CAPITALAND INTEGRATED COMMERCIAL TRUST
2023 FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

INTRODUCTION

CICT (the “Trust”) was constituted under a trust deed dated 29 October 2001 entered into between CapitaLand Integrated Commercial Trust Management Limited (as manager of CICT) (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (as trustee of CICT) (the “Trustee”), as amended.

CICT is the first Real Estate Investment Trust (“REIT”) listed on Singapore Exchange Securities Trading Limited (the “SGX–ST”) in July 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.

On 15 March 2023, CMT MTN Pte. Ltd. (“CMT MTN”) issued HKD755.0 million 4.85% fixed rate notes due 2033 (the “Notes”) through its US$3.0 billion EMTN programme. CMT MTN has entered into swap transactions to swap the HKD proceeds of the Notes into Singapore dollar proceeds of S$132,729,000 at 4.026% per annum.

On 19 June 2023, CMT MTN issued S$400.0 million 3.938% fixed rate notes due 2030 under its US$3.0 billion EMTN programme.

The proceeds from these two issuances were used by CMT MTN and CICT and its subsidiaries (the “Group”) to finance or refinance, in whole or in part, the Eligible Green Projects (as defined in the pricing supplement of the Notes) undertaken by the Group in accordance with the CICT Green Finance Framework (as defined in the pricing supplement of the Notes).

As at 31 December 2023, CICT's property portfolio comprises:

Retail	Office	Integrated Developments
1) Bedok Mall, held through Brilliance Mall Trust ("BMT")	1) Asia Square Tower 2 ("AST2")[1]	1) Funan, retail component held through CICT, Office components held through Victory Office 1 Trust ("VO1T") and Victory Office 2 Trust ("VO2T")
2) Bugis+	2) Capital Tower	2) Plaza Singapura
3) Bugis Junction	3) CapitaGreen, held through MSO Trust	3) The Atrium@Orchard
4) Bukit Panjang Plaza (90 out of 91 strata lots)	4) Six Battery Road	4) Raffles City Singapore ("RCS"), held through RCS Trust
5) Clarke Quay	5) 21 Collyer Quay	5) CapitaSpring (45.0% interest), held through Glory Office Trust ("GOT") and Glory SR Trust ("GSRT")
6) IMM Building	6) Gallileo, Germany (94.9% interest)[2]	6) 101-103 Miller Street and Greenwood Plaza, Australia (50.0% interest)[7]
7) Junction 8	7) Main Airport Center, Germany (94.9% interest)[3]	
8) Lot One Shoppers' Mall	8) 66 Goulburn Street, Australia[4]	
9) Tampines Mall	9) 100 Arthur Street, Australia[5]	
10) Westgate, held through Infinity Mall Trust ("IMT")	10) CapitaSky (70.0% interest)[6]	

Footnotes:

1. *Held through indirect wholly owned subsidiary Asia Square Tower 2 Pte. Ltd.*
2. *94.9% interest held through indirect wholly owned subsidiary, CCT Galaxy One Pte. Ltd.*
3. *94.9% interest held through indirect wholly owned subsidiary, CCT Mercury One Pte. Ltd.*
4. *Held through indirect wholly owned subsidiary, Gateway Goulburn Trust.*
5. *Held through indirect wholly owned subsidiary, Gateway Arthur Trust.*
6. *Held through wholly owned subsidiary, 79RR Office Trust's 70.0% interest in 79RR LLP.*
7. *50.0% interest held through indirect wholly owned subsidiary, Monopoly Trust.*

In addition, CICT owns an interest in CapitaLand China Trust ("CLCT"), the first China shopping mall REIT listed on the SGX-ST in December 2006, and Sentral REIT, held through CapitaLand Commercial Trust ("CCT"), a commercial real estate investment trust listed in Malaysia. As at 31 December 2023, CICT owns approximately 7.9% interest in CLCT and 9.8% interest in Sentral REIT.

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CapitaLand Integrated Commercial Trust and its Subsidiaries (Group)

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

Condensed Interim Financial Statements

For the Six-month period and Full Year ended 31 December 2023

Condensed Interim Statements of Financial Position
As at 31 December 2023

	Note	Group 31/12/2023 S$'000	Group 31/12/2022 S$'000	Trust 31/12/2023 S$'000	Trust 31/12/2022 S$'000
Non-current assets					
Plant and equipment		4,948	5,311	1,247	1,335
Investment properties	3	24,024,909	23,744,817	8,165,542	7,902,400
Subsidiaries		-	-	12,046,795	11,628,523
Joint ventures		348,581	361,198	197,624	211,633
Equity investments at fair value		150,559	180,989	124,044	149,385
Financial derivatives		12,616	40,286	6,131	21,547
Deferred tax asset		1,931	4,216	-	-
Other non-current assets		1,044	947	406	628
		24,544,588	24,337,764	20,541,789	19,915,451
Current assets					
Trade and other receivables		50,485	61,837	232,006	233,035
Cash and cash equivalents		140,700	248,396	61,740	72,486
Financial derivatives		3,353	18,626	2,747	5,214
		194,538	328,859	296,493	310,735
Total assets		**24,739,126**	**24,666,623**	**20,838,282**	**20,226,186**
Current liabilities					
Financial derivatives		-	25,199	-	-
Trade and other payables		342,720	323,881	416,324	426,744
Current portion of security deposits		91,015	86,594	42,774	40,473
Loans and borrowings	4	1,001,356	1,155,045	449,871	469,933
Lease liabilities		1,471	1,932	1,192	1,138
Provision for taxation		17,189	12,506	-	873
		1,453,751	1,605,157	910,161	939,161
Non-current liabilities					
Financial derivatives		137,095	87,541	20,407	-
Trade and other payables		34,644	34,896	182,439	285,000
Loans and borrowings	4	8,476,374	8,430,216	6,325,722	5,701,373
Lease liabilities		24,057	24,069	3,009	4,033
Non-current portion of security deposits		207,851	198,208	89,073	85,603
Deferred tax liability		3,634	7,143	-	-
		8,883,655	8,782,073	6,620,650	6,076,009
Total liabilities		**10,337,406**	**10,387,230**	**7,530,811**	**7,015,170**
Net assets		**14,401,720**	**14,279,393**	**13,307,471**	**13,211,016**
Represented by:					
Unitholders' funds		14,199,813	14,073,447	13,307,471	13,211,016
Non-controlling interests		201,907	205,946	-	-
		14,401,720	**14,279,393**	**13,307,471**	**13,211,016**
Units in issue ('000)	5	**6,657,723**	**6,635,122**	**6,657,723**	**6,635,122**
Net asset value / net tangible asset per unit attributable to Unitholders (S$)	6	**2.13**	**2.12**	**1.99**	**1.99**

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Total Return
Six-month period and full year ended 31 December 2023

		Group			
	Note	**Six-month period ended 31/12/2023**	**Six-month period ended 31/12/2022**	**Year ended 31/12/2023**	**Year ended 31/12/2022**
		S$'000	**S$'000**	**S$'000**	**S$'000**
Gross revenue	7	785,157	754,148	1,559,934	1,441,747
Property operating expenses	8	(221,587)	(212,485)	(444,027)	(398,464)
Net property income		**563,570**	**541,663**	**1,115,907**	**1,043,283**
Interest income		7,353	2,836	11,285	5,181
Other income	9	9	26	34,467	155
Investment income		7,022	6,690	12,760	10,594
Management fees:					
- Base component		(23,577)	(23,532)	(46,674)	(45,280)
- Performance component		(22,398)	(21,642)	(44,492)	(42,654)
Professional fees		(1,152)	(1,749)	(2,026)	(2,663)
Valuation fees		(255)	(313)	(812)	(585)
Trustee's fees		(1,709)	(1,687)	(3,398)	(3,274)
Audit fees		(458)	(526)	(955)	(914)
Finance costs	10	(168,106)	(138,009)	(322,075)	(242,437)
Other expenses		(2,500)	(1,396)	(3,798)	(1,100)
Net income before share of results of joint ventures		**357,799**	**362,361**	**750,189**	**720,306**
Share of results (net of tax) of:					
- Joint ventures		9,970	36,097	15,579	42,467
Net income		**367,769**	**398,458**	**765,768**	**762,773**
Net change in fair value of investment properties		113,561	(90,438)	113,561	(90,438)
Net change in fair value of financial derivatives		-	(680)	-	402
Gain on divestment of investment property	11	-	-	-	57,257
Total return before tax		**481,330**	**307,340**	**879,329**	**729,994**
Taxation		(5,783)	2,380	(10,111)	(4,105)
Total return		**475,547**	**309,720**	**869,218**	**725,889**
Total return attributable to:					
Unitholders		474,726	309,715	862,570	723,369
Non-controlling interests		821	5	6,648	2,520
Total return		**475,547**	**309,720**	**869,218**	**725,889**
Earnings per unit (cents)					
Basic	12	7.13	4.67	12.97	10.92
Diluted	12	7.12	4.66	12.94	10.89

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Distribution Statement
Six-month period and full year ended 31 December 2023

		Group			
	Note	**Six-month period ended 31/12/2023 S$'000**	**Six-month period ended 31/12/2022 S$'000**	**Year ended 31/12/2023 S$'000**	**Year ended 31/12/2022 S$'000**
Amount available for distribution to Unitholders at beginning of period/year		361,710	355,093	364,108	346,581
Total return attributable to Unitholders		474,726	309,715	862,570	723,369
Net tax and other adjustments	A	(121,799)	40,405	(168,722)	(71,130)
Tax-exempt income	B	1,944	4,700	3,352	51,376
Capital distributions		8,564	6,919	22,518	9,289
Distribution income from joint ventures		6,068	29	8,768	64
		369,503	361,768	728,486	712,968
Amount available for distribution to Unitholders		731,213	716,861	1,092,594	1,059,549
Distributions to Unitholders during the period/year:					
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)	-	(346,063)
Distribution of 5.36 cents per unit for period from 01/07/2022 to 31/12/2022		-	-	(355,643)	-
Distribution of 5.30 cents per unit for period from 01/01/2023 to 30/06/2023		(352,534)	-	(352,534)	-
		(352,534)	(346,063)	(708,177)	(684,847)
Amount retained for general corporate and working capital purposes	C	(7,022)	(6,690)	(12,760)	(10,594)
Amount available for distribution to Unitholders at end of the period/year		371,657	364,108	371,657	364,108
Distribution per unit (cents) [1]		5.45	5.36	10.75	10.58

Footnote:

1. *Distribution per unit relates to the distributions in respect of the relevant financial period. The distribution relating to 1 July to 31 December 2023 will be paid after 31 December 2023.*

Condensed Interim Distribution Statement (cont'd)
Six-month period and full year ended 31 December 2023

Note A

	Group			
	Six-month period ended 31/12/2023 S$'000	**Six-month period ended 31/12/2022 S$'000**	**Year ended 31/12/2023 S$'000**	**Year ended 31/12/2022 S$'000**
Net tax and other adjustments comprise:				
- Management fees paid and payable in Units[1]	22,633	22,232	44,866	43,243
- Trustee's fees	1,610	1,589	3,194	3,096
- Amortisation of transaction costs	2,793	2,390	5,921	7,873
- Net change in fair value of investment properties[2]	(118,830)	84,699	(118,830)	84,699
- Profit from subsidiaries	(30,988)	(27,747)	(59,033)	(64,360)
- Share of result (net of tax) of joint ventures	(9,970)	(36,097)	(15,579)	(42,467)
- Taxation[2]	6,275	(2,095)	10,535	4,255
- Gain on divestment of investment property	-	-	-	(57,257)
- Temporary differences and other adjustments[3]	1,330	(4,999)	(43,851)	(13,619)
- Rollover adjustments[4]	3,348	433	4,055	(36,593)
Net tax and other adjustments	**(121,799)**	**40,405**	**(168,722)**	**(71,130)**

Footnotes:

1. *For the six-month period ended 31 December 2023 ("2H 2023") and 2022 ("2H 2022"), these relate to 50.0% of base and performance components of the management fees for the period from 1 July to 31 December 2023 and 1 July to 31 December 2022 respectively.*

   For the year ended 31 December 2023 ("FY 2023") and 2022 ("FY 2022"), these relate to 50.0% of base and performance components of the management fees for period from 1 January to 31 December 2023 and 1 January to 31 December 2022 respectively.

2. *These exclude the non-controlling interests' share of Gallileo Property S.a.r.l. ("Gallileo Co."), MAC Property Company B.V., MAC Car Park Company B.V. (collectively as "MAC entities") and 79RR LLP.*

3. *For FY2023, these include government grant income of S$34.4 million in relation to the construction of underground pedestrian link at Funan. For 2H2023, 2H 2022 and FY2022, these include mainly accounting effect of the purchase price allocation adjustment of certain fixed rate borrowings.*

4. *These relates to the differences between taxable income previously distributed and the quantum finally agreed with Inland Revenue Authority of Singapore ("IRAS").*
   For 2H 2023 and FY 2023: CICT and CCT (YA 2019 and YA 2020), VO1T, VO2T and RCS Trust (YA 2021) as well as IMT and BMT (YA 2021 and YA 2022).
   For 2H 2022 and FY 2022: CCT (YA 2016, YA 2017, YA 2018 and YA 2020), VO1T (YA 2020) and VO2T (YA2020).

   In FY 2022, taxable income distribution includes a rollover adjustment of S$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 S$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

For FY 2022, tax-exempt income includes the COVID-19 cash grants of S$37.0 million received by the Group in FY 2020 (see footnote 4 in Note A above).

Note C

For 2H 2023, this relates to distribution income received/receivable from CLCT of S$5.0 million (2H 2022: S$5.5 million) and Sentral REIT of S$2.0 million (2H 2022: S$1.2million).

For FY 2023, this relates to distribution income received/receivable from CLCT of S$9.5 million (2022: S$7.9 million) and Sentral REIT of S$3.2 million (2022: S$2.7 million)

Condensed Interim Statements of Movements in Unitholders' Funds
Year ended 31 December 2023

	Group		Trust	
	Year ended 31/12/2023 S$'000	**Year ended 31/12/2022 S$'000**	**Year ended 31/12/2023 S$'000**	**Year ended 31/12/2022 S$'000**
Net assets attributable to Unitholders at beginning of the year	**14,073,447**	**13,667,754**	**13,211,016**	**12,752,268**
Operations				
Total return attributable to Unitholders	862,570	723,369	822,662	753,957
Hedging reserves				
Effective portion of changes in fair value of cashflow hedges	(49,951)	(23,324)	(17,391)	32,845
Net change in fair value of cash flow hedges reclassified to Statement of Total Return	10,432	28,969	(20,900)	(5,109)
Movement in foreign currency translation reserves	(3,680)	2,465	-	-
Movement in fair value reserves	(30,430)	(12,179)	(25,341)	(9,338)
Unitholders' transactions				
Creation of units				
- Management fees paid	17,424	16,761	17,424	16,761
- Management fees payable	28,178	27,219	28,178	27,219
- Acquisition fee	-	11,228	-	11,228
- Divestment fee	-	1,700	-	1,700
Distributions to Unitholders	(708,177)	(370,515)	(708,177)	(370,515)
Net decrease in net assets resulting from Unitholders' transactions	(662,575)	(313,607)	(662,575)	(313,607)
Net assets attributable to Unitholders at end of the year	**14,199,813**	**14,073,447**	**13,307,471**	**13,211,016**

Non-controlling interests ("NCI")[1]

	Group	
	Year ended 31/12/2023 S$'000	**Year ended 31/12/2022 S$'000**
At beginning of the year	205,946	27,946
Total return attributable to NCI	6,648	2,520
Distributions to NCI	(9,584)	(6,460)
Return of capital to NCI	(588)	-
Hedging reserves attributable to NCI	(1,177)	2,144
Acquisition of subsidiary (Note 11)	-	181,806
Translation differences from financial statements of foreign operations	662	(2,010)
At end of the year	**201,907**	**205,946**

Footnote:

[1] *This relates to 30.0% ownership interest held by NCI in 79RR LLP and 5.1% ownership interest held by NCI in Gallileo Co. and MAC entities respectively.*

Condensed Interim Portfolio Statement
As at 31 December 2023

Group

Description of Property	**Tenure of Land**	**Term of Lease**	**Remaining Term of Lease**	**Location**	**Existing Use**	**Carrying Value**		**Percentage of Total Net Assets***	
						31/12/2023 S$'000	**31/12/2022 S$'000**	**31/12/2023 %**	**31/12/2022 %**
Investment properties in Singapore									
Retail									
Tampines Mall	Leasehold	99 years	68 years	4 Tampines Central 5	Commercial	1,133,000	1,081,000	8.0	7.7
Bugis Junction	Leasehold	99 years	66 years	200 Victoria Street	Commercial	1,130,000	1,109,000	8.0	7.9
Westgate	Leasehold	99 years	87 years	3 Gateway Drive	Commercial	1,100,000	1,095,000	7.7	7.8
Junction 8	Leasehold	99 years	67 years	9 Bishan Place	Commercial	806,000	801,000	5.7	5.7
Bedok Mall	Leasehold	99 years	87 years	311 New Upper Changi Road	Commercial	805,241	787,000	5.7	5.6
IMM Building	Leasehold	60 years	25 years	2 Jurong East Street 21	Commercial Warehouse	745,002	715,002	5.2	5.1
Lot One Shoppers' Mall	Leasehold	99 years	69 years	21 Choa Chu Kang Avenue 4	Commercial	558,000	551,000	3.9	3.9
Clarke Quay	Leasehold	99 years	65 years	3A/B/C/D/E River Valley Road	Commercial	410,162	359,760	2.9	2.5
Bukit Panjang Plaza	Leasehold	99 years	70 years	1 Jelebu Road	Commercial	363,876	348,850	2.6	2.5
Bugis+	Leasehold	60 years	42 years	201 Victoria Street	Commercial	358,346	354,529	2.5	2.5
Balance carried forward						7,409,627	7,202,141	52.2	51.2

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Portfolio Statement (cont'd)
As at 31 December 2023

Group

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease	Location	Existing Use	Carrying Value 31/12/2023 S$'000	Carrying Value 31/12/2022 S$'000	Percentage of Total Net Assets* 31/12/2023 %	Percentage of Total Net Assets* 31/12/2022 %
Balance brought forward						7,409,627	7,202,141	52.2	51.2
Office									
Asia Square Tower 2	Leasehold	99 years	83 years	12 Marina View	Commercial	2,243,000	2,235,500	15.8	15.9
CapitaGreen	Leasehold	99 years	49 years	138 Market Street	Commercial	1,681,000	1,663,000	11.8	11.8
Six Battery Road	Leasehold	999 years	801 years	6 Battery Road	Commercial	1,520,000	1,509,000	10.7	10.7
Capital Tower	Leasehold	99 years	71 years	168 Robinson Road	Commercial	1,461,000	1,450,000	10.3	10.3
CapitaSky	Leasehold	99 years	43 years	79 Robinson Road	Commercial	1,263,000	1,260,000	8.9	9.0
21 Collyer Quay	Leasehold	999 years	826 years	21 Collyer Quay	Commercial	649,000	634,000	4.6	4.5
Integrated Developments									
Raffles City Singapore	Leasehold	99 years	55 years	250 and 252 North Bridge Road, 2 Stamford Road and 80 Bras Basah Road	Commercial	3,216,000	3,120,000	22.6	22.2
Plaza Singapura	Freehold	NA	NA	68 Orchard Road	Commercial	1,390,155	1,349,259	9.8	9.6
Funan	Leasehold	99 years	55 years	107 & 109 North Bridge Road	Commercial	814,000	794,000	5.7	5.6
The Atrium@Orchard	Leasehold	99 years	84 years	60A & 60B Orchard Road	Commercial	783,000	763,000	5.5	5.4
Balance carried forward						22,429,782	21,979,900	157.9	156.2

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Portfolio Statement (cont'd)
As at 31 December 2023

Group

Description of Property	Tenure of Land	Term of Lease	Remaining Term of Lease	Location	Existing Use	Carrying Value 31/12/2023 S$'000	Carrying Value 31/12/2022 S$'000	Percentage of Total Net Assets* 31/12/2023 %	Percentage of Total Net Assets* 31/12/2022 %
Balance brought forward						22,429,782	21,979,900	157.9	156.2
Investment properties in Australia									
Office									
100 Arthur Street	Freehold	NA	NA	100 Arthur Street	Commercial	304,927	340,356	2.2	2.4
66 Goulburn Street	Leasehold	111 – 125 years	93 years	Civic Tower, 66 Goulburn Street	Commercial	273,689	297,893	1.9	2.1
Integrated Development									
101 – 103 Miller Street and Greenwood Plaza	Freehold	NA	NA	101 – 103 Miller Street & 36 Blue Street	Commercial	326,127	359,314	2.3	2.6
Investment properties in Germany									
Office									
Main Airport Center	Freehold	NA	NA	Unterschweinstiege 2-14	Commercial	351,564	377,294	2.5	2.7
Gallileo	Freehold	NA	NA	Gallusanlage 7	Commercial	338,820	390,060	2.4	2.8
Investment properties						24,024,909	23,744,817	169.2	168.8
Other assets and liabilities (net)						(9,623,189)	(9,465,424)	(67.8)	(67.3)
Net assets of the Group						14,401,720	14,279,393	101.4	101.5
Non-controlling interests						(201,907)	(205,946)	(1.4)	(1.5)
Net assets attributable to Unitholders						14,199,813	14,073,447	100.0	100.0

NA Not Applicable
* *Net assets attributable to Unitholders*

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed Interim Portfolio Statement (cont'd)
As at 31 December 2023

On 31 December 2023, independent valuations of Tampines Mall, Bedok Mall, CapitaGreen and 21 Collyer Quay were undertaken by CBRE Pte. Ltd. ("CBRE"), independent valuations of Junction 8, Bugis Junction, Bugis+ and Funan were undertaken by Savills Valuation And Professional Services (S) Pte Ltd ("Savills"), independent valuations of IMM Building, Plaza Singapura, The Atrium@Orchard, Raffles City Singapore and Asia Square Tower 2 were undertaken by Knight Frank Pte Ltd ("Knight Frank"), 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 Capital Tower were undertaken by Cushman & Wakefield VHS Pte. Ltd. ("C&W"), independent valuations of CapitaSky was undertaken by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL"), independent valuations of Gallileo and Main Airport Center were undertaken by CBRE GmbH, 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 ("JLL Australia").

On 31 December 2022, independent valuations of Tampines Mall, Bedok Mall, Plaza Singapura and The Atrium@Orchard were undertaken by Knight Frank, independent valuations of Junction 8, Bugis Junction, Bugis+, Funan and Raffles City Singapore were undertaken by Savills, independent valuations of IMM Building, Capital Tower and CapitaSky were undertaken by JLL, independent valuations of Bukit Panjang Plaza, Lot One Shoppers' Mall and Six Battery Road were undertaken by Colliers, independent valuations of Clarke Quay, Westgate and Asia Square Tower 2 were undertaken by C&W, independent valuations of CapitaGreen and 21 Collyer Quay were undertaken by 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 JLL Australia.

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 for 2023 is S$81,859,000 (2022: S$71,731,000).

Condensed Interim Statement of Cash Flows
Year ended 31 December 2023

	Group	
	Year ended 31/12/2023 S$'000	**Year ended 31/12/2022 S$'000**
Cash flows from operating activities		
Total return for the year	869,218	725,889
Adjustments for:		
Amortisation of lease incentives	(1,922)	(16,443)
Assets written off	130	399
Depreciation and amortisation	4,729	4,169
Doubtful debts written off	38	270
Finance costs	322,075	242,437
Gain on divestment of investment property	-	(57,257)
Gain on disposal of plant and equipment	-	(1)
Interest and other income	(45,752)	(5,336)
Investment income	(12,760)	(10,594)
Management fees paid/payable in units	45,602	43,980
Net change in fair value of financial derivatives	-	(402)
Net change in fair value of investment properties	(113,561)	90,438
Share of results of joint ventures	(15,579)	(42,467)
Taxation	10,111	4,105
Write back of doubtful debts	(62)	(28)
Operating income before working capital changes	**1,062,267**	**979,159**
Changes in working capital:		
Trade and other receivables	(12,085)	(19,175)
Trade and other payables	22,546	43,528
Security deposits	14,064	29,317
Cash generated from operations	**1,086,792**	**1,032,829**
Income tax paid	(6,983)	(9,290)
Net cash from operating activities	**1,079,809**	**1,023,539**
Cash flows from investing activities		
Capital expenditure on investment properties	(118,132)	(126,904)
Distributions received from joint ventures	2,840	6,785
Distributions received from equity investments at fair value	11,811	10,594
Government grant income in relation to investment property	34,445	-
Interest received	27,615	5,188
Net cash inflow on divestment of investment property (Note 11)	-	331,128
Net cash outflow on acquisition of subsidiaries (Note 11)	-	(1,153,885)
Purchase of plant and equipment	(466)	(484)
Proceeds from disposal of plant and equipment	4	1
Return of capital from joint ventures	3,000	1,553
Net cash used in investing activities	**(38,883)**	**(926,024)**

Condensed Interim Statement of Cash Flows (cont'd)
Year ended 31 December 2023

	Group	
	Year ended 31/12/2023 S$'000	**Year ended 31/12/2022 S$'000**
Cash flows from financing activities		
Distributions paid to Unitholders	(708,177)	(684,847)
Distributions paid to non-controlling interests	(7,924)	(3,989)
Interest paid	(329,590)	(237,409)
Payment of issue and financing expenses	(7,833)	(10,930)
Payment of lease liabilities	(1,952)	(2,635)
Proceeds from loans and borrowings	2,602,487	4,376,135
Proceeds from loans and borrowings from non-controlling interests	-	34,200
Repayment from loans and borrowings	(2,695,045)	(3,684,777)
Return of capital to non-controlling interest	(588)	-
Net cash used in financing activities	**(1,148,622)**	**(214,252)**
Net decrease in cash and cash equivalents	**(107,696)**	**(116,737)**
Cash and cash equivalents at beginning of the year	248,396	365,133
Cash and cash equivalents at end of the year	**140,700**	**248,396**

Significant non-cash transactions

a) In 2023, 22,601,089 (2022: 20,642,852) Units were issued to the Manager as payment for the management fees payable in units, amounting to S$44,643,000 (2022: S$42,125,000);

b) In 2022, 804,962 units were issued to the Manager as payment for the divestment fees payable in units in respect of the divestment of JCube, amounting to S$1,700,000; and

c) In 2022, 5,056,101 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 S$11,228,000.

Notes to the Condensed Interim Financial Statements

These notes form an integral part of the Condensed Interim Financial Statements.

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.

These Condensed Interim Financial Statements as at and for the six-month period and full year ended 31 December 2023 relate to the Trust and its subsidiaries (the “Group”) and the Group’s interests in its equity-accounted investees.

2 Basis of preparation

The Condensed Interim Financial Statements of the Group has 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 Scheme ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that the accounting policies to generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS").

The Condensed Interim Financial Statements does not include all of the information required for full annual financial statements and should be read in conjunction with the last issued audited financial statements of the Group as at 31 December 2022.

These Condensed Interim Financial Statements is presented in Singapore Dollars, which is the Trust's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The preparation of the Condensed Interim Financial Statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the 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.

In preparing these Condensed Interim Financial Statements, significant judgements made by the Manager in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the last issued audited financial statements as at and for the year ended 31 December 2022.

The accounting policies applied are consistent with those applied by the Group in its last issued audited financial statements as at and for the year ended 31 December 2022, except as disclosed in Notes 2.1 and 2.2.

2.1 New accounting standards and amendments

The Group applied the recognition and measurement principles of a number of amendments to accounting standards for the financial period beginning 1 January 2023.

The application of these amendments to accounting standards does not have a material effect on the financial statements.

2.2 Government grant

An unconditional government grant related to assets measured at fair value is recognised in Statement of Total Return as 'other income' when the grant becomes receivable.

Government grants related to other assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in Statement of Total Return on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in Statement of Total Return on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3 Investment properties

		Group		Trust	
		31/12/2023 S$'000	31/12/2022 S$'000	31/12/2023 S$'000	31/12/2022 S$'000
	Note				
At 1 January		23,744,817	21,431,071	7,902,400	7,814,943
Acquisition of investment properties[1]	11	-	2,419,446	-	-
Capital expenditure		117,290	138,012	67,732	29,299
Net change in fair value of investment properties		113,561	(90,438)	195,410	58,158
Straight-lining of rental adjustments		26,505	21,430	-	-
Translation difference		22,736	(174,704)	-	-
At 31 December		24,024,909	23,744,817	8,165,542	7,902,400

[1] Includes acquisition fees and acquisition related expenses of S$84.3 million.

Security

As at 31 December 2023, the Group's investment properties with a total carrying amount of S$1,953.4 million (31 December 2022: S$2,027.4 million) were pledged as security to banks to secure bank facilities (refer to Note 4).

As at 31 December 2023 and 31 December 2022, all investment properties held by the Trust are unencumbered.

Measurement of fair value

The following table reconciles the fair value of the investment properties to the carrying value.

	Group		Trust	
	31/12/2023 S$'000	31/12/2022 S$'000	31/12/2023 S$'000	31/12/2022 S$'000
Fair value of investment properties	23,999,040	23,718,287	8,161,000	7,896,700
Add: Right-of-use asset classified within investment properties	346	529	346	529
Add: Carrying amount of lease liabilities	25,523	26,001	4,196	5,171
Carrying amount of investment properties	24,024,909	23,744,817	8,165,542	7,902,400

External valuation of the investment properties is conducted at least once a year. As at 31 December 2023 and 31 December 2022, the carrying amounts of the investment properties were based on valuations performed by the independent external valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

3 Investment properties (cont'd)

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.

Significant unobservable inputs

The following table shows the valuation techniques and significant unobservable inputs used in measuring level 3 fair values of investment properties:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation method	**Capitalisation rate** **<u>Group</u>** *Singapore* Retail 2023: 4.50% to 7.00% (2022: 4.50% to 7.00%) Integrated Developments 2023: 3.55% to 4.85% (2022: 3.55% to 4.85%) Office 2023: 3.40% to 3.75% (2022: 3.40% to 3.75%) *Australia* Integrated Development 2023: 5.50% to 6.50% (2022: 5.13% to 5.75%) Office 2023: 6.00% to 6.25% (2022: 5.38% to 5.50%)	The estimated fair value would increase/(decrease) if the capitalisation rates were lower/(higher).

3 Investment properties (cont'd)

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 2023: 7.00% to 7.75% (2022: 7.00% to 8.00%) Integrated Developments 2023: 6.75% to 7.25% (2022: 6.75% to 7.25%) Office 2023: 6.50% to 6.75% (2022: 6.50% to 6.75%) *Germany* Office 2023: 5.10% to 7.25% (2022: 6.25% to 6.50%) *Australia* Integrated Development 2023: 6.50% to 7.25% (2022: 6.00% to 6.50%) Office 2023: 6.75% to 6.88% (2022: 6.13% to 6.25%)	The estimated fair value would increase/(decrease) if the discount rates were lower/(higher).
	Terminal yield rate **<u>Group</u>** *Singapore* Retail 2023: 4.60% to 7.25% (2022: 4.60% to 7.25%) Integrated Developments 2023: 3.80% to 5.10% (2022: 3.80% to 5.10%) Office 2023: 3.45% to 4.00% (2022: 3.45% to 4.00%) *Germany* Office 2023: 4.60% to 5.75% (2022: 3.15% to 3.85%) *Australia* Integrated Development 2023: 5.75% to 6.75% (2022: 5.38% to 6.00%) Office 2023: 6.25% to 6.50% (2022: 5.63% to 5.75%)	The estimated fair value would increase/(decrease) if the terminal yield rates were lower/(higher).

4 Loans and borrowings

	Group		Trust	
	31/12/2023	**31/12/2022**	**31/12/2023**	**31/12/2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Secured borrowings[1]				
Amount repayable after one year	882,928	872,590	-	-
Less: Unamortised portion of transaction costs	(489)	(682)	-	-
Net secured borrowings repayable after one year	**882,439**	**871,908**	**-**	**-**
Unsecured borrowings				
Amount repayable after one year[2]	7,611,231	7,573,796	6,338,973	5,711,545
Less: Unamortised portion of transaction costs	(17,296)	(15,488)	(13,251)	(10,172)
Net unsecured borrowings repayable after one year	**7,593,935**	**7,558,308**	**6,325,722**	**5,701,373**
Amount repayable within one year[3]	1,001,567	1,155,261	450,000	470,000
Less: Unamortised portion of transaction costs	(211)	(216)	(129)	(67)
Net unsecured borrowings repayable within one year	**1,001,356**	**1,155,045**	**449,871**	**469,933**
Total unsecured borrowings	**8,595,291**	**8,713,353**	**6,775,593**	**6,171,306**
Grand total	**9,477,730**	**9,585,261**	**6,775,593**	**6,171,306**

[1] Details of secured borrowings are as follows:-

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 2023, Gallileo Co. has drawn down EUR140.0 million (31 December 2022: EUR140.0 million).

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.

4 Loans and borrowings (cont'd)

b) Loan facilities for MAC entities

Under the loan agreement between the bank and MAC entities, the bank has granted MAC entities secured loan facilities of EUR121.9 million.

As at 31 December 2023, MAC entities has drawn down EUR121.9 million (31 December 2022: EUR121.9 million).

As security for the facilities granted to MAC entities, 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 S$539.0 million.

As at 31 December 2023, the loan outstanding is S$496.0 million (31 December 2022: S$496.0 million).

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.

[2] As of 31 December 2023, loans and borrowings under non-current liabilities relate mainly to the fixed notes issued by CMT MTN Pte. Ltd. through its US$3.0 billion Euro-Medium Term Note Programme and S$7.0 billion Multicurrency Medium Term Note Programme, fixed rate notes issued by CCT MTN Pte. Ltd. through its S$2.0 billion Medium Term Note Programme, as well as fixed rate notes issued by RCS Trust through its US$2.0 billion Euro-Medium Term Note Programme and bank borrowings of the Group.

[3] As of 31 December 2023, loans and borrowings under current liabilities relate to Medium Term Notes of S$450.0 million issued by CMT MTN Pte. Ltd., Medium Term Notes of S$300.0 million issued by CCT MTN Pte. Ltd. and Euro Medium Term Notes of S$150.0 million issued by RCS Trust as well as bank borrowings due in the next 12 months.

5 Units in issue

	Group and Trust			
	Six-month period ended 31/12/2023 ’000	**Six-month period ended 31/12/2022 ’000**	**Year ended 31/12/2023 ’000**	**Year ended 31/12/2022 ’000**
Units in issue:				
At 1 July/January	6,651,582	6,629,556	6,635,122	6,608,618
Units created:				
- management fees paid[(a)]	6,141	5,566	22,601	20,643
- acquisition fees paid[(b)]	-	-	-	5,056
- divestment fees paid[(c)]	-	-	-	805
Total issued units at 31 December	**6,657,723**	**6,635,122**	**6,657,723**	**6,635,122**
Units to be issued:				
- payment of management fees	14,019	13,495	14,019	13,495
Total issued and issuable units at 31 December	**6,671,742**	**6,648,617**	**6,671,742**	**6,648,617**

Units issued during the period/year were as follows:

(a) For 2H 2023, 6,141,399 (2H 2022: 5,565,815) Units were issued at issue price of S$1.8662 to S$1.9450 (2H 2022: S$1.9771 to S$2.1717) per Unit, amounting to S$11,697,198 (2H 2022: S$11,508,165) issued as payment of the 50.0% base component of the management fee for the period from 1 April 2023 to 30 September 2023 (2H 2022: 1 April 2022 to 30 September 2022). The remaining 50.0% base component of the management fee will be paid in cash.

For FY 2023, 22,601,089 (2022: 20,642,852) Units were issued at issue price of S$1.8662 to S$2.0170 (2022: S$1.9771 to S$2.2257) per Unit, amounting to S$44,642,942 (2022: S$42,124,707) issued as payment of the 50.0% base component of the management fee for the period from 1 October 2022 to 30 September 2023 (2022: 1 October 2021 to 30 September 2022) and 50.0% of the performance component of the management fee for the period from 1 January 2022 to 31 December 2022 (2022: 1 January 2021 to 31 December 2021). The remaining 50.0% base component, and 50.0% performance component, of the management fee will be paid in cash.

(b) 3,133,611 Units were issued at issue price of S$2.1758 on 8 April 2022 and 1,922,490 Units were issued at issue price of S$2.2939 on 18 May 2022 as payments for the acquisition fee of S$6.8 million and S$4.4 million in respect of the acquisitions of 66 Goulburn Street and 100 Arthur Street as well as CapitaSky respectively.

(c) 804,962 Units were issued at issue price of S$2.1119 on 22 March 2022 as payment of the divestment fee of S$1.7 million in connection with the divestment of JCube.

6 Net asset value ("NAV") / Net tangible asset ("NTA") per Unit based on issued Units at end of the year

	Group		Trust	
	31/12/2023	**31/12/2022**	**31/12/2023**	**31/12/2022**
Number of Units issued at end of the year	6,657,723,344	6,635,122,255	6,657,723,344	6,635,122,255
NAV[1] (S$'000)	14,171,635	14,046,228	13,279,293	13,183,797
NTA[1] (S$'000)	14,171,614	14,046,219	13,279,293	13,183,797
NAV / NTA per Unit[2] (S$)	**2.13**	**2.12**	**1.99**	**1.99**
Adjusted NAV / NTA per Unit (excluding the distributable income) (S$)	**2.07**	**2.06**	**1.94**	**1.93**

1. *This excludes non-controlling interests' share of NAV/NTA and management fees to be issued in Units.*
2. *NAV / NTA per Unit is computed based on net asset value / net tangible asset attributable to Unitholders, excluding management fees to be issued in Units over the issued Units at the end of the year.*

7 Gross revenue

	Group			
	Six-month period ended 31/12/2023 S$'000	**Six-month period ended 31/12/2022 S$'000**	**Year ended 31/12/2023 S$'000**	**Year ended 31/12/2022 S$'000**
Gross rental income	734,427	702,982	1,459,575	1,352,275
Car park income	20,843	19,477	40,919	35,407
Other income	29,887	31,689	59,440	54,065
	785,157	754,148	1,559,934	1,441,747

Other income comprises various types of miscellaneous income, other than rental income, ancillary to the operation of investment properties. This includes income earned from tenants' recoveries, atrium space and advertisement panels.

8 Property operating expenses

	Group			
	Six-month period ended 31/12/2023 S$'000	**Six-month period ended 31/12/2022 S$'000**	**Year ended 31/12/2023 S$'000**	**Year ended 31/12/2022 S$'000**
Property tax	60,616	62,358	125,497	123,993
Utilities	39,245	28,132	82,398	51,690
Property management fees	25,037	25,169	50,194	48,243
Property management reimbursements[1]	24,997	31,921	56,439	63,171
Marketing	22,068	13,057	30,404	19,080
Maintenance	48,471	42,758	88,816	75,903
Depreciation and amortisation	2,630	1,934	4,729	4,169
Allowance/(Write back) of doubtful debts	46	8	(62)	(28)
Doubtful debts written off	1	262	38	270
Others	(1,524)	6,886	5,574	11,973
	221,587	212,485	444,027	398,464

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.*

9 Other income

For year ended 31 December 2023, other income includes government grant income of S$34.4 million in relation to the construction of underground pedestrian link at Funan. The government grant was received to defray the construction costs that were incurred.

10 Finance costs

	Group			
	Six-month period ended 31/12/2023 S$'000	**Six-month period ended 31/12/2022 S$'000**	**Year ended 31/12/2023 S$'000**	**Year ended 31/12/2022 S$'000**
Interest expense	179,566	141,452	344,832	233,196
Cash flow hedges, reclassified from hedging reserve	(15,068)	(7,081)	(30,511)	(1,587)
Transaction costs	3,209	3,210	6,954	10,109
Interest on lease liabilities	399	428	800	719
	168,106	138,009	322,075	242,437

11 Significant Acquisitions and Disposal

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.

In the prior year, the following acquisitions were made:-

1) On 24 March 2022, the Group completed the acquisition of
   i. 66 Goulburn Street, Sydney, Australia, held through indirect wholly owned subsidiary, Gateway Goulburn Trust.
   ii. 100 Arthur Street, Sydney, Australia, held through indirect wholly owned subsidiary, Gateway Arthur Trust.
2) On 27 April 2022, the Group completed the acquisition of CapitaSky, held through wholly owned subsidiary, 79RR Office Trust's 70.0% interest in 79RR LLP.
3) On 21 June 2022, the Group completed the acquisition of 101-103 Miller Street and Greenwood Plaza, North Sydney, Australia, 50.0% interest held through indirect wholly owned subsidiary, Monopoly Trust.

The acquisitions have been accounted for as acquisitions of assets as no integrated activities are acquired.

Effects of acquisition

The identifiable assets acquired, liabilities assumed and effect of cash flows are presented as follows:

	Australian Acquisitions[1] S$'000	**79RR LLP** S$'000	**Group** S$'000
Investment properties	1,077,454	1,257,641	2,335,095
Plant and equipment	-	75	75
Trade and other receivables	2,104	302	2,406
Financial derivatives	720	-	720
Cash and cash equivalents	15,471	12,390	27,861
Trade and other payables	(3,854)	(26,347)	(30,201)
Loans and borrowings	(332,647)	(618,000)	(950,647)
Lease liabilities	(21,192)	-	(21,192)
Provision for taxation	-	(6,623)	(6,623)
Security deposits	-	(13,418)	(13,418)
Total identifiable net assets acquired	738,056	606,020	1,344,076
Less: NCI, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	-	(181,806)	(181,806)
Identifiable net assets acquired	738,056	424,214	1,162,270
Add: Acquisition fee and other related expenses	73,812	10,539	84,351
Total purchase consideration, including acquisitions costs	811,868	434,753	1,246,621
Less: Acquisition fee paid in units	(6,818)	(4,410)	(11,228)
Less: Cash and cash equivalents in subsidiary acquired	(15,471)	(12,390)	(27,861)
Less: Deposits paid in 2021	(53,647)	-	(53,647)
Net cash outflow on acquisition	**735,932**	**417,953**	**1,153,885**

[1] *Refers to Gateway Goulburn Trust, Gateway Arthur Trust and Monopoly Trust.*

11 Significant Acquisitions and Disposal (cont'd)

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 Year ended 31/12/2022 S$'000
Consideration received in cash	340,000
Less: Divestment-related costs	(8,872)
Net proceeds from divestment of investment properties	331,128

12 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 period/year and weighted average number of units during the period/year.

	Group			
	Six-month period ended 31/12/2023 S$'000	Six-month period ended 31/12/2022 S$'000	Year ended 31/12/2023 S$'000	Year ended 31/12/2022 S$'000
Total return attributable to Unitholders	474,726	309,715	862,570	723,369
Number of Units	**'000**	**'000**	**'000**	**'000**
Weighted average number of units in issue during the period/year	6,654,457	6,632,144	6,649,430	6,626,119
Basic earnings per unit (cents)	7.13	4.67	12.97	10.92

12 Earnings per unit (cont'd)

Diluted earnings per unit

In calculating diluted earnings per unit, the weighted average number of units during the period/year are adjusted for the effects of all dilutive potential units, calculated as follows:

	Group			
	Six-month period ended 31/12/2023 '000	**Six-month period ended 31/12/2022 '000**	**Year ended 31/12/2023 '000**	**Year ended 31/12/2022 '000**
Weighted average number of units				
Weighted average number of units in issue during the period/year	6,654,457	6,632,144	6,649,430	6,626,119
- effect of payment of management fees	13,943	13,422	13,980	13,458
Weighted average number of units used in the calculation of diluted earnings per unit	6,668,400	6,645,566	6,663,410	6,639,577
Diluted earnings per unit (cents)	7.12	4.66	12.94	10.89

13 Operating Segments

The Group organised its reporting structure into strategic divisions to more accurately reflect the way the Group manage its business. 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 CODM for the purpose of assessment of segment performance. In addition, the CODM 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 income and expenses mainly include interest and other income, investment income, management fees and finance costs. Unallocated assets and liabilities mainly comprise of the investment in joint ventures, equity investments and loans and borrowings. 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.

13 Operating Segments (cont'd)

Geographical segments

The investment properties are located primarily in Singapore, Australia and Germany. The basis of presenting geographical information is based on the geographical location of the assets.

	Retail S$'000	Office S$'000	Integrated Developments S$'000	Group S$'000
2023				
Gross revenue	570,531	521,889	467,514	1,559,934
Segment net property income	396,303	390,988	328,616	1,115,907
Interest and other income				45,752
Investment income				12,760
Finance costs				(322,075)
Management fees				(91,166)
Other unallocated expenses				(10,989)
Share of results (net of tax) of:				
- Joint ventures				15,579
Net income				765,768
Net change in fair value of investment properties	140,251	(159,128)	132,438	113,561
Total return for the year before tax				879,329
Taxation				(10,111)
Total return for the year				869,218
Assets and liabilities				
Segment assets	7,432,271	10,176,496	6,544,757	24,153,524
Unallocated assets:				
- Joint ventures				348,581
- Equity investments at fair value				150,559
- Financial derivatives				15,969
- Others				70,493
				585,602
Total assets				24,739,126
Segment liabilities	215,933	295,022	157,109	668,064
Unallocated liabilities:				
- Loans and borrowings				9,477,730
- Financial derivatives				137,095
- Others				54,517
				9,669,342
Total liabilities				10,337,406

13 Operating Segments (cont'd)

	Retail S$'000	Office S$'000	Integrated Developments S$'000	Group S$'000
2023 (cont'd)				
Other segmental information				
Depreciation and amortisation	232	3,322	1,175	4,729
Plant and equipment:				
- Capital expenditure	275	72	106	453
Investment properties				
- Capital expenditure	67,235	40,121	9,934	117,290
(Write back)/allowance of doubtful debts	(39)	(28)	5	(62)
Doubtful debts (write back)/written off	(1)	5	34	38
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 disposal 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
Unallocated assets:				
- Joint ventures				361,198
- Equity investments at fair value				180,989
- Financial derivatives				58,912
- Others				84,436
				685,535
Total assets				24,666,623

13 Operating Segments (cont'd)

	Retail S$'000	Office S$'000	Integrated Developments S$'000	Group S$'000
2022 (cont'd)				
Assets and liabilities (cont'd)				
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 (write back)/ written off	(11)	130	151	270

Geographical information

	Group	
	Year ended 31/12/2023 S$'000	Year ended 31/12/2022 S$'000
Gross Revenue		
Singapore	1,447,584	1,350,420
Australia	56,592	37,168
Germany	55,758	54,159
	1,559,934	1,441,747
Non-current assets[1]		
Singapore	22,783,693	22,346,559
Australia	904,743	997,563
Germany	691,046	768,151
	24,379,482	24,112,273

[1] Non-current assets exclude financial instruments (other than equity-accounted investees) and deferred tax asset.

14 Financial ratios

	Group	
	Year ended 31/12/2023	**Year ended 31/12/2022**
	%	**%**
Expenses to weighted average net assets[1]		
- including performance component of Manager's management fees	0.72	0.70
- excluding performance component of Manager's management fees	0.41	0.39
Portfolio turnover ratio[2]	N.A.	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 weighted average net asset value.

	Group	
	31/12/2023	**31/12/2022**
Aggregate leverage (%)	39.9	40.4
Interest coverage ratio ("ICR") [3] (times)	3.1	3.7
Adjusted ICR[3] (times)	3.1	3.7

[3] 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 CICT Group did not issue any hybrid securities, the adjusted ICR is the same as ICR.

Other Information Required by Listing Rule Appendix 7.2

1 Summary of CICT Results

	1 July to 31 December 2023 ("2H 2023")	1 July to 31 December 2022 ("2H 2022")	FY 2023	FY 2022
	Actual	**Actual**	**Actual**	**Actual**
Gross Revenue (S$'000)	785,157	754,148	1,559,934	1,441,747
Net Property Income (S$'000)	563,570	541,663	1,115,907	1,043,283
Amount Available for Distribution (S$'000)	369,503	361,768	728,486	712,968
Distributable Income (S$'000) [1, 2, 3, 4]	362,481	355,078	715,726	702,374
Distribution Per Unit ("DPU") (cents)				
For the period/year	5.45¢	5.36¢	10.75¢	10.58¢

Footnotes:

1. *For 2H 2023, S$7.0 million comprising S$5.0 million and S$2.0 million received/receivable from CLCT and Sentral REIT respectively had been retained for general corporate and working capital purposes.*
2. *For 2H 2022, S$6.7 million comprising S$5.5 million and S$1.2 million received from CLCT and Sentral REIT respectively had been retained for general corporate and working capital purposes.*
3. *For FY 2023, S$12.7 million comprising S$9.5 million and S$3.2 million received/receivable from CLCT and Sentral REIT respectively had been retained for general corporate and working capital purposes.*
4. *For FY 2022, S$10.6 million comprising S$7.9 million and S$2.7 million received from CLCT and Sentral REIT respectively had been retained for general corporate and working capital purposes.*

DISTRIBUTION & RECORD DATE

Distribution	1 July to 31 December 2023			
Distribution type	Taxable	Tax-exempt	Capital[5]	Total
Distribution rate (cents per Unit)	5.22¢	0.03¢	0.20¢	5.45¢
Record date	15 February 2024			
Payment date	28 March 2024			

Footnotes:

5. *This relates to the distribution of income from 79RR Office Trust, Glory Office Trust and income repatriated from Australia.*

2 Other information

The Condensed Interim Financial Statements of CapitaLand Integrated Commercial Trust and its subsidiaries (the "Group") as at, for the six-month period and full year ended 31 December 2023 including certain explanatory notes have not been audited or reviewed.

3 Review of the Performance

Statement of Total Return and Distribution Statements

	Group					
Statements of Total Return	**2H 2023 S$'000**	**2H 2022 S$'000**	**% Change**	**FY 2023 S$'000**	**FY 2022 S$'000**	**% Change**
Gross revenue	785,157	754,148	4.1	1,559,934	1,441,747	8.2
Property operating expenses	(221,587)	(212,485)	4.3	(444,027)	(398,464)	11.4
Net property income	**563,570**	**541,663**	**4.0**	**1,115,907**	**1,043,283**	**7.0**
Interest income	7,353	2,836	NM	11,285	5,181	NM
Other income	9	26	(65.4)	34,467	155	NM
Investment income[1]	7,022	6,690	5.0	12,760	10,594	20.4
Management fees	(45,975)	(45,174)	1.8	(91,166)	(87,934)	3.7
Trust expenses	(6,074)	(5,671)	7.1	(10,989)	(8,536)	28.7
Finance costs	(168,106)	(138,009)	21.8	(322,075)	(242,437)	32.8
Net income before share of results of joint ventures	**357,799**	**362,361**	**(1.3)**	**750,189**	**720,306**	**4.1**
Share of results (net of tax) of:						
- Joint Ventures[2]	9,970	36,097	(72.4)	15,579	42,467	(63.3)
Net income	**367,769**	**398,458**	**(7.7)**	**765,768**	**762,773**	**0.4**
Net change in fair value of investment properties	113,561	(90,438)	NM	113,561	(90,438)	NM
Net change in fair value of financial derivatives	-	(680)	NM	-	402	NM
Gain on divestment of investment property	-	-	NM	-	57,257	NM
Total return before tax	**481,330**	**307,340**	**56.6**	**879,329**	**729,994**	**20.5**
Taxation[3]	(5,783)	2,380	NM	(10,111)	(4,105)	NM
Total return	**475,547**	**309,720**	**53.5**	**869,218**	**725,889**	**19.7**
Attributable to						
Unitholders	474,726	309,715	53.3	862,570	723,369	19.2
Non-controlling interests	821	5	NM	6,648	2,520	NM
Total return	**475,547**	**309,720**	**53.5**	**869,218**	**725,889**	**19.7**
Distribution Statements						
Total return attributable to Unitholders	**474,726**	**309,715**	**53.3**	**862,570**	**723,369**	**19.2**
Net tax and other adjustments	(121,799)	40,405	NM	(168,722)	(71,130)	NM
Tax-exempt income	1,944	4,700	(58.6)	3,352	51,376	(93.5)
Capital distribution	8,564	6,919	23.8	22,518	9,289	NM
Distribution income from joint ventures	6,068	29	NM	8,768	64	NM
Amount available for distribution to Unitholders	**369,503**	**361,768**	**2.1**	**728,486**	**712,968**	**2.2**
Distributable income to Unitholders	**362,481**	**355,078**	**2.1**	**715,726**	**702,374**	**1.9**
DPU (in Cents)						
For the period/year	**5.45**	**5.36**	**1.7**	**10.75**	**10.58**	**1.6**

Footnotes:

1. *This relates to distribution income from equity investments in CLCT and Sentral REIT.*

2. *For 2H 2023 and FY2023, this relates to CICT's share of results of One George Street LLP ("OGS LLP") (50.0%) and GOT & GSRT (45.0%). For 2H 2022 and FY2022, this mainly relates to CICT's share of results of GOT & GSRT (45.0%).*

3. *Taxation includes income tax expenses and deferred tax expenses in relation to the temporary differences arising from the fair value changes of overseas investment properties held by the Group.*

NM – Not meaningful.

2H 2023 vs 2H 2022

2H 2023 gross revenue for CICT properties at S$785.2 million was higher than 2H 2022 by S$31.0 million or 4.1%. The increase was mainly due to higher rental and occupancy rates achieved.

2H 2023 property operating expenses for CICT properties at S$221.6 million were higher than 2H 2022 by S$9.1 million or 4.3%. The increase was mainly due to higher utilities, maintenance and marketing expenses.

As a result, net property income for 2H 2023 increased by 4.0% year-on-year ("y-o-y").

Interest income of S$7.4 million was S$4.5 million higher than 2H 2022. This was mainly due to higher interest income earned from financial institutions and loans to joint ventures.

Finance costs for 2H 2023 were S$30.1 million or 21.8% higher than 2H 2022. The increase was mainly due to higher interest rates on borrowings.

Share of results of joint ventures of S$10.0 million was S$26.1 million lower than 2H 2022. This was mainly due to lower fair value gain on CapitaSpring and higher interest expenses, mitigated by higher net property income.

Net change in fair value of investment properties for 2H 2023 reflected a gain of S$113.6 million. This was mainly due to net fair value gain arising from properties located in Singapore, partially offset by fair value loss arising from properties located in Germany and Australia.

FY 2023 vs FY 2022

FY 2023 gross revenue for CICT properties at S$1,559.9 million was higher than FY 2022 by S$118.2 million or 8.2%. The increase was mainly due to full year contribution from the acquisitions of 66 Goulburn Street, 100 Arthur Street, 50.0% interest in 101-103 Miller Street and Greenwood Plaza in Sydney, Australia and CapitaSky (the “Acquisitions”) in 1H 2022 as well as improved performance from existing properties during the year.

FY 2023 property operating expenses for CICT properties at S$444.0 million were higher than FY 2022 by S$45.6 million or 11.4%. The increase was mainly due to the full year impact from the Acquisitions as well as higher utilities, maintenance and marketing expenses incurred during the year.

As a result, net property income for FY 2023 increased by 7.0% y-o-y.

Interest income at S$11.3 million was S$6.1 million higher than FY 2022. This was mainly due to higher interest income earned from financial institutions and loans to joint ventures.

Other income in FY 2023 includes one-off government grant income of S$34.4 million in relation to the construction of underground pedestrian link at Funan. The government grant was received to defray the construction costs that were incurred.

Finance costs for FY 2023 were S$79.6 million or 32.8% higher than FY 2022. The increase was mainly due to full year impact of the incremental borrowings in relation to the Acquisitions and higher interest rates.

Share of results of joint ventures of S$15.6 million was S$26.9 million lower than FY 2022. This was mainly due to lower fair value gain on CapitaSpring and higher interest expenses, mitigated by higher net property income.

Net change in fair value of investment properties for FY 2023 reflected a gain of S$113.6 million. This was mainly due to net fair value gain arising from properties located in Singapore, partially offset by fair value loss arising from properties located in Germany and Australia.

Group Balance Sheet as at 31 December 2023

	Group	
	31/12/2023	**31/12/2022**
	S$'000	**S$'000**
Non-current assets		
Plant and equipment	4,948	5,311
Investment properties	24,024,909	23,744,817
Joint ventures	348,581	361,198
Equity investments at fair value	150,559	180,989
Financial derivatives	12,616	40,286
Deferred tax asset	1,931	4,216
Other non-current assets	1,044	947
	24,544,588	24,337,764
Current assets		
Trade and other receivables	50,485	61,837
Cash and cash equivalents	140,700	248,396
Financial derivatives	3,353	18,626
	194,538	328,859
Total assets	**24,739,126**	**24,666,623**
Current liabilities		
Financial derivatives	-	25,199
Trade and other payables	342,720	323,881
Current portion of security deposits	91,015	86,594
Loans and borrowings	1,001,356	1,155,045
Lease liabilities	1,471	1,932
Provision for taxation	17,189	12,506
	1,453,751	1,605,157
Non-current liabilities		
Financial derivatives	137,095	87,541
Trade and other payables	34,644	34,896
Loans and borrowings	8,476,374	8,430,216
Lease liabilities	24,057	24,069
Non-current portion of security deposits	207,851	198,208
Deferred tax liability	3,634	7,143
	8,883,655	8,782,073
Total liabilities	**10,337,406**	**10,387,230**
Net assets	**14,401,720**	**14,279,393**
Represented by:		
Unitholders' funds	14,199,813	14,073,447
Non-controlling interests	201,907	205,946
	14,401,720	**14,279,393**

Investment properties are based on valuations performed by independent professional valuers as at 31 December 2023. The increase in investment properties compared to 31 December 2022 was mainly due to asset enhancement works at Clarke Quay and capital expenditures incurred for the portfolio as well as net fair value gain arising from properties located in Singapore, partially offset by fair value loss arising from properties located in Germany and Australia.

As at 31 December 2023 and 31 December 2022, joint ventures refer to 50.0% interest in OGS LLP, 45.0% interest in GOT and 45.0% interest in GSRT (including unitholder's loans).

Equity investments at fair value as at 31 December 2023 relates to CICT's 8.0% interest in CLCT at fair value of S$124.1 million and CICT's 9.8% interest in Sentral REIT at fair value of S$26.5 million.

Financial derivative assets and liabilities relate to fair value of the cross currency swaps, interest rate swaps and forward exchange contracts. The decrease in financial derivatives assets and the increase in financial derivatives liabilities were mainly due to Mark-to-Market ("MTM") of the interest rate swaps and cross currency swaps arising from the depreciation of Hong Kong Dollar, US Dollar and Japanese Yen against Singapore Dollar.

Deferred tax asset relates to the temporary differences arising from the fair value adjustment recognised on the fixed rate borrowings of CCT and its subsidiaries and RCS Trust in relation to the merger between CICT and CCT in FY2020.

The decrease in cash and cash equivalents and loans and borrowings were mainly due to paring down of debts.

The increase in trade and other payables was mainly due to higher accrued operating expenses.

Notwithstanding the net current liabilities position, based on the Group's available financial resources, the Manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due.

Lease liabilities recognised by the Group relate to the existing operating lease arrangements in accordance with the principles of FRS 116 Leases.

Deferred tax liabilities relate to the temporary differences in respect of the fair value changes of overseas investment properties held by the Group.

4 Variance from Previous Forecast / Prospect Statement

CICT has not disclosed any forecast to the market.

5 Commentary on the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

A. Singapore

Singapore's core inflation rate rose to 3.3% on a year-on-year (y-o-y) basis in December 2023, from 3.2% in November 2023 according to a report by the Monetary Authority of Singapore (MAS). This was due to higher services inflation. On average, Singapore's core inflation rate was 4.2% in 2023 compared to 4.1% in 2022. Local unit labour costs could rise at a slower pace in tandem with the gradually cooling labour market and such rises in costs are likely to be passed on to consumers. The one percentage point rise in the GST rate to 9% as well as seasonal effects in early 2024 could impact core inflation. Considering all factors, MAS core inflation is projected to average 2.5% to 3.5% in 2024. Over the course of 2024, the core inflation should resume a broadly moderating trend, as import cost pressures reduce and the tight domestic labour market continues to ease.

Based on advance estimates, the Ministry of Trade and Industry Singapore reported that Singapore economy grew by 2.8% on a y-o-y basis in 4Q 2023, faster than the 1.0% growth in 3Q 2023. On a quarter-on-quarter (q-o-q) seasonally adjusted basis, the economy expanded by 1.7%, extending the 1.3% expansion seen in 3Q 2023. For the whole of 2023, the economy grew by 1.2%, easing from the 3.6% growth in 2022. Singapore's GDP is expected to grow between 1.0% and 3.0% in 2024, with a slower growth in 1H 2024 before picking up in 2H 2024.

A1. Retail operating environment

Singapore Department of Statistics reported that the retail sales index (excluding motor vehicle sales) declined by 2.7% on a y-o-y basis in December 2023. This was a reversal of a y-o-y increase of 1.4% in November 2023. The Watches & Jewellery industry recorded the highest growth at 6.0%, followed by the Food & Alcohol industry at 4.4%. Conversely, sales of Recreational Goods and Optical Goods and Books fell by 12.3% and 11.8% respectively. On a month-on-month basis, the seasonally adjusted retail sales dropped by 3.0% in December 2023.

Singapore Department of Statistics also reported that online retail sales contributed 14.8% of a total retail sales value of S$4.2 billion (excluding motor vehicle sales) in December 2023. This proportion of online retail sales was within the online sales range reported in other months of 2023.

The Food and Beverage services index was up 0.3% y-o-y according to Singapore Department of Statistics in December 2023, with a total sales value of S$1.0 billion. Food Caterers as well as Cafes, Food Courts & Other Eating Places registered y-o-y growth in sales of 14.5% and 3.8% respectively.

Singapore island wide retail occupancy rate was 93.5% as at 31 December 2023, higher than 92.8% last quarter, based on Urban Redevelopment Authority (URA)'s retail space vacancy rate.

CBRE Research noted that prime retail rent island wide increased by 4.2% y-o-y to S$26.20 per square foot per month (3Q 2023: S$25.90), while prime retail rent in Orchard Road rose by 5.1% to S$36.30 per square foot per month (3Q 2023: S$35.75). Prime retail rent in the suburban malls grew by 1.0% q-o-q and 3.1% y-o-y to S$31.75 per square foot per month (3Q 2023:S$31.45).

CBRE Research expects overall retail rents to maintain its growth trajectory in 2024, largely due to anticipated tourism recovery with the strong pipeline of MICE events and sell-out concerts as well as the below-historical-average new retail supply in the next few years.

A2. Office operating environment

CBRE Research reported that Singapore office market performance surpassed expectations in 4Q 2023. Contributing factors include no new supply completions in 4Q 2023 with the delay of IOI Central Boulevard Towers to 2024, while the amount of shadow space declined from the peak of 0.7 million sq ft in 1Q 2023 to 0.17 million sq ft by 4Q 2023 as well as increasing back-to-office rates. The reduction in shadow space was due to absorption as well as space removal from the market as some tech occupiers decided to retain their office space. Net absorption for Core CBD (Grade A) was 0.10 million square feet (sq ft) in 2023, continuing the fourth consecutive year of positive absorption since 2019. Core CBD Grade A office vacancy rate as at 31 December 2023 was down to 3.5% y-o-y (4Q 2022: 4.2%).

According to CBRE Research, leasing volumes remained resilient in 4Q 2023, with demand coming from the private wealth and asset management companies, law firms, flexible workspace operators and government agencies. Core CBD Grade A monthly office market rent continued to grow and reached S$11.90 per square foot as at 31 December 2023, up 0.4% q-on-q and 1.7% y-on-y. CBRE Research expects Core CBD Grade A rents to grow at a moderate rate of 2% to 3% in 2024 as flight-to-quality and flight-to-green trends continue and cyclical demand could improve as Singapore economy recovers in 2H 2024.

B. Germany

According to the German Federal Statistical Office, Germany's gross domestic product (GDP) declined by 0.1% y-o-y in 2023 after adjustment for calendar effects, due to an environment marked by multiple crises. The German Federal Statistical Office also reported that the inflation rate for Germany was up 3.7% y-o-y in December 2023, lower than 4.5% in September 2023. The annual average inflation was higher by 5.9% y-o-y in 2023.

CBRE Germany reported that in line with the challenging economic situation, Frankfurt's office market take-up declined by 6% y-o-y to 348,100 square metre (sq m), below the 10-year average of 467,500 sq m. Vacancy rate for the overall Frankfurt market was up by 1 percentage points y-o-y to 8.9% with new supply completions. The Banking District sub-market and the Frankfurt Airport sub-market recorded vacancy rate at 4.1% and 10.9% respectively.

C. Australia

According to the Australian Bureau of Statistics, Australia's economy reported growth of 0.2% q-o-q and 2.1% y-o-y in the third quarter of 2023, within expectations of slowing economic growth rate in 2023. Government spending and capital investment were the main drivers of growth this quarter.

The Australian Bureau of Statistics noted that the country's Consumer Price Index (CPI) indicator rose 3.4% in the 12 months to December 2023, down from the 4.3% rise in November. The significant contributors to the increase were Housing, Food and non-alcoholic beverages, Alcohol and tobacco and Insurance and financial services.

According to JLL Australia, Sydney CBD's vacancy rate eased to 14.4% in 4Q 2023 compared to 14.5% in 3Q 2023. Net absorption over the quarter was -0.3%, due to contraction and consolidation of large occupiers from the flex space and public sectors. Prime net effective rents were up 0.5% q-o-q due to higher uplift in gross face rents. Average prime incentives recorded a modest increase to 35.0%. Large new developments are due to be completed in Sydney CBD over 2024 and the flight to quality trend will continue.

Similarly, over in North Sydney, prime net effective rent was up by a marginal 0.5% q-o-q based on JLL Australia's report. However, North Sydney recorded 28,200 sqm of negative net absorption q-o-q. As at 4Q 2023, North Sydney vacancy rate rose to 21.4%.

Conclusion

Based on its portfolio property value as at 31 December 2023, CICT's geographical exposure is 93.7% in Singapore, 3.6% in Australia and 2.7% in Germany. CICT's Singapore commercial portfolio showed resilience with a high committed occupancy rate of 97.3% as at 31 December 2023. Its overseas assets are experiencing macro challenges with the ongoing geopolitical and inflation concerns. Selected CICT's Australia assets are upgrading their lobbies to have welcoming and vibrant arrival experiences. This will enhance the respective building's positioning as we market the available workspace. Over in Frankfurt, Germany, one of CICT's assets, Gallileo, will not be contributing income as the building undergoes asset enhancement for at least 18 months from February 2024. CICT's portfolio of good quality Grade A office properties in strategic locations stands in good stead to capture opportunities from an upturn in the overseas markets.

While staying proactive and agile in driving portfolio income growth, the Manager of CICT stays disciplined when evaluating value creation opportunities, underpinned by prudent capital management to generate sustainable DPU.

6 Distributions

6 (a) Current financial period

Any distributions declared for the current financial period? Yes.

Name of distribution : Distribution for 1 July to 31 December 2023

Distribution Type	Distribution Rate Per Unit (cents)
Taxable Income	5.22
Tax-exempt income	0.03
Capital	0.20
Total	**5.45**

Par value of Units : NA

Tax rate : Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their Units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors and foreign fund investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders. No tax will be deducted from such distribution.

Capital distribution

The capital distribution component represents a return of capital to Unitholders for Singapore income tax purposes. No tax will be deducted at source from this component. The amount of the capital distribution component will be applied to reduce the cost base of unitholders' Units for Singapore income tax purposes. For unitholders who are liable to Singapore income tax on profits from the sale of their Units, the reduced cost base of their Units will be used to calculate any taxable trading gains arising from the disposal of their Units.

Remarks : NA

6(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes.

Name of distribution : Distribution for 1 July to 31 December 2022

Distribution Type	Distribution Rate Per Unit (cents)
Taxable Income	5.18
Tax-exempt Income	0.07
Capital	0.11
Total	**5.36**

Par value of Units : NA

Tax rate : Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their Units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors and foreign fund investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders. No tax will be deducted from such distribution.

Capital distribution

The capital distribution component represents a return of capital to unitholders for Singapore income tax purposes. No tax will be deducted at source from this component. The amount of the capital distribution component will be applied to reduce the cost base of unitholders' Units for Singapore income tax purposes. For unitholders who are liable to Singapore income tax on profits from the sale of their Units, the reduced cost base of their Units will be used to calculate any taxable trading gains arising from the disposal of their Units.

Remarks : NA

6 (c) Date payable : 28 March 2024

6 (d) Record date : 15 February 2024

7 If no distribution has been declared/recommended, a statement to that effect

NA

8 Interested Person Transactions

CICT has not obtained a general mandate from Unitholders for Interested Person Transactions.

9 Segmental Results

Please refer to page 28 to 31 for the review of the actual performance.

10 A breakdown of revenue and net income as follows:-

	Group		
	FY 2023 S$'000	FY 2022 S$'000	% Change
Gross revenue reported for first half year	774,777	687,599	12.7
Net income after tax for first half year	393,671	357,830	10.0
Gross revenue reported for second half year	785,157	754,148	4.1
Net income after tax for second half year	361,986	400,838	(9.7)

11 A breakdown of total annual distribution for the current full year and previous full year is as follows:-

	1 Jan 23 to 30 Jun 23 S$'000	1 Jul 23 to 31 Dec 23 S$'000	FY 2023 S$'000	1 Jan 22 to 30 Jun 22 S$'000	1 Jul 22 to 31 Dec 22 S$'000	FY 2022 S$'000
Annual distribution to Unitholders	352,534	- [1]	352,534	346,063	355,643	701,706

Footnote:
1. *Please refer to para 6 (a).*

12 Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 of the Listing Manual of the SGX-ST (the "Listing Manual"), as required by Rule 720(1) of the Listing Manual.

13 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, CapitaLand Integrated Commercial Trust Management Limited (the "Company"), being the manager of CapitaLand Integrated Commercial Trust ("CICT"), confirms that there is no person occupying a managerial position in the Company or in any of CICT's principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial unitholder of CICT.

BY ORDER OF THE BOARD
CAPITALAND INTEGRATED COMMERCIAL TRUST MANAGEMENT LIMITED
(Company registration no. 200106159R)
(as Manager of CapitaLand Integrated Commercial Trust)

Lee Ju Lin, Audrey
Company Secretary
6 February 2024