

CAPITALAND GROUP

Annual General Meeting

29 June 2020

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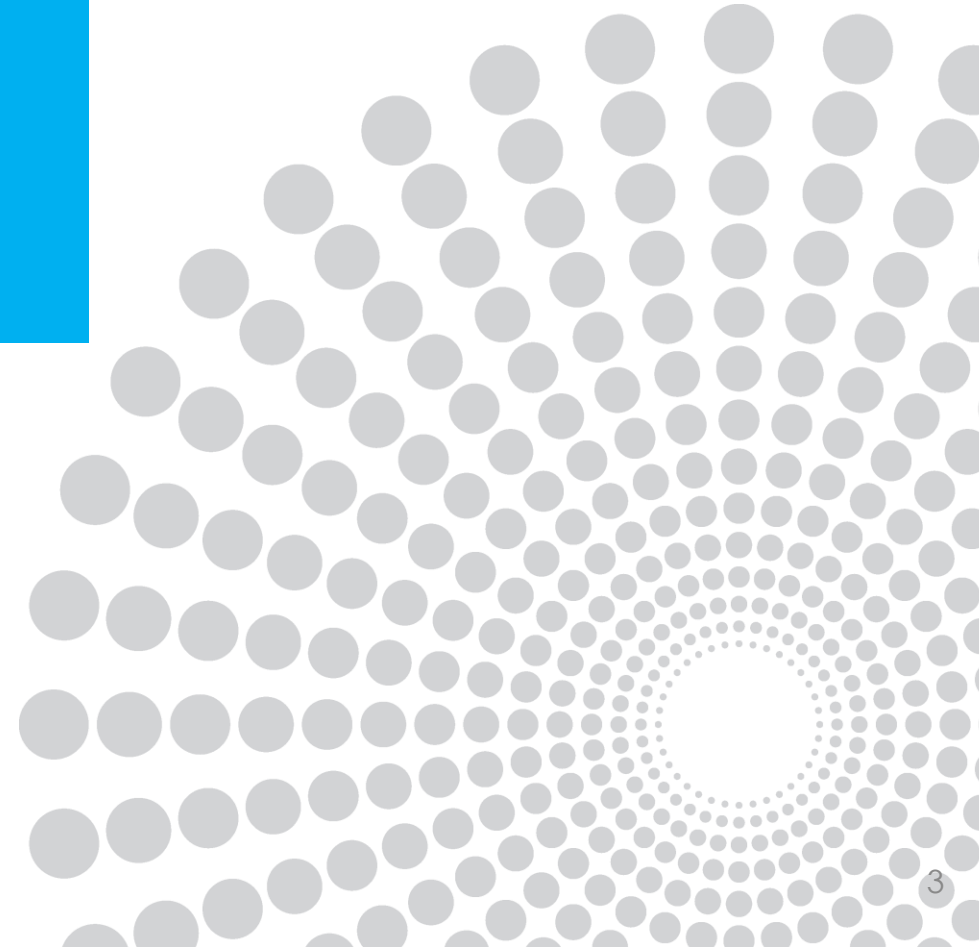
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Table of Contents

- Recap of FY 2019
- A Strategy for All Cycles
- COVID-19 Interruptions – Our Response
- Business Outlook



Recap of FY 2019

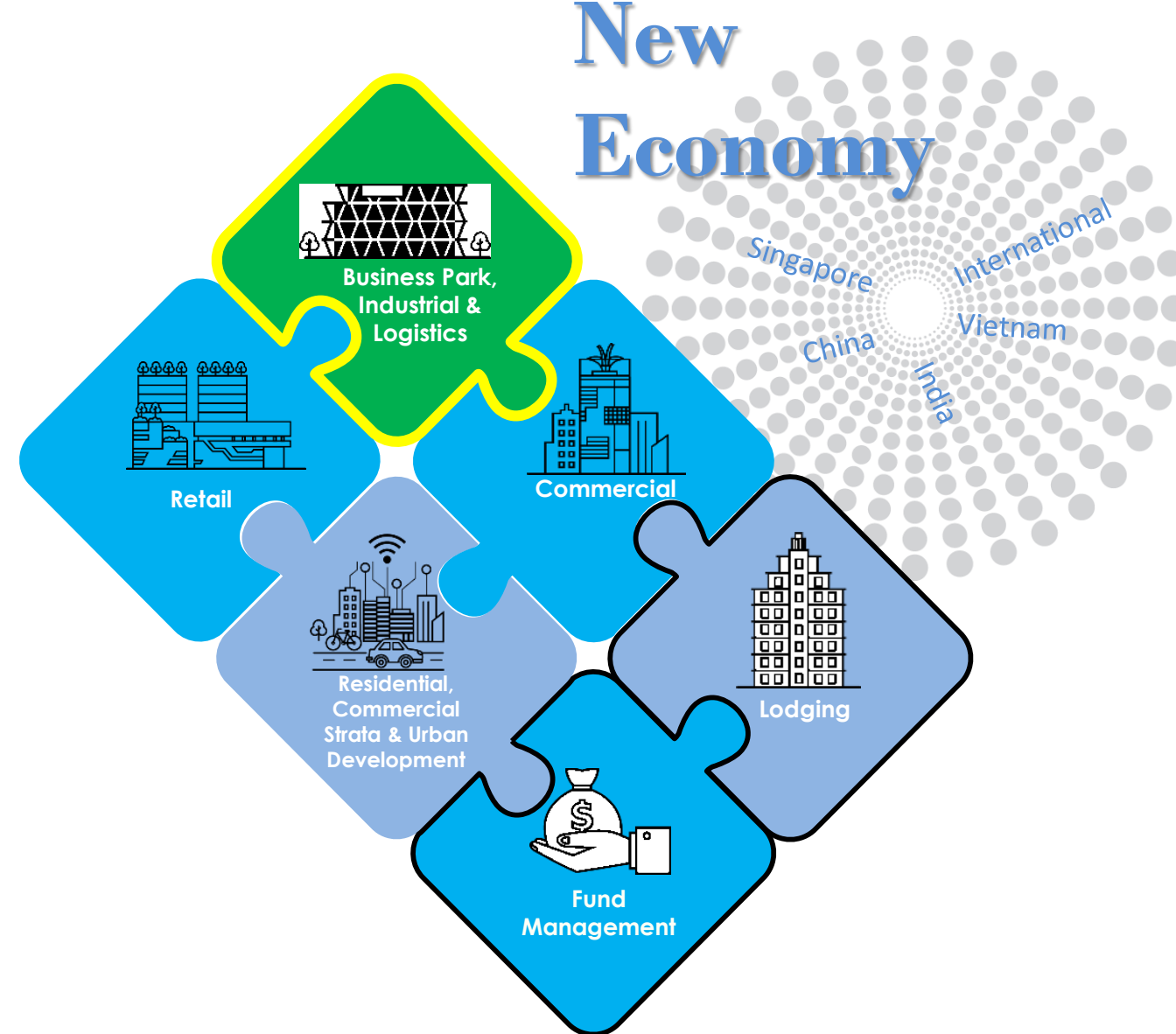


FY 2019 Achievements

A Transformational Year



- **Future-Ready** CapitaLand 3.0
- **Competitiveness Strengthened** With Greater Scale, Relevance and Influence
- **Focused Growth** Through Three Strategic Pillars
- Long-term **Sustainability** Enhanced



FY 2019 Achievements

A Year of Significant Milestones



Successfully completed **S\$11-billion merger with Ascendas-Singbridge** to become Asia's largest diversified real estate group

Numerous development milestones

including completion of 3 major malls, collaborative agreement signed to develop China-Singapore Guangzhou Knowledge City Phase II, commencement of rejuvenation of iQuest@IBP through Ascendas REIT, AEI of US Multifamily portfolio etc

- Opened record 7,500 units and signed >14,100 new units in 2019
- New offerings – lyf and Citadines Connect
- Foray into new markets such as Netherlands and new cities such as Yokohama in Japan and Goa in India

Lodging

15 new residential launches and >5,900 units sold across core residential markets of China, Vietnam and Singapore

Fund Management

- Inception of CapitaLand's First Discretionary PE Fund
- S\$1.9bn raised by PE funds in FY 2019
- Successful combination of Ascott Residence Trust (ART) and Ascendas Hospitality Trust, consolidating ART's position as the largest hospitality trust in Asia Pacific

~30 corporate transactions across the Group

- S\$5.9bn in gross divestments value
- S\$5.9bn in gross investments value
- S\$470m¹ in portfolio gains

Note:

1. Excluding transaction costs of Ascendas-Singbridge acquisition

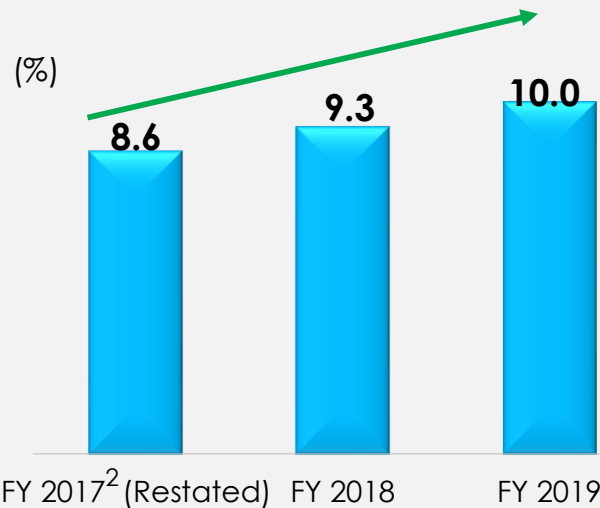
FY 2019 Achievements

A Consistent Track Record - FY 2019 Targets Fully Met



1

3-year track record of ROE¹

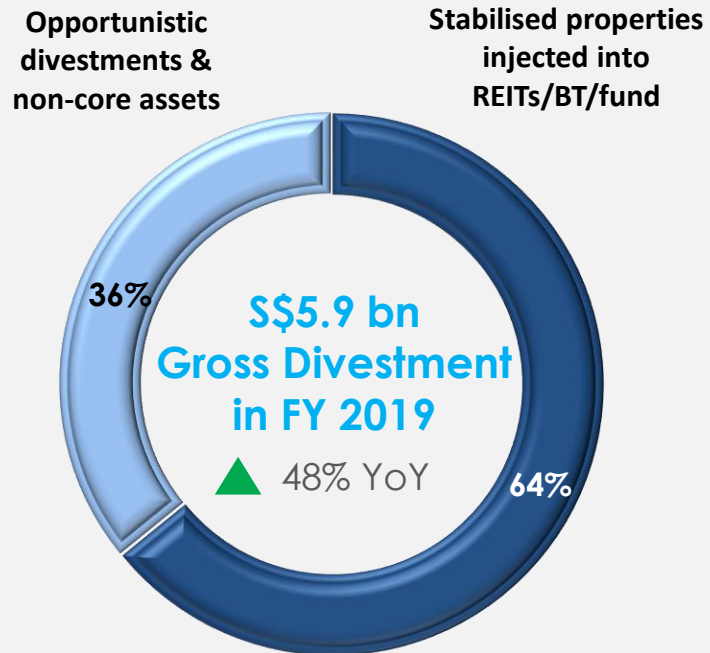


PATMI and Operating PATMI

▲ 21.2%
YoY

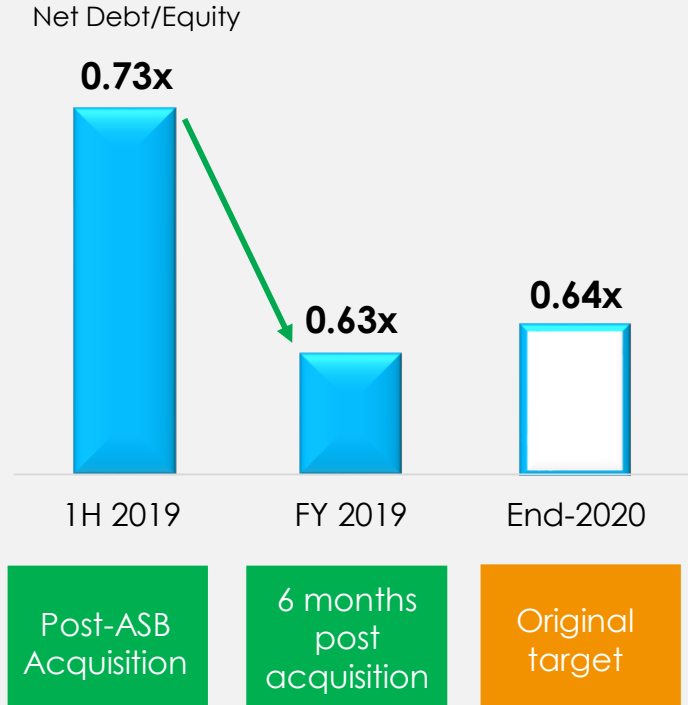
2

Exceeded S\$3 bn annual asset recycling target



3

Lowered post ASB-acquisition leverage



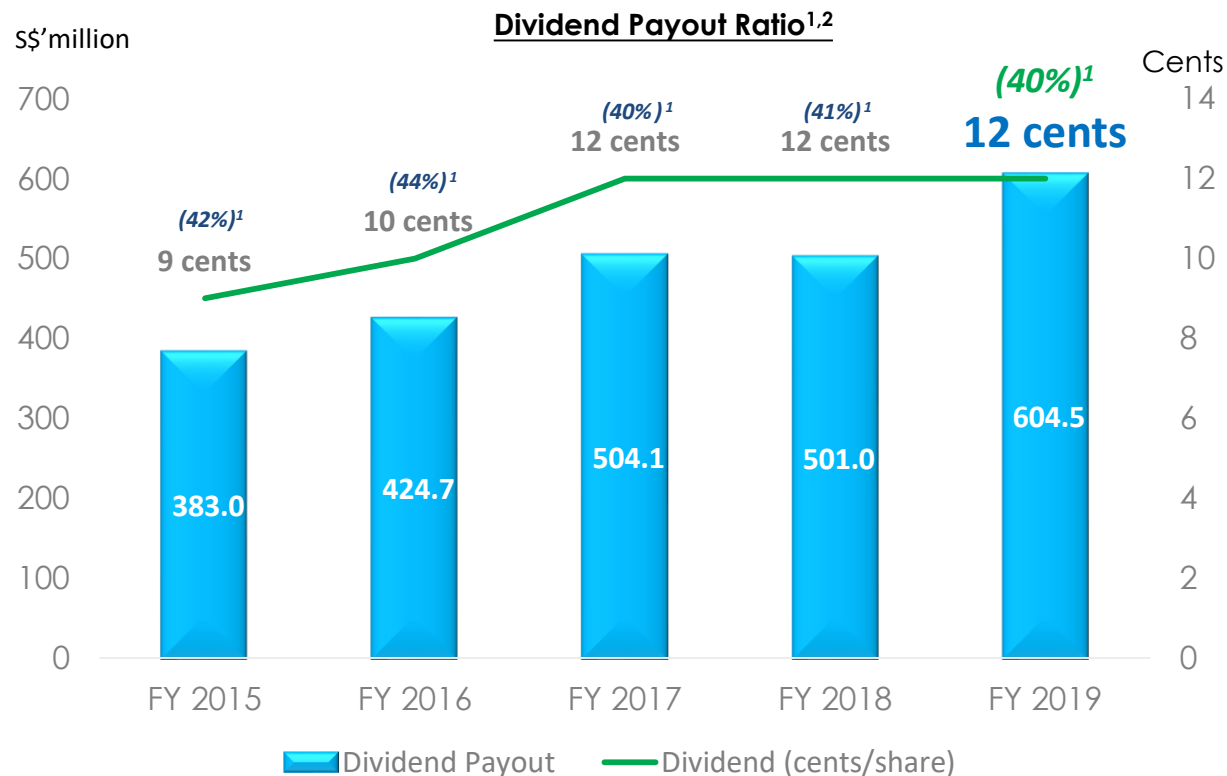
Notes:

1. Return on equity
2. Comparatives have been restated due to adoption of SFRS (I) 15 Revenue from Contracts with Customers

FY 2019 Proposed Dividend Maintained At 12 Cents Per Share

Strong Balance Sheet Position Enables Dividend To Be Distributed As Announced

**Corresponds to Approximately
S\$604m in Total Dividend Payout**



Notes:

1. Total dividend payout as a % of cash PATMI

2. Barring unforeseen circumstances, the Company's policy is to declare a dividend of at least 30% of the annual cash PATMI, defined as sum of Operating PATMI, portfolio gains/losses and realised revaluation gains/losses

3. Total return of a share to an investor (i.e. change in share price between beginning and end of year plus dividend paid during the year)

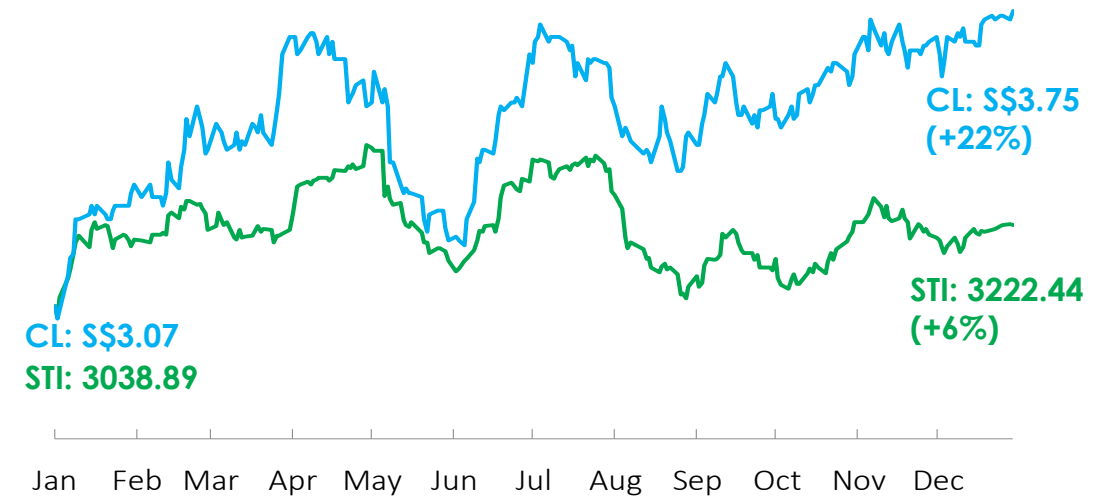
4. From 1 Jan 2015 to 31 Dec 2019

5. From 1 Jan 2017 to 31 Dec 2019

6. From 1 Jan 2019 to 31 Dec 2019

Total shareholder return ³	CapitaLand
5-Year ⁴	29.0%
3-Year ⁵	35.4%
1-Year ⁶	24.4%

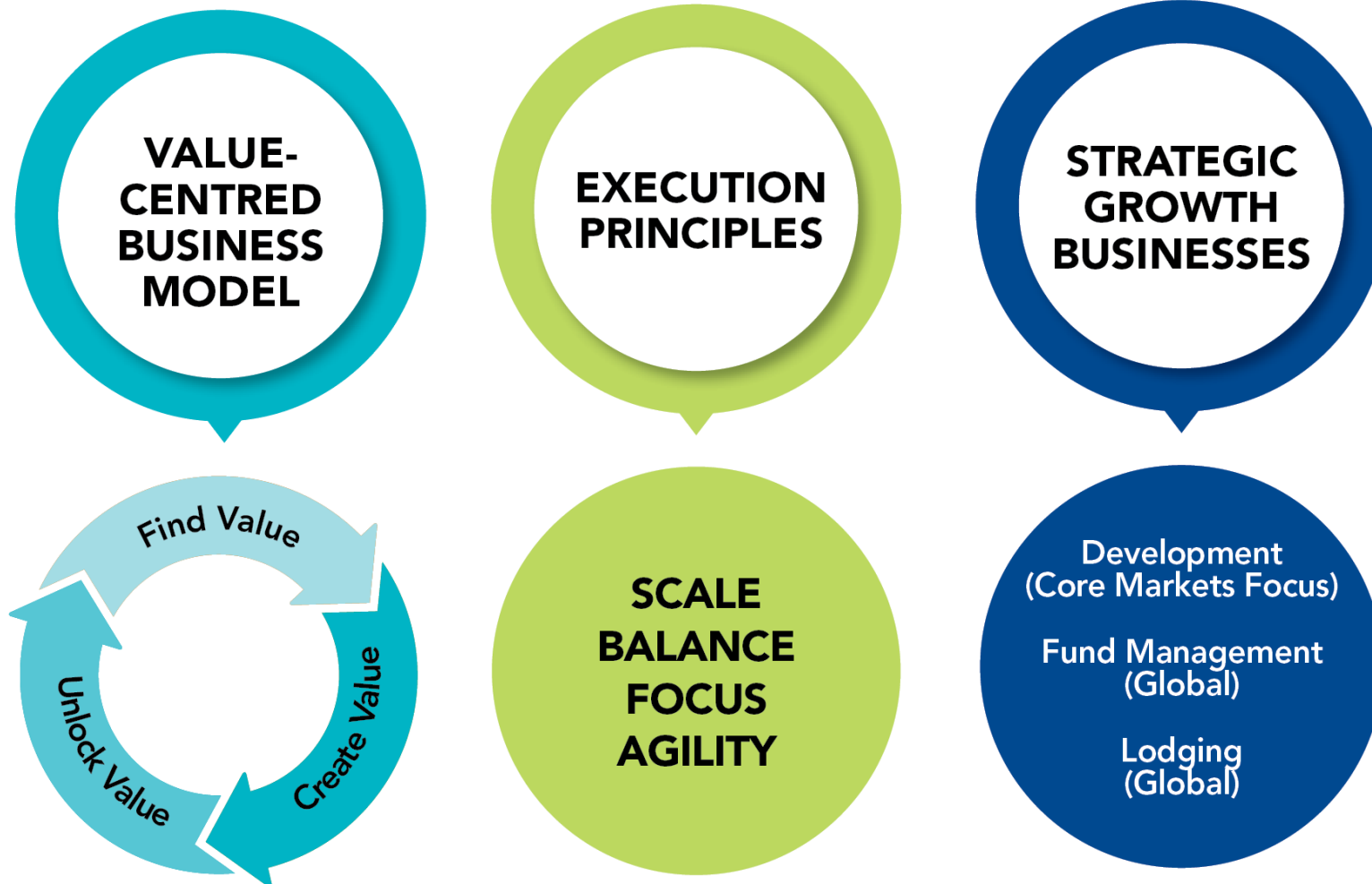
FY 2019 Share Price Performance



A Strategy for All Cycles

Framework for Sustainable Growth

Focused Strategy To Generate Sustainable Superior Returns



FOUR CORE MARKETS

Integrated RE capabilities, long-standing, localised presence and scale, to **find-create-unlock** value



TARGET S\$100bn FUND AUM BY 2024

To grow fund fee income and attain top market leadership

ACHIEVE 160K Lodging Keys By 2023

Fortify our position as one of the leading international lodging owner-operators with a strong record in extended-stay segment



COVID-19 Interruptions

Our Response

Ascendas Xinsu Square, Suzhou, China

COVID-19 Interruptions – Our Response



Over S\$300 Million¹ of COVID-19-related Support Committed



FOR TENANTS: Rental rebates and marketing assistance given to tenants across asset classes and geographies



Thank you so much for always delivery food to my room &



FOR COMMUNITIES: Close to S\$6 million in donations and over 7,500 volunteer hours towards healthcare, caring for low-income families and frontline workers



Thank you again, so much, for everything.
"pen your thoughts"
Sincerely,



To the Citadines Staff:
citadines
THANK YOU for taking good care of us for the past 14 days. You guys have been very understanding and helpful throughout!

Note:

1. On 100% basis YTD on rental support to our commercial tenants, excluding government subsidies

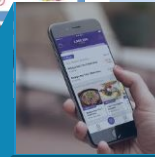
Proactive Management of Our Business



Operational Readiness and Agility

Business Continuity Plan

- Activated since Jan 2020 in accordance to guidelines from local authorities to minimise impact to operations and critical activities
- COVID-19 BCP Committee set up to oversee and co-ordinate group-wide efforts



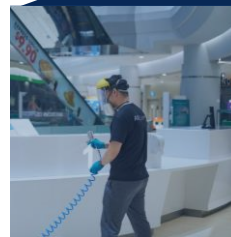
Accelerated Business Digitalisation



- Introduced e-commerce platforms for retailers and F&B operators in Singapore and China to boost shopping mall sales
- Enhanced features on CapitaStar App e.g. that enable house hunters to view CapitaLand's China residential offerings virtually

Innovative Tech Solutions to Enhance Safety at Our Assets

- Use of thermal scanners for temperature taking, anti-microbial coating for high contact areas, disinfection floormats, UV disinfection robots, PhotoPlasma technology to disinfect lifts etc



Ensuring Employees' Well-being

- Employee engagements through regular email updates, virtual townhalls, online learning and fitness workouts; and competitions
- Avenues for staff to seek financial and other assistance as well as healthcare hotlines



Proactive Management of Our Business

Ensuring Financial Resilience



Prudent Cash Management

- › Disciplined reduction in operating costs and discretionary capital expenditure of **> S\$200m**, with further cost cutting expected
- › Lowered board fees and salaries for Board members and senior management
- › Implemented wage freeze for all staff at managerial level and above



- › Secured **>S\$1.8b** of sustainability financing YTD 2020
- › Lower overall implied interest rate of 3.0% achieved

Proactively shoring up liquidity

Business Outlook

Near-Term Business Outlook

01

Our financial position continues to be healthy, but our business activities have been affected in the first half of 2020. This will have an adverse impact on our financial performance for FY 2020, potentially including but not limited to our profitability, credit metrics, the valuation of our investment properties and capital recycling.

02

China's continued recovery has raised our optimism for our other markets which are gradually re-opening:

- More than 1,400 residential units in China have been sold YTD May 2020;
- Close to 90% of retail stores have resumed operations; Retail footfall has reached 70% of pre-COVID level;
- Committed occupancy across all asset classes (except Lodging) are at approximately 90% on average as at May 2020.

03

Notwithstanding this, our retail and lodging businesses will continue facing headwinds as regulations on social distancing and travel are expected to remain tight.

04

Overall, we expect our diversified portfolio to stay resilient, although the extent of the financial impact on the Group for 2020 will depend on the severity and length of the economic downturn and the speed and strength of the subsequent recovery.

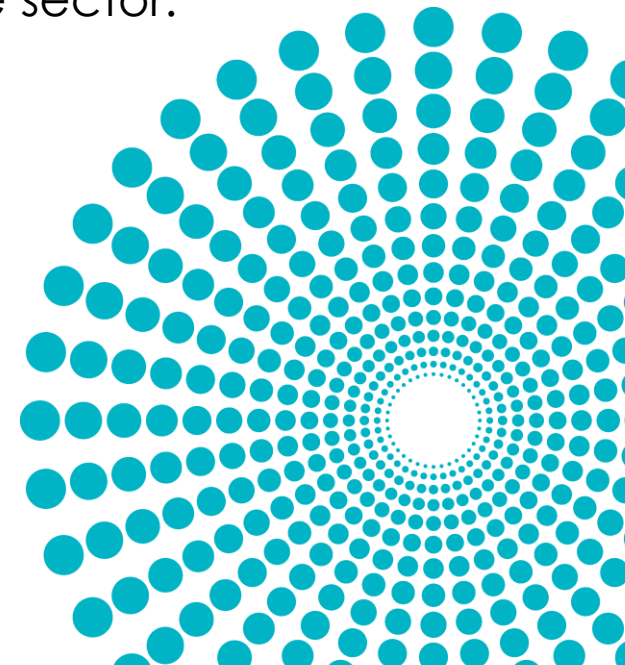
05

We will proactively manage our portfolio and capital requirements to successfully navigate through the pandemic, and emerge stronger.

Conclusion



- Our long-term strategy remains unchanged.
- We have demonstrated our resolve to meet our performance targets in 2019, while undergoing a merger with Ascendas-Singbridge.
- We will continue to build on our strengths and stay focused on our long-term strategy to create a diversified and well-balanced portfolio that can deliver sustainable returns for our Shareholders.
- With our expansion into new economy real estate and new growth geographies in FY 2019, CapitaLand has obtained a good head start to a rapidly evolving real estate sector.
- Our strong balance sheet will allow us agility to navigate through current challenges, and be in position to take advantage of any counter-cyclical opportunities.
- We will mobilise and increase our human capital, accelerate digital capabilities and remain committed to ESG excellence – these will form the backbone of our on-going success.





Thank You

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