of EUR-denominated unsecured bank loans of carrying amount of $458,172,000 (2021: $497,776,000) and AUD-denominated unsecured bank loans of carrying amount of $538,967,000 (2021: Nil), which mitigates the foreign currency risk arising from the subsidiaries' net assets. The fair value of these borrowings at 31 December 2022 is $981,768,000 (2021: $497,501,000). These loans are designated as a hedging instrument for the changes in the value of the net investment that is due to changes in the EUR/SGD and AUD/SGD spot rate.

The amounts related to items designated as hedging instruments were as follows:

	Nominal amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000
Group			
2022			
Foreign exchange denominated debt (EUR)	(458,642)	–	(458,172)
Foreign exchange denominated debt (AUD)	(539,432)	–	(538,967)

The amounts related to items designated as hedged items were as follows:

Group	
2022	
EUR net investment	
AUD net investment	

Line item in the Statements of Financial Position where the hedging instrument is included	Changes in the fair value of the hedging instrument recognised in Unitholders Funds $'000	Amounts reclassified from Hedging Reserve to Statement of Total Return $'000	Line item in Statement of Total Return affected by the reclassification
Loans and borrowings	(38,750)	–	NA
Loans and borrowings	(51,671)	–	NA

Change in value used for calculating hedge ineffectiveness $'000	FCTR $'000	Balances remaining in the FCTR from hedging relationships for which hedge accounting is no longer applied $'000
33,907	40,064	–
50,888	50,888	–

29 FINANCIAL RISK MANAGEMENT (continued)

Hedge accounting (continued)

Net investment hedges *(continued)*

	Nominal amount $'000	Carrying amount – assets $'000	Carrying amount – liabilities $'000
Group			
2021			
Foreign exchange denominated debt (EUR)	(498,670)	–	(497,776)

The amounts related to items designated as hedged items were as follows:

Group	
2021	
EUR net investment	

	Line item in the Statements of Financial Position where the hedging instrument is included	Changes in the fair value of the hedging instrument recognised in Unitholders Funds $'000	Amounts reclassified from Hedging Reserve to Statement of Total Return $'000	Line item in Statement of Total Return affected by the reclassification
	Loans and borrowings	(18,358)	–	NA

	Change in value used for calculating hedge ineffectiveness $'000	FCTR $'000	Balances remaining in the FCTR from hedging relationships for which hedge accounting is no longer applied $'000
	17,299	4,335	–

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount				
	Note	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total $'000
Group						
31 December 2022						
Financial assets not measured at fair value						
Loans to joint ventures	7	–	176,980	–	–	176,980
Trade and other receivables[1]	13	–	48,212	–	–	48,212
Cash and cash equivalents	14	–	248,396	–	–	248,396
		–	473,588	–	–	473,588
Financial assets measured at fair value						
Financial derivatives	10	58,912	–	–	–	58,912
Equity investments at FVOCI	9	–	–	180,989	–	180,989
		58,912	–	180,989	–	239,901
Financial liabilities not measured at fair value						
Trade and other payables[2]	15	–	–	–	(358,471)	(358,471)
Security deposits		–	–	–	(284,802)	(284,802)
Loans and borrowings	16	–	–	–	(9,585,261)	(9,585,261)
		–	–	–	(10,228,534)	(10,228,534)
Financial liability measured at fair value						
Financial derivatives	10	(112,740)	–	–	–	(112,740)

1 Excluding prepayments
2 Excluding deferred income

Notes to the Financial Statements

As at 31 December 2022

Fair value			
Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	–	157,424	157,424
–	58,912	–	58,912
180,989	–	–	180,989
–	(9,257,618)	–	(9,257,618)
–	(112,740)	–	(112,740)

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	Note	Carrying amount				
		Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total $'000
Group						
31 December 2021						
Financial assets not measured at fair value						
Loans to joint ventures	7	–	176,980	–	–	176,980
Trade and other receivables[1]	13	–	89,592	–	–	89,592
Cash and cash equivalents	14	–	365,133	–	–	365,133
		–	631,705	–	–	631,705
Financial assets measured at fair value						
Financial derivatives	10	30,879	–	–	–	30,879
Equity investments at FVOCI	9	–	–	193,168	–	193,168
		30,879	–	193,168	–	224,047
Financial liabilities not measured at fair value						
Trade and other payables[2]	15	–	–	–	(557,904)	(557,904)
Security deposits		–	–	–	(247,896)	(247,896)
Loans and borrowings	16	–	–	–	(8,177,277)	(8,177,277)
		–	–	–	(8,983,077)	(8,983,077)
Financial liability measured at fair value						
Financial derivatives	10	(32,428)	–	–	–	(32,428)

1 Excluding prepayments
2 Excluding deferred income

Notes to the Financial Statements

As at 31 December 2022

Fair value			
Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	30,879	–	30,879
193,168	–	–	193,168
–	(8,329,110)	–	(8,329,110)
–	(32,428)	–	(32,428)

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	Note	Carrying amount				
		Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total $'000
Trust						
31 December 2022						
Financial assets not measured at fair value						
Loans to subsidiaries	6	–	3,777,510	–	–	3,777,510
Loans to joint ventures	7	–	150,359	–	–	150,359
Trade and other receivables[1]	13	–	232,339	–	–	232,339
Cash and cash equivalents	14	–	72,486	–	–	72,486
		–	4,232,694	–	–	4,232,694
Financial assets measured at fair value						
Financial derivatives	10	26,761	–	–	–	26,761
Equity investments at FVOCI	9	–	–	149,385	–	149,385
		26,761	–	149,385	–	176,146
Financial liabilities not measured at fair value						
Trade and other payables	15	–	–	–	(426,744)	(426,744)
Amount due to a subsidiary (non-trade)	15	–	–	–	(285,000)	(285,000)
Security deposits		–	–	–	(126,076)	(126,076)
Loans and borrowings	16	–	–	–	(6,171,306)	(6,171,306)
		–	–	–	(7,009,126)	(7,009,126)

[1] Excluding prepayments

Fair value			
Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	–	3,711,160	3,711,160
–	–	133,612	133,612
–	26,761	–	26,761
149,385	–	–	149,385
–	–	(272,302)	(272,302)
–	(5,627,836)	–	(5,627,836)

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

		Carrying amount				
	Note	Fair value – hedging instruments $'000	Amortised cost $'000	FVOCI – equity investments $'000	Other financial liabilities $'000	Total $'000
Trust						
31 December 2021						
Financial assets not measured at fair value						
Loans to subsidiaries	6	–	2,974,573	–	–	2,974,573
Loans to joint ventures	7	–	150,359	–	–	150,359
Trade and other receivables[1]	13	–	177,800	–	–	177,800
Cash and cash equivalents	14	–	165,962	–	–	165,962
		–	3,468,694	–	–	3,468,694
Financial assets measured at fair value						
Financial derivatives	10	1,059	–	–	–	1,059
Equity investments at FVOCI	9	–	–	158,723	–	158,723
		1,059	–	158,723	–	159,782
Financial liabilities not measured at fair value						
Trade and other payables	15	–	–	–	(418,622)	(418,622)
Amount due to a subsidiary (non-trade)	15	–	–	–	(495,000)	(495,000)
Security deposits		–	–	–	(116,660)	(116,660)
Loans and borrowings	16	–	–	–	(4,899,282)	(4,899,282)
		–	–	–	(5,929,564)	(5,929,564)
Financial liability measured at fair value						
Financial derivatives	10	(2,034)	–	–	–	(2,034)

1 Excluding prepayments

	Fair value		
Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
–	1,059	–	1,059
158,723	–	–	158,723
–	(4,923,000)	–	(4,923,000)
–	(2,034)	–	(2,034)

30 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Determination of fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and Trust.

Financial derivatives

The fair values of cross currency swaps and interest rate swaps (Level 2 fair values) are based on banks' quotes. These quotes are assessed for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparties when appropriate.

The fair values of forward exchange contracts are determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in the respective currencies.

Loans and borrowings

The fair value of quoted loans and borrowings is their quoted ask price at the reporting date. Fair value for unquoted loans and borrowings is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date. Fair value is determined for disclosure purposes.

Other financial assets and liabilities

At 31 December 2022, fair value of loans to subsidiaries and joint ventures and non-trade amounts due to a subsidiary are estimated based on the present value of future principal and interest cash flows (if relevant), discounted at the market rate of interest at the measurement date.

The carrying amounts of trade and other receivables, cash and cash equivalents, trade and other payables and security deposits (2021: loans to subsidiaries and joint ventures, trade and other receivables, cash and cash equivalents, trade and other payables, non-trade amounts due to a subsidiary and security deposits) are an approximation of their fair values because they are either short term in nature or effect of discounting is immaterial.

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are based on forward rates as at 31 December plus a credit spread, and are as follows:

	2022 %	2021 %
Group		
Loans to joint ventures	**4.66**	NA
Loans and borrowings	**3.16 – 4.14**	0.48 – 3.33
Trust		
Loans to subsidiaries	**4.66**	NA
Loans to joint ventures	**4.66**	NA
Amount due to a subsidiary (non-trade)	**4.65 – 4.69**	NA
Loans and borrowings	**4.30 – 5.10**	1.03 – 2.57

31 OPERATING SEGMENTS

For the purpose of making resource allocation decisions and the assessment of segment performance, the Group's Chief Operating Decision Maker ("CODM") reviews internal/management reports of its strategic divisions. This forms the basis of identifying the operating segments of the Group consistent with the principles of FRS 108 *Operating Segments*.

The Group's reportable operating segments are as follows:

- Retail: management of retail properties in Singapore
- Office: management of office properties in Singapore, Germany and Australia
- Integrated Developments: management of retail and office properties in Singapore and Australia

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODMs for the purpose of assessment of segment performance. In addition, the CODMs monitor the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated assets and liabilities comprise mainly financial derivative assets and liabilities, loans and borrowings, other receivables, cash and cash equivalents, and other payables. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

31 OPERATING SEGMENTS (continued)

Operating Segments

	Retail $'000	Office $'000	Integrated Developments $'000	Group $'000
2022				
Gross revenue	**556,511**	**463,610**	**421,626**	**1,441,747**
Segment net property income	**394,086**	**346,452**	**302,745**	**1,043,283**
Interest and other income				**5,336**
Investment income				**10,594**
Finance costs				**(242,437)**
Management fees				**(87,934)**
Other unallocated expenses				**(8,536)**
Share of results (net of tax) of				
– Joint ventures				**42,467**
Net income				**762,773**
Net change in fair value of investment properties	**43,687**	**(113,211)**	**(20,914)**	**(90,438)**
Gain on divestment of investment property	**57,257**	**–**	**–**	**57,257**
Net change in fair value of financial derivatives	**–**	**(680)**	**1,082**	**402**
Total return for the year before tax				**729,994**
Taxation				**(4,105)**
Total return for the year				**725,889**
Assets and liabilities				
Segment assets	**7,231,245**	**10,507,117**	**6,242,726**	**23,981,088**
Investment in joint ventures				**361,198**
Equity investments at fair value				**180,989**
Unallocated assets:				
– financial derivatives				**58,912**
– others				**84,436**
				143,348
Total assets				**24,666,623**
Segment liabilities	**200,059**	**271,141**	**154,274**	**625,474**
Unallocated liabilities				
– loans and borrowings				**9,585,261**
– financial derivatives				**112,740**
– others				**63,755**
				9,761,756
Total liabilities				**10,387,230**
Other segmental information				
Depreciation and amortisation	**229**	**2,486**	**1,454**	**4,169**
Plant and equipment				
– capital expenditure	**283**	**111**	**84**	**478**
Investment properties				
– capital expenditure	**26,973**	**62,733**	**48,306**	**138,012**
(Write back)/allowance of doubtful debts	**(77)**	**60**	**(11)**	**(28)**
Doubtful debts written off	**(11)**	**130**	**151**	**270**

31 OPERATING SEGMENTS (continued)

***Operating Segments** (continued)*

	Retail $'000	Office $'000	Integrated Developments $'000	Group $'000
2021				
Gross revenue	537,700	387,387	379,964	1,305,051
Segment net property income	377,829	295,267	277,986	951,082
Interest and other income				6,364
Investment income				12,703
Finance costs				(189,757)
Management fees				(82,174)
Other unallocated expenses				(6,638)
Share of results (net of tax) of				
– Joint ventures				140,202
Net income				831,782
Net change in fair value of investment properties	3,675	306,160	(39,328)	270,507
Total return for the year before tax				1,102,289
Taxation				(19,224)
Total return for the year				1,083,065
Assets and liabilities				
Segment assets	7,447,437	8,518,296	6,003,944	21,969,677
Investment in joint ventures				320,347
Equity investments at fair value				193,168
Unallocated assets:				
– financial derivatives				30,879
– others				227,779
				258,658
Total assets				22,741,850
Segment liabilities	175,703	181,929	118,239	475,871
Unallocated liabilities				
– loans and borrowings				8,177,277
– financial derivatives				32,428
– others				360,574
				8,570,279
Total liabilities				9,046,150
Other segmental information				
Depreciation and amortisation	351	2,479	2,033	4,863
Plant and equipment – capital expenditure	121	19	149	289
Investment properties – capital expenditure	17,341	52,502	16,207	86,050
(Write back)/allowance of doubtful debts	(543)	156	(1,561)	(1,948)
Doubtful debts written off	246	36	77	359

31 OPERATING SEGMENTS (continued)

Geographical information

	Group 2022 $'000	Group 2021 $'000
Gross Revenue		
Singapore	**1,350,420**	1,248,822
Germany	**54,159**	56,229
Australia	**37,168**	–
	1,441,747	1,305,051
Non-current assets[1]		
Singapore	**22,346,559**	20,816,654
Germany	**768,151**	942,493
Australia	**997,563**	–
	24,112,273	21,759,147

[1] Non-current assets exclude financial instruments (other than equity-accounted investees) and deferred tax asset.

Major customer based on geographical information

Revenue of $27,371,000 (2021: $29,125,000) was attributable to a major tenant in Gallileo, Germany.

32 ACQUISITION OF SUBSIDIARIES AND INTEREST IN A JOINT OPERATION

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property.

(a) Acquisition of subsidiaries

Name of subsidiaries	Date acquired	Effective interest acquired
Gateway Goulburn Trust	24 March 2022	100.0%
Gateway Arthur Trust	24 March 2022	100.0%
79RR LLP	27 April 2022	70.0%

The acquisitions have been accounted for as acquisitions of assets as no integrated activities are acquired.

32 ACQUISITION OF SUBSIDIARIES AND INTEREST IN A JOINT OPERATION (continued)

(a) Acquisition of subsidiaries (continued)

The identifiable assets acquired, liabilities assumed and effect of cash flows are presented as follows:

	2022 Group $'000
Investment properties	**1,936,857**
Plant and equipment	**75**
Trade and other receivables	**2,406**
Financial derivatives	**720**
Cash and cash equivalents	**27,861**
Trade and other payables	**(30,201)**
Loans and borrowings	**(950,647)**
Lease liabilities	**(21,192)**
Provision for taxation	**(6,623)**
Security deposits	**(13,418)**
Total identifiable net assets acquired	**945,838**
Less: NCI, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	**(181,806)**
Identifiable net assets acquired	**764,032**
Add: Acquisition fee and other related expenses	**56,501**
Total purchase consideration, including acquisition costs	**820,533**
Less: Acquisition fee paid in units	**(11,228)**
Less: Cash and cash equivalents in subsidiaries acquired	**(27,861)**
Less: Deposits paid in 2021	**(33,106)**
Net cash outflow on acquisitions	**748,338**

(b) Acquisition of interest in a joint operation

On 21 June 2022, the Group, through its indirect wholly-owned subsidiary, Monopoly Trust, acquired a 50.0% interest in 101 – 103 Miller Street and Greenwood Plaza from an unrelated third party for a total consideration of approximately $426.1 million.

The Group has classified its 50.0% interest in 101 – 103 Miller Street and Greenwood Plaza as a joint operation as the interest is under a tenancy in common arrangement. The acquisition was accounted for as an acquisition of asset as no integrated activities are acquired.

Effects of acquisition

The identifiable asset acquired and effect of cash flows are presented as follows:

	2022 Group $'000
Investment property	**398,238**
Total identifiable net asset acquired	**398,238**
Add: Acquisition fee and other related expenses	**27,850**
Total purchase consideration, including acquisition costs	**426,088**
Less: Deposits paid in 2021	**(20,541)**
Net cash outflow on acquisition of interest in a joint operation	**405,547**

33 DIVESTMENT OF INVESTMENT PROPERTY

On 24 January 2022, the Manager announced the divestment of JCube to Tanglin R.E. Holdings Pte. Ltd. and the sale was completed on 10 March 2022.

Net cash inflow on divestment of investment property

	Group	
	2022	2021
	$'000	$'000
Consideration received in cash	**340,000**	–
Less: Divestment-related costs	**(8,872)**	–
Net proceeds from divestment of investment property	**331,128**	–

34 COMMITMENTS

	Group		Trust	
	2022	2021	**2022**	2021
	$'000	$'000	**$'000**	$'000
Capital commitments				
– contracted but not provided for	**97,297**	65,630	**53,535**	7,228

In addition, in December 2021, the Group had announced the proposed acquisitions of 66 Goulburn Street and 100 Arthur Street, and 50.0% interest in 101 – 103 Miller Street and Greenwood Plaza, Sydney, Australia for an acquisition outlay of approximately $821.8 million. The acquisitions were completed on 24 March 2022 and 21 June 2022 (see Note 32).

Operating lease rental receivable

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income from investment properties recognised by the Group in FY 2022 was $1,280,544,000 (2021: $1,180,743,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2022	2021
	$'000	$'000
Less than one year	**1,263,313**	1,057,955
One to two years	**932,898**	775,761
Two to three years	**667,639**	480,174
Three to four years	**409,850**	290,040
Four to five years	**292,699**	208,166
More than five years	**1,340,573**	1,355,374
	4,906,972	4,167,470

35 FINANCIAL RATIOS

	Group	
	2022	2021
	%	%
Expenses to weighted average net assets[1]		
– including performance component of Manager's management fees	**0.70**	0.68
– excluding performance component of Manager's management fees	**0.39**	0.38
Portfolio turnover rate[2]	**2.41**	–

1 The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses and finance costs.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of average net asset value.

Additional Information

INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited (SGX-ST) and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions less than S$100,000 each), are as follows:

Nature of Interested Persons	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions during the financial year under review conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
CapitaLand Investment Limited and its subsidiaries or associates	Controlling shareholder of the Manager and controlling Unitholder, and its subsidiaries and associates		
– Management fees[1]		89,577	–
– Acquisition/Divestment fees		21,415	
– Property management fees and reimbursables, and leasing and marketing fees and accounting fees		36,800	–
– Rental and service income		124,698	–
– General services		4,341	–
– Acquisition of an interest in CapitaSky (formerly known as 79 Robinson Road)		498,771	
Temasek Holdings (Private) Limited and its associates	Controlling shareholder of the Manager and controlling Unitholder, and its subsidiaries and associates		
– Rental and service income		187,584	–
– General services		72,810	–
– Divestment of JCube		340,000	-
HSBC Institutional Trust Services (Singapore) Limited	Trustee		
– Trustee fees[1]		3,050	–
– Rental and service income		2,376	-

1 This includes CICT's interest in joint ventures

Additional Information

INTERESTED PERSON TRANSACTIONS (continued)

Save as disclosed above, there were no additional interested person transactions (excluding transactions less than S$100,000 each) entered into during the financial year under review.

On 10 February 2004, the SGX-ST had granted a waiver to CapitaLand Mall Trust ("CMT"), now known as CICT from Rules 905 and 906 of the Listing Manual of the SGX-ST (the "Listing Manual") in relation to, *inter alia*, payments for management fees, payments for acquisition and divestment fees, as well as payments of trustee's fees. Similarly, CapitaLand Commercial Trust ("CCT"), which is now a wholly owned sub-trust of CICT after the merger of CMT and CCT with effect from 21 October 2020, is deemed to have obtained the approval of the unitholders of CCT on 12 April 2004 through the approval of the shareholders of CapitaLand Limited (now known as CapitaLand Group Pte. Ltd.) (as outlined in CCT's Introductory Document dated 16 March 2004) in relation to payments of asset management fees and acquisition and divestment fees to the manager of CCT as well as payment of trustee fees. Such payments are therefore not included in the aggregate value of interested person transactions as governed by Rules 905 and 906 of the Listing Manual as long as there are no changes to the terms, rates and/or bases for such fees and expenses.

In addition, CCT's property management agreement dated 1 March 2004 entered into between the trustee of CCT, the manager of CCT and the property manager of CCT was subsequently renewed for 5 years commencing 1 March 2014 and another 5 years commencing 1 March 2019. The total property management fees and reimbursements to the property manager for each of the first renewal term of 5 years and the second renewal term of 5 years were aggregated for the purposes of Rules 905 and 906 of the Listing Manual in financial years 2014 and 2019 respectively. Accordingly, such fees and expenses will not be subject to aggregation or further Unitholders' approval requirements under Rules 905 and 906 of the Listing Manual of the SGX-ST, to the extent that there is no subsequent change to the rates and/or bases for such fees and expenses.

Please also see Note 28 on Related Parties in the financial statements.

SUBSCRIPTION OF CICT UNITS

For the financial year ended 31 December 2022, an aggregate of 26,503,915 CICT units were issued and subscribed for. As at 31 December 2022, 6,635,122,255 CICT units were in issue and outstanding.

ADDITIONAL DISCLOSURE FOR OPERATING EXPENSES

The total operating expenses incurred by CICT Group and CICT's proportionate share of operating expenses incurred by its joint ventures amounted to S$509.1 million in 2022, which was equivalent to 3.6% of CICT Group's net asset value as at 31 December 2022. The amount included all fees and charges paid to the Manager and interested parties.

Statistics of Unitholdings

ISSUED AND FULLY PAID UNITS

6,635,122,255 units (voting rights: 1 vote per unit)
Market Capitalisation S$12,474,029,839 (based on closing unit price of S$1.88 on 6 March 2023)

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS		NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1	– 99	3,871	4.42	153,469	0.00
100	– 1,000	30,395	34.74	14,810,304	0.22
1,001	– 10,000	40,474	46.26	161,030,848	2.43
10,001	– 1,000,000	12,700	14.52	488,660,950	7.37
1,000,001	AND ABOVE	51	0.06	5,970,466,684	89.98
TOTAL		**87,491**	**100.00**	**6,635,122,255**	**100.00**

LOCATION OF UNITHOLDERS

	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
SINGAPORE	84,410	96.48	6,612,387,829	99.66
MALAYSIA	1,937	2.21	13,550,940	0.20
OTHERS	1,144	1.31	9,183,486	0.14
TOTAL	**87,491**	**100.00**	**6,635,122,255**	**100.00**

TWENTY LARGEST UNITHOLDERS

	NAME	NO. OF UNITS	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	1,482,191,820	22.34
2	HSBC (SINGAPORE) NOMINEES PTE LTD	758,096,281	11.43
3	RAFFLES NOMINEES (PTE.) LIMITED	708,996,529	10.69
4	DBSN SERVICES PTE. LTD.	628,049,559	9.47
5	SBR PRIVATE LIMITED	537,585,792	8.10
6	DBS NOMINEES (PRIVATE) LIMITED	459,476,076	6.92
7	ALBERT COMPLEX PTE LTD	279,300,000	4.21
8	PYRAMEX INVESTMENTS PTE LTD	183,542,567	2.77
9	PREMIER HEALTHCARE SERVICES INTERNATIONAL PTE LTD	177,027,699	2.67
10	E-PAVILION PTE LTD	155,426,214	2.34
11	CAPITALAND COMMERCIAL TRUST MANAGEMENT LIMITED	124,063,622	1.87
12	BPSS NOMINEES SINGAPORE (PTE.) LTD.	120,918,605	1.82
13	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	70,626,315	1.06
14	CAPITALAND INTEGRATED COMMERCIAL TRUST MANAGEMENT LIMITED	58,960,217	0.89
15	DB NOMINEES (SINGAPORE) PTE LTD	25,096,274	0.38
16	PHILLIP SECURITIES PTE LTD	21,302,026	0.32
17	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	20,366,529	0.31
18	IFAST FINANCIAL PTE. LTD.	18,616,306	0.28
19	OCBC SECURITIES PRIVATE LIMITED	18,201,341	0.27
20	ABN AMRO CLEARING BANK N.V.	12,238,926	0.18
	TOTAL	**5,860,082,698**	**88.32**

DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2023

Based on the Register of Directors' Unitholdings, the interests of the Directors in Units and convertible securities issued by CICT are as follows:

	No. of Units		Contingent Awards of Units[1] under the Manager's	
Name of Director	**Direct Interest**	**Deemed Interest**	**Performance Unit Plan**	**Restricted Unit Plan**
Teo Swee Lian	32,032	–	–	–
Tony Tan Tee Hieong	630,927	–	0 to 560,318[2]	118,088[3,4] 0 to 169,180[2,4]
Quek Bin Hwee	71,470	–	–	–
Leo Mun Wai	8,928	–	–	–
Jeann Low Ngiap Jong	12,938	–	–	–
Stephen Lim Beng Lin	2,674	–	–	–
Tan Boon Khai	12,880	–	–	–
Jonathan Yap Neng Tong	51,822	69,395	–	–
Janine Gui Siew Kheng	51,694	–	–	–

1 This refers to the number of Units which are the subject of contingent awards granted but not released under the Manager's Performance Unit Plan (PUP) and Restricted Unit Plan (RUP). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.
2 The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for the PUP and RUP.
3 Being the unvested Units under the RUP.
4 On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the RUP, will also be released.

Statistics of Unitholdings

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 6 MARCH 2023

Based on the information available to the Manager, as at 6 March 2023, the unitholdings of Substantial Unitholders of CICT are as follows:

	Direct Interest		Deemed Interest	
Name of Substantial Unitholder	**No. of Units**	**%[1]**	**No. of Units**	**%[1]**
Temasek Holdings (Private) Limited (THPL)[2]	—	—	1,572,823,430	23.70
Tembusu Capital Pte. Ltd. (Tembusu)[3]	—	—	1,554,864,210	23.43
Bartley Investments Pte. Ltd. (Bartley)[4]	—	—	1,516,341,542	22.85
Mawson Peak Holdings Pte. Ltd. (Mawson)[4]	—	—	1,516,341,542	22.85
Glenville Investments Pte. Ltd. (Glenville)[4]	—	—	1,516,341,542	22.85
TJ Holdings (III) Pte. Ltd. (TJ Holdings (III))[4]	—	—	1,516,341,542	22.85
CLA Real Estate Holdings Pte. Ltd. (CLA)[4]	—	—	1,516,341,542	22.85
CapitaLand Group Pte. Ltd. (CLG)[5]	29,451	N.M.[6]	1,516,312,091	22.85
CapitaLand Investment Limited (CLI)[7]	—	—	1,516,312,091	22.85
CLI Singapore Pte. Ltd. (CLIS)[8]	—	—	1,332,882,272	20.08
SBR Private Limited (SBR)	537,585,792	8.10	—	—
BlackRock, Inc.(Blackrock)[9]	—	—	441,123,131	6.64

1 The percentage is based on 6,635,122,255 Units in issue as at 6 March 2023. Percentages are rounded down to the nearest 0.01%.
2 THPL is deemed to have an interest in the unitholdings in which its subsidiaries and associated companies (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the Securities and Futures Act 2001 (SFA).
3 Tembusu is deemed to have an interest in the unitholdings in which its subsidiaries (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the SFA.
4 THPL holds 100% of the equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJ Holdings (III), which holds 100% of the equity interest in CLA, which holds 100% of the equity interest in CLG.
5 CLG is deemed to have an interest in the unitholding that its subsidiary, CLI is deemed to have an interest, by virtue of Section 4 of the SFA.
6 Not meaningful.
7 CLI is deemed to have an interest in the unitholdings of (i) its indirect wholly owned subsidiaries, namely Pyramex Investments Pte Ltd (PIPL), Albert Complex Pte Ltd (ACPL), Premier Healthcare Services International Pte Ltd (PHSIPL), E-Pavilion Pte. Ltd. (E-Pavilion) and SBR through its direct wholly owned subsidiary, CLIS (ii) its indirect wholly owned subsidiary, namely CapitaLand Integrated Commercial Trust Management Limited (CICTML) through its direct wholly owned subsidiary, CLI FM Pte. Ltd. and (iii) its direct wholly owned subsidiaries, namely CapitaLand Commercial Trust Management Limited (CCTML) and Carmel Plus Pte. Ltd. (Carmel).
PIPL holds 183,542,567 Units, ACPL holds 279,300,000 Units, PHSIPL holds 177,027,699 Units, E-Pavilion holds 155,426,214 Units, CICTML holds 58,960,217 Units, CCTML holds 124,063,622 Units and Carmel holds 405,980 Units.
8 CLIS is deemed to have an interest in the unitholdings of its direct wholly owned subsidiaries, namely PIPL, ACPL, PHSIPL, E-Pavilion and SBR.
9 BlackRock, Inc. is deemed to have an interest in the units held by the various funds managed by BlackRock investment advisors.

PUBLIC FLOAT

Based on the information made available to the Manager, approximately 69.0% of the Units were held in the hands of the public as at 6 March 2023. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Corporate Information

CAPITALAND INTEGRATED COMMERCIAL TRUST

Registered Address
HSBC Institutional Trust Services (Singapore) Limited
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Singapore 018983

Website & Email Address
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ask-us@cict.com.sg

Counter Name
CapLand IntCom T

Stock Code
C38U

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Leong Kok Keong
(With effect from financial year ended 31 December 2022)

THE MANAGER

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BOARD OF DIRECTORS

Ms Teo Swee Lian
Chairman & Non-Executive Independent Director

Mr Tony Tan Tee Hieong
Chief Executive Officer & Executive Non-Independent Director

Mrs Quek Bin Hwee
Non-Executive Independent Director

Mr Leo Mun Wai
Non-Executive Independent Director

Ms Jeann Low Ngiap Jong
Non-Executive Independent Director

Mr Stephen Lim Beng Lin
Non-Executive Independent Director

Mr Tan Boon Khai
Non-Executive Independent Director

Mr Jonathan Yap Neng Tong
Non-Executive Non-Independent Director

Ms Janine Gui Siew Kheng
Non-Executive Non-Independent Director

AUDIT COMMITTEE

Mrs Quek Bin Hwee (Chairman)
Mr Leo Mun Wai
Ms Jeann Low Ngiap Jong
Mr Tan Boon Khai

EXECUTIVE COMMITTEE

Mr Jonathan Yap Neng Tong (Chairman)
Mr Tony Tan Tee Hieong
Ms Janine Gui Siew Kheng

NOMINATING AND REMUNERATION COMMITTEE

Ms Teo Swee Lian (Chairman)
Mr Stephen Lim Beng Lin
Mr Jonathan Yap Neng Tong

COMPANY SECRETARIES

Ms Lee Ju Lin, Audrey
Ms Tee Leng Li

THE PROPERTY MANAGERS

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