



**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

(Registration Number: 198900036N)

**CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH  
PERIOD ENDED 30 JUNE 2021**

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED  
30 JUNE 2021**

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**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Consolidated Income Statement  
For the six-month period ended 30 June 2021**

		<b>The Group</b>		
		<b>Six-month period ended</b>		
<b>Note</b>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>Better / (Worse)</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	
<b>Revenue</b>	5	2,730,045	2,027,398	34.7
Cost of sales		(1,269,021)	(988,622)	(28.4)
<b>Gross profit</b>		1,461,024	1,038,776	40.6
Other operating income	6(a)	652,319	350,096	86.3
Administrative expenses	6(b)	(291,019)	(282,962)	(2.8)
Other operating expenses	6(c)	(52,191)	(665,551)	92.2
<b>Profit from operations</b>		1,770,133	440,359	302.0
<b>Finance costs</b>		(439,099)	(457,201)	4.0
<b>Share of results (net of tax) of:</b>				
- associates		304,059	103,602	193.5
- joint ventures		91,548	52,864	73.2
		395,607	156,466	152.8
<b>Profit before tax</b>		1,726,641	139,624	NM
<b>Tax expense</b>	7	(361,956)	(126,354)	(186.5)
<b>Profit for the period</b>		1,364,685	13,270	NM
<b>Attributable to:</b>				
Owners of the Company ("PATMI")		922,151	96,607	854.5
Non-controlling interests ("NCI")		442,534	(83,337)	NM
<b>Profit for the period</b>		1,364,685	13,270	NM
<b>Basic earnings per share (cents)</b>	11	17.7	1.9	831.6
<b>Diluted earnings per share (cents)</b>	11	17.3	1.9	810.5

NM: Not meaningful

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

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Consolidated Statement of Comprehensive Income  
For the six-month period ended 30 June 2021**

	The Group Six-month period ended		Better/ (Worst) %
	30 June 2021 \$'000	30 June 2020 \$'000	
Profit for the period	1,364,685	13,270	NM
<b>Other comprehensive income:</b>			
<b><i>Items that may be reclassified subsequently to profit or loss</i></b>			
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	163,490	807,021	(79.7)
Effective portion of change in fair value of cash flow hedges	125,962	(126,130)	NM
Share of other comprehensive income of associates and joint ventures	198,540	(109,121)	NM
<b><i>Items that will not be reclassified subsequently to profit or loss</i></b>			
Change in fair value of equity investments at fair value through other comprehensive income	(4,989)	(12,382)	59.7
<b>Total other comprehensive income for the period, net of tax</b>	<u>483,003</u>	<u>559,388</u>	<u>(13.7)</u>
<b>Total comprehensive income for the period</b>	<u>1,847,688</u>	<u>572,658</u>	<u>NM</u>
<b>Attributable to:</b>			
Owners of the Company	1,275,287	541,890	NM
Non-controlling interests	572,401	30,768	NM
<b>Total comprehensive income for the period</b>	<u>1,847,688</u>	<u>572,658</u>	<u>NM</u>

NM: Not meaningful

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

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Balance Sheets**

**As at 30 June 2021**

	Note	The Group		The Company	
		30 June	31 December	30 June	31 December
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment		1,430,487	1,435,084	30,415	35,918
Intangible assets		1,076,332	1,067,382	266	323
Investment properties	8	48,534,590	47,872,910	-	-
Subsidiaries		-	-	15,798,148	16,922,621
Associates		8,061,601	7,726,017	-	-
Joint ventures		4,885,024	4,801,796	-	-
Deferred tax assets		515,889	503,456	423	423
Other non-current assets		1,312,222	1,571,500	-	-
		65,816,145	64,978,145	15,829,252	16,959,285
<b>Current assets</b>					
Development properties for sale and stocks		6,627,143	6,778,210	-	-
Trade and other receivables	9	2,191,550	3,075,988	513,307	804,034
Other current assets		121,650	39,495	-	-
Assets held for sale	10	77,077	322,662	-	-
Cash and cash equivalents		7,844,684	9,175,378	31,328	25,199
		16,862,104	19,391,733	544,635	829,233
<b>Less: current liabilities</b>					
Trade and other payables		5,143,339	5,256,615	194,003	402,791
Contract liabilities		993,202	862,127	-	-
Short term borrowings	16	2,473,023	3,938,561	11,090	10,808
Current portion of debt securities	17	375,821	998,728	-	-
Current tax payable		2,446,763	2,651,176	2,216	2,281
Liabilities held for sale	10	-	31,678	-	-
		11,432,148	13,738,885	207,309	415,880
<b>Net current assets</b>		5,429,956	5,652,848	337,326	413,353
<b>Less: non-current liabilities</b>					
Long term borrowings	16	19,943,453	19,573,143	18,354	23,969
Debt securities	17	10,110,162	10,647,959	-	1,172,783
Deferred tax liabilities		1,298,796	1,366,831	-	549
Other non-current liabilities		676,350	751,019	672,016	672,315
		32,028,761	32,338,952	690,370	1,869,616
<b>Net assets</b>		39,217,340	38,292,041	15,476,208	15,503,022
Representing:					
Share capital	18	9,715,256	9,715,256	9,715,256	9,715,256
Revenue reserve		13,293,226	12,903,455	6,004,815	6,018,041
Other reserves		9,589	(312,634)	(243,863)	(230,275)
<b>Equity attributable to owners of the Company</b>		23,018,071	22,306,077	15,476,208	15,503,022
Perpetual securities		996,576	996,657	-	-
Non-controlling interests		15,202,693	14,989,307	-	-
<b>Total equity</b>		39,217,340	38,292,041	15,476,208	15,503,022

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

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Statement of Changes in Equity  
For the six-month period ended 30 June 2021**

	Attributable to owners of the Company												
	Share capital \$'000	Revenue reserve \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Equity compensation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Asset revaluation reserve \$'000	Foreign currency translation reserve \$'000	Total \$'000	Perpetual securities \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>The Group</b>													
<b>At 1 January 2021</b>	9,715,256	12,903,455	(290,302)	299,195	53,334	(199,528)	93,622	6,161	(275,116)	22,306,077	996,657	14,989,307	38,292,041
<b>Total comprehensive income</b>													
Profit for the period	–	922,151	–	–	–	–	–	–	–	922,151	–	442,534	1,364,685
<b>Other comprehensive income</b>													
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	–	–	–	–	–	–	80,685	80,685	–	82,805	163,490
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	–	–	(5,086)	–	–	(5,086)	–	97	(4,989)
Effective portion of change in fair value of cash flow hedges	–	–	–	–	–	81,268	–	–	–	81,268	–	44,694	125,962
Share of other comprehensive income of associates and joint ventures	–	–	–	–	–	12,074	–	–	184,195	196,269	–	2,271	198,540
<b>Total other comprehensive income, net of tax</b>	–	–	–	–	–	93,342	(5,086)	–	264,880	353,136	–	129,867	483,003
<b>Total comprehensive income</b>	–	922,151	–	–	–	93,342	(5,086)	–	264,880	1,275,287	–	572,401	1,847,688
<b>Transactions with owners, recorded directly in equity</b>													
<b>Contributions by and distributions to owners</b>													
Issue of treasury shares	–	–	311	–	–	–	–	–	–	311	–	–	311
Capital returns from non-controlling interests (net)	–	–	–	–	–	–	–	–	–	–	–	(68,627)	(68,627)
Redemption of convertible bonds	–	27,567	–	(45,809)	–	–	–	–	–	(18,242)	–	–	(18,242)
Dividends paid/payable	–	(468,267)	–	–	–	–	–	–	–	(468,267)	–	(141,290)	(609,557)
Reclassification of equity compensation reserve	–	(3,268)	35,285	–	(32,017)	–	–	–	–	–	–	–	–
Distribution attributable to perpetual securities	–	(12,179)	–	–	–	–	–	–	–	(12,179)	17,416	(5,237)	–
Distribution paid to perpetual securities	–	–	–	–	–	–	–	–	–	–	(17,497)	–	(17,497)
Share-based payments	–	–	–	–	13,833	–	–	–	–	13,833	–	2,198	16,031
<b>Total contributions by and distributions to owners</b>	–	(456,147)	35,596	(45,809)	(18,184)	–	–	–	–	(484,544)	(81)	(212,956)	(697,581)

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**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Statement of Changes in Equity  
For the six-month period ended 30 June 2021**

	Attributable to owners of the Company												
	Share capital \$'000	Revenue reserve \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Equity compensation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Asset revaluation reserve \$'000	Foreign Currency translation reserve \$'000	Total \$'000	Perpetual securities \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>The Group</b>													
<b>Changes in ownership interests in subsidiaries and other capital transactions</b>													
Changes in ownership interests in subsidiaries with a change in control	-	(1,107)	-	(501)	-	-	-	-	(4,869)	(6,477)	-	(146,603)	(153,080)
Changes in ownership interests in subsidiaries with no change in control	-	(69,681)	-	(35)	-	(597)	(13)	-	(992)	(71,318)	-	699	(70,619)
Share of reserves of associates and joint ventures	-	305	-	6	-	-	-	-	-	311	-	-	311
Others	-	(5,750)	-	4,485	-	-	-	-	-	(1,265)	-	(155)	(1,420)
<b>Total changes in ownership interests in subsidiaries and other capital transactions</b>	-	(76,233)	-	3,955	-	(597)	(13)	-	(5,861)	(78,749)	-	(146,059)	(224,808)
<b>Total transactions with owners</b>	-	(532,380)	35,596	(41,854)	(18,184)	(597)	(13)	-	(5,861)	(563,293)	(81)	(359,015)	(922,389)
<b>At 30 June 2021</b>	<b>9,715,256</b>	<b>13,293,226</b>	<b>(254,706)</b>	<b>257,341</b>	<b>35,150</b>	<b>(106,783)</b>	<b>88,523</b>	<b>6,161</b>	<b>(16,097)</b>	<b>23,018,071</b>	<b>996,576</b>	<b>15,202,693</b>	<b>39,217,340</b>

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

CAPITALAND LIMITED AND ITS SUBSIDIARIES

Condensed Interim Statement of Changes in Equity  
For the six-month period ended 30 June 2021

	Attributable to owners of the Company												
	Share capital \$'000	Revenue reserve \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Equity compensation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Asset revaluation reserve \$'000	Foreign currency translation reserve \$'000	Total \$'000	Perpetual securities \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>The Group</b>													
<b>At 1 January 2020</b>	9,327,422	15,074,009	(342,225)	295,073	77,869	(104,727)	138,489	6,161	(1,112,601)	23,359,470	897,047	16,026,358	40,282,875
<b>Total comprehensive income</b>													
Profit for the year	–	96,607	–	–	–	–	–	–	–	96,607	–	(83,337)	13,270
<b>Other comprehensive income</b>													
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	–	–	–	–	–	–	651,109	651,109	–	155,912	807,021
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	–	–	(3,502)	–	–	(3,502)	–	(8,880)	(12,382)
Effective portion of change in fair value of cash flow hedges	–	–	–	–	–	(95,322)	–	–	–	(95,322)	–	(30,808)	(126,130)
Share of other comprehensive income of associates and joint ventures	–	–	–	–	–	(48,354)	–	–	(58,648)	(107,002)	–	(2,119)	(109,121)
<b>Total other comprehensive income, net of tax</b>	–	–	–	–	–	(143,676)	(3,502)	–	592,461	445,283	–	114,105	559,388
<b>Total comprehensive income</b>	–	96,607	–	–	–	(143,676)	(3,502)	–	592,461	542,890	–	30,768	572,658
<b>Transactions with owners, recorded directly in equity</b>													
<b>Contributions by and distributions to owners</b>													
Contributions from non-controlling interests (net)	–	–	–	–	–	–	–	–	–	–	–	44,295	44,295
Redemption of convertible bonds	–	46,990	–	(46,990)	–	–	–	–	–	–	–	–	–
Dividends paid/payable	–	–	–	–	–	–	–	–	–	–	–	(323,846)	(323,846)
Reclassification of equity compensation reserve	–	1,864	51,189	–	(55,843)	–	–	–	–	(2,790)	–	–	(2,790)
Issue of perpetual securities (net)	–	–	–	–	–	–	–	–	–	–	21	–	21
Distribution attributable to perpetual securities	–	(12,603)	–	–	–	–	–	–	–	(12,603)	17,836	(5,233)	–
Distribution paid to perpetual securities	–	–	–	–	–	–	–	–	–	–	(17,918)	–	(17,918)
Share-based payments	–	–	–	–	8,510	–	–	–	–	8,510	–	2,322	10,832
<b>Total contributions by and distributions to owners</b>	–	36,251	51,189	(46,990)	(47,333)	–	–	–	–	(6,883)	(61)	(282,462)	(289,406)

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



**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Statement of Changes in Equity  
For the six-month period ended 30 June 2021**

	Attributable to owners of the Company										Total \$'000	Perpetual securities \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Revenue reserve \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Equity compensation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Asset revaluation reserve \$'000	Foreign Currency translation reserve \$'000					
<b>The Group</b>														
<b>Changes in ownership interests in subsidiaries and other capital transactions</b>														
Changes in ownership interests in subsidiaries with a change in control	-	2,825	-	(1,903)	-	-	-	-	-	922	-	32,284	33,206	
Changes in ownership interests in subsidiaries with no change in control	-	6,798	-	227	-	(51)	(2)	-	(1,025)	5,947	-	(6,390)	(443)	
Share of reserves of associates and joint ventures	-	(722)	-	677	-	-	-	-	-	(45)	-	-	(45)	
Others	-	473	-	2,657	-	-	-	-	7	3,137	-	(986)	2,151	
<b>Total changes in ownership interests in subsidiaries and other capital transactions</b>	-	9,374	-	1,658	-	(51)	(2)	-	(1,018)	9,961	-	24,908	34,869	
<b>Total transactions with owners</b>	-	45,625	51,189	(45,332)	(47,333)	(51)	(2)	-	(1,018)	3,078	(61)	(257,554)	(254,537)	
<b>At 30 June 2020</b>	<b>9,327,422</b>	<b>15,216,241</b>	<b>(291,036)</b>	<b>249,741</b>	<b>30,536</b>	<b>(248,454)</b>	<b>134,985</b>	<b>6,161</b>	<b>(521,158)</b>	<b>23,904,438</b>	<b>896,986</b>	<b>11,799,572</b>	<b>40,600,996</b>	

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**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Statement of Changes in Equity  
For the six-month period ended 30 June 2021**

	Attributable to owners of the Company					Total equity \$'000
	Share capital \$'000	Revenue reserve \$'000	Reserve for own shares \$'000	Capital reserve \$'000	Equity compensation reserve \$'000	
<b>The Company</b>						
<b>At 1 January 2021</b>	9,715,256	6,018,041	(290,302)	45,809	14,218	15,503,022
<b>Total comprehensive income</b>						
Profit for the period	–	430,889	–	–	–	430,889
<b>Transactions with owners, recorded directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Issue of treasury shares	–	–	35,599	–	(11,558)	24,041
Dividends paid	–	(468,267)	–	–	–	(468,267)
Share-based payments	–	–	–	–	4,765	4,765
Reclassification of equity compensation reserve	–	(3,415)	–	–	3,415	–
Redemption of convertible bonds	–	27,567	–	(45,809)	–	(18,242)
<b>Total transactions with owners</b>	–	(444,115)	35,599	(45,809)	(3,378)	(457,703)
<b>At 30 June 2021</b>	<u>9,715,256</u>	<u>6,004,815</u>	<u>(254,703)</u>	<u>–</u>	<u>10,840</u>	<u>15,476,208</u>
<b>At 1 January 2020</b>	9,327,422	4,103,135	(342,225)	92,799	23,266	13,204,397
<b>Total comprehensive income</b>						
Profit for the period	–	745,510	–	–	–	745,510
<b>Transactions with owners, recorded directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Issue of treasury shares	–	–	51,189	–	(15,643)	35,546
Share-based payments	–	–	–	–	3,732	3,732
Reclassification of equity compensation reserve	–	1,865	–	–	(3,624)	(1,769)
Redemption of convertible bonds	–	46,990	–	(46,990)	–	–
<b>Total transactions with owners</b>	–	48,855	51,189	(46,990)	(15,545)	37,509
<b>At 30 June 2020</b>	<u>9,327,422</u>	<u>4,897,500</u>	<u>(291,036)</u>	<u>45,809</u>	<u>7,721</u>	<u>13,987,416</u>

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

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Consolidated Statement of Cash Flows  
For the six-month period ended 30 June 2021**

	<b>Six-month period ended</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Profit for the period	1,364,685	13,270
Adjustments for:		
Allowance for/(Write-back of):		
- impairment loss on receivables	7,240	(757)
- foreseeable losses	-	(4,576)
- impairment on interests in associates and joint ventures	331	75
Amortisation of intangible assets	12,876	11,282
Depreciation of property, plant and equipment and right-of-use assets	80,288	73,465
Dividend income	(4,010)	(5,038)
Finance costs	439,099	457,201
Gain on disposal of equity investment fair value through profit or loss	(26,052)	-
Gain on change of ownership interests in subsidiaries and joint ventures	(357,851)	(112,277)
Gain on disposal of investment properties	(130,037)	(1,517)
Interest income	(36,186)	(50,196)
Loss on disposal and write off of property, plant and equipment	3,126	(3)
Loss on redemption of convertible bonds	33,669	-
Net change in fair value of investment properties	-	555,173
Net change in fair value of financial instruments	6,774	1,463
Net fair value gain from asset held for sale	(9,689)	-
Share of results of associates and joint ventures	(395,607)	(156,466)
Share-based expenses	18,280	8,562
Tax expense	361,956	126,354
	<u>4,207</u>	<u>902,745</u>
<b>Operating profit before working capital changes</b>	<b>1,368,892</b>	<b>916,015</b>
Changes in working capital:		
Trade and other receivables	(68,425)	(217,984)
Development properties for sale	155,368	(124,370)
Trade and other payables	(521,093)	(548,578)
Contract liabilities	158,664	533,213
Restricted bank deposits	9,984	10,760
	<u>(265,502)</u>	<u>(346,959)</u>
Cash generated from operations	1,103,390	569,056
Taxation paid	(477,955)	(269,669)
<b>Net cash generated from operating activities</b>	<b>625,435</b>	<b>299,387</b>

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

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**Condensed Interim Consolidated Statement of Cash Flows  
For the six-month period ended 30 June 2021**

	Note	Six-month period ended	
		30 June 2021 \$'000	30 June 2020 \$'000
<b>Cash flows from investing activities</b>			
Acquisition/Development expenditure of investment properties		(765,978)	(432,516)
Acquisition of subsidiaries, net of cash acquired	21 (b)	(400,790)	(221,962)
Deposits placed for acquisition of investment properties		(28,390)	-
Deposits (returned)/received for disposal of investment properties and subsidiaries		(8,671)	22,601
Disposal of subsidiaries, net of cash disposed of	21 (d)	633,537	185,319
Dividends received from associates, joint ventures and other investments		204,599	65,785
Interest income received		41,396	38,547
Proceeds from disposal of/(Investment in) other financial assets		183,729	(1,676)
Proceeds from disposal of investment properties		523,569	-
Proceeds from disposal of assets held for sale		170,328	-
Proceeds from disposal of property, plant and equipment		34	81
Purchase of intangible assets and property, plant and equipment		(20,231)	(40,536)
Return of investments from associates and joint ventures/ Repayment of loans to associates and joint ventures		95,182	278,347
Settlement of hedging instruments		(474)	(14,739)
<b>Net cash generated from/(used in) investing activities</b>		<b>627,840</b>	<b>(120,749)</b>
<b>Cash flows from financing activities</b>			
(Repayment of loans from)/Loans from non-controlling interests		(242)	44
(Distributions to)/Contributions from non-controlling interests		(66,021)	41,219
Dividends paid to non-controlling interests		(141,290)	(320,646)
Distributions to perpetual securities holders		(17,496)	(17,918)
Dividends paid to shareholders		(468,267)	-
Interest expense paid		(415,325)	(448,167)
(Repayment of loans from)/Loans from associates and joint ventures		(73,856)	269,870
Payment for acquisition of ownership interests in subsidiaries with no change in control		(4,900)	(19,878)
Proceeds from bank borrowings		2,289,865	3,041,121
Proceeds from issuance of debt securities		873,939	-
Repayments of lease liabilities		(51,875)	(29,637)
Repayments of bank borrowings		(2,488,882)	(1,202,187)
Repayments of debt securities and convertible bonds		(2,062,907)	(725,000)
Receipt of bank deposits pledged for bank facilities		55	1,805
<b>Net cash (used in)/generated from financing activities</b>		<b>(2,627,202)</b>	<b>590,626</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,373,927)</b>	<b>769,264</b>
Cash and cash equivalents at beginning of the period		9,088,836	6,061,398
Effect of exchange rate changes on cash balances held in foreign currencies		28,942	128,849
Changes in cash and cash equivalents reclassified to assets held for sale		24,197	14,245
<b>Cash and cash equivalents at end of the period</b>		<b>7,768,048</b>	<b>6,973,756</b>
Restricted bank deposits		76,636	94,077
<b>Cash and cash equivalents in the Balance Sheet</b>		<b>7,844,684</b>	<b>7,067,833</b>

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

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

#### 1 Domicile and activities

CapitaLand Limited (the Company) is incorporated in the Republic of Singapore and has its registered office at 168 Robinson Road, #30-01, Capital Tower, Singapore 068912.

The Company's immediate and ultimate holding companies are CLA Real Estate Holdings Pte Ltd and Temasek Holdings (Private) Limited respectively, both companies incorporated in the Republic of Singapore.

The principal activities of the Company during the financial year are those relating to investment holding and consultancy services as well as the corporate headquarters which gives direction, provides management support services and integrates the activities of its subsidiaries.

The principal activities of the significant subsidiaries are those relating to investment holding, real estate development, investment in real estate financial products and real estate assets, investment advisory and management services as well as management of real estate assets.

The condensed interim financial statements relate to the Company and its subsidiaries (the Group) and the Group's interests in associates and joint ventures.

#### 2 Summary of Significant Accounting Policies

##### 2.1 Basis of preparation

The condensed interim financial statements for the six-month period ended 30 June 2021 have been prepared in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* and International Accounting Standard 34 *Interim Financial Reporting* and should be read in conjunction with the Group's audited financial statements as at and for the year ended 31 December 2020. SFRS(I) are issued by the Accounting Standards Council and comprise standards and interpretations that are equivalent to International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies applied are consistent with those disclosed in the Group's financial statements as at and for the year ended 31 December 2020 which were prepared in accordance with SFRS(I)s and IFRSs. The Group adopted various new and amended accounting standards which are effective from 1 January 2021. The adoption of these new and amended accounting standards did not have a material effect on the financial statements.

The condensed interim financial statements are presented in Singapore Dollars, which is the Company's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

## **CAPITALAND LIMITED AND ITS SUBSIDIARIES**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

#### ***2.2 Use of judgement and estimates***

The preparation of the financial statements in conformity with SFRS(I) and IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the Group's financial statements as at and for the year ended 31 December 2020.

### **3 Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period except for the lodging business. The Group's lodging business is subject to domestic and international economic conditions and seasonality factors. In addition, the adverse development on travel and tourism in the countries which the Group operates its lodging business, could materially and adversely affect the Group's lodging business, financial conditions and results of operations.

CAPITALAND LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

4 Operating segments

By Strategic Business Units (“SBUs”)

30 June 2021	CL Singapore and International \$'000	CL China \$'000	CL India \$'000	CL Lodging \$'000	CL Financial \$'000	Corporate and Others \$'000	Elimination \$'000	Total \$'000
<b>Revenue</b>								
External revenue	1,060,167	1,120,200	22,291	403,351	116,652	7,384	-	2,730,045
Inter-segment revenue	22,762	16,434	2,583	7,398	79,496	213,404	(342,077)	-
<b>Total revenue</b>	<b>1,082,929</b>	<b>1,136,634</b>	<b>24,874</b>	<b>410,749</b>	<b>196,148</b>	<b>220,788</b>	<b>(342,077)</b>	<b>2,730,045</b>
<b>Segmental results</b>								
Company and subsidiaries	843,291	685,878	142	171,205	118,472	(13,013)	(35,842)	1,770,133
Associates	65,152	218,918	18,016	132	2,284	(443)	-	304,059
Joint ventures	34,981	55,146	2,960	(1,716)	113	64	-	91,548
<b>Earnings before interest and tax</b>	<b>943,424</b>	<b>959,942</b>	<b>21,118</b>	<b>169,621</b>	<b>120,869</b>	<b>(13,392)</b>	<b>(35,842)</b>	<b>2,165,740</b>
Finance costs								(439,099)
Tax expense								(361,956)
<b>Profit for the period</b>								<b>1,364,685</b>
<b>Segment assets as at 30 June 2021</b>	<b>38,388,297</b>	<b>29,396,674</b>	<b>1,157,939</b>	<b>9,795,589</b>	<b>1,379,008</b>	<b>13,634,003</b>	<b>(11,073,261)</b>	<b>82,678,249</b>
<b>Segment liabilities as at 30 June 2021</b>	<b>15,497,994</b>	<b>13,340,289</b>	<b>173,949</b>	<b>4,626,724</b>	<b>587,924</b>	<b>9,234,029</b>	<b>-</b>	<b>43,460,909</b>

CAPITALAND LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

30 June 2020	CL Singapore and International \$'000	CL China \$'000	CL India \$'000	CL Lodging \$'000	CL Financial \$'000	Corporate and Others \$'000	Elimination \$'000	Total \$'000
<b>Revenue</b>								
External revenue	1,025,700	464,946	22,487	425,685	88,336	244	-	2,027,398
Inter-segment revenue	22,767	17,996	-	7,352	70,062	240,425	(358,602)	-
<b>Total revenue</b>	<b>1,048,467</b>	<b>482,942</b>	<b>22,487</b>	<b>433,037</b>	<b>158,398</b>	<b>240,669</b>	<b>(358,602)</b>	<b>2,027,398</b>
<b>Segmental results</b>								
Company and subsidiaries	25,226	303,133	3,427	9,940	91,695	42,779	(35,841)	440,359
Associates	55,104	40,955	9,469	(171)	(909)	(846)	-	103,602
Joint ventures	9,247	46,997	1,150	(5,565)	1,053	(18)	-	52,864
<b>Earnings before interest and tax</b>	<b>89,577</b>	<b>391,085</b>	<b>14,046</b>	<b>4,204</b>	<b>91,839</b>	<b>41,915</b>	<b>(35,841)</b>	<b>596,825</b>
Finance costs								(457,201)
Tax expense								(126,354)
<b>Profit for the period</b>								<b>13,270</b>
<b>Segment assets as at 31 Dec 2020</b>	<b>38,772,045</b>	<b>29,221,425</b>	<b>1,136,851</b>	<b>9,586,861</b>	<b>1,234,109</b>	<b>15,494,536</b>	<b>(11,075,949)</b>	<b>84,369,878</b>
<b>Segment liabilities as at 31 Dec 2020</b>	<b>16,285,284</b>	<b>13,716,855</b>	<b>177,646</b>	<b>4,562,220</b>	<b>582,465</b>	<b>10,753,367</b>	<b>-</b>	<b>46,077,837</b>



**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**By Geography**

	<b>Singapore \$'000</b>	<b>China<sup>1</sup> \$'000</b>	<b>Other developed markets<sup>2</sup> \$'000</b>	<b>Other emerging markets<sup>3</sup> \$'000</b>	<b>Total \$'000</b>
<b>30 June 2021</b>					
External revenue	917,891	1,185,464	432,847	193,843	2,730,045
Earnings before interest and tax	710,476	1,110,203	284,566	60,495	2,165,740
<b>30 June 2020</b>					
External revenue	790,785	528,128	445,733	262,752	2,027,398
Earnings before interest and tax	30,474	411,862	85,327	69,162	596,825

<sup>1</sup> Includes Hong Kong

<sup>2</sup> Includes United Kingdom, France, Germany, Spain, Belgium, Ireland, Japan, South Korea, United States of America, Australia and New Zealand but excludes Singapore and Hong Kong

<sup>3</sup> Excludes China.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**By Asset Class**

	<b>Residential, commercial strata and urban development \$'000</b>	<b>Retail \$'000</b>	<b>Office \$'000</b>	<b>Business park, industrial &amp; logistics \$'000</b>	<b>Lodging<sup>1</sup> \$'000</b>	<b>Corporate and others \$'000</b>	<b>Total \$'000</b>
<b>30 June 2021</b>							
External revenue	845,151	813,002	379,092	293,618	510,373	(111,191)	2,730,045
Earnings before interest and tax	450,267	752,619	469,726	317,461	197,091	(21,424)	2,165,740
<b>30 June 2020</b>							
External revenue	322,781	729,366	366,191	214,181	511,512	(116,633)	2,027,398
Earnings before interest and tax	186,798	151,392	51,725	166,376	24,072	16,462	596,825

<sup>1</sup> The results for Lodging asset class is different from CL Lodging SBU as it includes the results of lodging component in integrated developments as well as multifamily portfolio presented under other SBUs.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**5 Revenue**

(a) Revenue of the Group is analysed as follows:

	<b>The Group</b>	
	<b>Six-month period ended 30 June 2021</b>	<b>30 June 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue from contract with customers	1,087,406	511,582
Rental of investment properties:		
- Retail, office, business park, industrial and logistics rental and related income	1,210,911	1,072,064
- Lodging properties rental and related income	410,187	426,203
Others	21,541	17,549
	<b>2,730,045</b>	<b>2,027,398</b>

Disaggregation of revenue from contracts with customers is as follow:

	<b>The Group</b>		
	<b>Residential, commercial strata and urban development</b>	<b>Fee income</b>	<b>Total</b>
<b>Six-month period ended 30 June 2021</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Primary segment</b>			
CL Singapore and International	121,046	39,048	160,094
CL China	702,238	57,756	759,994
CL India	–	10,621	10,621
CL Lodging	–	54,294	54,294
CL Financial	–	101,415	101,415
Corporate and Others	–	988	988
	<b>823,284</b>	<b>264,122</b>	<b>1,087,406</b>
<b>Secondary segment</b>			
Singapore	53,914	78,828	132,742
China <sup>1</sup>	702,238	108,307	810,545
Other developed markets	–	39,036	39,036
Other emerging markets	67,132	37,951	105,083
	<b>823,284</b>	<b>264,122</b>	<b>1,087,406</b>
<b>Timing of revenue recognition</b>			
Product transferred at a point in time	769,370	–	769,370
Products and services transferred over time	53,914	264,122	318,036
	<b>823,284</b>	<b>264,122</b>	<b>1,087,406</b>

<sup>1</sup> Includes Hong Kong

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

	<b>The Group</b>		
	<b>Residential, commercial strata and urban development \$'000</b>	<b>Fee income \$'000</b>	<b>Total \$'000</b>
<b>Six-month period ended 30 June 2020</b>			
<b>Primary segment</b>			
CL Singapore and International	142,807	39,131	181,938
CL China	138,945	67,411	206,356
CL India	–	10,464	10,464
CL Lodging	–	37,183	37,183
CL Financial	–	75,398	75,398
Corporate and Others	–	243	243
	<u>281,752</u>	<u>229,830</u>	<u>511,582</u>
<b>Secondary segment</b>			
Singapore	19,125	67,094	86,219
China <sup>1</sup>	138,945	108,156	247,101
Other developed markets	–	13,790	13,790
Other emerging markets	123,682	40,790	164,472
	<u>281,752</u>	<u>229,830</u>	<u>511,582</u>
<sup>1</sup> Includes Hong Kong			
<b>Timing of revenue recognition</b>			
Product transferred at a point in time	262,627	–	262,627
Products and services transferred over time	19,125	229,830	248,955
	<u>281,752</u>	<u>229,830</u>	<u>511,582</u>

**6 Profit Before Tax**

Profit before tax includes the following:

	<b>The Group</b>	
	<b>Six-month period ended 30 June 2021 \$'000</b>	<b>30 June 2020 \$'000</b>
<b>a. Other operating income includes:</b>		
Interest income	36,186	50,196
Dividend income	4,010	5,038
Foreign exchange gain	20,137	10,114
Gain on disposal of equity investment fair value through profit or loss	26,052	–
Gain on change of ownership interests in subsidiaries and joint ventures	357,851	112,277
Gain on disposal of investment properties	130,037	1,517
Net fair value gain from asset held for sale	9,689	–
Mark-to-market gain on derivative instruments	1,283	–
Income from pre-termination of contracts	4,566	4,935
Forfeiture of security deposits	14,144	3,146
Government grants	20,701	133,370

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

	<b>The Group</b>	
	<b>Six-month period ended</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>b. Administrative expenses include:</b>		
Allowance for / (Writeback of) for impairment loss on trade receivables	6,917	(982)
Amortisation of intangible assets	12,876	11,282
Depreciation of property, plant and equipment	42,959	47,900
Depreciation of right-of-use assets	37,106	25,174
	<hr/>	<hr/>
<b>c. Other operating expenses include:</b>		
Allowance for impairment loss on non-trade receivables	323	225
Impairment loss on investment in		
- joint ventures	49	75
- associates	282	-
Loss on disposal and write off of property, plant and equipment	3,126	-
Mark-to-market loss on		
- derivative instruments	-	1,349
- financial assets designated as fair value through profit or loss	8,057	114
Net fair value loss from investment properties	-	555,173
Loss from redemption of convertible bonds	33,669	-
Grant expense	1,366	100,833
	<hr/>	<hr/>

**7 Tax Expense**

	<b>The Group</b>	
	<b>Six-month period ended</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Current tax expense	208,733	87,909
Deferred tax income	(71,912)	(9,769)
Land appreciation tax	162,348	20,479
Withholding tax expense	62,787	27,735
	<hr/>	<hr/>
	<hr/>	<hr/>

- (a) In June 2021, the Group's subsidiary, CMMT Investments Limited (CMMIT), was notified by the Inland Revenue Board of Malaysia (the "Tax Authority") that it had completed a tax audit review on CMMIT, and found that certain interest payments made to CMMIT's holding company outside of the relevant jurisdiction for the years of assessment 2011 to 2018 were subject to withholding tax and/or not permitted as expenses for tax deductions and that accordingly, CMMIT is assessed to be required to pay additional taxes and penalties amounting to approximately \$40 million in total (the "Tax Claim"). In this regard, the Tax Authority has issued notices of additional assessment for the Tax Claim. Malaysian law provides taxpayers the right of appeal against such assessments issued by the Tax Authority.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

CMMIT has obtained a legal opinion from its tax and legal advisers in the relevant jurisdiction, that (a) CMMIT should fall within an exemption order under the relevant taxation law applicable to it, which would exempt it from paying any withholding tax for the said years of assessment and that, accordingly, the subsidiary should not be denied a deduction on the interest expense incurred; and (b) as the income tax legislation in the relevant jurisdiction provides that the Tax Authority may make an assessment or additional assessment only within the preceding five years, any assessment with respect to the years of assessment 2015 and prior years would be time-barred. CMMIT has filed an application for a judicial review and a stay order with respect to the Tax Claim. The application for the judicial review is to seek, on the basis of the foregoing, to challenge and set aside the position by the Tax Authority that the Tax Claim is payable. In the event that the stay order is granted, the subsidiary will not be required to make any payment for the Tax Claim pending a hearing and a decision by the relevant court. No provision has been made in the financial statements for the Tax Claim due to the underlying uncertainties.

Subsequent to 1H 2021, CMMT Investments Limited has made a partial payment of approximately \$1.4 million to the Tax Authority under an approved instalment plan. On 12 August 2021, an interim stay order has been granted to suspend the instalment plan pending the outcome of application for grant of the stay order. Notwithstanding the partial payment, the tax and legal advisor maintains their opinion that CMMT Investments Limited should not be subject to the additional taxes raised by the Tax Authority

## 8 Investment Properties

	Note	The Group	
		30 June 2021 \$'000	31 December 2020 \$'000
At 1 January		47,872,910	48,731,897
Acquisition of subsidiaries	21(b)	1,023,813	222,929
Disposal of subsidiaries	21(d)	(851,788)	(376,699)
Additions		774,054	966,130
Disposals		(421,827)	(312,105)
Reclassification from assets held for sale		(798)	(46,367)
Reclassification from development properties for sale		-	3,075
Reclassification from property, plant and equipment		930	7,010
Changes in fair value		-	(2,085,197)
Translation differences		137,296	762,237
At 30 June and 31 December		<u>48,534,590</u>	<u>47,872,910</u>

- (a) Investment properties, which include those in the course of development, are stated at fair value based on independent professional valuations or internal valuations. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, terminal yield rate, discount rate, comparable market price and occupancy rate.

The carrying amounts of the investment properties as at 31 December 2020, were based on valuations performed by the independent external valuers. The valuers had considered valuation techniques including the direct comparison method, capitalisation approach, discounted cash flows and residual method in arriving at the open market value as at the balance sheet date.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. In the residual method of valuation, the total gross development costs and developer's profit are deducted from the gross development value to arrive at the residual value of land. The gross development value is the estimated value of the property assuming satisfactory completion of the development as at the date of valuation.

As at 30 June 2021, management conducted an assessment of the valuation of the investment properties, taking into consideration any significant changes in operating performance of the properties during the period, confirmations from independent valuers for certain significant investment properties, and assessed whether movement in market data such as discount rates and capitalisation rates have any significant impact to the valuation of investment properties. Based on the assessment, management is of the view that the fair value of the investment properties has not materially changed from 31 December 2020 valuation.

The outbreak of the COVID-19 pandemic has impacted market activity in many property sectors in the countries that the Group operates in. As the impact of COVID-19 is fluid and evolving, significant market uncertainty exists. Consequently, the valuations of certain investment properties are currently subject to material valuation uncertainty. The carrying amounts of the investment properties were current as at 30 June 2021 only. Values may change more rapidly and significantly than during normal market conditions.

## 9 Trade and Other Receivables

	The Group		The Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Trade receivables	472,312	410,656	807	–
Less: Allowance for impairment loss on receivables	(46,376)	(37,397)	–	–
	425,936	373,259	807	–
Deposits	27,501	29,111	483	459
Other receivables	404,711	724,152	3,167	743
Less: Allowance for impairment loss on receivables	(16,035)	(18,775)	–	–
	388,676	705,377	3,167	743
Tax recoverable	16,796	15,930	–	–
Amounts due from:				
- subsidiaries	–	–	508,665	802,599
- associates	301,990	463,141	8	–
- joint ventures	501,978	201,352	27	–
- investee (non-trade)	124,248	122,412	–	–
- non-controlling interests (non-trade)	192,120	188,942	–	–
	1,979,245	2,099,524	513,157	803,801
Prepayments	212,305	976,464	150	233
	2,191,550	3,075,988	513,307	804,034

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

#### 10 Assets/Liabilities Held for Sale

	The Group	
	30 June 2021 \$'000	31 December 2020 \$'000
Property, plant and equipment	–	53
Intangible assets	–	7
Investment properties	–	229,404
Associates	77,077	67,388
Trade and other receivables	–	1,006
Cash and cash equivalents	–	24,804
Assets held for sale	<u>77,077</u>	<u>322,662</u>
Trade and other payables	–	4,562
Current tax payables	–	81
Deferred tax liabilities	–	12,903
Loans and borrowings	–	13,696
Other non-current liabilities	–	436
Liabilities held for sale	<u>–</u>	<u>31,678</u>

Details of assets and liabilities held are as follows:

- (a) In 2020, the Group assessed that the synergistic partnership with its investment in associate listed in Hong Kong, Lai Fung, may not be as relevant today due to its transition towards a more rental-led strategy versus a stronger residential development emphasis at the time of the Group's initial investment, as well as its expansion into MICE-related asset in China which is not in line with the Group's strategy. As the Group is now exploring options regarding its investment in Lai Fung, the investment has been reclassified from an associate to assets held for sale. In June 2021, a fair value gain of \$9.7 million was recognised based on Lai Fung's quoted share price as at 30 June 2021.
- (b) The assets and liabilities held for sale as at 31 December 2020 also included Citadines Didot Montparnasse Paris and Citadines City Centre Grenoble in France, CapitaMall Mingzhongleyuan and CapitaMall Saihan in China. The divestments of these properties were completed during the period.

#### 11 Earnings per Share

- (a) Basic earnings per share

	The Group	
	30 June 2021 \$'000	30 June 2020 \$'000
Basic earnings per share is based on:		
Net profit attributable to owners of the Company	<u>922,151</u>	<u>96,607</u>



**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

	<b>The Group</b>	
	<b>Six-month period ended</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>No. of shares</b>	<b>No. of shares</b>
	<b>('000)</b>	<b>('000)</b>
Weighted average number of ordinary shares in issue during the period	5,199,643	5,047,273

(b) Diluted earnings per share

In calculating diluted earnings per share, the net profit attributable to owners of the Company and weighted average number of ordinary shares in issue during the period are adjusted for the effects of all dilutive potential ordinary shares:

	<b>The Group</b>	
	<b>Six-month period ended</b>	
<b>Note</b>	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Net profit attributable to owners of the Company	922,151	96,607
Profit impact of conversion of the potential dilutive shares	(i) 10,961	–
Adjusted net profit attributable to owners of the Company	933,112	96,607

	<b>The Group</b>	
	<b>Six-month period ended</b>	
<b>Note</b>	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>No. of shares</b>	<b>No. of shares</b>
	<b>('000)</b>	<b>('000)</b>
Weighted average number of ordinary shares in issue during the period	5,199,643	5,047,273
Adjustments for dilutive potential ordinary shares under:		
- CapitaLand Performance Share Plan	19,550	11,342
- CapitaLand Restricted Share Plan	18,446	11,554
- Convertible bonds	(i) 157,568	–
	195,564	22,896
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	5,395,207	5,070,169

- (i) Following the close of the tender offer on 27 April 2021 and the exercise of the clean-up call option by the Company on 18 May 2021, all the convertible bonds have been fully repurchased or redeemed. As at 30 June 2021, the Company has no convertible bonds outstanding.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

#### 12 Dividends

	The Company	
	30 June 2021	30 June 2020
	\$'000	\$'000
<b>Ordinary dividends paid :</b>		
Tax-exempt ordinary dividend of 9.0 cents per share in respect of financial year ended 31 December 2020	468,267	—

- (a) The Company did not declare or recommend any dividend for the six-month period ended 30 June 2021 and 30 June 2020.
- (b) The Company only pays first and final dividend.

#### 13 Net Asset Value and Net Tangible Assets per Share

	The Group		The Company	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	\$	\$	\$	\$
Net asset value per ordinary share <sup>1</sup>	4.42	4.30	2.97	2.99
Net tangible assets per ordinary share <sup>1</sup>	4.22	4.09	2.97	2.99

<sup>1</sup> Excluding treasury shares

#### 14 Financial Assets and Financial Liabilities

During the six-month period ended 30 June 2021, the Group had restructured its interest in an equity investment at FVTPL in Japan with a carrying value of \$255 million. Following the restructuring, the Group accounted for this investment as a jointly controlled operation and accordingly, the Group had proportionately consolidated the investment with effect from March 2021.

CAPITALAND LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

15 Fair Value Of Assets And Liabilities

(a) Accounting classification and fair values

The table does not include fair value information of financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	<----- Carrying amount ----->					<----- Fair value ----->			
	Fair value - hedging instruments \$'000	FVOCI \$'000	FVTPL \$'000	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>The Group</b>									
<b>30 June 2021</b>									
<b>Financial assets measured at fair value</b>									
Equity investments at FVOCI	—	227,836	—	—	227,836	162,015	—	65,821	227,836
Equity investments at FVTPL	—	—	106,351	—	106,351	3,297	—	103,054	106,351
Derivative financial assets	107,247	—	—	—	107,247	—	107,247	—	107,247
Equity investment classified as assets held for sale	—	—	—	77,077	77,077	77,077	—	—	77,077
	<u>107,247</u>	<u>227,836</u>	<u>106,351</u>	<u>77,077</u>	<u>518,511</u>				
<b>Financial assets not measured at fair value</b>									
Other non-current assets	—	—	—	882,757	882,757				
Loans due from associates	—	—	—	81,288	81,288				
Loans due from joint ventures	—	—	—	546,689	546,689				
Trade and other receivables	—	—	—	1,979,244	1,979,244				
Cash and cash equivalents	—	—	—	7,844,684	7,844,684				
	<u>—</u>	<u>—</u>	<u>—</u>	<u>11,334,662</u>	<u>11,334,662</u>				

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

	Note	<----- Carrying amount ----->				<----- Fair value ----->				
		Fair value - hedging instruments	FVOCI	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>The Group</b>										
<b>30 June 2021</b>										
<b>Financial liabilities measured at fair value</b>										
Derivative financial instruments		(149,785)	—	—	—	(149,785)	—	(149,785)	—	(149,785)
		<u>(149,785)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(149,785)</u>				
<b>Financial liabilities not measured at fair value</b>										
Other non-current liabilities <sup>#</sup>		—	—	—	(495,998)	(495,998)	—	—	(488,553)	(488,553)
Bank borrowings <sup>^</sup>	16	—	—	—	(21,366,869)	(21,366,869)	—	(21,372,881)	—	(21,372,881)
Debt securities	17	—	—	—	(10,485,983)	(10,485,983)	(257,783)	(10,394,283)	—	(10,652,066)
Trade and other payables <sup>#</sup>		—	—	—	(4,768,967)	(4,768,967)				
		<u>—</u>	<u>—</u>	<u>—</u>	<u>(37,117,817)</u>	<u>(37,117,817)</u>				

<sup>#</sup> Excludes liability for employee benefits, derivative liabilities and deferred income.

<sup>^</sup> Excludes lease liabilities.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

	←----- Carrying amount -----→					←----- Fair value -----→				
	Note	Fair value - hedging instruments \$'000	FVOCI \$'000	FVTPL \$'000	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>The Group</b>										
<b>31 December 2020</b>										
<b>Financial assets measured at fair value</b>										
Equity investments at FVOCI		—	232,589	—	—	232,589	161,211	—	71,378	232,589
Equity investments at FVTPL		—	—	368,372	—	368,372	3,285	—	365,087	368,372
Derivative financial assets		93,136	—	—	—	93,136	—	93,136	—	93,136
Equity investment classified as assets held for sale		—	—	—	67,388	67,388	67,388	—	—	67,388
		<u>93,136</u>	<u>232,589</u>	<u>368,372</u>	<u>67,388</u>	<u>761,485</u>				
<b>Financial assets not measured at fair value</b>										
Other non-current assets		—	—	—	882,379	882,379				
Loans due from associates		—	—	—	86,243	86,243				
Loans due from joint ventures		—	—	—	648,477	648,477				
Trade and other receivables		—	—	—	2,099,524	2,099,524				
Cash and cash equivalents		—	—	—	9,175,378	9,175,378				
		<u>—</u>	<u>—</u>	<u>—</u>	<u>12,892,001</u>	<u>12,892,001</u>				

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

	Note	----- Carrying amount -----				----- Fair value -----				
		Fair value - hedging instruments \$'000	FVOCI \$'000	FVTPL \$'000	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>The Group</b>										
<b>31 December 2020</b>										
<b>Financial liabilities measured at fair value</b>										
Derivative financial instruments		(267,784)	—	—	—	(267,784)	—	(267,784)	—	(267,784)
		<u>(267,784)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(267,784)</u>				<u>(267,784)</u>
<b>Financial liabilities not measured at fair value</b>										
Other non-current liabilities <sup>#</sup>		—	—	—	(494,991)	(494,991)	—	—	(493,141)	(493,141)
Bank borrowings <sup>^</sup>	16	—	—	—	(22,456,768)	(22,456,768)	—	(22,497,552)	—	(22,456,552)
Debt securities	17	—	—	—	(11,646,687)	(11,646,687)	(1,804,142)	(10,287,242)	—	(12,091,384)
Trade and other payables <sup>#</sup>		—	—	—	(4,770,218)	(4,770,218)	—	—	—	—
		<u>—</u>	<u>—</u>	<u>—</u>	<u>(39,368,664)</u>	<u>(39,368,664)</u>				

<sup>#</sup> Excludes liability for employee benefits, derivative liabilities and deferred income.

<sup>^</sup> Excludes lease liabilities.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

	Note	<---- Carrying amount---->		< ----- Fair value ----- >			
		Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>The Company</b>							
<b>30 June 2021</b>							
<b>Financial assets not measured at fair value</b>							
Amount due from subsidiaries		4,724,886	4,724,886				
Trade and other receivables		513,157	513,157				
Cash and cash equivalents		31,328	31,328				
		<u>5,269,371</u>	<u>5,269,371</u>				
<b>Financial liabilities not measured at fair value</b>							
Other non-current liabilities#		(659,349)	(659,349)				
Trade and other payables#		(193,811)	(193,811)				
		<u>(853,160)</u>	<u>(853,160)</u>				
<b>31 December 2020</b>							
<b>Financial assets not measured at fair value</b>							
Amount due from subsidiaries		5,846,672	5,846,672				
Trade and other receivables		803,801	803,801				
Cash and cash equivalents		25,199	25,199				
		<u>6,675,672</u>	<u>6,675,672</u>				
<b>Financial liabilities not measured at fair value</b>							
Other non-current liabilities#		(659,349)	(659,349)				
Debt securities		(1,172,783)	(1,172,783)	(1,193,687)	—	—	(1,193,687)
Trade and other payables#		(402,731)	(402,731)				
		<u>(2,234,863)</u>	<u>(2,234,863)</u>				

# Excludes liability for employee benefits.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

(b) Level 3 fair value measurements

(i) *Reconciliation of Level 3 fair value*

The movements of financial assets classified under Level 3 and measured at fair value are presented as follows:

	<b>Equity investments at FVOCI \$'000</b>	<b>Equity investments at FVTPL \$'000</b>
<b>2021</b>		
At 1 January 2021	71,378	365,087
Disposal	–	(246,419)
Changes in fair value recognised in profit or loss	–	(7,872)
Changes in fair value recognised in other comprehensive income	(5,752)	–
Translation differences	195	(7,742)
At 30 June 2021	<u>65,821</u>	<u>103,054</u>
<b>2020</b>		
At 1 January 2020	74,782	375,182
Additions	1,148	721
Disposals	–	–
Changes in fair value recognised in profit or loss	–	(12,537)
Changes in fair value recognised in other comprehensive income	(5,912)	–
Return of capital	–	(5,138)
Translation differences	1,360	6,859
At 31 December 2020	<u>71,378</u>	<u>365,087</u>

(ii) *Valuation techniques and significant unobservable inputs*

The following table shows the valuation techniques used in measuring significant Level 3 fair values, as well as the significant unobservable inputs used.

<b>Type</b>	<b>Valuation methods</b>	<b>Key unobservable inputs</b>	<b>Inter-relationship between key unobservable inputs and fair value measurement</b>
Equity investment at FVTPL	Discounted cash flow method	- Discount rate: nil * (31 December 2020: 3.5%) - Terminal yield rate: nil* (31 December 2020: 3.8%)	The estimated fair value increases with lower discount rate and terminal yield rate
Equity investment at FVTPL	Discounted cash flow method	- Discount rate: 6.5% (31 December 2020: 6.5%) - Terminal yield rate: 4.5% (31 December 2020: 4.5%)	The estimated fair value increases with lower discount rate and terminal yield rate
Equity investment at FVTPL	Income approach	- Enterprise value/ Revenue multiple of comparable companies: 2.8x to 9.1x (31 December 2020: 2.8x to 7.3x) - Volatility of comparable companies: 61% (31 December 2020: 55%)	The estimated fair value increases with higher revenue multiple and varies inversely against volatility.
Equity investment at FVTPL	Income approach	- Discount rate: 12%-13% (31 December 2020: 12%-13%) - Terminal growth rate: 2% (31 December 2020: 2%)	The estimated fair value increases with lower discount rate and higher terminal growth rate.

\* Equity investment at FVTPL was disposed during the six-month period ended 30 June 2021.



**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**16 Borrowings**

	The Group		The Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Bank borrowings				
- secured	10,466,496	10,733,194	–	–
- unsecured	10,900,373	11,723,574	–	–
	21,366,869	22,456,768	–	–
Lease liabilities	1,049,607	1,054,936	29,444	34,777
	22,416,476	23,511,704	29,444	34,777
Repayable:				
Not later than 1 year	2,473,023	3,938,561	11,090	10,808
Between 1 and 5 years	16,880,336	16,292,269	18,354	23,969
After 5 years	3,063,117	3,280,874	–	–
After 1 year	19,943,453	19,573,143	18,354	23,969
	22,416,476	23,511,704	29,444	34,777

Movement during the period are as follows:

	Note	2021 \$'000
<b>The Group</b>		
At 1 January 2021		23,511,704
Repayments of bank borrowings and lease liabilities		(2,540,757)
Proceeds from bank borrowings		2,289,865
Acquisition of subsidiaries	21(b)	167,484
Disposal of subsidiaries	21(d)	(1,051,259)
Translation differences		(8,918)
Others		48,357
At 30 June 2021		22,416,476

Bank borrowings are secured by the following assets:

- (i) mortgages on the borrowing subsidiaries' property, plant and equipment, investment properties, development properties for sale, trade and other receivables and shares of certain subsidiaries of the Group; and
- (ii) assignment of all rights, titles and benefits with respect to the properties mortgaged.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**17 Debt Securities**

	The Group		The Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Convertible bonds	–	1,172,050	–	1,172,783
Notes and bonds	10,485,983	10,474,637	–	–
	<u>10,485,983</u>	<u>11,646,687</u>	<u>–</u>	<u>1,172,783</u>
Secured notes and bonds	348,229	259,420	–	–
Unsecured notes and bonds	10,137,754	11,387,267	–	1,172,783
	<u>10,485,983</u>	<u>11,646,687</u>	<u>–</u>	<u>1,172,783</u>
Repayable:				
Not later than 1 year	375,821	998,728	–	–
Between 1 and 5 years	5,901,873	6,902,881	–	1,172,783
After 5 years	4,208,289	3,745,078	–	–
After 1 year	10,110,162	10,647,959	–	1,172,783
	<u>10,485,983</u>	<u>11,646,687</u>	<u>–</u>	<u>1,172,783</u>

Movement during the period are as follows:

	2021 \$'000
<b>The Group</b>	
At 1 January 2021	11,646,687
Repayments/redemption of debt securities and convertible bonds	(2,062,907)
Proceeds from issuance of debt securities	873,939
Translation differences	(32,786)
Others	61,050
At 30 June 2021	<u>10,485,983</u>

- (a) During the six months ended 30 June 2021, the Company redeemed \$1,176 million convertible bonds comprising:
- (i) \$326.75 million of principal amount of convertible bonds due 20 June 2022 with interest rate at 2.95% per annum;
  - (ii) \$199.25 million of principal amount of convertible bonds due 17 October 2023 with interest rate at 1.95% per annum; and
  - (iii) \$650 million of principal amount of convertible bonds due 8 June 2025 with interest rate at 2.8% per annum.
- Following the redemption, the Company has no convertible bonds outstanding as at 30 June 2021.
- (b) The Company has an aggregate principal amount of \$1,176.0 million convertible bonds as at 30 June 2020. Assuming all the convertible bonds are fully converted based on their respective conversion price, the number of new ordinary shares to be issued would be 206,664,763, representing a 4.1% increase over the total number of issued shares (excluding treasury shares) of the Company as at 30 June 2020.
- (c) As at 30 June 2021, the secured notes and bonds amounting to \$348.2 million (2020: \$259.4 million) were fully secured by deposits pledged and mortgages on the investment properties of the Group.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**18 Share Capital**

(a) Issued Share Capital

	<b>The Company</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>No. of shares</b>	<b>No. of shares</b>
	<b>('000)</b>	<b>('000)</b>
<b>Issued and fully paid, with no par value</b>		
At 1 January and 31 December, including treasury shares	5,276,991	5,136,648
Add: Issue of new shares under the Company's scrip dividend scheme	–	140,343
Less: Treasury shares	(73,796)	(84,110)
At 30 June and 31 December, excluding treasury shares	5,203,195	5,192,881

**Capital management**

The Group's policy is to build a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital, which the Group defines as total shareholders' equity, excluding non-controlling interests, perpetual securities and the level of dividends to ordinary shareholders.

The Group seeks to strike a balance between the higher returns that might be possible with higher level of borrowings and the liquidity and security afforded by a sound capital position.

In addition, the Company has a share purchase mandate as approved by its shareholders which allows the Company greater flexibility over its share capital structure with a view to improving, inter alia, its return on equity. The shares which are purchased are held as treasury shares which the Company may transfer for the purposes of or pursuant to its employee share-based incentive schemes so as to enable the Company to take advantage of tax deductions under the current taxation regime. The use of treasury shares in lieu of issuing new shares would also mitigate the dilution impact on existing shareholders.

The Group monitors its capital using a net debt-to-equity ratio, which is defined as net borrowings divided by total equity (including non-controlling interests and perpetual securities).

	<b>The Group</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Borrowings and debt securities	32,902,459	35,158,391
Cash and cash equivalents	(7,844,684)	(9,175,378)
Net debt	25,057,775	25,983,013
Total equity	39,217,340	38,292,041
Net debt-to-equity ratio (times)	0.64	0.68

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

#### (b) Treasury Shares

Movements in the Company's treasury shares were as follows:

	The Company	
	30 June 2021 No. of shares (‘000)	31 December 2020 No. of shares (‘000)
At 1 January	84,110	99,154
Treasury shares transferred pursuant to employee share plans	(10,224)	(14,831)
Payment of directors' fees	(90)	(213)
At 30 June and 31 December	<u>73,796</u>	<u>84,110</u>

As at 30 June 2021, the Company held 73,795,890 (30 June 2020: 84,323,054) treasury shares which represents 1.4% (30 June 2020: 1.7%) of the total number of issued shares (excluding treasury shares).

## 19 CapitaLand Share Plans

### Performance Share Plan

As at 30 June 2021, the number of shares comprised in contingent awards granted under the CapitaLand Performance Share Plan 2020 and CapitaLand Performance Share Plan 2010 (collectively the "PSP") which has not been released were 9,774,819 (30 June 2020: 5,670,750).

Under the PSP, the final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No shares will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200 percent of the baseline award. There is no vesting period for shares released under the PSP. The Executive Resource & Compensation Committee ("ERCC") has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.

### Restricted Share Plan

As at 30 June 2021, the number of shares comprised in contingent awards granted under the CapitaLand Restricted Share Plan 2020 ("RSP 2020") and CapitaLand Restricted Share Plan 2010 ("RSP 2010") (collectively the "RSP") in respect of which (a) the final number of shares has not been determined, and (b) the final number of shares has been determined but not released, is 10,315,734 (30 June 2020: nil) and 10,286,599 (30 June 2020: 14,208,418) respectively, of which 2,095,964 (30 June 2020: nil) shares out of the former and 1,791,158 (30 June 2020: 3,799,639) shares out of the latter are to be cash-settled.

Under the RSP, the final number of shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of three years. No shares will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, more shares than the baseline award could be released up to a maximum of 150 percent of the baseline award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

An additional number of shares of a total value equals to the value of the accumulated dividends which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the RSP, will also be released on the final vesting. For time-based awards granted to facilitate the strategic employment of key executives, the shares will be released upon the completion of a specified period of service following the commencement of employment with the Group.

## 20 Significant Related Party Transactions

In addition to the related party information disclosed elsewhere in the financial statements, there were significant related party transactions which were carried out in the normal course of business on terms agreed between the parties as follows:

	The Group	
	30 June 2021	30 June 2020
	\$'000	\$'000
<b>Associates and joint ventures</b>		
Management fee income	125,956	114,366
Construction and project management income	9,876	1,507
Rental expense	(1,629)	(1,615)
Interest expense	(12,206)	(9,962)
Acquisition and divestment fees, accounting service fee, marketing income and other fees	52,952	24,707
Proceed for sale of investment	372,773	–
Purchase consideration for acquisition of investments	(562,457)	–

## 21 Acquisition / Disposal of Subsidiaries, Net of Cash Acquired

### (a) Acquisition of subsidiaries

The list of significant subsidiaries acquired in the six-month period ended 30 June 2021 is as follows:

Name of subsidiary	Date acquired	Effective interest acquired
Singapore Suzhou Industrial Holdings Pte. Ltd.#	January 2021	38.5%
Ascendas Xi'an High-Tech Development Co., Ltd.#	February 2021	1.5%
Xi An Ascendas-Science Technology Investment Co., Ltd.#	February 2021	1.2%
Vietnam Joint Venture Company Limited*	March 2021	50%
DLSP-Ascendas Co., Ltd*	May 2021	50%

# Previously associates of the Group

\* Previously joint ventures of the Group

The list of significant subsidiaries acquired in the six-month period ended 30 June 2020 is as follows:

Name of subsidiary	Date acquired	Effective interest acquired
Lux Arlington Sarl	February 2020	100%

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**(b) Effects of acquisitions**

The cash flows and net assets of subsidiaries acquired are provided below:

	Note	Recognised values	
		30 June 2021 \$'000	30 June 2020 \$'000
<b>The Group</b>			
Investment properties	8	1,023,813	222,929
Other non-current assets		1,584	–
Development properties for sale and stocks		42,278	–
Trade and other receivables		26,041	1,215
Cash and cash equivalents		117,944	–
Trade and other payables		(115,331)	(2,167)
Other current liabilities		(26,655)	(15)
Borrowings	16	(167,484)	–
Other non-current liabilities		(40,382)	–
Non-controlling interests		(23,599)	–
		<u>838,209</u>	<u>221,962</u>
Amounts previously accounted for as associates and joint ventures, remeasured at fair value		(128,335)	–
Net assets acquired		<u>709,874</u>	<u>221,962</u>
Gain on change of ownership interests in joint ventures		(9,284)	–
Realisation of reserves previously shared as joint ventures		(241)	–
Total purchase consideration		<u>700,349</u>	<u>221,962</u>
Deferred purchase consideration and other adjustments		(26,615)	–
Deferred purchase consideration paid in relation to prior year's acquisition of subsidiaries		(155,000)	–
Cash of subsidiaries acquired		<u>(117,944)</u>	<u>–</u>
Cash outflow on acquisition of subsidiaries		<u>400,790</u>	<u>221,962</u>

**(c) Disposal of subsidiaries**

The list of significant subsidiaries disposed in the six-month period ended 30 June 2021 is as follows:

Name of subsidiary	Date disposed	Effective interest disposed
Ascendas Korea Office Qualified Private Real Estate Investment Trust No. 4	January 2021	98.8%
Guangzhou New Boundary Real Estate Co. Ltd	March 2021	30%
Shanghai Xinwei Real Estate Development Co. Ltd	May 2021	40.6%
Ascendas Fusion 5 Pte. Ltd.	June 2021	75%

The disposed subsidiaries previously contributed net profit of \$63.0 million from 1 January 2021 to the date of disposal.

The list of significant subsidiaries disposed in the six-month period ended 30 June 2020 is as follows:

Name of subsidiary	Date disposed	Effective interest disposed
Shenyang Aoyuan Real Estate Development Co. Ltd	May 2020	60%
CapitaRetail Henan Zhongzhou Real Estate Co., Ltd	May 2020	28.1%

The disposed subsidiaries previously contributed net profit of \$1.3 million from 1 January 2020 to the date of disposal.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021

#### (d) Effects of disposals

The cash flows and net assets of subsidiaries disposed are provided below:

	Note	The Group	
		30 June 2021 \$'000	30 June 2020 \$'000
Investment properties	8	851,788	129,858
Other non-current assets		1,077	8
Development properties for sale and stocks		139,367	21,495
Trade and other receivables		1,474,163	16,439
Cash and cash equivalents		129,852	77,866
Other current assets		5,094	–
Trade and other payables		(469,430)	(19,964)
Other current liabilities		(219,164)	(6,560)
Borrowings	16	(1,051,259)	–
Other non-current liabilities		(40,000)	(18,506)
Non-controlling interests		(170,247)	29,444
Equity interest retained as associates and joint ventures		(262,920)	–
Net assets disposed		388,321	230,080
Realisation of reserves		2,003	6,530
Gain on disposal of subsidiaries		319,349	111,408
Sale consideration		709,673	348,018
Deferred proceeds and other adjustments		(20,276)	(80,968)
Deposits received for prior year		(6,191)	(3,865)
Payment received for prior year disposals		80,183	–
Cash of subsidiaries disposed		(129,852)	(77,866)
Cash inflow on disposal of subsidiaries		633,537	185,319

## 22 Subsequent Events

- (a) On 1 July 2021, CapitaLand announced that it will acquire a freehold site and develop a four-storey modern logistics facility in Ibaraki City, Osaka, Japan for about JPY 7.5 billion (approximately \$90.8 million). The logistics facility will be located within a major logistics hub in Osaka, well-connected to Kyoto and Kobe via major expressways. When completed in 3Q 2023, the logistics facility will have a gross floor area of about 27,000 square metres.
- (b) On 7 July 2021, CapitaLand announced that it has launched its second logistics private fund, CapitaLand India Logistics Fund II, of INR 22.5 billion (approximately \$400 million) to expand in India's logistics sector. CapitaLand India Logistics Fund II will invest in the development of logistics assets in key warehousing and manufacturing hubs in six major cities - Ahmedabad, Bangalore, Chennai, Mumbai, National Capital Region (NCR), and Pune, as well as in emerging markets such as Coimbatore, Guwahati, Jaipur, Kolkata and Lucknow.

**1. Review of Performance**

**1(a) Explanatory Notes to Income Statement (Please refer to Page 1)**

**(A) Revenue**

Revenue for 1H 2021 increased by 34.7% to \$2,730.0 million (1H 2020: \$2,027.4 million), driven mainly by the Group's development projects as more units were handed over in China and higher progressive revenue recognition from One Pearl Bank in Singapore, partially offset by lower handover of units in Vietnam. The increase was also attributed to lower rental rebates granted to our tenants in Singapore and China as the COVID-19 situation in these 2 countries gradually stabilised, higher transactional fee from the listed Reits and unlisted funds, as well as contribution from the newly acquired business park properties in China and an office building in Singapore, 79 Robinson Road, which commenced operation in second half of 2020.

**(B) Cost of Sales**

In line with higher revenue, cost of sales also increased but at a lower rate as there was no corresponding impact to the cost of sales for the lower rental rebates granted to tenants.

**(C) Other Operating Income**

Other operating income comprises mainly interest income, dividend income from long-term equity investments, foreign exchange gain, as well as non-recurrent income such as government grants, income from pre-termination of contracts, forfeiture of deposits, fair value gain from assets and gains from divestment of properties or change of our interests in equity investments including subsidiaries, associates, joint ventures and long-term equity investments. (Please refer to page 18)

Other operating income for 1H 2021 increased by 86.3% to \$652.3 million (1H 2020: \$350.1 million), mainly attributed to higher portfolio gain and foreign exchange gain, fair value gain from asset held for sale based on quoted market price at period end, as well as higher forfeiture of deposits, partially offset by lower interest income and government grants.

- (i) Lower interest income in 1H 2021 was attributable to lower interest rates for surplus funds placed with financial institutions and lower interest-bearing loans extended to associates and joint ventures.
- (ii) Foreign exchange gain in 1H 2021 arose mainly from the revaluation of AUD, EURO and RMB receivables as SGD depreciated against these currencies during the period, partially offset by the foreign exchange loss from the revaluation of INR receivables as SGD appreciated against INR during the period.
- (iii) 1H 2021 portfolio gain comprised gain on divestment of equity investment fair value through profit or loss, investment in subsidiaries and joint venture, as well as investment properties. The portfolio gain in 1H 2021 mainly came from the divestment of a lodging property in China, a shopping mall in Japan, an office in Korea, a business park in Singapore, a residential project investment in China, as well as additional gain from the divestment of five business park properties in China upon the completion of the transactions. The portfolio gain also included gain from the restructuring of an investment in Japan, partial sale of equity stake in an investment in China and deemed disposal of equity interest in a business park in China.
- (iv) The forfeiture of deposits in 1H 2021 mainly relate to deposits received in relation to the divestment of assets in China.



## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

- (v) The government grants in 1H 2021 and 1H 2020 consist of COVID-19 related job support grants and property tax rebates extended mainly by the Singapore government. The grants received in 1H 2021 was lower as the COVID-19 situation in Singapore was in better control compared to same period last year.

#### **(D) Administrative Expenses**

Administrative expenses comprised staff costs, depreciation and other miscellaneous expenses. 1H 2021 administrative expenses increased 2.8% to \$291.0 million (1H 2020 \$283.0 million) was mainly due to higher depreciation for right-of-use assets from hotel properties in Australia, as well as higher allowance for doubtful receivables made for rental arrears from tenants, partially mitigated by lower staff costs.

#### **(E) Other Operating Expenses**

Other operating expenses comprised mainly the fair value loss on revaluation of investment properties held through our subsidiaries, marked-to-market loss on financial assets, impairment of investments and assets as well as loss on redemption of convertible bonds. (Please refer to page 19)

Other operating expenses in 1H 2021 decreased 92.2% to \$52.2 million (1H 2020 : \$665.6 million), mainly due to absences of fair value losses on revaluation of investment properties held through CapitalLand Integrated Commercial Trust (CICT) and lower grant expense in relation to the government's rental relief passed down to tenants in Singapore, partially offset by a loss on redemption of all the outstanding convertible bonds issued by the Company pursuant to tender-offer and the exercise of the clean-up call option.

#### **(F) Share of Results (net of tax) of Associates and Joint Ventures**

Share of results from associates in 1H 2021 increased 193.5% to \$304.1 million (1H 2020: \$103.6 million), mainly attributed to higher gains from assets recycling and improved operating performance mainly due to lower rental rebates granted to tenants as the COVID-19 situation in Singapore and China stabilised.

Share of results from joint ventures in 1H 2021 increased 73.2% to \$91.5 million (1H 2020: \$52.9 million), mainly contributed by lower rental rebates granted to tenants and absence of revaluation loss from an investment property.

#### **(G) Taxation expense and adjustments for over or under-provision of tax in respect of prior years**

The taxation expense includes current and deferred tax expenses, as well as land appreciation tax (LAT) in China. The current tax expense is based on the statutory tax rates of the respective countries in which the Group operates and takes into account non-deductible expenses, non-taxable income and temporary differences.

The tax expense in the first half of the year was \$362.0 million (1H 2021: \$126.4 million). The increase was mainly due to higher LAT in China which is in line with higher handover of residential units, as well as higher taxable income from operation and asset recycling gains. During the current period, the Group recorded higher LAT of \$162.3 million as compared to the \$20.5 million recorded in same period last year. Included in 1H 2021 tax expense was a tax write back of \$21.0 million in respect of prior years (1H2020: Tax provision of \$7.0 million).

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### (H) Gain/(Loss) from the sale of investments

The net gains/ (losses) from the sale of investments for the six months ended 30 June 2021 and 30 June 2020 were as follow:

	<b>PATMI (\$M)</b>
<b><u>Six-month period ended 30 June 2021</u></b>	
Six Raffles City Properties, China	155.5
Olinas Mall, Japan	113.6
Galaxis, Singapore	73.3
Somerset Xu Hui Shanghai, China	52.9
Icon Cheongye, Korea	33.0
Five business park properties in China	22.9
Gain from restructuring of an equity investment in Japan	15.9
Gain from deemed disposal of equity interest in a business park in China	8.7
21% stake in Guangzhou Science City, China	6.2
Others	7.0
<b>Total</b>	<b><u>489.0</u></b>
<b><u>Six-month period ended 30 June 2020</u></b>	
Erqi mall, China	6.7
Land in Kazakhstan	1.2
Share of Lai Fung's divestment gains	1.5
Others	(0.1)
<b>Total</b>	<b><u>9.3</u></b>

#### 1(b) Explanatory Notes to Statement of Comprehensive Income (Please refer to Page 2)

##### (A) Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign

1H 2021's exchange differences arose mainly from the depreciation of SGD against RMB, GBP and AUD by 1.5%, 5.6% and 5.8% respectively during the first half of the year.

##### (B) Effective portion of change in fair value of cash flow

The effective portion of change in fair value of cash flow hedges for 1H 2021 arose mainly from the mark-to-market gains of the Group's interest rate swaps and cross currency swaps contracts which were entered into for hedging purposes.

##### (C) Share of other comprehensive income of associates and joint ventures

The share of other comprehensive income of associates and joint ventures relates mainly to share of foreign currency translation and hedging reserves. 1H 2021's share of exchange differences arose mainly from the depreciation of USD against RMB by 2.6%. The Group's share of effective portion of change in fair value of cash flow hedges for 1H 2021 arose mainly from the mark-to-market gains of the interest rate swaps contracts which were entered into by associates and joint ventures.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### 1(c) Explanatory Notes to Balance Sheet (Please refer to page 3)

##### (A) Investment Properties

The increase was mainly due to the acquisitions of a student accommodation property in United States of America, three rental housing properties in Japan, four business parks properties in China and the Group's proportionate accounting for an office in Japan following the restructuring of the Group's interest in the equity investment, as well as higher carrying value of properties in China due to the appreciation of RMB against Singapore Dollar. The increase was partially offset by the disposal of a business park property in Singapore, an office in Korea, two shopping malls in Japan and a serviced residence in China.

##### (B) Trade and other receivables

The decrease in the Group's trade and other receivables was mainly due to the divestment of subsidiaries in China. The decrease in the Company's trade and receivables was mainly due to the settlement of loan receivables from CapitalLand Treasury Limited (CTL).

##### (C) Cash and cash equivalents

The cash balances as at 30 June 2021 included \$2.0 billion held at CapitalLand Limited and its treasury vehicles (comprising CTL, CLI Treasury Limited, CapitaMalls Asia Treasury Limited, The Ascott Capital Pte Ltd and Ascendas Pte Ltd).

##### (D) Borrowings

The decrease in the Group's borrowings was mainly due to redemption of convertible bonds, divestment of subsidiaries, as well as net repayment of borrowings.

##### (E) Other Reserves

The change in other reserves was mainly due to foreign currency translation differences arising from the depreciation of SGD against RMB, GBP and AUD during the period.

#### 1(d) Explanatory Notes to Consolidated Statement of Cash Flows (Please refer to Page 9 – 10)

##### (A) Cash from operating activities

In 1H 2021, the Group generated net cash from operating activities of \$625.4 million, mainly from the recurring cashflow from investment properties portfolio and collections from development projects in China.

##### (B) Cash from investing activities

The Group generated net cash of \$627.8 million from investing activities in 1H 2021, mainly contributed by proceeds from divestments of investments as well as dividends received from associates, joint ventures and other investments. The cash generated was partially offset by the acquisition/development expenditure of investment properties as well as the acquisition of subsidiaries.

##### (C) Cash from financing activities

Net cash used in financing activities for 1H 2021 was \$2,627.2 million, mainly attributable to dividends paid to shareholders and non-controlling interests, payment of interest expense, net repayment of bank borrowings and redemption of convertible bonds.

**CAPITALAND LIMITED AND ITS SUBSIDIARIES**

**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

**1(e) Group Overview**

S\$M	Six-month period ended		Better / (Worse) (%)
	30 June 2021	30 June 2020	
<b>Revenue</b>	2,730.0	2,027.4	34.7
<b>Earnings before Interest and Tax ("EBIT")</b>	2,165.7	596.8	262.9
<b>Finance costs</b>	(439.1)	(457.2)	4.0
<b>Profit Before Taxation</b>	1,726.6	139.6	NM
<b>Total PATMI</b>	<b>922.2</b>	<b>96.6</b>	<b>854.5</b>
<b>Comprising:</b>			
<b>Operating PATMI<sup>(1)</sup></b>	433.6	261.2	66.0
<b>Portfolio gains<sup>(2)</sup></b>	489.0	9.3	NM
<b>Revaluation gains and impairments</b>	(0.4)	(173.9)	99.8

NM: Not meaningful

Notes:

1. Operating PATMI refers to profit from business operations excluding any gains or losses from divestments, revaluations and impairments.
2. Portfolio gains comprise gains or losses arising from divestments, gains from bargain purchase or re-measurement on acquisitions and realised revaluation gains/losses arising from revaluation of investment properties to agreed selling prices of properties.

**Six-month period ended: 30 June 2021 (1H 2021) vs 30 June 2020 (1H 2020)**

For the half year under review, the Group achieved a revenue of \$2,730.0 million (1H 2020: \$2,027.4 million) and a PATMI of \$922.2 million (1H 2020: \$96.6 million).

**Revenue**

Revenue for 1H 2021 increased by 34.7% or \$702.6 million mainly attributable to higher handover of residential units in China and progressive revenue recognition of a residential project in Singapore, partially offset by lower handover of units in Vietnam. The higher revenue also came from lower rental rebates granted to our tenants in Singapore and China, higher fee income generated from acquisition and divestment related transactions, the newly acquired business park properties in China, as well as an office building in Singapore which commenced operation in the second half of 2020. The residential projects which contributed to the revenue in 1H 2021 were mainly One Pearl Bank in Singapore, La Riva in Guangzhou, Jing'an One, Century Park (East) in Chengdu and The Metropolis in Kunshan.

Collectively, the two core markets of Singapore and China accounted for 77.0% (1H 2020: 65.1%) of the Group's revenue.

In terms of asset class, residential and commercial strata and urban development constituted 31.0% or \$845.2 million (1H 2020: 15.9% or \$322.8 million) of the total revenue in 1H 2021, while investment properties comprised office, retail, business park, logistics and industrial, as well as lodging properties which are recurring in nature, accounted for 69.0% or \$1,884.8 million of total revenue (1H 2020: 84.1% or \$1,704.6 million).

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### **EBIT**

The Group recorded an EBIT of \$2,165.7 million (1H 2020: \$596.8 million) for 1H 2021. The higher EBIT was mainly attributed to the absence of fair value losses from revaluation of investment properties, lower rental rebate granted to tenants, higher gains from asset recycling, fee income and contribution from development projects in China, as well as the contribution from newly acquired business park properties in China and an office building in Singapore which commenced operations in the second half of 2020. The increase was partially offset by the lower contribution from development projects in Vietnam, lower job support grants received and a loss on the redemption of the Company's convertible bonds.

At EBIT level, the portfolio gains in 1H 2021 of \$602.5 million (1H 2020: \$37.9 million) arose mainly from the divestment of a lodging property in China, a shopping mall in Japan, an office in Korea and six business park properties in Singapore and China. The portfolio gain also included gains from the restructuring of an equity investment in Japan, as well as the partial sale of equity stakes in six Raffles City properties and the disposal of equity interest in a joint venture in China.

In terms of asset class, residential and commercial strata accounted for 20.8% (1H 2020: 31.3%) of the total EBIT in 1H 2021 while the Group's investment properties portfolio accounted for 79.2% (1H 2020: 68.7%) of the total EBIT. The increase in contribution from investment properties portfolio was due to the absence of revaluation losses from investment properties held through CICT, lower rental rebates extended to tenants, higher gains from asset recycling and higher transactional fee income from listed REITs and unlisted funds.

#### **EBIT Contribution by Geography**

The Group's two core markets, Singapore and China collectively accounting for 84.1% of Group's total EBIT (1H 2020: 74.1%). Singapore EBIT was \$710.5 million or 32.8% of total EBIT (1H 2020: \$30.5 million or 5.1%) while China EBIT was \$1,110.2 million or 51.3% of total EBIT (1H 2020: \$411.9 million or 69.0%).

Singapore EBIT increased by \$680.0 million mainly due to the absence of fair value losses from revaluation of investment properties held through CICT, lower rental rebates extended mainly to mall tenants, higher gains from asset recycling and fee income and contribution from an office building in Singapore which commenced operation in second half of 2020, partially offset by the lower job support grants received from the government and a loss on the redemption of the Company's convertible bonds.

China EBIT increased by \$698.3 million mainly attributed to higher handover of units from residential projects, higher gains from asset recycling, lower rental rebates extended to tenants as well as contribution from the newly acquired business park properties in China.

#### **Finance Costs**

Finance costs for 1H 2021 were lower as compared to the 1H 2020 mainly due to the decline in the average cost of borrowings to 2.8% (1H 2020: 3.0%).

#### **PATMI**

The Group recorded a significant increase in PATMI to \$922.2 million in 1H 2021 as compared to \$96.6 million in 1H 2020, driven mainly by the positive economic recovery of our two core markets, Singapore and China as the COVID-19 situation stabilised. The increase was underpinned by better operating performance, higher gains realised from asset recycling, as well as the absence of revaluation losses from our portfolio of investment properties. Operating PATMI rose by 66.0% to \$433.6 million for 1H 2021 on account of higher contribution from development projects, transactional fee income from listed REITs and unlisted funds, as well lower rental rebates granted to tenants.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### 1(f) Segment Performance

For financial reporting, the Group's primary segment is based on its SBUs. The Group's secondary segment is reported by geographical locations, namely Singapore, China, other emerging markets and other developed markets.

For the purposes of additional disclosure, the Group has also elected to disclose segment reporting by asset class.

#### CL SMI, Vietnam and International

S\$M	Six-month period ended		Better / (Worse) (%)
	30 June 2021	30 June 2020	
<b>Revenue</b>			
CL SMI	900.1	804.8	11.8
CL Vietnam	72.4	129.7	(44.2)
CL International	110.4	114.0	(3.2)
<b>Total</b>	<b>1,082.9</b>	<b>1,048.5</b>	<b>3.3</b>
<b>EBIT</b>			
CL SMI	685.4	1.4	NM
CL Vietnam	17.5	20.6	(15.0)
CL International	240.5	67.6	255.8
<b>Total</b>	<b>943.4</b>	<b>89.6</b>	<b>952.9</b>

Revenue for residential projects in Singapore is recognised on a percentage of completion method while in Vietnam, the revenue for residential projects is recognised on a completion basis upon handover of units to home buyers.

The higher revenue for 1H 2021 as compared to 1H 2020 was mainly attributed to higher contribution from the residential project in Singapore, One Pearl Bank, contribution from an office in Singapore which commenced operation in second half of 2020 and to lower rental rebates granted to tenants in Singapore, partially offset by the lower handover from residential projects in Vietnam.

In 1H 2021, a total of 142 residential units (1H 2020: 627 units) were handed over to home buyers in Vietnam. The units handed over were mainly from Feliz En Vista, D'Edge, Vista Verde and Seasons Avenue.

EBIT for 1H 2021 was significantly higher at \$943.4 million due to absence of revaluation losses from investment properties held through CICT, higher gains from asset recycling and lower rental rebates extended to tenants.

Sales of residential units represent future revenue to be recognised as the units are progressively completed and handed over. In 1H 2021, 226 units (1H 2020: 72 units) with a sales value of \$349.5 million (1H 2020: \$80.5 million) were sold in Singapore, Malaysia and Vietnam.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### CL China

S\$M	Six-month period ended		Better / (Worse) (%)
	30 June 2021	30 June 2020	
Revenue	1,136.6	482.9	135.4
EBIT	959.9	391.1	145.4

Revenue for 1H 2021 was higher as compared to the previous corresponding period, mainly due to higher handover of residential units, as well as lower rental rebates granted to tenants.

In 1H 2021, CL China handed over 1,453 units to home buyers mainly from La Botanica in Xian, La Riva in Guangzhou, Century Park (East) in Chengdu, The Metropolis in Kunshan and Jing'an One in Shanghai (1H 2020: 652 units<sup>1</sup>). The units handed over last year were mainly from Lake Botanica in Shenyang and Parc Botanica in Chengdu.

EBIT for 1H 2021 was higher as compared to 1H 2020, mainly due to higher portfolio gains recognised mainly from the sale of partial stakes in six of the Raffles City developments in China and lower rental rebates granted to tenants. In June 2021, the Group entered into conditional agreements to divest the partial stakes in the Raffles City developments to Ping An Life Insurance Company of China.

Sales of residential units represent future revenue to be recognised as the units are progressively completed and handed over. In 1H 2021, CL China sold 2,625 units with a sales value of RMB 8.0 billion (1H 2020: 1,769 units; RMB 5.6 billion<sup>1</sup>). The Group achieved an overall sales rate of 94% based on launched residential units as at June 2021. The current year sales were mainly from La Botanica in Xian, Citta Di Mare Phase 2 in Guangzhou, Spring in Chongqing and Century Park (East) in Chengdu

<sup>1</sup> 1H 2020 handover and sales include 179 units with a value of RMB 0.7b arising from the divestment of a residential investment.

#### CL India

S\$M	Six-month period ended		Better / (Worse) (%)
	30 June 2021	30 June 2020	
Revenue	24.9	22.5	10.7
EBIT	21.1	14.0	50.7

Revenue for 1H 2021 was higher than 1H 2020 mainly due to contribution from new leases that commenced from 2Q 2021 for the newly completed building and higher fee income earned by the management companies from both the business parks and logistics portfolio.

The higher EBIT for 1H 2021 was mainly due to higher contribution from both management companies managing the business parks and logistics portfolio, higher share of results from the India logistics portfolio and share of gain from the divestment of land parcel. This is despite a slight INR depreciation against SGD in 1H 2021 as compared to a slight INR appreciation against SGD in 1H 2020.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### CL Lodging

S\$M	Six-month period ended		Better / (Worse) (%)
	30 June 2021	30 June 2020	
Revenue	410.7	433.0	(5.2)
EBIT	169.6	4.2	NM

Revenue for 1H 2021 was lower mainly due to the disruption brought about by the ongoing COVID-19 pandemic which mostly impacted performance from 2Q 2020 onwards, although recovery momentum is building up gradually with improved performance in 2Q 2021.

EBIT for 1H 2021 was higher mainly due to the divestment gains of Somerset Xu Hui in China and 2 lodging properties in France.

#### CL Financial

S\$M	Six-month period ended		Better / (Worse) (%)
	30 June 2021	30 June 2020	
Revenue	196.1	158.4	23.8
EBIT	120.9	91.8	31.7

Revenue for 1H 2021 increased by 23.8% or \$37.7 million against same period last year. This was mainly due to the fee income from higher transactional activities of Ascendas REIT, CapitalLand China Trust, Ascott Residence Trust and Ascendas China Business Park Fund 4. The base and performance management fees have also increased though at a slower pace.

In line with higher revenue, EBIT for 1H 2021 increased by 31.7% or \$29.1 million as compared to 1H 2020.

#### Corporate and Others

S\$M	Six-month period ended		Better / (Worse) (%)
	30 June 2021	30 June 2020	
Revenue	(121.3)	(117.9)	(2.8)
EBIT	(49.2)	6.1	NM

Corporate and Others include Corporate office and group eliminations.

The loss at EBIT level for 1H 2021 was mainly due to the loss on redemption of convertible bonds, lower interest income from placement of surplus funds with financial institutions and lower job support grants received from government.



## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### 2. Variance from Prospect Statement

CapitaLand Limited has released the following announcements which contains information relating to the Group's outlook for 2021:

1. Announcement dated 22 March 2021;
2. AGM presentation slides dated 27 April 2021; and
3. First Quarter Business Update dated 12 May 2021

The 1H 2021 operating performance was broadly in line with the above prospect statements.

#### 3. Commentary of the significant trends and the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

##### Group Overall Prospects

On 10 August 2021, CapitaLand received its shareholders' approval to restructure the Group by way of a scheme of arrangement (the "Scheme") to (i) privatise its development business such that it will be wholly owned by the Company's existing controlling shareholder, CLA Real Estate Holdings Pte Ltd (the "Offeror"), and (ii) consolidate its investment and lodging business under CapitaLand Investment Limited ("CLI") and spin-off CLI.

On completion of the Scheme, which is currently expected to take place in or around mid-September 2021, CLI will be listed on the Singapore Exchange and the Company will be delisted from the Singapore Exchange.

As part of the consideration for the Scheme, the eligible CapitaLand shareholders<sup>1</sup> will receive one share of CLI for every CapitaLand share that they own, and become a shareholder of CLI.

The Group registered an improved operating and financial performance compared to the second half of 2020. Notwithstanding this, given the unpredictability of the COVID-19 virus, as well as the varied pace of inoculation globally, the Group expects the pace of recovery across its geographies and sectors to remain uneven.<sup>2</sup> As such, it will monitor events closely, whilst taking a prudent approach in managing its operations and capital.

<sup>1</sup> All shareholders of the Company (excluding the Offeror) as at the Record Date of the Scheme which will be announced by the Company in due course.

<sup>2</sup> World Bank Global Economic Prospects. June 2021

#### 4. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have neither been audited nor reviewed by our auditors.

#### 5. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter)

Not applicable.

#### 6. Interested Person Transactions

The Company has not sought a general mandate from shareholders for Interested Person Transactions.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### 7. Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its Directors and executive officers in the form set out in Appendix 7.7 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual"), as required by Rule 720(1) of the Listing Manual.

#### 8. Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited condensed interim financial statements of the Group and the Company (comprising the balance sheet, consolidated income statement, statement of comprehensive income, statement of changes in equity and consolidated statement of cash flows, together with their accompanying notes) as at 30 June 2021 and for the six months ended on that date, to be false or misleading in any material aspect.

On behalf of the Board

**Miguel Ko**  
Chairman

**Lee Chee Koon**  
Director

#### 9. In the review of performance, the factors leading to any material changes in contributions to revenue and earnings by the business or geographical segments

Please refer to item 1(e).

#### 10. Breakdown of Group's revenue and profit after tax for first half year and second half year

Not applicable.

#### 11. Breakdown of Total Annual Dividend (in dollar value) of the Company

Not applicable.

## CAPITALAND LIMITED AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

#### BY ORDER OF THE BOARD

Michelle Koh  
Company Secretary  
13 August 2021

This announcement may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management regarding future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this announcement. Neither CapitaLand Limited ("CapitaLand") nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this announcement or its contents or otherwise arising in connection with this announcement.

The past performance of CapitaLand or any of the listed funds managed by CapitaLand Group ("CL Listed Funds") is not indicative of future performance. The listing of the shares in CapitaLand ("Shares") or the units in the CL Listed Funds ("Units") on the Singapore Exchange Securities Trading Limited ("SGX ST") does not guarantee a liquid market for the Shares or Units.

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

The directors of the Company (including any who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement in each case which relate to the Company, CLI and CapitaLand Integrated Commercial Trust ("CICT") (excluding information relating to the Offeror or any opinion expressed by the Offeror) are fair and accurate and that, where appropriate, no material facts which relate to the Company, CLI and CICT have been omitted from this Announcement, and the directors of the Company jointly and severally accept responsibility accordingly.

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