



### **CapitaLand Mall Trust**

(A real estate investment trust constituted on 29 October 2001 under the laws of the Republic of Singapore)

Managed by

**CapitaLand Mall Trust Management Limited**

(Company Registration No. 200106159R)

### **CapitaLand Commercial Trust**

(A real estate investment trust constituted on 6 February 2004 under the laws of the Republic of Singapore)

Managed by

**CapitaLand Commercial Trust Management Limited**

(Company Registration No. 200309059W)

## **JOINT ANNOUNCEMENT**

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### **PROPOSED MERGER OF CAPITALAND MALL TRUST AND CAPITALAND COMMERCIAL TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT**

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#### **1. Introduction**

##### **1.1 Introduction**

The respective boards of directors of CapitaLand Mall Trust Management Limited, as manager of CapitaLand Mall Trust (“**CMT**”, and as manager of CMT, the “**CMT Manager**”), and CapitaLand Commercial Trust Management Limited, as manager of CapitaLand Commercial Trust (“**CCT**”, and as manager of CCT, the “**CCT Manager**”), are pleased to announce the proposed merger of CMT and CCT (the “**Merger**”).

The Merger is to be effected through the acquisition by CMT of all the issued and paid-up units of CCT (“**CCT Units**”) by way of a trust scheme of arrangement (the “**Trust Scheme**”) in accordance with the Singapore Code on Take-overs and Mergers (the “**Code**”) and the deed of trust constituting CCT dated 6 February 2004 (as amended) (the “**CCT Trust Deed**”).

The consideration for each CCT Unit (the “**Scheme Consideration**”) comprises 0.720 new units in CMT (“**CMT Units**”) and S\$0.2590 in cash. Based on an issue price of S\$2.59 per CMT Unit<sup>1</sup>, the Scheme Consideration is S\$2.1238 and implies a gross exchange ratio of 0.820x taking into consideration, amongst other factors, the respective 30-day volume weighted average price (“**VWAP**”) of CMT Units and CCT Units.

Following the Merger, it is intended that the merged entity will be renamed “CapitaLand Integrated Commercial Trust” (the “**Merged Entity**”).

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<sup>1</sup> Being the closing price of a CMT Unit on 21 January 2020.

## 1.2 Structure

The unitholding percentages of CapitaLand Limited (“CL”) and certain of its wholly-owned subsidiaries as set out below (“CL Entities”) as at the date of this Joint Announcement (the “Joint Announcement Date”) in each of CMT, CCT and (immediately upon completion of the Merger, on the bases and assumptions set out in this Joint Announcement) the Merged Entity are set out as follows and reflected in **Schedule 1**.

CL Entities	CMT (%) <sup>(1)</sup> (as at 21 January 2020)	CCT (%) <sup>(2)</sup> (as at 21 January 2020)	Merged Entity (%) <sup>(3)</sup>
Pyramex Investments Pte Ltd (“PIPL”)	15.50	-	8.81
Albert Complex Pte Ltd (“ACPL”)	7.57	-	4.30
Premier Healthcare Services International Pte Ltd (“Premier”)	4.09	-	2.33
CMT Manager	1.31	-	1.08
SBR Private Limited (“SBR”)	-	19.35	8.29
E-Pavilion Pte. Ltd. (“E-Pavilion”)	-	5.60	2.40
CCT Manager	-	4.40	1.89
Carmel Plus Pte. Ltd. (“Carmel”)	-	0.01	0.01
<b>Total</b>	<b>28.48</b>	<b>29.37</b>	<b>29.10</b>

**Notes:**

- (1) Calculated based on a total of 3,688,804,100 CMT Units.
- (2) Calculated based on a total of 3,857,685,908 CCT Units.
- (3) Based on an aggregate of 6,487,811,500 units in the Merged Entity. This figure does not take into consideration any fees that may be payable in units to the CMT Manager or the CCT Manager prior to the Effective Date (as defined in **paragraph 8.4**).

## 1.3 CMT Announcement

The pro forma financial effects of the Merger and certain other information required to be disclosed by the CMT Manager pursuant to the Listing Manual of Singapore Exchange Securities Trading Limited (“SGX-ST” and such listing manual, the “Listing Manual”), are set out in the announcement of the Merger released by the CMT Manager on SGXNET today (the “CMT Announcement”).

## 2. CMT and the CMT Manager

### 2.1 CMT

CMT is Singapore’s first and largest retail real estate investment trust with a market capitalisation of approximately S\$9.6 billion as at 21 January 2020. It has been listed on the SGX-ST since 17 July 2002. CMT currently has the investment objective of owning and investing in quality income-producing assets which are used, or predominantly used, for retail purposes primarily in Singapore. As at the Joint Announcement Date, CMT has 15 properties located in Singapore<sup>2</sup> (“CMT Properties”). As at 31 December 2019, CMT owns an 11.0% interest in CapitaLand Retail China Trust, which is listed on the SGX-ST.

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2 This includes CMT’s 40.0% interest in Raffles City Singapore and its interest in 90 out of 91 strata lots in Bukit Panjang Plaza.

Certain key financial information with respect to CMT and its subsidiaries (the “**CMT Group**” and each entity in the CMT Group, a “**CMT Group Entity**”) as at 31 December 2019 and for the financial year ended 31 December 2019 (“**FY2019**”) is set out as follows:

<b>CMT Group</b>	<b>Information</b>
Net asset value (“ <b>NAV</b> ”) <sup>(1)</sup>	S\$7,652.6 million
NAV per CMT Unit <sup>(1)</sup>	S\$2.07
Distributable income	S\$441.6 million
Distribution per CMT Unit	11.97 cents
Net profits before tax	S\$696.9 million
Total assets	S\$11,731.7 million
Aggregate valuation of portfolio <sup>(2)</sup>	S\$11,757.6 million

**Notes:**

- (1) For the purposes of this Joint Announcement, all references to “**NAV**” of the CMT Group exclude non-controlling interests and distributable income.
- (2) This includes CMT’s 40.0% interest in Raffles City Singapore. The valuations were carried out by Knight Frank Pte Ltd, CBRE Pte. Ltd., Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd as at 31 December 2019 using a combination of methods, namely discounted cash flow method and/or capitalisation approach and/or comparison method, as appropriate.

## 2.2 CMT Manager

CMT is managed by the CMT Manager. The CMT Manager is a wholly-owned subsidiary of CL. The CMT Manager holds a Capital Markets Services Licence (“**CMS Licence**”) for real estate investment trust (“**REIT**”) management pursuant to the Securities and Futures Act (Cap. 289 of Singapore) (the “**SFA**”).

As at the Joint Announcement Date, the board of directors of the CMT Manager (the “**CMT Board**”) comprises the following persons (the “**CMT Directors**”): Ms Teo Swee Lian, Mr Tony Tan Tee Hieong, Mr Tan Kian Chew, Mr Ng Chee Khern, Mr Lee Khai Fatt, Kyle, Mr Fong Kwok Jen, Mr Gay Chee Cheong, Mr Jonathan Yap Neng Tong and Mr Jason Leow Juan Thong.

## 3. CCT and the CCT Manager

### 3.1 CCT

CCT is a commercial office REIT with the largest portfolio of Grade A assets in the Singapore Central Business District and a market capitalisation of approximately S\$8.2 billion as at 21 January 2020. It has been listed on the SGX-ST since 11 May 2004. CCT has the investment objective of owning and investing in commercial real estate and real estate-related assets which are largely income producing, in Singapore and key gateway cities in developed markets. As at the Joint Announcement Date, CCT has eight properties located in Singapore<sup>3</sup> and two properties located in Germany<sup>4</sup> (“**CCT Properties**”). As at 31 December 2019, CCT has an interest of approximately 10.9% in MRCB-Quill REIT, a commercial REIT listed on Bursa Malaysia stock exchange, which constitutes less than 1% of its total deposited property value.

3 This includes CCT’s 50.0% interest in One George Street, its 60.0% interest in Raffles City Singapore and its 45.0% interest in CapitaSpring.

4 This refers to CCT’s 94.9% interest in Gallileo and Main Airport Center.

Certain key financial information with respect to CCT and its subsidiaries (the “**CCT Group**” and each entity in the CCT Group, a “**CCT Group Entity**”) as at 31 December 2019 and for FY2019 is set out as follows:

<b>CCT Group</b>	<b>Information</b>
NAV <sup>(1)</sup>	S\$7,033.2 million
NAV per CCT Unit <sup>(1)</sup>	S\$1.82
Distributable income	S\$337.6 million
Distribution per CCT Unit	8.88 cents
Net profits before tax (from continuing operations)	S\$444.2 million
Total assets	S\$10,190.8 million
Aggregate valuation of portfolio <sup>(2)</sup>	S\$11,123.2 million

**Notes:**

- (1) For the purposes of this Joint Announcement, all references to “**NAV**” of the CCT Group exclude non-controlling interests and distributable income.
- (2) This includes CCT’s 94.9% interest in Gallileo and Main Airport Center, and CCT’s pro rata share of joint ventures, namely its 60.0% interest in Raffles City Singapore, 50.0% interest in One George Street and 45.0% interest in CapitaSpring. The valuations were carried out by Cushman & Wakefield VHS Pte. Ltd., CBRE Pte. Ltd., Knight Frank Pte. Ltd. and C&W (U.K.) LLP German Branch as at 31 December 2019 using a combination of methods, namely direct capitalisation method and the discounted cash flow method. In the case of CapitaSpring, an integrated project under development, the residual value approach was adopted.

### 3.2 CCT Manager

CCT is managed by the CCT Manager. The CCT Manager is a wholly-owned subsidiary of CL. The CCT Manager holds a CMS Licence for REIT management pursuant to the SFA.

As at the Joint Announcement Date, the board of directors of the CCT Manager comprises the following persons (the “**CCT Directors**”): Mr Soo Kok Leng, Mr Kevin Chee Tien Jin, Mr Lam Yi Young, Ms Tan Soon Neo Jessica, Mrs Quek Bin Hwee, Mr Ng Wai King, Mr Lim Cho Pin Andrew Geoffrey and Mr Jonathan Yap Neng Tong.

## 4. RATIONALE

The Merger will create the proxy for Singapore’s commercial real estate market. Underpinned by three key attributes – leadership, growth and resilience, the Merged Entity will be propelled to the next phase of growth. The Merger is expected to be distribution per unit (“**DPU**”) accretive to both unitholders of CMT (“**CMT Unitholders**”) and unitholders of CCT (“**CCT Unitholders**”)⁵.

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5 Based on the pro forma financial information for CMT and CCT for FY2019. For the pro forma financial information of CMT, please refer to the CMT Announcement. For the pro forma financial effects of the Merger on CMT, including how the Merger is also expected to be DPU accretive to the CMT Unitholders on a pro forma basis, please see the CMT Announcement for details.



- 1 **Leadership:** Best-in-class portfolio supported by a stronger and more efficient platform
- 2 **Growth:** Better positioned to explore larger opportunities with a broader investment focus
- 3 **Resilience:** Enhanced resilience and stability through market cycles
- 4 **Accretion:** DPU accretive to Unitholders<sup>(1)</sup>

**Note:**

(1) Based on the pro forma financial information for CMT and CCT for FY2019.

**4.1 LEADERSHIP: Best-in-class portfolio supported by a stronger and more efficient platform**

**4.1.1 A stronger platform encapsulating CMT's and CCT's best-in-class attributes**

The Merged Entity is expected to be a best-in-class commercial REIT platform with a portfolio of well-located and high quality retail, office and integrated developments in Singapore and overseas.



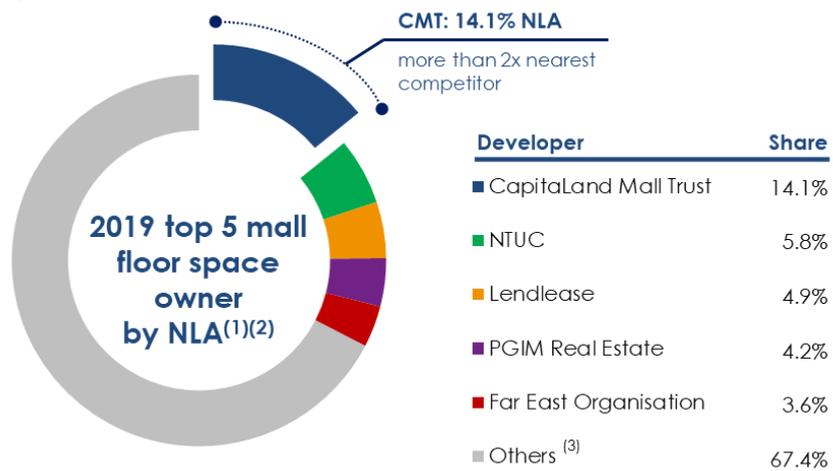
**CMT: Best-in-class Singapore retail REIT**

CMT has a balanced portfolio of 15<sup>6</sup> downtown and suburban malls with excellent connectivity to public transport and population catchments.



CMT is the largest shopping mall owner in Singapore with an approximately 14.1% share of shopping mall floor space by net lettable area (“NLA”)<sup>7</sup>. This is more than double the share of its closest peer. Supported with a high portfolio occupancy of 99.3% by NLA, CMT has consistently outperformed the Singapore island wide occupancy in the retail space.

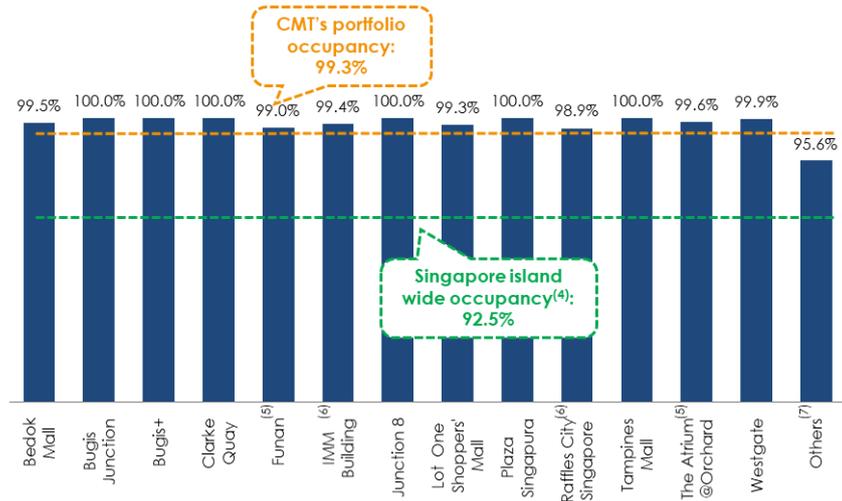
**Share of major shopping mall floor space in Singapore by owner <sup>(1) (2)</sup>**



6 This includes CMT’s 40.0% interest in Raffles City Singapore and its interest in 90 out of 91 strata lots in Bukit Panjang Plaza.

7 Based on the NLA of malls (leasehold and strata) with NLA of 100,000 sq ft and above as at 31 December 2019. Floor space shares accounts for ownership stakes and fund manager treated as a single owner.

## Higher than Singapore island wide occupancy<sup>(4)</sup>



**Source:** Cistri Pte. Ltd., Urban Redevelopment Authority (the "URA").

**Notes:** Committed occupancy as at 31 December 2019.

- (1) Malls (leasehold and strata) with NLA of 100,000 sq ft and above as at end 2019. Floor space shares accounts for ownership stakes.
- (2) Fund manager treated as a single owner. REITs and sponsors treated as separate owners.
- (3) Includes ownership stakes in malls owned by CapitaLand.
- (4) Based on the URA island wide retail space vacancy rate for 3Q 2019.
- (5) Includes retail and office leases.
- (6) Based on retail leases only.
- (7) Other assets include (i) JCube and (ii) Bukit Panjang Plaza.

## CCT: Best-in-class Singapore office REIT

CCT's portfolio comprises 10<sup>8</sup> quality office and commercial buildings, eight of which are well-located in Singapore's central area, and two prominently located in Frankfurt. CCT is the largest owner of Grade A assets in Singapore's Central Business District by NLA.



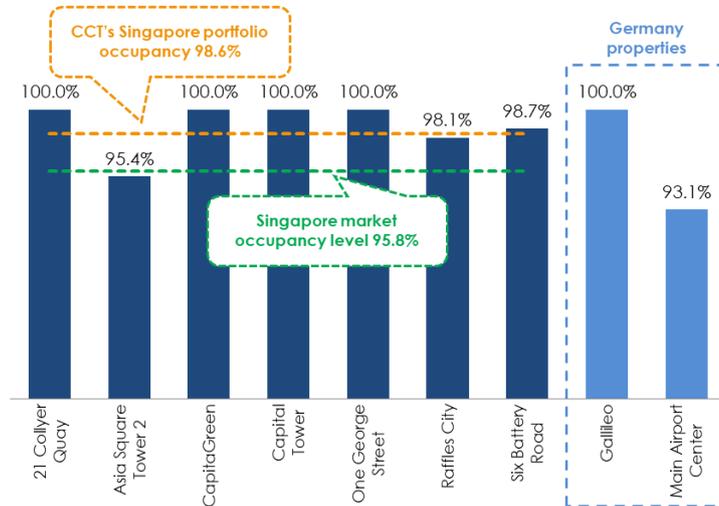
**Notes:** Includes CCT's properties in Singapore only.

- (1) CCT has a 50.0% interest in One George Street.
- (2) CCT has a 60.0% interest in Raffles City Singapore.
- (3) CCT has a 45.0% interest in CapitaSpring.

8 This includes CCT's 50.0% interest in One George Street, its 60.0% interest in Raffles City Singapore and its 45.0% interest in CapitaSpring.

CCT's Singapore portfolio has maintained an occupancy rate that is consistently above market levels. As at 31 December 2019, CCT's Singapore portfolio occupancy rate of 98.6% by NLA was higher than the Singapore Core Central Business District occupancy of 95.8%. CCT's high portfolio occupancy is the result of successful proactive leasing strategies and strong tenant retention. Its portfolio of high quality office and commercial properties is further supported by a diverse tenant mix with a long and favourable lease expiry profile.

### Higher than Singapore market occupancy<sup>(1)</sup>



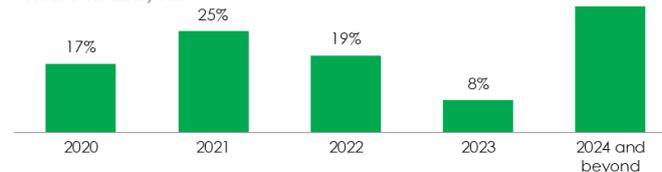
### Diverse tenant mix<sup>(2)</sup>



### Long and favourable lease expiry profile<sup>(3)</sup>

**5.7 years**

Portfolio WALE by NLA



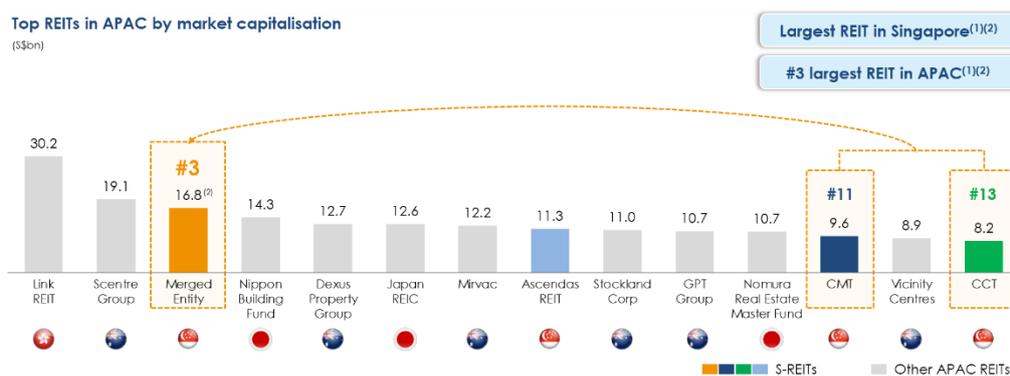
#### Notes:

- (1) Committed occupancy as at 31 December 2019 excludes Bugis Village which was recently returned to the Singapore government in April 2019. Singapore market occupancy is based on CBRE Research.
- (2) Based on committed monthly gross rental income including joint ventures and excluding retail turnover rent.
- (3) As of 31 December 2019 excluding retail and hotel turnover rent.

Both CMT and CCT have been taking a proactive approach in improving the economic and social well-being of its stakeholders, through management of human capital, asset, portfolio, operations and project development. As testament to their commitment, CMT and CCT were awarded Global Real Estate Sustainability Benchmark (“GRESB”<sup>9</sup>) 2019 Sector Leader in Asia – “Retail-listed” and GRESB 2019 4-star respectively.

#### 4.1.2 Merged Entity is expected to create the third largest REIT in Asia Pacific

The Merger is expected to create the third largest REIT in the Asia-Pacific region<sup>10</sup>, with the market capitalisation of the Merged Entity increasing to approximately S\$16.8 billion<sup>11</sup> and the total portfolio property value of the Merged Entity increasing to approximately S\$22.9 billion<sup>12</sup>.



**Source:** Bloomberg as of 21 January 2020. Assumes SGD/JPY of 81.75, SGD/AUD of 1.08, SGD/HKD of 5.76.

**Notes:**

- (1) By market capitalisation as at 21 January 2020.
- (2) Illustrative market capitalisation of Merged Entity calculated as the sum of:
  - (i) the market capitalisation of CMT of S\$9.6 billion as at 21 January 2020;
  - (ii) the portion of the Scheme Consideration to be satisfied by new CMT Units based on a gross exchange ratio of 0.820x; and
  - (iii) the acquisition fee payable to the CMT Manager is paid in new CMT Units issued at an illustrative issue price of S\$2.59 per CMT Unit.

9 The Global Real Estate Sustainability Benchmark (“GRESB”) Real Estate Assessment is conducted by GRESB, an industry-driven organisation committed to assessing the environmental, social and governance (ESG) performance of real assets globally, including real estate portfolios.

10 By market capitalisation as at 21 January 2020. Based on the illustrative market capitalisation of the Merged Entity as set out in footnote 11.

11 Illustrative market capitalisation of the Merged Entity calculated as the sum of:

- (i) the market capitalisation of CMT of S\$9.6 billion as at 21 January 2020;
- (ii) the portion of the Scheme Consideration to be satisfied by new CMT Units based on a gross exchange ratio of 0.820x; and
- (iii) the acquisition fee payable to the CMT Manager is paid in new CMT Units issued at an illustrative issue price of S\$2.59 per CMT unit.

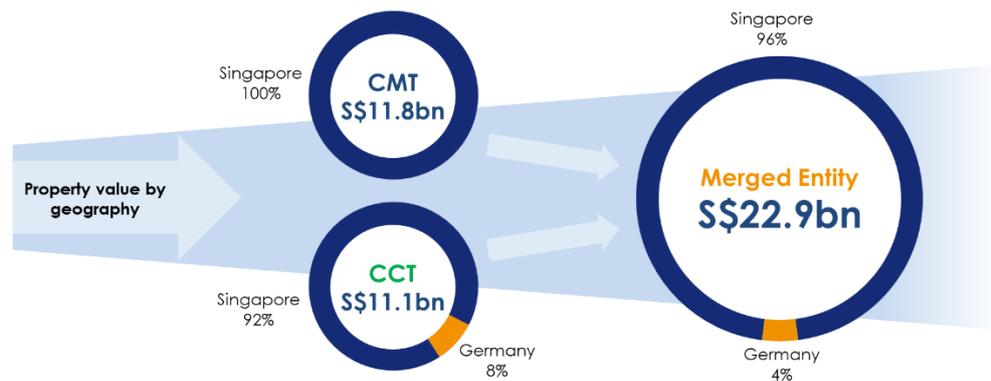
12 Based on the aggregate property valuation of CMT and CCT as at 31 December 2019 as set out in paragraphs 2.1 and 3.1 respectively.

The Merged Entity is expected to be the largest REIT in Singapore by market capitalisation and total portfolio property value as of 21 January 2020. The enlarged scale of the combined portfolio will allow the Merged Entity to compete better in Singapore and overseas developed countries across retail, office, as well as integrated developments, bringing new opportunities for growth. In addition, the enlarged scale will enhance the Merged Entity's visibility within the APAC REIT universe which may result in higher trading liquidity and a potential for positive re-rating to achieve a more competitive cost of capital. It will entrench the Merged Entity's position within the S-REIT universe and increase its appeal and relevance amongst the global institutional and retail investor community.

## 4.2 GROWTH: Better positioned for growth with larger capacity and broader investment focus

### 4.2.1 Enhanced ability to take on larger transactions across geographies

Upon completion of the Merger, the Merged Entity will have the ability to undertake up to S\$4.6 billion worth of overseas acquisitions in developed countries (assuming an overseas exposure of up to 20% of the total portfolio property value of the Merged Entity), while remaining predominantly Singapore focused. This enhanced ability and flexibility broadens the Merged Entity's optionality to seek new market acquisition opportunities. In addition, integrated developments tend to be larger in size, requiring higher capital outlay. Therefore, the Merged Entity will be better positioned to undertake larger commercial projects across retail, office and integrated developments.



**Note:** Based on the aggregate valuation of CMT and CCT's portfolio as of 31 December 2019 as disclosed at paragraphs 2.1 and 3.1 respectively.

### 4.2.2 Capitalise on combined domain expertise to leverage future real estate trends

CMT and CCT have consistently demonstrated the success and strength of their platforms through value-added strategies, creating the best-in-class retail and office portfolios in Singapore. Both CMT and CCT have also demonstrated successful repositioning of their portfolios to stay abreast of changing social trends and preferences through the development of innovative mixed-use projects such as Raffles City Singapore, Funan and CapitaSpring.

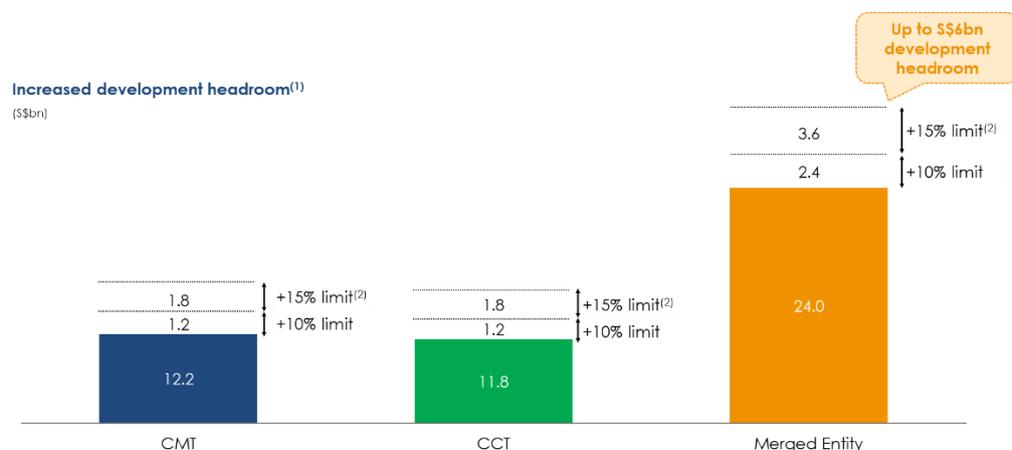
Together, the Merged Entity will be able to capitalise on its combined domain expertise to leverage on future real estate trends. In particular, the Merged Entity will be able to seek integrated projects more proactively, in addition to retail and office opportunities.

Commercial development is trending towards larger scale mixed-use or integrated projects due to greater focus on land use intensification and attractiveness of integrated developments. In land-scarce Singapore, more Government Land Sales (“GLS”) have been earmarked for mixed-use<sup>13</sup>, with the area of GLS sites earmarked for mixed-use increasing from approximately 22,800 square metres between 2012 and 2015<sup>14</sup> to approximately 85,800 square metres between 2016 and 2019<sup>15</sup>. This trend is not unique to Singapore. There has been a notable trend across global gateway cities to optimise use of scarce land in prime locations and towards more urban rejuvenation projects, which have resulted in an emergence of integrated developments such as New District at Canary Wharf in London, Barangaroo development in Sydney, Hudson Yards in New York, Roppongi Hills by Mori in Tokyo, among others.

As urbanisation and evolving lifestyles increase the demand for complete work, live, play offerings in one location, integrated developments are a more attractive proposition for both tenants and consumers given their comprehensive and complementary offerings. Tenants occupying office space located near a retail mall enjoy convenient access to amenities which could help support employee productivity while a retail mall located near an office building enjoys a natural catchment of office crowds which could help support the footfall for its retail tenants. This captive ecosystem at the heart of many integrated developments creates a more vibrant environment conducive to “work-live-play” culture.

#### 4.2.3 Higher development headroom to undertake larger redevelopments

The Merged Entity will enjoy significantly enhanced ability and flexibility to undertake larger redevelopments and asset enhancement initiatives (“AEIs”) to deliver organic growth for unitholders.



13 Refers to GLS sites which fall under “white site” and “commercial and residential” development codes.

14 Sites include Thomas Road / Irrawaddy Road white site and Meyappa Chettiar Road commercial and residential site.

15 Sites include Bukit Batok West Avenue 6, Holland Road, and Sengkang Central commercial and residential sites, and Central Boulevard white site.

**Notes:**

- (1) Headroom calculated based on percentage of the deposited property of CMT, CCT and the Merged Entity respectively, with the deposited property of the Merged Entity based off the aggregate deposited property of CMT and CCT.
- (2) Subject to the approval of CMT Unitholders and CCT Unitholders.

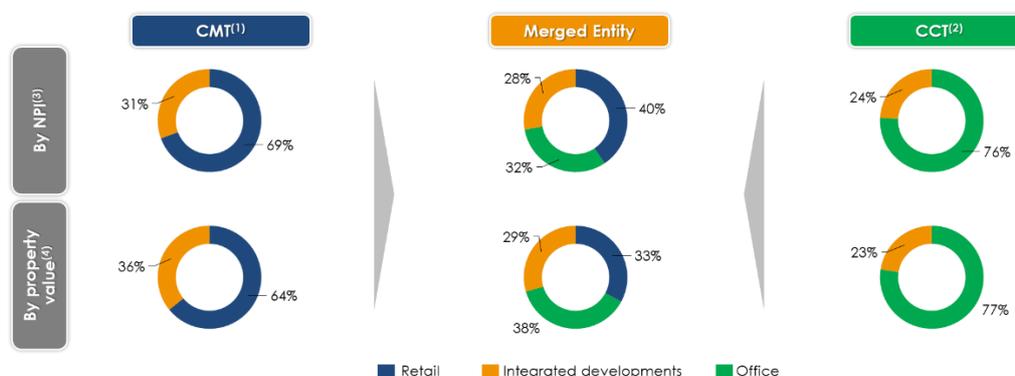
#### 4.2.4 Enhanced financial headroom and flexibility to undertake larger scale initiatives

The Merged Entity will have an increased debt headroom of S\$2.9 billion<sup>16</sup> due to the enlarged balance sheet. A bigger funding capacity allows the Merged Entity to act more swiftly and provide certainty of financing for third party acquisitions, which strengthens its position to capture opportunistic accretive investments. It also enhances the Merged Entity's ability and flexibility to undertake larger transactions, portfolio enhancement and reconstitution initiatives.

### 4.3 RESILIENCE: Enhanced resilience and stability through market cycles

#### 4.3.1 Greater stability through cycles due to a more balanced portfolio

The Merged Entity will have a well-balanced portfolio with diversified exposures across five integrated developments, eight office assets and 11 retail assets. This provides a hedge against market cycles in any particular sub-sector, and improves the Merged Entity's ability to invest through cycles.



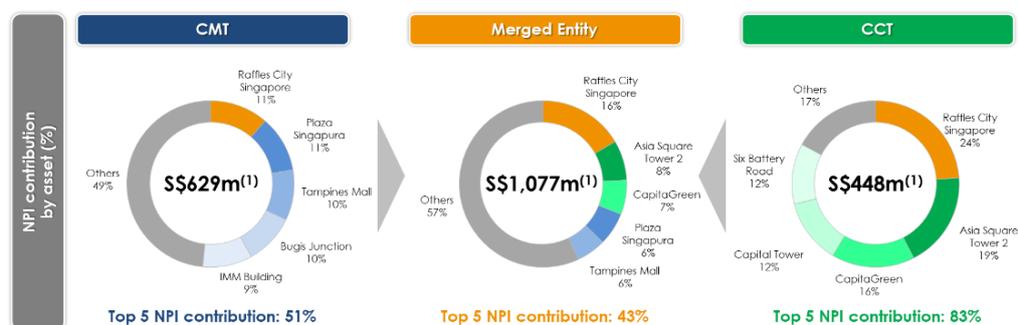
**Notes:**

- (1) Integrated developments include Raffles City Singapore (40.0% interest), Plaza Singapura, The Atrium@Orchard and Funan.
- (2) Integrated developments include Raffles City Singapore (60.0% interest) and CapitaSpring.
- (3) Based on the Net Property Income ("NPI") of all the properties of CMT, CCT or the Merged Entity (as the case may be) for FY2019, including pro rata contribution from joint ventures.
- (4) Based on valuation as at 31 December 2019 of all the properties of CMT, CCT and the Merged Entity (as the case may be), including proportionate interest of joint ventures' valuation.

<sup>16</sup> Debt headroom calculated based on a regulatory aggregate leverage limit of 45.0% under the Property Funds Appendix.

### 4.3.2 Reduction in asset concentration risk

There will be reduced asset concentration risk as NPI contribution from the top five assets of the Merged Entity will be reduced to 43%, compared to CMT's existing 51% and CCT's existing 83%. This increased diversification reduces earnings vulnerability and increases its flexibility to unlock value and reconstitute its portfolio with a lower impact on NPI.



**Note:**

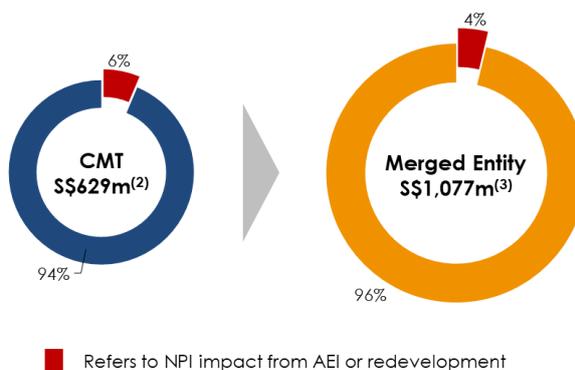
(1) Based on the NPI of CMT, CCT or the Merged Entity (as the case may be) for FY2019 including pro rata contribution from joint ventures.

### 4.3.3 Increased flexibility to undertake portfolio rejuvenation and redevelopment

The Merged Entity will be able to better manage any financial impact from redevelopments or AEIs due to its larger income and asset base. This means the Merged Entity would be better equipped to undertake AEIs to create value for unitholders in the longer term whilst supporting stable distributions to unitholders in the near term.

For instance, assuming a S\$1.0 billion asset of CMT had been decommissioned to undertake AEIs in FY2019, the impact of the downtime would have resulted in a 6% impact to CMT's NPI for FY2019 but this impact would have only translated to 4% of the Merged Entity's combined NPI for FY2019 due to the larger portfolio of the Merged Entity.

Illustrative NPI impact from redevelopment of S\$1bn asset<sup>(1)</sup>



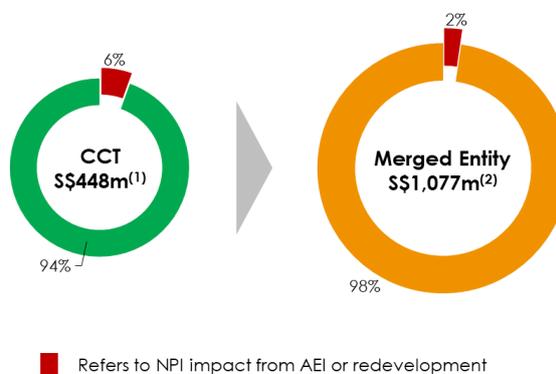
**Notes:**

(1) Loss of NPI calculated by applying an illustrative 4.0% NPI yield on the S\$1.0 billion asset valuation.

- (2) Based on the NPI of CMT for FY2019 including pro rata contribution from joint ventures.
- (3) Based on the combined NPI of CMT and CCT for FY2019 including pro rata contribution from joint ventures.

Similarly, assuming 21 Collyer Quay had been decommissioned to undertake AEIs in FY2019, the impact of the downtime would have resulted in a 6% impact to CCT's NPI for FY2019 but this impact would have only translated to 2% of the Merged Entity's combined NPI for FY2019 due to the larger portfolio of the Merged Entity.

**Illustrative NPI impact from AEI of 21 Collyer Quay**



**Notes:**

- (1) Based on the NPI of CCT for FY2019 including pro rata contribution from joint ventures.
- (2) Based on the combined NPI of CMT and CCT for FY2019 including pro rata contribution from joint ventures.

#### **4.4 ACCRETION: DPU accretive to CMT Unitholders and CCT Unitholders**

Apart from the strategic benefits, the Merger would also be beneficial to CMT Unitholders and CCT Unitholders from a financial perspective.

##### CMT: DPU Accretive to CMT Unitholders

Assuming that the Merger had been completed on 1 January 2019, the pro forma distribution attributable to the holder of one CMT Unit for FY2019 would have increased from 11.97 cents to 12.17 cents, translating to a DPU accretion of 1.6% based on the pro forma financial information for CMT and CCT for FY2019. For the pro forma financial effects of the Merger on CMT, including further details on how the Merger is also expected to be DPU accretive to CMT Unitholders on a pro forma basis as well as the underlying bases and assumptions, please see the CMT Announcement for details.

##### CCT: DPU Accretive to CCT Unitholders

Assuming that the Merger had been completed on 1 January 2019, the pro forma distribution attributable to the holder of one CCT Unit for FY2019 would have increased from 8.88 cents to 9.46 cents<sup>17</sup>, translating to a DPU accretion of 6.5% based on the pro forma financial information for CMT and CCT for FY2019.

<sup>17</sup> Based on the pro forma financial information for CCT for FY2019. See **paragraph 7** for further details.

**FY2019 – Pro forma DPU accretion**  
(Cents)



**Notes:**

- (1) Based on the Merged Entity's pro forma DPU for FY2019 (as derived from CMT's and CCT's pro forma financials for FY2019) multiplied by the net exchange ratio of 0.720x and assuming that the Cash Consideration is reinvested at 3.0% per annum. The Merged Entity's DPU for FY2019:
- (i) includes Main Airport Center's contribution to distribution from 18 September 2019;
  - (ii) assumes additional S\$1,021.1 million was drawn down on 1 January 2019 to fund the Cash Consideration and the transaction costs of the Merger (comprising the estimated professional and other fees and expenses incurred or to be incurred in connection with the Merger, amounting to approximately S\$22.0 million (the "Transaction Costs") at an effective interest rate of 2.75% per annum;
  - (iii) assumes 50.0% of the management fee associated with the Merged Entity for FY2019 will be paid in CMT Units resulting in an additional 10.7 million new CMT Units issued at an illustrative issue price of S\$2.59 per unit;
  - (iv) 21.5 million new CMT Units issued at an illustrative issue price of S\$2.59 per unit as the acquisition fee payable to the CMT Manager in relation to the Merger (taking into account the CMT Manager's decision to waive 50.0% of the acquisition fee otherwise payable to the CMT Manager under the CMT Trust Deed (as defined in **paragraph 5(a)**) to demonstrate its support for the Merger); and
  - (v) 2,777.5 million Consideration Units (as defined in **paragraph 6.1.1**) issued at the price of S\$2.59 per Consideration Unit.

The Scheme Consideration is in line with historical trading prices.

**Scheme consideration = S\$2.1238 per CCT Unit<sup>(1)</sup>**

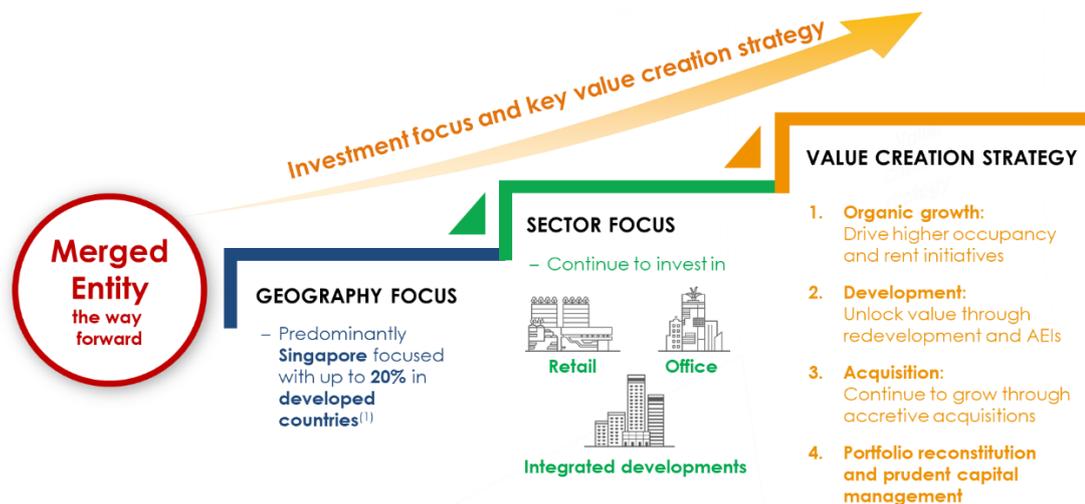


**Source:** Bloomberg.

**Notes:**

- (1) Computed by multiplying the illustrative value of one new CMT Unit at the issue price of S\$2.59 by the net exchange ratio of 0.720x plus the Cash Consideration of S\$0.2590 per CCT Unit.
- (2) VWAPs are referenced to the relevant period up to and including 21 January 2020.

Supported by the key attributes of leadership, growth and resilience, the Merger is expected to create a stronger and more efficient platform that will allow the Merged Entity to better execute a multi-pronged approach to create value for unitholders going forward.



**Note:**

(1) By portfolio property value.

Overall, this is expected to be a transformative merger for CMT Unitholders and CCT Unitholders. It is expected to create the third largest REIT in APAC and the best proxy for Singapore commercial real estate, with an enlarged balance sheet and development headroom as well as a well-balanced and diversified commercial portfolio. This is expected to support further value creation to unitholders in the future through the multiple drivers of growth, while delivering a DPU accretive transaction.

## 5. FUTURE INTENTIONS FOR MERGED ENTITY

Assuming the completion of the Merger:

- the CMT Manager intends to expand the investment mandate of CMT upon the Trust Scheme becoming effective in accordance with its terms. The new investment mandate of the Merged Entity will be to principally invest, directly or indirectly, in quality income-producing assets, which are used or primarily used for commercial purposes (including retail and/or office purposes) located predominantly in Singapore. For purposes of the deed of trust constituting CMT dated 29 October 2001 (as amended) (the “**CMT Trust Deed**”), the CMT Announcement is deemed to be the notice of the proposed change of investment mandate of CMT;
- as the CMT Manager will be the manager of the Merged Entity (including CCT), it is currently intended that the fees which would otherwise have been payable to the CCT Manager (including base management fees, performance management fees, acquisition and divestment fees) will, instead, be payable to the CMT Manager. The fees for the properties of the Merged Entity will be based on the fee structure of the CMT Group presently adopted, subject to the fees for the existing CCT Properties being no higher than the fees payable under the fee structure of the CCT Group presently

adopted<sup>18</sup>;

- (c) in view of the Merged Entity, the CMT Board will review the composition of the board of directors and management of the CMT Manager. The appointment of any new directors or key management staff of the CMT Manager (if any) will be subject to the approval of the CMT Board and (if applicable) the Monetary Authority of Singapore (the “**MAS**”);
- (d) as expeditiously as practicable on or after the Effective Date, it is intended that CCT shall transfer to CMT all the units held by CCT in Glory Office Trust, MSO Trust and RCS Trust (the “**Relevant Sub-Trusts**”), such that the units of each of the Relevant Sub-Trusts previously held by CCT would be directly held by CMT (the “**Sub-Trust Transfers**”); and
- (e) the Merged Entity will be renamed as “CapitalLand Integrated Commercial Trust”.

Save as set out above, there is presently no intention to (i) introduce any major changes to the business of CCT, (ii) re-deploy the fixed assets of CCT or (iii) discontinue the employment of the employees of the CCT Group, in each case, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Merged Entity which may be implemented after the Merger. However, the CMT Board retains and reserves the right and flexibility at any time and from time to time to consider any options in relation to the Merged Entity which may present themselves and which they may regard to be in the interests of the Merged Entity.

## 6. CONSIDERATION

### 6.1 Scheme Consideration

In consideration of the transfer of the CCT Units referred to in **paragraph 8.1**, each of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CMT) (the “**CMT Trustee**”) and the CMT Manager agrees, subject to the Trust Scheme becoming effective in accordance with its terms, to pay or procure the payment of the Scheme Consideration for each CCT Unit held by the CCT Unitholders as at the Books Closure Date<sup>19</sup>, which shall be satisfied by:

- 6.1.1 the allotment and issuance (or the procurement of such allotment and issuance) by the CMT Manager of 0.720 new CMT Units at an issue price of S\$2.59 per CMT Unit (the “**Consideration Units**”), such Consideration Unit to be credited as fully paid; and
- 6.1.2 the payment by the CMT Trustee of a sum of S\$0.2590 in cash (the “**Cash Consideration**”),

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18 For existing CCT Properties which are currently under redevelopment, the CCT fee structure will apply for the redevelopment phase. For existing CCT Properties which undergo redevelopment post-Merger, the CMT fee structure will apply.

19 “**Books Closure Date**” means the date to be announced (before the Effective Date) by the CCT Manager on which the register of CCT Unitholders will be closed in order to determine the entitlements of the CCT Unitholders in respect of the Trust Scheme.

in accordance with the terms and conditions of the Implementation Agreement (as defined in **paragraph 8.1**).

The aggregate Cash Consideration to be paid to each CCT Unitholder shall be rounded to the nearest S\$0.01. The number of Consideration Units which each CCT Unitholder shall be entitled to pursuant to the Trust Scheme, based on the number of the CCT Units held by such CCT Unitholder as at the Books Closure Date, shall be rounded down to the nearest whole number, and fractional entitlements shall be disregarded.

The CMT Trustee, the CMT Manager, the CCT Manager and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CCT) (the “**CCT Trustee**”) are currently discussing in good faith with a view to agreeing to the appropriate arrangements (subject to the approval of the Securities Industry Council (the “**SIC**”), if required) in relation to the Consideration Units in excess of the nearest multiple of 100 or the Consideration Units which amount to less than 100, which a CCT Unitholder would otherwise be entitled to receive pursuant to the Trust Scheme. Details of any such arrangements will be notified to CCT Unitholders in due course.

By way of illustration, if the Trust Scheme becomes effective in accordance with its terms, a CCT Unitholder will receive 720 Consideration Units and S\$259.00 in cash for every 1,000 CCT Units held by it as at the Books Closure Date.

The CMT Manager reserves the right to adjust the Scheme Consideration by reducing the Cash Consideration, the number of Consideration Units issued or by any combination of such cash and unit components, if and to the extent any distribution in excess of the CCT Permitted Distributions (as defined in **paragraph 8.6.2**) is declared, made or paid by the CCT Manager on or after the Joint Announcement Date.

## **6.2 Consideration Units**

The Consideration Units will:

- (a) when issued, be duly authorised, validly issued and fully paid-up and will rank *pari passu* in all respects with the existing CMT Units as at the date of their issue;
- (b) be issued free from any and all encumbrances and restrictions on transfers and no person shall have any rights of pre-emption over any Consideration Unit; and
- (c) be issued at an issue price of S\$2.59 per each CMT Unit, being the closing price of each CMT Unit on 21 January 2020 and the price agreed between the Parties (as defined in **paragraph 8.1**) at which the Consideration Units will be issued.

For the avoidance of doubt:

- (i) the Consideration Units will be issued with all rights, benefits and entitlements attaching on and from the date of their issue (and not as at the Joint Announcement Date), including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the CMT Manager on or after the date of their issue (and not on or after the Joint Announcement Date);

- (ii) the Consideration Units will not be entitled to the CMT Permitted Distributions (as defined in **paragraph 8.6.1**); and
- (iii) the Parties shall be entitled to declare, make or pay the CMT Permitted Distributions and the CCT Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration. The CCT Unitholders shall have the right to receive and retain the CCT Permitted Distributions in addition to the Scheme Consideration.

### 6.3 Cash Confirmation

J.P. Morgan (S.E.A.) Limited, the sole financial adviser to the CMT Manager in respect of the Merger, confirms that sufficient financial resources are available to CMT to satisfy in full the aggregate Cash Consideration payable by the CMT Trustee for all the CCT Units to be acquired by CMT pursuant to the Merger.

## 7. PRO FORMA FINANCIAL EFFECTS OF THE MERGER ON CCT

Purely for illustrative purposes only, the pro forma financial effects of the Merger on CCT and the Merged Entity are set out in the tables below.

	Effects of the Merger	
	Before Merger (CCT)	After Merger (Merged Entity)
DPU (cents)	8.88	9.46 <sup>(1)(2)(3)</sup>
NAV per unit (S\$)	1.82	1.78 <sup>(4)(5)(6)(7)</sup>
Aggregate leverage (%)	35.1%	38.3% <sup>(4)(7)</sup>

#### Notes:

- (1) Assumes the pro forma financial effects of the Merger on the amount available for distribution, the number of units in issue and DPU, as at 31 December 2019, as if the Merger was completed on 1 January 2019 and CMT held and operated the properties of CCT through to 31 December 2019.
- (2) Based on the Merged Entity's pro forma DPU for FY2019 (see note (3) below) multiplied by the net exchange ratio of 0.720x and assuming that the Cash Consideration is reinvested at 3.0% per annum. Reinvestment rate is dependent on what a CCT Unitholder elects to invest its Cash Consideration in. The pro forma DPU per CCT Unit would have been 9.89 cents assuming the Cash Consideration is reinvested in the Merged Entity at an illustrative issue price of S\$2.59.
- (3) The Merged Entity's pro forma DPU for FY2019:
  - (i) includes Main Airport Center's contribution to distribution from 18 September 2019;
  - (ii) assumes additional S\$1,021.1 million was drawn down on 1 January 2019 to fund the Cash Consideration and Transaction Costs at an effective interest rate of 2.75% per annum;
  - (iii) assumes 50.0% of the management fee associated with the Merged Entity for FY2019 will be paid in CMT Units resulting in an additional 10.7 million new CMT Units issued at an illustrative issue price of S\$2.59 per unit;
  - (iv) 21.5 million new CMT Units issued at an illustrative issue price of S\$2.59 per unit as the acquisition fee payable to the CMT Manager in relation to the Merger (taking into account the CMT Manager's decision to waive 50.0% of the acquisition fee otherwise payable to the CMT Manager under the CMT Trust Deed to demonstrate its support for the Merger); and

- (v) 2,777.5 million Consideration Units issued at the price of S\$2.59 per Consideration Unit.
- (4) The pro forma financial effects of the Merger on the NAV per unit of the Merged Entity and aggregate leverage, as if the Merger was completed on 31 December 2019.
- (5) Based on the Merged Entity's pro forma NAV for FY2019 (see note (6) below) multiplied by the net exchange ratio of 0.720x and includes the Cash Consideration.
- (6) The Merged Entity's pro forma NAV for FY2019:
  - (i) exclude CMT's distribution income for the period 1 October 2019 to 31 December 2019 and CCT's distribution income for the period 29 July 2019 to 31 December 2019;
  - (ii) assumes additional S\$1,021.1 million was drawn down on 1 January 2019 to fund the Cash Consideration and Transaction Costs at an effective interest rate of 2.75% per annum;
  - (iii) assumes the premium over NAV of CCT is written off and assumes that the Transaction Costs are excluded; and
  - (iv) assumes 50.0% of the management fee associated with the Merged Entity for FY2019 will be paid in CMT Units resulting in an additional 10.7 million new CMT Units issued at an illustrative issue price of S\$2.59 per unit;
  - (v) 21.5 million new CMT Units issued at an illustrative issue price of S\$2.59 per unit as the acquisition fee payable to the CMT Manager in relation to the Merger (taking into account the CMT Manager's decision to waive 50.0% of the acquisition fee otherwise payable to the CMT Manager under the CMT Trust Deed to demonstrate its support for the Merger); and
  - (vi) 2,777.5 million Consideration Units issued at the price of S\$2.59 per Consideration Unit.
- (7) Assumes an additional S\$1,021.1 million is drawn down by CMT on 1 January 2019 to fund the Cash Consideration and the Transaction Costs.

## 8. KEY TERMS OF MERGER

### 8.1 Implementation Agreement and Trust Scheme

In connection with the Merger, the CMT Trustee, the CMT Manager, the CCT Trustee and the CCT Manager (each a **"Party"** and collectively the **"Parties"**) have today entered into an implementation agreement (the **"Implementation Agreement"**) setting out the terms and conditions on which the Merger will be implemented.

The Merger will be effected by way of the CCT Trustee and the CCT Manager implementing the Trust Scheme which will involve, among others, the transfer of all the CCT Units to the CMT Trustee:

- 8.1.1 fully paid;
- 8.1.2 free from all encumbrances; and
- 8.1.3 together with all rights, benefits and entitlements attaching on and from the date of the Implementation Agreement, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the CCT Manager on or after the date of the Implementation Agreement, except for the CCT Permitted Distributions.

Such acquisition by the CMT Trustee, in consideration for the Scheme Consideration (the **"CMT Acquisition"**), requires the approval of the CMT Unitholders under Rules 812(2), 906(1) and 1014(2) of the Listing Manual and Paragraph 5.2(b) of Appendix 6 of the Code on Collective Investment Schemes issued by the MAS (the **"Property Funds Appendix"**), in each case, with

PIPL, ACPL, Premier and the CMT Manager abstaining from voting on such resolutions, as required under Rules 812(2) and Rule 919 of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix. Further details with respect to the CMT Acquisition have been set out in the CMT Announcement.

## 8.2 Conditions to Completion

8.2.1 The Merger is subject to the satisfaction or waiver of the conditions (the “**Conditions**”) set out in **Schedule 2**.

8.2.2 The Implementation Agreement may be terminated if any Condition set out in:

- (i) **paragraph (1), (2), (3), (8) or (9) of Schedule 2** has not been satisfied (or, where applicable, has not been waived) by 11.59 p.m. on 30 September 2020 (or such other time and date as the Parties may agree in writing) (the “**Long-Stop Date**”) and the non-satisfaction of such Condition is material in the context of the Merger; or
- (ii) **paragraph (4), (5), (6) or (7) of Schedule 2** is not satisfied (or, where applicable, has not been waived) on the business day immediately preceding the Effective Date (the “**Relevant Date**”) and the non-satisfaction of such Condition is material in the context of the Merger,

in each case, by the relevant Party or Parties having the right to terminate the Implementation Agreement for the non-satisfaction of such Condition.

8.2.3 Without prejudice to any other rights of termination under the Implementation Agreement, the Implementation Agreement may be terminated at any time from the date of the Implementation Agreement to (and including) the Relevant Date:

- (i) if there has been a decree, determination, injunction, judgment or other order (which is final and non-appealable) issued by any court of competent jurisdiction or by any governmental authority which has the effect of permanently enjoining, restraining or otherwise prohibiting the Merger or the Trust Scheme or any part thereof;
- (ii) if there is a breach of certain warranties given by the CMT Trustee or the CMT Manager in the Implementation Agreement (the “**CMT Warranties**”) which are material in the context of the Merger and the CMT Trustee or the CMT Manager fails to remedy such breach (if capable of remedy) within 14 days after being given notice by the CCT Trustee or the CCT Manager to do so;
- (iii) if there is a breach of certain warranties given by the CCT Trustee or the CCT Manager in the Implementation Agreement (the “**CCT Warranties**”) which are material in the context of the Merger and the CCT Trustee or the CCT Manager fails to remedy such breach (if capable of remedy) within 14 days after being given notice by the CMT Trustee or the CMT Manager to do so;
- (iv) if there has been an occurrence of a CMT Material Adverse Effect (as defined in **paragraph 7(a) of Schedule 2**); or

- (v) if there has been an occurrence of a CCT Material Adverse Effect (as defined in **paragraph 7(b) of Schedule 2**,

in each case, by the relevant Party or Parties having the right to terminate the Implementation Agreement for the non-satisfaction of the relevant Condition to which such matters relate.

### **8.3 Implementation**

Each of the CMT Trustee (to the extent applicable), the CMT Manager, the CCT Trustee (to the extent applicable) and the CCT Manager have agreed to execute all documents and do or cause to be done all acts and things necessary for the implementation of the Merger, the CMT Acquisition and the Trust Scheme, as expeditiously as practicable.

### **8.4 Effective Date**

The Trust Scheme will become effective upon the written notification to the MAS of the grant of the order of the High Court of the Republic of Singapore (the “**Court**”) sanctioning the Trust Scheme (the “**Trust Scheme Court Order**”), which shall be effected by or on behalf of the CMT Manager:

**8.4.1** within 25 business days from the date that the last of the Conditions set out in **paragraphs (1), (2), (3), (8) and (9) of Schedule 2** is satisfied or waived, as the case may be, in accordance with the terms of the Implementation Agreement; and

**8.4.2** provided that the Conditions set out in **paragraphs (4), (5), (6) and (7) of Schedule 2** are satisfied or waived on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement,

(such date on which the Trust Scheme becomes effective in accordance with its terms, the “**Effective Date**”).

### **8.5 Conduct of Business**

Each Party has agreed not to, during the period from the date of the Implementation Agreement to the Effective Date, without the prior written consent of the other Parties (as relevant), take or refrain from taking any action which is reasonably within its power or control that would or is reasonably likely to result in a CMT Prescribed Occurrence or, as the case may be, a CCT Prescribed Occurrence (as set out in **Schedule 3**), save to the extent:

**8.5.1** required by applicable laws and subject to any fiduciary duties, statutory or legal obligations;

**8.5.2** required to give effect to and comply with the Implementation Agreement; or

**8.5.3** such action is in connection with the redevelopment of any asset in the portfolio of the CMT Group or the CCT Group (as the case may be), where such action is taken or refrained from being taken in compliance with all applicable laws, including the Property Funds Appendix.

## 8.6 CMT Permitted Distributions and CCT Permitted Distributions

The CMT Manager and the CCT Manager are permitted to declare, make or pay distributions to the CMT Unitholders and the CCT Unitholders (as the case may be) only if such distributions by:

- 8.6.1 the CMT Manager, in respect of CMT, were declared, made or paid made in the ordinary course of business in respect of the period from 1 October 2019 up to the day immediately before the Effective Date (including any clean-up distribution to the CMT Unitholders in respect of the period from the day following the latest completed financial quarter of CMT preceding the Effective Date, up to the day immediately before the Effective Date) (the “**CMT Permitted Distributions**”); and
- 8.6.2 the CCT Manager, in respect of CCT, were declared, made or paid in the ordinary course of business in respect of the period from 1 July 2019 up to the day immediately before the Effective Date (including any clean-up distribution to the CCT Unitholders in respect of the period from the day following the latest completed financial half year of CCT preceding the Effective Date, up to the day immediately before the Effective Date) (the “**CCT Permitted Distributions**”).

## 8.7 Break Fee and Reverse Break Fee

The Parties have agreed to certain matters in relation to the payment of an amount up to S\$30.2 million, being approximately 0.4% of the aggregate Scheme Consideration, by:

- 8.7.1 the CCT Trustee to the CMT Trustee (the “**Break Fee**”); and
- 8.7.2 the CMT Trustee to the CCT Trustee (the “**Reverse Break Fee**”),

as further described in **Schedule 4**.

## 8.8 Switch Option

The Parties have agreed that if:

- 8.8.1 CCT receives any offer from any person, acting together with its concert parties, other than the CMT Trustee or the CMT Manager involving:
  - (i) a sale, conveyance, transfer, assumption or other disposal of any direct or indirect interest in all or substantially all of the assets, business and/or undertakings of the CCT Group, whether in a single transaction or a series of related transactions;
  - (ii) a general offer for the CCT Units;
  - (iii) a scheme of arrangement involving CCT or any CCT Group Entity or the merger of CCT or any CCT Group Entity with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure, stapling or otherwise) provided that, in the case of any CCT Group Entity (other than CCT), such scheme of arrangement or merger is material to the CCT Group (taken as a whole);

- (iv) any other arrangement having an effect similar to any of (i) to (iii); or
- (v) a transaction or series of related transactions which would or is reasonably likely to preclude, restrict or frustrate the Merger or the Trust Scheme,

(such offer, a “**CCT Switch Option Competing Offer**”). A CCT Switch Option Competing Offer will be deemed to be for all or substantially all of the assets, business and/or undertakings of the CCT Group if the relevant assets, business and/or undertakings in question constitute a “material amount” as defined in Note 2 on Rule 5 of the Code; or

- 8.8.2** an intention to make a CCT Switch Option Competing Offer is announced (whether or not such CCT Switch Option Competing Offer is pre-conditional),

in each case, without the prior written consent of the CMT Trustee and the CMT Manager in respect of such CCT Switch Option Competing Offer, the CMT Trustee shall have the right at its discretion to elect at any time, subject to prior consultation with the SIC, to proceed with a Merger by way of a voluntary conditional offer to acquire all the CCT Units (an “**Offer**”) in lieu of proceeding with the Merger by way of the Trust Scheme, such Offer to be on the same or better terms as those which apply to the Trust Scheme or the CCT Switch Option Competing Offer (whichever is the higher), including the same or a higher consideration than the Scheme Consideration for each CCT Unit (being the aggregate of (A) the implied dollar value of the Consideration Units based on the fixed number of Consideration Units issued for each CCT Unit and the issue price per Consideration Unit, and (B) the Cash Consideration), and conditional upon a level of acceptances set at only more than 50% of the units to which the Offer relates and not conditional on a higher level of acceptances (such right of the CMT Trustee to proceed with the Merger by way of an Offer, the “**Switch Option**”).

The exercise of the Switch Option by the CMT Trustee shall terminate the Implementation Agreement with effect from the date of announcement by or on behalf of the CMT Trustee of a firm intention to make the Offer.

## **8.9 Exclusivity**

The CCT Trustee and the CCT Manager have agreed to grant the CMT Trustee and the CMT Manager exclusivity for a period commencing on the date of the Implementation Agreement and ending on the earliest of the date on which the Implementation Agreement is terminated, the date falling not later than seven business days after the Effective Date and the Long-Stop Date, during which the CCT Trustee and the CCT Manager shall not:

- 8.9.1** Solicit, invite, encourage or initiate any enquiries, negotiations or discussions, or communicate any intention to do the foregoing, with a view to obtaining, or to the extent reasonably likely to result in or lead to, any CCT Competing Offer (as defined in **paragraph 1.3 of Schedule 4**); or
- 8.9.2** negotiate or enter into, or participate in negotiations or discussions with any person (other than the CMT Trustee or the CMT Manager) in relation to, any CCT Competing Offer or any agreement, understanding or arrangement which would or is reasonably likely to result in or lead to any CCT Competing Offer,

except where failing to take action with respect to, or failing to respond to, such CCT Competing

Offer would or is reasonably likely to constitute a breach of the CCT Directors' fiduciary, regulatory or statutory obligations (including those under the Code).

## 8.10 Termination

Notwithstanding any other provision in the Implementation Agreement, the Implementation Agreement may be terminated at any time prior to the Effective Date pursuant to such terms of the Implementation Agreement as set out in **paragraph 8.2.2** or **8.2.3** above, provided that (i) the Party seeking to terminate the Implementation Agreement, including in the event of non-satisfaction of any Condition, shall only terminate the Implementation Agreement with the prior consultation of the SIC and subject to the SIC giving its approval for, and stating that it has no objections to, such termination and (ii) the Party seeking to terminate the Implementation Agreement shall provide written notice to all the other Parties promptly upon the SIC stating that it has no objection to such termination.

Upon the termination of the Implementation Agreement, no Party shall have a claim against any other Party except for claims in relation to certain surviving provisions after such termination or in relation to the Break Fee or the Reverse Break Fee, as the case may be, and in each case without prejudice to the rights of the Parties to seek specific performance or other equitable remedies.

## 9. APPROVALS REQUIRED

### 9.1 Extraordinary General Meeting, Trust Scheme Meeting and Court Sanction

The Trust Scheme will require, *inter alia*, the following approvals:

- 9.1.1 the approval of CCT Unitholders holding in aggregate not less than 75% of the total number of votes held by the CCT Unitholders present and voting either in person or by proxy to amend the CCT Trust Deed to include provisions for the implementation of the Trust Scheme, in such form and substance as may be agreed in writing by the Parties (the "**CCT Trust Deed Amendments**"), at the extraordinary general meeting (the "**CCT EGM**") of the CCT Unitholders to be convened (the "**CCT Trust Deed Amendments Resolution**");
- 9.1.2 the approval of a majority in number of the CCT Unitholders representing at least three-fourths in value of the CCT Units held by the CCT Unitholders present and voting either in person or by proxy at the Trust Scheme Meeting (as defined in **paragraph 12.2(b)**) to approve the Trust Scheme (the "**Trust Scheme Resolution**"); and
- 9.1.3 the Trust Scheme Court Order being obtained.

**The Trust Scheme Resolution is contingent upon the approval of the CCT Trust Deed Amendments Resolution at the CCT EGM. In the event that the CCT Trust Deed Amendments Resolution is not passed at the CCT EGM, the CCT Manager will not proceed with the Trust Scheme Meeting. This means that the Trust Scheme cannot be implemented by the CMT Manager and the CCT Manager unless both the CCT Trust Deed Amendments Resolution and the Trust Scheme Resolution are passed at the CCT EGM and the Trust Scheme Meeting respectively.**

**In addition, the Trust Scheme will only come into effect if all the other Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.**

## **9.2 SIC Confirmations**

Pursuant to the application made by the CMT Manager to the SIC, the SIC has confirmed, *inter alia*, that:

**9.2.1** the Trust Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Takeover Code, subject to the following conditions:

- (i) the CMT Trustee, the CMT Manager and its concert parties, as well as the common substantial CMT Unitholders/CCT Unitholders (i.e. those holding 5% or more interests in both CMT and CCT, such unitholders, the “**Common Substantial Unitholders**”) abstain from voting on the Trust Scheme;
- (ii) the Scheme Document contains advice to the effect that by voting for the Trust Scheme, CCT Unitholders are agreeing to the CMT Trustee, the CMT Manager and its concert parties acquiring CCT without having to make a general offer for CCT, and the Scheme Document discloses the names of the CMT Manager and its concert parties, their current voting rights in CCT and their voting rights in CCT after the Trust Scheme;
- (iii) the directors of the CCT Manager who are also directors or concert parties of the CMT Trustee, the CMT Manager and its concert parties abstain from making a recommendation on the Trust Scheme to CCT Unitholders;
- (iv) the CCT Manager appoints an independent financial adviser to advise the CCT Unitholders on the Trust Scheme;
- (v) the Trust Scheme is approved by a majority in number representing three-fourths in value of the CCT Units held by the CCT Unitholders present and voting either in person or by proxy at a meeting convened to approve the Trust Scheme;
- (vi) the CCT Trustee obtains Court approval for the Trust Scheme under Order 80 of the Rules of Court, Chapter 322, R 5 of Singapore; and

**9.2.2** it has no objections to the Conditions.

## **9.3 Rule 1309(1)(b) Waiver**

**9.3.1** An application was made to the SGX-ST to, amongst others, seek approval for a waiver to comply with Rule 1309(1)(b) of the Listing Manual, which requires a cash alternative be offered as a default alternative for delisting (the “**Rule 1309(1)(b) Waiver**”). The Rule 1309(1)(b) Waiver was sought for the following reasons:

- (i) CMT is listed on the Main Board of the SGX-ST and the Consideration Units will be listed on the SGX-ST. Accordingly, the Consideration Units are readily

tradable and the CCT Unitholders have the ability to exit their investment after the Merger if they wish to do so; and

- (ii) the Trust Scheme process provides sufficient safeguards for the CCT Unitholders:
  - (a) an independent financial adviser would be appointed to advise on the Trust Scheme, and their advice will be made known to CCT Unitholders in the Scheme Document;
  - (b) the Trust Scheme will require, amongst others, the approval of a majority in number of the CCT Unitholders representing at least 75% in value of the CCT Units present and voting in person or by proxy at the Trust Scheme Meeting; and
  - (c) assuming that the Trust Scheme is approved by the CCT Unitholders at the Trust Scheme Meeting, the Trust Scheme will still be subject to sanction by the Court.

**9.3.2** Under Rule 107 of the Listing Manual, the SGX-ST may grant a waiver from compliance with a listing rule (or part of a rule) subject to such conditions as it considers appropriate. If the SGX-ST waives a listing rule (or part of a rule) subject to a condition, the condition must be satisfied for the waiver to be effective. Where a waiver is granted, the issuer must announce the waiver, the reasons for seeking the waiver and the conditions, if any, upon which the waiver is granted as soon as practicable.

**9.3.3** The SGX-ST has advised that it has no objection to the application for the Rule 1309(1)(b) Waiver, subject to the following conditions:

- (i) CCT announcing the Rule 1309(1)(b) Waiver granted, the reasons for seeking the Rule 1309(1)(b) Waiver, the conditions as required under Rule 107 of the Listing Manual, and if the Rule 1309(1)(b) Waiver conditions have been satisfied. If the Rule 1309(1)(b) Waiver conditions have not been met on the date of this Joint Announcement, CCT must make an update announcement when the conditions have all been met;
- (ii) an unqualified opinion from an independent financial adviser that the financial terms of the Trust Scheme are fair and reasonable to the CCT Unitholders; and
- (iii) the Trust Scheme being effective.

#### **9.4 Exemption from Recommendation by Certain CCT Directors**

The SIC has also ruled that Mr Jonathan Yap Neng Tong and Mr Lim Cho Pin Andrew Geoffrey are exempted from the requirement to make a recommendation on the Trust Scheme to the CCT Unitholders as they face the following irreconcilable conflicts of interest:

**9.4.1** Mr Jonathan Yap Neng Tong is also President, CapitaLand Financial of CL as well as a director of a number of subsidiaries of CL, such as the CMT Manager and Ascendas Property Fund Trustee Pte. Ltd.; and

**9.4.2** Mr Lim Cho Pin Andrew Geoffrey is also the Group Chief Financial Officer of CL as well as a director of a number of subsidiaries of CL, such as Ascendas Funds Management (S) Limited, Ascott Residence Trust Management Limited, CapitaLand Retail China Trust Management Limited and CapitaLand Malaysia Mall REIT Management Sdn. Bhd..

## **9.5 CMT Extraordinary General Meeting**

An extraordinary general meeting of CMT (the “**CMT EGM**”) will also be convened to seek the approval of the CMT Unitholders for (i) the proposed amendments to the CMT Trust Deed to change the threshold for the issuance of new CMT Units exceeding the general mandate from extraordinary resolution to ordinary resolution (and such other amendments to the CMT Trust Deed as may be agreed between the CMT Manager, the CMT Trustee and the CCT Manager) (the “**CMT Trust Deed Amendments**”), (ii) the CMT Acquisition and (iii) the issue of the Consideration Units as consideration for the CMT Acquisition.

Further information on the approvals required from the CMT Unitholders, the Merger from the perspective of CMT are further described in the CMT Announcement.

## **9.6 Other Regulatory Approvals**

The Trust Scheme will also require other regulatory approvals, as described in **Schedule 2** to this Joint Announcement, from the Inland Revenue Authority of Singapore, the SGX-ST and the MAS.

## **10. Abstention from Voting on Trust Scheme Resolution**

In accordance with the SIC’s rulings as set out in **paragraph 9.2**, the CMT Trustee, the CMT Manager and its concert parties (including (i) CL and its directors, (ii) PIPL, (iii) ACPL and (iv) Premier), as well as the Common Substantial Unitholders will abstain from voting on the Trust Scheme. In addition, the CCT Manager will abstain from voting on the Trust Scheme pursuant to Rule 748(5) of the Listing Manual.

## **11. FINANCIAL ADVISERS**

### **11.1 Financial Adviser to CMT Manager**

J.P. Morgan (S.E.A.) Limited is the sole financial adviser to the CMT Manager in respect of the Merger.

### **11.2 Financial Adviser to CCT Manager**

Credit Suisse (Singapore) Limited (“**Credit Suisse**”) is the sole financial adviser to the CCT Manager in respect of the Merger.

### **11.3 Independent Financial Adviser to CMT**

Pursuant to Chapter 9 of the Listing Manual, the CMT Manager has appointed Australia and New Zealand Banking Group Limited, Singapore Branch as the independent financial adviser (the “**CMT IFA**”) to advise the audit committee of the CMT Manager, its directors who are considered independent for the purposes of the interested person transaction and interested

party transaction (the “**CMT Independent Directors**”) and the CMT Trustee as to whether the Merger is on normal commercial terms and is not prejudicial to the interests of CMT and its minority unitholders.

Full details of the CMT Acquisition, including the recommendation of the CMT Independent Directors along with the advice of the CMT IFA (the “**CMT IFA Letter**”), will be included in the circular to be issued by the CMT Manager to the CMT Unitholders (the “**CMT Circular**”).

#### **11.4 Independent Financial Adviser to CCT**

Deloitte & Touche Corporate Finance Pte Ltd has been appointed as the independent financial adviser (the “**CCT IFA**”) to advise the directors of the CCT Manager who are considered independent for the purposes of the Trust Scheme (the “**CCT Independent Directors**”) as to whether the financial terms of the Trust Scheme are fair and reasonable.

Full details of the Merger and the Trust Scheme, including the recommendation of the CCT Independent Directors along with the advice of the CCT IFA (the “**CCT IFA Letter**”), will be included in the Scheme Document.

## **12. OTHER INFORMATION**

### **12.1 Timeline**

An indicative timeline listing certain important dates and times relating to the Merger is set out in **Schedule 5**. A detailed timeline will be set out in the CMT Circular and the Scheme Document.

### **12.2 CMT Circular and Scheme Document**

- (a) The CMT Circular, containing full details of the Merger (including the recommendation of the CMT Independent Directors and the CMT IFA Letter) and giving notice of the CMT EGM in relation to the Merger will be despatched to the CMT Unitholders in due course.
- (b) The Scheme Document containing full details of the Merger and the Trust Scheme (including the recommendation of the CCT Independent Directors and the CCT IFA Letter) and giving notice of the CCT EGM and Court-convened meeting (the “**Trust Scheme Meeting**”) of CCT Unitholders in relation to the Merger will be despatched to the CCT Unitholders in due course.

**CMT Unitholders and CCT Unitholders are advised to refrain from taking any action in relation to the CMT Units and the CCT Units (as the case may be) which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the CMT Independent Directors and the CCT Independent Directors, as well as the CMT IFA Letter and the CCT IFA Letter (as the case may be).**

**Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

### 12.3 CMT 805 Auditors Opinion and CCT 805 Auditors Opinion

The Parties have agreed to instruct, in the case of CMT, PricewaterhouseCoopers LLP (the “**CMT 805 Auditors**”) and in the case of CCT, Ernst & Young LLP (the “**CCT 805 Auditors**”) to:

- (a) perform an audit, in accordance with the Singapore Standard on Auditing 805 (Revised) on Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement, on:
  - (i) in the case of the CMT 805 Auditors, the following line items in respect of the statements of financial position of the CCT Group, as reflected in the audited consolidated financial statements of the CCT Group for FY2019 (the “**CCT FY2019 Financial Statements**”) to be released in due course titled:
    - (1) “investment properties”; and
    - (2) “joint ventures” (only in respect of the amounts titled “investment properties”) as reflected in the notes to the CCT FY2019 Financial Statements(collectively, the “**CCT Relevant Line Items**”), including by, among other things, reviewing the valuation reports as at 31 December 2019 commissioned by the CCT Manager in respect of the CCT Properties; and
  - (ii) in the case of the CCT 805 Auditors, the following line items in respect of the statements of financial position of the CMT Group, as reflected in the audited consolidated financial statements of the CMT Group for FY2019 (the “**CMT FY2019 Financial Statements**”) to be released in due course titled:
    - (1) “investment properties”; and
    - (2) “associate and joint ventures” (only in respect of the amounts titled “investment properties” as reflected in the notes to the CMT FY2019 Financial Statements in relation to RCS Trust)(collectively, the “**CMT Relevant Line Items**”), including by, among other things, reviewing the valuation reports as at 31 December 2019 commissioned by the CMT Manager in respect of the CMT Properties;
- (b) deliver an audit opinion setting out its opinion as to whether the carrying value of, in the case of the CMT 805 Auditors, the CCT Relevant Line Items, as reflected in the CCT FY2019 Financial Statements, and, in the case of the CCT 805 Auditors, the CMT Relevant Line Items, as reflected in the CMT FY2019 Financial Statements, have been prepared, in all material respects, in accordance with the relevant accounting policies of the CMT Group and CCT Group (as the case may be) (respectively, the “**CMT 805 Auditors Opinion**” and “**CCT 805 Auditors Opinion**”).

The CMT Circular despatched to the CMT Unitholders will contain a copy of the CMT 805 Auditors Opinion and the Scheme Document despatched to the CCT Unitholders will contain a copy of the CCT 805 Auditors Opinion.

## 12.4 Overseas Unitholders

The applicability of the Trust Scheme to CCT Unitholders, whose addresses are outside Singapore, as shown on the Register of Unitholders of CCT, or as the case may be, in the records of The Central Depository (Pte) Limited (“**Overseas Unitholder**”), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Unitholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, the CCT Manager reserves the right not to send such documents to the CCT Unitholders in such overseas jurisdiction. For the avoidance of doubt, the Trust Scheme is being proposed to all the CCT Unitholders (including, in each case, the Overseas Unitholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Trust Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Trust Scheme would not be in compliance with the laws of such jurisdiction.

**Overseas Unitholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.**

Further details in relation to the Overseas Unitholders will be contained in the Scheme Document.

## 12.5 Disclosure of Interests

### ***CMT Relevant Parties in CCT Relevant Securities***

As at the Joint Announcement Date, based on the latest information available to the CMT Manager and save as disclosed in **Schedule 6, Parts 1 and 2**, none of (i) the CMT Manager, (ii) the CMT Directors, (iii) the CMT Trustee (in its capacity as trustee of CMT), (iv) CL, (v) the directors of CL, (vi) the CL Entities, (vii) the directors of the CL Entities and (viii) J.P. Morgan (S.E.A.) Limited (collectively, the “**CMT Relevant Parties**”):

- (a) owns, controls or has agreed to acquire any CCT Units, securities which carry voting rights in CCT or convertible securities, warrants, options or derivatives in respect of the CCT Units or securities which carry voting rights in CCT (collectively, “**CCT Relevant Securities**”); or
- (b) has dealt for value in any CCT Relevant Securities in the period commencing on 22 October 2019, being the date falling three months prior to the Joint Announcement Date and ending on the Joint Announcement Date (“**Relevant Period**”).

As at the Joint Announcement Date, based on the latest information available to the CMT Manager, none of the CMT Relevant Parties has:

- (i) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any CCT Relevant Securities or the securities of CCT which might be material to the Merger;

- (ii) received any irrevocable commitment to vote in favour of the Merger in respect of any CCT Relevant Securities;
- (iii) granted any security interest in respect of any CCT Relevant Securities in favour of any other person, whether through a charge, pledge or otherwise;
- (iv) borrowed any CCT Relevant Securities from any other person (excluding those which have been on-lent or sold); or
- (v) lent any CCT Relevant Securities to any other person.

***CMT Relevant Parties in CMT Relevant Securities***

As at the Joint Announcement Date, based on the latest information available to the CMT Manager and save as disclosed in **Schedule 6, Parts 3 and 4**, none of CMT Relevant Parties:

- (a) owns, controls or has agreed to acquire any CMT Units, securities which carry voting rights in CMT or convertible securities, warrants, options or derivatives in respect of the CMT Units or securities which carry voting rights in CMT ("**CMT Relevant Securities**"); or
- (b) has dealt for value in any CMT Relevant Securities in the Relevant Period.

***CCT Directors in CCT Units***

As at the Joint Announcement Date, based on the latest information available to the CCT Manager, the interests in the CCT Units held by the CCT Directors are disclosed in **Schedule 6, Part 5**.

**12.6 Confidentiality**

In the interests of confidentiality, the CMT Manager has not made enquiries prior to the Joint Announcement Date in respect of certain other parties who are or may be deemed to be acting in concert with the CMT Trustee and the CMT Manager in connection with the Merger pursuant to the Code. Similarly, J.P. Morgan (S.E.A.) Limited has not made any enquiries in respect of the other members of its group. Further enquiries will be made of such persons subsequent to this Joint Announcement and the relevant disclosures will be made in due course and in the CMT Circular.

**12.7 Document for Inspection**

Copies of the Implementation Agreement will be made available for inspection during normal business hours at the offices of:

- (a) the CMT Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912<sup>20</sup>; and

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<sup>20</sup> Prior appointment with the CMT Manager is required. Please contact CMT Investor Relations (Tel: +65 6713 3667).

(b) the CCT Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912<sup>21</sup>,  
in each case, from the Joint Announcement Date until (and including) the Effective Date.

### **13. RESPONSIBILITY STATEMENTS**

#### **13.1 CMT Manager**

The directors of the CMT Manager (including those who may have delegated detailed supervision of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Joint Announcement which relate to CMT and/or the CMT Manager (excluding those relating to CCT and/or the CCT Manager) are fair and accurate and that there are no other material facts not contained in this Joint Announcement the omission of which would make any statement in this Joint Announcement misleading. The directors of the CMT Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from CCT and/or the CCT Manager, the sole responsibility of the directors of the CMT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The directors of the CMT Manager do not accept any responsibility for any information relating to CCT and/or the CCT Manager or any opinion expressed by CCT and/or the CCT Manager.

#### **13.2 CCT Manager**

The directors of the CCT Manager (including those who may have delegated detailed supervision of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Joint Announcement which relate to CCT and/or the CCT Manager (excluding those relating to CMT and/or the CMT Manager) are fair and accurate and that there are no other material facts not contained in this Joint Announcement the omission of which would make any statement in this Joint Announcement misleading. The directors of the CCT Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from CMT and/or the CMT Manager, the sole responsibility of the directors of the CCT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The directors of the CCT Manager do not accept any responsibility for any information relating to CMT and/or the CMT Manager or any opinion expressed by CMT and/or the CMT Manager.

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<sup>21</sup> Prior appointment with the CCT Manager is required. Please contact CCT Investor Relations (Tel: +65 6713 2888).

By Order of the Board

**CAPITALAND MALL TRUST MANAGEMENT LIMITED**

(Company Registration No. 200106159R)  
As Manager of CapitaLand Mall Trust

By Order of the Board

**CAPITALAND COMMERCIAL TRUST MANAGEMENT LIMITED**

(Company Registration No. 200309059W)  
As Manager of CapitaLand Commercial Trust

22 January 2020

*Any queries relating to this Joint Announcement, the Merger or the Trust Scheme should be directed to one of the following:*

**CapitaLand Mall Trust Management Limited**

Ms Lo Mun Wah  
Vice President, Investor Relations  
Tel: +65 6713 3667  
Email: lo.munwah@capitaland.com

**CapitaLand Commercial Trust Management Limited**

Ms Ho Mei Peng  
Head, Investor Relations  
Tel: +65 6713 3668  
Email: ho.meipeng@capitaland.com

**J.P. Morgan (S.E.A.) Limited**

Tel: +65 6882 8139

**Credit Suisse (Singapore) Limited**

Tel: +65 6212 2000

## **IMPORTANT NOTICE**

The value of the CMT Units and the CCT Units and the income derived from them may fall as well as rise. The CMT Units and the CCT Units are not obligations of, deposits in, or guaranteed by, the CMT Manager or the CCT Manager (as the case may be) or any of their respective affiliates.

An investment in the CMT Units or the CCT Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the CMT Manager or the CCT Manager to redeem their CMT Units or CCT Units (as the case may be) while the CMT Units or the CCT Units (as the case may be) are listed. It is intended that CMT Unitholders and CCT Unitholders may only deal in their CMT Units and CCT Units (as the case may be) through trading on the SGX-ST. Listing of the CMT Units and CCT Units on the SGX-ST does not guarantee a liquid market for the CMT Units and CCT Units (as the case may be).

This Joint Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for CMT Units or CCT Units.

The past performance of CMT, the CMT Manager, CCT and the CCT Manager is not necessarily indicative of their respective future performances.

This Joint Announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. None of CMT, the CMT Manager, CCT and the CCT Manager undertakes any obligation to update publicly or revise any forward-looking statements.

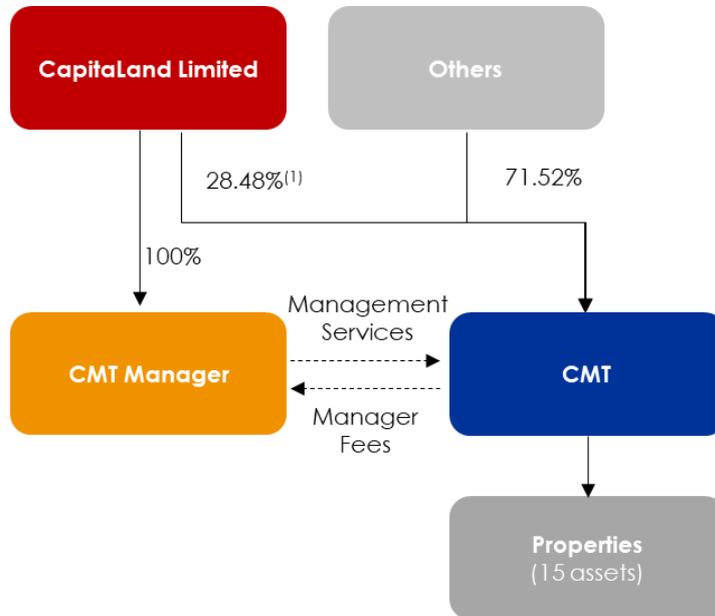
You are cautioned not to place undue reliance on these forward-looking statements, which are based on the CMT Manager and/or the CCT Manager current view on future events.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the CMT Manager and the CCT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The directors of the CMT Manager do not accept any responsibility for any information relating to CCT and/or the CCT Manager or any opinion expressed by CCT and/or the CCT Manager. The directors of the CCT Manager do not accept any responsibility for any information relating to CMT and/or the CMT Manager or any opinion expressed by CMT and/or the CMT Manager.

## Schedule 1 Current and Resultant Structures

### Structure as at the Joint Announcement Date

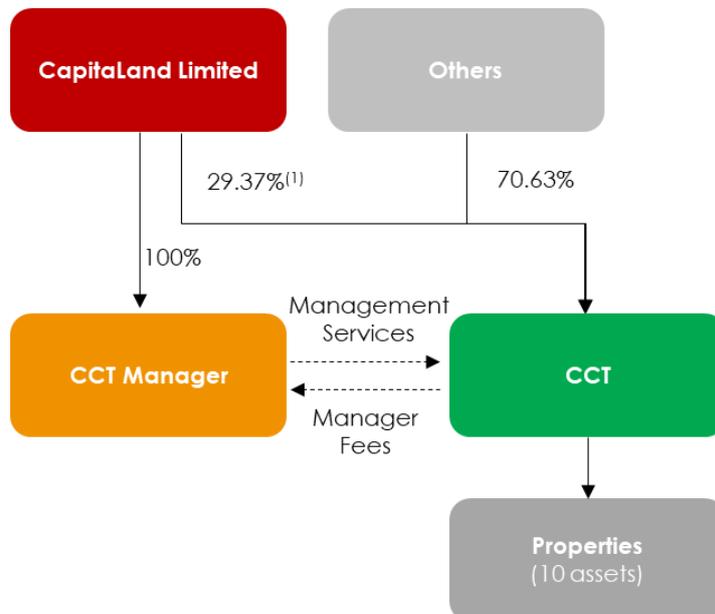
#### Current Structure of CMT



**Note:** As at 21 January 2020

(1) Through its wholly-owned subsidiaries, including the CMT Manager.

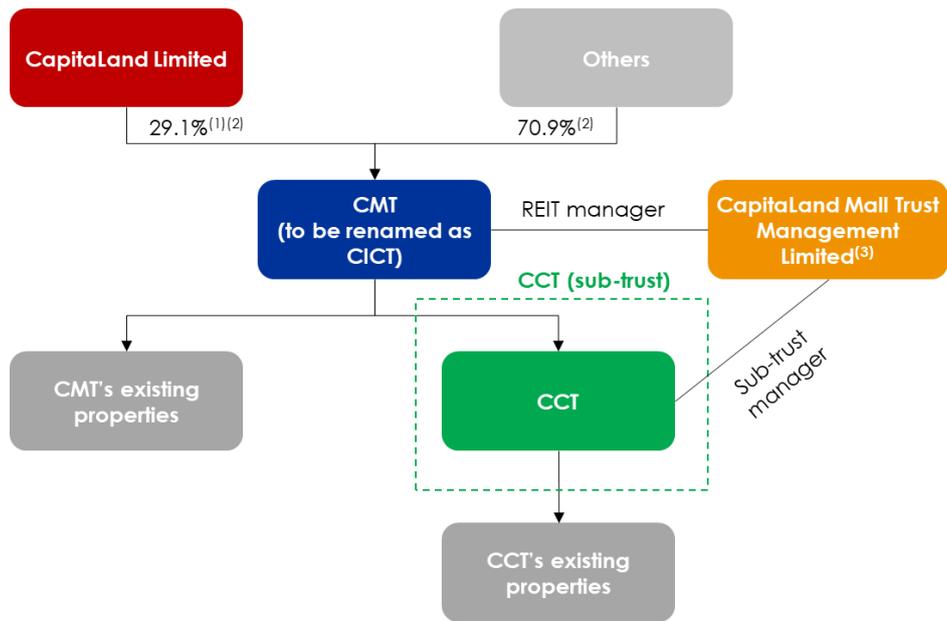
#### Current Structure of CCT



**Note:** As at 21 January 2020

(1) Through its wholly-owned subsidiaries, including the CCT Manager.

## Post-Merger Structure of CapitaLand Integrated Commercial Trust (“CICT”)



**Notes:** Simplified group structure for illustration only. Assuming completion of the Merger and the Trust Scheme.

(1) Through its wholly-owned subsidiaries, including the CMT Manager.

(2) Illustrative pro forma unitholding structure based on latest available information as at 21 January 2020.

(3) Wholly-owned subsidiary of CapitaLand Limited.

## Schedule 2 Conditions

### 1. Unitholders' Approvals

The following approvals set out in Column (1) from the CMT Unitholders and the CCT Unitholders (as the case may be) having been obtained, based on the approval threshold set out in Column (2), and such approvals not having been cancelled, revoked, withdrawn or expired, on or prior to the Relevant Date:

No.	Column (1) – Approval	Column (2) – Approval Threshold
<b>CMT Unitholders</b>		
(i)	The approval by the CMT Unitholders to amend the CMT Trust Deed to reflect the CMT Trust Deed Amendments at the CMT EGM.	Not less than 75% of the total number of votes held by the CMT Unitholders present and voting either in person or by proxy cast for and against this resolution.
(ii)	Subject to the resolutions in <b>paragraph 1(i)</b> and <b>paragraph 1(iii)</b> of this <b>Schedule 2</b> having been approved, the approval by the CMT Unitholders for the CMT Acquisition at the CMT EGM.	More than 50% of the CMT Unitholders present and voting either in person or by proxy cast for and against this resolution.
(iii)	Subject to the resolutions in <b>paragraph 1(i)</b> and <b>paragraph 1(ii)</b> of this <b>Schedule 2</b> having been approved, the approval by the CMT Unitholders for the issuance of the Consideration Units as part of the consideration for the Merger, at the CMT EGM.	More than 50% of the CMT Unitholders present and voting either in person or by proxy cast for and against this resolution.
<b>CCT Unitholders</b>		
(iv)	The approval by the CCT Unitholders to amend the CCT Trust Deed to reflect the CCT Trust Deed Amendments at the CCT EGM.	Not less than 75% of the total number of votes held by the CCT Unitholders present and voting either in person or by proxy cast for and against this resolution.
(v)	Subject to the resolution in <b>paragraph 1(iv)</b> of this <b>Schedule 2</b> being approved, the approval by the CCT Unitholders for the Trust Scheme at the Trust Scheme Meeting.	A majority in number of the CCT Unitholders representing at least 75% in value of the CCT Units held by the CCT Unitholders present and voting either in person or by proxy cast for and against this resolution.

## 2. Regulatory Approvals

The following regulatory approvals having been obtained, and such approvals not having been cancelled, revoked, withdrawn or expired, on or prior to the Relevant Date:

- (a) confirmations or exemptions from the MAS, that:
  - (i)
    - (1) the Merger will not require two independent valuations of the real estate assets of CCT, with one of the valuers commissioned independently by the CMT Trustee; and
    - (2) the consideration to be paid by the CMT Trustee to the CCT Unitholders need not be at a price not more than the higher of the assessed values of the real estate assets of CCT undertaken by each of the two independent valuers;
  - (ii) in the event the Merger is implemented, the MAS would have no objection to the withdrawal of the authorisation of CCT as an authorised collective investment scheme, and CCT as a private sub-trust would no longer be subject to the requirements governing collective investment schemes;
  - (iii) in the event the authorisation of CCT as an authorised collective investment scheme is withdrawn pursuant to Section 337 of the SFA, the MAS would have no objections to granting CCT an exemption from Section 295(2) of the SFA; and
  - (iv) the MAS would grant an exemption from compliance with the requirements set out in Subdivision (3) of Division 2 (Collective Investment Schemes) of Part XIII (Offers of Investments) of the SFA, which relates to prospectus requirements, for the purposes of the Trust Scheme;
- (b) confirmations from the SIC, that:
  - (i) Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code do not apply to the Trust Scheme, subject to any conditions that the SIC may deem fit to impose; and
  - (ii) the SIC has no objections to the Conditions;
- (c) the grant of the Trust Scheme Court Order by the Court;
- (d) the approval-in-principle from the SGX-ST for:
  - (i) the CMT Circular;
  - (ii) the Scheme Document;
  - (iii) the proposed delisting of CCT from the SGX-ST after the Trust Scheme becomes effective and binding in accordance with its terms; and

- (iv) the listing and quotation of the Consideration Units.

### 3. Tax Approvals

The following approvals from the following tax authorities, and such approvals not having been cancelled, revoked, withdrawn or expired, on or prior to the Relevant Date:

- (a) confirmation from the Inland Revenue Authority of Singapore (Comptroller of Stamp Duties) that stamp duty is not chargeable on the transfer of the CCT Units to CMT, and confirmation from the Inland Revenue Authority of Singapore (Comptroller of Income Tax) that CCT will be an approved sub-trust and enjoy tax transparency;
- (b)
  - (i) confirmation from the Inland Revenue Authority of Singapore (Comptroller of Stamp Duties) that stamp duty is not chargeable on the Sub-Trust Transfers;
  - (ii) confirmations from the Inland Revenue Authority of Singapore (Comptroller of Income Tax) that each of the Relevant Sub-Trusts will be an approved sub-trust and enjoy tax transparency; and
  - (iii) an advance tax ruling from the Inland Revenue Authority of Singapore (Comptroller of Income Tax) that the Sub-Trust Transfers will not give rise to income tax liability for CCT.

### 4. No Legal or Regulatory Restraint

Between the date of the Implementation Agreement and up to the Relevant Date (both inclusive), there having been no decree, determination, injunction, judgment or other order (in each case, whether temporary, preliminary or permanent) issued by any court of competent jurisdiction or by any Governmental Authority which has the effect of enjoining, restraining or otherwise prohibiting the Merger, the Trust Scheme or any part thereof, and which remains in force and effect as at the Relevant Date.

Where “**Governmental Authority**” means any supranational, national, federal, state, municipal or local court, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity, or other governmental, semi-governmental or quasi-governmental entity or authority, or any securities exchange, wherever located.

### 5. No Prescribed Occurrence

- (a) Between the date of the Implementation Agreement and up to the Relevant Date (both inclusive), there having been no CMT Prescribed Occurrence in relation to the CMT Group, other than as required or contemplated by the Implementation Agreement, the Merger, the CMT Acquisition or the Trust Scheme or save to the extent disclosed.
- (b) Between the date of the Implementation Agreement and up to the Relevant Date (both inclusive), there having been no CCT Prescribed Occurrence in relation to the CCT Group, other than as required or contemplated by the Implementation Agreement, the Merger, the CMT Acquisition or the Trust Scheme or save to the extent disclosed.

## 6. No Breach of Warranties

- (a) With respect to CMT, there having been no breach of the CMT Warranties which are material in the context of the Merger as at the date of the Implementation Agreement and as at the Relevant Date (as though made on and as at that date), except to the extent any such warranty expressly relates to an earlier date (in which case, as of such earlier date).
- (b) With respect to CCT, there having been no breach of the CCT Warranties which are material in the context of the Merger as at the date of the Implementation Agreement and as at the Relevant Date (as though made on and as at that date), except to the extent any such warranty expressly relates to an earlier date (in which case, as of such earlier date).

## 7. No Material Adverse Effect

- (a) There having been no occurrence of any CMT Material Adverse Effect from the date of the Implementation Agreement up to the Relevant Date (both inclusive).

Where “**CMT Material Adverse Effect**” means any one or more fact, matter, event, circumstance, condition, effect, occurrence or change which, whether individually or in the aggregate, has or have the effect of causing a diminution in the consolidated net tangible assets of the CMT Group by more than S\$0.8 billion, being 10% of the consolidated net tangible assets of the CMT Group as at 31 December 2019. For the avoidance of doubt, none of the distributions which have been paid to the CMT Unitholders prior to the date of the Implementation Agreement or the CMT Permitted Distributions shall be taken into account in determining if there has been a CMT Material Adverse Effect;

- (b) There having been no occurrence of any CCT Material Adverse Effect from the date of the Implementation Agreement up to the Relevant Date (both inclusive).

Where “**CCT Material Adverse Effect**” means any one or more fact, matter, event, circumstance, condition, effect, occurrence or change which, whether individually or in the aggregate, has or have the effect of causing a diminution in the consolidated net tangible assets of the CCT Group by more than S\$0.7 billion, being 10% of the consolidated net tangible assets of the CCT Group as at 31 December 2019. For the avoidance of doubt, none of the distributions which have been paid to the CCT Unitholders prior to the date of the Implementation Agreement or the CCT Permitted Distributions shall be taken into account in determining if there has been a CCT Material Adverse Effect.

## 8. Authorisations and Consents

In addition to the approvals set out in **paragraphs 2 and 3** of this **Schedule 2**, the receipt of all authorisations, consents, clearances, permissions and approvals as are necessary or required by any and all Parties under any and all applicable laws, from all Governmental Authorities (as defined in **paragraph 4** of this **Schedule 2**), for or in respect of the implementation of the Trust Scheme and the transactions contemplated under the Implementation Agreement.

## 9. Third Parties

The receipt of all authorisations, consents, waivers, clearances, permissions and approvals as are necessary or required by CCT from the Third Parties, for or in respect of the implementation of the Trust Scheme and/or the Merger.

Where, for the purpose of this **paragraph 9 of Schedule 2**:

“**CCT Group**” means CCT and its subsidiaries, and any trusts and limited liability partnerships in which CCT and/or its subsidiaries hold an interest (excluding any trusts listed on a stock exchange), each entity in the CCT Group shall be referred to as a “**CCT Group Entity**”, and “**CCT Group**” and “**CCT Group Entity**” shall be construed accordingly; and

“**Third Parties**” means certain financial institutions which have extended banking or credit facilities to any CCT Group Entity or have entered into derivative arrangements with any CCT Group Entity or otherwise have financial arrangements with any CCT Group Entity.

## **Schedule 3**

### **Prescribed Occurrences**

#### **Part 1 Prescribed Occurrences with respect to CMT**

**1. Amendment of Trust Deeds**

The CMT Manager making any amendment to the CMT Trust Deed, save for the amendments necessary, required or desirable to facilitate the implementation of, or to give effect to, the Merger, or the CMT Acquisition and the transactions contemplated by the Implementation Agreement or any other matter as may be agreed between the Parties.

**2. Conversion of CMT Units**

The CMT Trustee sub-dividing or consolidating any or all of the CMT Units into a larger or smaller number of CMT Units.

**3. Issuance of Units or Shares**

The CMT Trustee (or any CMT Group Entity) allotting or issuing, or granting an option to subscribe for, any CMT Units, shares, units or equity securities of any CMT Group Entity, or securities convertible into CMT Units or into such shares, units or equity securities, save for any issuance of CMT Units to the CMT Manager as payment of fees (including base management fees, performance management fees and, if any, acquisition or divestment fees), as consistent with its usual policy of electing to receive CMT Units in line with past practice.

**4. Securities Buy-back**

The CMT Trustee (or any CMT Group Entity):

- (a) entering into a securities buy-back or repurchase agreement;
- (b) resolving to approve the terms of a securities buy-back or repurchase agreement under the relevant securities legislation or the CMT Trust Deed (save for any unit buy-back mandate that may be approved at the annual general meeting of CMT); or
- (c) buying-back or repurchasing any issued CMT Units.

**5. Distributions**

The CMT Manager declaring, making or paying any distribution to the CMT Unitholders, except for the CMT Permitted Distributions.

**6. Borrowings, Indebtedness**

The CMT Trustee (or any CMT Group Entity) incurring any additional borrowings or indebtedness, including by way of the issuance of bonds, notes or other debt securities (whether or not convertible or exchangeable into units and whether or not accounted as equity), save for:

- (a) any securities issued pursuant to the CMT Programmes or any securities issued for the purposes of refinancing or funding the redemption of any securities issued pursuant to the CMT Programmes;
- (b) drawdowns on existing debt facilities (including under the CMT Programmes);
- (c) the refinancing of any debt obligations prior to their due date;
- (d) any borrowing or indebtedness incurred to finance the Scheme Consideration, or to fund any capital expenditure permitted in **paragraph 9** of this **Schedule 3, Part 1** or any acquisition permitted in **paragraph 10** of this **Schedule 3, Part 1**; or
- (e) any borrowing or indebtedness incurred in relation to working capital requirements not exceeding S\$100.0 million.

## **7. Guarantees, Indemnities**

The CMT Trustee (or any CMT Group Entity) shall not:

- (a) enter into any guarantee, indemnity or other arrangement to secure any obligation of any Person (other than a CMT Group Entity); or
- (b) create any Encumbrance over any of CMT (or any CMT Group Entity)'s assets or undertakings,

in each case, save in the ordinary course of business or in respect of any borrowings or indebtedness permitted in **paragraph 6** of this **Schedule 3, Part 1**.

## **8. Hedging**

The CMT Trustee (or any CMT Group Entity) entering into any material hedging and other derivative or off-balance sheet transactions, save with respect to any cash-flow hedging for an underlying exposure which is permitted in **paragraph 6** of this **Schedule 3, Part 1**.

## **9. Capital expenditure**

The CMT Trustee (or any CMT Group Entity) making or incurring any capital expenditure, save for:

- (a) any CMT Approved Capex, less any and all capital expenditure incurred or committed from 1 January 2020 until (and including) the date of the Implementation Agreement; and
- (b) any capital expenditure arising from or relating to cases of emergency.

## **10. Acquisitions and Disposals**

The CMT Trustee (or any CMT Group Entity):

- (c) entering into, undertaking or completing any Material Acquisition;
- (d) entering into, undertaking or completing any Material Disposal; or

- (e) creating any Encumbrance over or granting any rights or easements over any CMT Property.

## **11. Real Property**

In relation to the CMT Properties, the CMT Trustee (or any CMT Group Entity):

- (a) applying for any planning permission or sub-division of any CMT Property, or implementing any planning permission or sub-division of any CMT Property already obtained but not implemented, in each case which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the CMT Group, taken as a whole (save in respect of any CMT Approved Capex or any CMT New Capex);
- (b) carrying out any alteration or addition to any CMT Property which has not been approved or budgeted for as at the date of the Implementation Agreement, save for any fitting out works carried out by an Occupier pursuant to an Occupation Agreement, in each case which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the CMT Group, taken as a whole (save in respect of any CMT New Capex);
- (c) effecting any change of use of any CMT Property which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the CMT Group, taken as a whole;
- (d) amending, modifying or varying any Title Document in each case, except as will not have a material adverse effect on the business, operations, assets or financial condition of the CMT Group, taken as a whole; or
- (e) releasing the lessor, grantor or issuer under any Title Document(s) from any of its obligations, failing to exercise any rights or powers of termination under any Title Document(s) or waiving any breaches of any Title Document(s), in each case, in any material respect.

## **12. Investigations**

If CMT (or any CMT Group Entity), the CMT Trustee or the CMT Manager or any of their respective directors is the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation or Proceeding.

## **13. Proceedings**

The CMT Trustee or the CMT Manager (or any CMT Group Entity) initiating, compromising, settling or making any offer to compromise, settle or pay any claim, legal action or Proceeding in excess of S\$2.0 million (or its equivalent in other currencies) individually or in the aggregate with any and all other claims, legal actions or Proceedings, save in the ordinary course of business.

**14. Cessation of Business**

CMT (or any CMT Group Entity) ceases or threatens to cease for any reason to carry on business in the ordinary and usual course.

**15. Amend Accounting Policies**

CMT (or any CMT Group Entity) making any change to its accounting practices or policies (save for changes in accordance with FRS or RAP 7, as applicable).

**16. Resolution for Winding Up**

Any resolution that CMT (or any CMT Group Entity) be Wound-up, save with respect to any CMT Group Entity that is dormant.

**17. Appointment of Liquidator and Judicial Manager**

The appointment of a liquidator, provisional liquidator, judicial manager or provisional judicial manager of CMT (or any CMT Group Entity).

**18. Order of Court for Winding-Up**

The making of an order by a court of competent jurisdiction for CMT (or any CMT Group Entity) to be Wound-up.

**19. Composition**

Entering into any arrangement or general assignment or composition for the benefit of the creditors generally of CMT (or any CMT Group Entity).

**20. Appointment of Receiver**

The appointment of a receiver or a receiver and manager in relation to the property or assets of CMT (or any CMT Group Entity).

**21. Insolvency**

CMT (or any CMT Group Entity) becoming or being deemed by applicable laws to be insolvent, or stops or suspends or defaults on or threatens to stop or suspend or default on, payment of its debts.

**22. Analogous Event**

Any event occurs which, under the laws of any applicable jurisdiction, has an analogous or equivalent effect to any of the foregoing events, or any agreement or commitment by any CMT Group Entity to do any of the foregoing.

## **Part 2 Prescribed Occurrences with respect to CCT**

### **1. Amendment of Trust Deeds**

The CCT Manager making any amendment to the CCT Trust Deed, save for amendments necessary, required or desirable to facilitate the implementation of, or to give effect to, the Merger or the Trust Scheme and the transactions contemplated by the Implementation Agreement or any other matter as may be agreed between the Parties.

### **2. Conversion of CCT Units**

The CCT Trustee sub-dividing or consolidating any or all of the CCT Units into a larger or smaller number of CCT Units.

### **3. Issuance of Units or Shares**

The CCT Trustee (or any CCT Group Entity) allotting or issuing, or granting an option to subscribe for, any CCT Units, shares, units or equity securities of any CCT Group Entity, or securities convertible into CCT Units or into such shares, units or equity securities, save for any issuance of CCT Units to the CCT Manager as payment of fees (including base management fees, performance management fees and, if any, acquisition or divestment fees), as consistent with its usual policy of electing to receive CCT Units in line with past practice.

### **4. Securities Buy-back**

The CCT Trustee (or any CCT Group Entity):

- (a) entering into a securities buy-back or repurchase agreement;
- (b) resolving to approve the terms of a securities buy-back or repurchase agreement under the relevant securities legislation or the CCT Trust Deed (save for any unit buy-back mandate that may be approved at the annual general meeting of CCT); or
- (c) buying-back or repurchasing any issued CCT Units.

### **5. Distributions**

The CCT Manager declaring, making or paying any distribution to the CCT Unitholders, except for the CCT Permitted Distributions.

### **6. Borrowings, Indebtedness**

The CCT Trustee (or any CCT Group Entity) incurring any additional borrowings or indebtedness, including by way of the issuance of bonds, notes or other debt securities (whether or not convertible or exchangeable into units and whether or not accounted as equity), save for:

- (a) any securities issued pursuant to the CCT Programmes or any securities issued for the purposes of refinancing or funding the redemption of any securities issued pursuant to the CCT Programmes;
- (b) drawdowns on existing debt facilities (including under the CCT Programmes);

- (c) the refinancing of any debt obligations prior to their due date;
- (d) any borrowing or indebtedness incurred to fund any capital expenditure permitted in **paragraph 9** of this **Schedule 3, Part 2** or any acquisition permitted in paragraph 10 of this **Schedule 3, Part 2**; and
- (e) any borrowing or indebtedness incurred in relation to working capital requirements not exceeding S\$100.0 million.

## **7. Guarantees, Indemnities**

The CCT Trustee (or any CCT Group Entity) shall not:

- (a) enter into any guarantee, indemnity or other arrangement to secure any obligation of any Person (other than a CCT Group Entity); or
- (b) create any Encumbrance over any of CCT (or any CCT Group Entity)'s assets or undertakings,

in each case save in the ordinary course of business or in respect of any borrowings or indebtedness permitted in paragraph 6 of this **Schedule 3, Part 2**.

## **8. Hedging**

The CCT Trustee (or any CCT Group Entity) entering into any material hedging and other derivative or off-balance sheet transactions, save with respect to any cash-flow hedging for an underlying exposure which is permitted in paragraph 6 of this **Schedule 3, Part 2**.

## **9. Capital expenditure**

The CCT Trustee (or any CCT Group Entity) making or incurring any capital expenditure, save for:

- (a) any CCT Approved Capex, less any and all capital expenditure incurred or committed from 1 January 2020 until (and including) the date of the Implementation Agreement; and
- (b) any capital expenditure arising from or relating to cases of emergency.

## **10. Acquisitions and Disposals**

The CCT Trustee (or any CCT Group Entity):

- (a) entering into, undertaking or completing any Material Acquisition;
- (b) entering into, undertaking or completing any Material Disposal; or
- (c) creating any Encumbrance over or granting any rights or easements over any CCT Property.

## **11. Real Property**

In relation to the CCT Properties, the CCT Trustee (or any CCT Group Entity):

- (a) applying for any planning permission or sub-division of any CCT Property, or implementing any planning permission or sub-division of any CCT Property already obtained but not implemented, in each case which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the CCT Group, taken as a whole (save in respect of any CCT Approved Capex or any CCT New Capex);
- (b) carrying out any alteration or addition to any CCT Property which has not been approved or budgeted for as at the date of the Implementation Agreement, save for any fitting out works carried out by an Occupier pursuant to an Occupation Agreement, in each case which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the CCT Group taken as a whole (save in respect of any CCT New Capex);
- (c) effecting any change of use of any CCT Property which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the CCT Group, taken as a whole;
- (d) amending, modifying or varying any Title Document in each case, except as will not have a material adverse effect on the business, operations, assets or financial condition of the CCT Group, taken as a whole; or
- (e) releasing the lessor, grantor or issuer under any Title Document(s) from any of its obligations, failing to exercise any rights or powers of termination under any Title Document(s) or waiving any breaches of any Title Document(s), in each case, in any material respect.

## **12. Investigations**

If CCT (or any CCT Group Entity), the CCT Trustee or the CCT Manager or any of their respective directors is the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation or Proceeding.

## **13. Proceedings**

The CCT Trustee or the CCT Manager (or any CCT Group Entity) initiating, compromising, settling or making any offer to compromise, settle or pay any claim, legal action or Proceeding in excess of S\$2.0 million (or its equivalent in other currencies) individually or in the aggregate with any and all other claims, legal actions or Proceedings, save in the ordinary course of business.

## **14. Cessation of Business**

CCT (or any CCT Group Entity) ceases or threatens to cease for any reason to carry on business in the ordinary and usual course.

**15. Amend Accounting Policies**

CCT (or any CCT Group Entity) making any change to its accounting practices or policies (save for changes in accordance with FRS or RAP 7, as applicable).

**16. Resolution for Winding Up**

Any resolution that CCT (or any CCT Group Entity) be Wound-up, save with respect to any CCT Group Entity that is dormant.

**17. Appointment of Liquidator and Judicial Manager**

The appointment of a liquidator, provisional liquidator, judicial manager or provisional judicial manager of CCT (or any CCT Group Entity).

**18. Order of Court for Winding-Up**

The making of an order by a court of competent jurisdiction for CCT (or any CCT Group Entity) to be Wound-up.

**19. Composition**

Entering into any arrangement or general assignment or composition for the benefit of the creditors generally of CCT (or any CCT Group Entity).

**20. Appointment of Receiver**

The appointment of a receiver or a receiver and manager in relation to the property or assets of CCT (or any CCT Group Entity).

**21. Insolvency**

CCT (or any CCT Group Entity) becoming or being deemed by applicable laws to be insolvent, or stops or suspends or defaults on or threatens to stop or suspend or default on, payment of its debts.

**22. Analogous Event**

Any event occurs which, under the laws of any applicable jurisdiction, has an analogous or equivalent effect to any of the foregoing events, or any agreement or commitment by any CCT Group Entity to do any of the foregoing.

**Part 3 Definitions**

In this **Schedule 3**, unless the context otherwise requires:

“**CCT Approved Capex**” means:

- (a) any capital expenditure; or
- (b) any alteration or addition to any CCT Property,

which has been approved and budgeted for as at the date of the Implementation Agreement, and which does not exceed S\$100.0 million (or its equivalent in other currencies) in the aggregate;

**“CCT New Capex”** means:

- (a) any capital expenditure; or
- (b) any alteration or addition to any CCT Property,

which has not been approved and budgeted for as at the date of the Implementation Agreement, and which does not exceed S\$100.0 million (or its equivalent in other currencies) in the aggregate. For the avoidance of doubt, any such capital expenditure or alteration or addition is subject to any internal approvals of CCT as may be necessary;

**“CCT Properties”** means the properties listed in the announcement titled “Asset Valuation” released by the CCT Group on SGXNET on 22 January 2020, and **“CCT Property”** means any one of them;

**“CMT Approved Capex”** means:

- (c) any capital expenditure; or
- (d) any alteration or addition to any CMT Property,

which has been approved and budgeted for as at the date of the Implementation Agreement, and which does not exceed S\$100.0 million (or its equivalent in other currencies) in the aggregate;

**“CMT New Capex”** means:

- (e) any capital expenditure; or
- (f) any alteration or addition to any CMT Property,

which has not been approved and budgeted for as at the date of the Implementation Agreement, and which does not exceed S\$100.0 million (or its equivalent in other currencies) in the aggregate. For the avoidance of doubt, any such capital expenditure or alteration or addition is subject to any internal approvals of CMT as may be necessary;

**“CMT Properties”** means the properties listed in the announcements titled “Asset Valuation” released by the CMT Group on SGXNET on 22 January 2020, and **“CMT Property”** means any one of them;

**“Encumbrances”** means, with respect to any asset or real property:

- (a) any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title, or security interest of any kind over and in respect of such asset or real property; and
- (b) any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property,

and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing;

“**FRS**” means the Singapore Financial Reporting Standards;

“**Material Acquisition**” means any acquisition of any real property, assets or securities in any entity, partnership or trust for an aggregate consideration which, individually or when aggregated any and all other related acquisitions on or after the date of the Implementation Agreement, exceeds:

- (a) in the case of any acquisition by any CMT Group Entity, S\$1.3 billion (or its equivalent in other currencies), being 10% of the sum of the market capitalisation and the consolidated debt of the CMT Group as at 31 December 2019; and
- (b) in the case of any acquisition by any CCT Group Entity, S\$1.0 billion (or its equivalent in other currencies), being 10% of the sum of the market capitalisation and the consolidated debt of the CCT Group as at 31 December 2019,

it being understood that the “**aggregate consideration**” for an acquisition of:

- (i) any real property or assets shall be the aggregate amount payable for such real property or assets (including, without double counting, the net debt which are assumed by the relevant purchaser in connection with such acquisition as at the date on which the binding acquisition agreement is entered into); and
- (ii) any securities in any entity, partnership or trust shall be the sum of:
  - (1) the amount payable for such securities; and
  - (2) the net debt of such entity, partnership or trust as at the date on which the binding acquisition agreement is entered into, multiplied by a fraction the numerator of which is the number of securities purchased and the denominator of which is the number of securities of the same class outstanding as at such date of signing;

“**Material Disposal**” means any sale, conveyance, transfer, assumption or disposal (“**disposal**”) of any real property, assets or securities in any entity, partnership or trust:

- (a) in the case of any disposal by any CMT Group Entity, the carrying value of which in the CMT FY2019 Unaudited Accounts, individually or when aggregated with the carrying value of other real property, assets or securities in the CMT FY2019 Unaudited Accounts disposed of in any and all other related disposals on or after the date of the Implementation Agreement, exceeds S\$0.6 billion (or its equivalent in other currencies), being 5% of the consolidated total assets of the CMT Group as 31 December 2019; and
- (b) in the case of any disposal by any CCT Group Entity, the carrying value of which in the CCT FY2019 Unaudited Accounts, individually or when aggregated with the carrying value of other real property, assets or securities in the CCT FY2019 Unaudited Accounts disposed of in any and all other related disposals on or after the date of the Implementation Agreement, exceeds S\$0.5 billion (or its equivalent in other currencies), being 5% of the consolidated total assets of the CCT Group as at 31 December 2019.

**“Occupation Agreements”** means all accepted letters of offer, leases, tenancies, letting arrangements, options for renewals, occupation agreements and licences and any other agreements or options of whatever kind (including any side letters or variations relating thereto, if any) in relation to the use, occupation or possession of the CMT Properties or any part(s) thereof or the CCT Properties or any part(s) thereof, as the case may be, and **“Occupation Agreement”** means any one of them;

**“Occupiers”** means the tenants or licensees under the Occupation Agreements, and **“Occupier”** means any one of them;

**“Person”** means any individual, company, corporation, general partnership, limited partnership, trust or other entity, organisation or unincorporated association, wherever constituted or located and whether or not having separate legal personality, including any Governmental Authority;

**“Proceeding”** means any action, claim, demand, appeal, litigation, arbitration or dispute resolution proceeding, or any disciplinary or enforcement proceeding, in any jurisdiction;

**“RAP 7”** means the Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts“; **“Title Documents”** means documents of title (including land grants, leases, building agreements and agreements to lease) relating to the CMT Properties or the CCT Properties, as the case may be, and **“Title Document”** means any of such documents; and

**“Winding-up”** means, in relation to any Person, the bankruptcy, winding-up, liquidation, dissolution or striking-off of that Person or such other analogous process under applicable Laws as will result in that Person ceasing to exist (other than pursuant to a merger, amalgamation or similar process), and **“Wind-up”** and **“Wound-up”** shall be construed accordingly.

**Schedule 4**  
**Break Fee and Reverse Break Fee**

**1. Break Fee and Reverse Break Fee Triggers**

**1.1** Subject to **paragraphs 2 and 3** of this **Schedule 4**, the CCT Trustee has to pay the Break Fee to the CMT Trustee (without withholding or set-off):

**1.1.1** if there is a CCT Superior Competing Offer and the CCT Superior Competing Offer becomes or is declared effective or unconditional (in all respects) and/or is completed (or the equivalent in respect of any of the foregoing); or

**1.1.2** if the CMT Trustee or the CMT Manager terminates the Implementation Agreement pursuant to **paragraph 8.2.2(ii)** above in relation to **paragraph 5(b) or 6(b) of Schedule 2**, or **paragraph 8.2.3(iii)**.

**1.2** Subject to **paragraphs 2 and 3** of this **Schedule 4**, the CMT Trustee has agreed to pay the Reverse Break Fee to (in aggregate) the CCT Trustee (without withholding or set-off) if the CCT Trustee or the CCT Manager terminates the Implementation Agreement pursuant to **paragraph 8.2.2(i)** above in relation to **paragraph 5(a) or 6(a) of Schedule 2**, or **paragraph 8.2.3(ii)**.

**1.3 Definitions**

**1.3.1** “**CCT Competing Offer**” means any expression of interest, offer or proposal by any Person, acting together with its concert parties, other than the CMT Trustee or the CMT Manager involving:

(i) a sale, conveyance, transfer, assumption or other disposal of any direct or indirect interest in some or all of the CCT Units exceeding 5% of all the CCT Units, whether in a single transaction or series of related transactions;

(ii) an allotment or issuance of the CCT Units or securities in any CCT Group Entity (or Convertible Securities in respect of such CCT Units or securities) in each case exceeding 5% of all the CCT Units or such securities, as the case may be, immediately after such allotment or issuance, whether in a single transaction or series of related transactions;

(iii) a Material Disposal of any real property, assets or securities in any CCT Group Entity (save for the CCT Units);

(iv) an offer (whether partial or otherwise) for the CCT Units;

(v) a scheme of arrangement involving CCT or any CCT Group Entity or the merger of CCT or any CCT Group Entity with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure, stapling or otherwise) provided that, in the case of any CCT Group Entity (other than CCT), such scheme of arrangement or merger is material to the CCT Group (taken as a whole);

(vi) any agreement or other arrangement intended to achieve or having an effect similar to any of (i) to (iv); or

- (vii) a transaction or series of related transactions which would, or is reasonably likely to, preclude, restrict or frustrate, or delay or impede, the Merger or the Trust Scheme; and

1.3.2 “**CCT Superior Competing Offer**” means a *bona fide* CCT Competing Offer that the CCT Independent Directors, acting in good faith and after taking advice from their legal and financial advisers, determine is:

- (i) of a higher financial value and more favourable to the CCT Unitholders than the Trust Scheme or if the Switch Option is exercised by the CMT Trustee, such final offer made by the CMT Trustee; and
- (ii) reasonably capable of being completed, including its conditions,

in each case, taking into account all aspects of such CCT Competing Offer.

## 2. Trust Scheme Being Effective

Notwithstanding the occurrence of any event in **paragraph 1** of this **Schedule 4**, if the Trust Scheme becomes effective, no Break Fee or Reverse Break Fee shall be payable under **paragraph 1** of this **Schedule 4**.

## 3. Compliance with Applicable Laws

If it is finally determined following the exhaustion of all reasonable avenues of appeal to a Court or the SIC that all or any part of the Break Fee or the Reverse Break Fee would, if paid, be unlawful for any reason, or involves a breach of the fiduciary or statutory duties of the CMT Directors or the CCT Directors, as the case may be, then (a) the requirement to pay the Break Fee or the Reverse Break Fee, as the case may be, shall not apply to the extent of such amount and (b) if the relevant recipient of the Break Fee or the Reverse Break Fee, as the case may be, has received such amount, such amount shall be refunded in full and in cash by such recipient to such payor within five business days of such determination having been made.

## Schedule 5 Indicative Timeline

All dates and times referred to below are to Singapore dates and times. The timeline below is indicative only and subject to change. Please refer to future SGXNET announcement(s) by the CMT Manager and/or the CCT Manager for the exact dates of these events.

Event	:	Date
Joint Announcement of Trust Scheme	:	22 January 2020
Expected date of first Court hearing of the application to convene the Trust Scheme Meeting <sup>(1)</sup>	:	By April 2020
Expected date of the CMT EGM	:	By May 2020
Expected date of the CCT EGM and the Trust Scheme Meeting	:	By May 2020
Expected date of second Court hearing for court approval of the Trust Scheme <sup>(1)</sup>	:	By May 2020
Expected Effective Date of Trust Scheme	:	By June 2020
Expected date of payment of Scheme Consideration to CCT Unitholders	:	By June 2020
Expected commencement date of trading of Consideration Units	:	By June 2020
Expected delisting of CCT	:	By June 2020

**Note:**

(1) The dates of the Court hearings will depend on the dates that are allocated by the Court.

**Schedule 6**  
**Interests of CMT Relevant Parties and CCT Directors**

**Part 1 – CMT Relevant Parties’ Unitholdings in CCT Relevant Securities**

Name	Direct		Deemed	
	No. of CCT Units	%	No. of CCT Units	%
CL	-	-	1,132,979,579 <sup>(1)</sup>	29.3694
SBR	746,646,934	19.3548	-	-
E-Pavilion	215,869,742	5.5958	-	-
CCT Manager	169,899,041	4.4042	-	-
Carmel	563,862	0.0146	-	-
Tan Kian Chew (Director of CMT Manager)	120,200	0.0031	-	-
Jason Leow Juan Thong (Director of CMT Manager)	76,900	0.0020	-	-
Fong Kwok Jen (Director of CMT Manager)	18,495	0.0005	-	-
Tang Gan Yuen (Director of PIPL, Premier and ACPL)	-	-	2,900	0.0001
Tan Yew Chin (Director of SBR and E- Pavilion)	50,000	0.0013	-	-
Ho Swee Wan (Director of SBR and E- Pavilion)	30,000	0.0008	-	-
Kee Teck Koon (Director of CL)	13,529	0.0004	-	-
Ko Kai Kwun Miguel @ Ko Miguel (Director of CL)	251,872	0.0065	-	-
Lim Cho Pin Andrew Geoffrey (Director of Carmel)	15,000	0.0004	-	-

**Note:**

- (1) CL is deemed to have an interest in the unitholdings of its wholly-owned subsidiaries, SBR, E-Pavilion, CCT Manager and Carmel.

**Part 2 – CMT Relevant Parties’ Dealings in CCT Relevant Securities in the Relevant Period**

Name	Date	No. of CCT Units Bought	No. of CCT Units Sold	Transaction Price per CCT Unit (\$)	%
Carmel	1 November 2019	563,862 <sup>(1)</sup>	-	S\$2.1057	0.01462

**Note:**

- (1) The CCT Relevant Securities were issued to Carmel as the nominee of the CCT Manager to receive the payment of the base component of the management fees payable to the CCT Manager for the period from 1 July 2019 to 30

September 2019 (both dates inclusive) in respect of CCT's 60.0% interest in Raffles City Singapore and CCT's interest in Asia Square Tower Two.

### Part 3 – CMT Relevant Parties' Unitholdings in CMT Relevant Securities

Name	Direct		Deemed	
	No. of CMT Units	%	No. of CMT Units	%
CL	-	-	1,050,416,996 <sup>(1)</sup>	28.4758
PIPL	571,784,814	15.5005	-	-
Premier	150,954,660	4.0922	-	-
ACPL	279,300,000	7.5716	-	-
CMT Manager	48,377,522	1.3115	-	-
Tan Kian Chew (Director of CMT Manager)	86,265	0.0023	64,000	0.0017
Lee Khat Fatt, Kyle (Director of CMT Manager)	60,190	0.0016	-	-
Fong Kwok Jen (Director of CMT Manager)	45,193	0.0012	-	-
Gay Chee Cheong (Director of CMT Manager)	44,864	0.0012	-	-
Tony Tan Tee Hieong (Director of CMT Manager)	58,511	0.0016	-	-
Jason Leow Juan Thong (Director of CMT Manager)	20,000	0.0005	-	-
Jonathan Yap Neng Tong (Director of CMT Manager)	19,000	0.0005	44,000	0.0012
Chew Peet Mun Hillary (Director of SBR and E-Pavilion)	7,000	0.0002	-	-
Ng Kee Choe (Director of CL)	155,000	0.0042	-	-
Kee Teck Koon (Director of CL)	8,571	0.0002	-	-
Lim Cho Pin Andrew Geoffrey (Director of Carmel)	12,000	0.0003	-	-

**Note:**

- (1) CL is deemed to have an interest in the unitholdings of its wholly-owned subsidiaries, PIPL, Premier, ACPL and CMT Manager.

### Part 4 – CMT Relevant Parties' Dealings in CMT Relevant Securities in the Relevant Period

Name	Date	No. of CMT Units Bought	No. of CMT Units Sold	Transaction Price per CMT Unit (\$)	%
Premier	1 November 2019	160,881 <sup>(1)</sup>	-	2.6265	0.0044

**Note:**

- (1) The CMT Relevant Securities were issued to Premier as the nominee of the CMT Manager to receive the payment of the 50.0% base component of the management fees payable to the CMT Manager for the period from 1 July 2019 to 30 September 2019 (both dates inclusive) in relation to CMT's 40.0% interest in Raffles City Singapore.

## Part 5 – CCT Directors’ Unitholdings in CCT Units

Name	Direct		Deemed	
	No. of CCT Units	%	No. of CCT Units	%
Soo Kok Leng	77,409	0.0020	-	-
Chee Tien Jin Kevin	114,348	0.0030	-	-
Lam Yi Young	-	-	-	-
Tan Soon Neo Jessica	13,632	0.0004	-	-
Quek Bin Hwee (Mrs)	9,787	0.0003	-	-
Ng Wai King	5,666	0.0001	-	-
Jonathan Yap Neng Tong	-	-	-	-
Lim Cho Pin Andrew Geoffrey	15,000	0.0004	-	-