



For immediate release

NEWS RELEASE

Unless otherwise stated, all capitalised terms not otherwise defined herein shall have the same meaning ascribed to them in the Scheme Document dated 17 July 2021 issued by CapitaLand and Introductory Document dated 17 July 2021 issued by CapitaLand Investment Limited, in relation to the Proposed Transaction.

CapitaLand engages retail investors on merits of proposed restructuring at SIAS dialogue session

Singapore, 30 July 2021 – CapitaLand Limited (“CapitaLand” or the “Company”) held a virtual dialogue session with shareholders as part of its retail investor outreach for the Proposed Strategic Restructuring and Listing of CapitaLand Investment (the “Proposed Transaction”). Post-Proposed Transaction, CapitaLand’s investment management platforms, as well as its lodging business, will be consolidated into CapitaLand Investment Limited (“CLI”), which will be listed by introduction on the Singapore Exchange (“SGX-ST”); while the real estate development business of CapitaLand will be placed under private ownership, to be fully held by CLA.

More than 150 retail shareholders participated in the live virtual dialogue session on 28 July 2021, which was facilitated by the Securities Investors Association (Singapore) (SIAS). Mr Lee Chee Koon, Group CEO of CapitaLand Group and Mr Andrew Lim, Group CFO of CapitaLand Group started the dialogue by highlighting the key rationale and benefits of the Proposed Transaction before addressing questions posed by Mr Robson Lee, Assistant Honorary Secretary of SIAS, on behalf of CapitaLand retail shareholders.

The following key points were raised at the session:

Rationale for the proposed restructuring

While reiterating the rationale of the proposed restructuring, Mr Lee said: “CapitaLand has consistently traded at a 20% to 25% discount to net asset value (NAV). While this is comparable to other developers in the region, proven real estate investment managers (REIMs) tend to trade at a premium to NAV. With our strong track record in growing fee income for our Fund and Lodging Management businesses, and our disciplined capital recycling, we are confident that CapitaLand’s proposed restructuring will allow CLI shareholders to potentially benefit from the substantial long-term value that we will aim to unlock.”

CLI's competitive advantage as a REIM with leadership in Asia

Mr Lee said: "CapitaLand has built up a strong track record and reputation in Asia, with more than 20 years of experience in our core markets of Singapore, China, India and Vietnam; as well as a rapidly expanding presence in our focus markets of Japan, Korea and Australia. The extensive and experienced boots that we have on the ground gives us the ability to access different investment opportunities, including those that are off market. In the next 10 to 20 years, Asia will continue to be a key engine of growth. CLI's long standing presence in Asia will give us an edge over non-Asian based REIMs, drawing on our own heritage, history and strengths in Asia. We need to chart our own path, identify our areas of competitiveness, and become an asset manager that is globally competitive with a very strong foundation in Asia."

Asset-light lodging management platform is a good fit for CLI

When asked about the compatibility of the lodging management platform with CLI, Mr Lim explained: "The underlying principle of both platforms is the same – we are managing third-party capital and earning a fee. Therefore, these two capital efficient businesses are complementary, and a good fit for CLI. As our lodging platform continues to emerge from the worst of the pandemic, and scales towards our planned target of 160,000 units under management by FY2023, we expect the business to contribute materially to CLI's overall earnings on a recurring basis."

Prudent dividend policy

On CLI's dividend policy, Mr Lim said: "The management team has made the decision to keep our dividend policy unchanged for now, that is to declare a dividend of at least 30% of our cash PATMI. This is for two reasons. One, to give our current shareholders, and hopefully shareholders of CLI going forward, a familiar reference. Two, we are cognisant that we are emerging from a difficult operating environment caused by the pandemic. We are in a period of recovery, which while positive, remains uncertain. The management team has thus elected to maintain an unchanged dividend policy for CLI in the near term. Assuming the recovery continues, and we return to a more normalised operating environment within the next 12 to 24 months, we will be able to review CLI's dividend policy, to ensure that it accurately reflects the cash generating nature of a REIM."

Virtual shareholder meetings

The Proposed Transaction is subject to the approvals of CapitaLand's Shareholders at the Extraordinary General Meeting ("EGM") and the Scheme Meeting (collectively, the "Meetings") to be held by way of electronic means on Tuesday, 10 August 2021. The EGM will start at 2.00 pm, and the Scheme Meeting at 2.15 pm or as soon thereafter following the conclusion of the EGM. The Offeror and its concert parties will abstain from voting at the Meetings.

As a pre-cautionary measure due to the COVID-19 situation in Singapore, Shareholders will not be able to attend the Meetings in person. They may participate in the Meetings by observing and/or listening to the proceedings via the live audio-visual webcast or the live audio-only stream. Shareholders will have the opportunity to ask questions during the live

Questions and Answers session at the Meetings. They may also submit questions prior to the Meetings.

Shareholders who wish to register for the EGM and Scheme Meeting and submit questions may continue to do so until 2.15 pm on Saturday, 7 August 2021. Shareholders who wish to vote must complete the proxy forms for the respective meetings and submit them via CapitaLand's pre-registration website, email or by post¹ by 2.00 pm on Saturday, 7 August 2021 (for EGM proxy form) and 2.15 pm on Saturday, 7 August 2021 (for Scheme Meeting proxy form). For details, please read the Notice of EGM and Notice of Scheme Meeting.

Responses to Substantial and Relevant Questions

Ahead of the Meetings, CapitaLand has today issued Responses to Substantial and Relevant Questions received from shareholders to date ("Responses"). The topics covered in the Responses include the Proposed Transaction, odd lots trading and bonds issues. Further Responses to Substantial and Relevant Questions received from shareholders will be issued at a later date.

For the Responses, video recording of the CapitaLand-SIAS virtual dialogue and latest transaction updates, please visit the Proposed Transaction microsite:

<https://bit.ly/CLrestructuring>

About CapitaLand Limited (www.capitaland.com)

CapitaLand Limited (CapitaLand) is one of Asia's largest diversified real estate groups. Headquartered and listed in Singapore, it owns and manages a global portfolio worth about S\$137.7 billion as at 31 March 2021. CapitaLand's portfolio spans across diversified real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 240 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

CapitaLand has one of the largest real estate investment management businesses globally. It manages six listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds. CapitaLand launched Singapore's first REIT in 2002 and today, its stable of REITs and business trusts comprises CapitaLand Integrated Commercial Trust, Ascendas Real Estate Investment Trust, Ascott Residence Trust, CapitaLand China Trust, Ascendas India Trust and CapitaLand Malaysia Mall Trust.

CapitaLand places sustainability at the core of what it does. As a responsible real estate company, CapitaLand contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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¹ Submission of e-Proxy Forms via pre-registration website is available for Shareholders who are individuals only while all Shareholders whether individuals or corporates may submit the proxy forms via email or post. Instruments of proxy executed under a power of attorney on behalf of an individual or by executors on behalf of a deceased individual's estate may only be submitted by email or post.

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This release 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 release. 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 release or its contents or otherwise arising in connection with this release.

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 release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Shares, Units or shares of CapitaLand Investment Limited ("CLI") (formerly known as CapitaLand Financial Limited and CapitaLand Investment Management Limited or CLIM¹). No offering of Shares, Units or shares of CLI is being made in connection with the matters discussed herein in Singapore or otherwise.

The directors of the Company (including any who may have delegated detailed supervision of the preparation of this release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this release in each case which relate to the Company, CLI and CapitaLand Integrated Commercial Trust ("CICT") (excluding information relating to CLA Real Estate Holdings Pte. Ltd. (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 release, 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 release. The directors of the Company do not accept any responsibility for any information relating to the Offeror or any opinion expressed by the Offeror.

Note:

¹ CLI effected a change of name from CapitaLand Financial Limited to CapitaLand Investment Management Limited on 22 March 2021 and subsequently from CapitaLand Investment Management Limited to CapitaLand Investment Limited on 18 June 2021.