

Forging Ahead, Shaping The Future



Mr Miguel Ko
Chairman



Mr Lee Chee Koon
Group Chief Executive Officer

Dear Shareholders,

For 25 years, CapitaLand Group has been a builder—of properties, investment strategies, and long-term value. Our 2021 restructuring sharpened our focus, making CapitaLand Investment (CLI) a real asset manager. As we mark CapitaLand Group's 25th anniversary this year, our commitment remains unchanged: delivering sustainable growth and compounding returns for those who place their trust in us.

Strengthening Our Foundation, Scaling Our Portfolio

In 2024, market conditions remained mixed. Some clouds lifted, particularly as central banks moved toward interest rate cuts. But global growth stayed uneven, and geopolitical uncertainty was a reality we navigated daily. Through it all, our strategy held firm—stick to fundamentals, allocate capital wisely, and position CLI for the long game.

Our base remains strong in Singapore, India, and China, with thoughtful expansion into other Asian markets. Singapore continues to be a steady anchor, giving us a vantage point to seize opportunities across Southeast Asia. In India, our ambition is to more than double our Funds Under Management (FUM) by 2028. In China, we are steadily building domestic capital partnerships.

Beyond these core markets, we are methodically growing our presence in Australia, Japan, and Korea. Our 4Q 2024 acquisition of Wingate Group Holdings (Wingate) in Australia expanded our FUM in the country by 30%, strengthening our private credit capabilities, and opening doors to new investors. Our strategic investment in SC Capital Partners Group (SCCP)¹ tripled our exposure in Japan and added access to the country's REIT market through its Japan Hotel REIT manager. These acquisitions added S\$13 billion in FUM, bringing CLI's total to S\$117 billion as at 31 December 2024.

In Europe and the USA, we continue to build teams, deepen partnerships, and evaluate strategic acquisitions. As always, we will move decisively but patiently—only when the numbers make sense.

Delivering Consistent Financial Performance

CLI delivered S\$479 million in Profit After Tax and Minority Interests (PATMI) in FY 2024, up 165% from the previous year. Fee income from our four business lines—Listed Funds Management, Private Funds Management, Lodging Management, and Commercial Management—continued to grow. Revenue from the real estate investment business was mainly affected by the absence of income from divested assets as CLI continued its asset-light strategy.

We divested S\$5.5 billion in assets, more than doubling our 2023 figure. Though asset valuations remain under pressure, the impact has eased from the previous year.

Based on S\$740 million in Cash PATMI, we propose a core dividend of 12 Singapore cents per share and a special dividend-in-specie of 0.031 CapitaLand Integrated Commercial Trust (CICT) units per share, valued at about 6 Singapore cents². In total, this returns S\$904 million to shareholders. On top of this, we executed S\$358 million in share buybacks in 2024.

Our Board has also proposed raising CLI's annual dividend payout to at least 50% of Cash PATMI. As always, our guiding principle is simple: we return capital when it makes sense, and we reinvest when we see better opportunities.

Transition into a Fee-based Business Taking Shape

CLI's transformation into a fee-based business gained further momentum in 2024. Our four core pillars, Listed Funds Management, Private Funds Management, Lodging Management, and Commercial Management are driving growth.

Our **Listed Funds Management** and **Private Funds Management** platforms are built around three enduring investment themes—Demographics, Disruption and Digitalisation. In 2024, we attracted more than S\$3.3 billion across both fund management platforms and launched eight new private funds, including two private credit funds, a Japan logistics fund, and a follow-on global lodging fund.

We deployed S\$4.6 billion across CLI's listed and private funds, with five of our REITs allocating S\$2.5 billion into logistics, industrial, lodging and retail assets—assets that add resilience and long-term income stability.

¹ CLI made a strategic investment of a 40% stake in SCCP, which was completed on 7 March 2025.

² Based on CLI's issued shares as at 31 December 2024 and CICT's share price at market close on 26 February 2025 of S\$1.98. The actual dividend payment can only be determined on the book closure date.

Message to Shareholders

Meanwhile, our private funds increased exposure into high conviction asset classes: under Demographics, to self storage, wellness, lodging & living, while under Disruption, private credit and logistics gained momentum. Under Digitalisation, we announced in February 2025, a US\$700 million Osaka data centre development, which will seed a new fund product this year.

Strategic platforms are accelerating our expansion. Our investments in SCCP and Wingate illustrate how targeted investments can strengthen expertise, expand investor access, and diversify product offerings. We will continue to look for opportunities that align with our core strengths—whether through acquisitions, partnerships, or joint ventures.

Meanwhile, **Lodging Management** and **Commercial Management** remain key home-grown platforms that reinforce our ecosystem.

The Ascott Limited (Ascott) celebrated its 40th anniversary in 2024, with record fee earnings of S\$343 million and the largest-ever pipeline expansion—adding 11,700 units across 54 properties. The Oakwood platform saw a 30% increase in signings year-on-year. Memberships of the Ascott Star Rewards (ASR) programme grew by over 40%, fuelling more than 30% increase in ASR-driven revenue. Our partnership with Chelsea Football Club gave us exposure to a global fanbase of over 600 million people. Ascott's recurring income grew by 12% year-on-year.

Commercial Management also gained momentum beyond CapitaLand, securing nine third-party management contracts in Singapore and China.

We remain on track to reach S\$200 billion in FUM and S\$500 million in Lodging Management fee income by 2028. In 2024, total fee income rose 9% for the third straight year, now contributing 62% of Operating PATMI, up from 54% in 2023.

Financial Strength as a Competitive Advantage

In a world where capital is increasingly constrained, CLI's strong balance sheet is a competitive advantage.

First, it allows us to move when opportunities arise.

Second, it gives us flexibility—both in how we leverage debt and how we allocate capital.

Third, it enables us to seed new fund products, investing alongside our capital partners.

In FY 2024, we deployed S\$5.4 billion across CLI Group, including S\$300 million to warehouse assets for future funds and REITs. We also co-invested S\$415 million in

eight new private funds, aligning interests with investors. One example: the successful closure of the S\$240 million Australia Credit Program, CLI's first credit fund, where we initially acquired loan assets before attracting third-party investors.

We have committed S\$700 million to co-invest alongside SCCP and Wingate over the next few years. This reinforces CLI's reputation as a trusted partner with deep operational expertise and financial strength.

With our gearing at a low 39%, we have approximately S\$7.4 billion in debt headroom³ to support future growth.

Disciplined Capital Management

In 2024, we divested S\$5.5 billion of assets, with 66% of this amount recycled into fund vehicles. This included the S\$1.85 billion divestment of ION Orchard, successfully transferred to CICT. We also reduced our stake in CapitaLand Ascott Trust (CLAS) to 24%, allowing its deconsolidation as a subsidiary.

With our on-balance-sheet assets halved to S\$4.3 billion, we are now focused on scaling our fund management platform and capturing new opportunities.

Building for the Future

Our people are our greatest asset. In 2024, we strengthened our leadership with 28 senior hires across investment, asset management, and corporate functions. In addition, we appointed two independent non-executive directors to our board: Mr Tham Kui Seng, who has extensive experience in real estate services, investment and hospitality, and Mr Eugene Paul Lai Chin Look, who brings deep expertise in private equity and investment banking.

We are also deepening our commitment to AI-driven innovation. Since 2016, CLI has been at the forefront of AI adoption. Our goal is to implement 100 AI-driven projects by 2025, driving efficiencies across investment insights, smart building technologies, and customer engagement.

Sustainability is core to our strategy. In 2024, CLI expanded renewable energy adoption, including a 21-megawatt solar power plant in India under CapitaLand India Trust, which generates over 30 million kilowatt-hours of electricity annually. Additionally, CLI introduced Cooling-as-a-Service systems across key Singapore properties, cutting energy use by more than 30%. Our leadership in sustainability is reflected in our inclusion in major sustainability indices such as the Dow Jones Best-in-Class World and Asia Pacific Indices, MSCI ESG Leaders Index (AAA rating), FTSE4Good Index Series, and achieving a leading position in theGRESB assessment.

Looking Ahead

As we move into 2025, we remain focused on building a stronger, more competitive CLI. Market dislocations and financing pressures will create opportunities for patient capital, and we intend to seize them. While transaction volumes remain low, we see value in targeted investments—backed by a strong balance sheet, financial discipline, and a steady hand. We have set a S\$50 million cost savings target to improve efficiency and position CLI as a globally competitive asset manager.

Geopolitical and economic shifts will continue reshaping capital flows and delaying not just large-scale projects but broader capital spending decisions as well. Winning in this environment requires the ability to generate alpha—driving efficiency, targeting mispriced assets, and capitalising on structural trends such as digital infrastructure, demographic shifts, and private credit. Staying ahead means being decisive—deepening investor partnerships, strengthening our platforms, and doubling down on areas where we have a clear edge, while maintaining a rigorous approach to risk management amid heightened uncertainty.

At the same time, ambition must always be matched by stewardship. As we execute our strategy, we must remain steadfast in safeguarding CLI's reputation—one built over decades of discipline and integrity. Success is not just about doing the right deals, but doing them the right way. When making decisions, we must hold ourselves to the highest standards and apply the "newspaper test"—ensuring that every action we take reflects the trust placed in us by our stakeholders.

We thank our team, Board, customers, and partners for their trust. And most importantly, we thank you, our shareholders, for believing in CLI.

Sincerely,



MIGUEL KO
Chairman



LEE CHEE KOON
Group Chief Executive Officer

³ Based on the available debt headroom, assuming the capacity to raise the net debt-to-equity ratio to 0.9 times.