



CAPITALAND LIMITED
(Registration Number: 198900036N)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

**Extraordinary General Meeting and Scheme Meeting to be held on 10 August 2021
Responses to Substantial and Relevant Questions**

CapitaLand Limited (“**CapitaLand**” or the “**Company**”) would like to thank all Shareholders who submitted their questions in advance of the Extraordinary General Meeting (“**EGM**”) and Scheme Meeting, to be held virtually via “live webcast” at 2:00pm and 2:15pm (or if the EGM concludes after 2:15pm, as soon thereafter following the conclusion of the EGM) respectively, on Tuesday, 10 August 2021.

The Company published our first set of responses to substantial and relevant shareholders’ questions received up till 30 July 2021 on the SGXNet and on our corporate website. The following pages are our responses to questions received since then.

Shareholders may submit any questions they may have about the resolutions of the EGM and Scheme Meeting until the closing date at 2.15pm on 7 August 2021. CapitaLand will make a final publication of our responses to any substantial and relevant questions on the SGXNet and on our corporate website after this closing date.

We trust that Shareholders will understand that because of the overlapping questions received, we will not be responding to each and every question individually.

The directors of the CapitaLand Limited (the “**Directors**”) (including any who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement in each case which relate to CapitaLand, CapitaLand Investment Limited (“**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 CapitaLand, CLI and CICT have been omitted from this Announcement, and the Directors jointly and severally accept responsibility accordingly.

Where any information which relates to CapitaLand, 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 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 Announcement. The Directors do not accept any responsibility for any information relating to the Offeror or any opinion expressed by the Offeror.

By Order of the Board

Michelle Koh
Company Secretary

5 August 2021

CapitaLand Limited 2021 Extraordinary General Meeting and Scheme Meeting
Responses to Substantial and Relevant Questions from Shareholders

Unless otherwise defined, capitalised terms used in the following responses should have the meanings ascribed to them in the Scheme Document issued by CapitaLand Limited (“CapitaLand”) on 17 July 2021 (the “Scheme Document”) or the Introductory Document issued by CapitaLand Investment Limited (“CLI”) on 17 July 2021 (the “Introductory Document”), as the case may be.

No.	Questions and Responses
1.	<p>What is the NAV per share as at 31 March 2021 relating to property development segment that will be privatised? In view of the housing price index that has risen so much since 2020, is there any change to the fair value that shareholders should receive in return?</p>
	<p>The implied CLA Consideration of S\$1.121 per share for the Development-Related Business of CapitaLand represents a P/NAV of 0.95x. In our negotiations with CLA, estimates of selling prices and development costs, among other factors, were taken into account. As set out in the IFA letter, the consideration for the development business is within the range of selected precedent transactions. Please refer to the IFA letter in the Scheme Document for further information.</p>
2.	<p>Please give an updated breakdown of the Implied Consideration for Eligible Shareholders based on the most updated share price of CapitaLand.</p>
	<p>The updated breakdown of the Implied Consideration based on recent closing price of CICT Units and the unaudited pro forma NAV of CLI shares as at 31 March 2021 comprises:</p> <ul style="list-style-type: none"> • S\$0.951 in cash • 0.155 CICT Units valued at S\$0.333 (based on closing price of S\$2.15 on 2 August 2021) • 1 CLI share at S\$2.934 NAV (based on unaudited pro forma NAV as at 31 March 2021¹) <p><i>Note: ¹ Please refer to the section titled “Selected Pro Forma Financial Information” in the Introductory Document for more information</i></p>
3.	<p>As part of the restructuring, CapitaLand has proposed to issue to shareholders 0.155 units of CICT. The fractional shares are cumbersome to track in a portfolio and also to trade. Can you please explain the rationale for issuing fractional shares in CICT instead of compensating with cash?</p>
	<p>As part of the CICT DIS, Eligible Shareholders will receive 0.155 CICT Units per CapitaLand share, with fractional entitlements to be disregarded. The structure and terms of the current transaction, including the distribution of CICT Units pursuant to the Scheme, were agreed after extensive negotiations with the Offeror. CICT is the largest real estate investment trust managed by CapitaLand and its units are considerably most liquid as compared with other Listed Funds. Given that the CICT Units to be distributed represent a relatively low percentage of CICT’s total issued units and, taking into account CICT’s liquidity, CapitaLand believes that there would be sufficient market demand to facilitate Shareholders’ trading of the CICT Units for cash should they not intend to hold these CICT Units. In addition, post-CICT DIS, CLI’s percentage unitholding in CICT of 22.95% will also be broadly in line with that of its holdings in other Listed Funds, such as Ascendas Real Estate Investment Trust and CapitaLand China Trust. As stated in paragraph 7.1.4 of the Letter to Shareholders, this is also in line with CapitaLand’s long-term plan to deconsolidate the Listed Funds.</p>

	<p>To facilitate the trading of odd lots of CLI Shares and CICT Units, we have arranged with the following named brokers to facilitate Odd Lots Trades during the Applicable Period, which is expected to be from 16 September 2021 to 14 October 2021:</p> <p>(a) DBS Vickers;</p> <p>(b) Phillip Securities; and</p> <p>(c) UOB Kay Hian,</p> <p>(collectively, the “Brokers”).</p> <p>CLI Shareholders and CICT Unitholders who wish to round up or down their holdings to the nearest 100 CLI Shares or nearest 100 CICT Units can do so.</p> <p>Please refer to Paragraph 11.4 of the Explanatory Statement to the Scheme Document for more information.</p>
<p>4.</p>	<p>If I understand correctly, we will get one share to one share of CLI after CapitaLand is de-listed. When will this take place?</p>
	<p>As set out in the indicative timetable in the Scheme Document, the expected date for the crediting of CLI Shares and the CICT Units to Shareholders pursuant to the DIS is expected to take place on or around 16 September 2021. Please note that the timetable is indicative and is therefore subject to change. We will announce updated timetable with the exact dates in due course.</p>
<p>5.</p>	<p>Can the company provide some more details about the NAV for CLI?</p>
	<p>The NAV of CLI essentially comprises CapitaLand’s NAV less the NAV of the Development-Related Business and the NAV of the CICT DIS Units.</p> <p>As at 31 December 2020, based on CLI’s unaudited pro forma NAV of S\$15.1B, approximately S\$1.2B relates to CLI’s fee income-related business, while approximately S\$13.9B relates to CLI’s real estate investments.</p> <p>As at 31 March 2021, the unaudited pro forma NAV is S\$15.3B, or S\$2.934 per share.</p> <p>Please refer to the section titled “Selected Pro Forma Financial Information” in the Introductory Document for further details.</p>
<p>6.</p>	<p>What is CLI’s projected share price?</p>
	<p>CLI is currently not listed and does not have a share price. As at 2 August 2021, the market-implied CLI share price (computed based on the methodology set out in the note below) is S\$2.776¹.</p> <p>The expected date for the listing of the CLI Shares is on or around 17 September 2021. Please note that the timetable is indicative in nature and is subject to change. We will announce updated timetable with the exact dates in due course.</p> <p><i>Note: ¹CLI’s market-implied price of S\$2.776 per share is calculated based on CapitaLand’s closing price of S\$4.06 per share as at 2 August 2021, less the cash consideration of S\$0.951 per share, less the market value of 0.155 CICT units of S\$0.333 as at 2 August 2021.</i></p>

7.	I do not want a cash payout. Is it possible to be transferred to CICT units? At what price is offered?
	As part of this transaction, each Eligible Shareholder will receive S\$0.951 in cash, 0.155 CICT Units, and 1 CLI Share. Shareholders may choose to utilise the cash proceeds received pursuant to the Scheme to purchase more CICT Units in the open market.
8.	What would be the key KPI (financial/operational) that the management would like shareholders to judge their performance by?
	<p>As set out in the Introductory Document, our business model comprises two key segments, namely, fee income-related business and real estate investments, and we aim to drive FUM and FRE growth. In this regard, there are three synergistic growth drivers that will drive sustainable FUM and FRE growth for CLI: (1) Fund Management; (2) Lodging Management; and (3) Capital Recycling. In particular, we seek to, among others, grow our FUM, scale our serviced residence units and create headroom and opportunities for inorganic FUM growth and our key operational and financial metrics are expected to be in line with such strategies.</p> <p>Please refer to the Introductory Document for further details.</p>
9.	How do CapitaLand or Temasek intend to ensure that transactions between CLD and CLI going forward are on arm's length basis?
	All interested person transactions will be reviewed and approved in accordance with the requirements in Chapter 9 of the Listing Manual, to ensure that they are carried out on normal commercial terms and are not prejudicial to CLI's interests and the interests of CLI's minority shareholders. Please refer to the section titled "Interested Person Transactions and Conflicts of Interests" in the Introductory Document for further details.
10.	What is the broad strategy for the company post-restructured and how are the directors ensuring that shareholder's returns post-restructuring will be further enhanced?
	<p>We intend to continue to extend our leadership in the management of our Listed Funds, and diversify and distribute new fund products to grow our Unlisted Funds business. We also plan to deepen strategic relationships with existing capital partners and expand new capital partnerships across a spectrum of strategies. We may also acquire new capabilities and fee income platforms. On the lodging side, we will continue to grow our distinctive fee-centric lodging platform via scaling units under management, and expand the product offerings within the lodging sector to augment FUM growth.</p> <p>Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for more information</p>
11.	Reference to the 30 July 2021 Responses to Question 25, please provide the breakdown of CLI NAV of about \$14.9 billion.
	As at 31 December 2020, based on CLI's unaudited pro forma NAV of S\$15.1B, approximately S\$1.2B relates to CLI's fee income-related business, while approximately S\$13.9B relates to CLI's real estate investments.

	<p>Please refer to the section titled “Selected Pro Forma Financial Information” in the Introductory Document for further details.</p>
12.	<p>In 5 years’ time, what would a successful CLI look like?</p>
	<p>We intend to continue to extend our leadership in the management of our Listed Funds, and diversify and distribute new fund products to grow our Unlisted Funds business. We also plan to deepen strategic relationships with existing capital partners and expand new capital partnerships across a spectrum of strategies. We may also acquire new capabilities and fee income platforms. On the lodging side, we will continue to grow our distinctive fee-centric lodging platform via scaling units under management, and expand the product offerings within the lodging sector to augment FUM growth.</p> <p>Please refer to the section titled “Prospects, Business Strategies and Future Plans” in the Introductory Document for more information.</p>
13.	<p>Are there plans to make CLI even more asset-light going forward?</p>
	<p>As set out in the Introductory Document, CLI’s property investments are held with a view to provide potential pipeline investment opportunities for the Listed Funds and Unlisted Funds so as to grow CLI’s FUM. Approximately S\$10.1B (based on RE AUM) has been planned for monetisation in the next three to four years. Sale of assets to CLI’s Listed Funds or Unlisted Funds would convert the assets to become fee-generating assets and further lighten CLI’s balance sheet.</p>
14.	<p>Referencing Page 17 of CapitaLand presentation materials, there is ROFR given to CapitaLand Development (“CLD”) for future pipeline projects. Is CLI contractually the exclusive REIM for all of CLD (the private entity) assets going forward and for how long?</p>
	<p>CapitaLand has granted a ROFR (“Acquisition ROFR”) to CLI in support of CLI’s growth. The Acquisition ROFR will become effective on the Listing Date and operate to give CLI a right of first refusal under certain terms and conditions to acquire all or any part of a Relevant Asset or all or any interest in any Relevant Asset¹ or be granted a leasehold interest for a term exceeding 20 years² over any Relevant Asset that CapitaLand or any of its subsidiaries wishes to dispose of, save in certain circumstances.</p> <p>Please refer to the section titled “Interested Person Transactions and Conflicts of Interests” in the Introductory Document for further details.</p> <p><i>Notes: ¹ “Relevant Asset” refers to any operational, income-producing properties for the following non-exhaustive uses: residential, retail, office, business park, industrial, logistics, data centre and mixed use properties, and lodging related (including multi-family, purpose-built student accommodation, hotels and serviced apartments, amongst others) located anywhere in the world, and where the context so admits, shall include the shares and equity interests of any single purpose company or entity established to hold the Relevant Asset;</i></p> <p><i>² The Acquisition ROFR extends to a grant of long-term leasehold interest exceeding 20 years because such grant of a leasehold interest with 20-year remaining tenure can be reasonably considered as a disposal of an asset by CapitaLand. In this regard, a grant of a leasehold interest with a 20-year tenure would still be of potential interest to CLI, subject to among other things, the condition of the property and cash flow deriving therefrom. Therefore, such an asset is deemed to potentially fall within the consideration for investment by a Relevant CLI Entity.</i></p>

15.	For the past 5 years, what are the mix of deals that are sourced from CapitaLand vs. non-CapitaLand? Will there be concrete efforts by the management to diversify away from CapitaLand?
	Between 2016 and 2020, approximately one-third of the acquisitions by our listed funds were from CapitaLand. As stated above, we also plan to deepen strategic relationships with existing capital partners and expand new capital partnerships across a spectrum of strategies.
16.	What might be the constraints on growth going forward? Are there any fee pressure that the (REIM) industry is facing?
	<p>CLI Group's operations are subject to multiple risks, including but not limited to country-specific risks (e.g. political, regulatory, economic and currency risks), outbreak of communicable diseases and pandemics/epidemics, competition in its key markets, and fluctuations and business risks in the commercial, retail, business parks, industrial, logistics and data centre real estate markets and lodging business. Please refer to the section titled "Risk Factors" in the Introductory Document for further details. These risks may have an adverse effect on the business, financial condition, and results of operations of CLI Group.</p> <p>To address such risks, CLI has a Risk Committee to assist the CLI Board in overseeing CLI's risk management framework and policies for CLI Group, and ensuring that management maintains a sound system of risk management and internal controls. Please refer to the section titled "Directors, Management and Staff" in the Introductory Document for further details.</p>
17.	Does CLI need to invest in all the new funds that is being launched by CLI to show "skin-in-the-game" and what is the typical percentage of shareholding in each fund that is required to show commitment to potential investors in CLI fund?
	We expect to commit seed capital to our new Unlisted Funds to demonstrate alignment of interest with our LPs. There is no typical percentage of stakeholding in each fund that is required to show commitment to potential investors and we will consider the extent of our stakes in new funds on a case by case basis. It is also noted that in raising capital for our Unlisted Funds, we do not compete solely on the basis of investment managers' alignment of interest. Rather, we compete primarily on the basis of various factors including but not limited to, among others, investment performance, profile and track record of investment managers' focus and access to marquee investment opportunities.
18.	Will CapitaLand be entering the Data Centre industry in any substantial way
	<p>As set out in the Introductory Document, CLI intends to leverage on its experience and strengths in industrial assets to expand into new economy subsectors, such as data centres including in PRC and Europe. We also intend to expand our product offerings to cover development funds related to new economy assets. Please also refer to the section titled "Prospects, Business Strategies and Future Plans" of the Introductory Document for further details.</p> <p>In this regard, in 2021, CapitaLand made a number of acquisitions of data centre assets across the Group. This includes the acquisition of a portfolio of 11 data centres in Europe for S\$904.6M by Ascendas Reit¹, the acquisition of CapitaLand's first hyperscale data centre campus in PRC² for RMB3.66B and the S\$216.6M</p>

	<p>acquisition and development of a prime site in Navi Mumbai into a data centre campus by Ascendas India Trust.³</p> <p>Source:</p> <p>¹https://www.capitaland.com/content/dam/capitaland-newsroom/International/2021/march/ascendas-reit/Presentation_Ascendas_Reit_debut_investment_in_European_data_centres.pdf</p> <p>²https://investor.capitaland.com/newsroom/20210428_063449_C31_7P1MMJW55V53BNLJ.2.pdf https://investor.capitaland.com/newsroom/20210428_063449_C31_7P1MMJW55V53BNLJ.2.pdf</p> <p>³https://www.capitaland.com/international/en/about-capitaland/newsroom/news-releases/international/2021/jul/aitrust_inr12b_data_centre_india.html</p>
19.	What is CLI's main core business will be based on?
	<p>Upon our listing on the SGX-ST, CLI will become a leading listed global real estate investment manager with a strong Asia foothold and pro forma total real estate assets under management of S\$115 billion and S\$78 billion of real estate funds under management as of 31 December 2020. Our FUM is held via six managed Listed Funds and more than 20 Unlisted Funds across the Asia-Pacific, Europe and USA. They are also well diversified across asset classes, namely, integrated developments, retail, office, lodging and new economy sectors such as business parks, industrial, logistics and data centres.</p> <p>Our business model comprises two key segments, namely, Fee Income-related Business and Real Estate Investments, and we aim to drive fee-related earnings and FUM.</p> <p>Please refer to the section titled "Summary" of the Introductory Document for further details.</p>
20.	Please share the future goal of CapitaLand Investment in Singapore, China and USA after COVID?
	<p>CLI will manage funds and lodging units with a global presence, including Singapore, China and USA.</p> <p>Listed Funds: We will continue to build on the track record established by our Listed Funds and strengthen their leadership in the S-REIT market as leading S-REITs in their respective sectors.</p> <p>Unlisted Funds: We intend to continue to scale up our Unlisted Funds business in a meaningful way by expanding into new strategies, products and geographies that build on and are complementary to the core strengths and footprints of CLI Group.</p> <p>Lodging Management: We will continue to build up our lodging platform through managing properties for third party owners and/or franchises for selected brands. In addition, we intend to further augment our lodging platform's FUM growth by broadening our scope within the longer-stay segment.</p> <p>Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for further details.</p>
21.	Please explain the structure of the master lease agreements/ rental contracts between the REITs and operators/ managers of most CapitaLand hospitality & commercial properties.

	<p>How do these contracts benefit the unitholders (vs shareholders of investment management) during time of crisis such as a pandemic or economic downturn?</p>
	<p>The commercial and hospitality contracts and lease agreements between the said parties are negotiated and agreed on commercial arms-length basis.</p> <p>The key objectives of the managers of CLI's Listed Funds are to deliver sustainable distributions to and drive value creation for unitholders who participate in CLI's Listed Funds via multi-pronged strategies, including disciplined investment, proactive portfolio management and prudent cost and capital management. In other words, this is not solely driven by the terms of the commercial and hospitality contracts and lease agreements. Please also refer to the section titled "Summary – Competitive Strengths" of the Introductory Document for further details of CLI's track record, including its achievements in managing public market vehicles to generate sustainable and recurring income over a long-term investment horizon for unitholders. In this regard, due to the evolving nature of the COVID-19 virus, we also proactively ensure our strategy and growth plans are adjusted when required in order to stay relevant.</p>
<p>22.</p>	<p>Do you think the commercial business (Office) of CapitaLand will cater more to a hybrid (WFH/Work in Office) or back to pre-COVID?</p>
	<p>The COVID-19 situation remains an evolving one which is challenging to predict. At our workspace in China, which have enjoyed a steadier progress in post COVID-19 recovery, we observed that the physical occupancy of offices has largely returned to pre-COVID-19 levels since the second half of 2020.</p> <p>CapitaLand's office and business space portfolios are spread across city and suburban locations, primarily in Singapore, China and India, providing added options for tenants to locate their workforce based on the nature of their work demands. In addition, they are supported by a strong, adaptive operating platform. This takes the form of core and flex options, providing tenants with enhanced space flexibility within an asset. We also make use of technology and digitalisation to ensure health and safety, as well as connectivity with tenants, which have become even more crucial post COVID-19. We believe our proactive management of the workspace product will keep it relevant for demands post COVID-19.</p>
<p>23.</p>	<p>Where does the future lie in shopping mall business?</p>
	<p>While physical retail has been negatively impacted by the pandemic and the growth of e-commerce, we believe shopping malls are here to stay due to the social nature of human beings. Our retail business has seen a strong rebound as the recovery trajectory heads towards pre-COVID-19 levels, and we expect this recovery to persist with the rollout of vaccination programs worldwide. In our 1Q 2021 business update, we noted that China retail registered an increase in shopper traffic and tenant's sales YoY, while Singapore retail shopper traffic and tenants' sales showed marked improvement. Committed occupancy remained above 90% for both China and Singapore in 1Q 2021.</p> <p>That being said, we will continue to proactively adapt to the evolving retail environment, such as by tapping on data analytics and increasing online customer engagements to drive new growth. For instance, in FY2020 our CapitaStar platform crossed the 14 million member mark, with over 2,700 onboarded tenants and in excess of S\$46 million in GMV.</p>

24.	Is there any risk to growing the hospitality management business in light of COVID?
	<p>Despite the COVID-19 pandemic's negative impact on travel, property owners continue to sign new management and franchise contracts with Ascott, which allowed Ascott, in FY2020, to secure 14,200 units and achieve its fourth consecutive year of record growth.</p> <p>Due to the evolving nature of the COVID-19 virus, we proactively ensure our strategy and growth plans adjusted when required in order to stay relevant. The business model of CLI will have a greater emphasis on growing fee-related income. On the lodging side, we will continue to grow our distinctive fee-centric lodging platform via scaling units under management, and expanding the product offerings within the lodging sector to augment FUM growth. Please refer to the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for more information.</p>
25.	COVID may have changed the real estate investment ballgame, as more people and companies may pivot between 30% to 40% of their work week to work from home permanently for the foreseeable future. Has the Board taken this into account and how will this impact on CLI's overall investment strategy?
	<p>Please refer to the response to question 22, and the section titled "Prospects, Business Strategies and Future Plans" in the Introductory Document for further details.</p>
26.	What can shareholders expect in terms of total shareholder returns (TSR) if the restructuring is approved?
	<p>CLI's share price will be affected by multiple factors, including but not limited to market sentiment, macroeconomic conditions, and execution of our strategy and business plan. We are unable to provide performance forecasts. Nonetheless, we will remain focused on executing our long-term strategy and creating value for all shareholders.</p>
27.	<p>In the last five years, CapitaLand China, especially its residential segment, has been a very important earnings pillar for the Group. Please explain how the new entity (CLI) plans to make up for the significant loss of earnings from CapitaLand China, which presumably would not be part of CLI.</p> <p>What are the potential risks and chances of capital growth in the newly listed CapitaLand Investment Limited if approved?</p>
	<p>The PRC development business and certain other PRC assets are part of CLD and will not be within CLI. Through this transaction, Eligible Shareholders will be able to crystallise the value of CapitaLand's development business, which includes the PRC development business and other selected PRC assets, at a P/NAV multiple of 0.95x.</p> <p>Although the privatised development business will not contribute to CLI's earnings, we expect CLI's fee income-related business and real estate investments to continue generating recurring income. We also have multiple engines to drive our FUM and FRE growth, such as via organic growth of Fund Management and Lodging Management, CLI's and CLD's pipelines, as well as strategic acquisitions.</p>

	<p>CLI's share price will be affected by multiple factors, including but not limited to market sentiment, macroeconomic conditions, and execution of our strategy and business plan. We are unable to provide performance forecasts. Nonetheless, we will remain focused on executing our long-term strategy and creating value for all shareholders.</p>
28.	<p>Please explain the difference between the Selected Financial Information in the Introductory Document (page 55) and the Selected Pro Forma Financial Information (page 61). Aren't both for CLI? In particular, why is the earnings per share (EPS) for 1Q 2021 on page 55 more-than-double the figure on page 61? Essentially, I would like to understand the earnings and dividend profile of CLI on a per share basis. How different would it be from the existing CapitaLand entity?</p>
	<p>The Selected Financial Information in the Introductory Document is based on the combined financial statements for CLI Group whereas the Selected Pro Forma Financial Information has further incorporated pro forma adjustments relating to (i) transaction costs incurred arising from internal restructuring and the listing of CLI shares; (ii) capitalisation of certain loans extended by/to CapitaLand Group to CLI Group; and significant acquisitions and disposals of assets, entities and businesses between 1 January 2020 and 17 July 2021. The earnings and the number of issued shares assumed for Earnings per share computation are therefore different and the details are set out in footnote 1 (page 55) and footnote 2 (page 61).</p> <p>CLI's business model comprises two key segments, namely, fee income-related business and real estate investments. Our fee income-related business involves investment and asset management of Listed Funds and Unlisted Funds, lodging management for both owned and third-party owners of lodging assets, predominantly for serviced residence, and property management across different asset classes. Our real estate investments involve stakes in Listed Funds and Unlisted Funds and property investments. The earnings profile of CLI, underpinned by a growing and recurring fee income base, is expected to be a lot less volatile than before due to the separation of the development business. Please refer to section titled "Business" in the Introductory Document for further details.</p> <p>CLI will mirror the dividend policy of CapitaLand. Barring unforeseen circumstances, CLI's policy is to declare a dividend of at least 30% of the annual cash PATMI. CLI's decision to mirror the dividend policy of CapitaLand is for two reasons: (1) To give CLI shareholders a familiar reference, and (2) The COVID-19 situation remains uncertain. CapitaLand's management team has thus elected to maintain an unchanged dividend policy for CLI in the near term and undertake a dividend policy review when there is greater visibility of a more normalised operating environment in the next 12 to 24 months, to ensure that it accurately reflects the cash generating nature of a REIM.</p>
29.	<p>Please explain how the division of investment properties between CapitaLand Development (CLD) and CLI was determined.</p>
	<p>The Internal Restructuring will be undertaken to, among others, achieve the intended assets allocation between the CLI Group and the Parent Group, taking into consideration their respective business focus post-completion of the Scheme. The assets allocation is accordingly proposed based on factors such as readiness of the assets to be offered to the Listed Funds and Unlisted Funds, tax consideration and other specific asset level considerations. Generally speaking: (1) mature or completed assets are allocated for CLI Group and they will form pipeline assets that will potentially be injected into the Listed Funds and/or the Unlisted</p>

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	<p>Funds or be monetised through sales to third parties as and when the opportunities arise; and (2) assets that are under development or earmarked for development will remain with the Parent Group.</p>
30.	What is the net gain for the recent divestment of partial stakes in Raffles City developments?
	<p>On 28 June 2021, CapitaLand announced the divestment of partial stakes in six Raffles City Developments in China, at a 6.7% premium to valuation. The sale generated more than S\$2B of net proceeds, which will be captured under CLI.</p> <p>Please refer to the presentation published on 28 June 2021 for further information.</p>
31.	Understand that CapitaLand Investment Ltd (CLI) will be looking to distribute at least 30% of its annual cash profit. Could you provide the annual cash profit for 2020 and 2019?
	<p>In 2019, the Group undertook a significant transaction to acquire Ascendas-Singbridge; in 2020, the Group's financial performance was impacted by the extraordinary circumstances caused by COVID-19. CLI's cash profit for FY 2019 and FY 2020 are accordingly not a meaningful reflection of the future cash profit of CLI.</p>