



CAPITALAND INTEGRATED COMMERCIAL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 29 October 2001 (as amended))

ANNOUNCEMENT

ENTRY INTO INTERESTED PERSON TRANSACTIONS -

- (I) **DISTRICT COOLING SERVICE AGREEMENT WITH SP SUSTAINABILITY & ENGINEERING PTE. LTD. AT TAMPINES MALL**
 - (II) **AWARD OF REFUSE MANAGEMENT AND RECYCLING SERVICES AGREEMENT TO SEMBWASTE PTE. LTD. AT RAFFLES CITY SINGAPORE**
 - (III) **LEASE AGREEMENT WITH REAL TASTY PTE. LTD. IN RESPECT OF PREMISES AT ASIA SQUARE TOWER 2.**
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1. INTRODUCTION

CapitaLand Integrated Commercial Trust Management Limited, as manager of CapitaLand Integrated Commercial Trust ("**CICT**", and the manager of CICT, the "**Manager**") wishes to announce that the following agreements have been entered into on 18 April 2022 in respect of the following properties of CICT:

- (a) a new service agreement between CICT and SP Sustainability & Engineering Pte. Ltd. ("**SP**"), a subsidiary of Temasek Holdings (Private) Limited ("**Temasek**") (the "**SP Agreement**"), pursuant to which SP will provide district cooling services (the "**DC Services**") at Tampines Mall for a period of 30 years (inclusive of two options to renew for further terms of 10 years each) commencing in 2024 through to 2053 (the "**SP Agreement Period**");
- (b) a new service agreement between RCS Trust and SembWaste Pte. Ltd. ("**SembWaste**"), a subsidiary of Temasek (the "**SembWaste Agreement**"), pursuant to which SembWaste will provide refuse management and recycling services (the "**Services**") at Raffles City Singapore for a period of seven years (inclusive of an option to renew for a further term of three years) commencing on 1 May 2022 (the "**SembWaste Agreement Period**"); and
- (c) a lease agreement between CapitaLand Commercial Trust ("**CCT**") and Real Tasty Pte. Ltd. ("**Twyst**"), an associate of Temasek (the "**Twyst Lease**"), in respect of the premises at a unit on level 2 of Asia Square Tower 2 ("**AST2**") for a period of three years commencing on 23 May 2022 (the "**Twyst Lease Period**").

2. DISCLOSURE REQUIREMENTS

Under Chapter 9 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), where an entity at risk (as defined in the Listing Manual) proposes to enter into a transaction with an interested person (as defined in the Listing Manual) and the value of the transaction (either in itself or when

aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds three per cent. (3%) but is less than five per cent. (5%), of the latest audited consolidated Net Tangible Asset (“**NTA**”) of the issuer and its subsidiaries (the “**Issuer Group**”), an immediate announcement of the transaction must be made and if the value is equal to or exceeds five per cent. (5%) of the Issuer Group's latest audited consolidated NTA, approval of the unitholders of the issuer must be obtained.

Based on the information available to the Manager as at the date of this announcement, Temasek, through its subsidiaries and associated companies, has an aggregate interest in 1,593,626,736 units in CICT (“**Units**”), representing approximately 24.05%¹ of the total number of Units in issue, and is therefore regarded as a “controlling unitholder” of CICT under both the Listing Manual and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**Property Funds Appendix**”). In addition, as the Manager is an indirect subsidiary of Temasek, Temasek is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

For the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of Appendix 6 of the Property Funds Appendix:

- (a) SP, being a subsidiary of Temasek;
- (b) SembWaste, being a subsidiary of Temasek; and
- (c) Twyst, being an entity in which Temasek holds an interest of 30% or more

are each considered an “associate” of (i) a “controlling unitholder” of CICT and (ii) a “controlling shareholder” of the Manager, and therefore an “interested person” (for the purposes of the Listing Manual) and “interested party” (for the purposes of the Property Funds Appendix) of CICT. Each of CICT, CCT and RCS Trust is regarded as an “entity at risk” for these purposes.

Therefore, the entry into each of the SP Agreement, the SembWaste Agreement and the Twyst Lease constitutes an “interested person transaction” under Chapter 9 of the Listing Manual as well as an “interested party transaction” under the Property Funds Appendix. The SP Agreement, the SembWaste Agreement and the Twyst Lease (collectively, the “**Interested Person Transactions**”), when aggregated with the existing interested person transactions with Temasek and its subsidiaries and associates (excluding CapitaLand Investment Limited and its subsidiaries and associates) (the “**Temasek Group**”) would exceed 3.0% of the latest audited net tangible assets (“**NTA**”) of CICT, and accordingly under Rule 905 of the Listing Manual, the Manager must make an announcement of such interested person transactions.

3. CERTAIN PRINCIPAL TERMS OF THE INTERESTED PERSON TRANSACTIONS

3.1 Key Terms of the SP Agreement

Under the SP Agreement, the DC Services provided would include the connection of the piping system under the district cooling system in the Tampines central area as well as the provision of chilled water supply for distribution to air handling units at Tampines Mall and its tenants.

Pursuant to the SP Agreement, an estimated total sum of S\$64,430,100 is payable by CICT to SP as fees for the DC Services, during the SP Agreement Period (the “**SP Fees**”).

The SP Fees is based on the chilled water tariff charged by SP, which comprises the (i) cost of service connection facility, (ii) fixed contract capacity rate, (iii) flexible contract capacity rate and,

¹ Based on a total of 6,625,274,990 Units as at 18 April 2022.

(iv) usage unit rate. The rates referred to in the foregoing (ii), (iii) and (iv) are computed using market rates and publicly available information such as the electrical contracted charge, consumer price index, labour cost index and water charge.

Accordingly, the Manager is of the view that the SP Agreement is on normal commercial terms and not prejudicial to the interests of CICT and its minority unitholders.

3.2 Key Terms of the SembWaste Agreement

The Services provided under the SembWaste Agreement includes the provision of compactor systems, refuse collection and disposal services for all compactors, recycling receptacles and recycling programme at Raffles City Singapore. Pursuant to the SembWaste Agreement, an estimated total sum of S\$1,076,000 is payable by RCS Trust to SembWaste as fees for the Services (including provisional ad-hoc services), during the SembWaste Agreement Period (the “**SembWaste Fees**”). SembWaste was appointed following an open tender process during which the pricing and quality of services offered by SembWaste was reviewed and evaluated against other service providers.

Accordingly, the Manager is of the view that the SembWaste Agreement is on normal commercial terms and not prejudicial to the interests of CICT and its minority unitholders.

3.3 Key Terms of the Twyst Lease

Pursuant to the Twyst Lease, an estimated aggregate sum of approximately S\$284,000 (based on fixed and turnover rents) is payable by Twyst during the Twyst Lease Period (“**Twyst Rent**”). The Twyst Rent was negotiated at arm’s length after taking into consideration, *inter alia*, the term of the lease, size, condition and location of the premises. An independent valuer was appointed to provide an independent opinion on the terms of the Twyst Lease and opined that the Twyst Rent as at the date of commencement of the Twyst Lease is at market level and the other key commercial terms of the Twyst Lease are normal commercial terms and in accordance with market standards.

Accordingly, the Manager is of the view that the Twyst Lease is on normal commercial terms and not prejudicial to the interests of CICT and its minority unitholders.

4. RATIONALE FOR AND BENEFITS OF THE INTERESTED PERSON TRANSACTIONS

4.1 Rationale and Benefit of the SP Agreement

The district cooling system is part of a pilot project to transform Tampines into an eco-town by 2024, in line with the Singapore Green Plan 2030. A distributed district cooling network feasibility study was conducted on existing buildings in Tampines Central and concluded that the centralised cooling system would reduce energy consumption and curb carbon emissions. Tampines Mall is one of the seven buildings which have been identified for this pilot project. The DC Services provided under the SP Agreement will allow Tampines Mall to be part of the district cooling system in Tampines and it is expected that Tampines Mall will benefit from reduced energy consumption going forward.

4.2 Rationale and Benefit of the SembWaste Agreement

The provision of the Services is critical to the operations of Raffles City Singapore as the waste generated through the daily commercial activities needs to be removed and disposed in accordance with National Environment Agency regulations. In addition, the provision of recycling services will assist Raffles City Singapore to implement initiatives and recycling programmes to

reduce waste and increase recyclables. This is a critical step to align with the national sustainability roadmap.

4.3 Rationale and Benefit of the Twyst Lease

Twyst will be a new tenant at the food garden in AST2, thereby increasing the tenant occupancy rate. The inclusion of Twyst will add vibrancy to the food garden and enhance the food and beverage offerings available to tenants of AST2.

5. AUDIT COMMITTEE STATEMENT

The Audit Committee has considered the terms of each of the SP Agreement, the SembWaste Agreement and the Twyst Lease, and is of the view that each transaction is on normal commercial terms and is not prejudicial to the interests of CICT and its minority unitholders.

6. TOTAL VALUE OF INTERESTED PERSON TRANSACTIONS WITH TEMASEK GROUP FOR THE CURRENT FINANCIAL YEAR

As at the date of this announcement, the value of all interested person transactions entered into between (1) CICT and (2) Temasek and members of the Temasek Group (excluding CapitaLand Investment Limited and its subsidiaries and associates) during the course of the current financial year (including the Interested Person Transactions but excluding any transaction with a value of less than S\$100,000) is (a) approximately S\$ 569.43 million and (b) approximately S\$ 566.27 million pursuant to Rules 905 and 906 of the Listing Manual respectively. The value of the Twyst Lease has not been aggregated for purposes of Rule 906 as the transaction falls under the exception in Rule 916(1) of the Listing Manual.

The value of all interested person transactions entered into between (1) CICT and (2) all interested persons during the course of the current financial year (including the Interested Person Transactions but excluding any transaction with a value of less than S\$100,000) is (a) approximately S\$1,193.80 million and (b) approximately S\$ 1,083.06 million pursuant to Rules 905 and 906 of the Listing Manual respectively.

7. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS²

As at the date of this announcement, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 964,858 Units.

Mr Tony Tan Tee Hieong is the Chief Executive Officer and an Executive Non-Independent Director of the Manager. Mr Jonathan Yap is a Non-Executive Non-Independent Director of the Manager and Chief Executive Officer (Fund Management) of CapitaLand Investment Limited. Mr Lim Cho Pin Andrew Geoffrey is a Non-Executive Non-Independent Director of the Manager and the Group Chief Financial Officer of CapitaLand Investment Limited. Ms Teo Swee Lian, Mrs Quek Bin Hwee and Ms Jeann Low Ngiap Jong are directors of certain related corporations and an associated company of Temasek, but for the avoidance of doubt, they are not involved in the day-to-day management of such entities, and none of such entities is a direct or indirect shareholder of SP, SembWaste or Twyst.

As at the date of this announcement and based on information available to the Manager, Temasek, through its subsidiaries and associated companies (including CapitaLand Investment

² "Controlling Unitholders" refers to a person with an interest in Units constituting not less than 15.0% of all Units in issue.

Limited and its subsidiaries), has an aggregate deemed interest in 1,593,626,736 Units, which is equivalent to approximately 24.05% of the total number of Units in issue.

Save as disclosed in this announcement and as at the date of this announcement, none of the directors of the Manager or Controlling Unitholders has an interest, direct or indirect, in the Interested Person Transactions.

BY ORDER OF THE BOARD

CapitaLand Integrated Commercial Trust Management Limited
(Registration Number: 200106159R)
as manager of CapitaLand Integrated Commercial Trust

Lee Ju Lin, Audrey
Company Secretary

18 April 2022

IMPORTANT NOTICE

The past performance of CapitaLand Integrated Commercial Trust (“**CICT**”) is not indicative of future performance. The listing of the units in CICT (“**Units**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) does not guarantee a liquid market for the Units. The value of the Units and the income from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, CapitaLand Integrated Commercial Trust Management Limited, as manager of CICT (the “**Manager**”), or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

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

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.