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NEWS RELEASE

CICT's 2H 2023 distributable income up 2.1% year-on-year to S$362.5 million

- ***Proactive portfolio management and prudent cost management led to a 1.7% increase in distribution per unit to 5.45 cents for 2H 2023***
- ***Portfolio property value up 1.2% year-on-year to S$24.5 billion, bolstered by the Singapore portfolio***

Singapore, 6 February 2024 – CapitaLand Integrated Commercial Trust Management Limited (CICTML), the manager of CapitaLand Integrated Commercial Trust (CICT or the Trust), today reported a distributable income of S$362.5 million for the six months ended 31 December 2023 (2H 2023). This marks a 2.1% year-on-year (y-o-y) increase compared to the S$355.1 million for 2H 2022. The higher distributable income was underpinned by sound operational performance driven by proactive portfolio management and prudent cost management.

CICT's 2H 2023 distribution per unit (DPU) was 5.45 cents, up 1.7% y-o-y. This brings the total DPU for FY 2023 to 10.75 cents, up 1.6% y-o-y, translating to a total return of 6.3%[1]. Based on the closing price of S$2.06 per unit on 31 December 2023, CICT's distribution yield for FY 2023 was 5.2%. With the record date on Thursday, 15 February 2024, CICT unitholders (Unitholders) can expect to receive their 2H 2023 DPU on Thursday, 28 March 2024.

CICT is also pleased to announce a Distribution Reinvestment Plan (DRP) applicable to its 2H 2023 distribution. The DRP provides Unitholders[2] with the option to receive their 2H 2023 distribution in units, or a combination of both units and cash in lieu of the cash amount of distribution. More details are shared in the Notice of Record Date and Distribution Payment Date dated 6 February 2024.

In FY 2023, gross revenue rose by 8.2% y-o-y to S$1,559.9 million and net property income grew by 7.0% y-o-y to S$1,115.9 million. The better performance was largely attributed to higher contribution from Raffles City Singapore and the full-year contribution from acquisitions completed in 2022. This was offset by higher finance costs from the full-year impact of borrowings taken to fund the acquisitions in 2022 and higher interest rates.

CICT's aggregate portfolio property value increased by 1.2% y-o-y to S$24.5 billion, based on CICT's proportionate interests in its investment properties and joint ventures as at 31

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1 Total return is based on the capital gains (based on the difference in the closing unit price on the last trading day of 2022 and 2023) and the total distributions announced for FY 2023 over the closing unit price on the last trading day of 2022.

2 Only Unitholders with Singapore registered addresses will be eligible to participate in the DRP.

December 2023. The uplift in portfolio property value was primarily driven by an improved operating performance of the Singapore portfolio, which grew in value by 2.0% y-o-y to S$23.0 billion. This growth offset the decline in value of the overseas portfolio, which was impacted by the expansion in the capitalisation rate for the Australian properties and an increase in the terminal capitalisation rate for the Germany properties. CICT's adjusted net asset value per unit, excluding distributable income, remained stable at S$2.07, from S$2.06 a year ago.

Ms Teo Swee Lian, Chairman of CICTML, said: "In 2023, CICT adopted a conservative approach in response to challenging market conditions and a high-cost environment. We focused on driving organic growth through proactive portfolio management, prudent cost management, and discipline in capital management. This strategy has yielded positive results. Despite the external circumstances, CICT's financial performance in 2H 2023 remained stable, highlighting the resilience and effective management of the portfolio. Amidst prevailing global uncertainties, we will maintain a stance of caution and vigilance. At the same time, our commitment to driving sustainable growth and returns remains steadfast."

Mr Tony Tan, CEO of CICTML, said: "CICT achieved improvements in operational performance across its retail, office and integrated development portfolios, as evidenced by the higher committed occupancies and positive rent reversions. We have taken proactive measures to address headwinds in the Australia and Germany markets, by embarking on upgrading and asset enhancement initiatives that will drive stability and growth in our overseas portfolio. Despite cost challenges, we have maintained resilience in our home ground. The solid fundamentals of our Singapore portfolio have continued to serve as a strong anchor for CICT's growth, strengthening the overall value of our portfolio."

"In 2024, our focus remains on optimising our portfolio for growth through proactive portfolio management, value creation, and prudent cost and capital management. The limited new supply of retail and office spaces in Singapore over the medium term will contribute to the sustained demand for our properties. On the value creation front, the transformation of CQ @ Clarke Quay into a vibrant day-and-night lifestyle destination is on the home stretch. We are in the final stage of the asset enhancement works, and store fit-outs are progressing rapidly targeting to be in operations by 2Q 2024. Three of our properties, namely, IMM Building in Singapore, Gallileo in Germany, and 101 Miller Street in Australia, are slated for upgrading and asset enhancement initiatives. Concurrently, we will explore opportunities that complement our portfolio as we remain predominantly Singapore-focused," added Mr Tan.

Summary of CICT's results

	2H 2023	**2H 2022**	**FY 2023**	**FY 2022**
Gross Revenue (S$’000)	**785,157**	754,148	**1,559,934**	1,441,747
Net Property Income (S$' 000)	**563,570**	541,663	**1,115,907**	1,043,283
Amount Available for Distribution (S$' 000)	**369,503**	361,768	**728,486**	712,968
Distributable Income (S$' 000) [1, 2, 3, 4]	**362,481**	355,078	**715,726**	702,374
DPU (cents)	**5.45**[5]	5.36	**10.75**	10.58

Notes:

[1] For 2H 2023, S$7.0 million was retained, comprising S$5.0 million from CapitaLand China Trust (CLCT) and S$2.0 million from Sentral REIT.

[2] For 2H 2022, S$6.7 million was retained, comprising S$5.5 million from CLCT and S$1.2 million from Sentral REIT.

[3] For FY 2023, S$12.7 million comprising S$9.5 million and S$3.2 million received from CLCT and Sentral REIT respectively had been retained for general corporate and working capital purposes.

[4] For FY 2022, S$10.6 million comprising S$7.9 million and S$2.7 million received from CLCT and Sentral REIT respectively had been retained for general corporate and working capital purposes.

[5] 2H 2023 distribution comprises taxable income of 5.22 cents, tax-exempt income of 0.03 cents and capital of 0.20 cents. The tax-exempt income and capital relate to the distribution of income from 79RR Office Trust (owning CapitaSky), Glory Office Trust (owning CapitaSpring) and income repatriated from Australia and Germany.

Proactive portfolio management

CICT's portfolio has demonstrated resilience, delivering strong operating metrics despite economic headwinds and rising costs. As at 31 December 2023, CICT's committed portfolio occupancy reached 97.3%, up 1.5 percentage points (ppts) from a year ago. This improvement extended across all asset types, with committed occupancies for retail, office and integrated development portfolios rising by 0.2 ppts, 2.3 ppts and 1.4 ppts to 98.5%, 96.7% and 98.5%, respectively.

On the leasing front, CICT successfully signed approximately 1.7 million sq ft of new leases and renewals in FY 2023. This comprised about 0.7 million sq ft of retail space and 1.0 million sq ft of office space. In CICT's Singapore portfolio, tenant retention rates for retail and office leases in FY 2023 were 82.8% and 86.5%, respectively. Rent reversions for the retail and office leases based on average committed rents in FY 2023 remained positive at 8.5% and 9.0%, respectively.

In FY 2023, our efforts to cultivate an engaging and immersive environment for shoppers resulted in an 8.6% growth in shopper traffic y-o-y. Tenant sales per sq ft saw an increase of 1.8% y-o-y, buoyed by higher consumer spending. Notably, the downtown malls experienced stronger growth, with shopper traffic and tenant sales per sq ft rising by 9.5% and 2.5% y-o-y, respectively, benefitting from an uptick in Singapore tourist arrivals and consumption.

CICT's retail portfolio has attracted growing interest from Asian retailers across various trade categories. In 4Q 2023, CICT's malls became home to several new-to-market brands. Bugis Junction unveiled an exciting addition to Singapore's coffee scene with artisanal Indonesian coffee chain Fore Coffee, while Westgate tantalised taste buds with the debut of Bingz, offering a unique twist on crispy Chinese burgers. Bedok Mall launched the first official store of fashion-forward footwear brand VIVAIA, infusing vibrant and fresh energy into Singapore's fashion scene.

In 4Q 2023, our office portfolio attracted new tenants, primarily from sectors such as IT, Media and Telecommunications, Real Estate and Property Services and Financial Services.

Value creation for sustainable growth

CICT will continue to optimise its portfolio with three upgrading and asset enhancement initiatives (AEI) in 2024.

Slated for a S$48.0 million AEI, IMM Building will launch its four-phase enhancement in 1Q 2024 to strengthen its position as a regional outlet destination. Targeting a return on investment of about 8%, the AEI will focus on sharpening IMM Building's tenant mix and further enhancing shoppers' experience. There will be a strategic rightsizing of the supermarket's footprint and unit reconfigurations on the ground floor's 126,000 sq ft of net lettable area (NLA). The enhancements will extend to refreshing common areas and upgrading mall amenities, including toilets. The AEI will also incorporate the installation of more energy-efficient equipment to align with our environmental sustainability objectives. The mall will remain operational throughout the AEI and the final phase is anticipated to conclude in 3Q 2025. Notably, the initial two phases have already garnered close to 70% pre-commitment, including those under advanced negotiations, reflecting robust market interest.

Commencing in February 2024, Gallileo in Frankfurt, Germany, will embark on a planned AEI in three phases to elevate the property's relevance, functionality and operational efficiency with a target to achieve a minimum green rating target of LEED Gold. At an estimated cost of between €175 and €215 million[3], the AEI will elevate the property to modern Grade A office specifications, with works to improve the mechanical, electrical and plumbing systems. A downtime of at least 18 months is expected for the AEI.

In North Sydney, Australia, 101 Miller Street will undergo an approximately A$9 million upgrade to transform its lobby into a best-in-class multifunctional communal space in supporting tenants' return to office. With the introduction of concierge services and a café/bar managed by coworking and executive space operator Work Club, the space will evolve into a lively social hub for tenants and guests, fostering connections and enhancing the overall tenant experience. Set for completion in 2Q 2024, the upgrade will also improve the connectivity to Greenwood Plaza and the broader precinct, improving the overall accessibility and user experience of the integrated development.

Disciplined and prudent capital management

In line with our commitment to prudent capital management, CICT continued to diversify its funding sources with flexibility and agility. CICT's debt maturity is well spread over various tenures, with an average term to maturity of 3.9 years.

In FY 2023, we increased our commitment to green financing by issuing green bonds and sustainability-linked loan facilities totalling S$2.2 billion. The total outstanding sustainability-linked/green loan facilities and green bond issuance was S$4.2 billion as at 31 December 2023. This accounted for 41.8% of CICT's total borrowings (including its proportionate share of JV borrowings) as at 31 December 2023.

[3] The projected AEI cost varies depending on whether it follows a single or multi-tenanted scheme and is subject to adjustments based on the final scope of the works.

As at 31 December 2023, CICT maintained an aggregate leverage of 39.9% with an average cost of debt of 3.4%. Of CICT's total borrowings, approximately 78% were on fixed interest rate. CICT's credit ratings from Standard & Poor's and Moody's remained at "A-" and "A3", respectively.

About CapitaLand Integrated Commercial Trust (www.cict.com.sg)
CapitaLand Integrated Commercial Trust (CICT) is the first and largest real estate investment trust (REIT) listed on Singapore Exchange Securities Trading Limited (SGX-ST) with a market capitalisation of S$13.7 billion as at 31 December 2023. It debuted on SGX-ST as CapitaLand Mall Trust in July 2002 and was renamed CICT in November 2020 following the merger with CapitaLand Commercial Trust.

CICT owns and invests in quality income-producing assets primarily used for commercial (including retail and/or office) purpose, located predominantly in Singapore. As the largest proxy for Singapore commercial real estate, CICT's portfolio comprises 21 properties in Singapore, two properties in Frankfurt, Germany, and three properties in Sydney, Australia with a total property value of S$24.5 billion based on valuations of its proportionate interests in the portfolio as at 31 December 2023.

CICT is managed by CapitaLand Integrated Commercial Trust Management Limited, a wholly owned subsidiary of CapitaLand Investment Limited, a leading global real estate investment manager with a strong Asia foothold.

About CapitaLand Investment Limited (www.capitalandinvest.com)
Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. As at 30 September 2023, CLI had S$133 billion of real estate assets under management, and S$90 billion of real estate funds under management (FUM) held via six listed real estate investment trusts and business trusts, and more than 30 private vehicles across Asia Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and its full stack of operating capabilities, and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for scope 1 and 2 by 2050. CLI 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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You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of CapitaLand Integrated Commercial Trust Management Limited, as manager of CapitaLand Integrated Commercial Trust ("CICT", and the manager of CICT, the "Manager") regarding future events. No representation or warranty expressed 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 news release. Neither the manager nor any of its respective affiliates, advisers or representatives undertakes any obligation to update publicly or revise any forward-looking statements, and none of them shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this news release or its contents or otherwise arising in connection with this news release.

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