CAPITALAND COMMERCIAL TRUST
(Constituted in the Republic of Singapore pursuant to a trust deed dated 6 February 2004 (as amended))

MINUTES OF THE TRUST SCHEME MEETING
HELD BY ELECTRONIC MEANS ON TUESDAY, 29 SEPTEMBER 2020 AT 2.20 P.M.

PRESENT

Unitholders

Present remotely:	As per attendance lists maintained by CapitaLand Commercial Trust ("**CCT**")

IN ATTENDANCE

Board of Directors of CapitaLand Commercial Trust Management Limited, as manager of CCT (the "**Manager**")

Present in person:	
Soo Kok Leng	Chairman, Non-Executive Independent Director
Chee Tien Jin Kevin	Executive Non-Independent Director, Chief Executive Officer
Present remotely:	
Quek Bin Hwee	Non-Executive Independent Director
Lam Yi Young	Non-Executive Independent Director
Tan Soon Neo Jessica	Non-Executive Independent Director
Ng Wai King	Non-Executive Independent Director
Jonathan Yap Neng Tong	Non-Executive Non-Independent Director
Lim Cho Pin Andrew Geoffrey	Non-Executive Non-Independent Director

Company Secretary of the Manager

Present in person:	
Lee Ju Lin, Audrey	Company Secretary

Management

Present in person:	
Ho Mei Peng	Head, Investor Relations
Present remotely:	
Anne Chua	Chief Financial Officer
Joseph Lim	Vice President, Investment & Portfolio Management

Representative of HSBC Institutional Trust Services (Singapore) Limited, as trustee of CCT (the "**Trustee**")	Tan Ling Cher Valenie Chwee
Representative of KPMG LLP, the auditors of CCT	Leong Kok Keong Lee Yen Fern
Representatives of WongPartnership LLP, the legal adviser to the Manager	Andrew Ang Milton Toon Daniel Chui

	Tan Yan Hong Evan Chooi Chan Mei An
Representatives of Credit Suisse (Singapore) Limited, the sole financial adviser to the Manager	Pankaj Goel Tan Kuan Ern Lim Zi Kuan Yvonne Voon Sebastian Seow Tan Sing Nan Katrina Chan
Representatives of Deloitte & Touche Corporate Finance Pte Ltd, the independent financial adviser to the directors considered independent (the "**Independent Directors**") for the purposes of the Trust Scheme (as defined below) and the Trustee	Koh Soon Bee Rishit Kagdada Emily Ngan Alexiera Ramskay
Representatives of Shook Lin & Bok LLP, the legal adviser to the Trustee	Tan Woon Hum Andrew Chow

1. INTRODUCTION

1.1. On behalf of the Trustee and the Board of Directors of the Manager, Ms Ho Mei Peng, the head of investor relations for CCT (the "**Emcee**"), welcomed the unitholders of CCT ("**Unitholders**") to the meeting of Unitholders convened by order of Court (the "**Trust Scheme Meeting**" or the "**Meeting**") to approve the proposed merger (the "**Merger**") of CCT and CapitaLand Mall Trust ("**CMT**") by way of a trust scheme of arrangement (the "**Trust Scheme**"). The Emcee informed Unitholders that pursuant to the order of Court, Mr Soo Kok Leng would preside as Chairman of the Meeting ("**Chairman**").

1.2. The Emcee handed the proceedings of the Meeting over to the Chairman. Chairman noted that a quorum was present and declared the Meeting open at 2.21 p.m.. The Notice of Trust Scheme Meeting was taken as read.

1.3. Chairman informed Unitholders that Deloitte & Touche Corporate Finance Pte Ltd, the independent financial adviser to the Independent Directors and the Trustee in respect of the Trust Scheme, was of the opinion that the financial terms of the Trust Scheme were fair and reasonable, and accordingly, advised the Independent Directors to recommend that Unitholders vote in favour of the Trust Scheme Resolution.

1.4. Chairman further informed Unitholders to note that the following persons would abstain from voting on the Trust Scheme Resolution, and that any votes cast by such persons would be disregarded:

(a) CapitaLand Mall Trust Management Limited (as manager of CMT) and its concert parties, as well as the common substantial unitholders of CCT and CMT, being CapitaLand Limited and BlackRock, Inc.;

(b) Mr Jonathan Yap Neng Tong and Mr Lim Cho Pin Andrew Geoffrey; and

(c) the Manager, pursuant to Rule 748(5) of the SGX Listing Manual.

1.5. Chairman explained that the purpose of the Meeting was to seek the approval of Unitholders for the resolution to approve the Trust Scheme (the "**Trust Scheme Resolution**"). The Chairman informed the Meeting that the Trust Scheme Resolution required the approval of:

(a) more than 50% of the number of Unitholders present and voting by proxy at this Meeting; and

(b) that such number of Unitholders had to hold at least 75% in value of the total number of units of CCT held by Unitholders present and voting by proxy.

1.6. Chairman informed the Meeting that all votes on the Trust Scheme Resolution tabled at the Trust Scheme Meeting would be cast by the Chairman of the Meeting as the sole appointed proxy, who would be voting on Unitholders' behalf in accordance with their specified voting instructions on the Trust Scheme Resolution. In accordance with Rule 730A(2) of the SGX Listing Manual, the Trust Scheme Resolution would be voted by poll. The validity of the proxy forms for the Meeting submitted by Unitholders at least 48 hours before the Meeting had been reviewed and the votes of all such valid proxy forms had been counted and verified by the polling agent, Boardroom Corporate & Advisory Services Pte. Ltd., and the scrutineers, DrewCorp Services Pte Ltd, respectively.

1.7. As Chairman and sole proxy holder for the Trust Scheme Meeting, Chairman proposed the Trust Scheme Resolution as set out in the Notice of Trust Scheme Meeting and said he would put the motion to be tabled for voting.

2. AGENDA ITEMS

2.1. Chairman proceeded to announce the voting results in relation to the Trust Scheme Resolution tabled for Unitholders' approval at the Trust Scheme Meeting.

2.2. The Trust Scheme Resolution as set out in the Notice of Trust Scheme Meeting was passed, and the details of the Trust Scheme Resolution and its result is attached as Appendix 1.

2.3. Substantial and relevant questions for certain key topics submitted by Unitholders in advance of the Trust Scheme Meeting and the responses are summarised and attached as Appendix 2. The responses were uploaded on the SGXNET and CCT's website on 22 September 2020.

2.4. Mr Chee Tien Jin Kevin, the CEO, thanked Unitholders for their support for the Merger. He informed Unitholders that the Manager will work towards completing the Merger and highlighted a few key dates for Unitholders in the indicative timeline for the Merger.

3. CLOSURE

There being no other business, on behalf of the Trustee and the Manager, Chairman thanked all Unitholders for their attendance and for the support given to CCT since its listing and declared the Meeting closed. Chairman informed those in attendance that the minutes of the extraordinary general meeting held earlier that day to approve the amendments to the Trust Deed and the minutes of the Trust Scheme Meeting would be published on the SGXNET and on CCT's website. The Meeting ended at 2.37 p.m..

Confirmed By
Soo Kok Leng
Chairman of the Meeting

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RESULTS OF TRUST SCHEME MEETING HELD ON 29 SEPTEMBER 2020

Resolution		For		Against		Total
		Number	%	Number	%	Number
To approve the proposed Trust Scheme	**CCT Unitholders present and voting by proxy**	1,268	90.31%	136	9.69%	1,404
	CCT Units represented by votes by proxy	1,284,111,668	98.23%	23,151,149	1.77%	1,307,262,817

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Extraordinary General Meeting and Trust Scheme Meeting held on 29 September 2020 Responses to Substantial and Relevant Questions

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A. Scheme Consideration	
1.	**The Scheme Document states that the terms of the proposed transaction are 0.720 new CMT Units and S$0.2590 per CCT Unit.** **Is the offer price of $0.259 in cash per CCT Unit fixed, irrespective of the closing price of CMT Unit on the Effective Date?** **How are the 0.72 net exchange ratio and $0.259 in cash per CCT Unit derived?**
	The Scheme Consideration of 0.720 new CMT Units and S$0.2590 in cash for every CCT Unit was agreed between the parties pursuant to the Implementation Agreement relating to the proposed Merger dated 22 January 2020. CCT Unitholders will receive 0.720 new CMT Units (Consideration Units) per CCT Unit, and S$0.2590 in cash per CCT Unit. The Cash Consideration of S$0.2590 per CCT Unit is fixed and not dependent on the closing price of the CMT Units on the Effective Date. The Scheme Consideration was agreed based on the understanding that the Merger would be a merger of equals and a balanced view of the interests of all stakeholders, namely: • A Scheme Consideration that fundamentally reflects a "market-to-market" valuation of CCT and CMT so as to achieve a balanced and attractive outcome for both the CCT Unitholders and the CMT Unitholders; • Merits of the transaction and longer-term strategic rationale and goals of the Merged Entity; and • Creation of a Merged Entity that will be well positioned to capitalise on the objectives and rationale of the transaction to benefit the unitholders of the Merged Entity.
2.	**The unit price of CMT has dropped from S$2.59 (closing price on SGX on 21 January 2020 the last trading day immediately prior to the Joint Announcement Date) to S$1.97 as of 11 September 2020. This is a significant reduction for CCT Unitholders.** **Will CMT management consider improving its proposed terms? If the market price of CMT is lower than S$2.59 per CMT Unit on the Effective Date, wouldn't CCT Unitholders lose out if they agree to the scheme of arrangement as they will be paying more than the market?** **Does CCT management still consider this Merger proposal to be in the interest of its unitholders? If so, can CCT management provide specific reasons as to why it still**

	supports the Merger despite the significant erosion of value to its own CCT Unitholders? (Question from SIAS)
	After the parties had commercially negotiated the net exchange ratio of 0.720 new CMT Units (Consideration Units) and Cash Consideration of S$0.259 per CCT Unit, S$2.59 is the price used by parties to attribute a value to the Consideration Units, and to determine the implied Scheme Consideration as at the date of the Joint Announcement. **It is important to note that the price of S$2.59 per Consideration Unit may not be equivalent to the market price of, nor reflective of the fair value of, the Consideration Units as at the Effective Date and/or the date of settlement of the Scheme Consideration, as each Consideration Unit could trade at a price which is above or below S$2.59.** As highlighted in the response to Question 1 above, the Scheme Consideration was arrived at with a balanced view of the interests of all stakeholders. Since 22 January 2020 (i.e. the Joint Announcement Date), CMT and CCT unit prices have largely traded in tandem at the net exchange ratio range of 0.72x – 0.74x. The Scheme Consideration fundamentally reflects the "market-to-market" valuation. The Merger will create one of the largest REITs in Asia Pacific and the largest proxy for Singapore's commercial real estate market. Underpinned by three key attributes – leadership, resilience and growth – the Merged Entity will be in a better position to drive long-term value creation. Both the CCT Manager and CMT Manager strongly believe that the Merger rationale remains valid and has been reinforced by the impact of COVID-19 – the trend towards mixed-use precincts and integrated developments is expected to accelerate post-COVID-19. Pursuant to the Listing Manual of the SGX-ST and The Singapore Code on Take-overs and Mergers, Deloitte & Touche Corporate Finance Pte Ltd (the "**CCT IFA**") has been appointed as the independent financial adviser to advise the CCT Independent Directors and the CCT Trustee in relation to the Trust Scheme. After conducting its assessment of the financial terms of the Trust Scheme, the CCT IFA is of the opinion that the financial terms of the Trust Scheme are fair and reasonable. The CCT Manager encourages all CCT Unitholders to read the CCT IFA Letter as set out in Appendix A to the Scheme Document.
3.	**When can CCT Unitholders expect cash payment if CCT Unitholders approve the Merger at the EGM and the Trust Scheme Meeting?**
	On page 19 of the Scheme Document, we have shared an Expected Timetable. The expected date for the payment of the Cash Consideration and the allotment and issuance of the Consideration Units is Wednesday, 28 October 2020. CCT Unitholders should look out for announcements by CCT via SGXNET or CCT's website for updates.
4.	• **Can CCT/CMT avoid giving us odd lots by converting odd lots to give us in cash? (Give unitholders an option)** • **Can CCT/CMT give us new CMT Unit equivalent rather than S$0.259 in cash per CCT Unit? (Give unitholders an option)**

	As highlighted in the response to Question 1 above, the Scheme Consideration of 0.720 new CMT Units and S$0.259 in cash for each CCT Unit was agreed and arrived at with a balanced view of the interests of all stakeholders. The mix of new CMT Units and Cash Consideration is in line with market practice. As such, CCT Unitholders may receive odd lots of new CMT Units as part of the consideration for their CCT Units pursuant to the Trust Scheme. Recognising this, the CCT Manager will facilitate the trading of odd lots of CMT Units so that CCT Unitholders who wish to round up or down their holdings to the nearest 100 CMT Units can do so. The CCT Manager has arranged with the following named brokers to facilitate Odd Lots Trades during the Applicable Period, which is expected to be from 28 October 2020 to 11 December 2020: (a) OCBC Securities; (b) Phillip Securities; and (c) UOB Kay Hian, The term "Odd Lots Trade" shall mean (i) an aggregate of 99 or less CMT Units bought in a single day; or (ii) an aggregate of 99 or less CMT Units sold in a single day. The brokerage fees (including any goods and services tax relating to such fees) in respect of Odd Lots Trades carried out via the Brokers during the Applicable Period will be borne by the CCT Manager. As such, holders of CMT Units will NOT be charged any brokerage fees for Odd Lots Trades during the Applicable Period. **CCT Unitholders should note that notwithstanding the Odd Lots Trading Brokerage Fee Arrangement, holders of CMT Units will be required to continue to bear clearing fees and other regular trading fees imposed by the SGX-ST (including any goods and services tax relating to such fees), which shall be based on customary rates imposed from time to time.** Any changes to the Applicable Period will be announced by or on behalf of the CCT Manager on the SGXNET. After the Applicable Period, the Odd Lots Trading Brokerage Fee Arrangement will no longer be applicable to any trades of odd lots of CMT Units carried out via the Brokers. Please refer to pages 88 to 91 of the Scheme Document for more details on the Odd Lot Trading Arrangement.
5.	**Will there be any more distribution payments to CCT Unitholders before the completion of the Merger (assuming the Merger is approved)?**
	Please refer to the Joint Announcement dated 22 January 2020 and the Scheme Document. The CCT Manager is permitted to declare, make or pay distributions in the ordinary course of business for the period from 1 July 2019[1] up to the day immediately before the Effective Date of the Trust Scheme, including any clean-up distribution. It is standard practice for REIT managers involved in REIT mergers to announce the clean-up distributions prior to the delisting of the REIT.

[1] An advanced distribution per unit (DPU) of 0.62 cents for period from 1 July 2019 to 28 July 2019 was paid on 29 August 2019. DPU of 3.86 cents for period from 29 July 2019 to 31 December 2019 was paid on 28 February 2020. DPU of 3.34 cents for period from 1 January 2020 to 30 June 2020 was paid on 28 August 2020.

B. Business Operations	
6.	**In view of the rapidly deteriorating macroeconomic environment brought about by COVID-19, the US-China geopolitical tensions (which may even lead to a hot war) and even possibility of another more adverse global pandemic recently highlighted by the Singapore Prime Minister in Parliament as Disease X. Other potential negative factors being the drive to work from home (implying less office space required) and proliferation of on-line shopping (implying less retail space required).** **1) What is the view of the board of directors of the CCT Manager (the "Board") on the above?** **2) How does the Board manage and mitigate risks and assure sustainability and profitability of CCT, including for the Merged Entity (if approved)?**
	The Board and management of the CCT Manager is constantly monitoring and assessing the opportunities for CCT, as well as challenges and threats in the economic and market environment as part of the regular strategic business and market review. The Merger is a proactive response to evolving trends in the office and retail sectors and the changing Singapore real estate landscape, and will create one of the largest REITs in Asia Pacific and the largest proxy for Singapore's commercial real estate market. Underpinned by three key attributes – leadership, resilience and growth – the Merged Entity will be in a better position to drive long-term value creation and weather macroeconomic uncertainties and challenges. The combined domain expertise will enable the Merged Entity to capitalise on the trends towards more mixed-use precincts and integrated developments across Singapore, which is expected to accelerate post-COVID-19.
7.	**Raffles City Singapore – what kind of revenue and occupancy does CCT receive from the hotel component? What is their contribution to monthly gross rental income?**
	Based on CCT's 60.0% interest in Raffles City Singapore, the Hotels and Convention Centre component contributed about 9% of CCT's 1H2020 gross rental income. The contractual arrangement with the hotel operator is via a long-term master lease (and not a management contract) for a period of 25 years till 2036 and the rent comprises fixed and variable components. The fixed rent including service charge ranges from 78% of CCT's gross rental income (based on FY2019 audited results) to 86% of CCT's gross rental income (based on CCT's 1H2020 reported results). The balance is variable depending on the Hotels and Convention Centre's gross operating revenue. Due to COVID-19, the hospitality sector has been affected by travel restrictions. However, the Hotels at Raffles City Singapore have proactively sought alternative sources of revenue, such as providing accommodation to returning Singaporeans on "Stay-Home-Notice". On 16 September 2020, the Singapore Tourism Board announced the SingaporeRediscovers Vouchers scheme, pursuant to which each Singapore citizen aged 18 and above in 2020 will receive S$100 worth of local tourism vouchers. These vouchers may be used for staycations, and all licensed hotels that have been approved by the Singapore Tourism Board to operate or reopen can benefit from this scheme.

8.	**What are we seeing in the office leasing environment? Is working from home impacting demand for office space?**
	We have seen more lease renewals than new leases for year-to-date 2020. During the "circuit breaker" period from April to June 2020, leasing activity was limited. Since the easing of restrictions on 19 June 2020, we are seeing gradual increase in leasing activity. We are monitoring the return of the office community on a weekly basis. Approximately 24% of the office community has returned for the week ended 28 August 2020, while telecommuting remains the default mode of work for companies under Phase Two as advised by the Government of Singapore. In our talks with tenants, we understand that companies are evaluating their future real estate needs and strategy. The office workspace is used by occupiers to achieve a multitude of organisational goals, including motivating employees, enhancing productivity and building culture. The workspace has evolved from a purely functional space to a destination with a purpose, and this has been the case even pre-COVID-19. The disruptions brought about by the global pandemic are likely to accelerate the evolution of the workspace. Companies may adopt a hybrid of alternative solutions to accommodate the different needs and circumstances of their businesses and employees while still keeping a clear focus on their organisational goals. These solutions may include hub-and-spoke, core-and-flex, work-from-home or work-near-home arrangements that are underlaid by a conscious need for social distancing, health, safety and wellness. The need to accommodate all these considerations in a controlled environment will ensure the relevance of the office workspace. While office demand is driven by economic conditions, Singapore remains an attractive gateway city for global businesses looking for an Asian presence. The supply of new office stock in the CBD over the next five years is limited with no visibility of new supply beyond 2022 given the absence of government land sales for office use in the CBD.
9.	**Is CMT seeing strong return of shopper crowd and improved tenant sales at the malls?**
	In Singapore, shopping malls remain a key thread in the fabric of society and are well-integrated into the daily activities of the population, serving the needs of its catchment. The shopping mall culture is expected to be an integral part of everyday life and remains deeply entrenched in Singapore. In the immediate term, tourism is expected to be muted due to COVID-19 travel restrictions. With steady recovery in shopper traffic and retail sales, dominant suburban malls have led the recovery. Shopper traffic at downtown malls has also picked up as the office crowd gradually returns. However, the CMT Manager has witnessed encouraging improvements from an operational perspective. Overall, amidst ongoing Safe Management Measures, shopper traffic has recovered to approximately 58% of pre-COVID-19 levels as of the week ended 30 August 2020, with larger malls such as Plaza Singapura / The Atrium@Orchard and IMM Building recovering to 73% and 82% respectively. Tenants' sales in July in the suburban malls outperformed the downtown malls but the gap is narrowing as people start to return to the office and more visitors go to the downtown malls over the weekends. The tenants' sales of suburban malls have recovered to more than 90% of the level a year ago with the smaller ones performing better compared to the same period last year.

	In the longer term, the various themes in the URA Master Plan 2019 are expected to drive Singapore's attractiveness as a business and leisure travel destination, providing an added source of growth for retail sales beyond that derived from the local economy.
10.	**How is the performance of the German assets? Are they affected by the COVID-19 situation?**
	We have observed resilient performance by CCT's two German assets. The landlord-tenant relationship in Germany is collaborative, supporting each other to tide over the challenging period. Rent payment continues to be timely with only a couple of tenants seeking rent deferment. One of which has resumed rent payment. New supply in Germany is limited and some upcoming supply have already obtained pre-commitment ahead of their completion.
11.	**Any tenant asking to downsize or early termination of leases?**
	Since COVID-19 started, we have not seen a significant increase in the number of tenants requesting to downsize space or terminate their leases early.

C.	***Pro forma* Financial Impact**
12.	**On slides 26 and 27 of the joint presentation (Proposed Merger of CapitaLand Mall Trust and CapitaLand Commercial Trust dated 4 September 2020), the *pro forma* DPU accretion to CMT and CCT unitholders are shown to be +4.1% and +7.6% respectively. It can be argued that these increases are simply an arithmetic outcome of a larger, combined net profit income divided by the smaller number of units of the Merged Entity. Can CMT/CCT management provide specific business plans to explain how it intends to improve DPU apart from the arithmetic effect? (Question from SIAS)**
	The *pro forma* DPU accretion is not merely the sum of combined distributable income from the two entities. The enlarged unit base arising from the new CMT units to be issued as part of the Scheme Consideration has also been taken into consideration. More importantly, the *pro forma* DPU accretion for LTM June 2020 demonstrates that the Merger is DPU accretive for the unitholders of CCT and CMT based on the terms of the Merger and assuming that the Merger was completed on 1 July 2019. The consolidation of CMT's retail and CCT's office portfolios as well as their platform capabilities are expected to unlock synergies and create value for the Merged Entity over time. Such synergies will include (a) cross-selling opportunities; (b) enhanced digital platform and data analytics; and (c) cost optimisation. Moreover, with an enlarged asset base, the Merged Entity will enjoy a significantly higher development headroom and an enhanced ability and flexibility to undertake larger redevelopments to capitalise on evolving real estate trends and reposition its portfolio. With this added flexibility, the Merged Entity will be able to deliver more meaningful organic growth, stable distributions and sustainable total return to its unitholders.

13.	**The independent market report by CBRE on pages L-12 and L-19 of the Scheme Document states that "Islandwide retail rents are expected to experience further corrections in 2H 2020, with the widening of the two-tier market" and "Vacancy levels are expected to rise from relocations of major occupiers, downsizing of requirements and natural expiry of leases in 2020/2021. This will result in a further market correction and a downward pressure on office rents for the rest of 2020", respectively. In addition, page 11 of the joint slides states that shopper traffic is 58% of pre-COVID-19 levels and page 12 states that only 24% of the office community has returned for the week ended 28th August 2020. Given the significant proportion (33%+38% = 71%) that retail and office take up in the merged entity, does CMT/CCT management believe that it can even achieve the DPU accretion stated in pages 26 and 27 of the joint slides which are dated June 2020? In the interest of all unitholders, would CMT/CCT management like to provide more realistic, estimated DPU accretion numbers rather than the pro forma accretion numbers? (Question from SIAS)**
	Please note that the DPU accretion is calculated on a historical pro forma basis assuming the Merger was completed on 1 January 2019 and 1 July 2019 for FY2019 and LTM June 2020 respectively. In both cases, the Merger is DPU accretive for both CCT Unitholders and CMT Unitholders on a pro forma basis. The *pro forma* financial effects of the Merger were presented on a historical basis (i.e. FY2019 actual) pursuant to requirements under the Listing Manual. While not required under the Listing Manual, the *pro forma* financial effects of the Merger on a last 12 months basis were also voluntarily presented to provide unitholders with the most up-to-date analysis of the proposed Merger. CCT and CMT do not provide DPU forecasts. The resulting Merged Entity will be underpinned by three key attributes – leadership, resilience and growth – and be in a better position to drive long-term value creation. The *pro forma* financial effects do not take into consideration the synergies and opportunities that may be derived from the leadership, resilience and growth potential of the merged platform. As such, it is important that we look at the transaction in its entirety. • The combined platform is expected to unlock synergies and enhance the Merged Entity's ability to deliver sustainable total returns to its unitholders. Such synergies will include (a) cross-selling opportunities; (b) enhanced digital platform and data analytics; and (c) cost optimisation. • In addition, with an enlarged asset base, the Merged Entity will enjoy a significantly higher development headroom and an enhanced ability and flexibility to undertake larger redevelopments to capitalise on evolving real estate trends and reposition its portfolio. With this added flexibility, the Merged Entity will be able to deliver more meaningful organic growth, stable distributions and sustainable total return to its unitholders. In light of the evolving real estate landscape, CCT and CMT are coming together and combining their respective best-in-class attributes to form a stronger and more resilient platform. • Retail recovery: CMT has a best-in-class retail portfolio, and its portfolio occupancy rates remain strong. CMT's portfolio is largely defensive, with excellent connectivity to public transport and strong population catchments. o It should be noted that larger malls such as IMM Building and Plaza Singapura / The Atrium@Orchard have achieved 82% and 73% recovery in footfall,

	respectively, as of the week ended 30 August 2020 versus the first week of January 2020. o Further, the CMT Manager has witnessed encouraging continued improvements from an operational perspective. Tenants' sales in July in the suburban malls outperformed the downtown malls but the gap is narrowing as people start to return to the office and more visitors go to the downtown malls over the weekends. The tenants' sales of suburban malls have recovered to more than 90% of the level a year ago with the smaller ones performing better compared to the same period last year. o There is limited new retail supply for the remaining 2020 to 2024, averaging approximately 0.3 million sq ft, which is significantly lower than the last 5-year historical average supply of 1.4 million sq ft. • Office recovery: o The returning tenants' count must be considered in light of telecommuting remaining the default mode of work for companies under Phase Two as advised by the Government of Singapore. Based on CCT's 2Q 2020 financial results, rent collection for CCT remains healthy and occupancy rates similarly remain strong. o CCT, with its dominant portfolio of Grade A office assets in CBD, is well positioned to capture any upswing in growth from the post-COVID-19 recovery. The Singapore CBD is expected to remain the primary office location given its concentration of quality office stock and its well-established business ecosystem that provides a critical mass of business networks required for companies to thrive. o There is limited new office stock completing in the next five years and no known Government Land Sale sites for tender for commercial office development in the CBD. The expected redevelopment of older CBD properties will further reduce office stock in the medium-term.
14.	**Did the *pro forma* financial impact take into consideration the impact from COVID-19?**
	While not required under the Listing Manual, the *pro forma* financial effects of the Merger on CCT as at 30 June 2020 and for LTM June 2020 have been voluntarily presented in the Scheme Document. The first six months of 2020 would have taken into account the impact from the COVID-19 "circuit breaker" which ended on 1 June 2020, the phased reopening thereafter and rent waivers given to tenants.

D.	**The Merged Entity or CapitaLand Integrated Commercial Trust (CICT)**
15.	**Noted that the current breakdown of property value contribution by asset class in the Merged Entity is Office – 38%, Retail – 33% and Integrated Developments – 29%. How will the Merged Entity decide which asset class to invest going forward?**
	With a diversified portfolio, the Merged Entity will have the choice and flexibility to invest in whichever asset class that is in line with its investment focus and yielding sustainable return in a disciplined and timely manner. The Merged Entity can leverage opportunities during the different property market cycles too.

16.	**Currently, the Retail and Office operations and management of Integrated Developments like Funan, Raffles City Singapore, Plaza Singapura and The Atrium@Orchard are run separately by CMT and CCT. Could you give more colour on obvious synergies and cost savings estimates, post-Merger?**
	The consolidation of CCT's office and CMT's retail portfolios as well as their platform capabilities are expected to unlock synergies for the Merged Entity. Such synergies will include (a) cross-selling opportunities; (b) enhanced digital platform and data analytics; and (c) cost optimisation. The Merged Entity will be able to manage an integrated platform more seamlessly and efficiently and remain a best-in-class REIT in an ever-changing operating environment. (a) Cross-selling opportunities - The opportunities for cross-selling across asset classes will increase the appeal of the Merged Entity's portfolio and help to drive stronger operational performance. These may include the following: (i) The Merged Entity's enlarged Singapore island-wide footprint will allow existing retail tenants to extend their e-commerce fulfilment points beyond shopping malls to office buildings. This improves tenants' cost efficiency through potential bundling of delivery orders to CBD customers, reducing their last mile delivery cost, which will in turn reinforce the Merged Entity's position as the landlord of choice for retailers; and (ii) The Merged Entity will be able to leverage the combined broader leasing network for more effective tenant negotiations and sourcing for high-quality tenants. For example, (A) co-working spaces could be added to shopping malls, especially in designated regional centres and growth areas identified in the URA Master Plan 2019, to create hub-and-spoke solutions and enable more diverse workplace arrangements, and (B) addition of retail amenities to office buildings will help to create a synergistic ecosystem that enhances the value proposition for office tenants, while retail tenants benefit from higher captive footfall as well as expanded presence and consumer outreach. (b) Enhanced digital platform and data analytics - The Merged Entity and its tenants will benefit from synergies arising from an enlarged and unified digital platform catering to both the office and retail portfolios. The integration of tenants, rewards programmes, technology and insights across asset classes will help create a seamless online and offline ecosystem for end-consumers' work, dining, leisure and shopping needs, thereby entrenching the Merged Entity's leading position as a provider of digital platform solutions to both Singapore office and retail assets tenants. (c) Cost optimisation - The enlarged scale of the Merged Entity will enable greater cost savings from bulk procurement, further optimisation of the supply chain and elimination of frictional costs that would have otherwise existed if CCT and CMT were to remain as separate entities. For example, the Merged Entity can derive economies of scale through capital management and bulk procurement of services and maintenance contracts.
17.	**The Merged Entity will have higher development headroom, where do you see opportunities for development?**
	One of the CMT Manager's strategies for the Merged Entity is to create value through AEIs and redevelopment of its properties.

	As stated in paragraph 5.2 of the Offeror's Letter, the Merged Entity will continue to be predominantly Singapore-focused while having the flexibility to explore acquisitions in other developed countries of not more than 20% of its total portfolio property value. In addition, the Merged Entity has strategically-located prime assets in identified growth clusters across Singapore. This extensive island-wide footprint near key transport nodes will allow the Merged Entity to capture evolving demand. Singapore real estate market sees favourable supply dynamics, with new supply for both retail and office muted in the near term. Supportive government policies are also expected to help bolster the Singapore economy.
18.	**For the overseas markets, will we look to acquire stabilised assets or also explore development projects?**
	As stated in paragraph 5.2 of the Offeror's Letter, the Merged Entity will continue to be predominantly Singapore-focused while having the flexibility to explore acquisitions in other developed countries of not more than 20% of its total portfolio property value. In the overseas developed markets, the opportunities available are mainly stabilised assets. We will assess each opportunity by its own merits, factoring in suitability and risk-adjusted returns.
19.	**Slide 18 of the joint presentation states that pre-Merger CMT has 64% of its property value in retail while pre-Merger CCT has 78% of its property value in office. This distinction in strategy has, arguably, served Singapore investors well as they can choose to invest in the REIT that is exposed to the sector that they like. However, unitholders of the Merged Entity may now be forced to accept exposure to a sector which they do not understand nor want to invest in. Perhaps it will be better for Singapore investors to decide on their own diversification strategy by maintaining a diverse variety of REITs in the Singapore stock market for them to invest in rather than force them to accept a diversification strategy decided by corporate managers. Will CMT and CCT management consider specific business plans to improve their respective REITs rather than to proceed with the merger given the concerns outlined in above questions? (Question from SIAS)**
	The CCT Manager and CMT Manager believe that investors ultimately look for sustainable returns despite their differing strategies and approaches. As REIT managers, this is what both managers have to think about and think ahead to leverage on its strengths and capitalise on opportunities. Directionally, before the Merger was announced, CCT has already been trending towards more white sites and integrated developments, as a response to the evolving real estate landscape, catering to greater demand for integrated living and bringing together work-live-play elements in land-scarce Singapore. In fact, CCT's two latest additions – CapitaSpring and CapitaGreen – are both integrated developments. CMT has also capitalised on current and future real estate trends to create opportunities for growth with the redevelopment of Funan from a pure retail mall into an integrated development comprising an ecosystem of retail, office and coliving components.

	The CCT Manager and CMT Manager believe that the rationale that was presented when the Merger was announced in January 2020 remains valid, and the case for a larger and more diversified REIT has become even more compelling in the post-COVID-19 environment. While Singapore retail and office remain relevant, the onset of COVID-19 is likely to accelerate the trend towards more mixed-use precincts and integrated developments across Singapore: • The Merged Entity would be better positioned to capitalise on these trends with an enlarged scale and widened mandate. • The combined domain expertise and potential redevelopment pipeline will allow the Merged Entity to capitalize on current and future real estate trends to create opportunities for growth. The Merged Entity will also have a greater capacity to unlock synergies, and emerge stronger to capitalise on post-COVID-19 recovery growth: • The Merged Entity will benefit from cross-selling opportunities across retail and office platforms. • Additionally, the Merged Entity will have a greater capacity to enhance its digital platform and data analytics, such as through the integration of CapitaStar@Work and CapitaStar Programme. • Furthermore, there may be opportunities for cost savings from bulk procurements, further optimisation of the supply chain and elimination of frictional costs.
20.	**Post-Merger, will CMT/Merged Entity maintain quarterly distribution policy for all its assets, including those under CCT sub-trust?**
	If the proposed Merger is completed, the current intention is for the Merged Entity to keep to CMT's current practice of making distributions on a quarterly basis. The CMT Manager may, at its discretion, review the frequency of the Merged Entity's distributions in the future, where appropriate.
21.	**With so many uncertainties laying ahead, isn't it fairer to take the lower management fee of CCT at a start and then ask for a rise when CICT's performance improve later?** **Enlighten us the rationale of adopting CMT's management fee for CICT, a new entity, which is higher than that of CCT?**
	Firstly, we wish to clarify that the fees for the existing properties and investments of CCT (including CCT's existing 45.0% interest in CapitaSpring which is currently undergoing redevelopment) will be based on the fee structure of the CCT Group, as presently adopted, save for existing properties of CCT to which the fee structure of the CMT Group shall apply, if they undergo redevelopment post-Merger. On or about the completion of the Merger, it is intended that the CCT Manager will retire as manager of CCT and CMT Manager will be appointed as manager of the delisted CCT. The adoption of the fee structure of CMT Group will allow for a consistent fee structure for existing properties redeveloped and properties acquired or developed post-Merger. Compared to other

peer REITs owning similar asset classes, CCT's and CMT's fee structures are on the lower end of the range.

In the CCT IFA Letter, as set out in Appendix A to the Scheme Document, there is a table of comparison of CCT's and CMT's fee structures with other S-REITs in similar asset classes.

From the table of comparison, it can be noted that both CCT's and CMT's fees are on the lower end of the fee structure amongst its peers. The highest base fee charged is 0.5% of deposited property, while the lowest, excluding CCT, is 0.25% of deposited property. CMT is at this lower end of range. For performance fees, most S-REITs fees are based on a percentage of net property income (NPI), the highest being 5% of NPI, while the lowest is around 4% of NPI. CMT is charging 4.25% of NPI.

The table below comprises of the management fee and trustee fee structure of some selected S-REITS including CCT and CMT:

Table 2: Fee comparison table

	Mapletree Commercial Trust	Suntec REIT	Frasers Commercial Trust	Keppel REIT	Frasers Centrepoint Trust	CMT	CCT
Base fees	0.25% pa of deposited property	0.30% pa of deposited property	0.50% pa of the value of the real estate assets	0.50% pa of deposited property	0.30% pa of deposited property	0.25% pa of deposited property	0.10% pa of deposited property
Performance fees	4.0% of NPI	4.5% of NPI	3.5% of net real estate income less the base fee	3.0% of NPI	5.0% of NPI	4.25% of NPI	5.25% of net investment income

For more details, please refer to page A-13 of Appendix A to the Scheme Document.