CapitaLand Investment Limited

Annual Report 2021

"The journey ahead for CapitaLand Investment is an exciting one as we reinvent ourselves as a best-in-class global real estate investment manager. We believe it is our people and what we stand for as a company that will enable us to stay ahead of the competition as we continue to push boundaries, build scale, and create even greater long-term value for our stakeholders."

MR MIGUEL KO
CHAIRMAN

CapitaLand Investment

Our cover page features the letters "**C**" and "**O**" intersecting to form an interlocked design, where the "**C**" stands for **CapitaLand** and the "**O**" stands for **ONE**. Together, they represent the **ONE CapitaLand** ecosystem, and symbolise how the respective REITs, business trusts and businesses that are part of CapitaLand Investment Group benefit from cross-platform synergies and complementary strengths; and are united and committed to the same shared purpose of Enriching Lives, Building Communities and Growing Sustainably.

Contents

About Us

CapitaLand Investment Limited (CLI) (SGX: 9CI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. We were listed on the Singapore Exchange on 20 September 2021 after CapitaLand Limited restructured its business to form two distinct entities – CLI, the listed REIM business and CapitaLand Development (CLD), the privatised property development arm.

CLI aims to scale our funds under management (FUM) and fee-related earnings through our long-standing presence and leadership in Asia, a full stack of investment management and operating capabilities, as well as our ability to draw on the development capabilities of and pipeline investment opportunities from CLD within the CapitaLand Ecosystem. As at 31 December 2021, CLI managed approximately S$86 billion of FUM, through our six listed real estate investment trusts and business trusts, and over 20 private funds across the globe.

Sustainability is at the core of what CLI does. As a responsible real estate company, CLI contributes to the environmental and social well-being of the communities where we operate, as we deliver long-term economic value to our stakeholders.

We are not a new CapitaLand, but one with a sharpened focus and an exciting future.

MR LEE CHEE KOON
GROUP CEO

Find out more about us

> The CLI team will continue to make large strides forward across our fund management, lodging management and real estate investments, staying steadfast to our commitment to be a trusted partner as we build a sustainable and successful leading global REIM delivering high quality returns.

MR LEE CHEE KOON
GROUP CEO

Our Global Presence

CLI's core markets include Singapore, China and India. But our boots on the ground extend far beyond that, to over 200 cities in more than 30 countries across Asia-Pacific, Europe, and the USA. Our real estate investment and management expertise has helped us build up a diversified portfolio of recognisable brands, assets and operating platforms — from retail, office and lodging properties to new economy assets such as business parks, industrial, logistics and data centres.

	RE AUM (S$'B)	FUM (S$'B)
Singapore	40.5	36.3
China	44.9	27.8
India	3.8	4.0
Other Asia[1]	15.6	6.3
International[2]	18.1	11.9
Total	122.9	86.2

1 Includes Indonesia, Japan, Malaysia, Philippines, South Korea, Thailand and Vietnam.
2 Includes Australia, Europe, UK and USA.

Focused Execution Sustainable Returns

Sustainable Group Returns

ROE	TOTAL PATMI	OPERATING PATMI
8.7%	S$1,349M	S$497M
FY 2020: -3.8%	FY 2020: -S$559M	▲ 12%

Fee Income-related Business (FRB)

FRB REVENUE	FM FRE	FM FRE/FUM RATIO
S$905M	S$409M	50 bps
▲ 15%	▲ 34%	▲ 10bps

Real Estate Investment Business (REIB)

REVENUE	EBITDA	CAPITAL RECYCLED
S$1,506M	S$2,230M	S$13.6B
▲ 15%	FY 2020: -S$225M	▲ 4.5 times

Disciplined Capital Management

NET DEBT/ EQUITY	INTEREST COVERAGE RATIO	INTEREST SERVICE RATIO
0.48x	6.3x	4.1x

GROUP CASH AND UNDRAWN FACILITIES OF CLI'S TREASURY VEHICLES

S$7.0B

CapitaSpring, Singapore

Message to Shareholders

MR MIGUEL KO
CHAIRMAN

MR LEE CHEE KOON
GROUP CHIEF EXECUTIVE OFFICER

Dear Shareholders

FY 2021 was truly a milestone year for CapitaLand Group. The management team, with the support of the Board, made the strategic decision to restructure the Group. We privatised the development business, CapitaLand Development (CLD), and listed the real estate investment management (REIM) business, CapitaLand Investment (CLI), on the Singapore Exchange on 20 September 2021. On behalf of the Board and Management of CLI, we thank you for your trust and support for our transformation journey, as we set out to build a world-class REIM that will strive to create value for all our stakeholders sustainably.

PERFORMANCE HIGHLIGHTS

While we continued to face COVID-19 related challenges in our key operating markets, we remained focused on execution, and achieved a creditable first set of financial results in FY 2021.

CLI delivered a total PATMI of S$1.35 billion, reversing a net loss of S$559 million in FY 2020. Operating PATMI for the year was S$497 million, representing a year-on-year increase of 12.2%. This was mainly driven by higher fee income from our fund management and lodging management businesses, and improved performance from CLI's investment properties portfolio. Cash PATMI for FY 2021 doubled to S$1.11 billion compared to FY 2020, on the back of improved operating performance and record asset recycling in FY 2021, which yielded portfolio gains of S$616 million.

For the year, we generated healthy operating cash flow of S$667 million. Coupled with the strengthening of our cash profits, we are delighted to propose a shareholder dividend of 15 Singapore cents per share for FY 2021. This amounts to approximately S$771 million and represents a pay-out ratio against PATMI of 57.2%[1].

Our shareholders have demonstrated their confidence in CLI. Our stock price has increased by approximately 30%[2] since CLI's listing on 20 September 2021, outperforming our primary benchmark indices. Our average trading price in March 2022 values us at roughly 1.2 times our Net Asset Value. This sharply contrasts with CapitaLand's historical share valuations before our restructuring, reflecting shareholders' confidence in our business model, execution capability, and determination to establish ourselves as a leading Asia-based REIM.

GROWTH DRIVERS

Three synergistic growth drivers – Fund Management, Lodging Management and proactive Capital Management – are at the heart of CLI's growth strategy and ambition to deliver consistent double-digit return on equity (ROE) sustainably.

Fund Management

We expect Fund Management to lead CLI's growth. Along with achieving strong organic growth for our listed real estate investment trusts (REITs) and business trusts, we are committed to setting up new private real estate and alternative asset funds focused on key themes, in response to discussions with private market investors who are seeking enhanced access to Asian markets. We are actively building up an experienced and international team to grow our private funds business through the creation of new fund products and active relationship management with an expanding network of capital partners globally.

These moves will enable us to accelerate our drive for quality fee-related earnings (FRE) through a more investor driven and capital-efficient sponsorship of our private equity products.

In FY 2021, CLI created seven new funds, raising S$1.4 billion from new capital partners based in Asia (including Japan and South Korea), as well as the Middle East and Europe. These funds focus on specific strategies and sectors, including CLI's first open-end private fund, first mezzanine financing fund, first cold storage logistics fund and second data centre private fund. In China, we successfully registered CLI as a domestic private equity fund manager. This enables the Group to further leverage its long-standing track record in China to tap on a new source of domestic capital in one of CLI's most important markets.

Complementing our private fund management platform, CLI's leading listed fund management platform enjoyed a strong year of Funds Under Management (FUM) growth and evolution. The expansion of our REITs' and business trusts' investment mandates over the last few years has allowed them to strategically enter new sectors and geographies, enabling them to diversify into new avenues of growth and build greater portfolio resilience. In FY 2021, CLI's listed fund platform generated total FRE of S$295 million in FY 2021 and will continue to be a primary source of FRE for the Group's fee income-related businesses.

1 CLI dividend policy is to distribute at least 30 per cent of its annual Cash PATMI.
2 Based on closing price of S$3.79 as of 18 March 2022, compared with CLI's opening price upon listing of S$2.95, and rounded off to a whole number.

Message to Shareholders

Lodging Management

A rapidly expanding part of CLI's fee-based income comes from asset-light lodging management and franchise contracts. In FY 2021, FRE derived from Lodging Management was S$190 million, a 27% increase from a year ago due to growth on two fronts. Firstly, we opened over 8,200 units, an annual record for the business, which contributed to growing our recurring lodging management FRE. Secondly, the gradual reopening of international travel enabled us to increase occupancy levels to approximately 60% (FY 2020: 50%), as well as raise the revenue per unit, by approximately 19% compared to FY 2020.

We remain focused on our target to achieve 160,000 units under management globally by FY 2023. At that stabilised operating scale, we believe our lodging management platform will achieve operating margins in line with leading global lodging operators, and begin to contribute substantial earnings growth to CLI. In FY 2021, we added 15,100 units across 72 properties to our inventory, bringing the total number of units under management to over 133,000, keeping us on track to meeting this important target for our lodging management platform.

Our efforts and operational excellence were recognised at the prestigious Grand Final of World Travel Awards 2021. CLI's wholly owned lodging unit, The Ascott Limited, was crowned the 'World's Leading Serviced Apartment Brand'. With our established strengths in long-stay lodging, CLI has also embarked on expanding into resilient, longer-stay lodging sub-asset classes, including multifamily, student accommodation, and rental housing through our lodging REITs and funds, whilst growing our capital-efficient fee-based lodging management platform.

Following our transformation into CLI, we see ourselves as a well-capitalised start-up, and we are building a unique company culture with a strong winning and enterprising mindset.

Capital Management

Our ambition for sustainable growth is underpinned by strict financial discipline to ensure that we are actively allocating and managing our capital in an astute and systematic manner. We will maintain a well calibrated capital structure and closely monitor our cash management, leverage levels, debt maturities and tax efficiency, as well as proactively diversify our funding sources to ensure our financial resilience.

As at 31 December 2021, our total cash and undrawn facilities stood at S$7.0 billion and our gearing was a healthy 0.48x, giving us ample flexibility for growth and ability to enhance shareholder value via share buybacks when opportune.

Further bolstering our capacity for growth is our discipline in capital recycling. In FY 2021, CLI achieved a record S$13.6 billion worth of divestments across the Group. This exceeded our annual S$3 billion target by more than four times and generated healthy portfolio gains averaging approximately 13.1% above carrying values. Assets that we divested via our fund vehicles also contributed to transaction-related fee income.

In line with our strategy to grow our FUM, over 82% of the divestment value in FY 2021 was successfully retained as FUM or seeded into new funds within the Group.

In a landmark transaction last year, we divested partial stakes in a portfolio of funds holding six Raffles City integrated developments in China to Ping An Insurance for approximately S$9.6 billion. CLI continues to be the asset manager of these properties, generating FRE in a capital efficient manner. CLI maintains a pipeline of approximately S$10 billion of high-quality investment properties on its balance sheet, intended for capital recycling to our various fee income-generating platforms over the next three to four years, which will be an important contributor to the Group's FUM, FRE, and ROE growth.

A VIBRANT CULTURE

Following our transformation into CLI, we see ourselves as a well-capitalised start-up, and we are building a unique company culture with a strong winning and enterprising mindset. Coupled with the commitment and drive to work closely with our key stakeholders - our tenants, customers, partners, and communities - we are energised to navigate the challenges that lie ahead, to continually innovate, and to leverage our ONE CapitaLand ecosystem encompassing CLI and CLD to create positive and meaningful outcomes. We are immensely proud of our approximately 10,000 talented and dedicated employees across 200 cities in over 40 countries who share a common 'can-do' spirit and determination to contribute to CLI's growth and enable the Group to fulfil its vision to be a leading global REIM, delivering sustainable, high-quality returns.

SUSTAINABILITY

At CLI, sustainability is embedded into our culture. CapitaLand was the first in our industry in Singapore to issue an externally assured, annual Global Sustainability Report (GSR) for FY 2010. Since FY 2017, our GSR has incorporated the four pillars of the Task Force on Climate-Related Financial Disclosures. In 2020, we formulated a 10-year Sustainability Master Plan (SMP) with ambitious targets for 2030, including carbon reduction targets validated by the Science-Based Targets Initiative, to continually build a resilient and resource-efficient real estate portfolio with thriving and future-adaptive communities. These targets are incorporated into our key performance indicators to which part of the management's compensation is tied.

To accelerate the achievement of our SMP targets, we set up a S$50 million innovation fund and launched the CapitaLand Sustainability X Challenge (CSXC) in 2021. CSXC is the first in our industry to invite innovators from around the world to submit commercially ready solutions to improve building energy and water efficiencies, indoor air quality and waste management, from which we select the promising ones to be piloted and scaled up at our properties. Given the overwhelming response of more than 270 entries from over 25 countries in the inaugural event, we will be holding the CSXC annually from here on.

We continue to embed ESG into our real estate life cycle starting from investment, and through our building developments and operations via policies, procedures, and best practices. We have also implemented a shadow internal carbon price in our investment process, and increased the portfolio of sustainable finance for CLI, our REITs and business trusts to S$7 billion. We are heartened to be endorsed as a global sustainability leader by international indices and organisations such as the Dow Jones Sustainability Indices, GRESB and Global 100.

This year, in addition to new initiatives in our ESG pathway, we will also be undertaking a planned bi-annual review of our SMP, with the intent to recalibrate our sustainability targets to ensure their continued relevance following the Group's restructuring in 2021.

ACKNOWLEDGEMENTS

As we embark on our mission to grow CLI into a world class REIM, we would like to extend our deepest gratitude to our colleagues, both at CLD and CLI, who have worked tirelessly to ensure the smooth transition during the restructuring in FY 2021. We appreciate your ongoing commitment and contributions to our enterprise. We would also like to thank our Board directors for guiding us through our transformation process amidst these very uncertain times. We would also like to reiterate our sincere gratitude to our shareholders, partners, and customers. Your valued feedback has always served as our inspiration for continual improvement.

At the end of our coming Annual General Meeting in April 2022, Mr Stephen Lee and Ms Goh Swee Chen will step down after serving more than nine and four years on CapitaLand/CLI's Board. Mr Lee also served as the Chairman of CLI's Nominating Committee and Ms Goh was deeply involved in steering CapitaLand's Sustainability Committee, which oversaw the blueprint of our 2030 Sustainability Master Plan. We thank them both for their effective stewardship and guidance to the leadership team. We would also like to welcome Ms Judy Hsu, Mr David Su and Ms Helen Wong as new non-Executive Independent Directors. We are certain that we will benefit from their expertise and guidance.

IN CLOSING

As we write this letter in the middle of March 2022, the conflict between Russia and Ukraine has already led to soaring energy prices, affected supply chains, and resulted in volatility in the financial markets with uncertain effects on the global economy in the year ahead. We will continue to monitor the developments closely, and remain cautiously optimistic that our strong financial position, experience, and track record in Asia will enable us to stay resilient in the face of potential headwinds.

As fiduciary for the capital and the properties we manage, we assure you of our full commitment to our responsibilities with purpose and dedication. We will remain prudent, disciplined, and focused on executing our strategy as we move forward to create sustained growth and long term value.

MR MIGUEL KO
Chairman

MR LEE CHEE KOON
Group Chief Executive Officer

March 2022

Our Board of Directors

MIGUEL KO
Chairman
Non-Executive Non-Independent Director

LEE CHEE KOON
Group Chief Executive Officer
Executive Non-Independent Director

ANTHONY LIM WENG KIN
Lead Independent Director

STEPHEN LEE CHING YEN
Non-Executive Independent Director

CHALY MAH CHEE KHEONG
Non-Executive Independent Director

KEE TECK KOON
Non-Executive Independent Director

GOH SWEE CHEN
Non-Executive Independent Director

GABRIEL LIM MENG LIANG
Non-Executive Independent Director

JUDY HSU CHUNG WEI
Non-Executive Independent Director

DAVID SU TUONG SING
Non-Executive Independent Director

HELEN WONG SIU MING
Non-Executive Independent Director

MIGUEL KO, 69

Chairman
Non-Executive Non-Independent Director

- Bachelor of Arts in Economics, University of Massachusetts, Boston, USA
- Master of Business Administration, Suffolk University, USA
- Certified Public Accountant by the State of New Hampshire Board of Accountancy, New Hampshire, USA

Date of first appointment as a Director
2 June 2021
Date of appointment as Chairman
2 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
7 months

Board committees served on
- Executive Committee (Chairman)
- Executive Resource and Compensation Committee (Member)
- Nominating Committee (Member)
- Strategy Committee (Member)

Present principal commitments
- ClavystBio Investments L Pte. Ltd. (Director)
- CLA Real Estate Holdings Pte. Ltd. (previously known as Ascendas-Singbridge Pte. Ltd.) (Deputy Chairman)
- CapitaLand Group Pte. Ltd.[1] (Deputy Chairman)
- Temasek International Advisors Pte. Ltd. (Corporate Advisor)

Past directorships in other listed companies held over the preceding five years
- Ascendas Funds Management (S) Limited (Manager of Ascendas Real Estate Investment Trust) (Vice Chairman)
- Managers of Ascendas Hospitality Trust[2] (Chairman)
- CapitaLand Limited[3]

Awards
- Regional Hotel Chief of the Year in 2007 and 2008 (voted by Readers of Travel Weekly)
- Visionary Leader in 2007 (Travel Weekly Asia Industry Awards)
- Global Award in 2007 (World Travel Mart in London)
- Lifetime Achievement Award in 2012 (China Hotel Investment Conference in Shanghai)
- Lifetime Achievement Award in 2021 (Hotel Investment Conference Asia Pacific - HICAP)

1 Previously known as CapitaLand Limited, which was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021.
2 Managers of Ascendas Hospitality Trust comprising Ascendas Hospitality Fund Management Pte Ltd (Manager of Ascendas Hospitality Real Estate Investment Trust, or "A-HREIT") and Ascendas Hospitality Trust Management Pte. Ltd. (Trustee-Manager of Ascendas Hospitality Business Trust, or "A-HBT"). Ascendas Hospitality Trust (a stapled group comprising A-HREIT and A-HBT) was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 January 2020.
3 CapitaLand Limited was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021.

LEE CHEE KOON, 47

Group Chief Executive Officer
Executive Non-Independent Director

- Bachelor of Science in Mechanical Engineering, National University of Singapore
- Master of Science in Advanced Mechanical Engineering, Imperial College London, UK

Date of first appointment as a Director
1 July 2019[4]
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
2 years 6 months[5]

Board committees served on
- Executive Committee (Member)
- Strategy Committee (Member)

Present principal commitments
- Director of entities within the CapitaLand Investment Limited group under which appointments are held by Mr Lee as part of his responsibilities as Group CEO of the Company
- EDBI Pte. Ltd. (Director)
- CapitaLand Group Pte. Ltd.[1] (Director)
- CapitaLand Hope Foundation (Director)
- Future Economy Council (Member)
- St. Joseph's Institution International Ltd (Member of the Board of Governors and Chairman of the Human Resource Committee)
- St. Joseph's Institution International Elementary School Ltd (Member of the Board of Governors and Chairman of the Human Resource Committee)

Past directorships in other listed companies held over the preceding five years
- CapitaLand Commercial Trust Management Limited (Manager of CapitaLand Commercial Trust[6])
- CapitaLand China Trust Management Limited (Manager of CapitaLand China Trust)
- Managers of Ascott Residence Trust[7]
- CapitaLand Limited[3]

Awards
- Business China Young Achiever Award in 2017
- National Order of Merit (Chevalier de l'Ordre National du Mérite) in 2016

ANTHONY LIM WENG KIN, 63

Non-Executive Independent Director
(Lead Independent Director)

- Bachelor of Science, National University of Singapore
- Advanced Management Program, Harvard Business School, USA

Date of first appointment as a Director
3 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
7 months

Board committees served on
- Audit Committee (Member)
- Nominating Committee (Member)
- Strategy Committee (Chairman)

Present directorship in other listed company
- DBS Group Holdings Ltd

Present principal commitments
- CapitaLand Hope Foundation (Director)
- Institute of International Education, Scholar Rescue Fund Selection Committee (Member)
- Non-Resident Ambassador to the Republic of Colombia

Past directorships in other listed companies held over the preceding five years
- CapitaLand Limited[3]
- Vista Oil & Gas S.A.B. de C.V.

As the Lead Independent Director, Mr Anthony Lim is available to shareholders if they have concerns relating to matters that contact through the normal channels of the Chairman or the Group CEO has failed to resolve or where such contact is inappropriate. Mr Lim may be contacted via email at notify.secretariat@capitaland.com.

4 Mr Lee Chee Koon was a Director of the Company (then known as CapitaLand Financial Limited) for a brief period from 1 May 2018 to 15 September 2018, when it was a wholly-owned subsidiary of CapitaLand Limited (now known as CapitaLand Group Pte. Ltd.).
5 Excludes the period of service as a Director of the Company (then known as CapitaLand Financial Limited) during the period from 1 May 2018 to 15 September 2018.
6 CapitaLand Commercial Trust was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 November 2020.
7 Managers of Ascott Residence Trust comprising Ascott Residence Trust Management Limited (Manager of Ascott Real Estate Investment Trust, or "Ascott Reit") and Ascott Business Trust Management Pte. Ltd. (Trustee-Manager of Ascott Business Trust, or "Ascott BT"). Ascott Residence Trust is a stapled group comprising Ascott Reit and Ascott BT with effect from 31 December 2019.

STEPHEN LEE CHING YEN, 75

Non-Executive Independent Director

- Master of Business Administration, Northwestern University, USA

Date of first appointment as a Director
3 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
7 months

Board committees served on
- Executive Resource and Compensation Committee (Chairman)
- Nominating Committee (Chairman)

Present directorship in other listed company
- The Shanghai Commercial & Savings Bank Limited (Chairman and Managing Director)

Present principal commitments
- Dr Goh Keng Swee Scholarship Fund (Board Member)
- G2000 Apparel (S) Private Limited (Director)
- Great Malaysia Textile Investments Pte Ltd (Managing Director)
- Kidney Dialysis Foundation (Director)
- M+S Pte. Ltd. (Deputy Chairman)
- Marina South Investments Pte. Ltd. (Director)
- MS Property Management Pte. Ltd. (Director)
- NTUC-ARU (Administration & Research Unit) (Member of the Board of Trustees)
- NTUC Foundation Limited (Member)
- Ophir-Rochor Investments Pte. Ltd. (Director)
- Shanghai Commercial Bank Ltd (Chairman)
- Singapore University of Social Sciences (Chancellor)
- Temasek Holdings (Private) Limited (Director)
- Tripartite Alliance Limited (Chairman)

Past directorships in other listed companies held over the preceding five years
- CapitaLand Limited[1]
- SIA Engineering Company Limited (Chairman)
- Singapore Airlines Limited (Chairman)

Awards
- The Order of Nila Utama (First Class) at the Singapore National Day Awards 2015
- The Distinguished Comrade of Labour Award by the Singapore National Trade Union Congress in 2015
- The Distinguished Service Order at the Singapore National Day Awards 2006
- The Public Service Star at the Singapore National Day Awards 1998

CHALY MAH CHEE KHEONG, 66

Non-Executive Independent Director

- Bachelor of Commerce, University of Melbourne, Australia
- Fellow, The Institute of Chartered Accountants, Australia and New Zealand
- Fellow, Certified Practising Accountants, Australia
- Fellow, Institute of Singapore Chartered Accountants
- Fellow, Association of Chartered Certified Accountants, UK

Date of first appointment as a Director
2 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
7 months

Board committees served on
- Audit Committee (Chairman)
- Executive Committee (Member)

Present directorship in other listed company
- Netlink NBN Management Pte Ltd (Manager of Netlink NBN Trust) (Chairman)

Present principal commitments
- Flipkart Private Limited (Director)
- Monetary Authority of Singapore (Director)
- National University of Singapore (Member of the Board of Trustees)
- Non-Resident High Commissioner of the Republic of Singapore to the Independent State of Papua New Guinea
- Singapore Accountancy Commission (Chairman)
- Singapore Tourism Board (Chairman)
- Surbana Jurong Private Limited (Chairman)

Past directorship in other listed company held over the preceding five years
- CapitaLand Limited[1]

Award
- The Public Service Medal at the Singapore National Day Awards 2014

1 CapitaLand Limited was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021.

Our Board of Directors

KEE TECK KOON, 65

Non-Executive Independent Director

- Bachelor of Arts, University of Oxford, UK
- Master of Arts, University of Oxford, UK

Date of first appointment as a Director
25 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
6 months

Board committees served on
- Executive Committee (Member)
- Risk Committee (Chairman)

Present principal commitments
- Angsana Fund Investment Committee of Singapore Labour Foundation (Member)
- Changi Airport Group (Singapore) Pte. Ltd. (Director)
- Mandai Park Holdings Pte. Ltd. (Director)
- NTUC Enterprise Co-operative Limited (Director and Board Advisor)
- NTUC Income Insurance Co-operative Limited (Deputy Chairman)
- NTUC Fairprice Co-operative Limited (Director)
- Trust Bank Singapore Limited (Director)

Past directorships in other listed companies held over the preceding five years
- CapitaLand Limited[1]
- Raffles Medical Group Ltd

Awards
- The Public Service Star Medal (BBM) by the Singapore Government in 2021
- The Meritorious Service Award by the National Trade Union Congress (NTUC) in 2021

GOH SWEE CHEN, 61

Non-Executive Independent Director

- Bachelor of Science in Information Science, Victoria University of Wellington, NZ
- Master of Business Administration, Chicago Booth, University of Chicago, USA

Date of first appointment as a Director
1 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
7 months

Board committees served on
- Executive Resource and Compensation Committee (Member)
- Risk Committee (Member)

Present directorships in other listed companies
- Singapore Airlines Limited
- Woodside Petroleum Ltd

Present principal commitments
- Global Compact Network Singapore (President)
- Institute for Human Resource Professionals Limited (Chairman)
- Legal Service Commission (Member)
- Nanyang Technological University (Chairman)
- National Arts Council (Chairman)
- Singapore Power Ltd (Director)
- The Centre for Liveable Cities (Director)
- Resilience Collective (Not For Profit) (Director)

Past directorship in other listed company held over the preceding five years
- CapitaLand Limited[1]

Award
- Distinguished Alumni Award, Chicago Booth, University of Chicago, USA 2018

GABRIEL LIM MENG LIANG, 46

Non-Executive Independent Director

- Bachelor of Arts in Economics, University of Cambridge, UK
- Master of Science in Economics, London School of Economics, UK
- Master of Science in Management, University of Stanford, USA

Date of first appointment as a Director
2 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
7 months

Board committees served on
- Audit Committee (Member)
- Risk Committee (Member)

Present principal commitments
- East Asian Institute (Member of the Management Board)
- Ministry of Trade and Industry (Permanent Secretary)
- National Research Foundation (Board Member)
- St. Joseph's Institution International Ltd (Member of the Board of Governors)
- St. Joseph's Institution International Elementary School Ltd (Member of the Board of Governors)

Past directorship in other listed company held over the preceding five years
- CapitaLand Limited[1]

JUDY HSU CHUNG WEI, 58

Non-Executive Independent Director

- Bachelor of Science Degree in Microbiology, University of British Columbia, Canada
- Master of Business Administration in Finance, University of British Columbia, Canada

Date of first appointment as a Director
1 June 2021
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
7 months

Board committees served on
- Executive Resource and Compensation Committee (Member)
- Risk Committee (Member)

Present principal commitments
- Hype Records Pte Ltd (Director)
- Standard Chartered Bank (Singapore) Limited (CEO, Consumer, Private and Business Banking)
- Trust Bank Singapore Limited (Chairperson and Director)
- Urban Redevelopment Authority (Board Member)
- Workforce Singapore (Board Member)

Past directorship in other listed company held over the preceding five years
- CapitaLand Limited[1]

1 CapitaLand Limited was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021.

DAVID SU TUONG SING, 50

Non-Executive Independent Director

- Bachelor Degree in Applied Science (Computer Technology), Nanyang Technological University, Singapore

Date of first appointment as a Director
1 January 2022
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
Not applicable

Board committees served on
- Strategy Committee (Member)

Present principal commitments
- Matrix Partners China (Founding Managing Partner)
- Business China (Director)
- EDBI Pte. Ltd. (Director)
- Conversant Pte. Ltd. (Director)
- Nanyang Technological University (Member of the Board of Trustees)

HELEN WONG SIU MING, 65

Non-Executive Independent Director

- Bachelor of Science in Biology, University of Dayton, Ohio, USA
- Master of Business Administration in Finance, Fordham University, New York, USA

Date of first appointment as a Director
1 January 2022
Date of last reelection as a Director
Not applicable
Length of service as a Director (as at 31 December 2021)
Not applicable

Board committees served on
- Audit Committee (Member)
- Strategy Committee (Member)

Present directorship in other listed company
- Aseana Properties Limited

Present principal commitments
- LAPIS Global Limited (Director and CEO)
- AID Genomics Group Limited (Director)

Our Leadership Council

LEE CHEE KOON
Group Chief Executive Officer

ANDREW LIM
Group Chief Financial Officer

GERALD YONG
Chief Executive Officer, International

JANINE GUI
Managing Director and Head, Group Strategic Investment

JONATHAN YAP
Chief Executive Officer, Fund Management

KEVIN GOH
Chief Executive Officer, Lodging

KNG HWEE TIN
CEO, Finance & Corporate Services
CEO, China Capital Markets

LYNETTE LEONG
Chief Sustainability Officer

MANOHAR KHIATANI
Senior Executive Director

MICHELLE KOH
General Counsel

PATRICK BOOCOCK
Chief Executive Officer, Private Equity Alternative Assets

PUAH TZE SHYANG
Chief Executive Officer, China

SIMON TREACY
Chief Executive Officer, Private Equity Real Estate

TAN SENG CHAI
Chief Corporate & People Officer

LEE CHEE KOON
Group Chief Executive Officer

Chee Koon is Group CEO of CapitaLand Investment, one of Asia's largest listed real estate investment managers with a global footprint that spans more than 200 cities in over 30 countries.

Prior to this role, Chee Koon was President and Group CEO of CapitaLand Group since 2018. Under his leadership, CapitaLand became one of Asia's largest diversified real estate companies. In 2019, he led the Group's strategic merger with Ascendas-Singbridge, which allowed the Group to strengthen its position in the business park, industrial and logistics segments of the market. In addition, he significantly expanded the Group's footprint in China and India.

Chee Koon joined CapitaLand in 2007 and held several appointments within the Group before his appointment as its President and Group CEO.

Chee Koon was presented with the Business China Young Achiever Award for his contributions towards strengthening Singapore-China relations through Ascott. In 2016, he was also conferred the prestigious National Order of Merit (Chevalier de l'Ordre National du Mérite) by the President of the French Republic for Ascott's contributions to France.

Chee Koon holds a Mechanical Engineering degree from the National University of Singapore. He also holds a Master of Science degree in Advanced Mechanical Engineering from Imperial College London, United Kingdom.

Directorships
See "Our Board of Directors" on page 15.

ANDREW LIM
Group Chief Financial Officer

Andrew is Group CFO at CapitaLand Investment (CLI), responsible for the company's finance strategy, financial management, operations and risk management, and capital allocation. In addition to stewarding finance functions such as Group Finance, Financial Reporting and Controls, Treasury, Tax and Risk Management, Andrew supervises the administrative function of CLI's Internal Audit department, as well as oversees the Group Investor Relations, Group Communications and Group Shared Services functions. He also leads the Centre of Excellence for Sustainability.

Prior to this role, Andrew was Group CFO of the CapitaLand Group from 2017 to 2021, where he oversaw the Group's finance functions and corporate-level mergers and acquisitions, including the landmark S$11 billion merger with Ascendas-Singbridge in 2019. He was a key architect in the successful restructuring of the CapitaLand Group in 2021 to take its real estate development arm private and list its real estate investment management business, unlocking significant value for shareholders.

Before joining CapitaLand, Andrew was an Investment Banker at HSBC Bank for 12 years, rising to the position of Managing Director and Head of Southeast Asia Advisory Coverage, Real Estate and Hospitality.

Andrew holds a Bachelor of Commerce degree and a Master of Business Administration from the Rotman School of Business at the University of Toronto. He is also a Chartered Financial Analyst charterholder.

Directorships and Professional Memberships
- Non-executive, Non-independent Director, CapitaLand Integrated Commercial Trust Management Limited
- Non-executive, Non-independent Director, Ascendas Funds Management (S) Limited
- Non-executive, Non-independent Director, Ascott Residence Trust Management Limited
- Non-executive, Non-independent Director, CapitaLand China Trust Management Limited
- Non-executive, Non-independent Director, CapitaLand Malaysia Mall REIT Management Sdn. Bhd.
- Non-executive Director, Sport Singapore (Singapore Sports Council)
- Member, Institute of Singapore Chartered Accountants' CFO Committee
- Member, Accounting for Sustainability Circle of Practice in Asia

GERALD YONG
Chief Executive Officer, International

Gerald is CEO, International at CapitaLand Investment (CLI), responsible for overseeing the growth and asset management of CLI's real estate portfolio in developed markets outside Singapore, including USA, Europe, Australia, Japan and Korea.

Prior to this role, Gerald was Deputy Chief Investment Officer and Head, CapitaLand International since 2018, responsible for leading the Group's expansion into new markets. He was Chief Investment Officer of The Ascott Limited (Ascott) from 2012 to 2017, where he helped drive Ascott's growth and entry into new markets as well as mergers and acquisitions in USA and Australia. Before that, Gerald oversaw investment and business development in North Asia, based in Shanghai, China.

Gerald played a key role in the listing of Ascott Residence Trust (ART) in 2006 as Head of Investment and Asset Management of the trust's manager. He also spearheaded ART's acquisition of several properties across the Asia Pacific.

Prior to joining CapitaLand in 2005, Gerald was the Head of Strategy & Business Development for the Environmental Management business unit at Sembcorp Industries.

Gerald holds a Second Class (Upper) Honours degree in Mechanical Engineering at the National University of Singapore on a SembCorp Industries scholarship; as well as an MBA with Distinction from Imperial College Business School, UK on a Raffles–Chevening Scholarship.

Directorship

- Board Director of the Singapore Environmental Council

JANINE GUI

Managing Director and Head, Group Strategic Investment

Janine is Managing Director and Head, Group Strategic Investment at CapitaLand Investment (CLI), responsible for overseeing CLI's inorganic growth opportunities and leading mergers and acquisitions (M&A) for Singapore and selected international markets, as well as transactions related corporate actions and corporate finance.

Prior to her current role, Janine served as the Head of Group Strategic Investment for CapitaLand Group since 2019. She was the deal lead for various initiatives such as CapitaLand's maiden USA multifamily portfolio acquisition in 2018, the S$11 billion milestone merger with Ascendas-Singbridge in 2019, as well as the restructuring of the CapitaLand Group and listing of CLI in 2021.

Her other former roles include leading CapitaLand International (USA), overseeing corporate asset management at Ascott including lodging M&A initiatives and fund management, and investor relations for Ascott Residence Trust. She has more than 15 years of experience in real estate, finance and investment management.

Janine holds a Bachelor of Accountancy (Honours) from the Nanyang Technological University, Singapore.

Professional Membership

- Member, Institute of Singapore Chartered Accountants

JONATHAN YAP

Chief Executive Officer, Fund Management

Jonathan is CEO, Fund Management at CapitaLand Investment (CLI), responsible for driving the growth and management of CLI's listed funds platform, the asset operating platforms in Singapore and Malaysia, as well as its India business.

Prior to this role, Jonathan was President of CapitaLand Financial of CapitaLand Group, where he oversaw the Group's funds platform comprising six listed funds and over 20 private funds, as well as the Group's India business.

Before joining CapitaLand in July 2019, Jonathan was the Chief Operating Officer and Group Chief Financial Officer of Ascendas-Singbridge (ASB). He served concurrently as the Chief Investment Officer and Head of Real Estate Funds of ASB since its inception in 2015 until 2017. Before that, Jonathan was with the Ascendas Group, serving as CEO of its India Operations from 2004 to 2007, then as CEO, India Funds from 2007 to 2014, before being appointed CEO, India in 2010 and Assistant Group CEO (Funds and India) in 2012. He has 30 years of experience in real estate across Asia.

Jonathan holds a Bachelor of Science in Estate Management (Honours) and a Master of Science in Project Management from the National University of Singapore.

Directorships and Professional Memberships

- Non-executive, Non-independent Director, CapitaLand Integrated Commercial Trust Management Limited
- Non-executive Director, Ascendas Property Fund Trustee Pte Ltd
- Non-executive, Non-independent Director, CapitaLand Malaysia REIT Management Sdn. Bhd.
- President, REIT Association of Singapore
- Member, Management Board of Institute of South Asian Studies

KEVIN GOH

Chief Executive Officer, Lodging

Kevin is CEO of Lodging at CapitaLand Investment (CLI), responsible for growing the fee-related earnings of CLI's lodging business. Concurrently, he also oversees the CapitaLand Group's Centre of Excellence for Digital and Technology.

Prior to this role, Kevin was CEO of Lodging for the CapitaLand Group. Under his leadership, The Ascott Limited (Ascott) grew to be one of the world's leading international lodging owner-operators with a portfolio that spans more than 200 cities across over 30 countries. In December 2019, Kevin played an instrumental role in merging the Ascott Residence Trust (ART) with the Ascendas Hospitality Trust, creating the largest hospitality trust in Asia-Pacific.

Kevin joined Ascott in 2007 and was based in China for over 10 years, where he served as Regional General Manager for South & East China, Vice President for Asset Management and Vice President for Corporate Services, before moving to assume the role of Ascott's Managing Director for North Asia in 2013, where he spearheaded Ascott's investments and operations in China, Japan and Korea.

Kevin holds a Bachelor of Mechanical Engineering (Honours) from the National University of Singapore and is a Chartered Financial Analyst charterholder. He was awarded the prestigious Medal of Commendation at the NTUC Singapore May Day Awards 2020 for his strong advocacy for productivity improvement and upgrading of employees' capabilities to ensure a dynamic and digitally savvy workforce.

Directorships

- Non-executive, Non-independent Director, Ascott Residence Trust Management Limited
- Independent Director, Jollibee Foods Corporation

KNG HWEE TIN

CEO, Finance & Corporate Services
CEO, China Capital Markets

Hwee Tin is CEO, Finance & Corporate Services, CapitaLand Investment (China), overseeing the functions of Finance, Treasury, Tax, Risk & Compliance, Legal & Secretariat, Procurement, Shared Services and Technology & Digital Innovation. She is concurrently CEO, China Capital Markets, responsible for tapping capital markets opportunities, as well as supporting the growth of the investment management business in China.

Prior to joining CapitaLand in October 2019, Hwee Tin worked in OCBC Bank in a variety of leadership roles, rising to Executive Director and CEO of OCBC Wing Hang Bank (China) Limited. Based in Shanghai, she was responsible for the strategic and operational management of the bank. In 2016, she led the merger of OCBC Bank (China) and Wing Hang Bank (China) Limited.

Her financial industry experience spans a wide spectrum of banking activities across both international and China practices.

Hwee Tin holds a Bachelor's degree in Business Administration from the National University of Singapore (NUS). She obtained her Master of Business Administration degree also from NUS, where she was accorded the Saw Gold Medal in Finance in recognition of her outstanding achievements. She completed the Advanced Management Programme at Harvard Business School in 2016 and an Executive Development Programme at Wharton School at the University of Pennsylvania in 2004.

Directorships and Professional Memberships

- Chairperson, SingCham Shanghai
- Member, Fourth Advisory Board, Antai College of Economics and Management, Shanghai Jiao Tong University
- Member, Industry Advisory Board, School of Continuing and Lifelong Education, National University of Singapore

LYNETTE LEONG

Chief Sustainability Officer

Lynette is the Chief Sustainability Officer of CapitaLand Investment, responsible for formulating and integrating the Group's environmental, social and governance (ESG) strategy, policies and best practices into its business and operations, helping to deliver long-term economic value to stakeholders.

Prior to this role, Lynette was CEO, Commercial and Chief Business Innovation Officer at CapitaLand Group since 2017 and was CEO and Executive Director of CapitaLand Commercial Trust (CCT) Management Limited from 2007 to 2017. Under her leadership, CCT became the largest commercial REIT and office landlord in Singapore, growing its assets from nearly S$4 billion in 2007 to more than S$10 billion in 2017.

Before joining CapitaLand in 2007, Lynette held leadership roles in international private equity real estate investment management, as well as banking and corporate finance for over 15 years. She served as CEO, Korea at Ascendas, as Director at the London, New York, Chicago and Asian offices of LaSalle Investment Management where she was based at different times, and as Senior Bank Officer at Standard Chartered Bank and United Malayan Banking Corporation Berhad.

Lynette holds a Bachelor of Science in Estate Management and a Master of Science in Real Estate from the National University of Singapore. She was conferred The Public Service Medal, 2021 by the Prime Minister's Office, Singapore for her contributions to the public service.

Directorships and Professional Memberships

- Board Member, National Environment Agency of Singapore
- Advisory Board Member, Singapore Management University's Lee Kong Chian School of Business
- Advisory Committee Member, NUS School of Design and Environment
- Board Member and 2nd Vice President, Singapore Green Building Council

MANOHAR KHIATANI
Senior Executive Director

Manohar is Senior Executive Director at CapitaLand Investment, where he assists the Group CEO in strategic projects, group-wide initiatives as well as the India and business/industrial park businesses. He also oversees the Group Centre of Excellence for Customer Solutions and Innovation as well as the Data Centre business.

Prior to joining CapitaLand, Manohar was Deputy Group CEO of Ascendas-Singbridge, which merged with CapitaLand in 2019. Before joining Ascendas in 2013, he was CEO of JTC Corporation, the Singapore government's lead agency for planning, promoting and developing industrial infrastructure and facilities. Prior to that, Manohar had a long career with the Singapore Economic Development Board (EDB), rising to the position of Deputy Managing Director. While at EDB, he played a key role in the development of several sectors in Singapore's economy and led EDB's operations in the Americas and Europe.

Concurrent with his CapitaLand's responsibilities, Manohar is Special Advisor to the Chairman of the EDB.

Manohar holds a Master in Naval Architecture from the University of Hamburg, Germany. He has also attended the Advanced Management Program at the Harvard Business School.

Directorships and Professional Memberships
- Deputy Chairman, Non-executive, non-independent Director, Ascendas Property Fund Trustee Pte Ltd
- Non-executive, Non-independent Director, Ascendas Funds Management (S) Limited
- Non-executive, Independent Director, SIA Engineering Company Limited
- Board Member, Building and Construction Authority
- Board Member, Institute of Real Estate and Urban Studies
- President, EDB Society
- Vice Chairman, South Asia Business Group, Singapore Business Federation
- Member, Malaysia-Singapore Business Council, Singapore Business Federation
- Advisory Council Member, Singaporean-German Chamber of Industry and Commerce

MICHELLE KOH
General Counsel

Michelle is General Counsel and Company Secretary of CapitaLand Investment (CLI), responsible for the delivery of legal and corporate secretariat services to the businesses of the Group, working in close partnership with all business and functional leaders of the Group.

In addition to leading and managing the in-house legal department, Michelle is part of the leadership team responsible for corporate governance for the CLI Group, and plays a key role in supporting the effectiveness of the Board and its committees, including facilitating interaction between the Board and Management in reporting the organisation's performance and key decisions.

After qualifying as a lawyer and working in law practice for 5 years, Michelle joined CapitaLand in 2000, and took on her current role in 2013.

Michelle holds a Bachelor of Laws (Honours) from the University of London. She was admitted to the Singapore Roll of Advocates and Solicitors in 1995 and is also a member of the State Bar of California, USA since 2006.

PATRICK BOOCOCK
Chief Executive Officer,
Private Equity Alternative Assets

Patrick is CEO of Private Equity Alternative Assets at CapitaLand Investment (CLI), responsible for driving the growth of CLI's private equity business in alternative assets such as digital infrastructure, renewable energy, transition and sustainability investments, private credit and other investment strategies that will expand CLI's unlisted funds business.

Prior to joining CLI in 2021, Patrick was Managing Partner and Head of Asia at Brookfield Asset Management (BAM), overseeing Brookfield's investment and asset management activities in Asia across real estate, infrastructure, renewable energy and private equity. Over the course of his 12-year career with BAM, Patrick also served as Chief Financial Officer of Brookfield's global construction company and Managing Director of an Australian natural gas transmission and distribution portfolio. He also previously held senior positions in the infrastructure financing and development sector in Canada.

Patrick has over 20 years of investment and operational experience in alternative assets across North America and Asia Pacific.

Patrick holds a Bachelor of Commerce (Honours) from McMaster University in Ontario, Canada. He is a Chartered Professional Accountant (Canada) and Certified Professional Accountant (United States).

PUAH TZE SHYANG
Chief Executive Officer, China

Tze Shyang is CEO, CapitaLand Investment (China), responsible for driving the growth and management of the company's investments, fund management as well as commercial management of the company's business in China.

Prior to this role, Tze Shyang served successively as Chief Investment Officer and CEO, Investment & Portfolio Management for the CapitaLand Group's China business from 2015 to 2021, where he led a series of major investments that significantly expanded CapitaLand's interests in the country. He was concurrently Regional General Manager, West China from 2015 to 2018 and oversaw residential and integrated developments in the region.

Prior to joining CapitaLand, Tze Shyang was CEO of CapitaLand Township Pte. Ltd. (formerly known as Surbana Land Pte. Ltd.) from 2010, and took on the additional role of City General Manager for Chengdu from 2013. He has 25 years of experience in real estate across Singapore and China.

Tze Shyang holds a Master of Engineering (First Class Honours) in Electrical and Electronic Engineering from Imperial College London. He obtained an Executive MBA with Honours from The University of Chicago Booth School of Business.

Directorships and Professional Memberships
- Council member, Singapore Shanghai Comprehensive Cooperation Council
- Council member, Singapore-Zhejiang Economic and Trade Council
- Council member, Singapore-Jiangsu Cooperation Council
- Council member, Singapore-Tianjin Economic & Trade Council
- Member, Singapore-Sichuan Trade & Investment Committee
- Alternate council member, Singapore-Guangdong Collaboration Council

SIMON TREACY
Chief Executive Officer, Private Equity Real Estate

Simon is CEO of Private Equity Real Estate (PERE) at CapitaLand Investment (CLI), responsible for driving the growth of real estate assets under management and funds under management (FUM) for CLI's PERE business.

Prior to joining CLI in 2021, Simon was the Managing Director, Global Chief Investment Officer and Head of U.S. Equity for BlackRock Real Estate, where he was responsible for the overall investment strategy and performance of global real estate portfolios, including real estate funds, investment vehicles and research worldwide.

Before joining BlackRock, Simon was co-founder, director and global CEO of MGPA, which held real estate FUM of over US$14 billion across Europe and Asia. He was previously President for Hawaii at The Howard Hughes Corporation based in the U.S. where he directed the master planning, development, construction, sales, marketing, operations and marketing activities of the 60-acre Ward Village.

Simon has deep experience in Asia, and was based in Singapore, Bangkok, Hong Kong, Tokyo and Shanghai over the course of his career. He has over 28 years of experience in infrastructure and real estate across North America, Asia Pacific and Europe.

Simon holds a Bachelor of Commerce, Marketing and Human Resources at Griffith University, Australia.

TAN SENG CHAI
Chief Corporate & People Officer

Seng Chai is Chief Corporate & People Officer at CapitaLand Investment (CLI), responsible for human capital management and development, as well as building a leadership and talent pipeline to support the organisation and its businesses. He oversees CLI's corporate functions including Human Resources & Administration, Legal & Secretariat, and Procurement. He is also the Executive Director of CapitaLand Hope Foundation, the philanthropic arm of the CapitaLand Group.

Prior to this role, Seng Chai was the Chief Corporate & People Officer of CapitaLand Group, where he oversaw the functions of Human Resource & Administration, Organisational Development, Corporate Social Responsibility, Group Communications, Group Legal & Secretariat, Group Procurement and Global Shared Services. His previous appointments included Group Chief People Officer, Group Chief Corporate Officer and Chief Human Resource Officer.

Before joining CapitaLand in 2008, Seng Chai was with Chartered Semiconductor Manufacturing Ltd, Singapore for 12 years. He held key positions in the company, including heading its worldwide human resource organisation as well as overseeing key project implementation and strategic investment activities.

Seng Chai holds an Honours degree in Civil & Structural Engineering and a Master of Science in Industrial & System Engineering from the National University of Singapore. He was awarded the Master Professional Certification by the Institute for Human Resource Professionals (IHRP) in December 2020 in recognition of his active contributions to the HR industry.

Directorship
- Executive Director, CapitaLand Hope Foundation

Our Leadership Council

Seated from left : Janine Gui and Andrew Lim
Standing from left : Simon Treacy, Gerald Yong, Manohar Khiatani, Lynette Leong and Kevin Goh

Seated from left : Lee Chee Koon, Jonathan Yap and Kng Hwee Tin
Standing from left : Puah Tze Shyang, Michelle Koh, Tan Seng Chai and Patrick Boocock

Our Business Model

An integrated investment approach to create sustainable value for our shareholders

Two key business platforms supported by three synergistic growth drivers.

FEE-INCOME RELATED BUSINESS (FRB) comprises Fund Management and Lodging Management businesses, provides a steadily growing, recurring fee-based revenue stream.

REAL ESTATE INVESTMENT BUSINESS (REIB) generates a stable flow of rental income from our global portfolio of commercial and lodging assets and is also a source of assets for CapitaLand Investment's (CLI) managed investment vehicles.

FUND MANAGEMENT

- Grow fund under management (FUM)
- Maintain organic REITs and business trusts growth momentum
- Deepen and diversify private funds strategies and expand fund raising channels

KEY COMPETITIVE ADVANTAGE

- Leading Asia-centric platform
- Six listed REITs and business trusts
- >20 private funds
- Track record of diversification across real estate sectors
- Access to multiple opportunities through our global platform

S$100 billion
FUM by 2024

LODGING MANAGEMENT

- Continue expansion through recovery cycle
- Scale serviced residence units via asset-light management and franchise contracts
- Expand into adjacent longer-stay segments

KEY COMPETITIVE ADVANTAGE

- Global business with strong branding
- Extension into adjacent sectors such as student accommodation and multifamily asset classes
- Scalable business underpinned by extensive owner network

160K units
by 2023

CAPITAL MANAGEMENT

- Strict financial discipline and well-calibrated capital structure
- Disciplined capital recycling across CLI and CLI managed investment vehicles

KEY COMPETITIVE ADVANTAGE

- Best-in-class operating platforms support value creation of real estate investments through proactive asset management
- Target attractive investment returns above carrying value
- ~S$10 billion of on-balance sheet pipeline assets

S$3 billion
Annual Recycling Target

FY 2021 Performance Review

Financial Performance

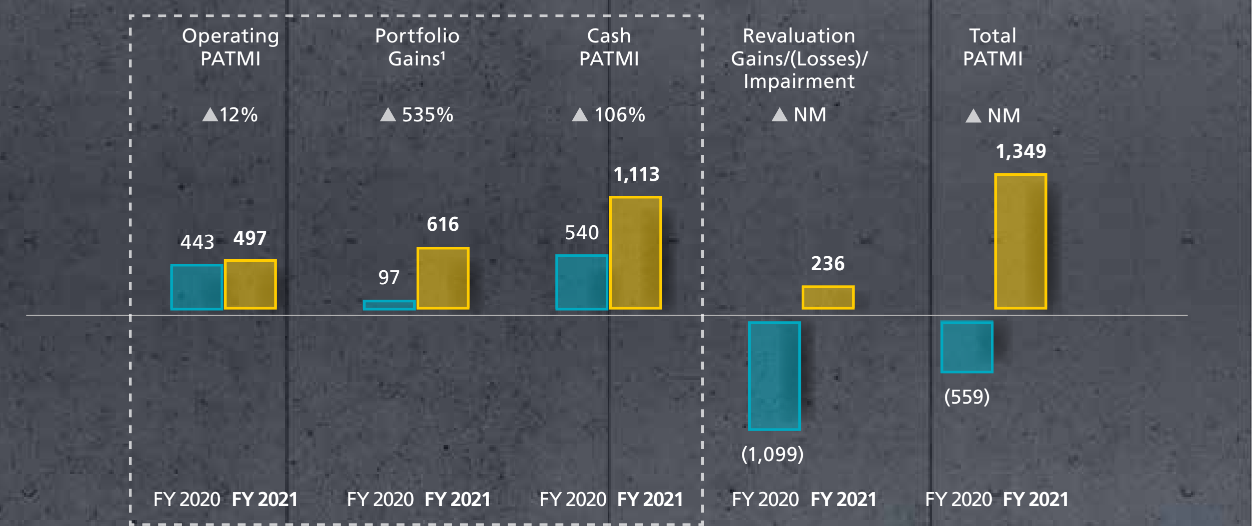
CapitaLand Investment (CLI) achieved a creditable first set of financial results for FY 2021, delivering an 8.7% ROE with PATMI of S$1,349 million, reversing a net loss of S$559 million in FY 2020.

The turnaround was driven by the improved operating performance from both the Group's fee income-related business (FRB) and real estate investment business (REIB), as well as recognition of revaluation gains from the Group's investment properties, absence of impairment loss and higher portfolio gains under REIB.

Excluding the unrealised revaluation and impairment, Cash PATMI for FY 2021 doubled to S$1,113 million on the back of record asset recycling in 2021, which yielded portfolio gains of S$616 million.

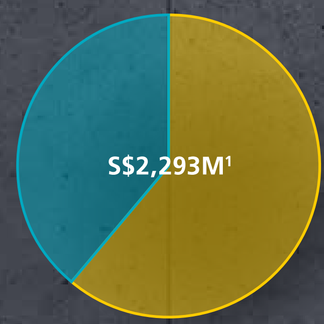
Operating PATMI for FY 2021 was S$497 million, an increase of 12% year-on-year, underpinned by higher fee income from its fund management and lodging management businesses as well as improved performance from our investment properties portfolio.

GROUP'S PATMI BREAKDOWN (S$ million)



1 Portfolio gains comprise gains/losses arising from divestments, gains from bargain purchase or re-measurement on acquisitions and realised fair value gains/losses arising from revaluation of investment properties to agreed selling prices of properties.

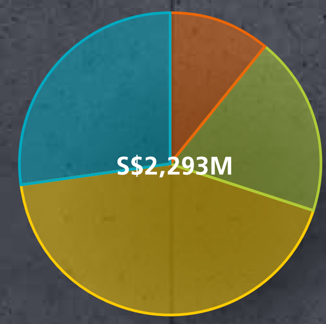
TOTAL REVENUE BY BUSINESS SEGMENTS



FRB	39%
REIB	66%

1 Includes Corporate and Others of -S$118 million or -5% not reflected in the chart. Amount mainly relates to intercompany eliminations.

TOTAL REVENUE BY GEOGRAPHY



Singapore	27%
Other Developed Countries (excludes Singapore and Hong Kong)	43%
China (includes Hong Kong)	19%
Other Emerging Countries (excludes China)	11%

REVENUE

Revenue for FY 2021 rose 16% year-on-year to S$2,293 million, with higher contributions from both FRB and REIB on account of higher fund management and lodging management fees as well as improved operating performance from investment properties and contributions from newly acquired assets.

Geographically, approximately S$1,605 million or 70% of the Group's revenue was derived from developed markets and S$688 million or 30% was contributed by emerging markets. Collectively, the Group's two core markets, Singapore and China, accounted for 27% and 19% of the Group's revenue for FY 2021 respectively.

EBITDA

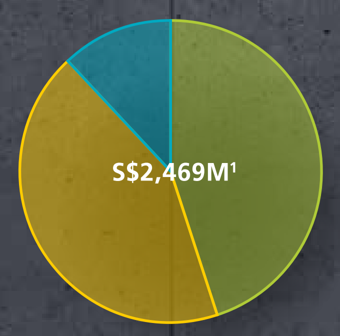
EBITDA for FY 2021 was S$2,469 million, a significant positive turnaround compared to a loss of S$33 million in FY 2020 on the back of improved operating performance from both FRB and REIB, recognition of gains from the revaluation of the Group's investment properties as compared to a loss in 2020, absence of impairments and higher portfolio gains.

In FY 2021, the Group recorded net fair value gains from investment properties of S$392 million. The revaluation gains arose mainly from our portfolio of lodging properties in the United States of America, Europe and United Kingdom, new economy properties in Australia as well as office and malls in Singapore.

The Group achieved record asset recycling of S$13.6 billion in FY 2021 and recognised portfolio gains of S$699 million (FY2020: S$163 million) at the EBITDA level. The gains mainly came from the divestments of two shopping malls and three office buildings in Japan, an office building and a business park property in Singapore, a lodging property, two business park properties and the sale of partial stakes in six Raffles City properties in China, partially offset by the transaction costs for the restructuring and listing of the Group.

Geographically, approximately S$1,699 million or 69% of the Group's EBITDA was derived from developed markets and S$770 million or 31% was contributed by emerging markets. Collectively, the Group's two core markets, Singapore and China, accounted for 33% and 28% of the Group's EBITDA for FY 2021 respectively.

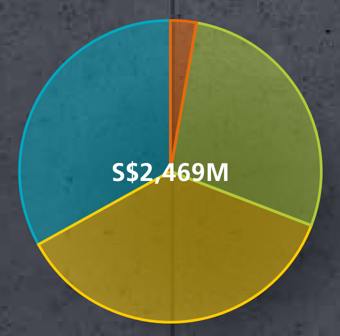
TOTAL EBITDA BY BUSINESS SEGMENTS



- FRB – Operating 13%
- REIB – Operating 44%
- REIB – Non-Operating (includes portfolio gains, revaluation and impairment) 46%

1 Includes Corporate and Others of -S$76 million or -3% not reflected in the chart. Amount mainly relates to transaction costs incurred for the listing and restructuring of the Group and intercompany eliminations.

TOTAL EBITDA BY GEOGRAPHY



- Singapore 33%
- Other Developed Countries (excludes Singapore and Hong Kong) 36%
- China (includes Hong Kong) 28%
- Other Emerging Countries (excludes China) 3%

REVENUE & EBITDA – BY BUSINESS SEGMENTS

Fee Income-Related Business (FRB)

CLI's focused efforts on driving fund and lodging management growth saw revenue from FRB increase 15% year-on-year to S$905 million. The increase was mainly contributed by fund management fee-related earnings (FM FRE) due to higher transactional fees from listed funds and private funds as well as higher base management fees on the back of 10% growth in funds under management (FUM) to S$86 billion. This led to a 10 bps year-on-year improvement in the FM FRE/FUM ratio to 50 bps for FY 2021. In addition, lodging management fees also improved on the back of better performance of the underlying properties across geographies with the easing of COVID-19 measures and travel restrictions.

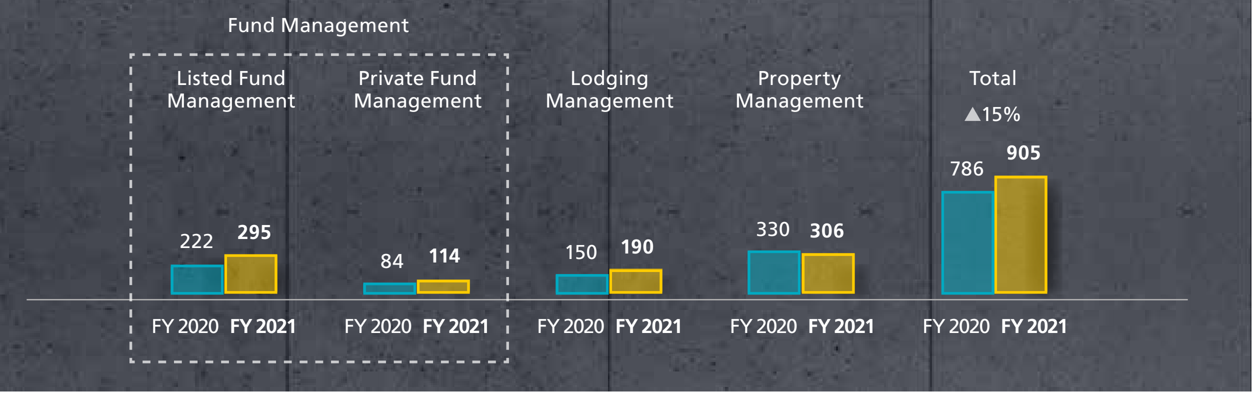
FRB's EBITDA for FY 2021 increased 81% to S$315 million (FY 2020 : S$174 million) due to higher revenue and absence of impairment of goodwill for lodging platforms in Australia and Indonesia in 2020. Excluding the goodwill impairment, EDITDA increased by S$30 million or 10% for FY 2021, in line with the increase in revenue. The EBITDA margin for FM business, which is the single largest contributor to FRB, remained stable at 54% for FY 2021.

Real Estate Investment Business (REIB)

Revenue from REIB rose 15% year-on-year to S$1,506 million (FY 2020: S$1,314 million). The higher revenue mainly came from new acquisitions in China, Australia and USA, higher occupancy from 79 Robinson Road[1], Singapore and improved performance from lodging assets as global travel restrictions eased in 2021.

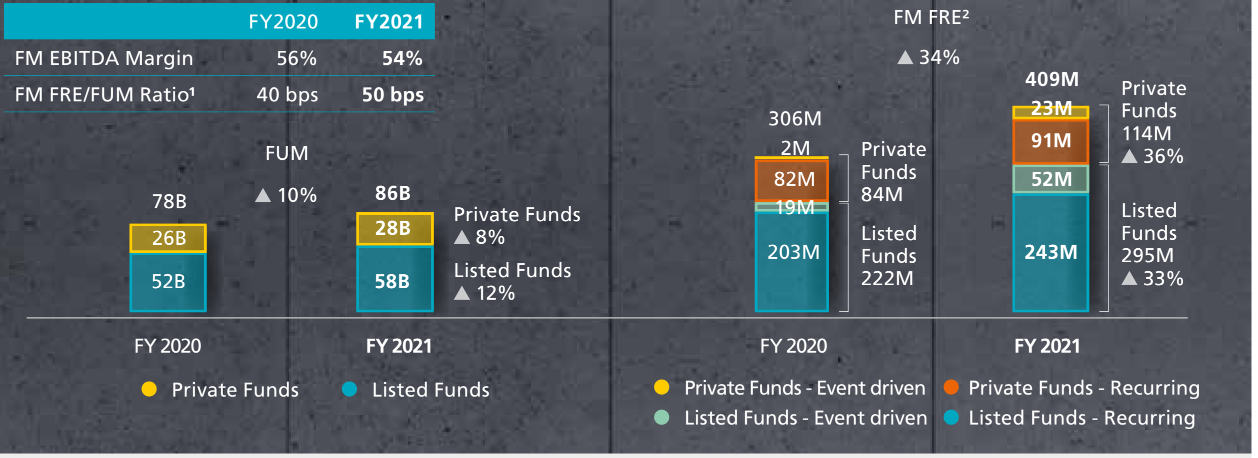
1 CLI announced divestment of 79 Robinson Road to CICT and COREF on 25 March 2022.

FRB REVENUE (S$ million)



FUM AND FUND MANAGEMENT REVENUE (S$)

	FY2020	FY2021
FM EBITDA Margin	56%	54%
FM FRE/FUM Ratio[1]	40 bps	50 bps



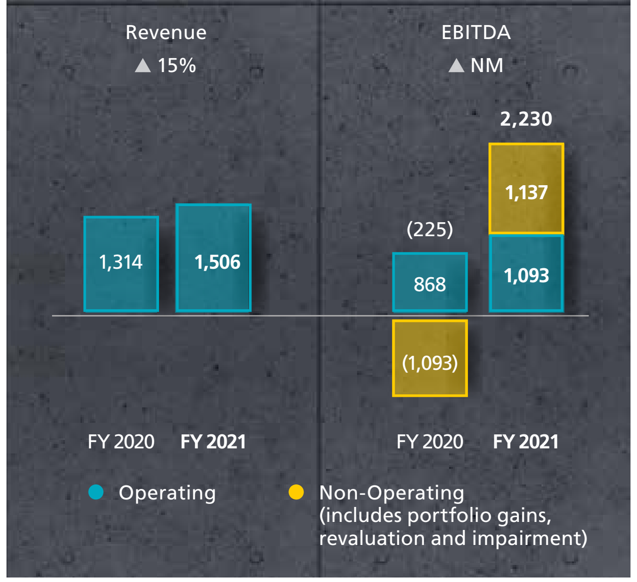
1 FM FRE/FUM ratio is computed based on average FUM for the year.
2 FM FRE comprises recurring FRE of S$334 million (FY 2020: S$285 million) and event driven FRE of S$75 million (FY 2020: S$21 million).

The increase was partially offset by lower contributions from retail malls in Malaysia and the loss of contribution from assets divested in Japan, Korea, China and Singapore over the two years under review.

REIB recorded an EBITDA of S$2,230 million in FY 2021, a significant improvement from a loss of S$225 million in FY 2020. The increase was mainly attributed to improved operating performance, the recognition of fair value gains from the revaluation of the Group's investment properties as compared to a loss in 2020 as well as the absence of impairment for investments.

Excluding revaluation and impairment, FY 2021 EBITDA improved by 76%, boosted by portfolio gains from record asset recycling in 2021.

REIB REVENUE AND EBITDA (S$ million)



FINANCIAL POSITION OF THE GROUP

Total Assets

As at 31 December 2021, the Group's total assets stood at S$37.6 billion (FY 2020: S$38.2 billion), with investment properties as well as investments in associates and joint ventures accounting for 43% and 35% of the Group's total assets respectively. The Group's diversified portfolio across geographies and asset classes, coupled with its fee-based income provided the Group a stable recurring income.

In terms of geography, Singapore and China continue to be the Group's core markets and collectively accounted for approximately 64% of the Group's total assets.

Shareholders' Equity

As at 31 December 2021, the issued and paid-up ordinary share capital (excluding treasury shares) of the Company comprised 5.1 billion shares valued at S$10.8 billion.

The Group's total reserves increased from S$3.9 billion in FY 2020 to S$5.3 billion in 2021, with the increase mainly coming from the S$1.3 billion profits delivered in 2021.

As at 31 December 2021, the Group's total shareholders' funds was S$20.1 billion (FY 2020: S$15.7 billion) and net assets value per share was S$3.12 (FY 2020: S$2.83[1]).

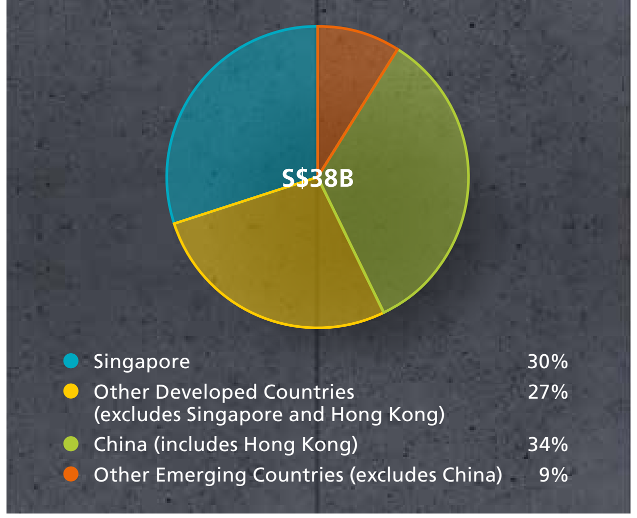
1 Taking into account the capitalisation of loans and based on the number of issued shares as at 31 December 2020 of 5,203 million.

Dividends

The Board of Directors of the Company has proposed a total dividend of 15.0 cents comprising an ordinary dividend of 12.0 cents per share and a special dividend of 3.0 cents per share for the financial year ended 31 December 2021. This would amount to a payout of approximately S$771 million which represents a dividend payout ratio of 70% of FY 2021's Cash PATMI[2]. On a per share basis, it translates into a gross yield of 4.4% based on the Company's last transacted share price as of 31 December 2021.

2 Cash PATMI comprises operating PATMI, divestment gains and realised revaluation gains.

TOTAL ASSETS BY GEOGRAPHY



FINANCIAL HIGHLIGHTS

		2020	2021
(A)	**INCOME STATEMENT (S$ million)**		
	Revenue	1,983	**2,293**
	Earnings before interest, tax, depreciation and amortisation (EBITDA)	(33)	**2,469**
	Profit/(Loss) attributable to shareholders of the Company	(559)	**1,349**
	Comprising:		
	Operating PATMI	443	**497**
	Portfolio gains	97	**616**
	Revaluation and impairments	(1,099)	**236**
(B)	**BALANCE SHEET (S$ million)**		
	Investment properties	15,852	**16,249**
	Associates and joint ventures	13,198	**13,248**
	Cash and cash equivalents	1,736	**3,877**
	Other assets	7,437	**4,272**
	Less:		
	Total borrowings and debt securities	8,466	**13,548**
	Other liabilities	14,023	**3,997**
	Net assets	15,734	**20,101**
	Equity attributable to owners of the Company	11,875	**16,044**
	Non-controlling interests and perpetual securities	3,859	**4,057**
	Total equity	15,734	**20,101**
(C)	**KEY PERFORMANCE METRICS**		
	Earnings per share (cents)	(19.9)	**38.3**
	Return on equity[1] (%)	(3.8)	**8.7**
	Net tangible assets per share (S$)	2.64[2]	**2.93**
	Net asset value per share (S$)	2.83[2]	**3.12**
	FM FRE[3] (S$ million)	306	**409**
	Funds under management (FUM)[4] (S$ billion)	77.6	**86.2**
	FM FRE/FUM[5] (bps)	40	**50**
(D)	**Dividend**		
	Ordinary dividend per share (cents)	9.0[6]	**12.0**
	Special dividend per share (cents)	-	**3.0**
	Total dividend per share (cents)	9.0	**15.0**

Notes
1 Return on equity was computed based on PATMI or Net Loss (after distribution to perpetual securities) over average equity attributable to owners of the Company.
2 Net tangible assets per share and net asset value per share took into account the capitalisation of loans and number of issued shares as at 31 December 2020 of 5,203 million.
3 FM FRE refers to fee revenue from listed and private funds (private funds and/or investment vehicles, including but not limited to programs, joint ventures and co-investments) managed by CLI Group.
4 FUM refers to the share of total assets held by listed and private funds managed by CLI Group.
5 FM FRE/FUM was computed using FM FRE over the average FUM for the year.
6 For the financial year ended 2020, the dividends were declared under CapitaLand Limited (now known as CapitaLand Group Pte. Ltd.).

TREASURY HIGHLIGHTS

	2020	2021
Unutilised bank facilities and funds available for use (S$ million)[1]	2,787	**8,287**
Unutilised debt securities capacity (S$ million)[2]	4,905	**10,928**
Net debt[3]/Equity (times)	0.62[4]	**0.48**
Net debt[3]/EBITDA (times)[5]	8.9[4]	**4.7**
Interest cover ratio (times)[5]	4.0	**6.3**
Interest service ratio (times)	2.5	**4.1**
Implied interest cost	2.9%	**2.7%**
Secured debt ratio	44%[4]	**35%**
Bank borrowings/Debt securities	90%/10%[4]	**91%/9%**
Average debt maturity	3.0 years[4]	**2.8 years**
Fixed/Floating rate debt	45%/55%[4]	**63%/37%**

1 Committed and uncommitted bank facilities in place.
2 Includes the newly established S$6,000 million Euro Medium Term Note Programme established for CLI Treasury Limited in November 2021.
3 Includes S$748 million and S$771 million of lease liabilities under SFRS(I)16 for 2020 and 2021 respectively.
4 Includes loans due to related corporations pursuant to the internal restructuring and listing of CapitaLand Investment Limited ("CLI") and the acquisition of subsidiaries.
5 Net Debt/EBITDA and Interest Cover Ratio exclude unrealised revaluation/impairment.

CAPITAL MANAGEMENT

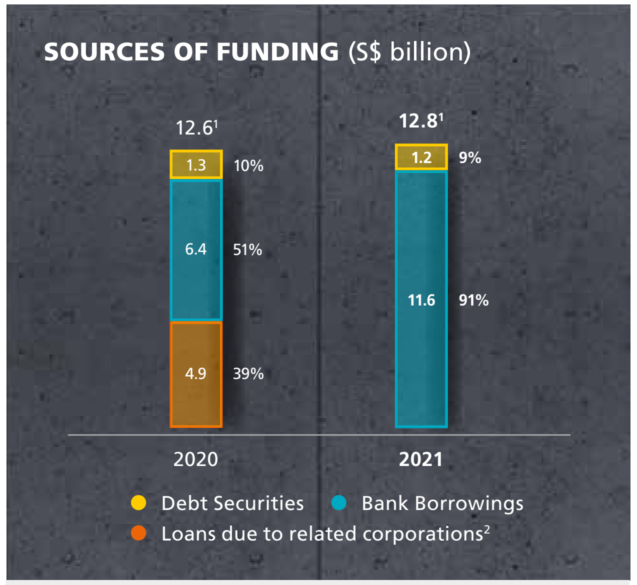
The Group is in a strong liquidity position with S$3.9 billion of cash and cash equivalents and S$4.4 billion in available undrawn bank facilities. Net gearing as at end 2021 was lower at 0.48 times as compared to 0.62 times as at end 2020 due to higher cash arising from receipt of divestment proceeds.

The Group's Interest Cover Ratio and Interest Service Ratio were 6.3 times and 4.1 times respectively. Both ratios have improved with a better operating environment during the year.

Finance costs for the Group were S$353 million for the year ended 2021. This was about 6.4% lower compared to S$377 million in 2020. Implied interest cost was 2.7% per annum.

SOURCES OF FUNDING

As at year end, 91% of the Group's total debt was funded by bank borrowings and the balance 9% was funded through debt securities. With CLI listed on 20 September 2021, it will seek to diversify and balance its sources of funding over time to ensure financial flexibility and mitigate concentration risk.



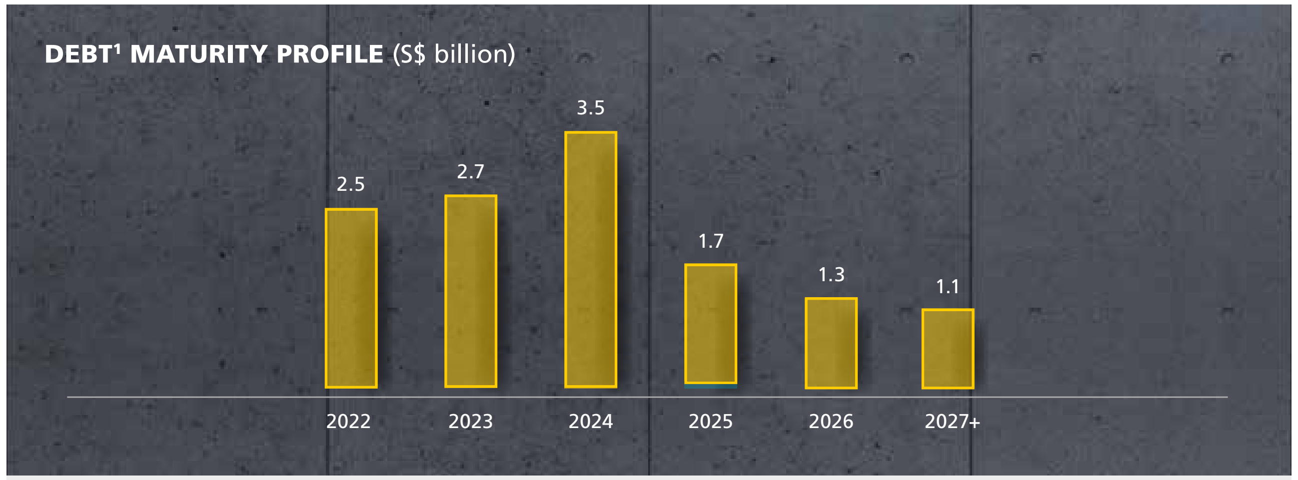
1 Debt excludes S$748 million and S$771 million of lease liabilities under SFRS(I)16 for 2020 and 2021 respectively.
2 The loans due to related corporations were refinanced using bank loans and cash in 2021.

DEBT MATURITY PROFILE

The Group has proactively built up sufficient cash reserves and credit lines to meet its short-term debt obligations, support its refinancing needs and pursue opportunistic investments. The Group maintains a healthy balance sheet and as at end 2021, had unutilised bank facilities and funds available for use of about S$8.3 billion. As part of its financing strategy, the Group regularly reviews its loan portfolio, taking into account divestment and investment plans, its interest rate outlook and the prevailing credit market conditions. In its review, the Group aims to mitigate refinancing risks, diversify its sources of funding and extend its maturity profile where possible.

INTEREST RATE PROFILE

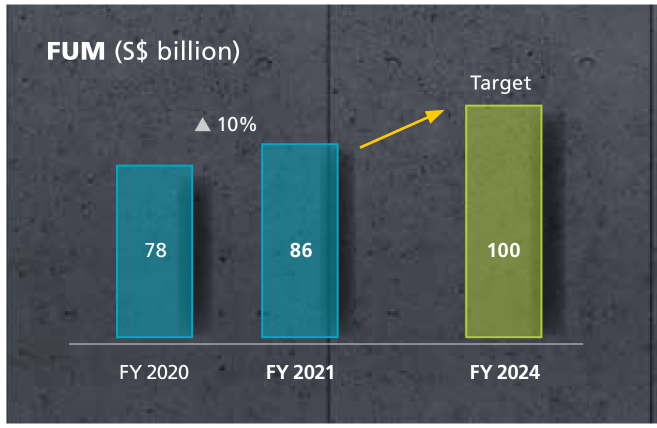
The Group manages its finance costs by maintaining a prudent mix of fixed and floating rate borrowings. As at 31 December 2021, the fixed rate borrowings constituted 63% of the portfolio, with the balance on a floating rate basis. As finance costs constitute a major component of the Group's overall costs, a high percentage in fixed rate funding is maintained for funding cost certainty. In managing its interest rate profile, the Group takes into account the interest rate outlook, the holding periods of its investment portfolio, the timing certainty of its planned divestments and operating cashflow generated from operations.



1 Debt excludes S$771 million of lease liabilities under SFRS(I)16.

FUND MANAGEMENT

In 2021, CLI continued to make good progress towards achieving our target of S$100 billion funds under management (FUM) by 2024. CLI's FUM increased by 10% to S$86 billion, from S$78 billion in FY 2020. This translated to a 34% increase in fee-related earnings (FRE) to S$409 million, from S$306 million in FY 2020.



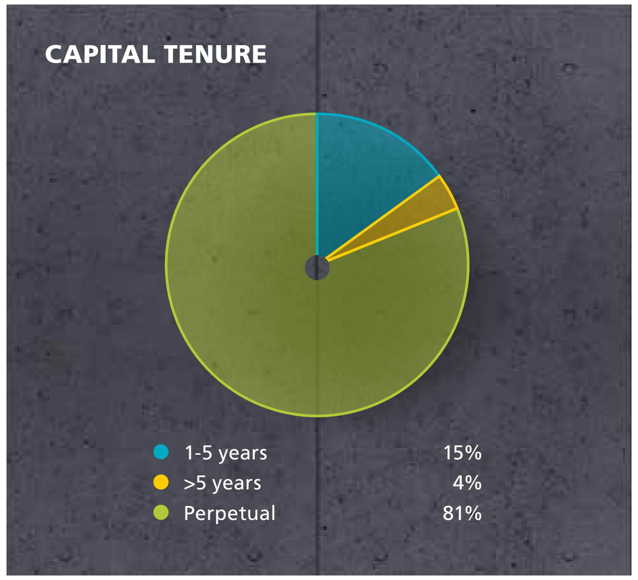
FRE/FUM
50bps

FM EBITDA Margin
54%

Our ability to ramp up FUM – doubling FY 2020's growth rate and expanding FRE meaningfully – demonstrated our resolve to grow our fund management (FM) business. CLI's FRE/FUM ratio – the metric that we use to track our capital efficiency, improved by 10 basis points (bps), from 40 bps in FY 2020 to 50 bps in FY 2021. FM EBITDA margin was a healthy 54% for FY 2021.

Event-driven fees made up approximately 18% of the total FM FRE (refer to the "FUM and Fund Management Revenue" chart on page 31). This was an outcome of a higher volume of transactions – over 30 divestments and investments amounting to S$7.5 billion were executed by CLI's fund vehicles during the year. The remaining 82% of FRE was made up of recurring base management fees, which had increased by 17% as a result of a larger asset base for REITs and business trusts, as well as the inception of seven new private funds.

Perpetual funds comprising our listed funds, continued to make up the largest portion of CLI's FUM, giving us high quality recurring FRE. As we continue to drive and grow our private funds platform, we expect the capital tenure to further diversify. In addition, we will also pursue different fund products such as Core, Core+, Value-add and Opportunistic funds, giving the platform greater balance across strategies.



FY 2021 Performance Review

BUSINESS PERFORMANCE

LISTED FUNDS

Since 2019[1], we have been sharpening the mandates of our listed REITs and business trusts to ensure that they are optimally structured for growth. Some of these entities underwent mergers to enhance scale for synergistic value. Others expanded their investment mandate to add new geographies or asset classes to create optionality for growth.

In FY 2021, CLI's REITs and business trusts executed a total of S$1.7 billion worth of non-core asset divestments, freeing up capital for investments in better yielding, more preferred assets. They made S$4.5 billion of acquisitions during the year, more than 10% of which were pipeline assets provided by the Group. These transactions contributed to a three-fold increase in event-driven FRE. For the full year, FUM grew by a healthy 12%.

Key transactions by listed REITs and business trusts in FY 2021

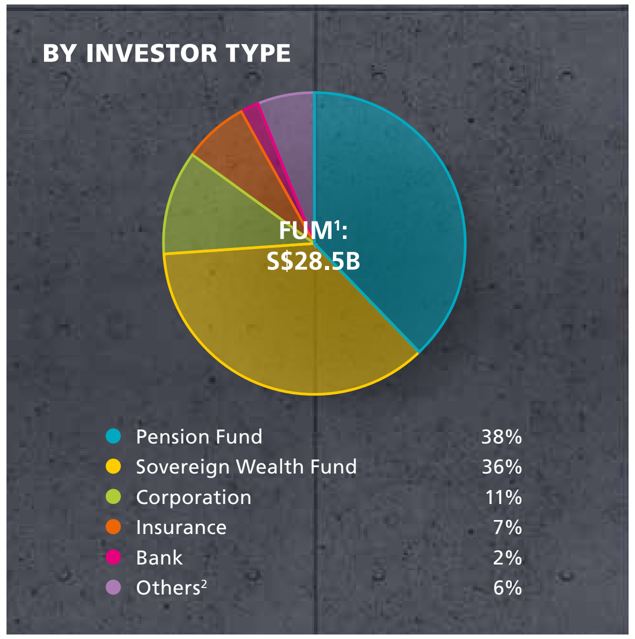
ART	CICT	Ascendas Reit	CLCT	a-iTrust	CLMT
Investments					
Significant expansion into student accommodation and rental housing • 2021: Eight student accommodation assets for US$518.7 million[2] (S$700.2 million) in the USA • Jun: Three rental housing assets in Japan for JPY6.8 billion (S$85.2 million)	**Foray into Australia – second market outside Singapore** • Dec: Two Grade A offices and 50% interest in an iconic integrated development in Sydney, Australia for A$1.1 billion (S$1.1 billion)	**Deepening exposure to data centres and logistics beyond Singapore** • 2021: 11 data centres in Europe and 11 logistics properties in the USA for S$1.1 billion **Participation in rejuvenating Singapore's cityscape** • Nov: Entered into a JV with CapitaLand Development (CLD) to jointly redevelop 1 Science Park Drive into a life science and innovation campus for S$883 million	**Maiden entry into China logistics to diversify exposure in new economy assets** • Oct: Four prime logistic properties for RMB1.7 billion (S$350.7 million)	**Diversifying into industrial and data centres** • Jul: Forward purchase committment of its first industrial facility in Chennai for INR2.1 billion (S$38.3 million) • Acquired site for development of its first data centre campus. Total estimated investment for phase one of development is INR12 billion (S$216.6 million)	**Expansion of investment mandate** • Jun: Received unitholders' support to expand beyond retail sector to include commercial, office and industrial asset classes
Divestments					
• Feb: Somerset Xu Hui Shanghai in China for RMB1,050 million (S$215.6 million)	• Nov: 50% interest in One George Street in Singapore for S$640.7 million	• Jun: Two Brisbane logistics properties and one Melbourne logistics property in Australia for A$125.1 million (S$128.7 million) • Nov: 1 Science Park Drive for S$103.2 million	• Jan: CapitaMall Minzhongleyuan for RMB458.0 million (S$93.4 million) • Jun: Completed divestment of CapitaMall Saihan for RMB460 million (S$90.8 million) as announced in 2019	No divestments in 2021	No divestments in 2021

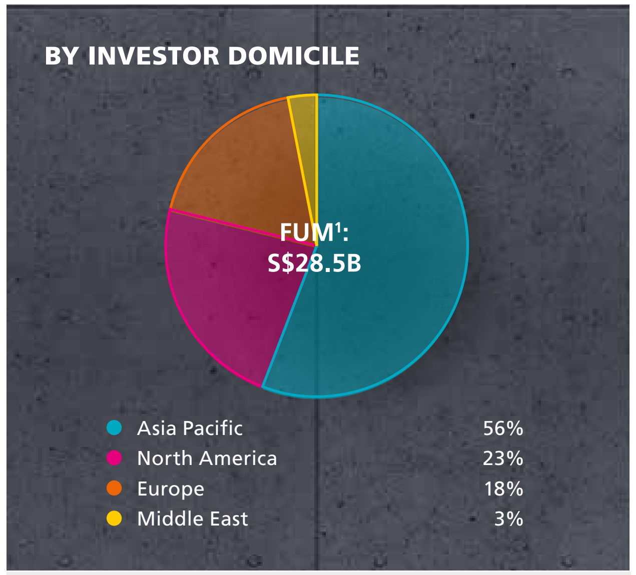
Note: The investment and divestment values stated are based on agreed property value (100% basis) or purchase or sales consideration.
1 As CapitaLand Limited.
2 Excludes Ascott's share in the JV to develop a student accommodation property in South Carolina, USA. ART's share comprises its investment in the initial 45% stake, estimated cost of the additional 5% stake which ART will acquire at fair market valuation, and other deal-related expenses.

PRIVATE FUNDS

By continuing to focus on expanding our private investment solutions, we increased the FUM of our private funds business to S$28.5 billion in FY 2021, a 10.5% increase over FY 2020.

Our global real estate platform combined with our extensive local operating presence provides a competitive advantage in deal sourcing, origination and execution. In FY 2021, CLI raised S$1.4 billion of equity from institutional investors and capital partners with seven new private fund launches. While these are not expected to be significant contributors to our total return in the short term, they represent our commitment to expand our product offerings across asset types and strategies. As we continue to build on this track record, we expect new capital raises to become increasingly meaningful over time.





1 As at 31 December 2021.
2 Others include HNWIs, Trust Companies, Investment Managers, Hedge Funds, Cooperatives, Securities Companies, Endowments, Government.

FY 2021 Fund Launches

Data Centre
Opportunistic ► Core
In May 2021, we launched Korea Data Centre Fund 2 (KDCF2), with 100% third-party capital to invest in an off-market data centre development opportunity in South Korea for KRW141 billion (S$166 million). This marks our second dedicated data centre fund in South Korea, reflecting our investment expertise and market position for data centres.

Credit
Opportunistic
In June 2021, we closed a HKD1.15 billion (S$199 million) real estate debt fund to provide mezzanine financing backed by a residential development project in Hong Kong. The private debt opportunity was sourced, underwritten and secured by the Group's specialised Private Debt team.

Logistics
Opportunistic ► Core
In July 2021, we closed our second India-focused logistics fund, CapitaLand India Logistics Fund II (CILF2), with total committed equity of INR22.5 billion (S$307 million) with an existing institutional investor. This follows the successful deployment of our first India logistics fund. The strategy benefits from the continued demand for quality warehouse and distribution facilities, on the back of e-commerce growth in India, a trend that was further accelerated by the pandemic.

Open-end Fund
Core ► Core+
In August 2021, we launched our flagship Open-end Real Estate Funds (COREF), a regional open-end fund to provide global institutional investors with long-term strategic exposure to a diversified portfolio of institutional-grade, income-producing assets across developed markets in Asia Pacific. COREF is currently in the build-up phase and has made its first investments in two commercial assets in Japan.


Artist's impression of KDCF2's data centre development in South Korea.

Commercial
Core ► Core+
In September 2021, we successfully launched our first Japan Core Office private fund. The private fund is fully deployed through the acquisition of CLI's interests in two commercial assets in Japan with FUM of about JPY 44.1 billion (S$537.7 million). CLI has a 4.98% stake in the fund while the remaining stake is held by new local institutional capital partners in Japan such as Keikyu Corporation, Taisei Corporation, Fuyo General Lease and Odakyu Real Estate.

Cold-storage Logistics
Core and Value-Add
In September 2021, we incepted a dedicated Korean cold storage logistics fund for KRW85.7 billion (S$101 million) with majority third-party commitments to acquire two operating cold storage facilities near Seoul. CLI expanded its relationship with these investors and established a second dedicated Korean cold storage value-add logistics fund in November 2021 with KRW44.5 billion (S$53 million) in equity commitments. Both funds are fully deployed.

FY 2021 Private Fund Exits And Realisation

In FY 2021, CLI successfully exited and realised the following funds:

In June 2021, we divested partial stakes in Raffles City China Investment Ventures and Senning Property Fund which held six Raffles City developments[1] to Ping An Insurance. The divestment at an agreed property value of RMB46.7 billion (~S$9.6 billion) was a 6.7% premium to the assets' FY 2020 valuation. While CLI reduced our ownership in these assets from as high as 55% to between 12.6% to 30% in each development, we continue to generate FRE as their asset manager.

In November 2021, we successfully executed the recapitalisation of a value-add fund holding a freehold office property in Singapore's CBD after receiving an unsolicited offer from a third-party investor. The basis for the recapitalisation reflects a realised project level internal rate of return (IRR) of over 60%.

In the same month, our private debt team negotiated an early repayment for the HKD1.15 billion (S$199 million) mezzanine financing. Our investors achieved a net IRR of over 25% because of the early redemption by borrower.

LOOKING AHEAD

The Group is committed to achieving our goal of S$100 billion in FUM by 2024. Along with sustaining organic growth for our listed REITs and business trusts, we look to increase the number of private real estate funds we manage, through enhancing our private equity fund-raising and research capabilities, expanding product offerings, and extending our network of capital partners globally.

With approximately S$10 billion of assets on CLI's balance sheet, as well as deal-sourcing and operating expertise, particularly in Asia-Pacific, the Group is well-positioned to support the growth of our fund vehicles.

1 Includes Raffles City Shanghai, Raffles City Changning, Raffles City Ningbo, Raffles City Hangzhou, Raffles City Chengdu and Raffles City Beijing.

LODGING MANAGEMENT

CapitaLand Investment's (CLI) lodging business is a key growth driver for CLI as it is global, scalable and asset-light. With over 30 years of track record in the long-stay lodging segment, CLI has built a diversified portfolio comprising serviced residences, coliving properties, hotels, student accommodation, multifamily and rental housing properties as well as other hospitality assets.

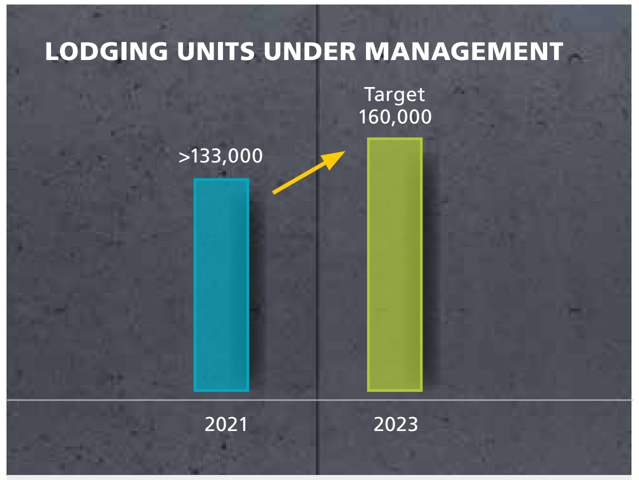
CLI's wholly owned lodging business unit, The Ascott Limited (Ascott) is a vertically-integrated owner and operator of lodging properties globally with a strong Asia footprint. It has expertise across the full real estate value chain of deal sourcing, investment, asset and fund management, and award-winning hospitality operations. Ascott's portfolio spans more than 200 cities across over 30 countries in Asia Pacific, Central Asia, Europe, the Middle East, Africa and the United States of America (USA).

In recognition of Ascott's operational excellence, Ascott received about 40 accolades in 2021 including being crowned the 'World's Leading Serviced Apartment Brand' by guests and the industry at the World Travel Awards 2021. The World Travel Awards is a prestigious global event that celebrates the best in hospitality. Ascott was the biggest winner with the greatest number of awards received amongst serviced apartment players, sweeping a total of 28 accolades at the Grand Final and regional levels.

With over 30 years of track record in the long-stay lodging segment, CLI has built a diversified portfolio comprising serviced residences, coliving properties, hotels, student accommodation, multifamily and rental housing properties as well as other hospitality assets.

BOOSTING RECURRING FEE INCOME THROUGH RECORD GROWTH DESPITE COVID-19

Despite COVID-19 headwinds, Ascott signed 15,100 units across 72 properties in 2021. This marks the fifth consecutive year Ascott has achieved record growth in new units organically. More than 80% of the new units secured in 2021 were under management and franchise contracts, in line with Ascott's asset-light growth strategy. Ascott continued to expand in growth markets and made inroads into 17 new cities. As at 31 December 2021, Ascott has over 133,000 units, on track to achieve its target of 160,000 units by 2023.



Excludes Multifamily.

Ascott's recurring fee-related earnings in 2021 increased by 27% year-on-year to S$190 million[1]. Ascott opened a record high of over 8,200 units in 40 properties across 25 cities and 10 countries. This is more than double the units opened in 2020. Ascott's overall revenue per available unit[2] also rose 19% year-on-year, with stronger occupancy levels as international travel gradually resumes.

Notably, Ascott continues to see strong domestic demand in China. Ascott's resilient base of long-stay corporate guests and the strong domestic leisure travel market have enabled Ascott's serviced residences in China to achieve robust occupancy rates. In 2021, Ascott's properties in China's tier one cities such as Beijing, Guangzhou, Shanghai and Shenzhen, achieved an average occupancy rate of over 80%, exceeding the market average of around 57%.

1 Revenue for lodging management includes service fee recovery income.
2 RevPAU statistics are on same store basis and include serviced residences leased and managed by the Group. Foreign currencies are converted to SGD at average rates for the relevant period.

Ascott secured the contract to manage Vietnam's largest serviced residence integrated development, comprising 1,905 units across three distinct serviced residence brands within the Tay Ho View Complex in Hanoi.

In Vietnam, Ascott secured a record of about 3,000 new units, exceeding full-year signings in previous years. This includes Ascott's partnership with Sun Group, one of the biggest real estate developers in Vietnam. Ascott will manage the country's largest serviced residence integrated development, comprising 1,905 units across three distinct serviced residence brands within the Tay Ho View Complex in Hanoi. The iconic integrated development will be Hanoi's new landmark, transforming the city's skyline and rejuvenating the city's exclusive waterfront Tay Ho district. The three serviced residences are expected to open in phases from 1Q 2023.

Ascott's coliving brand, lyf, also grew to a total of 18 properties, with over 3,300 units in 14 cities and nine countries in 2021. lyf made its debut in China with the opening of lyf Mid-Town Hangzhou in September 2021. Designed for the next generation of travellers, lyf one-north Singapore which opened in November 2021 has seen strong demand with an occupancy of 96%[1] during the first phase of opening.

Ascott's first lyf-branded coliving property in China, lyf Mid-Town Hangzhou, opened in September 2021. It is located in the Gongshu district, near the Grand Canal, a popular UNESCO World Heritage site noted for its historical relics.

1 Based on inventory available for sale.

Paloma West Midtown is Ascott's first student accommodation property acquired through its hospitality trust, Ascott Residence Trust, in February 2021.

STRENGHTENING PORTFOLIO RESILIENCE BY EXPANDING IN ADJACENT LODGING ASSET CLASSES

In addition to increasing its recurring fee income by securing more management and franchise contracts, Ascott's growth strategy also includes investing in quality lodging properties, including via its investment vehicles such as its sponsored hospitality trust, Ascott Residence Trust (ART) and its private funds, Ascott Serviced Residence Global Fund (ASRGF) and the newly established Student Accommodation Development Venture (SAVE). Ascott's funds under management grew to over S$8 billion in FY 2021.

With a global presence and strong business development teams on the ground, Ascott has the distinct capacity to create value by connecting its partners with investment opportunities. Leveraging its extensive local knowledge, Ascott is able to access off-market investment deals and match them with a ready pool of trusted lodging property owners and capital partners.

To further strengthen the resilience of Ascott's portfolio and add to its stable income streams, Ascott increased its presence in the longer-stay lodging segment such as student accommodation and rental housing properties.

Student Accommodation

Ascott entered the student accommodation asset class following the expansion of ART's investment mandate to include student accommodation properties in January 2021. A longer-stay asset class, student accommodation properties have leases that typically last for a year, boosting income stability and portfolio resilience. As at 1Q 2022, Ascott has built up a diversified and quality portfolio of 10 student accommodation properties with over 5,200 beds in the USA and Japan.

Located across eight states, the student accommodation properties in the USA are predominantly in the Sunbelt states, Ivy League and 'Power 5' athletics conference markets. Situated near their respective key educational institutions, the nine student accommodation properties serve over 295,000 students from reputable universities with large student populations, steady enrolment growth and a strong athletics programme.

This includes Ascott's and ART's joint investment and development of a freehold student accommodation property in South Carolina for an expected total of US$109.9 million (S$146.2 million)[1]. The 678-bed student accommodation, Standard at Columbia, will serve over 35,000 undergraduate and graduate students from the nearby University of South Carolina. The student accommodation property is scheduled to be completed in 2Q 2023.

Seven of the USA student accommodation properties acquired through ART for a total of US$461.3 million (S$623.7 million) are operating and contributing stable income. They are new assets with an average age of two years, offering students well-designed apartments equipped with best-in-class facilities.

ART's first student accommodation property, the 525-bed Paloma West Midtown, in Georgia, USA, was acquired in February 2021 for US$95.0 million (S$126.3 million) and serves about 40,000 students from Georgia Institute of Technology. Wildwood Lubbock, a freehold 1,005-bed student accommodation property in Texas, was acquired for US$70.0 million (S$93.8 million) in September 2021. Wildwood Lubbock serves over 40,000 undergraduate and graduate students at Texas Tech University.

In November 2021, ART acquired Seven07, a freehold 548-bed student accommodation property in Champaign, Illinois, for US$83.25 million (S$112.4 million). Seven07 serves about 56,000 undergraduate and graduate students from the nearby University of Illinois Urbana-Champaign.

ART announced in December 2021 the acquisition of four student accommodation properties in the USA for US$213.0 million (S$291.2 million). The four properties have a total of 1,651 beds, serving more than 100,000 students across five universities in three states. The Link University City is located in Pennsylvania, while Latitude on Hillsborough and Uncommon Wilmington are in North Carolina, and Latitude at Kent is in Ohio.

Ascott established a development venture, SAVE, in February 2022 with total committed equity of US$150 million (S$204.8 million) to develop student accommodation assets in the USA. Ascott will manage the venture and hold a 20% stake in the joint venture while the remaining stake will be held by Riyad Capital. Riyad Capital is one of the largest institutional capital partners in the Middle East and an existing partner from Ascott's network of lodging property owners. SAVE's first investment is a 779-bed Class A freehold student accommodation development asset in Nebraska, expected to complete by August 2023.

In March 2022, ART announced the acquisition of its first student accommodation property in Japan. Located in Osaka, it serves the main campus of the prestigious Kindai University, which is just a two-minute walk away. Kindai University has over 30,000 undergraduate students.

Rental Housing

Ascott has also grown its rental housing portfolio in Japan through ART – three properties in Sapporo were acquired in June 2021 and the turnkey acquisition of four properties in Osaka and Fukuoka is slated to complete between 4Q 2022 to 2Q 2023.

Artist impression of SAVE's first investment in a Class A freehold student accommodation development asset in Lincoln, Nebraska, USA.

1 Comprises Ascott's and ART's investment in the initial 90% stake, estimated costs of the additional 10% which Ascott and ART will acquire at fair market valuation and other deal-related expenses.

Ascott also continued to proactively reconstitute its portfolio by divesting properties to unlock capital for redeployment into higher-yielding assets.

Investments by Ascott Serviced Residence Global Fund (ASRGF)

Under ASRGF, Ascott acquired two properties in Paris, France and Hanoi, Vietnam for about S$210 million in June 2021. Both properties were acquired on a turnkey basis and are expected to open in 2024. The acquisition in Paris is a freehold asset which will be refurbished to introduce Ascott's first coliving property in Europe under the lyf brand. Named lyf Gambetta Paris, the 139-unit coliving property is located in a vibrant district in the 20th arrondissement, near galleries, cinemas, trendy cafés and restaurants, street art and music venues. The acquisition in Hanoi is the 364-unit Somerset Metropolitan West Hanoi. It is located in Hanoi's new Central Business District, close to several government agencies as well as local and international corporations.

In March 2022, ASRGF also announced the acquisition of two properties in Ningbo, China and Amsterdam, the Netherlands for approximately S$190 million. The turnkey project in Ningbo consists of two residential towers which will open as 206-unit Somerset Hangzhou Bay Ningbo in 2025. The acquisition in Amsterdam is a rare freehold asset which will be refurbished and unveiled as 93-unit Citadines Canal Amsterdam in 2023.

FY 2021 Divestments

Ascott also continued to proactively reconstitute its portfolio by divesting properties to unlock capital for redeployment into higher-yielding assets. In FY 2021, it divested Somerset Xu Hui Shanghai, Citadines City Centre Grenoble and Citadines Didot Montparnasse Paris through ART and Citadines Sukhumvit 23 Bangkok above book value.

DELIVERING AWARD-WINNING HOSPITALITY EXPERIENCES

Ascott remains committed to continually enhancing guests' experience across its brands to delight its guests and build brand equity amongst property owners.

In June 2021, Ascott was the first hospitality company in the world to offer its guests global access to a comprehensive suite of complimentary telehealth, telecounselling and travel security advisory services through a global partnership with International SOS.

Ascott launched discoverasr.com, unifying 14 lodging brands on one global online travel booking platform in August 2021. discoverasr.com provides guests with one-stop access to Ascott's serviced apartments, coliving spaces and hotels across more than 130 cities in over 30 countries.

Members of Ascott's loyalty programme, Ascott Star Rewards (ASR) continue to enjoy a slew of perks, from the ASR points purchase feature and promotions where members can purchase ASR points and be rewarded with bonus points; to the ASR Elite Status Match and CapitaStar-ASR Points Exchange programmes that allow ASR members to gain more benefits or upgrade their membership tier.

Ascott also upgraded its Discover ASR mobile app to offer a range of new features including allowing members to purchase ASR points, earn ASR points if they opt out of housekeeping service as part of Ascott's Go Green initiative, as well as perform mobile check-in and check-out. Members staying with Ascott can access the in-app social wall and private messaging features which allow them to interact with fellow guests or communicate privately with the serviced residence's front desk. Members are also able to purchase vouchers via the app for their next stay.

As Ascott grows its business, it will continue to innovate and evolve its products and services to uncover additional revenue streams and deliver greater value to its customers, property owners and capital partners.

REAL ESTATE INVESTMENT BUSINESS

CLI owns and manages a geographically- and sector-diversified real estate portfolio, with a focus on Asia. Our core markets — Singapore, China and India — make up nearly 80% of CLI's assets. We also have an expanding presence in key gateway cities in Asian markets such as South Korea and Japan, as well as international markets comprising Australia, Europe and USA. Together, they provide balance and diversity to CLI's portfolio, strengthening our resilience.

Our integrated suite of real estate capabilities, extensive footprint and decades of experience give us a sustainable competitive edge to move swiftly to originate fund products and source from our pipeline assets for fund vehicles. More than 70% of our real estate portfolio is managed through our comprehensive and expanding funds platform, which gives CLI sustainable fee-based income. Through our stakes in our fund vehicles, we also participate in the growth of these assets.

>80% of Assets Under Management are in Asia

	Retail	New Economy[1]	Integrated Developments	Office	Lodging[2]	RE AUM[3] (S$'B)	% of Total	FUM[4] (S$'B)	% of Total
CLI's Core Markets: Singapore	●	●	●	●	●	40.5	33%	36.3	42%
CLI's Core Markets: China	●	●	●	●	●	44.9	36%	27.8	32%
CLI's Core Markets: India		●			●	3.8	3%	4.0	5%
Other Asia	●	●		●	●	15.6	13%	6.3	7%
International[5]		●		●	●	18.1	15%	11.3	14%
RE AUM (S$'B)	19.6	25.7	24.3	13.6	39.4				
% of Total	16%	21%	20%	11%	32%				
FUM (S$'B)	16.7	23.9	22.3	13.8	8.9				
% of Total	19%	28%	26%	16%	10%				

RE AUM S$123B (FY 2020: S$115B)

FUM S$86B (FY 2020: S$78B)

1 Includes business parks, industrial, logistics and data centres.
2 Includes multifamily.
3 Includes residential and commercial strata which comprises 0.3% of total RE AUM and not reflected in chart.
4 Includes residential and commercial strata as well as structured credit FUM, which comprises ~1% of total FUM and not reflected in chart.
5 Includes Australia, Europe, UK and USA.

Supported by a best-in-class in-house operating platform, CLI's over 1,000 properties[1] globally benefit from the Group's leasing and property management expertise, longer-stay lodging operating expertise, as well as digital platforms such as the CapitaStar Rewards Programme and Payment Platform app, and the Ascott Star Rewards and Discover ASR mobile app.

CapitaStar · CapitaStar @Work · asr ascott star rewards · citadines APART'HOTEL · ASCOTT THE RESIDENCE · SOMERSET SERVICED RESIDENCE · lyf · QUEST

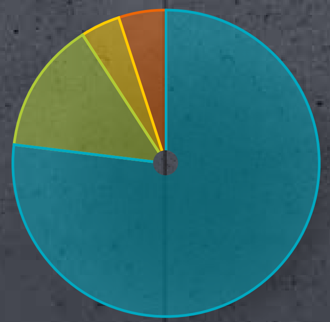
1 Includes managed properties.

DISCIPLINED CAPITAL RECYCLING

CLI targets to recycle at least S$3 billion of assets across the Group annually. This financial discipline keeps us focused on unlocking value from our investments and reinvesting proceeds for sustainable growth.

In FY 2021, CLI and our fund entities executed over 40 transactions totalling more than S$20 billion in gross value. This translates to approximately S$7.6 billion of transacted value based on CLI's effective stakes in them.

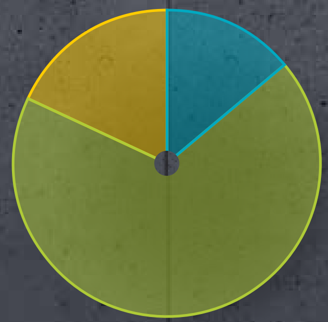
TOTAL DIVESTMENT VALUE
S$13.6 billion



EFFECTIVE DIVESTMENT VALUE
S$5.3 billion

Divested to Funds	77%
Portfolio reconstitution by REITs/Funds	14%
Opportunistic divestment	4%
Divested to REITs	5%

TOTAL INVESTMENT VALUE
S$6.8 billion



EFFECTIVE INVESTMENT VALUE
S$2.3 billion

REIB	14%
REITs	68%
Funds	18%

In addition to generating healthy portfolio gains averaging 13.1% above carrying values in FY 2021, 82% of divestment value was converted into or retained as FUM, demonstrating our commitment to support the growth of our fund vehicles.

Approximately 86% of our investments were made via our fund vehicles and will contribute to CLI's FUM and FRE growth. As at 31 December 2021, CLI had close to S$10 billion of assets on balance sheet that will serve as potential pipeline assets for our fund vehicles.

KEY CLI-OWNED INVESTMENT PROPERTIES

ION Orchard

CapitaMall Westgate

Singapore

1 ION Orchard
2 79 Robinson Road[1]
3 ICON@IBP
4 Pratt & Whitney Singapore Component Repair

1 CLI announced divestment of 79 Robinson Road to CICT and COREF on 25 March 2022.

China

1 Shanghai Zhuanqiao Data Centre
2 CapitaMall Daxing (f.k.a. CapitaMall Tiangongyuan)
3 CapitaMall Westgate
4 Dalian Ascendas IT Park
5 Tianjin International Trade Centre
6 Ascendas iHub Suzhou
7 Somerset Riverview Chengdu
8 Ascendas i-Link

International Tech Park Chennai, Radial Road

Arlington Business Park, UK

India

1 International Tech Park Chennai, Radial Road
2 International Tech Park Gurgaon (SEZ 2)
3 International Tech Park Pune, Hinjawadi
4 Citadines OMR Gateway Chennai
5 Somerset Greenways Chennai

Other International Markets

1 Arlington Business Park, United Kingdom
2 Kokugikan Front, Japan
3 Ascott Sathorn Bangkok, Thailand
4 La Clef Tour Eiffel Paris, France
5 The Cavendish London, United Kingdom
6 A portfolio of 16 operating Multifamily properties in the USA

Singapore

Singapore is CLI's home base. We are the city-state's leading private landlord, managing the largest portfolio of shopping malls and Grade A offices in the Central Business District (CBD) and business parks. With over 40 years of operating expertise that began before the listing of CapitaLand, CLI's diversified strengths allows us to play a key role in reimagining Singapore's cityscape. Most of our assets in Singapore are held through our listed fund vehicles, largely via CapitaLand Integrated Commercial Trust (CICT) and Ascendas Reit.

Key Project Completions in 2021

In November 2021, we completed CapitaSpring, a 51-storey Grade A integrated development, which is jointly owned by CICT and two other partners - CapitaLand Development and Mitsubishi Estate. The building was redeveloped from a multi-storey carpark at Singapore's Raffles Place CBD into an integrated development with Grade A office, ancillary retail and serviced residence components, rejuvenating the heart of Singapore's CBD. CapitaSpring also houses the iconic Market Street Hawker Centre, as well as Singapore's tallest sky observatory deck and urban farm, and a 35-metre high expansive spiraling botanical promenade located 100 metres above ground. As at 31 December 2021, CapitaSpring attained a healthy 91.5% of committed occupancy.

Sky Garden at CapitaSpring, Singapore

During the year, Ascendas Reit also completed the built-to-suit business park property for Grab's Headquarters at one-north. The property is fully leased to Grab for 11 years.

Key Transactions in FY 2021

FY 2021 Total Investments	FY 2021 Total Divestments
S$540 million	~S$2.0 billion

Sale of 75% Stake in Galaxis to Ascendas Reit

In May 2021, CLI announced the divestment of its full stake in Galaxis, a state-of-the-art business park at Fusionpolis, based on an agreed property value S$720 million[1]. Having already acquired 25% of the property in 2020, the sale gave Ascendas Reit full ownership of the asset and unlocked approximately S$75 million of net gain for CLI.

1 On 100% basis.

Galaxis, Singapore

FY 2021 Transactions

FY 2021 Divestments	Value (S$ million)	Entity
11 Changi North Way	16.0	Ascendas Reit
Singapore Science Park 1	103.2	Ascendas Reit
75% stake in Galaxis	720.0[1]	CLI
One George Street	1,175.0[2]	CICT

1 On 100% basis.
2 Based on 100% property value. CICT received 50% of the sale consideration, amounting to approximately S$640.7 million.

FY 2021 Operating Performance

Overall, the operating performance of Singapore's investment properties continued to improve, registering a year-on-year growth in occupancy and net property income. At the end of 2021, there was a noticeable increase in office leasing enquiries for expansion and new set up. New office leases and renewals were signed at above market rents, albeit below the respective expiring rents in FY 2021.

We observed an improving trend in retail rental reversion in 2021, although downtown malls were more impacted by the negative reversions than their suburban counterparts. Our early adoption of a retail digital strategy that integrates online to offline (O2O) shopping experiences through the CapitaStar digital platform has also contributed to the resilience of CLI's retail business. In FY 2021, the Group registered higher tenant sales despite a decrease in shopper traffic. As the economy gradually reopens and more people visit shopping malls, we expect to see higher demand in retail space, which will narrow the gap between signing and expiring rents.

79 Robinson Road, a 29-storey Grade A office building in the Tanjong Pagar sub-market of Singapore's Central Business District was officially opened in January 2022. As at 31 December 2021, it boasted a healthy occupancy of approximately 92.9%. On 25 March 2022, CLI announced the divestment of the property to CICT and COREF.

PORTFOLIO SNAPSHOT

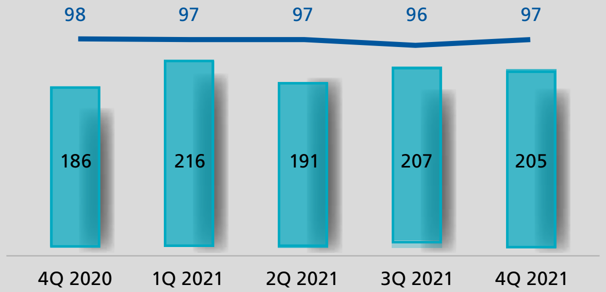
FY 2021

S$38.9 billion
Portfolio value[1]

127
Number of properties

4.7 million sqm
Gross floor area
(excludes lodging assets)

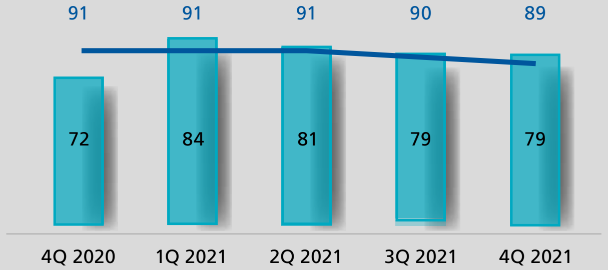
RETAIL



Shopper Traffic
-3.7% YoY

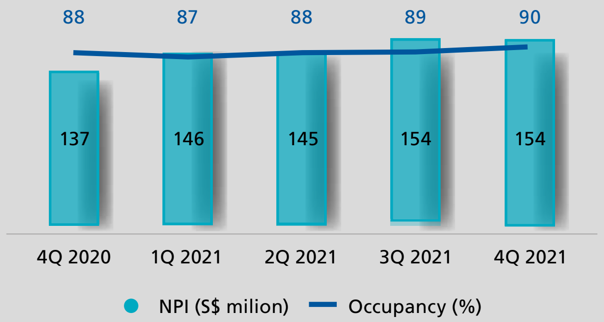
Tenants' Sales (per sq ft)
+17.3% YoY

OFFICE



Average Rent
+3% QoQ

NEW ECONOMY



1 Refers to total sum of CLI's owned properties' valuations as at 31 December 2021.

China

With more than 25 years of operating experience in China, CLI is one of a handful of real estate players that offer a full suite of real estate capabilities across multiple real estate sectors. Our business operations are focused in first- and second-tier Chinese cities, in five core city clusters[1] benefiting from strong urbanisation trends. CLI has more than 5,200 employees in China in the CapitaLand Ecosystem. Our strong deal sourcing capabilities and real estate expertise equip us well to build up the investment pipeline for CLI and our funds platform, as well as enhance value of our portfolio assets through proactive asset management to ensure their continued relevance.

Key Project Completion in 2021

Raffles City The Bund
In July 2021, we opened CLI's third Raffles City integrated development in Shanghai and tenth globally. Named Raffles City The Bund (RCTB), the property is the tallest twin tower in Shanghai, offering a 270-degree panoramic view of Shanghai Bund and Shanghai's Lujiazui CBD. The development is a 50:50 joint venture between Raffles City China Investment Partners III and GIC. The asset's committed occupancy was 93% as of December 2021, represented by over 200 brands, of which more than half were new offerings which were not previously present in Shanghai or within CLI's portfolio.


Raffles City The Bund, China

Key Transactions in FY 2021

FY 2021 Total Investments	FY 2021 Total Divestments
S$1,211 million	S$10,076 million

Acquisition of Shanghai Zhuanqiao Data Centre in Minhang, Shanghai, China
- CLI's first hyperscale data centre campus was acquired for RMB3.66 billion (S$757.7 million).
- This transaction allowed CLI to expand into one of the world's largest data centre markets and reinforces CLI's ambition to grow data centres into a global business.
- The campus comprises four buildings with up to 75,000 sqm GFA and up to 55MW of IT power capacity.


Shanghai Zhuanqiao Data Centre

Sale of Partial Stakes in Six Raffles City Developments in China
- The agreed value of the portfolio — comprising Raffles City Shanghai, Raffles City Beijing, Raffles City Ningbo, Raffles City Chengdu, Raffles City Changning (Shanghai) and Raffles City Hangzhou – was RMB46.7 billion (S$9.6 billion).
- Agreed value was at 6.7% premium to the FY 2020 valuation, generating an FRE/FUM ratio of 62 basis points[2].
- CLI retained an effective stake of 12.6% to 30% in each development and continued to be the asset manager for all six properties, earning FRE.

1 The five core city clusters are Beijing/Tianjin, Shanghai/Hangzhou/Suzhou/Ningbo, Guangzhou/Shenzhen, Chengdu/Chongqing/Xi'an, and Wuhan.
2 Average across 2008 - 2020.

FY 2021 Performance Review

BUSINESS PERFORMANCE

FY 2021 Transactions

FY 2021 Investments	Value (S$ million)	Entity
Four logistics properties in Shanghai, Kunshan, Wuhan and Chengdu	350.7	CLCT
Shanghai Zhuanqiao Data Centre	757.7	CLI
50% stake in Dalian Ascendas IT Park	103.0	CLI

FY 2021 Divestments	Value (S$ million)	Entity
Somerset Xu Hui Shanghai	215.6	ART
CapitaMall Minzhongleyuan in Wuhan	93.4	CLCT
Partial stakes in six Raffles City China developments	9,565.1	CLI
Ascott Hangzhou	201.6	CLI


Raffles City Hangzhou, China

China

FY 2021 Operating Performance

The operating performance in China remained resilient in FY 2021 despite sporadic lockdowns and restrictions by the Chinese Government across various areas and cities to deter the spread of COVID-19. The safety of our tenants, customers and employees remains our priority and we continue to take the Government's directives on safe distancing measures, including shortening mall operating hours, temporary closures of certain trades or activities in our shopping malls that are more susceptible to transmissions, and general crowd control measures. Our offices and new economy assets were less impacted.

On a full-year basis, CLI registered a healthy year-on-year increase in shopper traffic and tenant sales on a same-mall basis. This translated to higher total NPI for the year despite a dip in 4Q 2021 due to a surge in COVID-19 transmissions that led to the stricter social distancing measures being imposed. A total of approximately 1,400 new leases were signed across the retail portfolio, with more than 600 new brands introduced. This has resulted in an improved tenant mix, positioning CLI ahead of evolving trends to meet the needs of today's consumers.

Tenant retention rate rose to 71% for Office, 8 percentage points higher than the year before. There was higher demand for larger space, especially from Finance and Technology, Media and Telecommunications. We also saw a high demand for fitted offices from SMEs. This provided a new avenue of growth. Over 10,000 square metres of fitted offices have been leased since their completion. We also increased activity-based workplace space with Bridge+, CLI branded co-working and shared spaces, grew from 15 to 26 projects in 2021.

The new economy asset class has remained resilient, registering an improvement in NPI on a year-on-year basis. In October 2021, CapitaLand China Trust (CLCT) made its first foray into China logistics, acquiring four properties in Shanghai, Kunshan, Wuhan and Chengdu, further diversifying CLI's portfolio in China.

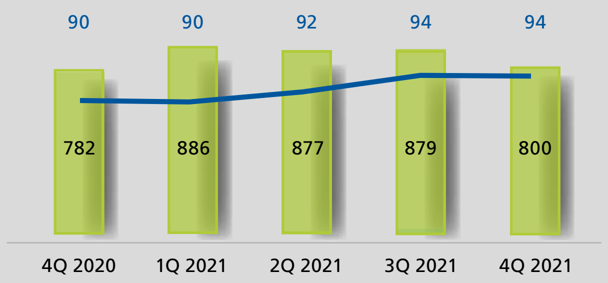
PORTFOLIO SNAPSHOT

FY 2021
RMB 163.5 billion
Portfolio value[1]

63
Number of properties

6.3 million sqm
Gross floor area
(excludes lodging assets and carpark area)

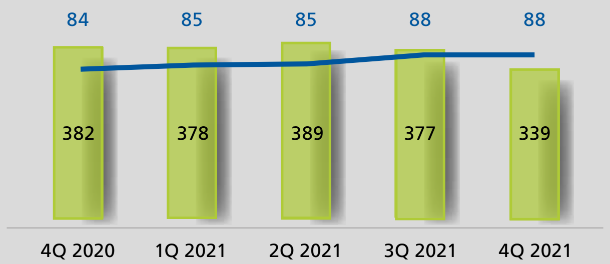
RETAIL



Shopper Traffic
+16% YoY

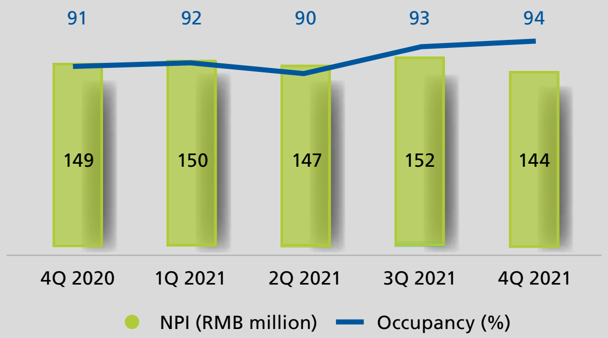
Tenants' Sales (per sqm)
+6.9% YoY

OFFICE



Retention Rate
71% (+8pp YoY)

NEW ECONOMY



1 Refers to total sum of CLI's owned properties' valuations as at 31 December 2021.

India

CLI's India presence spreads across six key cities: Bangalore, Chennai, Gurgaon, Hyderabad, Mumbai and Pune. Our portfolio is largely made up of International Tech (IT) parks and logistics space, one of India's most dynamic and attractive sectors. Having started India's first IT park in Bangalore through Ascendas 28 years ago, CLI is recognised as one of the best-in-class business space real estate players in the country.

Key Transactions in FY 2021

FY 2021 Total Investments
S$698 million

Phase 1 of Data Centre Campus in Navi Mumbai
Ascendas India Trust (a-iTrust) made its first foray into data centres by investing in a greenfield site to build a data centre campus in Airoli, a growing DC hub in Navi Mumbai. Phase 1 (the first building with a built-up area of about 325,000 square feet) is expected to be ready by 3Q 2024 and will be one of the largest DC campuses in Airoli.


Artist's impression of the Data Centre at Navi Mumbai

1.65 million sq ft of IT Park at Hebbal in Bangalore
a-iTrust entered into a forward purchase agreement with Gardencity Realty Private Limited to acquire two buildings in an IT Park with a total net leasable area of up to 1.65 million square feet located at Hebbal, Bangalore. a-iTrust will also provide funding for the development of the project as part of the forward purchase arrangement.

FY 2021 Transactions

FY 2021 Investments	Value (S$ million)	Entity
aVance 6, HITEC City in Hyderabad	92.0	a-iTrust
Industrial facility at Mahindra World City in Chennai[1]	38.3	a-iTrust
1.65 million sq ft of an IT Park at Hebbal in Bangalore[1]	268.2	a-iTrust
Phase 1 of data centre campus in Navi Mumbai (Development)[2]	216.6	a-iTrust
Building Q1, Aurum Q Parc in Navi Mumbai	64.1	a-iTrust
80.8 acres of land at Farrukhnagar in National Capital Region	18.5	Ascendas India Logistics Fund

1 Signed conditional Share Purchase agreements for acquisition of properties. Completion of acquisition is subject to fulfilment of certain Conditions Precedent. Figures indicated are estimated purchase considerations based on certain pre-agreed formula.
2 Estimated total development cost.

India

FY 2021 Operating Performance

Through active tenant engagement, we have leased and renewed approximately 3.8 million square feet of space in 2021. CLI's committed occupancy stood at a healthy 85% as of 31 December 2021. Despite the subdued leasing market in 2021, office rental collections remain healthy at 98%[1]. We are encouraged by early signs of increasing leasing interest with 400,000 square feet of new leases and renewals committed in January 2022.

Despite the challenging operating environment, NPI remained largely stable for FY 2021, held up by contributions from acquisitions made largely by a-iTrust in FY 2021.

1 Collection status for 4Q 2021 office billings as at 31 January 2022. Figure does not include collections for Building Q1 in Aurum Q Parc which was acquired in late 2021.

PORTFOLIO SNAPSHOT

FY 2021

INR198.3 billion

Portfolio value[1]

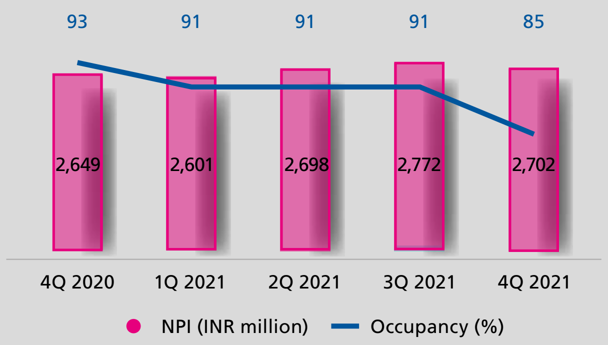
23

Number of properties[2]

22.8 million sq ft

Net leasable area of operating IT parks and Logistics parks

NEW ECONOMY



Physical Occupancy

Leasing Momentum
c.3.8m sq ft of space renewed/newly leased

Positive
Rental Reversion

84.7%
Committed Occupancy

1 Refers to total sum of CLI's owned properties' valuations as at 31 December 2021.
2 Includes operational IT parks, Logistics parks and Lodging assets, as well as properties under development/to be developed.

FY 2021 Performance Review

BUSINESS PERFORMANCE

International

CLI actively explores opportunities across various asset classes in key gateway cities in "International" markets, including developed Asian markets ("Other Asia") besides Singapore.

This supports CLI's strategy to build a resilient and diversified portfolio comprising multifamily, business parks, offices, logistics and data centres properties across developed markets outside Singapore. Majority of the assets are held through listed and private vehicles, which include prime and suburban office assets as well as new economy assets in Other Asia (Japan and South Korea) and International (Australia, Europe and USA).

Key 2021 Updates and Transactions

FY 2021 Total Investments	FY 2021 Total Divestments
S$4,339 million	S$1,522 million

Resilient USA Multifamily Portfolio despite the COVID-19 Pandemic
- CLI's portfolio of 16 operating multifamily assets in USA, which was acquired in September 2018, remained resilient despite the ongoing COVID-19 pandemic, achieving strong occupancy of 95% and positive NPI growth YoY.
- As part of the multifamily value-add programme, the portfolio continued its phased unit interior renovations in FY 2021, which resulted in rental uplifts and approximate payback period of five years for completed renovated units.

Exited Japan Retail Sector and Redeployed Capital into New Economy Sector
- In July 2021, CLI successfully exited non-core retail sector in Japan with the sale of Olinas Mall and Seiyu & Sundrug Higashimatsuyama, Greater Tokyo in Japan for JPY42 billion (S$520 million).
- Capital was redeployed to strengthen CLI's presence in the logistics sector, as follows:

A logistics facility in Ibaraki City, Osaka, Japan
- CLI acquired its second logistics development in Japan for JPY7.5 billion (S$90.8 million) in July 2021.
- The freehold site is to be developed into a four-storey modern logistics facility.

PORTFOLIO SNAPSHOT

FY 2021

S$17.9 billion

Portfolio value[1]

248

(of which 42% are Lodging assets)

Number of properties

2.5 million sqm

Gross floor area (excludes lodging assets)

1 Refers to CLI's owned properties' total sum of valuations as at 31 December 2021.

- The project is part of the ongoing collaboration with Mitsui & Co. Real Estate Ltd and the construction is expected to be completed in 3Q 2023.

A logistics facility in Hamura City, Tokyo, Japan
- Acquisition of a freehold site in Hamura City, Tokyo for JPY9.4 billion (S$111.8 million) in January 2022 to develop a modern logistics facility.
- Strategically located within the proximity of Central Tokyo as well as near the main expressways that connect to major cities in Japan.
- Construction is expected to be completed in 2Q 2024.

Artist's Impression of the Logistics facility in Hamura City, Tokyo, Japan

FY 2021 Transactions

FY 2021 Investments	Value (S$ million)	Entity
A portfolio of 11 data centres in Europe	904.6	Ascendas Reit
11 last mile logistics properties in Kansas City, USA	207.8	Ascendas Reit
livelyfhere Gambetta Paris in France and Somerset Metropolitan West Hanoi in Vietnam	210.0	Ascott Serviced Residence Global Fund
Three rental housing properties - City Court Kita 1 jo, Big Palace Minami 5 jo, and Alpha Square Kita 15 jo in central Sapporo, Japan	85.2	ART
Paloma West Midtown in Atlanta, USA	129.7	ART
Wildwood Lubbock, student accomodation in Texas, USA	93.8	ART
Seven07, a student accommodation in Illinois, USA	112.4	ART
Four student accommodation in Pennsylvania, North Carolina and Ohio, USA	291.2	ART
Student accommodation property in South Carolina (Development), USA	146.2	ART and Ascott
66 Goulburn Street & 100 Arthur Street in Sydney, Australia	672.0	CICT
50.0% interest in 101 – 103 Miller Street and Greenwood Plaza in North Sydney, Australia	409.3	CICT
A logistics facility in Ibaraki City, Osaka, Japan	90.8	CLI
Foodist Icheon Centre and Foodist Gyeongin Centre in South Korea	150.3	CLK 10
Third cold storage logistics property in Gwangju, South Korea[1]	148.0	CLK 11
50% stake in Yokohama Blue Avenue and 100% stake in Sun Hamada, Japan	297.9	COREF
50% stake in Yokohama Blue Avenue and 20% interest in Shinjuku Front Tower, Japan	537.7	Orchid One Godo Kaisha

FY 2021 Divestments	Value (S$ million)	Entity
82 Noosa Street and 62 Stradbroke Street in Brisbane, Australia	104.5	Ascendas Reit
1314 Ferntree Gully Road in Melbourne, Australia	24.2	Ascendas Reit
Citadines City Centre Grenoble, France	13.0	ART
Olinas Mall and Seiyu & Sundrug Higashimatsuyama in Greater Tokyo, Japan	520.0	CLI
50% stake in Yokohama Blue Avenue and 100% stake in Sun Hamada, Japan	297.9	CLI
50% stake in Yokohama Blue Avenue and 20% interest in Shinjuku Front Tower, Japan	537.7	CLI
Citadines Sukhumvit 23 Bangkok, Thailand	24.8	CLI

1 Announced in 2022.

Our Stakeholders

Our commitment to stakeholder engagement and collaboration is built upon our firm belief that open and honest two-way communication and knowledge-sharing can help us to better understand the concerns of our stakeholders. This in turn enables us to define our key priorities and guide our initiatives to better address our stakeholders' needs as we advance our overall business, environmental and social objectives.

Our focus on meeting investors' expectations, and supporting and caring for our colleagues, customers and the communities in which we operate, remains steadfast through these unprecedented times.

Our key stakeholders are categorised into four groups, namely:

our People, our Investors, our Customers, and our Communities.

Our People

We recognise that our employees are our greatest asset and the most important investment. We continue to place emphasis on purpose-driven initiatives that allow us to stay competitive and agile in the face of disruptions. We are anchored by a collaborative organisational culture that is driven by our shared vision, mission and core values. Our winning mindset, enterprising spirit, respect for one another and uncompromised integrity all serve as our guiding compass and contribute to building, retaining, and motivating our top talents.

2021 was a transformative year with the restructuring of CapitaLand Limited and listing of CapitaLand Investment (CLI) amidst the ongoing COVID-19 pandemic. With our sharpened focus, we ramped up employee engagement activities to ensure that our colleagues remain engaged, inspired, and supported. We increased the frequency of employee townhalls and company-wide pulse surveys to ensure that our employees' voices were heard. We readily supported flexible work arrangements and outsourcing of non-core transaction work, to enable our staff to better focus on higher-value core work. These efforts were well received based on the results from our last global pulse survey conducted in November 2021, with 84% of our survey participants selecting "Agree" or "Strongly Agree" when asked if the restructuring exercise was well-managed.

Global call for nominations for the 2021 CapitaLand Core Values Ambassador Awards, featuring the winners from 2020.

As part of our efforts to continue to build and empower a future-ready workforce, we invested over S$1 million in learning and development globally and delivered more than 415,000 hours of training to our employees. About 95% of our employees took part in these training initiatives, which covered a broad range of topics such as workplace diversity and digital enrichment.

Our Stakeholders

We also increased our focus on nurturing our employees' well-being and mental health. We held 41 wellness events over the year, comprising virtual workout sessions and health talks. We formed a Mental Wellness Ambassadors community made up of representatives across the CapitaLand Group, to demonstrate our support of mental wellness, and most importantly, show that we are all in this together amid the pandemic situation.

To build a community of employees who care for one another, we conducted workshops to train our colleagues in being supportive to our peers and staff. We also organised the CapitaLand Core Values Ambassador Awards to recognise inspiring employees around the world who have strongly displayed our CapitaLand Core Values.

Our employees are the heart and soul of CLI. By empowering them to thrive as their best creative selves, we were able to build a winning workplace culture with highly motivated employees who share a common vision for CLI, while navigating through the disruptions in 2021 as a team.

Our global colleagues attending our "Being a Supportive Leader" workshop.

Management Associates from CapitaLand's Graduate Development Programme.

Our Investors

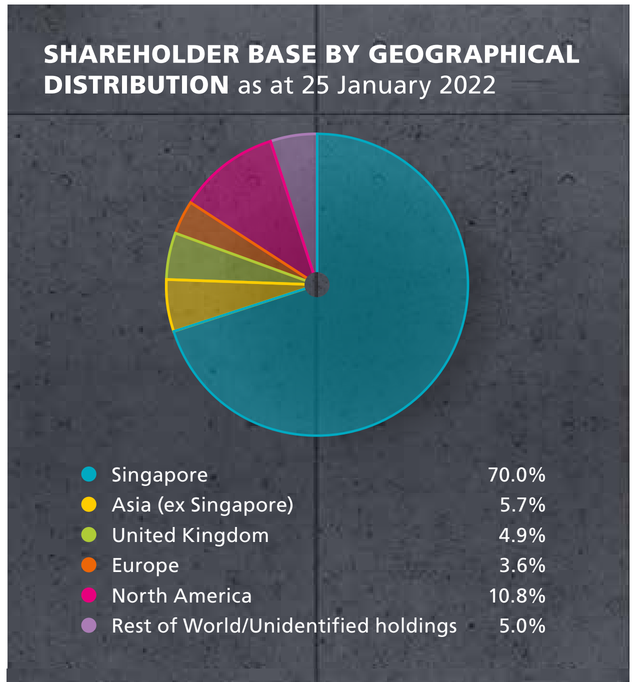
As owners of the Group, our Shareholders are vital to the success of our business. We maintain high levels of engagement with them, as well as the investor community at large, to ensure timely access to accurate information to make sound judgements about our company and develop trust and confidence in CLI. We manage this engagement via multiple touchpoints:

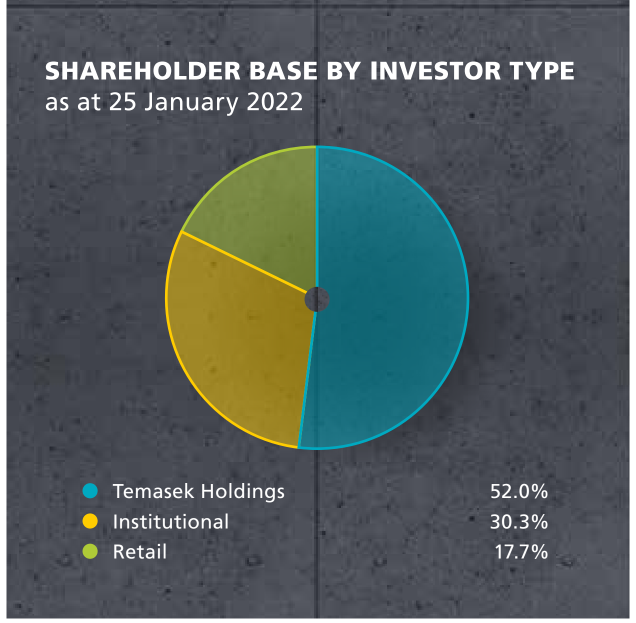
Briefings for investors, analysts and media

Important announcements such as those relating to major corporate actions and financial results, are often accompanied by a briefing by CLI's management team which is broadcast "live" to the public via our website. Investors, sell-side analysts and the media are invited to attend these briefings so that they can hear directly from CLI as well as ask questions. As COVID-19 continued to restrict physical interactions in 2021, most of these sessions during the year continued to be held digitally. That has in turn allowed us to reach out to a wider audience. The web briefing on the key highlights of CLI's listing circulars on 19 July 2021 attracted more than a thousand online viewers.

Active participation in institutional conferences and roadshows

We take part in many institutional conferences organised by various sell-side brokerage houses throughout the year. These conferences are efficient ways for CLI to reach out to global institutional investors via a mix of one-on-one, small and large group meetings. In 2021, we joined 75 conferences, allowing us to reach a total of 219 institutions globally.





(From left) Ms Grace Chen (Head, Investor Relations), Mr Lee Chee Koon (Group CEO) and Mr Andrew Lim (Group CFO) discussing CapitaLand's strategic restructuring with financial bloggers in July 2021.

Targeted outreach to retail investor community

We regularly collaborate with organisations such as Securities Investors Association (Singapore) (SIAS) as well as the SGX Academy on seminars to engage retail investors. We conducted our flagship "Kopi with CapitaLand" virtual fireside chat ahead of our 2021 Annual General Meeting (AGM) and before our 2021 Extraordinary General Meeting (EGM) and Scheme Meeting (SM). Each of these sessions welcomed more than a hundred virtual participants. We also held similar engagement sessions with the members of SGX Academy, as well as smaller group sessions with various stock hobbyist groups, including financial bloggers.

Upholding shareholders' rights

In the lead up to CLI's AGM in April 2021, and the EGM and SM in August 2021 to approve the proposed restructuring, our primary consideration was to ensure that our shareholders and the market at large were well-informed.

To facilitate that, we created a dedicated website to allow easy access to the related resources. We also ran a series of email campaigns, providing voting instructions to shareholders who subscribed to our mailing list. Finally, during the AGM, as well as the EGM and SM, we allowed shareholders who tuned in to pose questions to our Board and management in real time. The results of all three meetings were overwhelmingly positive, with 97% to 100% of votes that were in favour of all the resolutions. For the upcoming AGM in 2022, CLI will adopt "live" voting for the first time, so that our shareholders can vote on the spot.

Investors were introduced to CLI's leadership team on CLI's Listing Day on 20 September 2021.


(From left) Mr Lee Chee Koon, Mr Miguel Ko, Mr Chaly Mah and Mr Andrew Lim shared a fist bump moment at the conclusion of CapitaLand Limited 2021 Extraordinary General Meeting and Scheme Meeting.

CLI's external communications efforts are driven by a robust media and public communications strategy. This includes proactive company updates via news releases and information on the CLI website; as well as regular and timely posts on CapitaLand's social media platforms, across Instagram, Facebook, Twitter, LinkedIn and YouTube. Where relevant and meaningful, we also publish our responses to frequently asked questions on our website for easy access by our stakeholders.

CLI ensures that any material information filed with the Singapore Exchange (SGX) and uploaded onto our corporate website is done in a timely manner and sent as email alerts to subscribers to our mailing list. We also provide opportunities for the investment community, the media and public to contact us directly by email, phone or via the "Contact Us" page on our website. Our Investor Relations policy, which provides more information on our communications framework, is available on our website at www.capitalandinvest.com.

Key Investor Relations Events in FY 2021	Dates
FY 2020 CL Financial Results Briefing	24 February
Briefing on Proposed Strategic Restructuring and Listing of the Investment Management Business	22 March
"Kopi with CapitaLand" (in collaboration with SIAS)	9 April
1Q 2021 CL Business Updates	12 May
Post Restructuring Circulars Announcement Briefing	19 July
Financial Bloggers Fireside Chat with CapitaLand	23 July
SGX Corporate Connect Webinar - In Conversation with CapitaLand	23 July
SIAS-CapitaLand Virtual Dialogue Session	28 July
CapitaLand 2021 EGM and Scheme Meeting	10 August
1H 2021 CL Financial Results Briefing	13 August
CapitaLand Investment Listing Day: Leadership Meet and Greet	20 September
3Q 2021 CLI Business Updates	3 November

Our Customers

Our diverse customer base includes tenants, shoppers and lodging guests. As COVID-19 continued to affect the daily lives of many of our customers in 2021, safeguarding their health and well-being remained our priority. Cognisant that the pandemic has accelerated the transformation of the real estate business, we also forged ahead with initiatives to navigate the new landscape with our ecosystem partners and provide improved experiences for our customers.

CapitaLand properties around the world continued to implement safe management measures in accordance with the guidelines of their respective local authorities. In 2021, our wholly owned lodging arm, The Ascott Limited (Ascott) became the first hospitality company in the world to offer its guests global access to a comprehensive suite of complimentary telehealth, telecounselling and travel security advisory services through a global partnership with International SOS. As frequent testing was key to detecting and ringfencing COVID-19 infections, we supported Singapore's rollout of private Quick Test Centres at CapitaLand malls, where members of the public could conduct self-administered Antigen Rapid Tests under supervision by approved test providers.

We continued to ramp up the omnichannel offerings of CapitaStar, our key digital engagement platform for shoppers. In Singapore, we have over 1.2 million CapitaStar members, who make about 5.7 million monthly visits to the CapitaStar app, and utilised its

Ascott is the first hospitality company in the world to offer its guests global access to a comprehensive suite of telehealth, telecounselling and travel security advisory services.

CapitaLand supported Singapore's rollout of private Quick Test Centres at our malls to help keep our communities safe.

Ascott launched discoverasr.com and upgraded its Discover ASR mobile app to enhance the digital experience of its guests.

rewards and payment mode. The enhanced capabilities of CapitaStar to drive omnichannel sales were especially important for our retail tenants when their in-store businesses were affected by safe management measures. In 2021, the sales of CapitaVouchers and eCapitaVouchers hit a record high of more than S$102 million, a 15% year-on-year increase. Gross turnover via the CapitaStar app also increased 29% year-on-year, with more than S$1 billion in transactions captured. In addition to leveraging CapitaStar to help retailers embrace digitalisation as part of holistic and sustainable retail strategies, we have established partnerships with industry leaders, to expand our offerings to shoppers, future-proof our business and channel retail spending back into CapitaLand platforms and properties. For example, we launched the IMM virtual mall on Shopee under the Emerging Stronger Taskforce's Alliance for Action on Facilitating Smart Commerce in Singapore.

In China, where we have over 12 million CapitaStar members, we continued to harness the e-commerce potential of CapitaStar to help our retailers drive up business. In 2021, we recorded about RMB 440 million (S$95 million) of gross merchandise value through CapitaStar, more than double the value in 2020. This was supported by over 700 livestream sales sessions conducted on the WeChat mini-programme and online-to-offline coupon selling via CapitaStar's ecosystem. We also introduced the CapitaStar Super membership for high spenders to encourage shopper loyalty to retailers under CapitaStar.

We added more CapitaLand office and business park properties in Singapore to the network of CapitaStar@Work. This enabled more tenants to enjoy building services such as contactless turnstile access and sign up for tenant engagement activities through the app. We also integrated CapitaStar@Work with the CapitaStar app, allowing for cross-selling opportunities by offering shopping perks at CapitaLand malls to tenants of our office and business park properties.

Ascott launched discoverasr.com, unifying its separate brand websites on one single global online travel booking platform. discoverasr.com provides guests with one-stop access to Ascott's serviced apartments, coliving spaces and hotels across more than 130 cities in over 30 countries. The Discover ASR mobile app was also upgraded, enabling members of Ascott's loyalty programme Ascott Star Rewards (ASR) to customise their stay and earn more points.

In recognition of its operational excellence, Ascott was voted the 'World's Leading Serviced Apartment Brand' by its guests and the industry at the World Travel Awards 2021. Sweeping a total of 28 accolades at the Grand Final and regional World Travel Awards in 2021, Ascott was the biggest winner with the greatest number of awards received amongst serviced apartment players.

In 2021, CapitaLand recorded about RMB 440 million (S$95 million) of gross merchandise value in China through CapitaStar, more than double the value in 2020. This was supported by over 700 livestream sales sessions.

Our Communities

Caring for the communities where we operate in is part of CapitaLand's DNA and we are passionate about doing our part for the community. CapitaLand Hope Foundation (CHF), the philanthropic arm of CapitaLand Group, focuses on nurturing and inspiring the young, improving the quality of life of seniors, and protecting the environment for future generations. Leveraging our resources and networks, we rallied our staff, business partners and tenants to join our activities and do good together.

In 2021, CHF donated more than S$6 million globally, benefitting over 31,000 beneficiaries. More than 1,650 staff contributed over 16,400 volunteer hours to support community activities such as delivering meals and bread to seniors; distributing face masks, care kits and school essentials; rejuvenating spaces and conducting environmental awareness sessions for children.

Through CHF's #LoveOurSeniors initiative, we worked with various charity and community partners to improve the quality of life of seniors in need by providing them with better nutrition, enhanced well-being and upgraded living conditions.

Over 3,650 staff and community volunteers put in more than 13,750 volunteer hours, benefitting over 14,750 beneficiaries.

We expanded our community support for environmental causes, reinforcing our sustainability commitment. CHF contributed S$500,000 to a first-of-its-kind green showcase at a next-generation sustainability focused library in Singapore. Conducted by staff volunteers, the CapitaLand Environmental Education Programme instills the importance of protecting our planet among children.

'CapitaLand #GivingAsOne' campaign was held for the first time to rally staff, business partners and customers to do good together by uplifting the lives of vulnerable groups and supporting the environment through volunteering and various initiatives. Over 3,650 staff and community volunteers put in more than 13,750 volunteer hours, benefitting over 14,750 beneficiaries. Through the campaign, about S$550,000 was pledged to support children and seniors in need.

Staff volunteers supported the greening of Datansha island in Guangzhou, China, by planting trees and grass.

We built our first CapitaLand Hope School in India, contributing INR45 million (S$820,000) to provide over 600 primary school children from low-income families with access to education. This is the 30th CapitaLand Hope School aimed at providing children with a better start in life through education.

We continued to provide aid towards COVID-19 relief efforts in Singapore, China, India, Indonesia and Vietnam, focusing on healthcare, food security and social assistance. We donated oxygen concentrators and emergency medical supplies; distributed rations and safety kits; and set up an oxygen-generating plant in a hospital.

At the Singapore Community Chest Awards 2021, CapitaLand and CHF were recognised with the Volunteer Partner Award and top Charity Platinum Award respectively for contributing to the local community in 2020. In China, CHF was awarded with '2021 China Top 60 Corporate Citizen 520 Responsible Brands' and 'CSR China Top 100 The Best Responsible Enterprise Brand of the Year 2021'.

A staff volunteer delivering meals to vulnerable seniors in Singapore.

A staff volunteer distributing a care kit to a student at CapitaLand's first Hope School in India.

At the Singapore Community Chest Awards 2021, CapitaLand and CHF were recognised with the Volunteer Partner Award and top Charity Platinum Award respectively for contributing to the local community in 2020.

> S$6 million

invested globally to support communities where we operate. The support aimed at providing children with access to education, uplifting seniors in need, promoting environmental awareness, and helping groups who are impacted by COVID-19.

> 1,650 staff

and 16,400 volunteer hours contributed to deliver meals and bread to seniors; distribute face masks, care kits and school essentials; rejuvenate spaces and conduct environmental awareness sessions for children.

> 31,000

beneficiaries including children and seniors in need who benefitted from CHF's initiatives.

Singapore

- More than 1,250 staff, tenant and community volunteers delivered over 16,000 meals and bread as well as about 2,900 essential care packs to vulnerable seniors through #LoveOurSeniors;
- Assisted the public with their mask collection at participating CapitaLand malls as part of Temasek Foundation's Stay Prepared initiative;
- About 400 children and their parents attended the pilot run of CapitaLand Environmental Education Programme conducted by staff volunteers.

China

- Distributed 2,200 school bags to children from 85 schools including CapitaLand Hope Schools;
- Raised RMB500,000 (S$103,540) through a step challenge by staff to support over 400 students in need with bursaries;
- Donated RMB3 million (S$621,240) from CapitaLand's healthcare fund in China to refurbish the facilities of a children's telemedicine centre;
- Launched CapitaLand Young Architect Programme in Guangzhou, with students from seven universities submitting their sustainability-themed designs for a net-zero carbon building design competition.

India

- Donated face masks and personal protective equipment to a cancer foundation as well as distributed rations and safety kits to vulnerable seniors and homeless persons;
- Staff volunteers distributed 5,000 care kits to children in need, including those from CapitaLand Hope School in India.

Sustainability is at the Core of Everything We Do

Build

47%

carbon emissions intensity reduced[1] since 2008

Enable

About

40%

of senior management were women

Accelerate

S$50M

CapitaLand Innovation Fund of which at least 50% will be set aside for sustainability innovation

1 Figure represents reduction in energy, water and carbon emissions intensities from Jan to Sep 2021 compared to baseline year of 2008. One of the dominant causes is the drop in activities at some of our properties amid COVID-19.

For more information on our other performance metrics, please refer to page 73 to 74.

CapitaSpring, Singapore

As a global sustainability leader in real estate, CLI is committed to doing our part to address climate change and reduce our carbon footprint in countries where we operate. Our carbon emissions reduction targets have been approved by Science-Based Targets initiative. Guided by CapitaLand's 2030 Sustainability Master Plan (SMP), we have made significant progress since launching it in 2020 and are on track to achieving our ambitious goals. We have reduced carbon emissions intensity by 47% from January to September 2021 against the 2008 baseline. On the social front, CLI embraces diversity and adopts fair labour policies and practices in rewarding as well as developing CLI staff. About 40% of senior management are women. CLI and its listed REITs and business trusts have raised S$7 billion in sustainable finance as of 31 December 2021. As part of the pioneering of our Return on Sustainability metric, we have set a shadow internal carbon price since 3Q 2021 to gauge the environmental costs of each new investment's greenhouse gas emissions and take appropriate mitigation measures.

We have also intensified our global search for innovations through our CapitaLand Sustainability X Challenge (CSXC) to accelerate our decarbonisation and other sustainability efforts. The inaugural CSXC received over 270 entries from more than 25 countries and supported by over 50 institutional partners. Six commercially ready pilots are taking place in our properties in Singapore, China and the USA with the aim to improve energy and water efficiencies and indoor air quality. We launched the second CSXC 2022 in December 2021 with increased project funding.

Our sustainability efforts have been consistently recognised globally. In 2021, CLI retained endorsement by GRESB as Global Sector Leader, Regional Sector Leader and Asia Sector Leader in the Diversified - Listed Category. We remained the first and longest standing company in Singapore to be listed on Dow Jones Sustainability Indices and was, for the ninth time, ranked among the world's most sustainable corporations in Corporate Knights' 2021 Global 100 index.

In the coming year, we will elevate our disclosures recommended by the Task Force on Climate-Related Financial Disclosures in our externally assured, annual Global Sustainability Report, and embark on enhanced ESG initiatives to deliver measurable outcomes and long-term economic value to our stakeholders.

Lynette Leong
Chief Sustainability Officer,
CapitaLand Investment

Sustainability

BOARD STATEMENT

At CapitaLand Investment, sustainability is at the core of everything we do. We are committed to growing in a responsible manner, delivering long term economic value, and contributing to the environmental and social well-being of our communities. The material environmental, social and governance (ESG) factors have been identified and encapsulated in the CapitaLand 2030 Sustainability Master Plan, which was launched in 2020, and will be reviewed by the Board of Directors together with management every two years.

The CapitaLand 2030 Sustainability Master Plan steers our efforts on a common course to maximise impact through building a resilient and resource efficient real estate portfolio, enabling thriving and future-adaptive communities, and accelerating sustainability innovation and collaboration. Ambitious ESG targets have been set which include carbon emissions reduction targets validated by the Science Based Targets initiative (SBTi). During the first scheduled review in 2022, the CapitaLand 2030 Sustainability Master Plan will incorporate CapitaLand Group's restructuring and CLI's listing in September 2021.

The Board is responsible for overseeing the Company's sustainability efforts, and takes ESG factors into consideration in determining its strategic direction and priorities. The Board also approves the executive compensation framework based on the principle of linking pay to performance. The Group's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices and are cascaded throughout the organisation.

Our sustainability performance has consistently been highly ranked by globally recognised indices such as Dow Jones Sustainability World Index and Global Real Estate Sustainability Benchmark. As an industry leader, CapitaLand Investment will continue to push the boundaries to adopt meaningful ESG practices and enhance sustainability in the real estate sector.

SUSTAINABILITY COMMITMENT

In 2020, we unveiled CapitaLand's 2030 Sustainability Master Plan to elevate the Group's commitment to global sustainability in the built environment given our presence in more than 200 cities and over 30 countries. The Master Plan focuses on three key objectives.

- Build portfolio resilience and resource efficiency
- Enable thriving and future-adaptive communities
- Accelerate sustainability innovation and collaboration.

We identified five pathways to achieve our sustainability objectives and will adapt our strategies as technologies evolve and new scientific data becomes available:

1. **Integrate sustainability in CapitaLand's real estate life cycle**
   From the earliest stage of our investment process, to design, procurement, construction, operations and redevelopment or divestment, sustainability targets will be embedded in policies, processes, best practices, and key performance indicators of our business operations.

2. **Strengthen innovation and collaboration to drive sustainability**
   We will continue to source globally for new ideas and technologies to meet our sustainability ambitions and work with like-minded partners to create shared values.

3. **Leverage sustainability trends and data analytics**
   This allows CapitaLand to track critical performance and progress in water usage, waste management, energy consumption, carbon emissions, and health and safety. These measurements along with social indicators are key to driving performance improvement across our operating properties and development projects.

4. **Monitor and report progress to ensure transparency**
   As we track our sustainability progress, we will continue to validate our performance by external assurance and align our Global Sustainability Report to international standards.

5. **Increase engagement and communication with key stakeholders**
   It is key to build awareness among our employees, investors, customers and communities, and collectively effect transformational change to achieve our 2030 targets.

BUILD

46%
of CapitaLand's global portfolio[1] achieved green building certification

Estimated
S$300mil
utilities cost avoidance since 2009 due to operational efficiencies[2]

ENABLE

over
41
training hours per staff

ACCELERATE

CapitaLand Sustainability X Challenge received over
270 entries from over 25 countries

1 This refers to CLI's owned and managed properties by m^2
2 Figure is for 2021 Jan to Sep. In 2021, there is significant reduction in energy, water and carbon emissions intensities as compared to baseline year of 2008 likely due to the significant drop in activities at its properties amid COVID-19

PUSH BOUNDARIES OF CHANGE

CapitaLand will transit to a low-carbon business that is aligned with climate science. In November 2020, we had our carbon emissions reduction targets approved by the Science Based Targets initiative (SBTi) for a 'well-below 2°C' scenario. The targets are in line with the goals of the Paris Agreement to keep global temperature rise well below 2°C in this century, and we will continue to align with SBTi's standards as we transition to a low carbon economy. CapitaLand is also developing a new metric, Return on Sustainability, in addition to financial returns to measure the Group's ESG impact.

CapitaLand has also launched the CapitaLand Sustainability X Challenge (CSXC), the first sustainability focused innovation challenge by a Singapore headquartered real estate company. The objective of CSXC is to globally source for emerging sustainability technologies and solutions in the built environment. The CSXC covers seven challenge statements and reflect the key themes and goals in CapitaLand's 2030 Sustainability Master Plan.

CapitaLand aims to be a leader in sustainable finance and secure S$6 billion through sustainable finance by 2030. Proceeds and interest rate savings from CapitaLand's efforts in sustainable finance can also be used to drive more sustainability initiatives and innovations within the company.

MEASURED AGAINST GLOBAL BENCHMARKS

CapitaLand was one of the first companies in Singapore to voluntarily publish an annual Global Sustainability Report since FY 2009 and externally assured the entire report since FY 2010. Benchmarking against an international standard and framework that is externally validated helps us to overcome the challenges in sustainability reporting that may arise from our portfolio of diverse asset types and geographical presence globally.

We are also a signatory to the United Nations (UN) Global Compact and our Global Sustainability Report serves as our Communication on Progress, which will be made available at www.unglobalcompact.org when published.

For our efforts, we are listed in the Global 100 Most Sustainable Corporations Index, Dow Jones Sustainability World Index and Asia-Pacific Index, Global Real Estate Sustainability Benchmark (Global Sector Leader, Diversified- Listed), FTSE4Good Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook. Our CapitaLand Investment Global Sustainability Report 2021 will be published by 31 May 2022.

We will continue to prepare our sustainability report in accordance with the Global Reporting Initiative Standards: Core option and apply the Guiding Principles of the International Integrated Reporting Framework and ISO 26000:2010 Guidance on Social Responsibility. In addition, we will continue to reference the UN Sustainable Development Goals (UN SDGs), and the Sustainability Accounting Standards Board (SASB). We will enhance our climate-related disclosure and implementation in line with the Taskforce for Climate-related Financial Disclosure (TCFD). The report will continue to be externally assured to AA1000 Assurance Standard and will cover the Group's global portfolio and employees, including our listed real estate investment trusts (REITs) and business trusts - CapitaLand Integrated Commercial Trust, Ascendas Real Estate Investment Trust, Ascott Residence Trust, CapitaLand China Trust, Ascendas India Trust and CapitaLand Malaysia Trust, unless otherwise indicated.

BOARD, TOP MANAGEMENT AND STAFF COMMITMENT AND INVOLVEMENT

CapitaLand's sustainability management is guided by the CapitaLand Sustainability Council. The Sustainability Council comprises selected independent directors of CapitaLand Investment's Board and senior management of CapitaLand's Executive Committee. It is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. It was chaired by one of CapitaLand Investment Board's independent directors and member of its Executive Resource and Compensation Committee and Risk Committee. The work teams comprise representatives from CapitaLand business units and corporate functions. Each business unit has its own Environmental, Health and Safety (EHS) Committee to drive initiatives in countries where the Group operates with support from various departments.

The CapitaLand Board is also updated regularly through the Risk Committee and Audit Committee on matters relating to sustainability risks and business malpractice incidents. The Board is also updated on the sustainability management performance of the Group, key material issues identified by stakeholders and the planned follow-up measures.

At the Board level, we recognise the importance of sustainability as a business imperative which is consistent with the principle that the Board plays an important role in considering and building sustainability considerations as part of its strategic development. With effect from January 2022, a CLI Board Committee, the Strategy Committee, will be charged with the responsibility of overseeing sustainability strategies and plans, including providing guidance to Management and monitoring progress against achieving the goals of any sustainability initiatives. The Board Strategy Committee replaces the Sustainability Council which was stepped down on 31 December 2021.

STRATEGIC SUSTAINABILITY MANAGEMENT STRUCTURE

Board of Directors

CapitaLand Sustainability Council
Strategic oversight of ESG policies and integration

CapitaLand Management Council
Strategic management of ESG implementation across the Group

Various Sustainability Work Teams
Involving business units and corporate departments, covering:
- Investments
- Environment, health and safety
- Innovation
- Stakeholder engagement
- Enterprise risk management

All Staff

CORE VALUES

Winning Mindset | Enterprising | Respect | Integrity

COMMITMENT TO OUR STAKEHOLDERS

We create great customer value and experiences through high-quality products and services	We deliver sustainable shareholder returns and build a strong global network of capital partners	We develop high-performing people and teams through rewarding opportunities	We care for and contribute to the economic, environmental and social development of communities
			
for our Customers	**for our Investors**	**for our People**	**for our Communities**
Tenants, shoppers, residents	including business partners	Staff	Government agencies/ NGOs, general public, the environment, suppliers/contractors

MATERIALITY

CapitaLand has a regular review, assessment and feedback process in relation to ESG topics. Key to this is an annual Group-wide Risk and Control Self-Assessment exercise to identify, assess and document material risks and corresponding internal controls. These material risks include fraud and corruption, environmental (e.g. climate change), health and safety, and human capital risks which are ESG-relevant.

With the restructuring of CapitaLand into CapitaLand Investment and CapitaLand Development, these ESG material issues are prioritised based on the likelihood and potential impact of issues affecting business continuity of CapitaLand Investment. For external stakeholders, priority is given to issues important to the society and applicable to CapitaLand Investment. For more information on stakeholder engagement, please refer to the upcoming CapitaLand Investment Global Sustainability Report 2021.

Prioritisation of ESG Material Issues

ENVIRONMENT	SOCIAL/LABOUR PRACTICES	GOVERNANCE
Critical		
• Climate change and carbon reduction • Energy efficiency • Water management	• Occupational health & safety • Human capital • Stakeholder engagement • Supply chain management • Diversity (board and staff)	• Product and services • Compliance • Business ethics
Moderate and emerging		
• Waste management • Biodiversity	• Human rights	

Sustainability

CREATING VALUE AND ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

The Guiding Principles of the International Integrated Reporting Council Framework were referenced in this report, and the value we create is mapped into six Capitals – Environmental, Manufactured, Human, Social and Relationship, Organisational, and Financial. This is also mapped against eight UN SDGs that are most aligned with our CapitaLand Sustainability Master Plan 2030 targets, and where CapitaLand Investment can achieve the greatest positive impact. For more information, please refer to the CapitaLand Investment Global Sustainability Report 2021 which will be published by 31 May 2022.

SMP Pillars and Focus Area	Our Commitments	2021 Value Created	
BUILD Portfolio Resilience and Resource Efficiency • Low Carbon Transition • Water Conservation and Resilience • Waste Management and Circular Economy	• Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increase use of renewable energy • Reduce water consumption, reuse water and prevent water pollution, especially in countries where the availability of clean water and sanitation are of concern • Green our global operational portfolio by 2030 • Strengthen climate resilience of our portfolio by addressing climate related risks and opportunities throughout the real estate lifecycle	• 47% reduction in carbon emissions intensity since 2008[1] • S$300 million in utilities cost avoidance since 2009, arising from 41% and 45% energy and water reduction (per m² from base year 2008) respectively[1] • Achieved 17 green building ratings • Continued to enhance implementing the recommendations of the TCFD and improve TCFD reporting	**Environmental Capital** **Manufactured Capital** 

1 Data provided is for the period from 1 January to 30 September 2021. The full year data from 1 January to 31 December 2021 will be available in CapitaLand Investment Global Sustainability Report 2021.

SMP Pillars and Focus Area	Our Commitments	2021 Value Created	
ENABLE Thriving and Future-Adaptive Communities • Dynamic Human Capital • Healthy and Safe Buildings • Proactive Customer Relationship Management • Robust Supply Chain Management	• CapitaLand believes that regardless of ethnicity, age or gender, staff can make a significant contribution based on their talent, expertise and experience. We adopt consistent, equitable, and fair labour policies and practices in rewarding as well as developing staff under the direct hire of CapitaLand • CapitaLand is a signatory to the UN Global Compact • CapitaLand aims to provide a work environment that is safe and contributes to the general well-being of our staff, tenants, contractors, suppliers and the communities that use our properties • CapitaLand's Supply Chain Code of Conduct influences its supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management • CapitaLand requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions • CapitaLand is committed to activities that are aligned with our focus on community investment. We engage our stakeholders in raising awareness in the areas of philanthropy, environment, health and safety, as well as promote sustainability within the tenant community	• Global workforce (more than 9,900 staff) - About 86 nationalities working within the Group - Males and females at a ratio of about 47:53 - About 70% of CapitaLand's global workforce was aged between 30 and 50 • About 40% of senior management were women • Over 41 training hours per staff • Close to 93% of staff attended Fraud, Bribery & Corruption (FBC) awareness online training • Zero contractor work-related fatality and permanent disability • No reported incident relating to discrimination, child labour or forced labour in CapitaLand	**Human Capital** **Social and Relationship Capital** 3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS
ACCELERATE Sustainability Innovation and Collaboration • Sustainable Operational Excellence • Sustainable Finance • Sustainability Innovation and Technology	• Maintain safe, accessible, vibrant and quality real estate developments to enhance the lives of our shoppers, tenants, serviced residence and hotel guests, homeowners and members of the community • Integrate CapitaLand's ESG performance with financial metrics • Actively embrace innovation to ensure commercial viability without compromising the environment for future generations	• Retained ISO 14001 and ISO 45001 certification in 15 countries for more than a decade • Inaugural CSXC received over 270 entries from over 25 countries and supported by over 50 institutional partners. Currently piloting 6 innovative projects from United States of America, Singapore and China in the area of improving building energy and water efficiencies as well as indoor air quality. • To date, CLI raised S$2.2 billion of loans through sustainable financing. This includes two sustainability-linked loans secured in Sep and Dec 2021 amounting to S$800 million	**Manufactured Capital** **Organisational Capital** **Financial Capital** 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 17 PARTNERSHIPS FOR THE GOALS

Sustainability

ACCELERATING INNOVATION

The judging panel at the inaugural CSXC graced by Guest-of-Honour, Minister Grace Fu (Minister for Sustainability and the Environment of Singapore) (on screen). Seated from left: Dr Cheong Koon Hean (Chair, Lee Kuan Yew Centre for Innovative Cities and Chair, Centre for Liveable Cities Singapore), Mr Rohit Sipahimalani (Chief Investment Officer and Head, South East Asia, Temasek), Ms Goh Swee Chen (Non-Executive Independent Director, CapitaLand Investment) and Mr Lee Chee Koon (Group CEO, CapitaLand Investment). Judges not in the photo are Mr Rushad Nanavatty (Managing Director, Urban Transformation, Rocky Mountain Institute) and Dr Chris Luebkeman (Leader, Strategic Foresight Hub, Office of the President, ETH Zurich, Switzerland).

Sustainable technology and innovations are key to our decarbonisation journey. But smart ideas can come from anywhere. So, we invited startups around the world to join our global fight against climate change.

Launched in 2020, CapitaLand Sustainability X Challenge (CSXC) is the first global sustainability-focused innovation challenge in the built environment by a Singapore real estate company. Through the challenge, CapitaLand aims to accelerate its progress to meet its 2030 Sustainability Master Plan targets, with decarbonisation and circularity as key pillars.

CapitaLand provides our innovators with access to a range of real estate asset classes globally and typologies in varying climatic conditions to apply their solutions, allowing them to demonstrate conclusively how their systems will function under real-world conditions. CapitaLand has set aside S$50 million for innovation from which at least half is deployed to funding the piloting of promising sustainability solutions from various initiatives.

Two winners plus eight other promising innovations from its inaugural CSXC in 2021 were selected from among over 270 entries from over 25 countries to take advantage of this critical differentiator to select excellent test sites to demonstrate the efficacy of their innovations.

Oregon-based INOVUES will test its insulating glass retrofit technology at one of CapitaLand's buildings in Creekside Corporate Park in Portland, USA. By reducing heat gain in the building during summer and heat loss during winter, insulating glass retrofit is projected to lower energy consumption for cooling and heating buildings by up to 40%. This technology does not require any dismantling of existing windows and does not result in any downtime.

Singapore-based Climatec will pilot its unique process to treat cooling tower water without using chemicals or power at CapitaGreen, CapitaLand's office tower in Singapore that has received international recognition for its sustainability features. Using photon vibration frequency technology created through strong magnetic fields and ceramic-based composites to treat water, this solution is projected to reduce energy consumption by up to 5% and achieve water savings of 60% to over 90%. Water can be recycled for other uses in the building such as plant irrigation or toilet flushing.

CapitaLand has launched the 2nd CSXC after a successful inaugural run in 2021 and upped the ante for CSXC 2022 by committing up to S$650,000 to pilot up to 10 innovations.

Building a culture of innovation

Innovation thrives when businesses have a culture that supports new ways of doing things. CapitaLand not only places sustainability at the core of what we do, we empower our employees to be creative in deploying solutions to make a positive impact on the environment through the CapitaLand Innovation Fund.

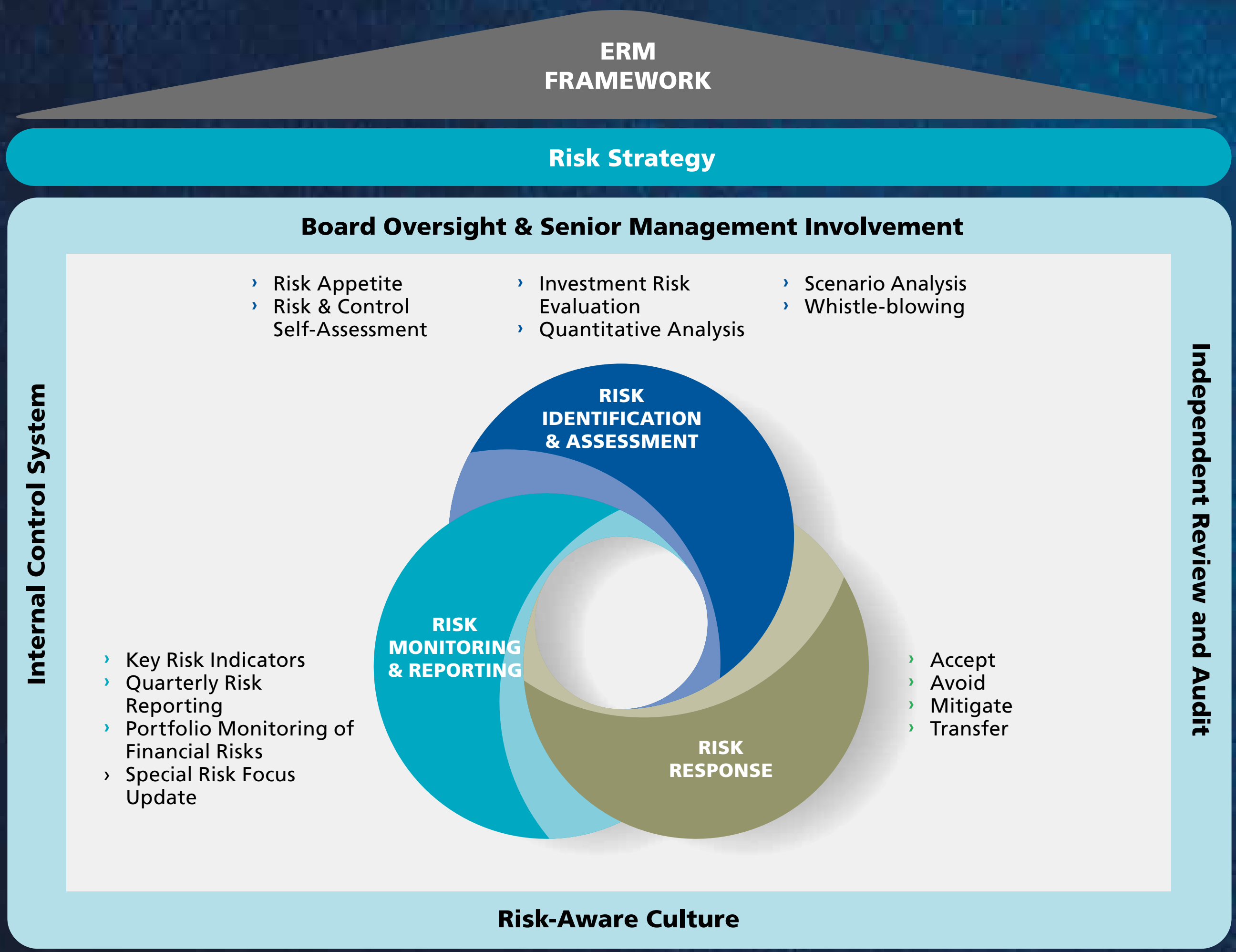
Since opening in October 2020, the Smart Urban Co-Innovation Lab brings together leaders in the smart cities space to collaborate, co-create and test solutions. Since launching this initiative, it has welcomed more than 500 companies and onboarded more than 70 members.

Risk Management

CapitaLand Investment believes in maintaining a robust risk management framework to proactively identify, assess and respond to material risks that can impact our objectives to generate sustainable returns as a global Real Estate Investment Manager (REIM) and to create long term value for our stakeholders. By pursuing a risk strategy of optimisation of opportunities within the approved risk appetite levels instead of risk minimisation, we position CLI for long-term sustainable results.

ENSURING BEST-IN-CLASS RISK MANAGEMENT STANDARDS AND APPROACHES TO OPTIMISE OPPORTUNITIES

CLI's Enterprise Risk Management (ERM) Framework is adapted from the International Organization for Standardization 31000 International Risk Management Standards. It is benchmarked against other relevant best practices and guidelines and reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond to, monitor and report material risks in an integrated, systematic and consistent manner as depicted below.



Board Oversight and Senior Management Involvement

The CLI Board (the Board), assisted by Risk Committee, approves the Group's risk appetite which determines the nature and extent of material risks the Group is willing to take to achieve its strategic objectives.

The Board also oversees the ERM Framework; regularly reviews the Group's risk profile, material risks and mitigation strategies; and ensures the adequacy and effectiveness of the risk management framework and policies.

Senior management team directs and monitors the implementation and practice of ERM across the Group.

A Robust Internal Control System

Various specialist support functions as the second line of defence are responsible for the design and implementation of effective internal controls using a risk-based approach.

Regular Independent Review and Audit

Internal and External Audit as the third line of defence reviews the adequacy and effectiveness of risk management and internal control systems design and implementation so as to provide reasonable assurance to the Board.

A Strong Culture of Risk Awareness

The risk management department works closely with a network of risk champions from each business unit and corporate function, as well as various specialist support functions, to ensure risk management practices are implemented consistently.

Risk workshops are conducted regularly to ensure these practices are embedded in our decision-making and business processes.

Senior Management reinforces the culture by setting the 'tone at the top', leading by example, and communicating our risk strategy.

CLI'S MATERIAL RISKS AND OPPORTUNITIES

A Group-wide Risk and Control Self-Assessment (RCSA) is conducted annually by all business units and corporate functions to identify key material risks, including new and emerging events, that CLI faces in delivering our strategic objectives, its mitigating measures and the opportunities. Based on 2021 RCSA results, the measures taken to mitigate the material risks and opportunities to capitalise on are set out below:

Material Risk

BUSINESS INTERRUPTION/ PANDEMIC

Business disruptions arising from the COVID-19 pandemic have resulted in potential structural disruptions to some of the real estate asset classes.

Key Mitigating Actions

- Continue to place the well-being of our tenants, shoppers, guests and customers as top priority by adopting contactless technologies and innovative tech solutions to enhance safety, cleanliness and hygiene at the Group's properties.
- Future proof the Group's business through digitalisation of business operations and processes, innovation and flexibility in the Group's product offerings such as
  - accelerating our omnichannel solutions,
  - assisting our customers with digital transition,
  - providing flexible workspace solutions.
- Build collaborative relationships and work closely with supply chain contractors, vendors and suppliers to achieve environmental and social goals through CLI's Supply Chain Code of Conduct.

Opportunities

- Ride on ongoing business digitalisation to innovate and improve product offerings.
- Opportunities to reposition or repurpose our assets to meet the new norms.

Risk Management

Material Risk	Key Mitigating Actions	Opportunities
CLIMATE CHANGE Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion. Transitional risks including potentially more stringent regulations and increased expectations from stakeholders.	› Assessment of the detailed physical risks in the evaluation of any new acquisitions. › Incorporate shadow internal carbon price and compute a Return on Sustainability (ROS) in the evaluation of new investment/capital expenditure decisions. This helps to price in climate-related costs and opportunities, support low-carbon investments, prepare for stringent climate legislation, and avoid stranded assets. › Regularly review the Group's mitigation and adaptation efforts, which include • future proofing our portfolio against changing climatic conditions from the design stage and • improving the operational efficiency of our properties, setting targets for carbon emissions, water, energy and waste efficiency. › Well-established Group environmental management system which is externally certified to ISO 14001. › For more information, please refer to CLI's Global Sustainability Report 2021, to be published by 31 May 2022.	› Enhance our positive reputation and strong track record in sustainability efforts as a competitive advantage for the Group to build a resilient portfolio of assets and achieve resource efficiency. › Accelerate sustainability innovation and collaboration with tenants, supply chain contractors, vendors and suppliers.
FRAUD, BRIBERY & CORRUPTION Any forms of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties.	› Foster a culture of ethics and integrity in the Group. › Adopt a zero-tolerance stance against fraud, bribery and corruption (FBC) across our businesses. › Communicate the commitment to integrity from the top through policies and practices, such as FBC Risk Management Policy, Whistle-blowing Policy, Ethics and Code of Business Conduct Policies and Anti-Money Laundering and Countering the Financing of Terrorism Policy and mandatory FBC eLearning.	
SAFETY, HEALTH & WELL-BEING Increased expectations from stakeholders to provide a safe and healthy environment, including well-being, at our assets and operations.	› Assess health and safety related risks in the evaluation of any new acquisitions. › Regularly review the Group's mitigation efforts which include work-related safety targets applicable to both CLI and our supply chains. › Well-established Group health and safety management system which is externally certified to ISO 45001. › For more information, please refer to CLI's Global Sustainability Report 2021, to be published by 31 May 2022.	

Material Risk	Key Mitigating Actions	Opportunities
COMPETITION Keen industry competition from established real estate investment managers who are able to attract and manage more capital by meeting investors' expectations or reacting aptly to market trends.	› Sharpen focus with the restructuring to create a leading global REIM with multiple Fund AUM growth drivers. › Harness synergies and strengthen competitive advantage by preserving the existing ecosystem. › Focus on building key enablers that give the Group a competitive advantage such as enhancing the data analytics capabilities in our business processes; and leveraging innovation tools and solutions to support our customers in pivoting to a more digitally driven model. › Incorporate sustainability considerations in the Group's business to reinforce our leading position as a sustainable REIM. › Leverage in-house team of industry analysts to keep the Group on top of latest market trends.	› Tap on ONE CapitaLand ecosystem to benefit from the development expertise and opportunities without the associated risks. › Rely on strong experience in multi-sector asset and portfolio management, best-in-class operating platforms and track records in fund management.
CYBER SECURITY & INFORMATION TECHNOLOGY Ongoing business digitalisation exposes the business to IT-related threats, which may compromise the confidentiality, integrity and availability of the Group's information assets and/or systems.	› Execute CLI's Cyber Security Strategy through ongoing review against existing/evolving threat landscapes, and institute measures to minimise vulnerability exposure and manage threat vectors. › Ongoing mandatory staff IT Security Awareness Training to counter human intervention in the information security chain. › Periodically review and update Group-wide IT Security Policy and Data Protection Framework to ensure relevancy. › Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation to cyber security incidents. › Conduct annual Disaster Recovery Plan exercise to ensure timely recoverability of business-critical IT systems. › Put in place enhanced protection controls for systems that hold personal data.	› Build a cyber resilient infrastructure and network to harness the full potential of innovation and digital transformation of our business processes.
ECONOMIC Exposure to event risks, such as unexpected geopolitical shifts, trade wars, economic downturns and sudden changes in real estate related regulations in major economies and key markets.	› Diversify our portfolio across asset classes and geographies in accordance with Board-approved country limits. › Focus on markets where the Group has operational scale and the underlying economic fundamentals are more robust. › Actively monitor macroeconomic trends, policies and regulatory changes in key markets. › Perform scenario analysis using an in-house developed 'Value-at-Risk' model.	› Access investment opportunities globally to enhance portfolio diversification across business cycles.

Material Risk	Key Mitigating Actions	Opportunities
FINANCIAL Exposure to financial risks involving liquidity, foreign currency and interest rates and their volatility.	› Measure and evaluate financial risks using multiple risk management models, such as conducting stress testing and 'Value-at-Risk' modelling. › Hedge and limit certain financial risk exposures using various forms of financial instruments. For more details, please refer to the Financial Risk Management section on page 240.	› Manage our financial risks to give confidence to our investors and enhance our fund management track record.
INVESTMENT & DIVESTMENT Deployment of capital into loss-making or below-target return investments due to wrong underwriting assumptions or poor execution. Inadequate planning to identify suitable divestment opportunities.	› Risk management department conducts a comprehensive independent risk evaluation for all projects above a stipulated investment value threshold. › Hurdle rates and weighted average cost of capital based on relevant risk adjusted input parameters, used as investment benchmarks are reviewed/updated annually and adjusted accordingly where necessary.	› Build on strong experience and track record in multi-sector asset and portfolio management to increase our competitive advantage.
REGULATORY & COMPLIANCE Non-compliance to applicable local laws and regulations, including tax, data protection and privacy regulations, in the markets where CLI operates.	› Maintain a framework that proactively identifies the applicable laws and regulations (including taxation), and embeds compliance into day-to-day operations. › Leverage in-house specialised teams (such as compliance and tax) and external consultants to provide advisory services and updates on changes to laws and regulations. › Establish Group-wide procedures and policies to address the requirements of the applicable data protection and privacy laws through policies such as, Personal Data Protection Policy, Group Data Breach Reporting & Management Policy, Group Vendor Management Policy, Global Omnichannel Marketing Policy, Group Data Governance Policy and PDPA Group Compliance Manual.	› Keep abreast of the changing regulatory landscape to identify potential improvements in the various compliance areas.

Corporate Governance

OUR GOVERNANCE FRAMEWORK

Chairman					
MIGUEL KO					
KEY RESPONSIBILITIES Leads the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors; provides oversight, direction, advice and guidance to the Group CEO					
Board of Directors					
11 DIRECTORS (9 INDEPENDENT DIRECTORS AND 2 NON-INDEPENDENT DIRECTORS)					
KEY RESPONSIBILITIES Fosters the success of the Company so as to deliver sustainable value over the long term engages with stakeholders based on the principles of sustainability and sound governance					
Audit Committee	**Executive Committee**	**Executive Resource & Compensation Committee**	**Nominating Committee**	**Risk Committee**	**Strategy Committee**
CHALY MAH CHEE KHEONG (Chairman)	**MIGUEL KO** (Chairman)	**STEPHEN LEE CHING YEN** (Chairman)	**STEPHEN LEE CHING YEN** (Chairman)	**KEE TECK KOON** (Chairman)	**ANTHONY LIM WENG KIN** (Chairman)
4 IDs	2 IDs and 2 Non-IDs	3 IDs and 1 Non-ID	2 IDs and 1 Non-ID	4 IDs	3 IDs and 2 Non-IDs

INTRODUCTION

CapitaLand Investment Limited (the Company and, together with its subsidiaries, the Group) embraces the tenets of sound corporate governance including accountability, transparency and sustainability. It is committed to enhancing value over the long term to its stakeholders with the appropriate people, processes and structure to direct and manage the business and affairs of the Company, achieve operational excellence and deliver the Group's long-term strategic objectives.

The values, ethics and practices of the Group provide the foundation for a trusted and respected business enterprise.

The Board of Directors (Board) is responsible for and plays a key role in setting the Company's corporate governance standards and policies of the Group. This sets the tone from the top and underscores its importance to the Group.

This corporate governance report (Report) sets out the corporate governance practices and structures that were adopted and in place since the Company's listing on the Mainboard of the Singapore Exchange Securities Trading Limited (SGX-ST) by introduction on 20 September 2021 (Introductory Listing), and which are benchmarked against the Code of Corporate Governance 2018 (Code).

The Company's governance framework and processes are in compliance with the Code's principles of corporate governance, and also substantially with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report.

BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

Board's Duties and Responsibilities

The Board has the primary responsibility to foster the success of the Company so as to deliver sustainable value over the long term, and to engage stakeholders based on the principles of sustainability and sound governance. It oversees the strategic direction, performance and affairs of the Group and provides overall guidance to Management, led by the Group Chief Executive Officer (Group CEO). In this regard, the Board works with Management to achieve the Company's objectives and Management is accountable to the Board for its performance.

The Company has adopted a Board Charter which sets out the Board's role, responsibilities, duties and powers, which include:

(a) approving the strategies and objectives for the Company, and monitoring the progress in achieving them;
(b) approving the financial plan (including annual budgets and capital management plans) and monitoring the financial performance of the Company;
(c) approving share issuances, dividends and other returns to shareholders;
(d) approving corporate and financial restructuring, mergers, major acquisitions and divestments;
(e) approving the risk appetite of the Company, and reviewing the adequacy and effectiveness of the risk management and internal control systems;
(f) approving the overall remuneration policy and compensation framework, and the compensation package for the Group CEO and other key management personnel positions; and
(g) reviewing matters which involve a conflict of interest for a substantial shareholder or a Director.

The Board has established financial approval limits for capital expenditure, investments, divestments, bank borrowings and issuance of shares as well as debt and equity-linked instruments and this is communicated to Management in writing. The financial approval limits set out the specific matters which the Board has reserved for its approval. Apart from matters that require the Board's approval, the Board delegates authority for transactions below those limits to Board Committees and Management to optimise operational efficiency.

Directors are fiduciaries of the Company, and are collectively and individually obliged at all times to act objectively in the best interests of the Company. Consistent with this principle, the Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct & Ethics which provides for every Director to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code of Business Conduct & Ethics. This sets the appropriate tone from the top in respect of the desired organisational culture, and ensures proper accountability within the

Company. In line with this, the Board has a standing policy which requires each Director to not allow himself/herself to get into a situation where his/her duty to the Company conflicts with his/her own interests and, in this regard, a Director is required to disclose to the Board his/her interests in any transaction to which the Company is a party, and any other conflicts (including potential conflicts) of interest. Where a Director has an interest in a transaction or a conflict of interest in a particular matter, he or she will be required to declare his/her interest to the Board, recuse himself/herself from the deliberations and abstain from voting on the transaction or matter. During the financial year ended 31 December 2021 (FY 2021), every Director has complied with this policy and, where relevant, such compliance has been duly recorded in the minutes of meeting or circular resolutions. The Company also has a policy of not providing loans to Directors. Further, Directors are required to act with due diligence in the discharge of their duties and they are responsible for ensuring that they have the relevant knowledge (including understanding the business of the Company and the environment in which it operates) to carry out and discharge their duties as Directors. They are also required to dedicate the necessary effort, commitment and time to their work, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical or if a Director has to recuse himself/herself from the meeting in relation to the sole matter under consideration at such meeting. The Directors have attained a 100% attendance record for all Board and Board Committee meetings held during FY 2021.

Sustainability

The Company places sustainability at the core of everything it does. It is committed to growing its business in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of the communities in which it has a presence. In keeping with this commitment, sustainability-related considerations are key aspects of the Board's strategic formulation.

At the Board level, in recognition of the importance of sustainability as a business imperative and consistent with the principle that the Board plays an important role in considering and incorporating sustainability considerations as part of its strategy development, a Board Committee, the Strategy Committee (SC) in addition to overseeing the formulation of the Group's strategy, is now charged with the responsibility of overseeing sustainability strategies and plans, including providing guidance to Management and monitoring progress towards achieving the goals of any sustainability initiatives. This was previously under the purview of the CapitaLand Sustainability Council, which was chaired by Ms Goh Swee Chen, an independent Director, and which comprised selected Board and Senior Management members. This council was dissolved on 31 December 2021. An important consideration is ensuring that Environmental, Social and Governance (ESG) risks and opportunities are holistically integrated into and inform the Company's long-term strategy. This also sets the tone at the top to ensure the alignment of the Company's activities with its purpose and stakeholder interests.

In 2020, prior to the strategic restructuring of CapitaLand and its businesses, CapitaLand Limited (CL), which is now known as CapitaLand Group Pte. Ltd. (CLG), adopted the CapitaLand 2030 Sustainability Master Plan to elevate the CapitaLand group's commitment to global sustainability in built environments given its presence in more than 220 cities and over 30 countries. As part of its Introductory Listing, the Company adopted the same master plan. The CapitaLand 2030 Sustainability Master Plan is a strategic blueprint which outlines the Company's goals and directs sustainability efforts towards a common purpose. The master plan sets out the Group's sustainability targets over the next decade and the pathways to achieve such targets. It focuses on the three key pillars of ESG to drive the Company's sustainability efforts. As part of its sustainability commitment, the Company embeds ESG considerations into its investment analysis, financing consideration and day-to-day business operations. The master plan, which is intended to be dynamic in nature, is reviewed every two years.

Directors' Development

The Company ensures that its Directors and executive officers have appropriate experience and expertise to manage the Group's business. In view of the increasingly demanding, complex and multi-dimensional role of a Director, the Board recognises the importance of continual training and development for its Directors so as to equip them to discharge the duties and responsibilities of their office as Directors of the Company to the best of their abilities. The Company has in place a training framework to guide and support the Company towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. The costs of training are borne by the Company.

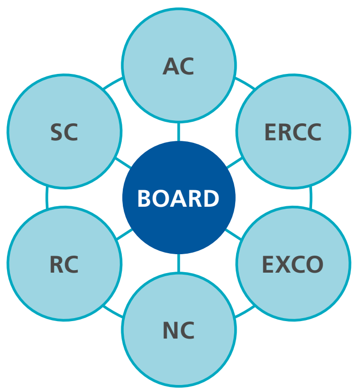
Each newly-appointed Director is provided with a formal letter of appointment setting out the key terms of appointment. He or she also has access to the Director's Manual which includes information on a broad range of matters relating to the role, duties and responsibilities of a Director. All Directors upon appointment also undergo an induction programme which focuses on orientating the Director to the Company's business, operations, strategies, organisation structure, responsibilities of key management personnel, and financial and governance practices. The induction programme also provides opportunities for the new Director to get acquainted with members of Senior Management which facilitates their interaction at Board meetings. Where a newly appointed Director has no prior experience as a director of an issuer listed on the SGX-ST, such Director will undergo training on the roles and responsibilities of a director of a listed issuer, as prescribed by the SGX-ST, unless the Nominating Committee (NC) determines that such training is not required because the Director has other relevant experience. Ms Judy Hsu Chung Wei, Ms Helen Wong Siu Ming and Mr David Su Tuong Sing, being first-time directors, are or will be undergoing training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

Following their appointment, Directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities and changes to regulations, risk management and accounting standards. The objective is to enable them to be updated on matters that affect or go towards enhancing their performance as Directors or Board Committee members. Directors may also contribute by recommending suitable training and development programmes to the Board.

The Company also believes in keeping Board members updated and externally focused. Directors are encouraged to attend training and professional development programmes which include forums and dialogues with experts and senior business leaders on issues facing boards and board practices. Sharing and information sessions by guest speakers and Management team members are organised as part of Board events and meetings. These include updates on business strategies and key industry developments and trends. Directors may also receive on a regular basis reading materials on topical matters or subjects and their implications for the business.

Board Committees

The Board has established various Board and other committees to assist it in the discharge of its functions. The Board Committees are the Audit Committee (AC), the Executive Committee (EXCO), the Executive Resource and Compensation Committee (ERCC), the NC, the Risk Committee (RC) and the SC.



In addition to the Board Committees mandated by the Listing Manual of the SGX-ST (Listing Manual), and recommended or guided by the Code, the Board has set up two other Board Committees, namely the EXCO and the SC. The EXCO assists the Board primarily in its review of investment, credit and funding proposals. The EXCO carries out its responsibility within the authorities/limits approved by the Board. The SC assists the Board in reviewing the Group's strategy, including recommending to the Board for approval the strategic plan and strategic initiatives on matters such as digitalisation. With effect from January 2022, the SC has also taken on board the additional duty of overseeing sustainability strategies and plans.

Each Board Committee is formed with clear written terms of reference (setting out its composition, authorities and duties, including reporting back to the Board) and operates under delegated authority from the Board with the Board retaining overall oversight. The chairpersons of these Board Committees report on the decisions and significant matters discussed at the respective Committee meetings to the Board on a quarterly basis. The minutes of the Board Committee meetings which record the deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The duties and responsibilities of the various Board Committees are set out in this Report. The Board may form other Board Committees from time to time.

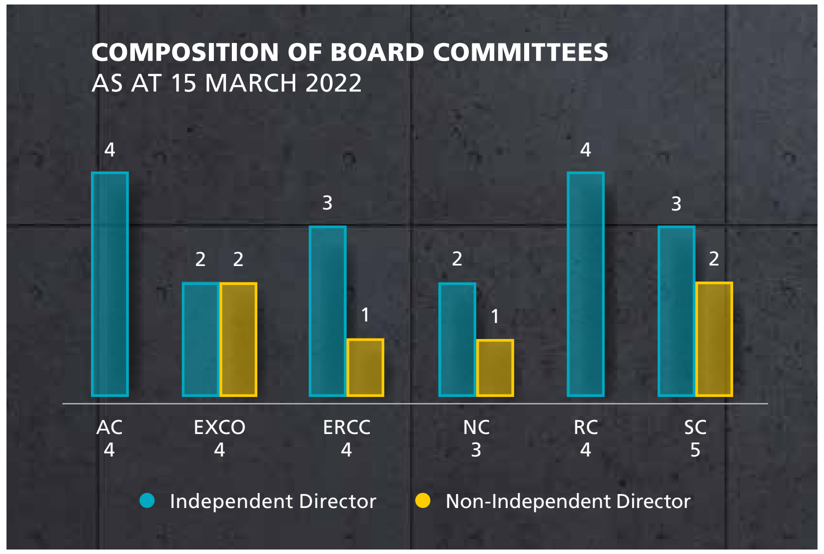
Corporate Governance

The composition of the various Board Committees as of 15 March 2022 is set out in the table below as well as in the Corporate Information section of this Annual Report.

COMPOSITION OF BOARD COMMITTEES AS AT 15 MARCH 2022

Committees	AC	EXCO	ERCC	NC	RC	SC
Board Members						
Miguel Ko Non-Independent Chairman	-	C	M	M	-	M
Lee Chee Koon Group CEO and Non-Independent Director	-	M	-	-	-	M
Anthony Lim Weng Kin Lead Independent Director	M	-	-	M	-	C
Stephen Lee Ching Yen Independent Director	-	-	C	C	-	-
Chaly Mah Chee Kheong Independent Director	C	M	-	-	-	-
Kee Teck Koon Independent Director	-	M	-	-	C	-
Goh Swee Chen Independent Director	-	-	M	-	M	-
Gabriel Lim Meng Liang Independent Director	M	-	-	-	M	-
Judy Hsu Chung Wei Independent Director	-	-	M	-	M	-
Helen Wong Siu Ming Independent Director	M	-	-	-	-	M
David Su Tuong Sing Independent Director	-	-	-	-	-	M

Legend:
AC: Audit Committee SC: Strategy Committee RC: Risk Committee C: Chairman M: Member
NC: Nominating Committee ERCC: Executive Resource and Compensation Committee EXCO: Executive Committee



The Board Committee structure, as well as the terms of reference of the respective Board Committees, were established and adopted, respectively, in July 2021, as part of the preparation for the listing of the Company. In view of the recency of the establishment and adoption of the Board Committee structure and terms of reference, no review of the Board Committee structure or the terms of reference of any Board Committee has been undertaken since then. The Board will undertake such review regularly, to ensure that the structure and terms of reference of the Board Committees remain relevant and effective in fulfilling the objectives and responsibilities of the respective Board Committees. Similarly, the respective Board Committees will also review their terms of reference and effectiveness and recommend necessary changes to the Board.

Board Committee memberships are also reviewed regularly, and as and when there are changes to Board composition, and changes are made, where appropriate. Considerations include ensuring there is an appropriate breadth of skills and continuity of experience in the respective Board Committees and an equitable and balanced distribution of duties among Board members. The Board Committee memberships are such that they foster active participation by every Director and ensure that every Director contributes to Board deliberations, in each case, to contribute to Board effectiveness.

In this regard, in view of the impending retirement of Mr Stephen Lee Ching Yen and Ms Goh Swee Chen upon the conclusion of the upcoming Annual General Meeting (AGM) of the Company to be held on 29 April 2022 (2022 AGM), the Board undertook a review of Board Committee memberships in February 2022 following from which the Board approved the changes set out below to take effect after the conclusion of the upcoming 2022 AGM.

The changes to be made to the Board Committee memberships after the conclusion of the upcoming 2022 AGM are as follows:

(a) Mr Stephen Lee Ching Yen to step down as chairman of both the ERCC and the NC;
(b) Ms Judy Hsu Chung Wei to become chairman of the ERCC;
(c) Mr Gabriel Lim Meng Liang to become chairman of the NC and step down as member of the AC;
(d) Ms Goh Swee Chen to step down as member of both the ERCC and the RC; and
(e) Mr Anthony Lim Weng Kin to join the ERCC as a member.

Corporate Governance

The composition of the various Board Committees after the upcoming 2022 AGM will be as set out in the table below.

COMPOSITION OF BOARD COMMITTEES AFTER THE UPCOMING 2022 AGM

Committees	AC	EXCO	ERCC	NC	RC	SC
Board Members						
Miguel Ko Non-Independent Chairman	-	C	M	M	-	M
Lee Chee Koon Group CEO and Non-Independent Director	-	M	-	-	-	M
Anthony Lim Weng Kin Lead Independent Director	M	-	M	M	-	C
Chaly Mah Chee Kheong Independent Director	C	M	-	-	-	-
Kee Teck Koon Independent Director	-	M	-	-	C	-
Gabriel Lim Meng Liang Independent Director	-	-	-	C	M	-
Judy Hsu Chung Wei Independent Director	-	-	C	-	M	-
Helen Wong Siu Ming Independent Director	M	-	-	-	-	M
David Su Tuong Sing Independent Director	-	-	-	-	-	M

Legend:
AC: Audit Committee SC: Strategy Committee RC: Risk Committee C: Chairman M: Member
NC: Nominating Committee ERCC: Executive Resource and Compensation Committee EXCO: Executive Committee

Meetings of Board and Board Committees

The Board and the respective Board Committees meet regularly to discuss strategy, financial results as well as operational and governance matters. Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors with a view to ensuring that all the Directors would be able to participate in the meetings. The Constitution of the Company (Constitution) also permits Directors to participate via audio or video conference. In view of the safe management measures and/or travel restrictions imposed by various countries due to the COVID-19 pandemic, virtual participation was necessary for certain Board and Board Committee meetings held during FY 2021.

The Constitution provides for the quorum necessary for the transaction of the business of the Directors at each Board meeting (unless fixed by the Directors at any number) to be two. The quorum for the transaction of the business of each Board Committee, however, is a majority of its members (excluding any member who has a conflict of interest in the subject matter under consideration). Notwithstanding this, there is an expectation for Directors to attend scheduled Board and Board Committee meetings except if unusual circumstances make attendance impractical or if a Director has to recuse himself or herself from the meeting in relation to the sole matter under consideration at such meeting. All Board and Board Committee meetings held during FY 2021 attained attendance by Directors in excess of the aforementioned quorum requirements.

The independent Directors, led by the Lead Independent Director (LID), also set aside time at every Board meeting to meet without the presence of Management and at other times when necessary. Where appropriate, the LID provides feedback to the Board and/or the Chairman after such meetings. The non-executive Chairman also meets with the other non-executive Directors at every Board meeting without the presence of Management.

The Board will hold at least four scheduled meetings each year, with *ad hoc* Board meetings convened as required.

Board meetings typically take up a full day. At each Board meeting:

(a) the chairperson of each Board Committee provides an update on the significant matters discussed at the Board Committee meetings which were held before the quarterly Board meetings;
(b) the Group CEO provides updates on the Group's business and operations, including latest market developments and trends, and business initiatives and opportunities; and
(c) the Group Chief Financial Officer (Group CFO) presents the Group's financial performance and budgetary and capital management related matters.

Presentations and updates given by key executives at the Board meetings allow the Board to develop a good understanding of the progress of the Group's business and the issues and challenges the Group is faced with, as well as promote active engagement between Board members and the key executives. Any risk management or other major issues, including taxation, that are relevant to the Company's performance or position are also highlighted to the Board. Further, any material variance between any projections in budget or business plans and the actual results from business activities and operations are disclosed and explained to the Board. To keep the Board abreast of investors' concerns, feedback and perceptions, the Board receives regular updates on analyst estimates and views. This includes updates and analyses of the shareholder register, highlights of key shareholder engagements as well as market feedback.

Through the meetings, the Board reviews, monitors and oversees the implementation of the Group's corporate strategy. The Board also meets at least annually to review and deliberate on strategy and strategic matters with Senior Management. In the lead up to the Board meeting to discuss strategy, Management meets with the SC several times to seek its guidance in Management's formulation of strategic options for the Company. The SC was introduced to the overall Board Committee structure in recognition of the leading role the Board plays in the process of developing and reviewing the Company's strategy.

The Board adopts and practises the principle of collective decision-making. It is able to achieve consensus on matters requiring its approval after a robust debate on each matter placed before it for approval or guidance. Prior to decision-making, Directors actively challenge assumptions, offer alternative scenarios, and test Management's vision on the relevant matter. The Board is able to achieve this as it benefits from a culture of open, frank, rigorous and constructive discussions and debates at Board and Board Committee meetings which

are conducted on a professional basis. There is mutual trust and respect among the Directors. No individual Director influences or dominates the decision-making process.

The Board is provided with relevant information on a timely basis prior to Board and Board Committee meetings. This enables Directors to make informed decisions to discharge their duties and responsibilities. In addition to receiving complete, adequate and timely information on Board affairs and issues requiring the Board's decision, the Board also receives information on an ongoing basis. Management provides the Board with ongoing reports relating to the operational and financial performance of the Company, as well as updates on market developments and trends.

As a general rule, Board papers are sent to Board or Board Committee members in advance of each Board or Board Committee meeting, to allow them to prepare for the meetings and to enable discussions to focus on any questions or issues that they may have or identify. Where appropriate, Management briefs Directors in advance on issues to be discussed before the Board or Board Committee meeting. Agendas for Board and Board Committee meetings are prepared in consultation with and incorporate inputs from Senior Management, the Chairman and the chairpersons of the respective Board Committees. This provides assurance that important topics and issues will be covered. Half-year and full-year financial statements are reviewed by the AC prior to the recommendation to the Board for approval.

In line with the Company's ongoing commitment to minimise paper waste and reduce its carbon footprint, the Company does not provide printed copies of Board papers. Instead, Directors are provided with tablet devices for them to access and review Board and Board Committee papers whether prior to or during meetings. This initiative also enhances information security as the papers are made available through an encrypted channel. Directors are also able to review and approve written resolutions using the tablet devices.

Although the Company has adopted semi-annual financial results reporting with effect from its Introductory Listing on 20 September 2021, the Board meets on a quarterly basis.

A record of the Directors' attendance at general meeting(s) of shareholders and Board and Board Committee meetings held since its Introductory Listing on 20 September 2021 up to 31 December 2021 is set out on page 124 of this Annual Report. There were no general meetings of shareholders held during this period.

The Group CEO who is also a Director attends all Board meetings. He also attends all EXCO and SC meetings as a member and all other Board Committee meetings on an *ex officio* basis. Other senior executives attend Board and Board Committee meetings as required to brief the Board on specific business matters.

The matters discussed at Board and Board Committee meetings are set out briefly in the table below. The deliberations and decisions taken at Board and Board Committee meetings are minuted.

Board of Directors

- Strategy
- Business and Operations Update
- Financial Performance
- Feedback from Board Committees
- Governance
- Directors Training and Development
- Facilitate Business Opportunities and Strategic Relationships

AC	EXCO	ERCC	NC	RC	SC
• Financial Performance • Internal Controls • Internal and External Audit • Whistle-Blowing	• Investments and Divestments • Mergers and Acquisitions • Debt and/or Equity Funding	• Remuneration • Management Development and Succession Planning	• Board Performance • Board Succession • Board Governance	• Risk Management • Risk Governance • Risk Culture	• Strategy Review and Monitoring (including Oversight of Sustainability Matters) • Strategic Planning

There is active interaction between Board members and Management during Board and Board Committee meetings, as well as outside of Board and Board Committee meetings. The Board has unfettered access to any Management staff for any information that it may require at all times. Likewise, Management has access to Directors outside of the formal environment of Board and Board Committee meetings for guidance. The Board and Management share a productive and harmonious relationship which facilitates separate and independent access by Directors to Management executives, which is critical for good governance and organisational effectiveness.

The Board also has separate and independent access to the Company Secretaries at all times. The Company Secretaries are legally trained and keep themselves abreast of relevant developments. They support the Board in discharging its responsibilities and this includes attending to corporate secretarial administration matters and providing advice to the Board and Management on corporate governance matters. The Company Secretaries attend all Board meetings and assist the Chairman in ensuring that Board procedures are followed. The Company Secretaries also facilitate orientation and undertake professional development administration for the Directors. The appointment and the removal of the Company Secretaries are subject to the Board's approval.

The Board, whether as individual Directors or as a group, is also entitled to have access to independent professional advice where required, at the Company's expense.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

Board Independence

The Board, through the NC, reviews from time to time the size and composition of the Board and Board Committees, with a view to ensuring that the size of the Board and Board Committees is appropriate in facilitating effective decision-making. The Board and Board Committees have a strong independent element and their compositions reflect diversity of thought and background. The review takes into account the scope and nature of the Group's operations, and the competition the Group faces.

The Company has a significant majority of independent Directors. Its Board Charter provides that at least one-third of the Board shall comprise independent Directors. The Board Charter also provides that, in the event that the Chairman is not an independent Director, the Company will appoint a LID and ensure that the Board comprises a majority of independent Directors.

The Board has a strong independent element – 9 out of 11 Directors, are non-executive independent Directors. The non-executive Chairman and the Group CEO are the only non-independent Directors. Other than the Group CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board.

Profiles of the Directors, their respective designations and roles are set out on pages 12 to 19 of this Annual Report. Key information on Directors is also available on the Company's website.

The Board, taking into account the views of the NC, assesses annually (and additionally as and when circumstances require) the independence of each Director in accordance with the requirements of the Listing Manual, the Code and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he/she has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his/her independent business judgement in the best interests of the Company.

The Company follows a rigorous process to evaluate the independence of independent Directors. As part of the process:

(a) each non-executive Director provides information of his or her business interests and confirms, on an annual basis, that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of the Company; such information is then reviewed by the NC. In this regard, all independent Directors have in their respective declarations confirmed that they do not have any relationships with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Company; and
(b) the NC also reflects on the respective Directors' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant Director has exercised independent judgement in discharging his or her duties and responsibilities.

Thereafter, the NC's recommendation is presented to the Board for its determination. Each Director is required to recuse himself or herself from the NC's and the Board's deliberations respectively on his or her own independence. The NC also reviews the independence of Directors as and when there is a change of circumstances involving the Director. In this regard, Directors are required to report to the Company any change of circumstances which may affect his or her independence.

The Board carried out the assessment of the independence of each Director for the purpose of the Company's Introductory Listing and refreshed its assessment in February 2022. The paragraphs below set out the outcome of the assessment.

As part of the review process on the independence of the independent Directors, the NC also took into consideration the following: (a) directorships (if any) in Temasek Holdings (Private) Limited (Temasek), the majority shareholder of the Company through CLG, and in organisations linked to Temasek; and (b) appointments (if any) in organisations which have a business relationship with the Group.

Additional Considerations	
Directorships (if any) in Temasek, the majority shareholder of the Company through CLG, and in organisations linked to Temasek	Appointments (if any) in organisations which have a business relationship with the Group

Based on the outcome of the assessment, other than Mr Lee Chee Koon, the Group CEO, and Mr Miguel Ko, the non-executive Chairman, both of whom are the only non-independent Directors, all members of the Board are considered to be independent Directors. Mr Lee, who is the Group CEO of the Company, is considered non-independent by virtue of his employment by the Company. Mr Ko is considered non-independent because of his recent past employment by CLA Real Estate Holdings Pte. Ltd., a related corporation of the Company.

Further, none of the non-executive Directors is a former CEO of the Company in the past two years.

Mr Stephen Lee Ching Yen
Mr Lee is a non-executive director of Temasek. Mr Lee's role on the Temasek board is non-executive in nature and he is not involved in the day-to-day conduct of the business of Temasek. He had also confirmed that he was not under any obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of Temasek in relation to the corporate affairs of the Company. Mr Lee did not join the Board as Temasek's nominee. The Company also has in place the necessary processes to assist Directors to manage potential conflicts of interests that they may be faced with.

The Board also considered the conduct of Mr Lee in the discharge of his duties and responsibilities as a Director, and is of the view that the relationship set out above, including the fact that the Company is a subsidiary of Temasek, did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. The Board is therefore of the view that Mr Lee has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Lee is an independent Director.

Mr Lee's tenure as an independent Director (taking into account his tenure on the board of CL[1] (now known as CLG)) has exceeded nine years as at 1 January 2022. The requisite two-tier approval under Rule 210(5)(d)(iii) of the Listing Manual for him to continue to serve as independent director of CL from and after 1 January 2022 was obtained at CL's Annual General Meeting held on 27 April 2021. As disclosed in the Introductory Document, since Mr Lee's joining of the Company's Board was a natural transition from his appointment in CL, the prior approval of CL's shareholders under Rule 210(5)(d)(iii) of the Listing Manual (viz. his continued status as an independent director of CL) would extend to cover Mr Lee's continued status as an independent Director of the Company until the earlier of Mr Lee's retirement or the conclusion of the third AGM of the Company after 27 April 2021. Other than Mr Lee, none of the independent Directors have served as Directors of the Company for more than nine years, including (where applicable) after taking into account their previous tenure on the board of CL.

As part of the Board renewal process, Mr Lee will be stepping down from the Board following the conclusion of the upcoming 2022 AGM.

Mr Lee, who is also the NC chairman, had recused himself from the NC's and the Board's deliberations, respectively, on the assessment of his independence.

Mr Chaly Mah Chee Kheong
Mr Mah is a non-executive board member of (i) the Monetary Authority of Singapore (MAS), which is Singapore's central bank and financial regulatory authority; and (ii) the Singapore Tourism Board, which is a statutory board that promotes the development of Singapore's tourism sector. These roles do not require him to take or subject him to any obligation to follow any instructions from any government authorities in relation to the corporate affairs of the Company. These roles also generate no conflict of interest issues in respect of his role as a Director of the Company.

Mr Mah was appointed chairman of Surbana Jurong Private Limited (SJ) with effect from 1 January 2021. SJ is a subsidiary of Temasek and therefore also a related corporation of the Company. It is predominantly focused on the provision of building and engineering consultancy services, which the Group may engage for some of its projects.

SJ has not been engaged to provide any services to the Group in FY 2021. The Company will continue to monitor and track any engagements with regard to SJ and the value of such engagements thereof, for consideration in the review of Mr Mah's independence.

1 As disclosed on page 158 of the Company's Introductory Document dated 17 July 2021 (Introductory Document), in view that the appointment of the relevant independent directors of CL (now known as CLG) as the Company's independent Directors was a natural transition from such directors' appointments as independent directors of CL, for the purposes of compliance with Rule 210(5)(d)(iii) of the Listing Manual, the period served by such directors as independent directors of CL should be counted towards and treated as part of, the cumulative period that such directors will serve as the Company's independent Directors.

In any event, the Board noted that (i) Mr Mah's appointment in SJ is as independent non-executive chairman and he is not involved in the business operations of SJ; and (ii) SJ is an independently managed group under Temasek and the role does not require him to nor result in him having to act in accordance with any instructions, directions or wishes of Temasek in relation to the corporate affairs of the Company. Further, any decision to engage SJ for any of the Group's projects will be made by Management in the ordinary course of business and on normal commercial terms, based on merit and competitive terms negotiated by Management with SJ. Mr Mah would also not be involved in the process or approval of any such engagement. In particular, in the event of any proposed engagement of SJ requiring Board approval, Mr Mah will be required to follow the Company's established processes to recuse himself from any deliberations or approvals thereto.

The Board also considered the conduct of Mr Mah in the discharge of his duties and responsibilities as a Director, and is of the view that he has acted with independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Mah is an independent Director.

Mr Mah had recused himself from the Board's deliberations on his independence.

Mr Kee Teck Koon
Mr Kee was a non-executive director of Raffles Medical Group Ltd (RMG) until 31 December 2021. RMG provided healthcare insurance and medical services as part of the welfare and benefits scheme for Group employees in FY 2021. The magnitude of the fees and payments made to RMG in FY 2021 exceeded the threshold amount of S$200,000 (which is provided as a general guide in the Practice Guidance). However, Mr Kee's role in RMG was non-executive in nature and he was not involved in the business operations of RMG. The decision to engage RMG was made by Management in the ordinary course of business and on normal commercial terms, based on merit and competitive terms negotiated by Management. Mr Kee was not involved in the process and/or approval relating to the engagement.

The Board also considered the conduct of Mr Kee in the discharge of his duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. The Board is therefore of the view that Mr Kee has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Kee is an independent Director.

Mr Kee had recused himself from the Board's deliberations on his independence.

Mr Anthony Lim Weng Kin
Mr Lim is a non-executive director of DBS Group Holdings Ltd (DBS), a financial services group headquartered in Singapore with multinational operations across the Asia-Pacific region. DBS is one of the banks that the Group works with for its financing requirements. The magnitude of the fees and payments made to DBS in FY 2021 exceeded the threshold amount of S$200,000 (which is provided as a general guide in the Practice Guidance). However, Mr Lim's role in DBS is non-executive in nature and he is not involved in the business operations of DBS. The decision to engage DBS was made by Management in the ordinary course of business and on normal commercial terms, based on merit and competitive terms negotiated by Management. Mr Lim was not involved in the process for or approval of the engagement. In the event of any engagement of DBS requiring the Board's approval, Mr Lim will have to recuse himself under the Company's standing policy, which requires each Director to declare and recuse themselves from any situation(s) where there may be conflicts of interest between his/her duty to the Company and his/her other interest(s).

The Board also considered the conduct of Mr Lim in the discharge of his duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. The Board is therefore of the view that Mr Lim has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Lim is an independent Director.

Mr Lim, who is also an NC member, had recused himself from the NC's as well as the Board's deliberations, respectively, on the assessment of his independence.

Ms Goh Swee Chen
Ms Goh is a non-executive director of Singapore Airlines Limited (SIA), which is a subsidiary of Temasek and therefore a related corporation of the Company. SIA provides flight services to the Group. The decision to engage SIA was made by Management in the ordinary course of business and on normal commercial terms, based on merit and competitive terms negotiated by Management. The magnitude of the fees and payments made to SIA in FY 2021 exceeded the threshold amount of S$200,000 (which is provided as a general guide in the Practice Guidance).

Ms Goh is also a non-executive director of Singapore Power Ltd (SP), which is a subsidiary of Temasek and therefore a related corporation of the Company. SP provides utilities to the properties of the Group. The magnitude of the fees and payments made to SP in FY 2021 exceeded the threshold amount of S$200,000 (which is provided as a general guide in the Practice Guidance).

However, the Board noted that (i) Ms Goh's roles in both SIA and SP are non-executive in nature and she is not involved in the business operations of SIA and SP; (ii) the engagement of SIA to provide flight services to the Group and the engagement of SP to provide utilities to the properties of the Group pre-date Ms Goh's appointment to the SIA and SP boards, respectively; and (iii) each of SIA and SP is an independently managed group under Temasek and the roles do not require her to nor result in her having to act in accordance with any instructions, directions or wishes of Temasek in relation to the corporate affairs of the Company. Further, the decisions to engage SIA and SP were made by Management in the ordinary course of business and on normal commercial terms, based on merit and competitive terms negotiated by Management.

The Board also considered the conduct of Ms Goh in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair her ability to act with independent judgement in the discharge of her duties and responsibilities as a Director. The Board is of the view that Ms Goh has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Goh is an independent Director.

As indicated in the Introductory Document, Ms Goh will be stepping down from the Board upon the conclusion of the upcoming 2022 AGM.

Ms Goh had recused herself from the Board's deliberations on her independence.

Mr Gabriel Lim Meng Liang
Mr Lim does not have any relationships and is not faced with any of the circumstances identified in the Listing Manual, the Code or the Practice Guidance, or any other relationships which may affect his independent judgement. Mr Lim is presently Permanent Secretary of the Ministry of Trade and Industry. The Board noted that Mr Lim's public office duties neither require him to take, nor subject him to any obligation to follow, any instructions from any government authorities in relation to the corporate affairs of the Company. This role also generates no conflict of interest issues in respect of his role as a Director of the Company.

The Board also considered the conduct of Mr Lim in the discharge of his duties and responsibilities as a Director, and is of the view that he had acted with independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Lim is an independent Director.

Mr Lim had recused himself from the Board's deliberations on his independence.

Corporate Governance

Ms Judy Hsu Chung Wei
Ms Hsu is CEO, Consumer, Private and Business Banking of Standard Chartered Bank (Singapore) Limited (StanChart). She is in charge of StanChart's consumer, private and business banking business. StanChart is currently not a principal banker of the Group. In any event, should the relationship between StanChart and the Group develop, Ms Hsu will recuse herself from any engagement involving StanChart.

Ms Hsu is also a member of the Urban Redevelopment Authority (URA) board since 1 April 2018. As the national urban development and planning authority, the URA oversees development planning and approvals, as well as state land sales. It is noted that Ms Hsu is not involved in the day-to-day management and operations of URA, and her role as a non-executive Board member of URA generally does not generate any conflict of interest issues.

The Board also considered the conduct of Ms Hsu in the discharge of her duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair her ability to act with independent judgement in the discharge of her duties and responsibilities as a Director. The Board is of the view that Ms Hsu has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Hsu is an independent Director.

Ms Hsu had recused herself from the Board's deliberations on her independence.

Mr David Su Tuong Sing
Mr Su is a new member of the Board (appointed on 1 January 2022). A review was conducted for the purpose of his appointment as a Director of the Company. The outcome of the review was that he did not have any relationships and was not affected by any circumstances which might interfere with the exercise of his independent business judgement. The NC recommended and the Board approved his appointment as an independent Director on that basis.

The Board is not aware of any changes of circumstances since the abovementioned review, which may affect Mr Su's independence. The Board also considered the conduct of Mr Su in the discharge of his duties and responsibilities as a Director, and is of the view that Mr Su has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Su is an independent Director.

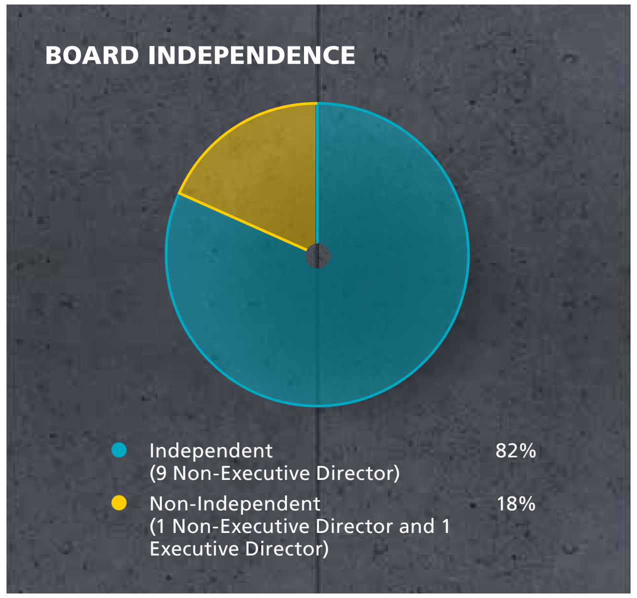
Mr Su had recused himself from the Board's deliberations on his independence.

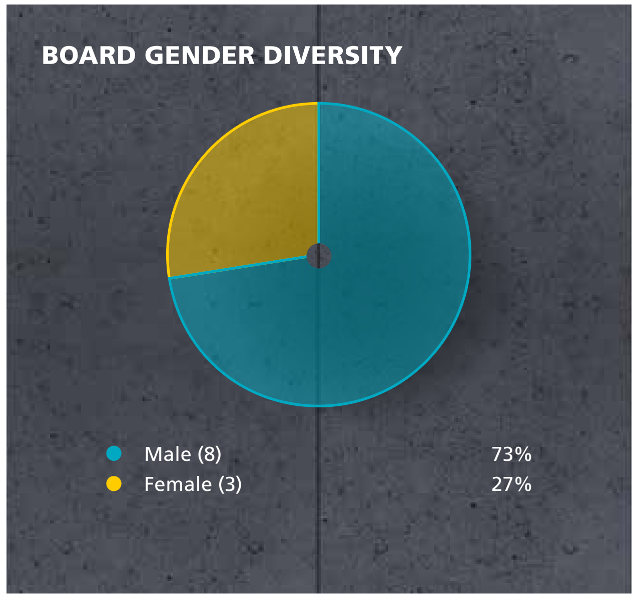
Ms Helen Wong Siu Ming
Ms Wong is a new member of the Board (appointed on 1 January 2022). A review was conducted for the purpose of her appointment as a Director of the Company. The outcome of the review was that she did not have any relationships and was not affected by any circumstances which might interfere with the exercise of her independent business judgement. The NC recommended and the Board approved her appointment as an independent Director on that basis.

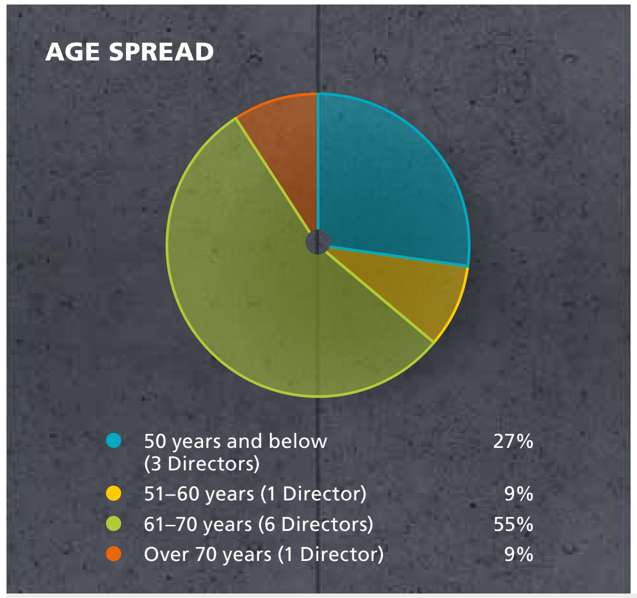
The Board is not aware of any changes of circumstances since the abovementioned review, which may affect Ms Wong's independence.The Board also considered the conduct of Ms Wong in the discharge of her duties and responsibilities as a Director, and is of the view that Ms Wong has exercised independent judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Wong is an independent Director.

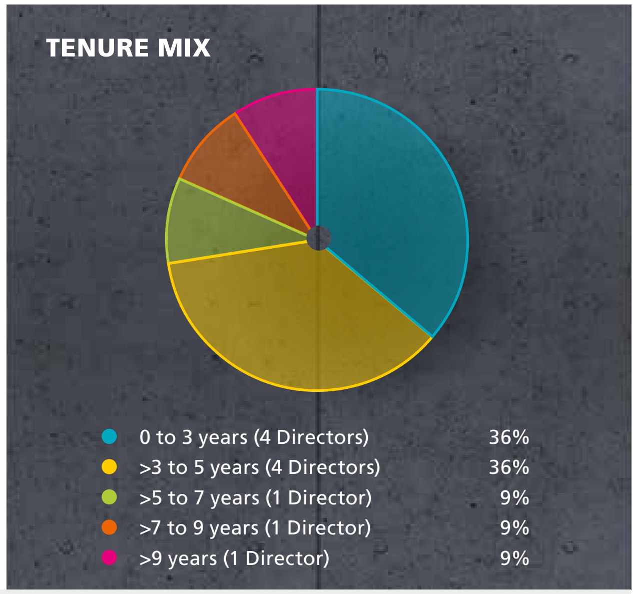
Ms Wong had recused herself from the Board's deliberations on her independence.

Board Diversity









Note: The above pie-charts are based on information as at 15 March 2022.

The Board embraces diversity and has formally adopted a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a wide mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity, including but not limited to, diversity in business or professional experience, age and gender, ethnicity and culture, geographical background and nationalities.

The Board values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Company has the opportunity to benefit from all available talent and perspectives, which is essential to the effective governance of the business and for ensuring long-term sustainable growth.

The NC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, considers candidates that bring a diversity of background and opinion

from amongst candidates with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations of Board appointments to the Board, the NC's considerations include achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as age, ethnicity and educational, business and professional background of its members. Female representation is also considered an important aspect of diversity. The NC notes the Council for Board Diversity's target of women making up 30% of the boards of SGX-ST listed companies by 2030. In its annual review of the Board's composition, the NC expressly considers and includes a commentary to the Board on the subject of the diversity in the composition of the Board.

In line with the Board Diversity Policy, the current Board (as at 15 March 2022) comprises 11 members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience in areas including in finance, banking, real estate, fund management, general management and technology (including cybersecurity). The current Board has three female members, one of whom (Ms Helen Wong Siu Ming) was recently appointed subsequent to the Company's Introductory Listing. For further information on the NC's work in this regard, please refer to "Board Membership" under Principle 4 of this Report.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of the Chairman and the Group CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management, and that no one individual has unfettered powers of decision-making. The non-executive non-independent Chairman is Mr Miguel Ko and the Group CEO is Mr Lee Chee Koon. They do not share any family ties. The Chairman and the Group CEO enjoy a positive and constructive working relationship, and support each other in their respective leadership roles.

The Chairman leads and oversees the performance of the Board and plays a pivotal role in the creation of the conditions necessary for overall Board and individual director effectiveness. This includes setting the agenda of Board meetings, ensuring that there is sufficient information and time at meetings to address all agenda items, and promoting open and constructive engagement among the Directors as well as between the Board and the Group CEO on strategic issues. The Chairman also guides the Board through its decision-making process and ensures that the Board operates effectively as a team.

The Chairman devotes considerable time to understand the business of the Company to ensure that the strategies and policies agreed to by the Board are effectively implemented, as well as the issues and the competition the Company faces. He plays a significant and active leadership role by providing clear oversight, direction, advice and guidance to the Group CEO. He also maintains open lines of communication and engages with other members of the senior leadership regularly, and acts as a sounding board for the Group CEO and the other members of the senior leadership team on strategic and significant operational matters.

The Chairman also presides at AGMs and other general meetings where he plays a crucial role in fostering constructive dialogue between shareholders, the Board and Management.

The Group CEO has full executive responsibilities to manage the Group's business and to develop and implement Board approved policies.

The separation of the roles and responsibilities of the Chairman and the Group CEO, which is set out in writing, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the Group's business activities and the exchange of ideas and views to help shape the strategic process, and ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

As the Chairman is non-independent, the Board has appointed Mr Anthony Lim Weng Kin as the LID. As LID, Mr Lim's main duties are to facilitate the functioning of, and provide leadership to, the Board if circumstances arise in which the Chairman may be (or is perceived to be) in conflict, to support effective Board objectivity in business judgement and oversight, and to serve as an independent leadership contact for shareholders, Directors and Management especially where contact through the normal channels of communication with the Chairman or Management (as the case may be) is inappropriate or inadequate.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of Directors. It has established the NC, which makes recommendations to the Board on all appointments to the Board and Board Committees. All Board appointments are made based on merit and approved by the Board.

NOMINATING COMMITTEE		
MR STEPHEN LEE CHING YEN Committee Chairman & Non-Executive Independent Director	**MR MIGUEL KO** Non-Executive Non-Independent Director	**MR ANTHONY LIM WENG KIN** Lead Independent Director

A majority of the NC members, including the chairman of the NC, are non-executive independent Directors. Since the Company's Introductory Listing on 20 September 2021 up to the date of this Report, the NC met twice.

The NC also reviewed and approved various matters within its remit via circulating papers.

Under its terms of reference, the NC's scope of duties and responsibilities is as follows:

(a) review and make recommendations to the Board on the size and composition of the Board, the succession plans for Directors, and the structure and membership of the Board Committees;
(b) review and recommend an objective process and criteria for the evaluation of the performance of the Board, Board Committees and Directors;
(c) ensure continual training and professional development programmes are put in place for the Directors, including ensuring that new Directors are trained to understand their duties and obligations;
(d) consider annually, and as and when circumstances require, if a Director is independent and provide its views to the Board for consideration; and
(e) review whether a Director has been adequately carrying out his or her duties as a Director.

Board Composition and Renewal

The Board, through the NC, strives to ensure that the Board has an optimal and diverse blend of backgrounds, experience and knowledge in business and general management, expertise relevant to the Group's business and track record, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the Group.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. In undertaking its duty of reviewing and making Board appointment recommendations to the Board, the NC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the mid to long-term. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Company continues to attract and retain highly qualified individuals to serve on the Board. The process ensures that the Board composition is such that it has capabilities and experience which are aligned with the Company's strategy and environment.

The Board supports the principle that Board renewal is a necessary and continual process, for good governance and ensuring that the Board has the skills, expertise, diversity and experience which are relevant to the evolving needs of the Group's business.

Board succession planning is carried out through the annual review by the NC of the Board composition as well as when a Director gives notice of his or her intention to retire or resign. The outcome of that review is reported to the Board. The Board seeks to refresh its membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The Board also has in place guidelines on the tenure of Directors. The guidelines provide that a Director is appointed for two terms of a total of approximately six years and any extension of tenure beyond six years will be rigorously considered by the NC in arriving at a recommendation to the Board.

The NC identifies suitable candidates for appointment to the Board. In this regard, external consultants may be retained from time to time to assist the NC in identifying candidates. Candidates are identified based on the needs of the Company, taking into account the strategic priorities of the Company, and the relevant skills required, taking into account, among other things, the requirements in the Listing Manual and the Code, feedback from any individual Board member as well as the factors in the Board Diversity Policy. Those considered will be assessed against a range of criteria including the candidates' demonstrated business sense and judgement, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background). The NC also considers the qualities of the candidate in particular if they are aligned to the strategic directions and values of the Company while also assessing his or her ability to commit time to the affairs of the Company, taking into consideration the candidate's other current appointments. The NC uses a skills matrix to determine the skills gaps of the Board and to assess if the expertise and experience of a candidate would complement those of the existing Board members.

As part of the Board renewal process, Mr Stephen Lee Ching Yen and Ms Goh Swee Chen will be stepping down from the Board upon the conclusion of the upcoming 2022 AGM. After taking into account their respective tenures on the board of CL, Mr Lee has served as a Director for more than nine years and Ms Goh, for close to five years. Both Mr Lee and Ms Goh have served the Board (and the board of CL) with distinction during their respective tenures. The Board and Management acknowledge their contributions to board deliberations as well as Mr Lee's additional contributions as chairman of the ERCC and the NC of both CL and the Company.

As indicated in the Introductory Document, whilst the Board believed that it had an optimal blend of backgrounds, experience, knowledge in business and general management, and expertise relevant to help the Company deliver on its ambition and strategic priorities, it intended to augment its membership after its listing with a view to strengthening the competencies of the Board. In this regard, two new Directors, Mr David Su Tuong Sing and Ms Helen Wong Siu Ming, were appointed subsequent to the Company's Introductory Listing and their respective appointments took effect on 1 January 2022.

The NC remains focused on Board renewal and continues to identify opportunities for Board enhancement. The NC continues its efforts to search for possible Board candidates who are proven business leaders with complementary and relevant expertise such that their combined knowledge and experience would match the strategic demands facing the Company. The need for ethnic diversity and experience in overseeing sustainability matters are some of the considerations taken into account by the NC.

Directors stepping down from the Board upon the conclusion of the 2022 AGM	
Mr Stephen Lee Ching Yen	Ms Goh Swee Chen

Directors appointed subsequent to the Company's Introductory Listing	
Mr David Su Tuong Sing	Ms Helen Wong Siu Ming

Shareholders' Approval at AGM

Election of Board members is the prerogative and right of shareholders. The Constitution requires one-third of the Company's Directors (prioritised by length of service since the previous reelection or appointment and who are not otherwise required to retire) to retire and subject themselves to reelection by shareholders (one-third rotation rule) at every AGM. Effectively, this results in all Directors having to retire and stand for reelection at least once every three years or earlier. In addition, any Director who is newly appointed by the Board (whether as an additional Director or to fill a vacancy) will submit himself or herself for reelection at the AGM immediately following his or her appointment. Thereafter, he or she is subject to the one-third rotation rule. In this regard, Mr Lee Chee Koon and Ms Judy Hsu Chung Wei, both of whom are retiring by rotation at the upcoming 2022 AGM, will be standing for reelection by shareholders. Ms Goh Swee Chen will also retire by rotation at the upcoming 2022 AGM but has given notice to the Company that she is not seeking reelection at the 2022 AGM. In addition, Mr David Su Tuong Sing and Ms Helen Wong Siu Ming, both of whom were newly appointed by the Board in January 2022, will be submitting themselves for reelection at the upcoming 2022 AGM.

With regard to the reelection of existing Directors each year, the NC advises the Board of those Directors who are retiring or due for consideration to retire in accordance with the articles of the Constitution. The NC makes recommendations to the Board as to whether the Board should support the reelection of a Director who is retiring and, for that purpose, undertakes a review of the retiring Director's contributions to the Board's deliberations during the period in which the Director has been a member of the Board. The NC also considers the relevant Directors' attendance record and preparedness for Board meetings, as well as their other appointments and commitments. Each member of the NC is required to recuse himself or herself from deliberations on his or her own reelection. In this regard, the NC has carried out the requisite review and recommendation work in respect of the proposed reelection by shareholders of Mr Lee Chee Koon, Ms Judy Hsu Chung Wei, Mr David Su Tuong Sing and Ms Helen Wong Siu Ming as Directors at the upcoming 2022 AGM. The Board, after considering the NC's recommendation, has duly provided its support for their respective reelections.

Shareholders elect the Directors or candidates individually put up for election and reelection at AGMs. Key information on the Directors or candidates who are seeking election or reelection at AGMs is provided in the Annual Report.

The Group CEO, as a Board member, is also subject to the one-third rotation rule. His role as the Group CEO is separate from his position as a Board member, and does not affect the ability of shareholders to exercise their right to select all Board members.

Review of Directors' Ability to Commit Time

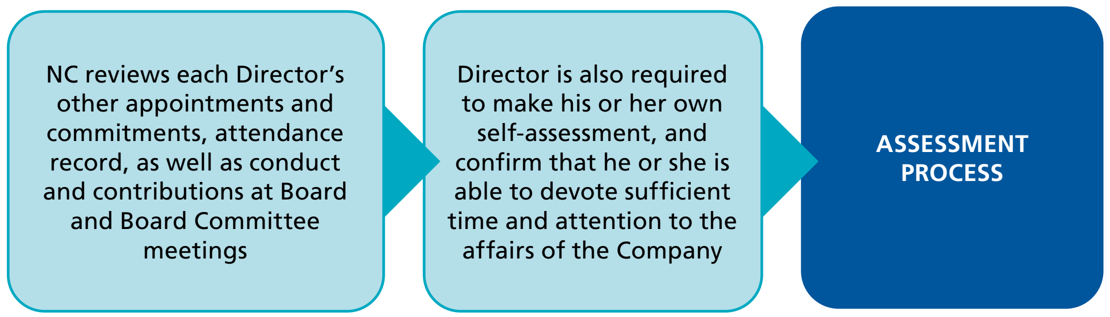
In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NC conducts a review of the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the Company. In this regard, Directors are required to report to the Company any changes in their other appointments.

In respect of the consideration of the Directors' other appointments and commitments, the Board takes the view that the limit on the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and near-term plan regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Company. Directors are also required to consult the Chairman before accepting any invitation for appointment as a director of another entity or offer of a full-time executive appointment. Such a consultation will enable any concerns relating to the Director's ability to commit time, as well as any potential conflicts of interests, to be shared and addressed. The Chairman will make the requisite assessment and consult with the NC as necessary.

There is no alternate director to any of the Directors. In keeping with the principle that a Director must be able to commit time to the affairs of the Company, the NC has adopted the principle that it will generally not approve the appointment of alternate directors to Directors.

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Company. For FY 2021, all Directors had undergone the self-assessment and provided the confirmation.

On an annual basis and, where appropriate, when there is a change of circumstances involving a Director, the NC assesses each Director's ability to commit time to the affairs of the Company. In the assessment, the NC takes into consideration each Director's confirmation, his or her other appointments and commitments, attendance record at meetings of the Board and Board Committees, as well as conduct (including preparedness, participation and level of engagement) and the value and quality of their contributions at Board and Board Committee meetings.



The Directors' listed company directorships and other principal commitments are disclosed on pages 14 to 19 of this Annual Report. The Group CEO who is the sole executive Director, does not serve on any listed company board outside of the Group.

The Directors' attendance record for FY 2021 since its Introductory Listing on 20 September 2021 up to 31 December 2021 is set out on page 124 of this Annual Report. There is an expectation for Directors to attend scheduled meetings unless unusual circumstances make attendance impractical or if a Director has to recuse himself or herself from the meeting in relation to the sole matter under consideration at such meeting. In this regard, the Directors achieved full attendance rates for Board and Board Committee meetings held in FY 2021 since the Company's Introductory Listing up to 31 December 2021. They have also contributed positively to discussions at Board and Board Committee meetings. In respect of any meetings for which Directors are unable to attend, the expectation is that such Directors will provide their comments on the relevant matters to be discussed at such meetings to the Chairman or the relevant Board Committee chair prior to the relevant meetings. The Directors are also generally accessible to Management outside the formal environment of Board and/or Board Committee meetings. Based on the foregoing, the NC has determined that each Director has been adequately carrying out his or her duties as a Director of the Company notwithstanding any other listed company board representations and/or principal commitments they may have.

The Board, taking into consideration the NC's assessment, has noted that each Director has been adequately carrying out his or her duties and responsibilities as a Director of the Company notwithstanding any other listed company board representations and/or principal commitments they may have.

PRINCIPLE 5: BOARD PERFORMANCE

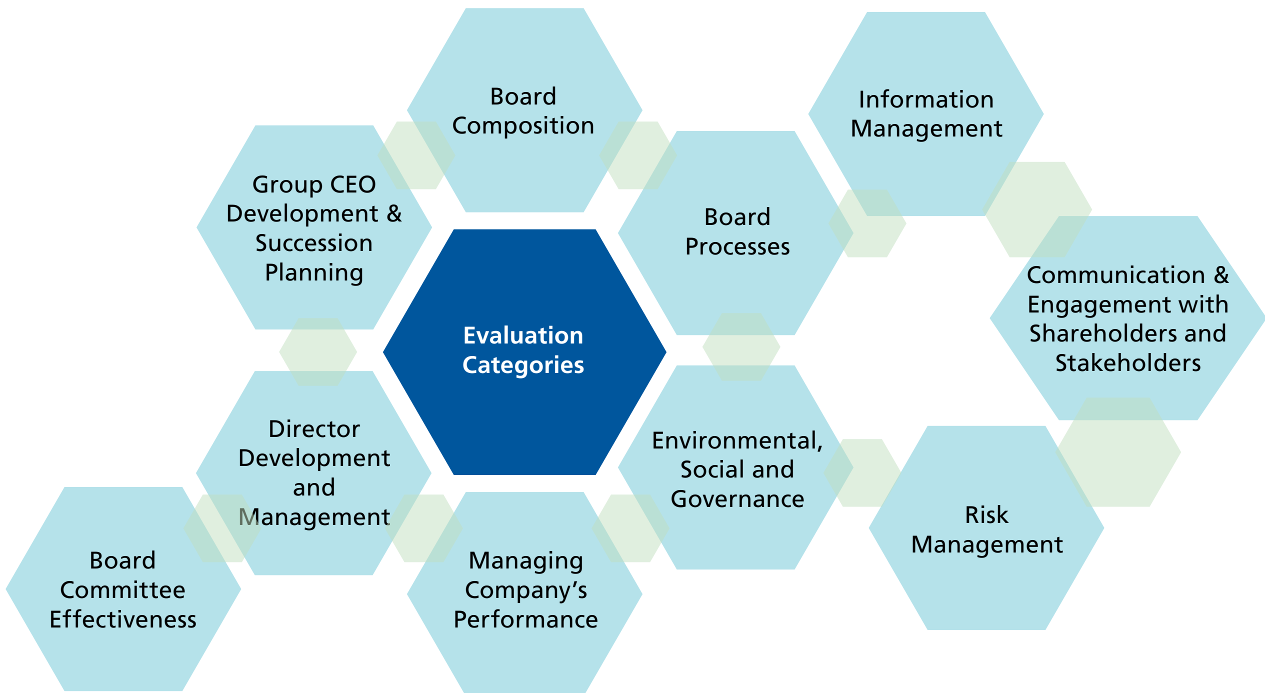
The Company believes that oversight from a strong and effective Board goes a long way in guiding the Company's success. Whilst Board performance is ultimately reflected in the long-term performance of the Group, the Board believes that engaging in a regular process of self-assessment and evaluation of Board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, as well as to clarify the individual and collective roles and responsibilities of the Board to give the Directors better knowledge of expectations to help them become more effective. It also enables the Board to identify key strengths and gaps as well as areas for improvement which is essential to effective stewardship and attaining success for the Company, in addition to improving working relationships with Management.

Led by the NC Chairman and with respect to FY 2021, findings and practical suggestions were reviewed, considered and discussed first at an NC meeting, then at a Board meeting to formulate appropriate follow-up actions, where necessary. The Board evaluation process helps to identify where the Board has met its objectives, and indicate where it needs improvements. Such process also facilitates greater interactions among the Board members and Senior Management.

Board and Board Committees

The NC undertakes a tailored process to evaluate the effectiveness of the Board as a whole and the Board Committees every year. For an objective and independent evaluation, an external consultant is engaged to facilitate the evaluation process. The consultant engaged for the review for FY 2021, Aon Consulting, is independent of and is not related to the Company or any of its Directors.

As part of the process, questionnaires are sent by the consultant to the Directors and interviews are conducted where required. In addition to numerically scored multiple choice items, the questionnaires use a mix of open-ended questions to solicit qualitative comments including suggestions for improvement. The objective of the interviews is to seek clarifications to the feedback obtained from the responses in the questionnaires, during which broader questions might also be raised to help validate certain survey findings. The findings are then evaluated by the consultant and reported, together with the recommendations of the consultant, to the NC and thereafter the Board. The evaluation categories covered in the questionnaire included Board composition, information management, Board processes, ESG, managing the Company's performance, Group CEO development and succession planning, Director development and management, communication and engagement with shareholders and stakeholders, risk management and Board Committee effectiveness.



As an integral part of the evaluation process, the Senior Management team also provides feedback on areas including Board composition, information management, developing strategy and monitoring such strategy, managing risks and working with Management.

The findings and recommendations of the consultant which include benchmarking information and best practices of other boards, are considered by the Board and follow-up action is taken, where necessary.

Overall, the Board has maintained a positive trajectory for its performance and effectiveness, taking reference from previous board evaluations which were conducted for the board of CL. The Board is functioning well as a team. There is quality in discussions between the Board and Management. The Board benefits from a culture of active, open, frank, rigorous and constructive discussions and debates at Board and Board Committee meetings. The Board also benefits from the diversity in views, perspectives and expertise. There is a positive and healthy professional relationship between the Board and Management. Board Committees were also assessed to work well with thorough robust debate, a good understanding of the issues and functional knowledge. There are no concerns or issues affecting any Board or Board Committee requiring attention or follow-up work.

Individual Directors

In respect of individual Directors, a formal evaluation is also carried out on an annual basis. For FY 2021, the Board Chairman and NC chairman jointly evaluated each individual Director using an agreed evaluation framework as a guide. The evaluation criteria include Director's duties, contributions and conduct. Feedback from selected Senior Management members was also sought as part of the process.

The outcome of the evaluation is that every Director pulls his or her weight and contributes to Board deliberations. Each one of them participates actively and is fully engaged in Board deliberations. Additionally, Directors work well with one another, and with Management, contributing to the overall smooth functioning of the Board. Whilst collegial, deliberations at meetings were open, constructive and robust, and conducted on a professional and respectful basis. Management has also provided positive feedback on the performance and contributions of the individual Directors, noting that the relationship between the Board and Management is healthy and good. Directors are also generally accessible to Management outside the formal environment of Board and/or Board Committee meetings. As with the outcome for the Board and Board Committee evaluations, there are no concerns or issues affecting any Director requiring attention or follow-up work.

Formal evaluation is also carried out by the NC as and when a Director is due for retirement by rotation and is seeking reelection. The NC also takes into consideration the contributions and performance of individual Directors when it reviews Board composition.

The Board also recognises that contributions by an individual Board member can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and/or Board Committee meetings.

INDIVIDUAL DIRECTOR				
Pulls his or her weight	Contributes to Board deliberations	Participates actively and is fully engaged in Board deliberations	Works well with one another, and with Management	Generally accessible to Management

Board Evaluation as an Ongoing Process

The Board believes that performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions among Board members, and between Board members and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Board members which in turn contributes to a positive Board culture. The collective Board performance and the contributions of individual Board members are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, and lending support to Management in steering the Company in the appropriate direction, as well as the long-term performance of the Company whether under favourable or challenging market conditions.

REMUNERATION MATTERS

PRINCIPLES 6, 7 AND 8: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES, LEVEL AND MIX OF REMUNERATION AND DISCLOSURE ON REMUNERATION

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for recommending the remuneration packages of individual Directors for shareholders' approval and determining the remuneration of key management personnel.

It has established the ERCC to recommend to the Board for approval a general framework of remuneration for the non-executive Directors and key management personnel of the Group, and the specific remuneration package for each key management personnel. The ERCC also recommends to the Board for endorsement the specific remuneration package for each Director.

EXECUTIVE RESOURCE AND COMPENSATION COMMITTEE			
MR STEPHEN LEE CHING YEN Committee Chairman & Non-Executive Independent Director	**MS GOH SWEE CHEN** Non-Executive Independent Director	**MR MIGUEL KO** Non-Executive Non-Independent Director	**MS JUDY HSU CHUNG WEI** Non-Executive Independent Director

A majority of ERCC members, including the chairman of the ERCC, are non-executive independent Directors. Since the Company's Introductory Listing on 20 September 2021 up to the date of this Report, the ERCC met twice.

The ERCC is guided by its terms of reference. The ERCC oversees leadership and succession planning for key management personnel. This includes overseeing the process that supports the Board in making decisions regarding the appointment of the Group CEO and his terms of appointment and remuneration package, and approving the appointment and remuneration of other key management personnel. In carrying out its role, the ERCC also aims to build capable and committed management teams through market competitive compensation and progressive policies which are aligned to the long-term interests and risk policies of the Group.

The ERCC thus plays a crucial role in helping to ensure that the Company is able to attract, motivate and retain the best talents to drive the Group's business forward and deliver sustainable returns to shareholders.

The ERCC also conducts, on an annual basis, the evaluation of the Group CEO's performance and a succession planning review of the Group CEO and key management positions in the Group, and presents its findings and recommendations to the Board. Potential candidates for leadership succession are reviewed for their readiness in the immediate, medium and long term.

The Company is committed to developing a strong talent pipeline to sustain its business growth. It has an established process to identify different talent segments to enable leaders of the Company to plan for the succession of key roles. The success of its approach to talent development and succession planning is evidenced by many examples of internal promotions into key leadership roles throughout the Group over the years (including those years when the Company was a subsidiary of the listed CL), including at the most senior levels of the organisation.

The Company also believes that learning is a continuous journey and is committed to developing employees to their fullest potential by equipping them with the right set of tools and knowledge to stay relevant and ahead of the competition. The Company provides learning opportunities to employees so that they will consistently deliver high standards of performance and be able to perform their job roles competently.

Remuneration Policy for Key Management Personnel

The remuneration framework and policy is designed to support the implementation of the Group's strategy and deliver sustainable returns to shareholders. The policy's principles governing the remuneration of the Company's key management personnel are as follows:

BUSINESS ALIGNMENT

- Create sustainable value and drive dollar returns above the risk-adjusted cost of capital to align with long-term interests of its stakeholders
- Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals
- Enhance retention of key talents to build strong organisational capabilities
- Strengthen alignment to sustainable corporate practices

FAIR & APPROPRIATE

- Ensure competitive remuneration relative to the appropriate external talent markets
- Manage internal equity such that remuneration is viewed as fair across the Group
- Significant and appropriate portion of pay-at-risk, taking into account risk policies of the Group, symmetric with risk outcomes and sensitive to the risk time horizon

MOTIVATE RIGHT BEHAVIOUR

- Pay for performance – align, differentiate and balance rewards according to multiple dimensions of performance
- Strengthen line-of-sight linking rewards and performance
- Foster Group-wide interests to recognise the interdependence of the various businesses of the Group and drive superior outcomes

EFFECTIVE IMPLEMENTATION

- Maintain rigorous corporate governance standards
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
- Facilitate employee understanding to maximise the value of the remuneration programmes

The Board sets the remuneration policies in line with the Company's business strategy and approves the executive compensation framework based on the key principle of linking pay to performance. Pay-for-performance is emphasised by linking total remuneration to the achievement of business and individual goals and objectives. In its deliberations, the ERCC also takes into consideration industry practices and norms in compensation to maintain market competitiveness. The ERCC considers all aspects of remuneration, including termination terms, to ensure they are fair.

The Board has access to independent remuneration consultants to advise on remuneration matters as required.

The ERCC appointed an independent remuneration consultant, Willis Towers Watson, to provide professional advice on Board and executive remuneration in FY 2021. Willis Towers Watson is a global advisory, broking and solutions company with over 45,000 employees serving more than 140 countries and markets. The remuneration consultant is not related to the Company or any of its Directors and does not otherwise have any relationships with the Company that could affect its independence and objectivity.

Remuneration of Key Management Personnel

The remuneration of key management personnel comprises fixed components, variable cash components, share-based components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term and long-term incentives, in keeping with the principles that the interests of the Group CEO and key management personnel should be aligned with those of the Company's shareholders and other stakeholders and that the remuneration framework should link rewards to corporate and individual performance.

A. Fixed Components:

The fixed components comprise the base salary, fixed allowances and compulsory employer contribution to an employee's Central Provident Fund (CPF).

B. Variable Cash Components:

The variable cash components comprise the Balanced Scorecard Bonus Plan (BSBP) and Economic Value-Added (EVA)-based Incentive Plan (EBIP).

Balanced Scorecard Bonus Plan

The BSBP is linked to the achievement of annual performance targets for each key management personnel as agreed at the beginning of the financial year with the Board and/or the Group CEO, as the case may be.

Under the Balanced Scorecard framework, the Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of Financial & Execution, Future Growth, Digitalisation & Innovation, Talent Management and Sustainability; these are cascaded down throughout the organisation, thereby creating alignment across the Group. The overall dimensions, performance measures and their relative weights are reviewed annually to reflect the Group's business priorities and focus for the relevant year.

Balanced Scorecard Dimension	Financial & Execution	Future Growth	Digitalisation & Innovation	Talent Management	Sustainability
Key Objectives	• Driving sustainable Return On Equity (ROE) growth • Ensuring financial robustness	• Growing assets/ funds under management • Growing the lodging platform	• Driving operational efficiency • Improving customer experience	• Building core capabilities • Developing leadership bench strength	• Achieving key milestones within the ESG pillars • Ensuring workplace safety

After the close of each year, the ERCC reviews the Group's achievements against the targets set in the Balanced Scorecard, determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape, industry trends and affordability to the Company, and approves a bonus pool that is commensurate with the performance achieved. For FY 2021, the bonus pool was larger as compared to the bonus pool under CL's Balanced Scorecard Bonus Plan for the financial year ended 31 December 2020 (FY 2020), as a reflection of the Group's improved business performance and the value created in FY 2021.

In determining the payout quantum for each key management personnel under the plan, the ERCC considers the overall performance of the Group, the performance of the business(es) specific to each key management personnel, as well as qualitative and quantitative aspects of individual performance.

Economic Value-Added-based Incentive Plan

The EBIP is based on sharing with employees a portion of the EVA achieved, which varies according to the actual achievement of residual economic profit.

The EBIP rewards sustainable value creation over the medium term achieved by growing profits, deploying capital efficiently and managing the risk profile and risk time horizon of the business.

Under this plan, the bonus declared to each EBIP participant for the current year is added to the participant's balance carried forward from the previous year, upon which one-third of the resulting total amount is paid out in cash, with the remaining two-thirds to be carried forward to the following year. The balance in each participant's EBIP account is at risk because a significant reduction in EVA in any year may result in retraction (performance clawback) of the EBIP bonus declared in preceding years. The EBIP encourages key management personnel to work for sustained EVA generation and to take actions that are aligned with the long-term interests of the Company's stakeholders.

In determining the EBIP bonus declared to each participant, the ERCC considers the overall business performance, individual job responsibilities, performance and contribution, as well as the relevant market remuneration benchmarks. In respect of FY 2021, no EBIP bonus was paid.

C. Share-based Components:

The Company adopted the CapitaLand Investment Performance Share Plan 2021 (PSP) and the CapitaLand Investment Restricted Share Plan 2021 (RSP) (together, the Share Plans) on 17 July 2021 in connection with the Company's Introductory Listing.

Share awards were granted in FY 2021 pursuant to the PSP. These awards (Replacement Awards) which were granted to certain employees of the Group and certain employees of CL, its holding company and their subsidiaries (other than the Group) (collectively, Parent Group, and the employees of the Parent Group, Parent Group Employees), replaced the awards previously granted to them pursuant to the performance share plans of CL (CL PSP Awards). The grant of Replacement Awards, as well as the manner in which the number of shares comprised in the Replacement Awards was to be determined, were disclosed in the Introductory Document. Notably, the release of the Replacement Awards is not subject to the satisfaction of any performance conditions and the Replacement Awards will vest into shares on the vesting date, subject to and conditional upon the relevant award holder remaining employed by the employing entity (either the Group or the Parent Group, as the case may be). The Replacement Awards will vest based on the original vesting schedule of the CL PSP Awards.

In addition to the Replacement Awards, to foster a "founders' mindset" in driving the transformation of the Group into a real estate investment management company, a one-time special contingent award (Special PSP Award) was granted pursuant to the PSP to selected key executives of the Group and Parent Group within the larger One CapitaLand ecosystem. This long-term share-based award with a five-year performance period will vest at the end of the third year and/or fifth year, subject to the achievement of the targets approved by the ERCC.

For FY 2021, the total number of shares comprised in the awards granted under the Share Plans did not exceed 1% of the total number of issued shares (excluding treasury shares) of the Company.

The obligation to deliver shares pursuant to awards granted under the Share Plans is intended to be satisfied primarily out of treasury shares.

To promote the alignment of Management's interests with that of the Company's stakeholders, the ERCC has approved share ownership guidelines for Senior Management to instill stronger identification by senior executives with the long-term performance and growth of the Group. Under these guidelines, the Group CEO and other key management personnel are required to build up over time, and hold shares of an aggregate value of at least the equivalent of three times and two times of their annual base salary, respectively.

In alignment with the Practice Guidance, shares awarded pursuant to the Share Plans may be clawed back in circumstances of misstatement of financial results, misconduct resulting in financial or other losses to the Company, or other misdemeanours.

Details of the Share Plans as well as awards granted under the Share Plans are given in the Share Plans section of the Directors' Statement on pages 133 to 136 of this Annual Report and the Equity Compensation Benefits section of the Notes to the FY 2021 Financial Statements on pages 207 to 214 of this Annual Report.

CapitaLand Investment Performance Share Plan 2021
Awards granted under the PSP are generally conditional on targets set for a three-year performance period. A specified number of shares will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the PSP (excluding the Replacement Awards and Special PSP Award), an initial number of shares (baseline award) is allocated according to the following performance conditions approved by the ERCC:

(a) Absolute Total Shareholder Return (TSR) of the Group measured as a multiple of Cost of Equity;
(b) Relative TSR of the Group measured by the percentile ranking of the Group's TSR relative to the constituents of a peer group comprising public-listed companies and real estate investment management firms of comparable scale, scope and/or business mix in Singapore and other countries;
(c) Average ROE of the Group; and
(d) Carbon emissions intensity reduction of the Group.

The above performance measures have been selected as key measurements of wealth creation for shareholders and long-term environmental performance. The final number of shares to be released will depend on the achievement of pre-determined targets over the three-year qualifying performance period. No share will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more shares than the baseline award can be delivered up to a maximum of 200% of the baseline award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid shares at no cost.

Under the Special PSP Award, an initial number of shares (baseline award) is allocated according to the performance condition of the Company's share price expressed as a multiple of the Group's net asset value per share (Price/NAV) set for a five-year performance period. A specified number of shares will only be released to recipients at the end of the qualifying performance period, provided the minimum target is achieved.

The performance measure for the Special PSP Award has been selected as the key measure of sustainable value creation for shareholders through the execution of an asset-light strategy in fund management, lodging management and real estate investments. No share will be released if the minimum target is not met at the end of the qualifying performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the qualifying performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid shares at no cost.

For FY 2021, other than the Replacement Awards and the Special PSP Award, no awards were granted under the PSP. Whilst the number of shares to be released under the Replacement Awards have been determined in connection with the Introductory Listing, the qualifying performance period for the Special PSP Award has not ended as at the date of this Report.

CapitaLand Investment Restricted Share Plan 2021
Awards under the RSP are generally conditional on targets set for a one-year performance period. A specified number of shares will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the RSP, an initial number of shares (baseline award) is allocated according to the following performance conditions approved by the ERCC:

(a) Operating Earnings Before Interest and Taxes of the Group; and
(b) Operating ROE of the Group.

The above performance measures have been selected as they are the key drivers of business performance. The final number of shares to be released will depend on the achievement of pre-determined targets at the end of the one-year qualifying performance period. The shares will then be released in equal annual tranches over a vesting period of three years. No share will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more shares than the baseline award can be delivered up to a maximum of 150% of the baseline award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

In FY 2021, no awards were granted under the RSP.

D. Employee Benefits:
The benefits provided are comparable with local market practices.

Corporate Governance

Each year, the ERCC evaluates the extent to which the Group CEO and each of the key management personnel have delivered on the corporate and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel, and proposes the compensation for the Group CEO for the Board's approval. The appointed independent remuneration consultant advises the Board and the ERCC on the compensation of the Group CEO and key management personnel including, but not limited to, the reasonableness of compensation levels in relation to the performance achieved, competitiveness of compensation levels against relevant industry peers, and compensation trends and practices around the world. The Group CEO who attends meetings of the ERCC on an *ex officio* basis does not participate in discussions relating to his own performance and remuneration.

The details of the remuneration for the Group CEO in respect of FY 2021 are provided in the Directors' and Group CEO's Remuneration for FY 2021 section on page 125 of this Annual Report.

Provision 8.1 of the Code requires an issuer to disclose the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not also directors or the chief executive officer) of the issuer in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel. The Board considered this matter carefully and has decided against such a disclosure due to the confidential and commercial sensitivities associated with remuneration matters. Such a disclosure would also not be in the interest of the Company due to the intense competition for talents in the industry. The Company is making available, however, the aggregate remuneration and the breakdown of the components of remuneration in percentage terms of the key management personnel which are set out on page 126 of this Annual Report. The Company is of the view that its practice of disclosing the aforedescribed information as set out on page 105 of this Annual Report and the other disclosures in this Report is consistent with the intent of Principle 8 of the Code and provides sufficient information and transparency to shareholders on the Company's remuneration policies, the level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

The ERCC seeks to ensure that the remuneration paid to the Group CEO and key management personnel is strongly linked to the achievement of business and individual performance targets. The performance targets endorsed by the ERCC and approved by the Board are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on short, medium and long term quantifiable objectives. A pay-for-performance alignment study was conducted by the appointed independent remuneration consultant and reviewed by the ERCC; the findings indicate that there has been effective pay-for-performance alignment for the Group in both absolute and relative terms against a peer group of listed companies and real estate investment management firms in Singapore and other countries over a multi-year period.

For FY 2021, there were no termination, retirement or post-employment benefits granted to Directors, the Group CEO and key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any of the key management personnel.

There are no employees of the Group who are substantial shareholders of the Company or immediate family members of such a substantial shareholder, a Director or the Group CEO. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

Non-Executive Director Remuneration

The compensation policy for non-executive Directors (except the Chairman) is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for attendance and serving on Board Committees. The Chairman receives an all-inclusive fee (i.e. without any additional fee for attendance and for serving on Board Committees). The Directors' fees are market-benchmarked on an annual basis, taking into account the effort, time spent and demanding responsibilities on the part of the Directors in light of the scale, complexity and the international nature of the business. The remuneration of Directors is reviewed to ensure that it is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company. The remuneration of non-executive Directors does not include any performance-related elements, and no performance conditions are attached to the share awards granted under the RSP to non-executive Directors as part of their remuneration in lieu of cash.

The Group CEO who is also a Director is remunerated as part of key management personnel and therefore does not receive any Director's fees.

No individual Director by himself or herself could decide his or her own remuneration. Directors' fees are reviewed and recommended by the ERCC to the Board for endorsement and are paid only upon shareholders' approval at an AGM. These measures serve to assure that the independence of the non-executive Directors is not compromised by their compensation.

Upon the Company's Introductory Listing, it adopted the same non-executive Directors' remuneration framework that CL had in September 2021 - such framework was in place prior to the strategic restructuring of the business of CL and its subsidiaries. Since the Introductory Listing, a review of the remuneration framework for the non-executive Directors for FY 2021 was conducted by the appointed independent remuneration consultant, which included a recalibration of the fee structure to ensure that the fees are market-competitive. A competitive fee structure is essential to help ensure that the Company is able to attract and retain qualified individuals necessary to contribute effectively to the Board.

The resulting fee structure for non-executive Directors for FY 2021 is as follows:

Basic retainer fee	**S$**
Board Chairman	750,000[1]
Lead Independent Director	125,000
Director	90,000
Fee for appointment to Audit Committee and Executive Committee	
Committee Chairman	60,000
Committee member	40,000
Fee for appointment to other Board Committees	
Committee Chairman	45,000
Committee member	25,000
Attendance fee for Board/Board Committee meetings (per meeting)	
(a) Attendance in person	
BOARD MEETING	
Local	4,000
Overseas (in region[2])	7,000
Overseas (out of region[3])	14,000
BOARD COMMITTEE MEETING	
Local	2,200
Overseas (in region[2])	7,000
Overseas (out of region[3])	10,000
(b) Attendance via video conferencing, conference telephone or similar communications equipment	
Local and Overseas	1,700
Attendance fee in person or otherwise for project committee meetings/verification meetings/ other meetings where attendance of Directors is required (per meeting)	
Local and Overseas	1,000

1 The fee is all-inclusive and there will be no separate Board retainer fee, committee fee or attendance fee for the Board Chairman.
2 Up to 15 hours (to and fro) time for travel within the region.
3 More than 15 hours (to and fro) time for travel beyond the region.

With the travel restrictions imposed by various countries due to the COVID-19 pandemic, attendance at Board and Board Committee meetings via video conferencing, conference telephone or similar communications equipment in FY 2021 was treated as attendance in person.

The Directors' fees of the non-executive Directors will be paid as to about 70% in cash and about 30% in the form of share awards under the RSP, save in the case of (a) Ms Goh Swee Chen (who will be retiring from the Board upon the conclusion of the upcoming 2022 AGM) and Mr Stephen Lee Ching Yen (who will be stepping down from the Board following the conclusion of the upcoming 2022 AGM), both of whom will, in accordance with the Company's current policy, receive their Directors' fees wholly in cash; and (b) Mr Gabriel Lim Meng Liang whose fees will be paid fully in cash to a government agency, the Directorship & Consultancy Appointments Council (DCAC). Mr Lim has requested and the DCAC has concurred, that the Directors' fees for his services, upon approval by shareholders, be donated by the Company in its entirety to a charitable organisation, the CapitaLand Hope Foundation.

The share awards under the RSP consist of the grant of fully paid shares, with no performance conditions attached and no vesting periods imposed. In order to encourage the alignment of the interests of the non-executive Directors with the interests of shareholders, a non-executive Director is required to hold shares in the Company worth at least one year of the basic retainer fee for a Director or the total number of shares awarded under the above policy, whichever is lower, at all times during his or her Board tenure. For the Chairman, the shares are required to be held for at least two years from the date of award, and the two-year moratorium shall continue to apply in the event of retirement. Other than this, the non-executive Directors do not receive any other share incentives under any of the Company's share plans. Details of the Directors' remuneration are provided in the Directors' and Group CEO's Remuneration for FY 2021 section on page 125 of this Annual Report.

The Company will be seeking shareholders' approval at the upcoming 2022 AGM for the remuneration to be paid to the non-executive Directors in respect of the Directors' fees for FY 2021.

Compensation Risk Assessment

Under the Practice Guidance, the compensation system shall take into account the risk policies of the Group, be symmetric with risk outcomes and sensitive to the time horizon of risks. The ERCC has conducted a Compensation Risk Assessment to review the various compensation risks that may arise as well as the mitigating policies to better manage risk exposures identified. The ERCC is satisfied that there are adequate risk mitigation features in the Group's compensation system, such as the use of malus, deferral and clawback features in the Share Plans and EBIP. The ERCC will continue to undertake periodic reviews of compensation-related risks.

ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Company maintains an adequate and effective system of risk management and internal controls (including financial, operational, compliance and information technology (IT) controls) to safeguard stakeholders' interests and the Group's assets.

The Board has overall responsibility for the governance of risk, including determining the risk strategy, risk appetite and risk limits, as well as the risk policies. The Board has established the RC to assist it in carrying out the Board's responsibility of overseeing the Company's risk management framework and policies for the Group, determining the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation and ensuring that Management maintains a sound system of risk management and internal controls.

Under its terms of reference, the RC's scope of duties and responsibilities is as follows:

(a) make recommendations to the Board on risk strategy, risk appetite and risk limits;
(b) review the risk management framework, including the processes and resources to identify, assess and manage material risks;
(c) oversee the design, implementation and monitoring of the risk management and internal controls systems;
(d) review the material risks facing the Group and the management of risks thereof;
(e) review the adequacy and effectiveness of the risk management and internal controls systems covering material risks and the assurance given by Management, as well as the disclosures in the Annual Report; and
(f) consider and advise on risk matters referred to it by the Board or Management.

RISK COMMITTEE			
MR KEE TECK KOON Committee Chairman & Non-Executive Independent Director	**MS GOH SWEE CHEN** Non-Executive Independent Director	**MR GABRIEL LIM MENG LIANG** Non-Executive Independent Director	**MS JUDY HSU CHUNG WEI** Non-Executive Independent Director

All RC members, including the chairman of the RC, are non-executive independent Directors. Since the Company's Introductory Listing on 20 September 2021 up to the date of this Report, the RC met once.

The Company recognises that it needs a good risk governance structure to ensure awareness among the members of the AC and RC of the respective risk-related activities of both committees, given the interconnectivity of the key risks the Company could be faced with. In this regard, the Company has put in place the following arrangements to facilitate sharing of information and knowledge, and to foster common understanding of the risk management and internal controls systems, between the AC and the RC:

(a) an annual joint meeting between the RC and AC;
(b) updates to be provided by the AC chairman and the RC chairman at the beginning of each Board meeting, so as to allow the AC and the RC to take cognisance of and consider the respective reports of the AC and the RC; and
(c) common membership between the AC and the RC. There is currently one member of the RC who is also a member of the AC.

The Group adopts an Enterprise Risk Management (ERM) framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM framework and related policies are reviewed annually. A team comprising the Group CEO and other key management personnel is responsible for directing and monitoring the development, implementation and practice of ERM across the Group.

As part of the ERM framework, Management, among other things, undertakes and performs a Group-wide Risk and Control Self-Assessment annually to identify material risks along with their mitigating measures.

The adequacy and effectiveness of the systems of risk management and internal controls are reviewed at least annually by Management, the RC, the AC and the Board, taking into account the Listing Manual and the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council.

The Group's Risk Appetite Statement (RAS), which incorporates the Group's risk limits, addresses the management of material risks faced by the Group. Alignment of the Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key performance indicators set for Management) put in place across the Group.

More information on the Group's ERM framework, including the material risks identified, can be found in the Risk Management section on pages 76 to 80 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the AC. The AC also reviews the adequacy and effectiveness of the measures taken by Management on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the Group CEO and the Group CFO that the financial records of the Group have been properly maintained and the financial statements for FY 2021 give a true and fair view of the Group's operations and finances. It has also received assurance from the Group CEO and the relevant key management personnel who have responsibility regarding various aspects of risk management and internal controls that the systems of risk management and internal controls within the Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the Company considers relevant and material to its current business environment.

The Group CEO, Group CFO and the other key management personnel have obtained similar assurances from the respective business and corporate executive heads in the Group.

In addition, for FY 2021, the Board received the relevant certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to shareholders as required by the Listing Manual.

Based on the ERM framework established and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the Group CEO, the Group CFO and the relevant key management personnel, the Board is of the opinion that the systems of risk management and internal controls within the Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the Company considers relevant and material to its current business environment as at 31 December 2021. The AC and RC concur with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board, the AC or the RC in the review for FY 2021.

The Board notes that the systems of risk management and internal controls established by Management provide reasonable assurance that the Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

PRINCIPLE 10: AUDIT COMMITTEE

AUDIT COMMITTEE			
MR CHALY MAH CHEE KHEONG Committee Chairman & Non-Executive Independent Director	**MR ANTHONY LIM WENG KIN** Lead Independent Director	**MR GABRIEL LIM MENG LIANG** Non-Executive Independent Director	**MS HELEN WONG SIU MING** Non-Executive Independent Director

Corporate Governance

All members of the AC, including the chairman of the AC, are non-executive independent Directors. The chairman of the AC is not the Chairman of the Board. Ms Helen Wong Siu Ming was appointed as a member of the AC with effect from 1 January 2022. The members bring with them invaluable recent and relevant managerial and professional expertise in accounting and related financial management domains. Since the Company's Introductory Listing on 20 September 2021 up to the date of this Report, the AC met twice. The Board calendar provides for the AC to meet at least four times in a year, with two meetings to coincide with the half-year and full-year financial reporting cycles and the other two to coincide with the release of the Company's quarterly business updates.

The AC does not comprise members who were partners or directors of the incumbent external auditors, KPMG LLP, within the period of two years commencing on the date of their ceasing to be a partner or director of KPMG LLP. The AC also does not comprise any member who has any financial interest in KPMG LLP.

The AC has explicit authority to investigate any matter within its terms of reference. Management gives the fullest co-operation in providing information and resources to the AC, and in implementing or carrying out all requests made by the AC. The AC has direct access to the internal and external auditors and full discretion to invite any Director or executive officer to attend its meetings. Similarly, both the internal and external auditors have unrestricted access to the AC.

Under its terms of reference, the AC's scope of duties and responsibilities is as follows:

(a) review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
(b) review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, and together with the RC, the risk management systems including financial, operational, compliance and information technology controls;
(c) review the assurances from the Group CEO and Group CFO on the financial records and financial statements of the Company;
(d) review the scope and results of the internal audit, and the adequacy, effectiveness and independence of the Company's internal audit function;
(e) review the scope and results of the external audit, and the adequacy, effectiveness and independence of the external auditors;
(f) review the whistle-blowing reports and the policy and processes for the detection, independent investigation and follow-up action relating to possible improprieties in financial reporting or other matters; and
(g) make recommendations to the Board on the proposals to the shareholders on the appointment, reappointment and removal of the external auditors, and the remuneration and terms of engagement of the external auditors.

To assist the AC to carry out its duty to monitor the performance, objectivity and independence of the external auditors, in particular, to balance the independence and objectivity of the external auditors, the Company has developed policies regarding the types of non-audit services that the external auditors can provide to the Group and the related approval processes. The AC has reviewed the nature and extent of non-audit services provided by the external auditors in FY 2021 and the fees paid for such services. The AC is satisfied that the independence of the external auditors is not impaired by the provision of those services. The external auditors have also provided confirmation of their independence to the AC.

The total audit and non-audit fees paid to the external auditors for FY 2021 were as follows:

External Auditor Fees for FY 2021	S$'Million	As a Percentage to Total Fees Paid
Total Audit Fees	7.2	87%
Total Non-Audit Fees	1.1	13%
Total Fees Paid	**8.3**	**100%**

At all pre-scheduled quarterly meetings of the AC in FY 2021, the Group CEO and all key management personnel were in attendance. The Company adopts the practice of announcing its financial statements on a half-yearly basis and provides quarterly business updates in between such announcements or as and when necessary. Accordingly, during the AC meetings scheduled for February and August each year, among other things, the AC reviews the half-yearly financial statements, including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues and judgements, and recommends the half-yearly financial statements and corresponding announcements to the Board for approval. During the AC meetings scheduled for May and October or November each year, the AC reviews, among other things, the quarterly business updates prepared by Management, which will then be presented to the Board for approval. In October 2021, the AC reviewed the quarterly business updates which contained, among other things, information on the Group's key operating and financial metrics.

In FY 2021, the AC also, together with the RC, reviewed and assessed the adequacy and effectiveness of the Company's internal controls and risk management systems to address the material risks faced by the Company, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurance from the Group CEO and the Group CFO.

In FY 2021, the AC also met with the internal and external auditors, separately and without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors. The AC meets with the internal and external auditors, separately and without Management's presence, at least once a year.

Where relevant, the AC makes reference to the best practices and guidance for audit committees in Singapore, including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore (ACRA).

Key Audit Matters

In its review of the financial statements of the Group and the Company for FY 2021, the AC had discussed with Management the accounting principles that were applied and their judgement of items that could affect the integrity of the financial statements. The AC also considered the clarity of key disclosures in the financial statements. The AC reviewed, amongst other matters, the following key audit matters as reported by the external auditors for FY 2021.

Key Audit Matters	
Valuation of investment properties	Restructuring of the investment management business of CL and its subsidiaries and the formation of CLI
How these issues were addressed by the AC	
• The AC reviewed the outcomes of the annual valuation process and discussed the details of the valuation with Management, focusing on properties which registered significant fair value gains or losses during FY 2021 and the key drivers for the changes. • The AC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies, the underlying key assumptions applied and the material uncertainty clauses highlighted by the valuer in the valuation of investment properties. • The AC was satisfied with the valuation process, the methodologies used and the valuation for investment properties as adopted and disclosed in the financial statements.	• Management updated the AC on the process and approach taken in restructuring the entities involved to form the Group and the accounting treatment for and financial impact of the restructuring. • The AC also considered the findings of the external auditors, including their assessment of the appropriateness of the application of common control and merger accounting, such as the consistency of accounting policy choices applied and bases of allocation of transaction costs. • The AC was satisfied with the accounting treatment adopted as well as the basis of preparation and disclosure in the financial statements of the Company.

Corporate Governance

Changes to the accounting standards and accounting issues which have a direct impact on the financial statements are reported to and discussed with the AC at its meetings. Directors are also invited to attend relevant seminars on changes to accounting standards and issues by leading accounting firms.

The Company confirms that it complies with Rules 712, 715 and 716 of the Listing Manual.

Internal Audit

The Company has an Internal Audit Department (IA). IA is independent of the activities it audits. The primary reporting line of IA is to the AC, which also decides on the appointment, termination and remuneration of the head of IA. IA has unfettered access to the Group's documents, records, properties and employees, including access to the AC, and has appropriate standing within the Company.

The AC monitors and assesses the role and effectiveness of IA through the review of IA's processes from time to time, and the AC may make recommendations to the Board for any changes to IA's processes. The AC also reviews to ensure that IA is adequately resourced and skilled in line with the nature, size and complexity of the Company's business, and that an adequate budget is allocated to IA to ensure its proper functioning as internal auditors of the Company. The AC has carried out a review of the internal audit function in respect of FY 2021, and is satisfied that the internal audit function performed by IA is adequately resourced, effective and independent.

IA plans its internal audit schedules in consultation with, but independently of, Management and its plan is submitted to the AC for approval prior to the beginning of each year. For FY 2021, the AC reviewed the results of audits performed by IA based on the approved audit plan. The AC also reviewed reports on whistle-blower complaints reviewed by IA to ensure independent and thorough investigation and adequate follow-up. The AC also received reports on interested person transactions reviewed by IA, noting that the transactions were on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

The AC also meets with IA at least once a year without the presence of Management.

IA is adequately resourced and staffed with persons having the relevant qualifications and experience. IA is a corporate member of the Institute of Internal Auditors Inc. Singapore (IIAS), which is an affiliate of the Institute of Internal Auditors Inc. headquartered in the United States of America (US). IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by the IIAS, and has incorporated these Standards into its audit practices.

To ensure that internal audits are performed by competent professionals, IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. This includes IA staff who are involved in IT audits having relevant professional IT certifications. The IT auditors are also members of the ISACA Singapore Chapter, a professional body administering information systems audit and information security certifications that is headquartered in the US. The ISACA Information Systems Auditing Standards provide guidance on the standards and procedures to be applied in IT audits. IA identifies and provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLES 11 AND 12: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS AND ENGAGEMENT WITH SHAREHOLDERS

The Company is committed to treating all its shareholders fairly and equitably. All shareholders enjoy specific rights under the Constitution and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions (including dividends) and, to approve any proposed amendments to the Constitution, the payment of Directors' remuneration, the transfer of all or substantially all assets of the Company, and the issue of new shares of the Company.

General Meetings

The Company supports the principle of encouraging and facilitating shareholder participation and voting at general meetings. Annual Reports of the Company are provided to shareholders within four months from the end of the Company's financial year and at least 14 days before the date of its AGM. Shareholders may download Annual Reports (printed copies are available upon request) and notices of general meetings from the Company's website at www.capitalandinvest.com. These documents are also available on the SGXNet. More than the legally required notice period for general meetings is provided, and the rationale and explanation for each agenda item requiring shareholders' approval are provided in the notice of general meeting so as to enable shareholders to exercise their voting rights on an informed basis. To safeguard shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, unless the issues are interdependent and linked so as to form one significant proposal. Where resolutions are bundled, the reasons and material implications are explained in the notice of general meeting to enable shareholders to make an informed decision. Further, if the resolution is in respect of an interested person transaction (as defined in the Listing Manual), the interested person (as defined in the Listing Manual) will be required to abstain from voting on such resolution.

The Company's upcoming 2022 AGM will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (AAM Order) and the joint statement issued by ACRA, MAS and Singapore Exchange Regulation as updated on 4 February 2022 which guides listed and non-listed entities on the conduct of general meetings amid the evolving COVID-19 situation (Joint Guidance). Alternative arrangements will be put in place for the conduct of the upcoming 2022 AGM, including: (a) attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream); (b) submitting questions to the Chairman of the Meeting in advance of, or live at, the AGM, and addressing of substantial and relevant questions in advance of, or live at, the AGM; and (c) voting at the AGM (i) live by the shareholders or their duly appointed proxy(ies) (other than the Chairman of the Meeting) via electronic means; or (ii) by appointing the Chairman of the Meeting as proxy to vote on their behalf at the AGM. Further information on the alternative arrangements relating to the conduct of the upcoming 2022 AGM is provided in the notice of the upcoming 2022 AGM.

Shareholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or, in the case of a corporate shareholder, through its appointed representative). Shareholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of the Company.

At general meetings, the Group CEO presents and updates shareholders on the Company's performance, position and prospects. The presentation materials are made available to shareholders on the Company's website and on the SGXNet. Shareholders are given the opportunity to communicate their views, raise questions and discuss with the Board and Management on matters affecting the Company. All Directors (including the chairpersons of the respective Board Committees), Management and the external auditors, attend and are present for the entire duration of general meetings to address any queries that the shareholders may have, including queries about the conduct of the Company's audit, and preparation and contents of the auditors' report.

Under normal circumstances, Directors and Management would interact with shareholders after the general meetings conducted in a physical format. As a precautionary measure due to the COVID-19 situation in Singapore, in respect of the upcoming 2022 AGM (which will be convened and held by way of electronic means pursuant to the AAM Order and the Joint Guidance), although shareholders would not be able to physically attend the meeting, they would be able to submit questions to the chairman of the meeting in advance of the meeting, and substantial and relevant questions received from shareholders will be addressed before the meeting via publication on the Company's website and on the SGXNet, or live at the meeting. Shareholders would also be able to ask questions live via the audio-visual webcast platform during the question and answer session at the meeting.

To ensure transparency in the voting process and better reflect shareholders' shareholding interests, the Company conducts electronic poll voting for all the resolutions proposed at general meetings. One ordinary share is entitled to one vote. Voting procedures and rules governing general meetings are explained and vote tabulations are

disclosed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast for or against each resolution, and the respective percentages, are tallied and displayed live on-screen to shareholders immediately at the general meetings. The total number of votes cast for or against the resolutions and the respective percentages are also announced on the SGXNet after trading hours on the date of the general meeting.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. The Company's Constitution currently does not, however, permit shareholders to vote at general meetings in absentia (such as via mail or email). The Company will consider implementing the relevant amendments to the Constitution to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and authentication of the identity of shareholders will not be compromised through web transmission, and legislative changes to the Companies Act 1967 are effected to formally recognise absentia voting. The Company is of the view that despite its deviation from Provision 11.4 of the Code, shareholders nevertheless have opportunities to communicate their views on matters affecting the Company even when they are not in attendance at general meetings. For example, shareholders may appoint proxies to attend, speak and vote, on their behalf, at any general meeting.

Minutes of the general meetings, recording the substantial and relevant comments made, questions raised and answers provided, are prepared and available to shareholders for their inspection upon request. Minutes of general meetings are also uploaded to the Company's website at www.capitalandinvest.com and, where required, on the SGXNet.

Engagement with Shareholders

The Company actively engages with its shareholders to provide them with the information they need to make informed judgements about the Company, and to solicit and understand their views.

The Company's institutional shareholder base is geographically well-diversified. To keep them updated on the Company's progress, the Company regularly participates in investor conferences and conducts non-deal roadshows, catering to different global time zones. Due to the ongoing COVID-19 pandemic in FY 2021 which restricted international travel, the Company participated in most of these engagements virtually.

In addition, the Company conducts live webcast briefings in respect of key calendar events which include the Company's half-year and full-year financial results release, as well as important announcements that would have a bearing on investor decisions. The Company conducted a total of two such briefings from the Company's Introductory Listing on 20 September 2021 up to the date of this Report. Sell-side research analysts as well as members of the media were invited to pose questions to the Company's senior management in real time, so that the sessions could be more informative for viewers.

For retail shareholders, the Company regularly hosts large-group dialogue sessions, often partnering with organisations such as Securities Investors Association (Singapore) as well as the SGX Academy, which have significant retail investor base. The Company's Group CEO, Group CFO and Head of Investor Relations are usually present at these sessions to attend to questions from the audience. The Company also proactively keeps retail investors informed through the business media, website postings and other social media and publicity channels.

Materials disseminated to institutional investors are also disseminated via the SGXNet for access by retail shareholders.

The Company has an Investor Relations department which facilitates effective communication with the Company's shareholders and the general investor community which includes sell-side analysts, fund managers and retail investors. The Company maintains a website which contains information on the Company, including but not limited to announcements and news releases, financial statements (current and past), investor presentations, Annual Reports (current and past years), the Constitution and key events.

The Company has in place an Investor Relations Policy (IR Policy) to promote regular, effective and fair communications with its shareholders. The IR Policy, which sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions, is

Corporate Governance

available on the Company's website at www.capitalandinvest.com. Shareholders are encouraged to engage with the Company beyond general meetings and they may do so by contacting the Investor Relations department which details may be found on the Company's website.

The Company also has a Group Communications department which works closely with the media and oversees the Company's external communications efforts.

More information on the Company's investor and media relations efforts can be found in the "Our Stakeholders" section on pages 57 to 65 of this Annual Report.

Dividends Policy

The Company has a policy on the payment of dividends. Barring unforeseen circumstances, the Company's policy is to declare a dividend of at least 30% of the annual cash profit after tax and minority interests (PATMI), defined as the sum of operating PATMI, portfolio gains/losses and realised valuation gains/losses, after considering a number of factors, including the Company's level of cash and reserves, results of operations, business prospects, capital requirements and surplus, general financial condition, contractual restrictions, the absence of any circumstances which might reduce the amount of reserves available to pay dividends, and other factors considered relevant by the Board, including the Company's expected financial performance. Upon approval by shareholders at general meeting, dividends are generally paid to all shareholders within 15 market days after the record date.

Timely Disclosure of Information

The Company is committed to ensuring that its shareholders, other stakeholders, analysts and the media have access to accurate information vis-à-vis the Company on a timely basis. This is achieved through posting announcements and news releases on the SGXNet on a timely and consistent basis. These announcements and news releases are also posted on the Company's website.

Following its Introductory Listing on 20 September 2021, the Company provided shareholders with the full-year financial statements for FY 2021 within the relevant period prescribed by the Listing Manual. This was reviewed and approved by the Board prior to release to shareholders by announcement on the SGXNet. Going forward, the Company will provide shareholders with its half-year and full-year financial statements within the relevant periods prescribed by the Listing Manual. Such half-year and full-year financial statements would be reviewed and approved by the Board prior to release to shareholders by announcement on the SGXNet. The releases of the half-year and full-year financial statements will be accompanied by news releases issued to the media, which will also be posted on the SGXNet. In presenting the half-year and full-year financial statements to shareholders, the Board seeks to provide shareholders with a balanced, clear and understandable assessment of the Company and the Group's performance, position and prospects. In order to achieve this, Management provides the Board with management accounts on a monthly basis and such explanation and information as any Director may require, to enable the Directors to keep abreast, and make a balanced and informed assessment, of the Group's financial performance, position and prospects.

In keeping with the Company's commitment to provide its shareholders with information promptly, the Company provides shareholders, on a voluntary basis, with quarterly business updates in between the announcement of its half-year and full-year financial statements. Such business updates contain, among other things, information on the Group's key operating and financial metrics.

In addition to financial statements, the Company also keeps its shareholders, stakeholders and analysts informed of the performance and changes in the Group or its business which are materially price-sensitive or trade-sensitive, so as to assist shareholders and investors in their investment decision-making.

The Group has a formal policy on corporate disclosure controls and procedures to ensure that the Company complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate decision-making processes and an obligation on internal reporting of decisions made.

A written communications protocol has also been established to implement a control process within the Group for the management of communications with various internal and external stakeholders. Such protocol identifies the spokespersons who are authorised to provide information about the Group to the relevant stakeholders. As part of employee on-boarding process, all employees are informed that they are required to comply with the obligation of maintaining the confidentiality of information relating to the Group and are prohibited from disclosing or communicating such information or discussing internal corporate matters or developments with anyone except where necessary and in the performance of regular corporate duties. On an annual basis, they also declare that, amongst other things, they are aware of and will comply with, their obligations to keep confidential information which they receive during their employment.

The Company believes in conducting itself in ways that seek to deliver maximum sustainable value to its stakeholders. Best practices are promoted as a means to build an excellent business for its stakeholders. Prompt fulfilment of statutory reporting requirements is but one way to maintain stakeholders' confidence and trust in the capability and integrity of the Company.

MANAGING STAKEHOLDER RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

With the Company placing sustainability at the core of everything it does, the Board's role includes considering sustainability as part of its strategy formulation. The Company engages with its stakeholders based on the principles of sustainability and sound governance, in keeping with its commitment to sustainability with a view to enabling the Company to generate stronger and sustainable returns over time.

The Company adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders. Reflecting the Company's commitment to sustainability, the Group adopted the CapitaLand 2030 Sustainability Master Plan as part of its preparation for the Introductory Listing. The master plan articulates the Group's sustainability targets over the next decade and five pathways to achieve them. As part of its sustainability commitment, the Company embeds environmental, social and governance considerations into its investment analysis, financing consideration and day-to-day business operations. The master plan will be reviewed every two years. The Company has arrangements in place to identify and engage with its material stakeholder groups and, through such arrangements, engages with these stakeholder groups from time to time to gather feedback on the sustainability issues most important to such groups and to manage its relationships with such groups. Such arrangements include maintaining and updating the Company's website at www.capitalandinvest.com with current information on its sustainability strategy and stakeholder engagements, so as to facilitate communication and engagement with the Company's stakeholders. Further information on the CapitaLand 2030 Sustainability Master Plan and stakeholder engagement can be found on pages 66 to 75 of this Annual Report.

The Company has received recognition for its efforts on sustainability. It is listed in the Global 100 Most Sustainable Corporations Index, Dow Jones Sustainability World Index and Asia-Pacific Index, Global Real Estate Sustainability Benchmark (Global Sector Leader, Diversified-Listed), FTSEGood Index Series, MSCI Global Sustainability Indexes and The Sustainability Yearbook. More information on the Company's efforts on sustainability management can be found on pages 71 to 75 of this Annual Report and in the CapitaLand Investment Global Sustainability Report 2021, which will be published by 31 May 2022.

ADDITIONAL INFORMATION

DEALINGS IN SECURITIES

The Company has adopted a securities dealing policy for the Group's officers and employees which applies the best practice recommendations in the Listing Manual. Under the policy, Directors and employees in the Group are required to refrain from dealing in the Company's securities (a) while in possession of material unpublished price-sensitive or trade-sensitive information; and (b) during the one-month period immediately preceding, and up to the time of the announcement of the Company's half-year and full-year financial statements. Prior to the commencement of each relevant blackout period, an email would be sent out to all Directors and employees of the Group to inform and/or remind them of the duration of the relevant blackout period.

In addition, Directors and certain employees identified as "Key Insiders" are prohibited from dealing in the securities of the Company, except during the open trading window (being the one calendar month commencing from the relevant date of announcement of the Company's half-year and full-year results), provided that they are not in possession of undisclosed material price-sensitive or trade-sensitive information.

The policy also provides for the Company to maintain a list(s) of persons who are privy to price-sensitive or trade-sensitive information relating to the Group as and when circumstances require such a list to be maintained.

Directors and employees of the Group are also required to refrain from dealing in securities of the Company and/or other relevant listed entities in the Group if they are in possession of unpublished price-sensitive or trade-sensitive information of the Company and/or these other listed entities arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in the relevant securities.

Under the policy, Directors and employees are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities. In addition, Senior Management are required to notify the Group CEO of any intended trade prior to any trade of the Company's securities.

A Director is required to notify the Company of his or her interest in the Company's securities within two business days after (i) the date on which he or she becomes a Director; or (ii) the date on which he or she acquires an interest in the Company's securities. A Director is also required to notify the Company of any change in his or her interests in the Company's securities within two business days after he or she becomes aware of such a change. Any dealings by the Directors (including the Group CEO who is also a Director) in securities of the Company are disclosed, in accordance with the requirements of the Securities and Futures Act 2001.

During FY 2021, there were no dealings by the Directors in the securities of the Company (other than the acquisition of shares by Mr Miguel Ko and Mr Stephen Lee Ching Yen following the Company's Introductory Listing when a one calendar month open trading window from the date of the Introductory Listing was made available to Directors and the Key Insiders to acquire the securities of the Company, and, in the case of Mr Lee Chee Koon, the contingent awards of shares to him as an employee pursuant to the Share Plans).

ETHICS AND CODE OF BUSINESS CONDUCT

The Company adheres to an ethics and code of business conduct policy which deals with issues such as business ethics, confidentiality, conduct and work discipline.

Integrity is a core value of the Company. The Company is committed to doing business with integrity and has adopted a zero tolerance stance against fraud, bribery and corruption. Consistent with this commitment, the Company has in place a Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the Company's strong stance against fraud, bribery and corruption, and sets the overarching approach and standards in managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The FBC Risk Management Policy works together with various other policies and guidelines to guide all employees to maintain the highest standards of integrity in their work and business dealings. This includes guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers. The Company's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. The Company's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions. In addition, on an annual basis, all employees of the Group are required to pledge that they will uphold the Company's core values and not engage in any corrupt or unethical practices.

In addition to the FBC Risk Management Policy and related policies, various other policies and guidelines are in place to guide employees' behaviour.

Together, these policies aim to help to detect and prevent occupational fraud in mainly three ways. First, the Company offers fair compensation packages, based on practices of pay-for-performance and promotion of employees based on merit. The Company also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face. Second, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the effectiveness of these internal controls. Finally, the Company seeks to build and maintain the right organisational culture through its core values and imbibing employees on good business conduct and ethical values.

These policies and guidelines are published on the Company's intranet, which is accessible by all employees.

WHISTLE-BLOWING POLICY

Consistent with its commitment to maintaining a high standard of integrity in its business conduct, the Company has put in place a whistle-blowing policy. The policy and the related procedures provide the Group's employees and parties who have dealings with the Group with well-defined, accessible and trusted channels to report to the Company any suspected fraud, corruption, dishonest practices, misconduct, wrongdoing and/or other improprieties relating to the Company and its officers, and provide for the independent investigation of any reported incidents and appropriate follow-up actions. The objective of the policy is to encourage the reporting of such matters – by ensuring that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal and detrimental or unfair treatment. The policy provides that the identity of the whistle-blower will be kept confidential, and that an independent investigating committee will be formed for the purpose of investigating any reports made in good faith. It further provides that the Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern and that it will ensure the protection of whistle-blowers against reprisal and detrimental or unfair treatment, even if they turn out out be mistaken.

The AC is responsible for oversight and monitoring of whistle-blowing. Whistle-blowing reports can be made to the AC Chairman and the Company has designated an independent function to investigate whistle-blowing reports made in good faith. Internal Audit provides the staff function for the AC and reports directly to the AC on all reported cases. The AC reviews all whistle-blowing complaints at its quarterly meetings. Independent, thorough investigation and appropriate follow-up actions are taken. The outcome of each investigation is reported to the AC.

The whistle-blowing policy is publicly disclosed on the Company's website and made available to all employees on the Company's intranet. Further, as part of the Group's efforts to promote strong ethical values and fraud and control awareness, the whistle-blowing policy, including the procedures for raising concerns, is covered and explained in detail during periodical communications to all staff.

BUSINESS CONTINUITY MANAGEMENT

The Company has implemented a Business Continuity Management programme that puts in place the prevention, detection, response and business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events on the Company's operations and also has in place a Business Continuity Plan (BCP). Under the BCP, Management has identified the critical business functions, processes and resources, and has a pool of employees who are trained under a Business Psychological Resilience Programme to provide peer support to colleagues following the occurrence of adverse events. As part of the BCP, periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of the processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber attacks, data breaches and epidemics. This approach aims to minimise financial loss, allow the Company to continue to function and mitigate any negative effects that the disruptions could have on the Company's reputation, operations and ability to remain in compliance with the relevant laws and regulations.

ATTENDANCE RECORD OF MEETINGS OF SHAREHOLDERS, BOARD AND BOARD COMMITTEES SINCE THE COMPANY'S INTRODUCTORY LISTING ON 20 SEPTEMBER 2021 UP 31 DECEMBER 2021[1]

	Board	Audit Committee[11]	Executive Committee[11]	Executive Resource and Compensation Committee[11]	Nominating Committee[11]	Risk Committee[11]	Strategy Committee[11]	General Meeting(s)
No. of Meetings Held	1	1	-[12]	1	1	-[12]	-[12]	-[12]
Board Members								
Miguel Ko[2]	100%	-	-	100%	100%	-	-	-
Lee Chee Koon[3]	100%	-	-	-	-	-	-	-
Anthony Lim Weng Kin[4]	100%	100%	-	-	100%	-	-	-
Stephen Lee Ching Yen[5]	100%	-	-	100%	100%	-	-	-
Chaly Mah Chee Kheong[6]	100%	100%	-	-	-	-	-	-
Kee Teck Koon[7]	100%	-	-	-	-	-	-	-
Goh Swee Chen[8]	100%	-	-	100%	-	-	-	-
Gabriel Lim Meng Liang[9]	100%	100%	-	-	-	-	-	-
Judy Hsu Chung Wei[10]	100%	-	-	100%	-	-	-	-

1 All Directors are required to attend shareholders, Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the shareholders, Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
2 Appointed as a Director and the Chairman of the Board on 2 June 2021 and as the Chairman of the EXCO and a member of each of the ERCC, NC and SC on 3 July 2021.
3 Appointed as a Director on 1 July 2019 and as a member of each of the EXCO and SC on 3 July 2021. Attended all Board Committee meetings on an *ex officio* basis.
4 Appointed as a Director on 3 June 2021 and as the Lead Independent Director, the Chairman of the SC and a member of each of the AC and NC on 3 July 2021.
5 Appointed as a Director on 3 June 2021 and as the Chairman of each of the ERCC and NC on 3 July 2021.
6 Appointed as a Director on 2 June 2021 and as the Chairman of the AC and a member of the EXCO on 3 July 2021.
7 Appointed as a Director on 25 June 2021 and as the Chairman of the RC and a member of the EXCO on 3 July 2021.
8 Appointed as a Director on 1 June 2021 and as a member of each of the ERCC and RC on 3 July 2021.
9 Appointed as a Director on 2 June 2021 and as a member of each of the AC and RC on 3 July 2021.
10 Appointed as a Director on 1 June 2021 and as a member of each of the ERCC and RC on 3 July 2021.
11 Formed on 3 July 2021.
12 There was no meeting held since the Company's Introductory Listing on 20 September 2021 up to 31 December 2021.

DIRECTORS' AND GROUP CEO'S REMUNERATION FOR FY 2021
(FROM, IN THE CASE OF THE NON-EXECUTIVE DIRECTORS, THE DATE OF HIS OR HER APPOINTMENT AND, IN THE CASE OF THE GROUP CEO, THE DATE OF THE COMPANY'S INTRODUCTORY LISTING ON 20 SEPTEMBER 2021)

Directors and Group CEO of the Company	Salary inclusive of employer's CPF S$	Bonus and other benefits inclusive of employer's CPF S$	Share awards[1,2] S$	Directors' fees: Cash component S$	Directors' fees: Shares component S$	Benefits S$	Total remuneration S$
Director and Group CEO							
Lee Chee Koon	321,799	869,408	792,061	-	-	-	1,983,268
Sub-Total	**321,799**	**869,408**	**792,061**	**-**	**-**	**-**	**1,983,268**
Non-Executive Directors							
Miguel Ko	-	-	-	306,370	131,302	-	437,672
Anthony Lim Weng Kin	-	-	-	98,878	42,376	-	141,254
Stephen Lee Ching Yen	-	-	-	110,952	-	-	110,952
Chaly Mah Chee Kheong	-	-	-	78,249	33,536	-	111,785
Kee Teck Koon	-	-	-	67,504	28,931	-	96,435
Goh Swee Chen	-	-	-	89,300	-	-	89,300
Gabriel Lim Meng Liang[3]	-	-	-	96,533	-	-	96,533
Judy Hsu Chung Wei	-	-	-	61,810	26,490	-	88,300
Sub-Total	**-**	**-**	**-**	**909,596**	**262,635**	**-**	**1,172,231**
Total for Directors and Group CEO of the Company	**321,799**	**869,408**	**792,061**	**1,172,231[4]**		**-**	**3,155,499**

1 The share awards are pro-rated for the period 20 September 2021 (being the date of the Company's Introductory Listing) to 31 December 2021 and based on the fair value as at the time of grant of the shares comprised in the contingent awards granted in April 2021 under the share plans of CL.
2 The disclosure excludes the one-time Special PSP Award comprising 921,006 shares granted to Mr Lee Chee Koon. The Special PSP Award has a five-year performance period and will vest at the end of the third year and/or fifth year, subject to the achievement of the targets approved by the ERCC.
3 The fees payable to Mr Gabriel Lim Meng Liang will be paid fully in cash to a government agency, DCAC. Mr Lim has requested and the DCAC has concurred, that the fees for his services, upon approval by shareholders, be donated by the Company in its entirety to a charitable organisation, the CapitaLand Hope Foundation.
4 The remuneration of the non-executive Directors amounting to S$1,172,231 in aggregate is subject to approval by shareholders at the upcoming AGM.

GROUP CEO'S AND KEY MANAGEMENT PERSONNEL'S REMUNERATION FOR FY 2021
(FROM THE DATE OF THE COMPANY'S INTRODUCTORY LISTING ON 20 SEPTEMBER 2021)

The remuneration of the Group CEO and the key management personnel of the Group and in aggregate the total remuneration paid to them for FY 2021 is set out in the table below:

	Salary inclusive of employer's CPF	Bonus and other benefits inclusive of employer's CPF[1]	Share awards[2,3]	Total
Lee Chee Koon	S$321,799 16%	S$869,408 44%	S$792,061 40%	S$1,983,268 100%
Andrew Geoffrey Lim Cho Pin Jonathan Yap Neng Tong Kevin Goh Soon Keat Patrick Matthew Boocock[4] Simon Joseph Treacy[4] Tan Seng Chai	S$1,135,645 24%	S$2,193,892 47%	S$1,346,499 29%	S$4,676,036 100%
Aggregate Remuneration of Group CEO and Key Management Personnel	**S$6,659,304**			

1 The disclosure includes the bonuses earned under the BSBP and EBIP which have been accrued for in FY 2021. No EBIP bonus was declared or paid during FY 2021.
2 The share awards are pro-rated for the period 20 September 2021 (being the date of the Company's Introductory Listing) to 31 December 2021 and based on the fair value as at the time of grant of the shares comprised in the contingent awards granted in April 2021 under the share plans of CL.
3 The disclosure excludes the one-time Special PSP Award comprising 921,006 shares granted to Mr Lee Chee Koon and an aggregate of 3,684,022 shares granted to the other key management personnel. The Special PSP Award has a five-year performance period and will vest at the end of the third year and/or fifth year, subject to the achievement of the targets approved by the ERCC.
4 Mr Patrick Matthew Boocock was appointed CEO, Private Equity Alternative Assets on 25 October 2021, and Mr Simon Joseph Treacy was appointed CEO, Private Equity Real Estate on 27 October 2021.

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We are pleased to submit this annual report to the members of the Company, together with the audited financial statements for the financial year ended 31 December 2021.

In our opinion:

(a) the financial statements set out on pages 144 to 266 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) and International Financial Reporting Standards (IFRS); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

The directors in office at the date of this statement are as follows:

Miguel Ko	(Appointed on 2 June 2021)
Lee Chee Koon	(Appointed on 1 July 2019)
Anthony Lim Weng Kin	(Appointed on 3 June 2021)
Goh Swee Chen	(Appointed on 1 June 2021)
Judy Hsu Chung Wei	(Appointed on 1 June 2021)
Kee Teck Koon	(Appointed on 25 June 2021)
Stephen Lee Ching Yen	(Appointed on 3 June 2021)
Gabriel Lim Meng Liang	(Appointed on 2 June 2021)
Chaly Mah Chee Kheong	(Appointed on 2 June 2021)
David Su Tuong Sing	(Appointed on 1 January 2022)
Helen Wong Siu Ming	(Appointed on 1 January 2022)

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, particulars of interests of directors who held office at the end of the financial year (including those held by spouses and infant children) in shares or debentures of the Company, or of its related corporations, are as follows:

	Holdings in the name of the director, spouse and/or infant children	
	At the beginning of the year/date of appointment	At end of the year
CapitaLand Investment Limited		
Ordinary shares		
Miguel Ko	–	1,303,679
Lee Chee Koon	–	1,540,196
Anthony Lim Weng Kin	–	51,145
Goh Swee Chen	–	46,709
Kee Teck Koon	–	100,647
Stephen Lee Ching Yen	–	220,726
Chaly Mah Chee Kheong	–	121,654
Award of CLI Performance shares[1a, 7] to be delivered after 2021		
Lee Chee Koon	–	930,376
Award of CLI Performance shares[1a, 7] to be delivered after 2022		
Lee Chee Koon	–	941,254
Award of CLI Performance shares[1a, 7] to be delivered after 2023		
Lee Chee Koon	–	1,116,813
Contingent award of CLI Performance shares[1a, 8] under Special Founder Performance Share award to be delivered after 2025		
Lee Chee Koon	–	0 to 2,763,018
Related Corporations		
CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) (CL)		
Ordinary shares		
Miguel Ko	3,679	–
Lee Chee Koon	1,273,533	–
Anthony Lim Weng Kin	51,145	–
Goh Swee Chen	46,709	–
Kee Teck Koon	100,647	–
Stephen Lee Ching Yen	120,726	–
Chaly Mah Chee Kheong	121,654	–
Contingent award of CL Performance shares[1b, 7] to be delivered after 2020		
Lee Chee Koon (142,437 shares)	0 to 284,874[3]	–
Contingent award of CL Performance shares[1b, 7] to be delivered after 2021		
Lee Chee Koon (320,143 shares)	0 to 640,286[3]	–

DIRECTORS' INTEREST IN SHARES OR DEBENTURES (continued)

		Holdings in the name of the director, spouse and/or infant children	
		At the beginning of the year/date of appointment	At end of the year
Related Corporations (continued)			
Contingent award of CL Performance shares[1c, 7] to be delivered after 2022			
Lee Chee Koon	(323,886 shares)	0 to 647,772[3]	–
Contingent award of CL Performance shares[1c, 7] to be delivered after 2023			
Lee Chee Koon	(384,296 shares)	–	–
Unvested Restricted shares[2a, 9] to be delivered after 2019			
Lee Chee Koon		221,967[5, 6]	–
Unvested Restricted shares[2b, 9] to be delivered after 2020			
Lee Chee Koon		0 to 404,857[4, 5]	–
Contingent award of Restricted shares[2b, 9] to be delivered after 2021			
Lee Chee Koon	(384,296 shares)	–	–
CapitaLand Treasury Limited			
S$800 million 2.90% Fixed Rate Senior Notes due 2032			
Kee Teck Koon		S$250,000	S$250,000
Fullerton India Credit Company Limited			
S$150 million 3.70% Senior Secured Notes due 2023			
Kee Teck Koon		S$250,000	S$250,000
Mapletree Treasury Services Limited			
S$300 million 3.40% Notes due 2026			
Miguel Ko		S$500,000	S$500,000
Sembcorp Marine Ltd			
Ordinary shares			
Kee Teck Koon		58,932	58,932
SIA Engineering Company Limited			
Ordinary shares			
Kee Teck Koon		5,000	5,000

DIRECTORS' INTEREST IN SHARES OR DEBENTURES (continued)

	Holdings in the name of the director, spouse and/or infant children	
	At the beginning of the year/date of appointment	At end of the year
Related Corporations (continued)		
Singapore Airlines Limited		
Ordinary shares		
Miguel Ko	75,000	117,500
Stephen Lee Ching Yen	26,500	26,500
Goh Swee Chen	18,550	25,350
Judy Hsu Chung Wei	7,000	7,000
Singapore Airlines Limited		
S$200 million 3.145% Fixed Rate Notes due 2021		
Miguel Ko	S$250,000	–
S$600 million 3.16% Fixed Rate Notes due 2023		
Miguel Ko	S$500,000	S$500,000
Kee Teck Koon	S$750,000	S$750,000
S$750 million 3.03% Bond due 2024		
Miguel Ko	S$250,000	S$250,000
S$700 million 3.035% Fixed Rate Notes due 2025		
Miguel Ko	S$250,000	S$250,000
Kee Teck Koon	S$250,000	S$250,000
S$850 million 1.625% Mandatory Convertible Bond due 2025		
Goh Swee Chen	S$3,835	S$3,835^
^ Includes S$38,769 in principal amount of rights.		
S$630 million 3.13% Bond due 2026		
Miguel Ko	S$250,000	S$250,000
S$3.5 billion Zero Coupon Rights Mandatory Convertible Bonds due 2030		
Judy Hsu Chung Wei	10,000	10,000
Singapore Technologies Engineering Ltd		
Ordinary shares		
Miguel Ko	70,500	70,500

DIRECTORS' INTEREST IN SHARES OR DEBENTURES (continued)

	Holdings in the name of the director, spouse and/or infant children At the beginning of the year/date of appointment	At end of the year
Related Corporations (continued)		
Singapore Telecommunications Limited		
Ordinary shares		
Miguel Ko	34,000	34,715
Stephen Lee Ching Yen	380	13,463
Kee Teck Koon	10,490	10,490
Anthony Lim Weng Kin	940	940
Goh Swee Chen	5,000	5,000
Judy Hsu Chung Wei	10,000	10,000
StarHub Ltd		
Ordinary shares		
Miguel Ko	66,600	66,600
S$220 million 3.08% Fixed Rate Notes due 2022		
Miguel Ko	S$250,000	S$250,000
Temasek Financial (IV) Private Limited		
S$500 million 1.80% Bond due 2026		
Stephen Lee Ching Yen	30,000	30,000

Footnotes:

1a Awards made pursuant to the CapitaLand Investment Performance Share Plan 2021.
1b Awards made pursuant to the CapitaLand Performance Share Plan 2010.
1c Awards made pursuant to the CapitaLand Performance Share Plan 2020.
2a Awards made pursuant to the CapitaLand Restricted Share Plan 2010 (RSP 2010).
2b Awards made pursuant to the CapitaLand Restricted Share Plan 2020 (RSP 2020).
3 The final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award. The Executive Resource and Compensation Committee (ERCC) of CL has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.
4 The final number of shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of three years. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.
5 An additional number of shares of a total value equal to the value of the accumulated dividends which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the RSP 2010 and RSP 2020, will also be released on the final vesting.
6 Being the unvested one-third of the award.
7 Following the completion of the strategic restructuring of the investment management business of CL and as further described in CLI introductory document dated 17 July 2021, the awards granted under CL's CapitaLand Performance Share Plan 2010 and CapitaLand Performance Share Plan 2020 (collectively, the CL PSP Awards) to certain employees of CLI and CL group companies have been replaced with shares under the CapitaLand Investment Performance Share Plan 2021 (CLI PSP 2021), which will vest in accordance with the original vesting schedule of the CL PSP Awards.

DIRECTORS' INTEREST IN SHARES OR DEBENTURES (continued)

8 This is a long-term share-based award which will vest after the end of a 5-year performance period, subject to the achievement of the targets approved by the Executive Resource and Compensation Committee of the Company. The number of shares to be released as soon as practicable upon vesting will be determined based on, inter alia, the award multiplied by an achievement factor. If the minimum performance level is achieved, the achievement factor will be 0.2. If the performance level exceeds minimum but is below superior, the achievement factor will be adjusted accordingly within the range of 0.2 to 3.0. If the performance level is superior and above, the achievement factor will be 3.0. Conversely, if the performance level is below minimum, the achievement factor will be zero and no share will be released.
9 Termination of RSPs and shares being the unvested remaining shares under the awards granted under the RSPs has been released in the form of cash in lieu of shares. Cash payment will be released to eligible participants according to the original vesting schedule of each respective RSP award.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures or options of the Company or of related corporations either at the beginning or at the end of the financial year.

There was no change in any of the above-mentioned directors' interests in the Company between the end of the financial year and 21 January 2022.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as disclosed under the Directors' Interests in Shares or Debentures and Share Plans sections of this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE PLANS – PERFORMANCE SHARE PLANS AND RESTRICTED SHARE PLANS

Share Plans of the CapitaLand Group Pte. Ltd.

The Group's employees participated in the share-based incentive plans of the Company's immediate holding company, CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) which comprise the Performance Share Plan and Restricted Share Plan. The Share Plans are administered by CL's Executive Resource and Compensation Committee (CL ERCC).

The CapitaLand Performance Share Plan 2010 (CL PSP 2010) and CapitaLand Restricted Share Plan 2010 (CL RSP 2010) were approved by the members of the CapitaLand Group Pte. Ltd. at the Extraordinary General Meeting held on 16 April 2010. The duration of each share plan is 10 years commencing on 16 April 2010. The PSP 2010 and RSP 2010 have expired on 15 April 2020. Awards made prior to expiry are not affected and no further awards were made subsequent to expiry.

The CapitaLand Performance Share Plan 2020 (CL PSP 2020) and CapitaLand Restricted Share Plan 2020 (CL RSP 2020) were approved by the members of the CapitaLand Group Pte. Ltd. at the Extraordinary General Meeting held on 12 April 2019. The duration of each share plan is 10 years commencing on 1 April 2020.

Pursuant to the Internal Restructuring, CL ERCC has approved the following in relation to the unvested share awards payout to CL Share Plans as at 17 September 2021:

(a) The outstanding contingent CL PSP granted to the employees will be replaced by awards under the CLI Share Plan (which were granted on 1 October 2021) in accordance with a conversion ratio and released in accordance with the original vesting schedule. The number of awards to be granted have also been finalised at 200% of the baseline awards.

SHARE PLANS – PERFORMANCE SHARE PLANS AND RESTRICTED SHARE PLANS (continued)

Share Plans of the CapitaLand Group Pte. Ltd. (continued)

(b) The CL RSP awards will be converted to cash-settled based awards with an implied value of S$4.102 per CL share. Contingent awards granted under the CL RSP have been finalised at 150% of the baseline awards based on the same implied value. The cash payment will be released to eligible employees according to the original vesting schedule of respective CL RSP award.

Share Plans of the Company (CLI)

The ERCC of the Company was formed on 3 July 2021 and it has been designated as the Committee responsible for the administration of the Share Plans. The ERCC members at the date of this statement are Mr Stephen Lee Ching Yen (Chairman), Mr Miguel Ko, Ms Goh Swee Chen and Ms Judy Hsu Chung Wei.

The CLI Performance Share Plan 2021 (CLI PSP 2021) and CLI Restricted Share Plan 2021 (CLI RSP 2021) were approved by CapitaLand Group Pte. Ltd. the immediate holding company of CLI on 17 July 2021. The duration of each share plan is 10 years commencing on 1 September 2021.

The ERCC of the Company has instituted a set of share ownership guidelines for members of senior management who receive shares under the CLI Restricted Share Plans and CLI Performance Share Plans. Under these guidelines, members of senior management are required to retain a portion of the total number of CLI shares received under the aforementioned share-based plans, which will vary according to their respective job grade and salary.

The total number of new shares which may be allotted, issued and/or delivered pursuant to awards granted under the Share Plans on any date, when aggregated with existing shares (including treasury shares and cash equivalents) delivered and/or to be delivered, pursuant to the CLI Share Plans and all shares, options or awards granted under any other share schemes of the Company then in force, shall not exceed 8% of the total number of issued shares (excluding treasury shares) from time to time.

Details of awards granted under each CLI Share Plan are provided in the following sections:

(a) Awards under the CLI Performance Share Plans (CLI PSP)

Under the Performance Share Plans, the awards granted are conditional on performance targets set based on medium-term corporate objectives. Awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon the Company achieving prescribed performance target(s).

The ERCC grants an initial number of shares (baseline award) which are conditional on targets set for a performance period, currently prescribed to be a three-year performance period. A specified number of shares will only be released by the ERCC to the recipients at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of shares to be released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award can be delivered up to a maximum of 200% of the baseline award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

All outstanding contingent CL PSP awards granted to the employees have been finalised at 200% of the baseline awards and employees will receive in lieu of the Company's shares, awards under the CLI Share Plan in accordance with a conversion ratio and released progressively in accordance with the original vesting schedule.

SHARE PLANS – PERFORMANCE SHARE PLANS AND RESTRICTED SHARE PLANS (continued)

(b) Special CLI Founders Performance Share Plan Award (Special PSP)

Pursuant to the CLI PSP, the Special PSP award granted to selected key executives of the Company and/or its group companies is conditional on a performance target based on longer term wealth creation objectives. Participants will receive a specified number of performance shares after the end of the performance period conditional on achievement of performance conditions.

The ERCC grants an initial number of shares (baseline award) which are conditional on the target of the Company's share price expressed as a multiple of the Group's net asset value per share (Price/NAV) set for a five-year performance period. A specified number of shares will only be released by the ERCC to the recipients at the end of the qualifying performance period, provided the pre-specified minimum target is achieved. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

A one-time special contingent award was granted to selected key executives in the Company and CL group companies as at 1 October 2021. As a hiring strategy, such one-time special contingent award may (at the absolute discretion of the ERCC) also be extended to key executives joining the Company and/or its group companies on a date after 1 October 2021 but not later than 19 September 2022.

Details of the movement in the CLI PSP and Special PSP awards of the Company during the year were as follows:

Year of award	Granted No. of shares	Balance as at 31 December 2021 No. of holders	Balance as at 31 December 2021 No. of shares
CLI PSP 2021	25,776,933@	186	25,776,933*
Special PSP 2021	14,594,336	112	14,594,336^
	40,371,269	298	40,371,269

@ Following the delisting of CapitaLand Group Pte. Ltd., 8,869,880 shares under CL PSP awards were converted to 25,776,933 CLI Shares under CLI PSP in October 2021.

* The number of shares comprised in awards granted under the CapitaLand Investment Performance Share Plan 2021 comprised 19,275,824 shares (31 December 2020: nil) granted to the employees of the Group and 6,501,109 shares (31 December 2020: nil) granted to the employees of the related corporations.

^ The number of shares comprised in contingent awards granted under the Special PSP award comprised 12,327,258 shares (31 December 2020: nil) granted to the employees of the Group and 2,267,078 shares (31 December 2020: nil) granted to the employees of the related corporations.

(c) Awards under the CLI Restricted Share Plans (CLI RSP)

Under the Restricted Share Plans, awards granted to eligible participants vest only after the satisfactory completion of time-based service conditions or where the award is performance-related, after a further period of service beyond the performance target completion date (performance-based restricted awards). In addition, the plans also enable grants of fully paid shares to be made to non-executive directors as part of their remuneration in respect of their office as such in lieu of cash.

SHARE PLANS – PERFORMANCE SHARE PLANS AND RESTRICTED SHARE PLANS (continued)

(c) Awards under the CLI Restricted Share Plans (CLI RSP) (continued)

The ERCC grants an initial number of shares (baseline award) which are conditional on targets set for a performance period, currently prescribed to be a one-year performance period. A specified number of shares will only be released by the ERCC to the recipients at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of shares to be released will depend on the achievement of pre-determined targets at the end of a one-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award can be delivered up to a maximum of 150% of the baseline award. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Once the final number of shares has been determined, it will be released over a vesting period of three years. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

There was no grant of award under CLI RSP during the year.

SHARE OPTIONS

During the financial period, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial period, there were no unissued shares of the Company or its subsidiaries under options.

AUDIT COMMITTEE

The Audit Committee members at the date of this statement are Mr Chaly Mah Chee Kheong (Chairman), Mr Gabriel Lim Meng Liang, Mr Anthony Lim Weng Kin and Helen Wong Siu Ming.

The Audit Committee shall discharge its duties in accordance with the Companies Act (Chapter 50) and the Listing Manual of the SGX-ST. The Audit Committee shall also be guided by the Code of Corporate Governance (2 May 2012) and the Guidebook for Audit Committee in Singapore (Second Edition), and any such codes or regulations as may be applicable from time to time.

The principal responsibility of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities. Areas of review by the Audit Committee include:

- the reliability and integrity of the financial statements;
- the impact of new, revised or proposed changes in accounting standards and policies or regulatory requirements on the financial statements;
- the compliance with laws and regulations, particularly those of the Act and the Listing Manual of the SGX-ST;

Directors' Statement

AUDIT COMMITTEE (continued)

- the appropriateness of half-yearly and full year announcements and reports;
- in conjunction with the assessment by the Risk Committee, assesses the adequacy and effectiveness of the internal control (including financial, operational, compliance and information technology controls) and risk management systems established by management to manage risks;
- the adequacy and effectiveness of internal and external audits;
- the appointment and re-appointment of external auditors and the level of auditors' remuneration;
- the nature and extent of non-audit services and their impact on independence and objectivity of the external auditors;
- interested person transactions;
- review the whistle-blowing reports and the policy and processes for the detection, independent investigation and follow-up action relating to possible improprieties in financial reporting or other matters, if any;
- the processes put in place to manage any material conflicts of interest within the Group; and
- all conflicts of interest matters referred to it.

The Audit Committee also reviews the policy and arrangements by which employees of the Company and any other persons may, in confidence, report suspected fraud or irregularity or suspected infringement of any laws or regulations or rules or, raise concerns about possible improprieties in matters of financial reporting or other matters, with a view to ensuring that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow-up action to be taken. Where the Audit Committee becomes aware of any improprieties, the Audit Committee shall discuss such matter with the external auditors and, at an appropriate time, report the matter to the Board. Where appropriate, the Audit Committee shall also commission internal investigations into such matters. Pursuant to this, the Audit Committee has introduced a whistle blowing policy where employees or any person may raise improprieties to the Audit Committee Chairman in good faith, with the confidence that employees or any person making such reports will be treated fairly and be protected from reprisal.

The Audit Committee met two times in 2021. Specific functions performed during the year included reviewing the scope of work and strategies of both the internal and external auditors, and the results arising therefrom, including their evaluation of the system of internal controls. The Audit Committee also reviewed the assistance given by the Company's officers to the auditors. The financial statements of the Group and the Company were reviewed by the Audit Committee prior to the submission to the Board of Directors of the Company for adoption. The Audit Committee also met with the internal and external auditors, without the presence of management, to discuss any issues of concern with them.

The Audit Committee has, in accordance with Chapter 9 of the Listing Manual of the SGX-ST, reviewed the requirements for approval and disclosure of interested person transactions, reviewed the procedures set by the Group and the Company to identify and report and where necessary, seek approval for interested person transactions and, with the assistance of the internal auditors, reviewed interested person transactions.

The Audit Committee also undertook half-yearly reviews of all non-audit services provided by KPMG LLP and its member firms and was satisfied that they did not affect their independence as external auditors of the Company.

The Audit Committee has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the board of directors:

Miguel Ko
Director

Lee Chee Koon
Director

15 March 2022

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CapitaLand Investment Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2021, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 144 to 266.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967, (the Act), Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards (IFRS) so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties
(Refer to Note 6 and 32 to the financial statements)

Risk:

The Group owns a portfolio of investment properties comprising shopping malls, offices, serviced residences, integrated development projects and business park, industrial and logistic properties, located primarily in Singapore, China and Europe. Investment properties represent the single largest category of assets on the consolidated balance sheet at $16.2 billion as at 31 December 2021.

These investment properties are stated at their fair values based on independent external valuations.

The valuation process involves significant judgement in determining the appropriate valuation methodologies to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied and a small change in the assumptions can have a significant impact to the valuation.

The valuation reports obtained from the external valuers of certain properties highlighted that given the unprecedented set of circumstances on which to base a judgment, less certainty, and a higher degree of caution, should be attached to their valuations than would normally be the case. Due to the unknown future impact that the Coronavirus Disease ("COVID-19") pandemic might have on the real estate market, the external valuers have also recommended to keep the valuation of these properties under frequent review.

Our response:

We assessed the Group's processes for the selection of the external valuers, the determination of the scope of work of the valuers, and the review and acceptance of the valuations reported by the external valuers.

We evaluated the qualifications and competence of the external valuers. We also read the terms of engagement of the valuers with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work.

We considered the valuation methodologies used against those applied by other valuers for similar property types. We also considered other alternative valuation methods. We tested the integrity of inputs of the projected cash flows used in the valuations to supporting leases and other documents. We challenged the key assumptions used in the valuations, which included capitalisation, discount and terminal yield rates by comparing them against available industry data, taking into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers.

We also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions in the estimates. This includes the relationships between the key unobservable inputs and fair values, in conveying the uncertainties.

Restructuring of the investment management business of CapitaLand Limited Group and the formation of the Group
(Refer to Note 2 to the financial statements)

Risk:

In September 2021, the restructuring of CapitaLand Limited Group and the listing of the Group was completed by way of a scheme of arrangement pursuant to Section 210 of the Companies Act (the "Restructuring"). The Restructuring is a material non-routine transaction involving considerations around establishing common control in accordance with the accounting standards, applying merger accounting and related accounting policy choices as well as the approach to combining the entities involved in reflecting the restructuring transaction.

Our response:

We evaluated the appropriateness of management's assessments and application of common control and merger accounting for the Restructuring by examining the scheme implementation agreement,legal and contractual documents against the criteria set out in the accounting standards and reviewing the consistency of accounting policy choices applied. We also assessed the Group's approach undertaken and process in combining the entities involved in the Restructuring.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

TO THE MEMBERS OF CAPITALAND INVESTMENT LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ling Su Min.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
15 March 2022

Balance Sheets

AS AT 31 DECEMBER 2021

	Note	The Group 31 Dec 2021 $'M	The Group 31 Dec 2020 $'M	The Company 31 Dec 2021 $'M	The Company 31 Dec 2020 $'M
Non-current assets					
Property, plant and equipment	4	1,067	1,096	21	*
Intangible assets	5	990	1,006	*	*
Investment properties	6	16,249	15,852	–	–
Subsidiaries	7	–	–	11,159	1,575
Associates	8	10,466	10,908	–	–
Joint ventures	9	2,782	2,290	–	–
Deferred tax assets	10	58	58	–	–
Other non-current assets	11	212	770	3	–
		31,824	31,980	11,183	1,575
Current assets					
Development properties for sale	12	268	211	–	–
Trade and other receivables	13	1,661	4,258	243	93
Other current assets	11	14	6	–	–
Assets held for sale	14	2	32	–	–
Cash and cash equivalents	15	3,877	1,736	362	10
		5,822	6,243	605	103
Less: current liabilities					
Trade and other payables	16	2,128	5,513	269	29
Short term borrowings	17	1,941	1,132	11	–
Current portion of debt securities	18	608	22	–	–
Current tax payable		939	470	1	*
		5,616	7,137	281	29
Net current assets/(liabilities)		206	(894)	324	74
Less: non-current liabilities					
Long term borrowings	17	10,428	6,049	12	–
Debt securities	18	571	1,263	–	–
Deferred tax liabilities	10	538	464	–	–
Other non-current liabilities	19	392	7,576	819	1,435
		11,929	15,352	831	1,435
Net assets		20,101	15,734	10,676	214
Representing:					
Share capital	21	10,760	7,926	10,760	*
Revenue reserve		10,165	8,916	105	203
Other reserves	22	(4,881)	(4,967)	(189)	11
Equity attributable to owners of the Company		16,044	11,875	10,676	214
Perpetual securities	23	396	396	–	–
Non-controlling interests	7	3,661	3,463	–	–
Total equity		20,101	15,734	10,676	214

* Less than $1 million

The accompanying notes form an integral part of the financial statements.

Consolidated Income Statement

YEAR ENDED 31 DECEMBER 2021

	Note	The Group 2021 $'M	The Group 2020 $'M
Revenue	25	2,293	1,983
Cost of sales		(1,235)	(1,111)
Gross profit		1,058	872
Other operating income	26(a)	888	364
Administrative expenses		(763)	(475)
Other operating expenses		(92)	(918)
Profit/(Loss) from operations		1,091	(157)
Finance costs	26(d)	(353)	(377)
Share of results (net of tax) of:			
– associates		1,008	81
– joint ventures		210	(106)
		1,218	(25)
Profit/(Loss) before tax	26	1,956	(559)
Tax expense	27	(396)	(114)
Profit/(Loss) for the year		1,560	(673)
Attributable to:			
Owners of the Company		1,349	(559)
Non-controlling interests		211	(114)
Profit/(Loss) for the year		1,560	(673)
Basic earnings per share (cents)	28	38.3	(19.9)
Diluted earnings per share (cents)	28	37.6	(19.9)

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income

YEAR ENDED 31 DECEMBER 2021

	Note	The Group 2021 $'M	2020 $'M
Profit/(Loss) for the year		1,560	(673)
Other comprehensive income:			
Items that are/may be reclassified subsequently to profit or loss			
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations		71	189
Recognition of foreign exchange differences on disposal or liquidation of foreign operations in profit or loss		(19)	(1)
Effective portion of change in fair value of cash flow hedges		56	(24)
Recognition of hedging reserve in profit or loss		2	2
Share of other comprehensive income of associates and joint ventures		244	330
		354	496
Item that will not be reclassified subsequently to profit or loss			
Change in fair value of equity investments at fair value through other comprehensive income		(15)	(30)
Total other comprehensive income, net of tax	24	339	466
Total comprehensive income		1,899	(207)
Attributable to:			
Owners of the Company		1,672	(146)
Non-controlling interests		227	(61)
Total comprehensive income		1,899	(207)

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2021

	Share capital $'M	Revenue reserve $'M	Reserve for own shares $'M	Capital reserve# $'M	Hedging reserve $'M	Fair value reserve $'M	Asset revaluation reserve $'M	Foreign currency translation reserve $'M	Total $'M	Perpetual securities $'M	Non-controlling interests $'M	Total equity $'M
At 1 January 2021	7,926	8,916	–	(4,756)	(110)	52	6	(159)	11,875	396	3,463	15,734
Total comprehensive income												
Profit for the year	–	1,349	–	–	–	–	–	–	1,349	–	211	1,560
Other comprehensive income												
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	–	–	–	–	–	65	65	–	6	71
Recognition of foreign exchange differences on disposal or liquidation of foreign operations in profit or loss	–	–	–	–	–	–	–	(19)	(19)	–	–	(19)
Effective portion of change in fair value of cash flow hedges	–	–	–	–	49	–	–	–	49	–	7	56
Recognition of hedging reserve in profit or loss	–	–	–	–	1	–	–	–	1	–	1	2
Share of other comprehensive income of associates and joint ventures	–	–	–	–	61	(1)	–	182	242	–	2	244
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	–	(15)	–	–	(15)	–	–	(15)
Total other comprehensive income, net of tax	–	–	–	–	111	(16)	–	228	323	–	16	339
Total comprehensive income	–	1,349	–	–	111	(16)	–	228	1,672	–	227	1,899

Includes equity compensation reserve and other capital reserves.

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2021

	Share capital $'M	Revenue reserve $'M	Reserve for own shares $'M	Capital reserve# $'M	Hedging reserve $'M	Fair value reserve $'M	Asset revaluation reserve $'M	Foreign currency translation reserve $'M	Total $'M	Perpetual securities $'M	Non-controlling interests $'M	Total equity $'M
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners												
Issue of new shares	2,870	–	–	–	–	–	–	–	2,870	–	–	2,870
Purchase of treasury shares	–	–	(208)	–	–	–	–	–	(208)	–	–	(208)
Contributions from non-controlling interests (net)	–	–	–	–	–	–	–	–	–	–	218	218
Dividends paid/payable	–	(4)	–	–	–	–	–	–	(4)	–	(103)	(107)
Distribution attributable to perpetual securities	–	(5)	–	–	–	–	–	–	(5)	13	(8)	–
Distribution paid to perpetual securities	–	–	–	–	–	–	–	–	–	(13)	–	(13)
Reclassification of other capital reserve	–	38	–	(38)	–	–	–	–	–	–	–	–
Share-based payments	–	–	–	31	–	–	–	–	31	–	5	36
Total contributions by and distributions to owners	2,870	29	(208)	(7)	–	–	–	–	2,684	–	112	2,796
Changes in ownership interests in subsidiaries and other capital transactions												
Changes in ownership interests in subsidiaries with a change in control	–	20	–	(21)	(17)	–	–	(2)	(20)	–	(145)	(165)
Changes in ownership interests in subsidiaries with no change in control	–	(76)	–	–	–	–	–	4	(72)	–	5	(67)
Share of reserves of associates and joint ventures	–	(49)	–	9	–	–	–	–	(40)	–	–	(40)
Others	(36)	(24)	–	5	–	–	–	–	(55)	–	(1)	(56)
Total changes in ownership interests in subsidiaries and other capital transactions	(36)	(129)	–	(7)	(17)	–	–	2	(187)	–	(141)	(328)
Total transactions with owners	2,834	(100)	(208)	(14)	(17)	–	–	2	2,497	–	(29)	2,468
At 31 December 2021	10,760	10,165	(208)	(4,770)	(16)	36	6	71	16,044	396	3,661	20,101

Includes equity compensation reserve and other capital reserves.

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2021

	Share capital $'M	Revenue reserve $'M	Capital reserve# $'M	Hedging reserve $'M	Fair value reserve $'M	Asset revaluation reserve $'M	Foreign currency translation reserve $'M	Total $'M	Perpetual securities $'M	Non-controlling interests $'M	Total equity $'M
At 1 January 2020	7,826	10,202	(4,792)	(77)	82	6	(636)	12,611	396	3,569	16,576
Total comprehensive income											
Loss for the year	–	(559)	–	–	–	–	–	(559)	–	(114)	(673)
Other comprehensive income											
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	–	–	–	–	135	135	–	54	189
Recognition of foreign exchange differences on disposal or liquidation of foreign operations in profit or loss	–	–	–	–	–	–	(1)	(1)	–	–	(1)
Effective portion of change in fair value of cash flow hedges	–	–	–	(20)	–	–	–	(20)	–	(4)	(24)
Recognition of hedging reserve in profit or loss	–	–	–	2	–	–	–	2	–	–	2
Share of other comprehensive income of associates and joint ventures	–	–	–	(15)	–	–	342	327	–	3	330
Change in fair value of equity investment at fair value through other comprehensive income	–	–	–	–	(30)	–	–	(30)	–	–	(30)
Total other comprehensive income, net of tax	–	–	–	(33)	(30)	–	476	413	–	53	466
Total comprehensive income	–	(559)	–	(33)	(30)	–	476	(146)	–	(61)	(207)
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Issue of new shares	100	–	–	–	–	–	–	100	–	–	100
Contributions from non-controlling interests (net)	–	–	–	–	–	–	–	–	–	73	73
Dividends paid/payable	–	(720)	–	–	–	–	–	(720)	–	(113)	(833)
Issue of perpetual securities (net)	–	–	–	–	–	–	–	–	*	–	*
Distribution attributable to perpetual securities	–	(6)	–	–	–	–	–	(6)	16	(10)	–
Distribution paid to perpetual securities	–	–	–	–	–	–	–	–	(16)	–	(16)
Share-based payments	–	–	(3)	–	–	–	–	(3)	–	4	1
Total contributions by and distributions to owners	100	(726)	(3)	–	–	–	–	(629)	*	(46)	(675)

* Less than $1 million
# Includes equity compensation reserve and other capital reserves.
The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2021

	Share capital $'M	Revenue reserve $'M	Capital reserve# $'M	Hedging reserve $'M	Fair value reserve $'M	Asset revaluation reserve $'M	Foreign Currency translation reserve $'M	Total $'M	Perpetual securities $'M	Non-controlling interests $'M	Total equity $'M
Changes in ownership interests in subsidiaries and other capital transactions											
Changes in ownership interests in subsidiaries with a change in control	–	(3)	17	–	–	–	1	15	–	4	19
Changes in ownership interests in subsidiaries with no change in control	–	49	*	*	*	–	–	49	–	(5)	44
Share of reserves of associates and joint ventures	–	(8)	7	–	–	–	–	(1)	–	–	(1)
Others	–	(39)	15	–	–	–	–	(24)	–	2	(22)
Total changes in ownership interests in subsidiaries and other capital transactions	–	(1)	39	*	*	–	1	39	–	1	40
Total transactions with owners	100	(727)	36	*	*	–	1	(590)	*	(45)	(635)
At 31 December 2020	7,926	8,916	(4,756)	(110)	52	6	(159)	11,875	396	3,463	15,734

* Less than $1 million
\# Includes equity compensation reserve and other capital reserves.

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2021

	Note	2021 $'M	2020 $'M
Cash flows from operating activities			
Profit/(Loss) after tax		1,560	(673)
Adjustments for:			
(Write-back of)/Allowance for:			
– impairment loss on receivables		(64)	27
– foreseeable losses	26	–	17
– impairment on intangible assets	26	15	153
– impairment on property, plant and equipment	26	*	27
Amortisation of intangible assets		27	23
Depreciation of property, plant and equipment and right-of-use assets		133	126
Dividend income	26	(5)	(10)
Finance costs	26	353	377
Gain on disposal of equity investment fair value through profit or loss	26	(24)	–
Gain on disposal of investment properties	26	(205)	(41)
Income from income support guarantee		(15)	–
Interest income	26	(29)	(40)
Loss on disposal and write off of property, plant and equipment	26	3	*
Loss on right-of-use assets lease remeasurement/modification		2	–
Net change in fair value of investment properties and assets held for sale	26	(255)	698
Net change in fair value of financial assets designated at fair value through profit or loss	26	18	13
Net gain from change of ownership interests in subsidiaries, associates and joint ventures	26	(131)	(99)
Share of results of associates and joint ventures		(1,218)	25
Share-based expenses		58	18
Tax expense		396	114
		(941)	1,428
Operating profit before working capital changes		619	755
Changes in working capital:			
Trade and other receivables		(7)	(208)
Development properties for sale		(42)	(9)
Trade and other payables		307	(212)
Restricted bank deposits		(3)	–
		255	(429)
Cash generated from operations		874	326
Taxation paid		(207)	(143)
Net cash generated from operating activities		667	183

* Less than $1 million

The accompanying notes form an integral part of the financial statements.

	Note	2021 $'M	2020 $'M
Cash flows from investing activities			
Acquisition/Development expenditure of investment properties		(1,241)	(236)
Acquisition of subsidiaries, net of cash acquired	30(b)	(1,390)	(213)
Deposits placed for acquisition of investment property		(1)	–
Deposits (returned)/received for disposal of investment property/ subsidiaries		(9)	21
Disposal of subsidiaries, net of cash disposed of	30(d)	573	192
Dividends received from associates and joint ventures		1,980	502
Interest income received		31	39
(Investments in)/Return of investments from associates, joint ventures and other investments		(261)	301
Proceeds from disposal of investment properties		1,354	364
Proceeds from disposal of assets held for sale		49	155
Proceeds from disposal of other financial assets		226	–
Purchase of intangible assets and property, plant and equipment		(42)	(44)
Settlement of hedging instruments		(1)	(13)
Net cash generated from investing activities		1,268	1,068
Cash flows from financing activities			
Contributions from non-controlling interests		218	73
Dividends paid to non-controlling interests		(103)	(113)
Distributions to perpetual securities holders		(13)	(16)
Dividends paid to shareholders		(1)	(720)
Interest expense paid		(342)	(365)
Loans from/(Repayment of loans from) associates and joint ventures		1,260	(5)
Payment for acquisition of ownership interests in subsidiaries with no change in control		(40)	(3)
Payment for issue expenses for issuance of share capital		(38)	–
Proceeds from bank borrowings		5,979	989
Proceeds from issuance of debt securities		139	–
Purchase of treasury shares		(208)	–
Repayments of lease liabilities		(64)	(56)
Repayments of bank borrowings		(1,807)	(792)
Repayments of debt securities		(220)	(166)
(Repayment of)/Loans from related companies		(4,537)	194
Decrease in bank deposits pledged for bank facilities		–	8
Net cash generated from/(used in) financing activities		223	(972)
Net increase in cash and cash equivalents		2,158	279
Cash and cash equivalents at beginning of the year		1,678	1,354
Effect of exchange rate changes on cash balances held in foreign currencies		(21)	42
Changes in cash and cash equivalents reclassified to assets held for sale		–	3
Cash and cash equivalents at end of the year	15	3,815	1,678

The accompanying notes form an integral part of the financial statements.

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 15 March 2022.

1 DOMICILE AND ACTIVITIES

CapitaLand Investment Limited (the Company) is incorporated in the Republic of Singapore and has its registered office at 168 Robinson Road, #30-01, Capital Tower, Singapore 068912.

The Company's immediate and ultimate holding companies are CapitaLand Group Pte. Ltd. and Temasek Holdings (Private) Limited respectively. Both companies are incorporated in the Republic of Singapore.

The principal activities of the Company are those relating to investment holding and provision of consultancy services as well as being the corporate headquarters which gives direction, provides management support services and integrates the activities of its subsidiaries.

The principal activities of the significant entities included in these consolidated financial statements are investment advisory and management, lodging management, property management, and investment holding including investment in real estate assets and related financial products.

The consolidated financial statements relate to the Company and its subsidiaries (the Group) and the Group's interests in associates and joint ventures.

2 INTERNAL RESTRUCTURING AND BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

On 15 September 2021, CapitaLand Limited (CL), the immediate holding company of the Company, together with CLA Real Estate Holdings Pte. Ltd. (CLA), the immediate holding company of CL, completed a scheme of arrangement pursuant to Section 210 of the Companies Act (Scheme) to:

- effect a restructuring of the business of CL and its subsidiaries (CapitaLand Group) business so as to consolidate CapitaLand Group's investment management platform and operating platforms for office, retail malls, business park properties and data centres, its lodging business, certain assets and certain corporate office entities (together known as the "Combining Entities") into the Group under the internal restructuring (Internal Restructuring); and

- retain the real estate development business of the CapitaLand Group under private ownership, to be fully held by CLA through the privatisation of CL on completion of the Scheme.

The Scheme involved the following:

- **Distribution-in-specie of the shares in the Company**
  CL undertook the distribution of approximately 48.24% of the issued ordinary shares in the capital of the Company to eligible shareholders of CL on a pro-rata basis;

- **Distribution-in-specie of the units in CapitaLand Integrated Commercial Trust (CICT)**
  CL undertook the distribution of 388,242,247 issued units in CICT to eligible shareholders of CL on a pro-rata basis.

- **Acquisition of shares of CL**
  Upon the above distribution-in-specie taking effect, CLA acquired all the shares of CL (excluding the treasury shares) from the shareholders of CL (excluding CLA).

2 INTERNAL RESTRUCTURING AND BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Pursuant to the Internal Restructuring, the Company increased its share capital to $10,760 million for the settlement of outstanding loans as well as transfer consideration of the entities transferred from CL and its subsidiaries to the Group.

Following the completion of the Internal Restructuring of the CapitaLand Group, the Company became the holding company of the Combining Entities. Please refer to page D-16 of Introductory Document dated 17 July 2021 issued by the Group (Introductory Document) for the list of the Combining Entities. The Company, together with the Combining Entities, are hereinafter referred to as the Group.

The Group resulting from the above Internal Restructuring is regarded as a continuing entity in 2020 and 2021 as the Group is ultimately controlled by the immediate holding company, CapitaLand Group Pte. Ltd., both before and after the Internal Restructuring.

The comparative information presented in these consolidated financial statements relate to the combined financial statements of the Group for the year ended 31 December 2020 which have been prepared using the principles of merger accounting on the basis that the Internal Restructuring, which transfers the interest in the Combining Entities under common control to the Company has been effected before the start of the earliest period presented, or the dates of incorporation of the Combining Entities, or the dates when common control is established, whichever is later. The accounting policy for merger accounting is described in note 3.2(f).

In applying merger accounting and preparing the consolidated financial statements, the Group recognised the assets, liabilities and equity of the Combining Entities at their respective historical carrying amounts, adjusted for 22.9% of the interest in CICT and 24.0% of the interest in CapitaLand China Trust (CLCT) which were deemed to be transferred by the CapitaLand Group to the Group before the start of the earliest period presented. CICT and CLCT have been accounted for as associates in the Group's consolidated financial statements. This adjustment was made to reflect the relevant economic activities of the continuing Group and continuity of the financial information presented.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

a) Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards (IFRS). SFRS(I) are issued by the Accounting Standards Council and comprise standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB). All references to SFRS(I) and IFRS are subsequently referred to as SFRS(I) in these financial statements unless otherwise stated.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

c) Functional and presentation currency

These financial statements are presented in Singapore Dollars, which is the Company's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest million, unless otherwise stated.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of preparation (continued)

d) Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note 7	–	consolidation; whether the Group has control over the investee
Note 10	–	recognition of deferred tax assets
Note 3.2(a), 31	–	accounting for acquisitions as business combinations or asset acquisitions

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 5	–	measurement of recoverable amounts of goodwill
Note 6, 32	–	determination of fair value of investment properties
Note 31	–	determination of fair value of assets, liabilities and contingent liabilities acquired in business combinations
Note 32	–	determination of fair value of financial instruments

The accounting policies set out below have been applied consistently by the Group entities to all periods presented in these financial statements, except as explained in note 39 which address changes in accounting policies.

3.2 Basis of consolidation

(a) Business combinations and property acquisitions

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets or acquisition of a property is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill arising from business combinations are measured as described in note 3.5(a).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Basis of consolidation (continued)

(a) Business combinations and property acquisitions (continued)

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition date fair value, unless another measurement basis is required by SFRS(I). If the business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to fair value at each acquisition date and any changes are taken to the profit or loss.

When acquisition of an asset or a group of assets does not constitute a business combination, it is treated as property acquisition. In such cases, the individual identifiable assets acquired and liabilities assumed are recognised. The acquisition cost is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition. Such a transaction does not give rise to goodwill.

(b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset at fair value through other comprehensive income asset depending on the level of influence retained.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Basis of consolidation (continued)

(c) Associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control, over their financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. Joint ventures are entities over whose activities the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates and joint ventures are accounted for using the equity method (collectively referred to as "equity-accounted investees") and are recognised initially at cost. The cost of the investments includes transaction costs. The Group's investments in equity-accounted investees include goodwill identified on acquisition, net of any accumulated impairment losses. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operation or has made payments on behalf of the investee.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 3.11. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

(d) Joint operations

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Basis of consolidation (continued)

(f) Acquisition under common control

Business combinations arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously and no adjustments are made to reflect the fair values or recognised any new assets or liabilities, including no goodwill is recognised as a result of the combination. The components of equity of the acquired entities are added to the same components within the Group equity. Any difference between the consideration paid for the acquisition and share capital of the acquiree is recognised directly to equity as reserve on consolidation.

3.3 Foreign currencies

Foreign currency transactions

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency).

Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are translated to the functional currency at the exchange rate prevailing at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising from translation are recognised in the profit or loss, except for differences arising from the translation of monetary items that in substance form part of the Group's net investment in a foreign operation, financial assets fair value through other comprehensive income and financial liabilities designated as hedges of net investment in a foreign operation (note 3.8) or qualifying cash flow hedges to the extent such hedges are effective, which are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated to Singapore Dollars at exchange rates prevailing at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore Dollars at exchange rates prevailing at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is transferred to the profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or a joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is transferred to the profit or loss.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Foreign currencies (continued)

Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income and are presented in the translation reserve in equity.

3.4 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Certain of the Group's property, plant and equipment acquired through interests in subsidiaries, are accounted for as acquisition of assets (note 3.2(a)).

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset if it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use. Freehold land has unlimited useful life and therefore is not depreciated. Depreciation on property, plant and equipment is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment as follows:

Leasehold land and buildings	30 years
Plant, machinery and improvements	1 to 10 years
Motor vehicles	5 years
Furniture, fittings and equipment	1 to 10 years

Assets under construction are stated at cost and are not depreciated. Expenditure relating to assets under construction (including borrowing costs) are capitalised when incurred. Depreciation will commence when the development is completed and ready for use.

The assets' residual values, useful lives and depreciation methods are reviewed at each reporting date, and adjusted if appropriate.

3.5 Intangible assets

(a) Goodwill

For business combinations, the Group measures goodwill as at acquisition date based on the fair value of the consideration transferred (including the fair value of any pre-existing equity interest in the acquiree) and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the amount is negative, a gain on bargain purchase is recognised in the profit or loss. Goodwill is subsequently measured at cost less accumulated impairment losses.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Intangible assets (continued)

(a) Goodwill (continued)

Goodwill arising from the acquisition of subsidiaries is included in intangible assets. Goodwill arising from the acquisition of associates and joint ventures is presented together with interests in associates and joint ventures.

Goodwill is tested annually for impairment as described in note 3.11.

(b) Other intangible assets

Other intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. These are amortised in the profit or loss on a straight-line basis over their estimated useful lives of one to ten years, from the date on which the assets are available for use.

Other intangible assets with indefinite useful lives are not amortised and are measured at cost less accumulated impairment losses.

3.6 Investment properties and investment properties under development

Investment properties are properties held either to earn rental or for capital appreciation or both. Investment properties under development are properties being constructed or developed for future use as investment properties. Certain of the Group's investment properties acquired through interests in subsidiaries, are accounted for as acquisition of assets (note 3.2(a)).

Investment properties and investment properties under development are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in the profit or loss. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. The fair value is determined based on internal valuation or independent professional valuation. Independent valuation is also carried out on occurrence of acquisition.

When an investment property or investment property under development is disposed of, the resulting gain or loss recognised in the profit or loss is the difference between the net disposal proceed and the carrying amount of the property.

Transfers to, or from, investment properties are made where there is a change in intent and use, evidenced by:

- development with a view to sell, for a transfer from investment properties to development properties for sale;
- commencement of leasing activities for a transfer from development properties for sale to investment properties;
- commencement of owner-occupation, for a transfer from investment properties to property, plant and equipment; and
- end of owner-occupation, for a transfer from property, plant and equipment to investment properties.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Non-current assets and liabilities held for sale

Non-current assets and liabilities, that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the applicable SFRS(I). Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment classified as held for sale are not amortised or depreciated. In addition, equity accounting of associates and joint ventures ceases once the investments are classified as held for sale.

3.8 Financial instruments

(a) Non-derivative financial assets

Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVTPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

At initial recognition

A financial asset is recognised if the Group becomes a party to the contractual provisions of the financial asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Financial assets at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

3 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

3.8 **Financial instruments** (continued)

(a) **Non-derivative financial assets** (continued)

***At subsequent measurement** (continued)*

(ii) Financial assets at FVOCI

Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in other comprehensive income (OCI) and accumulated in fair value reserve, except for the recognition of impairment, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other operating income and expenses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

The Group has elected to recognise changes in fair value of equity securities not held for trading in OCI as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of equity investments classified as FVOCI are presented as "fair value gains/losses" in OCI. Dividends from equity investments are recognised in profit or loss as dividend income. On disposal of an equity investment, any difference between the carrying amount and sales proceed amount would be recognised in OCI and transferred to revenue reserve along with the amount previously recognised in OCI relating to that asset.

(iii) Financial assets at FVTPL

Financial assets that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other operating income".

(b) **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents.

(c) **Non-derivative financial liabilities**

The Group initially recognises debt securities issued on the date that they are originated. Financial liabilities for contingent consideration payable in a business combination are recognised at the acquisition date. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

A financial liability is classified as fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

3 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

3.8 **Financial instruments** (continued)

(c) **Non-derivative financial liabilities** (continued)

The Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprise loans, borrowings, debt securities and trade and other payables.

(d) **Derecognition**

Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(e) **Offsetting**

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(f) **Derivative financial instruments and hedge accounting**

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) fair value hedge; (b) cash flow hedge; or (c) net investment hedge.

On initial designation of the derivative as the hedging instrument, the Group formally documents the economic relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported profit or loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

(f) Derivative financial instruments and hedge accounting (continued)

Hedges directly affected by interest rate benchmark reform

Phase 1 amendments: Prior to interest rate benchmark reform – when there is uncertainty arising from interest rate benchmark reform

A hedging relationship is directly affected by the uncertainties arising from the IBOR reform with respect to the hedged risk and the timing and amount of the interest rate benchmark-based cash flows of the hedged item and hedge instruments. For the purpose of evaluating whether the hedging relationship is expected to be highly effective (i.e. prospective effectiveness assessment), the Group assumes that the benchmark interest rate on which the cash flows are based is not altered as a result of IBOR reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss. In determining whether a previously designated forecast transaction in a discontinued cash flow hedge is still expected to occur, the Group assumes that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

The Group will cease to apply the amendments to its effectiveness assessment of the hedging relationship at the earlier of, when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the hedged risk and the timing and the amount of the interest rate benchmark-based cash flows of the hedged item and hedging instrument; and when the hedging relationship is discontinued.

Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or the hedging instrument changes as a result of interest rate benchmark reform and therefore there is no longer uncertainty arising about the cashflows of the hedged item or the hedging instrument, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by interest rate benchmark reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– the change is necessary as a direct consequence of the reform; and
– the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

For this purpose, the hedge designation is amended only to make one or more of the following changes:

– designating an alternative benchmark rate as the hedged risk;
– updating the description of hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
– updating the description of the hedged instrument.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

(f) Derivative financial instruments and hedge accounting (continued)

Hedges directly affected by interest rate benchmark reform *(continued)*

The Group amends the description of the hedging instrument only if the following conditions are met:

– it makes a change required by interest rate benchmark reform by changing the basis for determining the contractual cash flows of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
– the original hedging instrument is not derecognised.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by interest rate benchmark reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by interest rate benchmark reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by interest rate benchmark reform as mentioned above.

When the interest rate benchmark on which the hedged future cashflows had been based is changed as required by interest rate benchmark reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Where the hedged forecast transaction subsequently results in the recognition of a non-financial item, such as inventory, the amounts recognised as OCI is included in the initial cost of the non-financial item.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

(f) Derivative financial instruments and hedge accounting (continued)

Fair value hedges

The firm commitment of contracts entered into with various customers denominated in foreign currencies are designated as the hedged item. The Group uses foreign currency forwards to hedge its exposure to foreign currency risk arising from these contracts. Under the Group's policy, the critical terms of the forward exchange contracts must align with the hedged items. The Group designates the spot component of forward contracts as the hedging instrument. The fair value changes on the hedged item resulting from currency risk are recognised in profit or loss. The fair value changes on the spot of the currency forwards designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of currency forwards are recognised in profit or loss and presented separately in "other operating income or expenses".

Net investment hedge

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss on disposal of the foreign operation.

Separable embedded derivatives

Changes in the fair value of separated embedded derivatives are recognised immediately in the profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in the profit or loss.

(g) Perpetual securities

The perpetual securities do not have a maturity date and distribution payment is optional at the discretion of the Group. As the Group does not have a contractual obligation to repay the principal nor make any distributions, perpetual securities are classified as a separate class of equity.

Any distributions made are directly debited from total equity. Incremental costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

(h) Financial guarantees

Financial guarantee contracts are classified as financial liabilities unless the Group has previously asserted explicitly that it regards such contracts as insurance contracts and accounted for them as such.

Financial guarantees classified as financial liabilities

Such financial guarantees are recognised initially at fair value and are classified as financial liabilities. Subsequent to initial measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the amount of loss allowance. When financial guarantees are terminated before their original expiry date, the carrying amount of the financial guarantees is transferred to the profit or loss.

Financial guarantees classified as insurance contracts

These financial guarantees are accounted for as insurance contracts. Provision is recognised based on the Group's estimates of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period.

The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

(i) Impairment of financial assets

The Group assesses on a forward looking basis the ECL associated with its financial assets carried at amortised cost and FVOCI, contract assets and financial guarantee contracts. For trade receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group applies the general approach of 12-month ECL at initial recognition for all other financial assets and financial guarantee contracts.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the balance sheet

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

(i) Impairment of financial assets (continued)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3.9 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

Where share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in reserve for own shares account. Where treasury shares are subsequently reissued, sold or cancelled, the consideration received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

3.10 Development properties for sale

Development properties are measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property. The write-down to net realisable value is presented as allowance for foreseeable losses.

The cost of development properties comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure.

When the development properties for sale are being transferred to investment property, any difference between the fair value of the property and its previous carrying amount at the date of transfer is recognised in profit or loss.

3.11 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, development properties for sale and stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives, the recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified, an impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Impairment of non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGU that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the CGU on a *pro-rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate or a joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate or a joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate or a joint venture may be impaired.

3.12 Employee benefits

All short-term employee benefits, including accumulated compensated absences, are measured on an undiscounted basis and are recognised in the period in which the employees render their services.

The Group's obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value.

A provision is recognised for the amount expected to be paid under cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contributions to post-employment benefits under defined contribution plans are recognised as an expense in profit or loss in the period during which the related services are rendered by employees.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Employee benefits (continued)

Share-based payments

For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the grant date. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions. The Group recognises the effect of modification that increase the total fair value of the share-based payment arrangement. The incremental fair value granted is included in the measurement of the amount recognised for services received over the period from modification date until the date when the modified equity-settled share-based payments transactions vest.

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

3.13 Provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with the contract.

3.14 Leases

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use assets and a lease liability at the lease commitment date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Leases (continued)

(i) As a lessee *(continued)*

The right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use assets reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets that meet the definition of investment property carried at fair value in accordance with note 3.6.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extenuation or termination option or if there is a revised in-substance fixed lease payment.

The Group presents the right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities in "borrowings" in the balance sheet.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including office equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

COVID-19-related rent concessions

From 1 January 2020 onwards, the Group has applied COVID-19-Related Rent Concessions – Amendment to SFRS(I) 16. The Group applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Leases (continued)

(ii) As a lessor

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group leases out its investment property, including own property and right-of-use assets. The Group has classified these leases as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognises lease payments received from investment property under operating leases as rental income on a straight-line basis over the lease term as part of "revenue". Rental income from sub-leased property is recognised as "other income".

3.15 Revenue recognition

Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

Development properties for sale

The Group develops and sells residential projects to customers through fixed-price contracts. Revenue is recognised when the control over the residential project has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the residential project over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The residential projects have no alternative use for the Group due to contractual restriction, and the Group has enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the residential project. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

For certain contracts where the Group does not have enforceable right to payment, revenue is recognised only when the completed residential project is delivered to the customers and the customers have accepted it in accordance with the sales contract.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition (continued)

***Development properties for sale** (continued)*

Under certain payment schemes, the time when payments are made by the buyer and the transfer of control of the property to the buyer do not coincide and where the difference between the timing of receipt of the payments and the satisfaction of a performance obligation is 12 months or more, the entity adjusts the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the entity uses a discount rate that would reflect that of a separate financing transaction between the entity and its customer at contract inception. A finance income or finance expense will be recognised depending on the arrangement. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of good or service to a customer and the payment date is 12 months or less.

Revenue is measured at the transaction price agreed under the contract. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The customer is invoiced on a payment schedule and are typically triggered upon achievement of specified construction milestones. If the value of the goods transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

For costs incurred in fulfilling the contract, the Group will capitalise these as contract costs assets only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

Fee income

Financial advisory and management fee is recognised as and when the service is rendered.

3.16 Government grants

Government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as "other operating income" on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in profit or loss as "other operating income" on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Finance costs

Borrowing costs are recognised in the profit or loss using the effective interest rate method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.18 Tax

Income tax expense comprises current and deferred tax expense, as well as land appreciation tax in China. Income tax expense is recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Tax (continued)

This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Land appreciation tax in China relates to the gains arising from the transfer of land use right and the buildings that are constructed on the land. Land appreciation tax is levied from 30% to 60% on gain from sale of landed properties with reference to the percentage of appreciated value over the deductible expenditure.

3.19 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share plans granted to employees. For 2020, the weighted average number of ordinary share was based on the estimated shares issued to effect the acquisition of interest in common control entities pursuant to the Internal Restructuring.

3.20 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the CLI Leadership Council that makes strategic resource allocation decisions. The Council comprises the Group Chief Executive Officer (CEO), CEOs of the business units and key management officers of the corporate office.

3.21 Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if operation had been discontinued from the start of the comparative year.

4 PROPERTY, PLANT AND EQUIPMENT

	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Property, plant and equipment owned	697	747	*	*
Right-of-use assets classified within property, plant and equipment	370	349	21	–
	1,067	1,096	21	*

* Less than $1 million

Property, plant and equipment owned

	Note	Land and buildings $'M	Plant, machinery and improvements $'M	Motor vehicles $'M	Furniture, fittings and equipment $'M	Assets under construction $'M	Total $'M
The Group							
Cost							
At 1 January 2020		597	92	11	417	20	1,137
Translation differences		31	3	1	14	1	50
Additions		3	10	*	25	10	48
Acquisition of subsidiaries	30(b)	1	–	–	*	–	1
Disposal of subsidiaries		–	–	–	(4)	–	(4)
Disposals/Written off		(1)	(2)	*	(10)	(1)	(14)
Reclassification to other categories of assets		(2)	(1)	–	(8)	(5)	(16)
Reclassifications		8	6	–	3	(17)	–
At 31 December 2020		637	108	12	437	8	1,202
At 1 January 2021		637	108	12	437	8	1,202
Translation differences		6	(1)	*	(10)	1	(4)
Additions		1	1	–	17	4	23
Disposal of subsidiaries		–	(2)	–	(1)	–	(3)
Disposals/Written off		–	(4)	(1)	(25)	*	(30)
Reclassification to other categories of assets		–	–	–	(6)	(2)	(8)
Reclassifications		4	(14)	–	17	(7)	–
At 31 December 2021		648	88	11	429	4	1,180

* Less than $1 million

4 PROPERTY, PLANT AND EQUIPMENT (continued)

Property, plant and equipment owned (continued)

	Note	Land and buildings $'M	Plant, machinery and improvements $'M	Motor vehicles $'M	Furniture, fittings and equipment $'M	Assets under construction $'M	Total $'M
The Group							
Accumulated depreciation and impairment loss							
At 1 January 2020		36	37	11	268	–	352
Translation differences		2	1	1	7	–	11
Depreciation for the year	26(c)(ii)	17	12	*	49	–	78
Disposal of subsidiaries		–	–	–	(3)	–	(3)
Disposals/Written off		*	(2)	*	(9)	–	(11)
Reclassification to other categories of assets		*	–	–	1	–	1
Impairment	26(c)(iii)	27	–	–	–	–	27
At 31 December 2020		82	48	12	313	–	455
At 1 January 2021		82	48	12	313	–	455
Translation differences		*	*	*	(7)	–	(7)
Depreciation for the year	26(c)(ii)	16	12	*	42	–	70
Disposal of subsidiaries		–	(2)	–	–	–	(2)
Disposals/Written off		–	(4)	(1)	(22)	–	(27)
Reclassification to other categories of assets		–	–	–	(6)	–	(6)
Reclassifications		–	(8)	–	8	–	–
At 31 December 2021		98	46	11	328	–	483
Carrying amounts							
At 1 January 2020		561	55	–	149	20	785
At 31 December 2020		555	60	–	124	8	747
At 31 December 2021		550	42	–	101	4	697

* Less than $1 million

(a) As at 31 December 2021, the carrying amounts of land and buildings comprise freehold land and buildings of $530 million (2020: $534 million) and leasehold land and buildings of $20 million (2020: $21 million).

(b) As at 31 December 2021, certain property, plant and equipment with carrying value totalling approximately $19 million (2020: $23 million) were mortgaged to banks to secure credit facilities for the Group (note 17).

4 PROPERTY, PLANT AND EQUIPMENT (continued)

***Property, plant and equipment owned** (continued)*

(c) Hotel properties included in land and buildings are measured at cost less accumulated depreciation and accumulated impairment losses. During the financial year ended 31 December 2020, an impairment loss of $27 million was recognised in respect of certain hotel properties in Australia as the net carrying value of the assets exceeded the recoverable amount. The decrease in recoverable amount was mainly due to the lower expected operating cashflow from the properties as the properties' performance was impacted by the travel restrictions imposed by governments amid the COVID-19 pandemic. The recoverable amount was determined based on independent professional valuations using the discounted cashflow method and the fair value measurement is categorised as Level 3 on the fair value hierarchy.

Details of valuation techniques and significant unobservable inputs applied in estimating the recoverable amount of hotel properties in 2020 are set out in the table below.

Type	Valuation method	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Hotel properties in Australia	Discounted cashflow approach	– Discount rate: 6.0% to 7.8% – Terminal yield rate: 5.0% to 6.3% – Revenue per available unit (RevPau): $94 to $169 – Occupancy rate: 41.0% to 90.0%	The estimated fair value varies inversely against the discount rate and terminal yield rate and increases with higher RevPau and occupancy rates.

4 PROPERTY, PLANT AND EQUIPMENT (continued)

Right-of-use assets classified within property, plant and equipment

	Note	Buildings $'M
The Group		
Cost		
At 1 January 2020		218
Translation differences		21
Additions		22
Acquisition of subsidiaries	30(b)	233
Expiry/Termination of leases		(25)
Reclassification to other categories of assets		(2)
At 31 December 2020		467
At 1 January 2021		467
Translation differences		(2)
Additions		83
Expiry/Termination of leases		(7)
At 31 December 2021		541
Accumulated depreciation		
At 1 January 2020		89
Translation differences		3
Depreciation for the year	26(c)(ii)	48
Expiry/Termination of leases		(22)
Reclassification to other categories of assets		*
At 31 December 2020		118
At 1 January 2021		118
Translation differences		(4)
Depreciation for the year	26(c)(ii)	63
Expiry/Termination of leases		(6)
At 31 December 2021		171
Carrying amounts		
At 1 January 2020^		129
At 31 December 2020^		349
At 31 December 2021^		370
The Company		
Cost		
At 1 January 2021		–
Additions		24
At 31 December 2021		24
Accumulated depreciation		
At 1 January 2021		–
Depreciation for the year		3
At 31 December 2021		3
Carrying amounts		
At 1 January 2020 and 31 December 2020		–
At 31 December 2021		21

* Less than $1 million

^ Right-of-use assets include motor vehicles which are less than $1 million for 31 December 2021 and 31 December 2020

5 INTANGIBLE ASSETS

	Note	Goodwill $'M	Management contracts $'M	Others^ $'M	Total $'M
The Group					
Cost					
At 1 January 2020		589	313	124	1,026
Additions		–	–	14	14
Acquisition of subsidiaries	30(b)	149	–	60	209
Written off		–	–	(1)	(1)
Reclassification from other categories of assets		–	–	16	16
Translation differences		11	4	3	18
At 31 December 2020		749	317	216	1,282
At 1 January 2021		749	317	216	1,282
Additions		–	–	19	19
Written off		–	–	(1)	(1)
Reclassification from other categories of assets		–	–	18	18
Translation differences		(3)	*	1	(2)
At 31 December 2021		746	317	253	1,316
Accumulated amortisation and impairment loss					
At 1 January 2020		62	–	39	101
Amortisation for the year	26(c)(ii)	–	–	23	23
Impairment for the year	26(c)(iii)	150	–	3	153
Written off		–	–	(1)	(1)
Reclassification from other categories of assets		–	–	*	*
Translation differences		*	–	*	*
At 31 December 2020		212	–	64	276
At 1 January 2021		212	–	64	276
Amortisation for the year	26(c)(ii)	–	–	27	27
Impairment for the year	26(c)(iii)	–	–	15	15
Written off		–	–	(1)	(1)
Reclassification from other categories of assets		–	–	8	8
Translation differences		1	–	*	1
At 31 December 2021		213	–	113	326
Carrying amounts					
At 1 January 2020		527	313	85	925
At 31 December 2020		537	317	152	1,006
At 31 December 2021		533	317	140	990

^ Others comprise trademarks, software and licences and club memberships.
* Less than $1 million

5 INTANGIBLE ASSETS (continued)

(a) Impairment test for goodwill

The key assumptions used in the estimation of the recoverable amount are set below:

	<— Key assumptions —>					
	Terminal growth rates		Discount rates		Carrying value	
	2021 %	2020 %	2021 %	2020 %	2021 $'M	2020 $'M
The Ascott Limited (Ascott)	0.2	0.2	5.6	4.9	417	417
A serviced residence in London	–	2.0	–	5.8	*	*
Synergy Global Housing	2.0	2.0	10.0	10.0	5	5
TAUZIA Hotel Management (TAUZIA)	2.0	3.3	13.5	14.0	9	9
QSA Group Pty Ltd (QSA Group)	2.5	1.8	11.0	10.0	53	57
Ascendas-Singbridge (ASB)	1.0	1.0	4.4	4.9	49	49
As at 31 December					533	537

* Less than $1 million

Ascott, a serviced residence in London, Synergy Global Housing, TAUZIA and QSA Group

The recoverable amounts of the CGUs are determined based on value in use calculations. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent forecasts approved by management covering three to five years. The discounted cash flow models also took into account the probability of changes to cashflow projection, taking into consideration the COVID-19 pandemic. Cash flows beyond these periods are extrapolated using the estimated terminal growth rates stated in the table above. The discount rates applied are the weighted average cost of capital from the relevant business segments. The key assumptions are those relating to expected changes in average rental and occupancy rates and direct costs. The terminal growth rates used for each CGU are based on management's expectation of the long-term average growth rates of the respective industry and countries in which the CGUs operate.

As disclosed in note 30, goodwill of $149 million was recorded on the acquisition of QSA Group in July 2020, following a change in control over the entity as stipulated in the shareholder agreement. Prior to July 2020, it was recorded as investment in joint venture.

During 2020, an impairment loss of $48 million was recognised on goodwill relating to Synergy Global Housing, TAUZIA and a serviced residence in London as the recoverable amounts from these CGUs were lower than their carrying amounts. The decrease was mainly due to lower expected operating cashflows from the CGUs as the operating performance of the hospitality sector was heavily impacted by the travel restrictions imposed amid the COVID-19 pandemic.

The revenue drivers of QSA Group include one-time sale of business income to franchisees as well as recurring franchisee fees. However, with the worsening market conditions in the second half of 2020 in Australia which has impacted the Quest's business such that new properties have to be operated directly by the Group. The traditional sale of business income and recurring franchisee fees have also impacted cashflow and the sale of business income to new franchisees will be affected until the situation recovers. Accordingly, an impairment loss of $102 million was made in respect of the goodwill relating to QSA Group as at 31 December 2020.

The impairment losses were recognised in "other operating expenses" in the consolidated income statement.

5 INTANGIBLE ASSETS (continued)

(a) Impairment test for goodwill (continued)

ASB

The recoverable amount of the CGU is determined based on value in use calculations. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent forecasts approved by management covering 10 years. Cash flows beyond the third year are extrapolated using the estimated terminal growth rate of 1.0% (2020: 1.0%). The discount rate of 4.4% (2020: 4.9%) is applied using the weighted average cost of capital from the relevant business segment. Management has assessed that the recoverable amount to be higher than its carrying amount.

(b) Management contracts

These relate to the management contracts entered into between subsidiary companies and Ascendas Real Estate Investment Trust and Ascendas India Trust. These contracts are deemed to have indefinite useful lives and are measured at cost less accumulated impairment losses.

The recoverable amount of the CGU is determined based on value in use calculations. Cash flow projections are based on forecast using discount rates of 5.9% to 8.4% (2020: 6.4% to 8.9%) and growth rates of 1.0% (2020: 1.0% to 2.5%) covering a 10-year period and beyond. The forecast is reviewed, updated and approved by management on an annual basis. The Group has assessed and determined that no impairment in the value of management contracts has arisen.

(c) In 2021, an impairment loss of $15 million (2020: $3 million) was recognised in respect of certain software applications. Management has assessed and fully impaired the carrying amounts of these software applications as they are expected to be phased out and replaced due to the implementation of new software applications. The impairment losses were recognised in "other operating expenses" in the consolidated income statement.

6 INVESTMENT PROPERTIES

	Note	The Group 2021 $'M	The Group 2020 $'M
At 1 January		15,852	16,256
Acquisition of subsidiaries	30(b)	1,118	223
Disposal of subsidiaries	30(d)	(1,015)	(245)
Additions		1,237	244
Disposals		(1,182)	(311)
Reclassification (to)/from assets held for sale		(2)	61
Reclassification to development properties for sale		(18)	–
Reclassification from property, plant and equipment		–	4
Changes in fair value		255	(698)
Translation differences		4	318
At 31 December		16,249	15,852

6 INVESTMENT PROPERTIES (continued)

(a) Investment properties, which include those in the course of development, are stated at fair value based on independent professional valuations. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, terminal yield rate, discount rate, comparable market price and occupancy rate.

The carrying amounts of the investment properties as at 31 December 2021 were based on valuations performed by the independent external valuers. The valuers had considered valuation techniques including the direct comparison method, capitalisation approach, discounted cash flows and residual method in arriving at the open market value as at the balance sheet date.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. In the residual method of valuation, the total gross development costs and developer's profit are deducted from the gross development value to arrive at the residual value of land. The gross development value is the estimated value of the property assuming satisfactory completion of the development as at the date of valuation. Details of valuation methods and key assumptions used to estimate the fair values of investment properties are set out in note 32.

The ongoing COVID-19 pandemic continued to affect market activity in many property sectors that the Group operates in. As the impact of COVID-19 is fluid and evolving, significant market uncertainty exists. The valuation reports associated with certain investment properties contain the 'material valuation uncertainty' clause highlighting that as a result of the ongoing COVID-19 pandemic, less certainty should be attached to the valuations than would normally be the case. This clause does not invalidate the valuation but implies that there is substantially more uncertainty than under normal market conditions. Accordingly, the valuer cannot attach as much weight as usual to previous market evidence for comparison purposes, and there is an increased risk that the price realised in an actual transaction would differ from the value conclusion. The carrying amounts of the investment properties were current as at 31 December 2021 and 31 December 2020 only.

6 INVESTMENT PROPERTIES (continued)

(b) The Group's investment properties which are classified under Level 3 are analysed as below:

	Shopping mall $'M	Office $'M	Integrated development $'M	Lodging $'M	Business park, industrial and logistics $'M	Total $'M
The Group						
31 December 2021						
Singapore	–	1,100	–	1,146	207	2,453
China (includes Hong Kong)	481	900	614	376	1,420	3,791
Others*	1,537	366	–	7,432	670	10,005
	2,018	2,366	614	8,954	2,297	16,249
31 December 2020						
Singapore	–	1,050	–	1,071	834	2,955
China (includes Hong Kong)	482	860	595	445	564	2,946
Others*	1,846	876	162	6,473	594	9,951
	2,328	2,786	757	7,989	1,992	15,852

* Others include countries in Asia (excluding Singapore and China), Europe, United Kingdom, United States of America and Australia.

(c) As at 31 December 2021, investment properties valued at $710 million (2020: $422 million) were under development.

(d) As at 31 December 2021, certain investment properties with carrying value of approximately $9,291 million (2020: $10,087 million) were mortgaged to banks to secure credit facilities (notes 17 and 18).

(e) Investment properties of the Group are held mainly for use by tenants under operating leases. Minimum lease payments receivable under non-cancellable operating leases of investment properties and not recognised in the financial statements are as follows:

	The Group 2021 $'M	2020 $'M
Lease rentals receivable:		
Less than one year	503	499
One to two years	357	383
Two to three years	287	272
Three to four years	256	180
Four to five years	230	160
More than five years	882	495
	2,515	1,989

(f) Contingent rents, representing income based on sales turnover achieved by tenants, amounted to $8 million for the year ended 31 December 2021 (2020: $12 million).

(g) As at 31 December 2021, the right-of-use of the land and buildings that are classified within investment properties has a carrying amount of $347 million (2020: $355 million).

6 INVESTMENT PROPERTIES (continued)

(h) As at 31 December 2021, the investment properties that are freehold and leasehold are valued at $7,594 million (2020: $7,575 million) and $8,655 million (2020: $8,277 million) respectively.

7 SUBSIDIARIES

		The Company 2021 $'M	2020 $'M
(a)	Unquoted shares, at cost	6,718	1,385
	Less:		
	Allowance for impairment loss	(37)	(8)
		6,681	1,377
	Add:		
	Amounts due from subsidiaries, at amortised cost:		
	Loan accounts		
	– interest free	4,478	198
	Less:		
	Allowance for impairment loss on receivables	*	–
		11,159	1,575

* Less than $1 million

(i) Loans due from subsidiaries are unsecured and not expected to be repaid within the next twelve months.

(ii) Movements in allowance for impairment loss were as follows:

	The Company 2021 $'M	2020 $'M
At 1 January	(8)	(1)
Allowance during the year	(29)	(7)
Reversal of allowance during the year	–	*
At 31 December	(37)	(8)

* Less than $1 million

(iii) During the year ended 31 December 2021, the Company carried out a review of the recoverable amount of its investment in subsidiaries and recognised an impairment loss of $29 million (2020: $7 million) in respect of its investment in subsidiaries.

The recoverable amounts of the relevant subsidiaries were estimated based on the net assets of the subsidiaries as at balance sheet date and approximates their fair values. The fair value measurement is categorised as Level 3 on the fair value hierarchy.

(iv) The Company's exposure to credit risk on the amounts due from subsidiaries is disclosed in note 33.

7 SUBSIDIARIES (continued)

(b) The significant subsidiaries directly and indirectly held by the Company, which are incorporated and conducting business in the Republic of Singapore, are as set out below:

Name of Company	Effective interest 2021 %	2020 %
CapitaLand Business Services Pte Ltd[2]	100	–
CLI India Pte Ltd (formerly known as CapitaLand India Pte Ltd)[2]	100	–
CLI International Pte Ltd (formerly known as CapitaLand International Pte Ltd)[2]	100	–
CapitaLand Mall Asia Limited[1,2]	100	–
CLI FM Pte Ltd (formerly known as CLIM FM Pte Ltd)[2]	100	100
CLI Singapore Pte Ltd (formerly known as CapitaLand Investments Pte Ltd)[2]	100	–
CLI Treasury Limited (formerly known as CLIM Treasury Limited)[2]	100	–
The Ascott Limited[2]	100	–

All the above subsidiaries are audited by KPMG LLP Singapore.

1 Includes 15.2% (2020: 15.2%) interest indirectly held through CapitaLand Business Services Pte Ltd.
2 These subsidiaries were transferred to the Company pursuant to the Internal Restructuring.

(c) Determining whether the Group has control over the REITs it manages requires management judgement. In exercising its judgement, management considers the proportion of its ownership interest and voting rights, the REIT managers' decision making authority over the REITs as well as the Group's overall exposure to variable returns, both from the REIT managers' remuneration and their interests in the REITs.

The Group assesses that it controls CapitaLand Malaysia Trust (CLMT, formerly known as CapitaLand Malaysia Mall Trust) and Ascott Residence Trust (ART) (collectively referred to as REITs), although the Group owns less than half of the ownership interest and voting power of the REITs.

The activities of the REITs are managed by the Group's wholly-owned subsidiaries, namely CapitaLand Malaysia Mall REIT Management Sdn Bhd and Ascott Residence Trust Management Limited (collectively referred to as REIT Managers). REIT Managers have decision-making authority over the REITs, subject to oversight by the trustee of the respective REITs. The Group's overall exposure to variable returns, both from the REIT Managers' remuneration and the interests in the REITs, is significant and any decisions made by the REIT Managers affect the Group's overall exposure.

Notes to the Financial Statements

7 SUBSIDIARIES (continued)

(d) The following subsidiary of the Group has material non-controlling interests (NCI):

Name of Company	Principal place of business	Effective interest held by NCI 2021 %	2020 %
Ascott Residence Trust[1]	Asia Pacific, Europe and United States of America	61.0	59.9

1 Indirectly held through The Ascott Limited. Audited by KPMG LLP Singapore.

The following table summarises the financial information of ART, based on its consolidated financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The information is before inter-company eliminations with other entities in the Group.

	ART Group $'M	Other subsidiaries with individually immaterial NCI $'M	Total $'M
31 December 2021			
Revenue	394		
Profit after tax	310		
Other comprehensive income	13		
Total comprehensive income	323		
Attributable to NCI:			
– Profit	189	22	211
– Total comprehensive income	198	29	227
Current assets	464		
Non-current assets	7,270		
Current liabilities	(972)		
Non-current liabilities	(2,394)		
Net assets	4,368		
Net assets attributable to NCI	2,852	809	3,661
Cash flows from:			
– Operating activities	146		
– Investing activities	(539)		
– Financing activities[1]	259		
Net decrease in cash and cash equivalents	(134)		

1 Includes dividends paid to NCI.

7 SUBSIDIARIES (continued)

	ART Group $'M	Other subsidiaries with individually immaterial NCI $'M	Total $'M
31 December 2020			
Revenue	370		
Loss after tax	(225)		
Other comprehensive income	61		
Total comprehensive income	(164)		
Attributable to NCI:			
– (Loss)/Profit	(135)	21	(114)
– Total comprehensive income	(99)	38	(61)
Current assets	622		
Non-current assets	6,542		
Current liabilities	(538)		
Non-current liabilities	(2,584)		
Net assets	4,042		
Net assets attributable to NCI	2,594	869	3,463
Cash flows from:			
– Operating activities	74		
– Investing activities	296		
– Financing activities[1]	(166)		
Net increase in cash and cash equivalents	204		

1 Includes dividends paid to NCI.

ART is regulated by the Monetary Authority of Singapore and is supervised by the Singapore Exchange Securities Trading Limited for compliance with the Singapore Listing Rules. Under the regulatory framework, transactions between the Group and ART are either subject to review by ART's trustee and significant transactions must be approved by a majority of votes by the remaining holders of units in ART at a meeting of unitholders.

8 ASSOCIATES

		Note	Group 2021 $'M	Group 2020 $'M
(a)	Investment in associates		10,465	10,906
	Add:			
	Amounts due from associates, at amortised cost:	(i)		
	Loan accounts – interest free		–	2
	Loan accounts – interest bearing		1	–
			10,466	10,908

(i) These are shareholder loans provided to associates which are unsecured and not expected to be repaid within the next twelve months.

		Note	Group 2021 $'M	Group 2020 $'M
(b)	Amounts due from associates:			
	Current accounts (unsecured)			
	– interest free (trade)		224	138
	– interest free (non-trade)		25	13
	– interest bearing (non-trade)		17	–
	Less: Allowance for impairment loss on receivables		*	*
	Presented in trade and other receivables	13	266	151
	Non-current loans (unsecured)			
	– interest bearing		3	2
	Presented in other non-current assets	11	3	2

* Less than $1 million

(i) The effective interest rates for interest-bearing amounts due from associates ranged from 2.70% to 5.50% (2020: 5.50%) per annum as at 31 December 2021.

(ii) The Group's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 33.

		Note	Group 2021 $'M	Group 2020 $'M
(c)	Amounts due to associates:			
	Current accounts (mainly non-trade and unsecured)			
	– interest free		7	478
	– interest bearing		5	5
	Presented in trade and other payables	16	12	483

(i) The effective interest rates for amounts due to associates ranged from 5.25% to 8.00% (2020: 8.00%) per annum as at 31 December 2021.

8 ASSOCIATES (continued)

(d) The following are the material associates of the Group:

Name of Company	Nature of relationship with the Group	Principal place of business	Effective interest 2021 %	Effective interest 2020 %
CapitaLand Integrated Commercial Trust (CICT)[1]	Singapore-based REIT which invests in shopping malls and commercial properties in Singapore	Singapore	22.6	22.9
CapitaLand Mall China Funds[1,3,4]	Private equity fund which invests in shopping malls in China	China	30.0 to 50.0	30.0 to 50.0
Ascendas Real Estate Investment Trust (A-REIT)[2]	Singapore-based REIT which invests in industrial properties and business park in Singapore, Australia, United States of America and United Kingdom	Singapore	18.1	18.0

1 Audited by KPMG LLP Singapore.
2 Audited by Ernst & Young LLP Singapore.
3 Considered to be an associate as key decisions are made by an independent board which the Group does not have majority control.
4 CapitaLand Mall China Funds comprised four private property funds investing in China held indirectly through the Group's subsidiary, CapitaLand Mall Asia Limited, namely, CapitaLand Mall China Income Fund I, CapitaLand Mall China Income Fund II, CapitaLand Mall China Income Fund III and CapitaLand Mall China Development Fund III.

Management assessed the extent of its control over CICT and A-REIT, taking into consideration that the managers of the REITs which are the wholly-owned subsidiaries of the Group, its effective stake in the relevant trusts and the returns (both marginal and absolute returns) generated from its investment in and management of both trusts. Management concluded that the Group does not have sufficient interest to control CICT and A-REIT and therefore accounts for its investment in CICT and A-REIT as associates.

The following summarises the financial information of the Group's material associates based on their respective consolidated financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also includes summarised aggregate financial information for the Group's interest in other individually immaterial associates, based on the amounts reported in the Group's consolidated financial statements.

Notes to the Financial Statements

8 ASSOCIATES (continued)

(d) The following are the material associates of the Group (continued):

	CICT $'M	CapitaLand Mall China Funds $'M	A-REIT $'M	Other individually immaterial associates $'M	Total $'M
31 December 2021					
Revenue[1]	1,305	395	1,227		
Profit after tax	1,083	19	957		
Other comprehensive income	20	176	(1)		
Total comprehensive income	1,103	195	956		
Attributable to:					
– NCI	(1)	10	–		
– Associate's shareholders	1,104	185	956		
	1,103	195	956		
[1] Includes: – Rental and related income from investment properties	1,305	395	1,227		
Current assets	762	429	456		
Non-current assets	21,980	6,787	17,275		
Current liabilities	(1,259)	(417)	(1,771)		
Non-current liabilities	(7,787)	(2,801)	(5,682)		
Net assets	13,696	3,998	10,278		
Attributable to:					
– NCI	28	226	299		
– Associate's shareholders	13,668	3,772	9,979		
Carrying amount of interest in associate at beginning of the year	2,984	1,653	2,126		
Group's share of:					
– Profit	247	9	172	580	1,008
– Other comprehensive income	(2)	74	2	103	177
– Total comprehensive income	245	83	174		
Dividends received during the year	(182)	(76)	(68)		
Additions during the year	21	–	102		
Translation and other adjustments	14	7	(1)		
Carrying amount of interest in associate at end of the year	3,082	1,667	2,333	3,384	10,466
Fair value of effective ownership interest (if listed)^	3,042	N/A	2,235		

^ Based on the quoted market price at 31 December 2021.

8 ASSOCIATES (continued)

(d) The following are the material associates of the Group (continued):

	CICT $'M	RCCIV Group $'M	A-REIT $'M	Other individually immaterial associates $'M	Total $'M
31 December 2020					
Revenue[1]	1,210	407	1,049		
(Loss)/Profit after tax	(90)	76	457		
Other comprehensive income	(28)	261	41		
Total comprehensive income	(118)	337	498		
Attributable to:					
– NCI	–	85	–		
– Associate's shareholders	(118)	252	498		
[1] Includes:					
– Revenue from contract with customers for sale of residential, commercial strata and urban development	–	9	–		
– Rental and related income from investment properties	1,210	398	1,049		
Current assets	273	1,313	353		
Non-current assets	22,144	6,529	14,770		
Current liabilities	(1,334)	(295)	(843)		
Non-current liabilities	(8,015)	(3,119)	(5,090)		
Net assets	13,068	4,428	9,190		
Attributable to:					
– NCI	13,038	873	298		
– Associate's shareholders	30	3,555	8,892		
Carrying amount of interest in associate at beginning of the year	3,424	1,834	2,023		
Group's share of:					
– (Loss)/Profit	(22)	22	88	(7)	81
– Other comprehensive income	(7)	116	8	150	267
– Total comprehensive income	(29)	138	96	143	348
Dividends received during the year	(172)	–	(115)		
Additions during the year	144	–	106		
Translation and other adjustments	(383)	(17)	16		
Carrying amount of interest in associate at end of the year	2,984	1,955	2,126	3,843	10,908
Fair value of effective ownership interest (if listed)^	3,229	N/A	2,156		

^ Based on the quoted market price at 31 December 2020.

9 JOINT VENTURES

		Note	The Group 2021 $'M	2020 $'M
(a)	Investment in joint ventures		2,368	1,843
	Less:			
	Allowance for impairment loss		(8)	(10)
			2,360	1,833
	Add:			
	Amounts due from joint ventures, at amortised cost:			
	Loan accounts	(i)		
	– interest free		419	454
	– interest bearing		17	18
	Less:			
	Allowance for impairment loss on receivables	33	(14)	(15)
			422	457
			2,782	2,290

(i) These are shareholder loans provided to joint ventures which are unsecured and not expected to be repaid within the next twelve months.

(ii) Movements in allowance for impairment loss were as follows:

	The Group 2021 $'M	2020 $'M
At 1 January	(10)	(21)
Utilised during the year	1	11
Translation differences	1	*
At 31 December	(8)	(10)

* Less than $1 million

(iii) As at 31 December 2021, the effective interest rates for the interest-bearing loans to joint ventures ranged from 4.25% to 6.50% (2020: 4.25% to 6.50%) per annum.

(iv) As at 31 December 2021, shareholder loans due from joint ventures include an amount of approximately $232 million (2020: $235 million), the repayment of which is subordinated to that of the external borrowings of certain joint ventures.

9 JOINT VENTURES (continued)

	Note	The Group 2021 $'M	The Group 2020 $'M
(b) Amounts due from joint ventures:			
Current accounts (unsecured)			
– interest free (trade)		58	35
– interest free (non-trade)		149	158
– interest bearing (mainly non-trade)		7	8
		214	201
Less:			
Allowance for impairment loss on receivables	33	(21)	(25)
Presented in trade and other receivables	13	193	176

(i) As at 31 December 2021, the effective interest rate for interest-bearing amounts due from joint ventures is 1.80% (2020: 1.80%) per annum.

(ii) The Group's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 33.

	Note	The Group 2021 $'M	The Group 2020 $'M
(c) Amounts due to joint ventures:			
Current accounts (unsecured)			
– interest free (mainly non-trade)		2	1
– interest bearing (non-trade)		51	–
Presented in trade and other payables	16	53	1

(i) As at 31 December 2021, the effective interest rate for interest-bearing amounts due to joint ventures is 3.85% (2020: nil) per annum.

(d) The following are the material joint ventures of the Group:

Name of Company	Nature of relationship with the Group	Principal place of business	Effective interest 2021 %	Effective interest 2020 %
Orchard Turn Holding Pte Ltd[1] (OTH)	Owner of an integrated development in Singapore	Singapore	50.0	50.0
CapitaLand Shanghai Malls[2,3,4]	Owner of two integrated developments in China	China	65.0 to 73.0	65.0 to 73.0

1 Audited by KPMG LLP Singapore.
2 Audited by other member firms of KPMG International.
3 Considered to be a joint venture as the Group had joint control over the relevant activities of the trust with the joint venture partners.
4 CapitaLand Shanghai Malls comprised two joint ventures held through the Group's subsidiary, CapitaLand Mall Asia Limited, namely, Ever Bliss International Limited and Full Grace Enterprises Limited.

9 JOINT VENTURES (continued)

The following summarises the financial information of each of the Group's material joint ventures based on their respective consolidated financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also includes summarised financial information for the Group's interest in immaterial joint ventures, based on the amounts reported in the Group's consolidated financial statements.

	OTH Group $'M	CapitaLand Shanghai Malls $'M	Other individually immaterial joint ventures $'M	Total $'M
31 December 2021				
Revenue[1]	226	253		
Profit after tax[2]	271	21		
Other comprehensive income	13	90		
Total comprehensive income	284	111		
[1] Includes:				
– rental and related income from investment properties	226	253		
[2] Includes:				
– depreciation and amortisation	(2)	(1)		
– interest income	–	8		
– interest expense	(30)	(44)		
– tax expense	(24)	(24)		
Current assets[3]	168	343		
Non-current assets	3,267	3,012		
Current liabilities[4]	(72)	(79)		
Non-current liabilities[5]	(1,675)	(1,325)		
Net assets	1,688	1,951		
[3] Includes cash and cash equivalents	167	229		
[4] Includes current financial liabilities (excluding trade and other payables and provisions)	(18)	(6)		
[5] Includes non-current financial liabilities (excluding trade and other payables and provisions)	(1,675)	(1,141)		
Carrying amount of interest in joint venture at beginning of the year	750	660		
Group's share of:				
– Profit	135	11	64	210
– Other comprehensive income	7	43	17	67
– Total comprehensive income	142	54	81	277
Dividends received during the year	(46)	–		
Translation and other adjustments	–	2		
Carrying amount of interest in joint venture at end of the year	846	716	1,220	2,782

9 JOINT VENTURES (continued)

	OTH Group $'M	CapitaLand Shanghai Malls $'M	Other individually immaterial joint ventures $'M	Total $'M
31 December 2020				
Revenue[1]	214	158		
(Loss)/Profit after tax[2]	(185)	18		
Other comprehensive income	3	105		
Total comprehensive income	(182)	123		
[1] Includes:				
– revenue from contract with customers for sale of residential, commercial strata and urban development	12	–		
– rental and related income from investment properties	203	158		
[2] Includes:				
– depreciation and amortisation	(3)	*		
– interest income	1	15		
– interest expense	(46)	(49)		
– tax expense	(18)	(19)		
Current assets[3]	161	354		
Non-current assets	3,111	2,918		
Current liabilities[4]	(89)	(98)		
Non-current liabilities[5]	(1,683)	(1,262)		
Net assets	1,500	1,912		
[3] Includes cash and cash equivalents	152	344		
[4] Includes current financial liabilities (excluding trade and other payables and provisions)	(20)	(29)		
[5] Includes non-current financial liabilities (excluding trade and other payables and provisions)	(1,682)	(1,093)		
Carrying amount of interest in joint venture at beginning of the year	868	602		
Group's share of:				
– (Loss)/Profit	(93)	9	(22)	(106)
– Other comprehensive income	2	54	7	63
– Total comprehensive income	(91)	63	(15)	(43)
Dividends received during the year	(27)	–		
Translation and other adjustments	–	(5)		
Carrying amount of interest in joint venture at end of the year	750	660	880	2,290

* Less than $1 million

(e) As at 31 December 2021, the Group's share of the capital commitments of the joint ventures is $472 million (2020: $307 million).

Notes to the Financial Statements

10 DEFERRED TAX

The movements in the deferred tax assets and liabilities were as follows:

	At 1/1/2021 $'M	Recognised in profit or loss $'M	Acquisition/ Disposal of subsidiaries $'M	Utilisation of tax losses $'M	Translation differences $'M	At 31/12/2021 $'M
The Group						
Deferred tax liabilities						
Accelerated tax depreciation	22	1	(8)	–	*	15
Accrued income and interest receivable	4	*	–	–	*	4
Fair value adjustments arising from a business combination	98	–	–	–	3	101
Fair value changes of investment properties	303	23	(3)	–	18	341
Unremitted earnings	12	38	3	–	*	53
Others	25	(3)	–	–	2	24
Total	464	59	(8)	–	23	538
Deferred tax assets						
Unutilised tax losses	(4)	(6)	–	6	*	(4)
Provisions and expenses	(45)	*	–	–	(1)	(46)
Deferred income	(1)	1	–	–	*	*
Others	(8)	(1)	–	–	1	(8)
Total	(58)	(6)	–	6	*	(58)

	At 1/1/2020 $'M	Recognised in profit or loss $'M	Acquisition/ Disposal of subsidiaries $'M	Translation differences $'M	At 31/12/2020 $'M
Deferred tax liabilities					
Accelerated tax depreciation	26	(5)	–	1	22
Accrued income and interest receivable	4	*	–	*	4
Fair value adjustments arising from a business combination	89	(2)	11	*	98
Fair value changes of investment properties	380	(86)	–	9	303
Unremitted earnings	16	(4)	–	*	12
Others	26	(3)	–	2	25
Total	541	(100)	11	12	464
Deferred tax assets					
Unutilised tax losses	(2)	(2)	–	*	(4)
Provisions and expenses	(41)	1	(1)	(4)	(45)
Deferred income	(1)	–	–	*	(1)
Others	(10)	2	–	*	(8)
Total	(54)	1	(1)	(4)	(58)

* Less than $1 million

10 DEFERRED TAX (continued)

There is no offset of deferred tax liabilities and assets as of the balance sheet dates.

As at 31 December 2021, deferred tax liabilities amounting to $2 million (2020: $5 million) had not been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries as these earnings would not be distributed in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Group has not recognised deferred tax assets in respect of the following:

	The Group	
	2021 $'M	2020 $'M
Deductible temporary differences	13	13
Tax losses	967	744
Unutilised capital allowances	2	17
	982	774

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the subsidiaries of the Group can utilise the benefits.

Temporary differences would expire in the following periods:

	The Group	
Expiry period	2021 $'M	2020 $'M
No expiry	525	314
Not later than 1 year	21	63
Between 1 and 5 years	389	202
After 5 years	47	195
	982	774

11 OTHER NON-CURRENT/CURRENT ASSETS

(a) Other non-current assets

		The Group		The Company	
	Note	2021 $'M	2020 $'M	2021 $'M	2020 $'M
Equity investments at FVTPL		107	332	–	–
Equity investments at FVOCI		60	64	–	–
Derivative financial instruments		22	5	–	–
Amounts due from:					
– subsidiaries		–	–	3	–
– associates	8(b)	3	2	–	–
– related corporations					
– interest free loan		–	96	–	–
– interest bearing loan	(i)	–	250	–	–
		–	346	–	–
Other receivables		15	16	–	–
Deposits		4	3	–	–
Prepayments		1	2	–	–
		212	770	3	–

(i) As at 31 December 2020, the effective interest rate for interest-bearing amounts due from related corporations was 3.70% per annum.

(b) Other current assets

	The Group		The Company	
	2021 $'M	2020 $'M	2021 $'M	2020 $'M
Derivative financial instruments	14	6	–	–

12 DEVELOPMENT PROPERTIES FOR SALE

		The Group 2021 $'M	The Group 2020 $'M
(a)	Properties under development, units for which revenue is recognised at a point in time		
	Land and land related costs	–	21
	Development costs	–	65
		–	86
	Allowance for foreseeable losses	–	(17)
	Properties under development	–	69
(b)	Completed development properties, at cost	286	142
	Allowance for foreseeable losses	(18)	–
	Completed development properties	268	142
	Total development properties for sale	268	211

(c) The Group makes allowance for foreseeable losses by applying its experience in estimating the net realisable values of completed units and properties under development. References were made to comparable properties, timing of sale launches, location of property, management's expected net selling prices and estimated development expenditure. Market conditions may, however, change which may affect the future selling prices of the remaining unsold units of the development properties and accordingly, the carrying value of development properties for sale may have to be written down in future periods.

(d) Movements in allowance for foreseeable losses in respect of development properties for sale were as follows:

	Note	The Group 2021 $'M	The Group 2020 $'M
At 1 January		(17)	(28)
Allowance during the year	26(c)(i)	–	(17)
Utilised during the year		–	28
Translation differences		(1)	–
At 31 December		(18)	(17)

13 TRADE AND OTHER RECEIVABLES

	Note	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Trade receivables		303	222	–	–
Less:					
Allowance for impairment loss on receivables	33	(45)	(29)	–	–
		258	193	–	–
Deposits		11	17	–	–
Other receivables	(a)	789	98	1	*
Less:					
Allowance for impairment loss on receivables	33	(18)	(18)	–	–
		771	80	1	*
Tax recoverable		16	16	–	–
Amounts due from:					
– associates	8(b)	266	151	–	–
– joint ventures	9(b)	193	176	–	–
– non-controlling interest		*	8	–	–
– subsidiaries					
Current accounts (unsecured)					
– interest free (trade)	(b)	–	–	58	23
– interest free (non-trade)	(b)	–	–	176	21
Less:					
Allowance for impairment loss on receivables		–	–	(16)	(16)
		–	–	218	28
– related corporations					
Current accounts (unsecured)					
– interest free (trade)		95	64	24	–
– interest free (non-trade)	(b)	–	258	–	*
Loans (unsecured)					
– interest free		–	2,145	–	–
– interest bearing	(c)	–	1,185	–	65
Less:					
Allowance for impairment loss on receivables		*	(84)	–	–
		95	3,568	24	65
Loans and receivables		1,610	4,209	243	93
Prepayments		51	49	–	–
		1,661	4,258	243	93

* Less than $1 million

(a) Other receivables include consideration receivable of $689 million (2020: nil) for the divestment of associates.

(b) Amounts due from related corporations and subsidiaries are unsecured and repayable on demand.

(c) The effective interest rates for interest-bearing amounts due from related corporations as at 31 December 2020 ranged from 0.01% to 4.57% per annum.

(d) The Group's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 33.

14 ASSETS/LIABILITIES HELD FOR SALE

	Note	The Group 2021 $'M	The Group 2020 $'M
Investment properties	32(d)(i)	2	32

Details of assets and liabilities held are as follows:

2021

The assets held for sale as at 31 December 2021 relates to nine strata units in Somerset Grand Citra Jakarta.

2020

On 17 July 2020 and 8 September 2020, Ascott Residence Trust (ART) entered into conditional agreements to divest Citadines Didot Montparnasse Paris and Citadines City Centre Grenoble in France respectively to an unrelated third party. Accordingly, the properties were reclassified from investment properties to assets held for sale as at 31 December 2020. The transactions have been completed in 2021.

15 CASH AND CASH EQUIVALENTS

	Note	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Fixed deposits		443	436	–	–
Cash at banks and in hand		3,434	1,300	362	10
Cash and cash equivalents		3,877	1,736	362	10
Restricted bank deposits	(a)	(62)	(58)		
Cash and cash equivalents in the statement of cash flows		3,815	1,678		

(a) These are deposits placed in escrow account for bank balances of certain subsidiaries pledged in relation to banking facilities and bank balances required to be maintained as security for outstanding CapitaVoucher, as well as bank balances relating to security deposits from tenants which can only be drawn down as rental payment upon tenants' default or refunded to tenants upon lease expiry.

(b) The Group's cash and cash equivalents are denominated mainly in Singapore Dollars, Chinese Renminbi, Japanese Yen and US Dollars. As at 31 December 2021, the effective interest rates for cash and cash equivalents denominated in these currencies ranged from 0% to 2.03% (2020: 0% to 2.75%) per annum.

The cash and cash equivalents are placed with banks and financial institutions which meet the appropriate credit criteria.

Notes to the Financial Statements

16 TRADE AND OTHER PAYABLES

	Note	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Trade payables		162	123	*	*
Accruals	(a)	586	403	17	3
Accrued development expenditure		75	63	–	–
Other payables	(b)	737	221	4	*
Rental and other deposits		91	125	–	–
Derivative financial instruments		19	6	–	–
Liability for employee benefits	20	68	38	3	1
Amounts due to:					
– subsidiaries					
Current accounts (unsecured)					
– interest free (trade)		–	–	5	–
– interest bearing (non-trade)		–	–	43	–
– associates	8	12	483	–	–
– joint ventures	9	53	1	–	–
– non-controlling interests (unsecured)					
– interest free		1	1	–	–
– interest bearing		1	1	–	–
– related corporations					
Loans (unsecured)					
– interest free		–	2,147	–	–
– interest bearing	(c)	–	1,751	–	–
Current accounts (unsecured)					
– interest free (trade)		323	90	197	22
– interest bearing (non-trade)	(c)	–	60	–	3
		2,128	5,513	269	29

* Less than $1 million

(a) As at 31 December 2021, accruals included accrued operating expenses of $359 million (2020: $262 million), accrued interest payable of $30 million (2020: $23 million) as well as accrued expenditure for tax and administrative expenses which are individually immaterial.

(b) Other payables included dividend payable to external shareholders of $153 million (2020: nil) and deferred purchase consideration for acquisition of an investment of $229 million (2020: nil).

(c) The effective interest rates for interest bearing amounts due to related corporations in 2020 ranged from 0.40% to 3.85% per annum.

(d) Amounts due to related corporations in 2020 were repayable on demand.

17 BORROWINGS

	Note	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Bank borrowings					
– secured		4,345	5,209	–	–
– unsecured		7,253	1,224	–	–
		11,598	6,433	–	–
Lease liabilities	(c)	771	748	23	–
		12,369	7,181	23	–
Repayable:					
Not later than 1 year		1,941	1,132	11	–
Between 1 and 5 years		8,856	4,620	12	–
After 5 years		1,572	1,429	–	–
After 1 year		10,428	6,049	12	–
		12,369	7,181	23	–

(a) The Group's borrowings are denominated mainly in Singapore Dollars, Chinese Renminbi, Japanese Yen and US Dollars. As at 31 December 2021, the effective interest rates for bank borrowings denominated in these currencies ranged from 0.41% to 4.93% (2020: 0.40% to 4.87%) per annum.

(b) Bank borrowings are secured by the following assets, details of which are disclosed in the respective notes to the financial statements:

(i) mortgages on the borrowing subsidiaries' property, plant and equipment, investment properties, trade and other receivables and shares of certain subsidiaries of the Group; and

(ii) assignment of all rights, titles and benefits with respect to the properties mortgaged.

(c) Lease liabilities relate to the leases of property, plant and equipment (note 4) and investment properties (note 6).

17 BORROWINGS (continued)

(d) The reconciliation of liabilities arising from financing activities were as follows:

	Note	At 1/1/2021 $'M	Financing cashflows * $'M	<——— Non-cash changes: Acquisition of subsidiaries $'M	Disposal of subsidiaries $'M	Changes in fair value $'M	Modification of lease liabilities $'M	Foreign exchange movement $'M	Others $'M ———>	At 31/12/2021 $'M
Bank borrowings		6,433	4,172	1,401	(348)	–	–	(68)	8	11,598
Debt securities	18	1,285	(81)	–	–	–	–	(25)	–	1,179
Lease liabilities	17	748	(64)	–	–	–	27	1	59	771
Net loans from related corporations		7,514	(4,537)	–	–	–	–	–	(2,894)^	83
Derivative liabilities		96	–	32	–	(69)	–	–	–	59
Derivative assets		(11)	–	–	–	(25)	–	–	–	(36)

	Note	At 1/1/2020 $'M	Financing cashflows * $'M	<——— Non-cash changes: Acquisition of subsidiaries $'M	Disposal of subsidiaries $'M	Changes in fair value $'M	Modification of lease liabilities $'M	Foreign exchange movement $'M	Others $'M ———>	At 31/12/2020 $'M
Bank borrowings		6,205	197	–	(96)	–	–	113	14	6,433
Debt securities	18	1,433	(166)	–	–	–	–	17	1	1,285
Lease liabilities	17	495	(56)	265	–	–	(2)	22	24	748
Net loans from related corporations		7,319	194	–	–	–	–	–	1	7,514
Derivative liabilities		55	–	–	–	41	–	–	–	96
Derivative assets		(26)	–	–	–	15	–	–	–	(11)

* Cashflows from financing activities presented in the consolidated statement of cash flows include interest expense paid of $342 million (2020: $365 million) which are included under accruals, amount due to associates, joint ventures, related corporations and non-controlling interests of note 16 – trade and other payables. There are no material non-cash changes associated with interest payables.

^ Includes capitalisation of $2,870 million shareholder loans against issuance of new shares.

18 DEBT SECURITIES

	The Group 2021 $'M	The Group 2020 $'M
Secured notes and bonds	171	259
Unsecured notes and bonds	1,008	1,026
	1,179	1,285
Repayable:		
Not later than 1 year	608	22
Between 1 and 5 years	571	1,263
	1,179	1,285

(a) As at 31 December 2021, the effective interest rates for debt securities ranged from 0.46% to 3.89% (2020: 0.40% to 4.14%) per annum.

(b) Notes and bonds

The Group's notes and bonds are mainly issued by Ascott Residence Trust, CapitaLand Malaysia Trust and CapitaMalls Asia Treasury Ltd under their respective issuance programs. These notes and bonds were denominated mainly in Singapore Dollars, Malaysian Ringgit, Japanese Yen and Euro. Save for the secured notes and bonds below, the notes and bonds issued were unsecured.

As at 31 December 2021, the secured notes and bonds amounting to $171 million (2020: $259 million) were fully secured by deposits pledged and mortgages on the investment properties of the Group. Details on assets pledged are disclosed in the respective notes to the financial statements.

19 OTHER NON-CURRENT LIABILITIES

	Note	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Amounts due to (unsecured):					
– subsidiary (interest free)	(b)	–	–	486	486
– associates (interest free)	(b)	6	–	–	–
– non-controlling interests (interest free)	(b)	23	23	–	–
– related corporations Loans (unsecured)					
– interest free		83	2,912	–	–
– interest bearing	(a)	–	4,380	325	325
– immediate holding company (interest free)	(c)	–	–	–	624
Liability for employee benefits	20	29	10	8	–
Derivative financial instruments		40	90	–	–
Security deposits and other non-current payables		200	147	–	–
Deferred income		11	14	–	–
		392	7,576	819	1,435

19 OTHER NON-CURRENT LIABILITIES (continued)

(a) As at 31 December 2020, the effective interest rates for the amounts due to related corporations ranged from 0.66% to 2.98% per annum.

(b) Amounts due to subsidiary, associates, non-controlling interests and related corporations are non-trade and not expected to be repaid within the next twelve months.

(c) As at 31 December 2020, the amounts due to immediate holding company are unsecured, non-trade and not expected to be repaid within the next twelve months.

20 EMPLOYEE BENEFITS

	Note	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Liability for short term accumulating compensated absences		15	10	1	–
Liability for staff incentive	(a)	34	31	1	1
Liability for cash-settled share-based payments		48	7	9	–
		97	48	11	1

	Note	The Group 2021 $'M	The Group 2020 $'M	The Company 2021 $'M	The Company 2020 $'M
Current	16	68	38	3	1
Non-current	19	29	10	8	–
		97	48	11	1

(a) Staff incentive

This relates to staff incentive which is based on the achievement of the Group's financial performance and payable over a period of time.

(b) Equity compensation benefits

1) Share Plans of the CapitaLand Group Pte. Ltd.

Prior to the listing of the Company, the Group's employees participated in the share-based incentive plans of the Company's immediate holding company, CapitaLand Group Pte. Ltd. which comprise the Performance Share Plan and Restricted Share Plan (CL Share Plan). The Share Plans are administered by CapitaLand Group Pte. Ltd.'s Executive Resource and Compensation Committee (CL ERCC).

20 EMPLOYEE BENEFITS (continued)

(b) Equity compensation benefits (continued)

1) Share Plans of the CapitaLand Group Pte. Ltd. *(continued)*

Pursuant to the Internal Restructuring, CL ERCC has approved the following in relation to the unvested share awards payout to CL Share Plans as at 17 September 2021:

(a) The outstanding contingent CL PSP awards granted to the employees will be replaced by awards under the CLI Share Plan (which were granted on 1 October 2021) in accordance with a conversion ratio and released in accordance with the original vesting schedule. The number of awards to be granted have also been finalised at 200% of the baseline awards.

(b) The CL RSP awards will be converted to cash-settled based awards with an implied value of $4.102 per CL share. Contingent awards granted under the CL RSP have been finalised at 150% of the baseline awards based on the same implied value. The cash payment will be released to eligible employees according to the original vesting schedule of respective CL RSP award.

i) CapitaLand Performance Share Plans

This relates to compensation costs of the CapitaLand's PSP 2010 and PSP 2020 reflecting the benefits accruing to the employees of the Group over the service period to which the performance criteria relate, prior to the listing of the Company.

Movements in the Group's number of shares outstanding under CL Performance Share Plans were summarised below:

	2021 ('000)	2020 ('000)
At 1 January	2,909	2,978
Granted	1,436	1,250
Released	(395)	(1,263)
Lapsed	(630)	(56)
Cancelled and replaced with CLI Share Plans on 1 October 2021	(3,320)	–
At 31 December	–	2,909

20 EMPLOYEE BENEFITS (continued)

(b) Equity compensation benefits (continued)

i) CapitaLand Performance Share Plans *(continued)*

The fair values of the shares under CapitaLand Performance Share Plans are determined using Monte Carlo simulation method which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory at measurement date. The fair values and assumptions are set out below:

Year of award	2021	2020
Weighted average fair value of shares and assumptions		
Weighted average fair value at measurement date	$3.79	$2.11
Expected volatility of Company's share price based on 36 months closing share price prior to grant date	24.42%	22.63%
Average volatility of companies in the peer group based on 36 months prior to grant date	29.63%	29.73%
Share price at grant date	$3.77	$2.72
Grant date	12 April 2021	18 September 2020
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	0.70%	0.37%
Expected dividend yield over the vesting period	2.95% to 4.26%	1.89% to 3.78%
Initial total shareholder return (TSR) performance based on historical TSR performance of the Company and each company in the peer group	27.86%	–
Average correlation of Company's TSR with those companies in the peer group	57.26%	59.96%

ii) CapitaLand Restricted Share Plans

This relates to compensation costs of the CapitaLand Group Pte. Ltd.'s RSP 2010 and RSP 2020 reflecting the benefits accruing to the employees of the Group over the service period to which the performance criteria relate, prior to the listing of the Company.

Following the listing of the Company, the existing unvested equity-settled awards granted under the CapitaLand Group Pte. Ltd.'s RSP 2010 and RSP 2020 were converted to cash-settled awards on 1 October 2021 and awards will be released in accordance with the original vesting schedule of the awards granted pursuant to the CapitaLand Group Pte. Ltd.'s RSP 2010 and RSP 2020 awards.

Due to the modification of the share plan, the incremental fair value granted is included in the measurement of the amount recognised for services received over the period from the grant date until the date when the RSP awards are vested and will be amortised to profit or loss accordingly over the remaining vesting period.

20 EMPLOYEE BENEFITS (continued)

(b) Equity compensation benefits (continued)

ii) *CapitaLand Restricted Share Plans (continued)*

Movements in the Group's number of shares outstanding under CL Restricted Share Plans were summarised below:

	2021 ('000)	2020 ('000)
At 1 January	10,623	13,159
Granted	15,488	5,501
Released@	(5,492)	(6,807)
Lapsed/Cancelled	(1,255)	(1,230)
At 31 December	19,364^	10,623

^ Represents CL RSP converted to cash-settled. The cash payment will be released to eligible employees according to the original vesting schedule of respective CL RSP award.
@ The number of shares released during the year was 5,492,402 (2020: 6,806,633) of which 1,452,770 (2020: 1,771,635) were cash-settled.

The fair values of the shares granted to employees are determined using Discounted Cashflow method at the measurement date. The fair values and assumptions are set out below:

Year of award	2021	2020
Weighted average fair value of shares and assumptions		
Weighted average fair value at measurement date	$3.52	$2.60
Share price at grant date	$3.77	$2.72
Grant date	12 April 2021	18 September 2020
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	0.42% to 0.72%	0.22% to 0.37%

2) *Share Plans of the Company*

The ERCC of the Company was formed on 3 July 2021 and has been designated as the Committee responsible for the administration of the Share Plans. The ERCC members at the date of this statement are Mr Stephen Lee Ching Yen (Chairman), Mr Miguel Ko, Ms Goh Swee Chen and Ms Judy Hsu Chung Wei.

The CLI Performance Share Plan 2021 (CLI PSP 2021) and CLI Restricted Share Plan 2021 (CLI RSP 2021) were approved by CapitaLand Group Pte. Ltd. on 17 July 2021. The duration of each share plan is 10 years commencing on 1 September 2021.

The ERCC of the Company has instituted a set of share ownership guidelines for members of senior management who receive shares under the CLI RSP and CLI PSP. Under these guidelines, members of senior management are required to retain a portion of the total number of the Company shares received under the aforementioned share-based plans, which will vary according to their respective job grade and salary.

20 EMPLOYEE BENEFITS (continued)

(b) Equity compensation benefits (continued)

2) *Share Plans of the Company (continued)*

The details of awards in the Company since commencement of the Share Plans were as follows:

	<——Aggregate shares——>			
	Granted No. of shares	Released No. of shares	Lapsed/ Cancelled No. of shares	Balance as at 31 December 2021 No. of shares
CLI PSP 2021^	40,371,269	–	–	40,371,269

^ Comprised 31,603,082 (31 December 2020: nil) granted to the employees of the Group and 8,768,187 shares (31 December 2020: nil) granted to the employees of the related corporations.

The total number of new shares issued and/or to be issued pursuant to the Share Plans of the Company did not exceed 8% (2020: nil) of the total number of shares (excluding treasury shares) in the capital of the Company.

i) *CLI Performance Share Plans*

This relates to compensation costs of the Company's PSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Following the listing of the Company, the Company grants share awards pursuant to the CLI Performance Share Plan 2021 (Replacement Awards) to certain employees of the Group and certain designated employees of CapitaLand Group Pte. Ltd. (collectively, Existing CapitaLand PSP Award Holders) in replacement of the awards previously granted to them pursuant to the CL PSP 2010 and the CL PSP 2020 (Existing CapitaLand PSP Awards). The Replacement Awards have been granted on 1 October 2021 and will be released progressively in accordance with the original vesting schedule of the Existing CapitaLand PSP Awards.

Movements in the number of shares outstanding under CLI PSP were summarised below:

	2021 ('000)
At 1 January 2020, 31 December 2020 and 1 January 2021	–
Granted@^	25,777
At 31 December	25,777

@ Comprised 19,275,824 shares (2020: nil) granted to the employees of the Group and 6,501,109 shares (2020: nil) granted to the employees of the related corporations.
^ All outstanding contingent CL PSP awards granted to the employees were finalised at 200% of the baseline awards and employees will receive in lieu of the Company's shares award under CLI Share Plan in accordance with a conversion ratio and released in accordance with the original vesting schedule.

20 EMPLOYEE BENEFITS (continued)

(b) Equity compensation benefits (continued)

i) CLI Performance Share Plans (continued)

The fair values of the shares are determined using Discounted Cashflow method at the measurement date. The fair values and assumptions are set out below:

Year of award	2021
Weighted average fair value of shares and assumptions	
Weighted average fair value at measurement date	$2.5803 to $2.7796
Share price at grant date	$2.823
Grant date	1 October 2021
Expected dividend yield over the vesting period	3.54% to 3.90%

ii) Special CLI Founders Performance Share Plan Award (Special PSP)

Pursuant to the CLI PSP, the Special PSP award granted to selected key executives of the Company and/or its group companies is conditional on a performance target based on longer term wealth creation objectives. Participants will receive a specified number of performance shares after the end of the performance period conditional on achievement of performance conditions.

The ERCC grants an initial number of shares (baseline award) which are conditional on the target of the Company's share price expressed as a multiple of the Group's net asset value per share (Price/NAV) set for a five-year performance period. A specified number of shares will only be released by the ERCC to the recipients at the end of the qualifying performance period, provided the pre-specified minimum target is achieved. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors. Recipients can receive fully paid shares, their equivalent cash value or combination thereof, at no cost.

A one-time special contingent award was granted to selected key executives in the Company and CL group companies as at 1 October 2021. As a hiring strategy, such one-time special contingent award may (at the absolute discretion of the ERCC) also be extended to key executives joining the Company and/or its group companies on a date after 1 October 2021 but not later than 19 September 2022.

This relates to the compensation costs of the Company's Special PSP granted under CLI PSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

Notes to the Financial Statements

20 EMPLOYEE BENEFITS (continued)

(b) Equity compensation benefits (continued)

ii) Special CLI Founders Performance Share Plan Award (Special PSP) (continued)

Movements in the number of shares outstanding under Special PSP were summarised below:

	2021 ('000)
At 1 January 2020, 31 December 2020 and 1 January 2021	–
Granted@	14,594
At 31 December	14,594

@ Comprised 12,327,258 shares (31 December 2020: nil) granted to the employees of the Group and 2,267,078 shares (31 December 2020: nil) granted to the employees of the related corporations.

As at 31 December 2021, the number of shares granted under the Special PSP award are as follows:

	2021 Equity-settled ('000)	Cash-Settled ('000)	Total ('000)
Final number of shares has not been determined (baseline award)^	14,222	372	14,594

^ Comprised 11,955,317 shares (31 December 2020: nil) granted to the employees of the Group and 2,267,078 shares (31 December 2020: nil) granted to the employees of the related corporations which are equity-settled and 371,941 shares (31 December 2020: nil) granted to the employees of the Group which are cash-settled.

The final number of shares to be released will depend on the achievement of pre-determined target of the Company's share price over the Group's net asset value per share (Price/NAV) over a five-year performance period. No share will be released if the minimum target is not met at the end of the performance period. On the other hand, if the superior target is met, more shares than the baseline award can be delivered up to a maximum of 300% of the baseline award. In the event of early achievement of the targets within the first three years of the performance period, a maximum of 20% to 50% of the baseline award can be released after the third year, with any balance in excess of 50% of the baseline award to be released only after the fifth year. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.

Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

20 EMPLOYEE BENEFITS (continued)

(b) Equity compensation benefits (continued)

ii) Special CLI Founders Performance Share Plan Award (Special PSP) (continued)

The fair values of the shares are determined using Monte Carlo simulation method which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory at measurement date. The fair values and assumptions are set out below:

Year of award	2021
Weighted average fair value of shares and assumptions	
Weighted average fair value at measurement date	\$2.00 to \$2.24
Expected volatility of Company's share price assuming the average volatility of 36 months closing unit price from all CLI REITs	26.41% to 26.43%
Share price at grant date	\$3.34 to \$3.46
Grant date	1 October 2021 and 1 November 2021
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	0.86% to 1.32%
Expected dividend yield over the vesting period	3.66% to 3.71%
Net asset value per share	\$2.82 to \$3.99

iii) CLI Restricted Share Plans

This relates to compensation costs of the Company's RSP 2021 reflecting the benefits accruing to the employees over the service period to which the performance criteria relate. During the year, there was no award of shares granted under CLI RSP 2021.

21 SHARE CAPITAL

	2021 No. of shares ('000)	2020 No. of shares ('000)
Issued and fully paid, with no par value		
At 1 January	2,807,623	2,772,200
Add: Issue of new shares	2,395,573	35,423
Less: Treasury shares	(61,996)	–
At 31 December	5,141,200	2,807,623

The number of shares issued in 2020 relates to the estimated shares issued to effect the acquisition of interests in common control entities pursuant to the Internal Restructuring on the basis that the internal restructuring has been effected before the start of the earliest period presented or the dates of incorporation of common control entities, or the dates when common control is established, whichever is later. The number of shares issued as at 31 December 2021 represents the actual number of shares issued as at the reporting date.

21 SHARE CAPITAL (continued)

Capital management

Prior to listing of the Company, the Group's sources of capital and policies for distribution of excess capital were affected by its immediate holding company's capital management objectives.

The Group defines "capital" as including all components of equity plus any loans from its immediate holding company or its related company with no fixed terms of repayment. Trading balances that arise as a result of trading transactions with other group companies are not regarded by the Group as capital.

Post listing of the Company, the Group's policy is to build a strong capital base so as to maintain investor, creditor and market confidence to sustain future development of the business. The Group monitors the return on capital, which the Group defines as total shareholders' equity, excluding non-controlling interests, perpetual securities and the level of dividends to ordinary shareholders.

The Group monitors its capital using a net debt-to-equity ratio, which is defined as net borrowings divided by total equity (including non-controlling interests and perpetual securities).

	2021 \$'M	2020 \$'M
Borrowings and debt securities	13,548	8,466
Cash and cash equivalents	(3,877)	(1,736)
Net debt	9,671	6,730
Total equity	20,101	15,734
Net debt-to-equity ratio	0.48	0.43

The Group seeks to strike a balance between the higher returns that might be possible with higher level of borrowings and the liquidity and security afforded by a sound capital position.

In addition, the Company has a share purchase mandate as approved by its shareholders which allows the Company greater flexibility over its share capital structure with a view to improving, inter alia, its return on equity. The shares which are purchased are held as treasury shares which the Company may transfer for the purposes of or pursuant to its employee share-based incentive schemes so as to enable the Company to take advantage of tax deductions under the current taxation regime. The use of treasury shares in lieu of issuing new shares would also mitigate the dilution impact on existing shareholders.

The Group's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the company belongs. Adjustments are made to the capital structure in light of changes in economic conditions, regulatory requirements and business strategies affecting the Company or the Group.

The Group's subsidiaries in The People's Republic of China (PRC) and India are subject to foreign exchange rules and regulations promulgated by the PRC and India government which may impact how the Group manages capital. In addition, seven of the Group's subsidiaries (2020: eight) are required to maintain certain minimum base capital and financial resources, or shareholders' funds as they are holders of Capital Markets Services licenses registered with the Monetary Authority of Singapore or the Securities Commission Malaysia to conduct the regulated activity of Real Estate Investment Trust management. In addition, the consolidated REITs are subject to the aggregate leverage limit as defined in the Property Funds Appendix of the Code of Investment Scheme. These subsidiaries have complied with the applicable capital requirements throughout the year.

22 OTHER RESERVES

	The Group		The Company	
	2021	2020	2021	2020
	$'M	$'M	$'M	$'M
Reserve for own shares	(208)	–	(208)	–
Equity compensation reserve	24	–	16	–
Capital reserve	(4,794)	(4,756)	3	11
Hedging reserve	(16)	(110)	–	–
Fair value reserve	36	52	–	–
Asset revaluation reserve	6	6	–	–
Foreign currency translation reserve	71	(159)	–	–
	(4,881)	(4,967)	(189)	11

Reserve for own shares comprises the purchase consideration for issued shares of the Company acquired and held as treasury shares.

The equity compensation reserve comprises the cumulative value of employee services received for shares under the share plans of the Company (note 20(b)).

The capital reserve comprises mainly the reserves set aside by certain subsidiaries in compliance with the relevant regulations in the People's Republic of China, the Group's share of associates' and joint ventures' capital reserve and reserves on consolidation amounting to -$5,590 million (2020: -$5,590 million) which represents the difference between the consideration paid for the acquisition of interest in entities under common control as part of the Internal Restructuring and the share capital of the acquirees.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedge transactions that have not yet affected profit or loss.

The fair value reserve comprises the cumulative net change in the fair value of equity investments designated at FVOCI.

The asset revaluation reserve comprises the revaluation gain on a plant, property and equipment which was reclassified to investment properties.

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign entities, the effective portion of the hedging instrument which is used to hedge against the Group's net investment in foreign currencies as well as from the translation of foreign currency loans used to hedge or form part of the Group's net investments in foreign entities. The Group's foreign currency translation reserve arises mainly from Chinese Renminbi, US Dollar, Indian Rupee and Malaysian Ringgit.

Notes to the Financial Statements

23 PERPETUAL SECURITIES

The Group's perpetual securities comprise perpetual securities and perpetual notes issued by its subsidiary, ART ("the Issuer"). The perpetual securities comprise:

Perpetual securities or notes	Issue date	Principal amount $'M
ART		
– Fixed rate perpetual securities with an initial distribution rate of 4.68% per annum	30 June 2015	250
– Fixed rate perpetual securities with an initial distribution rate of 3.88% per annum	4 September 2019	150

The perpetual securities have no fixed redemption date and redemption is at the option of the ART in accordance with the terms of issue of the securities. The distribution will be payable semi-annually at the discretion of the ART and will be non-cumulative. These perpetual securities rank *pari passu* with the holders of preferred units (if any) and rank ahead of the stapled security holders of the ART, but junior to the claims of all other present and future creditors of the ART.

As the perpetual securities have no fixed maturity date and the payment of distributions is at the discretion of the Issuer, the Issuer is considered to have no contractual obligations to repay the principal or to pay any distributions, and the perpetual securities do not meet the definition for classification as a financial liability under SFRS(I) 1-32 *Financial Instruments: Disclosure and Presentation*, they are presented within equity, and distributions are treated as dividends.

24 OTHER COMPREHENSIVE INCOME

The Group's items of other comprehensive income do not have any related tax effect.

25 REVENUE

Revenue of the Group is analysed as follows:

	The Group 2021 $'M	The Group 2020 $'M
Revenue from contract with customers	826	668
Rental of investment properties:		
– Retail, office, business park, industrial and logistics rental and related income	568	595
– Lodging properties rental and related income	885	710
Others	14	10
	2,293	1,983

Disaggregation of revenue from contracts with customers:

	The Group 2021 $'M	The Group 2020 $'M
Primary segment		
Fee income		
– Fee income-related business	742	625
– Real estate investment business	15	–
– Corporate and others	60	43
	817	668
Development properties for sale		
– Real estate investment business	9	–
	826	668
Secondary segment		
Singapore	485	308
China[1]	207	233
Other developed markets	82	50
Other emerging markets	52	77
	826	668

1 includes Hong Kong

	The Group 2021 $'M	The Group 2020 $'M
Timing of revenue recognition		
Product transferred at a point in time	9	–
Products and services transferred over time	817	668
	826	668

26 PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax includes the following:

	Note	The Group 2021 $'M	The Group 2020 $'M
(a) Other operating income			
Interest income from:			
– deposits and notes		20	11
– related corporations		5	18
– associates and joint ventures		1	8
– investee companies and others		3	3
		29	40
Dividend income		5	10
Foreign exchange gain		15	32
Gain on disposal of equity investment designated as fair value through profit or loss		24	–
Gain from change of ownership interests in subsidiaries, associates and joint ventures		131	109
Gain on disposal of investment properties		205	41
Net fair value gain from investment properties		255	–
Net writeback of impairment loss on non-trade receivables			
– related corporations		87	–
– others		1	–
Other income from pre-termination of contracts and income support		20	17
Forfeiture of security deposits		12	8
Government grants	(i)	23	65
Others		81	42
		888	364

(i) The grants relate to the Job Support Scheme or equivalents in Singapore, Australia and Europe and property tax rebates extended by the Singapore government.

26 PROFIT/(LOSS) BEFORE TAX (continued)

	Note	The Group 2021 $'M	The Group 2020 $'M
(b) Staff costs			
Wages and salaries		573	485
Contributions to defined contribution plans		59	46
Share-based expenses:			
– equity-settled		36	16
– cash-settled		22	2
Increase/(Decrease) in liability for short term accumulating compensated absences		4	(1)
Staff benefits, training/development costs and others		57	47
		751	595
Less:			
Staff costs capitalised in development properties for sale		(2)	(1)
		749	594
Recognised in:			
Cost of sales		555	484
Administrative expenses		194	110
		749	594
(c)(i) Cost of sales include:			
Foreseeable losses on development properties for sale	12(d)	–	17
Operating expenses of investment properties that generated rental income		499	490
Lease expenses (short-term lease)		197	167
Lease expenses (variable lease payments not included in the measurement of lease liabilities)		3	1
(c)(ii) Administrative expenses include:			
Net allowance for impairment loss on trade receivables		18	18
Amortisation of intangible assets	5	27	23
Auditors' remuneration:			
– auditors of the Company		2	2
– other auditors		5	5
Non-audit fees:			
– auditors of the Company		1	*
– other auditors		2	1
Depreciation of property, plant and equipment	4	70	78
Depreciation of right-of-use assets	4	63	48
Listing and restructuring expenses		186	–

26 PROFIT/(LOSS) BEFORE TAX (continued)

	Note	The Group 2021 $'M	The Group 2020 $'M
(c)(iii) Other operating expenses include:			
Allowance for impairment loss on non-trade receivables		6	9
Loss from change of ownership interests in a joint venture		–	10
Loss on right-of-use assets lease remeasurement/modification		2	*
Loss on disposal and write off of property, plant and equipment		3	*
Impairment of intangible assets	5	15	153
Impairment of property, plant and equipment		*	27
Net change in fair value of financial assets designated as fair value through profit or loss		18	13
Net fair value loss from investment properties		–	698
Grant expenses		*	3
(d) Finance costs			
Interest costs paid and payable:			
– on bank loans and overdrafts		147	154
– on debt securities		41	33
– to non-controlling interests		*	*
– related corporations		108	142
Lease liabilities		29	23
Others		33	30
Total finance costs		358	382
Less:			
Borrowing costs capitalised in investment properties		(5)	(5)
		353	377

* Less than $1 million

27 TAX EXPENSE

	The Group 2021 $'M	The Group 2020 $'M
Current tax expense		
– Based on current year's results	256	126
– Under/(Over) provision in respect of prior years	32	(9)
– Group relief	(1)	(4)
	287	113
Deferred tax expense		
– Origination and reversal of temporary differences	60	(100)
– (Over)/Under provision in respect of prior years	(7)	1
	53	(99)
Land appreciation tax		
– (Over)/Under provision in respect of prior years	(1)	49
Withholding tax		
– Current year	64	46
– (Over)/Under provision in respect of prior years	(7)	5
	57	51
	396	114

Reconciliation of effective tax rate

	2021 $'M	2020 $'M
Profit/(Loss) before tax	1,956	(559)
Less: Share of results of associates and joint ventures	1,218	(25)
Profit/(Loss) before share of results of associates and joint ventures and tax	738	(534)
Income tax using Singapore tax rate of 17% (2020: 17%)	125	(91)
Adjustments:		
Expenses not deductible for tax purposes	293	323
Income not subject to tax	(205)	(187)
Effect of unrecognised tax losses and other deductible temporary differences	45	40
Effect of different tax rates in foreign jurisdictions	21	(96)
Effect of taxable distributions from REITs	43	52
Land appreciation tax	(1)	49
Effect of tax reduction on land appreciation tax	*	(12)
Withholding taxes	64	46
Under/(Over) provision in respect of prior years	18	(3)
Group relief	(1)	(4)
Others	(6)	(3)
	396	114

* Less than $1 million

In June 2021, the Group's subsidiary, CMMT Investments Limited (CMMTIL), was notified by the Inland Revenue Board of Malaysia (Tax Authority) that it had completed a tax audit review on CMMTIL, and found that certain interest payments made to CMMTIL's holding company outside of the relevant jurisdiction for the years of assessment 2011 to 2018 were subject to withholding tax and/or not permitted as expenses for tax deductions and that accordingly, CMMTIL is assessed to be required to pay additional taxes and penalties amounting to approximately $40 million in total (Tax Claim). In this regard, the Tax Authority has issued notices of additional assessment for the Tax Claim.

Notes to the Financial Statements

27 TAX EXPENSE (continued)

CMMTIL has obtained a legal opinion from its tax and legal advisers in the relevant jurisdiction, that (a) CMMTIL should fall within an exemption order under the relevant taxation law applicable to it, which would exempt it from paying any withholding tax for the said years of assessment and that, accordingly, the subsidiary should not be denied a deduction on the interest expense incurred; and (b) as the income tax legislation in the relevant jurisdiction provides that the Tax Authority may make an assessment or additional assessment only within the preceding five years, any assessment with respect to the years of assessment 2015 and prior years would be time-barred. CMMTIL has filed an application for a judicial review and a stay order with respect to the Tax Claim. The application for the judicial review is to seek, on the basis of the foregoing, to challenge and set aside the position by the Tax Authority that the Tax Claim is payable. In the event that the stay order is granted, the subsidiary will not be required to make any payment for the Tax Claim pending a hearing and a decision by the relevant court. No provision has been made in the financial statements for the Tax Claim due to the underlying uncertainties.

In August 2021, CMMTIL has made a partial payment of approximately $1.4 million to the Tax Authority under an approved instalment plan. On 7 September 2021, the High Court granted CMMTIL leave for substantive judicial review at High Court, which includes a stay so that the disputed taxes need not be paid until the outcome of the judicial review. Notwithstanding the partial payment, the tax and legal advisors maintain their opinion that CMMTIL should not be subject to the additional taxes raised by the Tax Authority.

28 EARNINGS PER SHARE

(a) Basic earnings per share

	The Group 2021 $'M	The Group 2020 $'M
Basic earnings per share is based on:		
Net profit/(loss) attributable to owners of the Company	1,349	(559)

	2021 No. of shares ('000)	2020 No. of shares ('000)
Weighted average number of ordinary shares in issue during the year	3,517, 372	2,807,623

(b) Diluted earnings per share

In calculating diluted earnings per share, the net profit attributable to owners of the Company and weighted average number of ordinary shares in issue during the year are adjusted for the effects of all potential dilutive ordinary shares:

	2021 $'M	2020 $'M
Diluted earnings per share is based on:		
Net profit/(loss) attributable to owners of the Company	1,349	(559)

Notes to the Financial Statements

28 EARNINGS PER SHARE (continued)

(b) Diluted earnings per share (continued)

	2021 No. of shares ('000)	2020 No. of shares ('000)
Weighted average number of ordinary shares in issue during the year	3,517,372	2,807,623
Adjustments for potential dilutive ordinary shares under:		
– CLI Performance Share Plan	68,444	–
	68,444	–
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	3,585,816	2,807,623

The weighted average number of shares as at 31 December 2020 is based on the estimated shares issued to effect the acquisition of interests in common control entities pursuant to the Internal Restructuring ("Estimated Shares") on the basis that the internal restructuring has been effected before the start of the earliest period presented or the dates of incorporation of common control entities, or the dates when common control is established, whichever is later.

The weighted average number of shares as at 31 December 2021 is based on the weighted average number of ordinary shares outstanding during the year, including the Estimated Shares.

Basic earnings per share computed based on the outstanding issued shares as at 31 December 2021 of 5,141 million was 26.2 cents (2020: -10.8 cents).

29 DIVIDENDS

The Board of Directors of the Company has proposed a tax-exempt ordinary dividend of 12.0 cents per share and a special dividend of 3.0 cents per share in respect of the financial year ended 31 December 2021. This would amount to a payout of approximately $771 million based on the number of issued shares (excluding treasury shares) as at 31 December 2021. The tax-exempt dividends are subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

30 ACQUISITION/DISPOSAL OF SUBSIDIARIES, NET OF CASH ACQUIRED/DISPOSED OF

(a) Acquisition of subsidiaries

The list of significant subsidiaries acquired during the year is as follows:

2021 Name of subsidiary	Date acquired	Effective interest acquired
DLSP-Ascendas Co., Ltd.*	May 2021	50%
Shanghai Yiding Electronic Technology Co., Ltd.	September 2021	80%
Shanghai Minyun Technology Co., Ltd.	September 2021	80%
Raffles City China Income Ventures Limited#	November 2021	45%
Senning Property Ltd.#	November 2021	55%

\# Previously an associate of the Group
* Previously a joint venture of the Group

30 ACQUISITION/DISPOSAL OF SUBSIDIARIES, NET OF CASH ACQUIRED/DISPOSED OF (continued)

(a) Acquisition of subsidiaries (continued)

2020 Name of subsidiary	Date acquired	Effective interest acquired
Lux Arlington Sarl	February 2020	100%
QSA Group Pty Ltd (QSA)	July 2020	80%

(b) Effects of acquisitions

The cash flows and net assets of subsidiaries acquired are provided below:

	Note	2021 $'M	2020 $'M
The Group			
Property, plant and equipment	4	–	1
Right-of-use assets	4	–	233
Intangible assets	5	–	60
Investment properties	6	1,118	223
Associates		1,383	–
Joint ventures		259	–
Other non-current assets		1,203	1
Trade and other receivables		722	22
Cash and cash equivalents		234	10
Trade and other payables		(592)	(30)
Other current liabilities		(331)	–
Borrowings and debt securities		(1,401)	(265)
Deferred tax liabilities		(24)	(11)
Other non-current liabilities		(38)	–
Non-controlling interests		–	(3)
		2,533	241
Amounts previously accounted for as associates and joint venture, remeasured at fair value		(755)	(161)
Net assets acquired		1,778	80
Goodwill arising from acquisition	5	–	149*
Gain on change of ownership interests in joint ventures		(9)	–
Realisation of reserves previously accounted for as associates and a joint venture		84	(6)
Total purchase consideration		1,853	223
Deferred purchase consideration and other adjustments		(229)	–
Cash of subsidiaries acquired		(234)	(10)
Cash outflow on acquisition of subsidiaries		1,390	213

* Goodwill is attributable to the acquisition of QSA

Acquisition-related costs

Acquisition-related costs of $3 million (2020: nil) and $2 million (2020: $2 million) relating to stamp duties and legal, due diligence and financial advisory service fees were included in the administrative expenses and cost of investment properties respectively.

30 ACQUISITION/DISPOSAL OF SUBSIDIARIES, NET OF CASH ACQUIRED/DISPOSED OF (continued)

(c) Disposal of subsidiaries

The list of significant subsidiaries disposed during the year is as follows:

2021 Name of subsidiary	Date disposed	Effective interest disposed
Shanghai Xinwei Real Estate Development Co. Ltd.	May 2021	40.6%
Ascendas Fusion 5 Pte. Ltd.	June 2021	75%
Ascendas Hangzhou Science & Technology Co., Ltd.	June 2021	60.2%
Ascendas Hangzhou Data Processing Co., Ltd.	June 2021	60.2%

The disposed subsidiaries contributed net profit of $33 million from 1 January 2021 to the date of disposal.

2020 Name of subsidiary	Date disposed	Effective interest disposed
Ascendas Korea Office Private Real Estate Investment Trust 5	August 2020	99%
Guangzhou Hai Yi Real Estate Development Co. Ltd.	December 2020	40.6%

The disposed subsidiaries contributed net profit of $2 million from 1 January 2020 to the date of disposal.

(d) Effects of disposals

The cash flows and net assets of subsidiaries disposed of are provided below:

	Note	2021 $'M	2020 $'M
The Group			
Property, plant and equipment		1	1
Investment properties	6	1,015	245
Trade and other receivables		26	13
Cash and cash equivalents		114	11
Trade and other payables		(37)	(7)
Other current liabilities		–	(2)
Borrowings		(348)	(96)
Other non-current liabilities		(46)	(4)
Non-controlling interests		(143)	–
Net assets disposed of		582	161
Realisation of reserves		(5)	3
Gain on disposal of subsidiaries		211	70
Sale consideration		788	234
Deferred proceeds and other adjustments		(95)	(31)
Deposits received in prior year		(6)	–
Cash of subsidiaries disposed		(114)	(11)
Cash inflow on disposal of subsidiaries		573	192

31 BUSINESS COMBINATIONS

The Group acquires subsidiaries/entities that own real estate which are not under common control. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. Typically, the Group assesses the acquisition as a purchase of business when the strategic management function and the associated processes were purchased along with the underlying properties.

2021

There were no significant business combinations in 2021.

2020

In 2020, the Group had the following significant business combination involving entities not under common control:

Acquisition of QSA Group Pty Ltd

With effect from July 2020, the Group consolidated QSA Group Pty Ltd (QSA). The Group has assessed that it has control over QSA following a change in board composition, amongst other changes, as stipulated in the shareholder agreement. Prior to July 2020, the Group equity accounted for QSA as a joint venture as the partner has joint control over the key activities of QSA. QSA is primarily in the business of establishing and franchising serviced apartments through the Quest brand in the Australian domestic market.

The consolidation of QSA resulted in an increase of $33 million in the Group's revenue but no change in the Group's profit attributable to owners as there is no change in the ownership interest of the Group in QSA, from the date of acquisition to 31 December 2020. If the acquisition had occurred on 1 January 2020, management estimated that the contribution from QSA to the Group's revenue would have been $63 million with no change in profit attributable to owners.

The change in control is accounted for using the acquisition method, and the Group's previously held equity interest is re-measured to fair value and a loss of $11 million on deemed disposal was recognised in profit or loss. The fair value of the joint venture was based on external valuation of QSA at the date of acquisition. Goodwill of $149 million was attributed to the franchise business acquired, which was recognised as a result of the difference between the fair value of the Group's interest in QSA and the fair value of the assets acquired and liabilities assumed.

31 BUSINESS COMBINATIONS (continued)

***Acquisition of QSA Group Pty Ltd** (continued)*

	2020 $'M
Property, plant and equipment	1
Right-of-use assets	233
Intangible assets	60
Other non-current assets	1
Other current assets	22
Cash and cash equivalents	9
Current liabilities	(29)
Borrowings	(265)
Deferred tax liabilities	(11)
Non-controlling interests	(3)
Total identifiable net assets	18
Less: amount previously accounted for as joint venture, remeasured at fair value	(161)
Net identifiable assets acquired	(143)
Goodwill on acquisition	149
Realisation of reserves previously accounted for as a joint venture	(6)
Total purchase consideration	–
Less: cash and cash equivalents in subsidiary acquired	(9)
Net cash inflow on acquisition	(9)

Measurement of fair value

The valuation techniques used for measuring the fair value of the material assets acquired and liabilities assumed were as follows:

Assets acquired and liabilities assumed	Valuation technique
Right-of-use assets, Lease liabilities (classified as borrowings)	Right-of-use assets and lease liabilities (classified as borrowings) mainly relate to lease arrangements in QSA's franchise business and the fair values were determined based on the present value of future rental payments.

The non-controlling interests were measured based on their proportionate interest in the recognised amounts of the assets and liabilities (excluding goodwill) of the acquiree.

32 FAIR VALUE OF ASSETS AND LIABILITIES

(a) Determination of fair value

The valuation methods and assumptions below are used to estimate the fair values of the Group's significant classes of assets and liabilities. Given the uncertainty of the extent of COVID-19, changes to the estimates and outcomes that have been applied in the valuation of the Group's assets and liabilities may arise in the future.

(i) Derivatives

Forward currency contracts, cross currency swap contracts and interest rate swap contracts are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rate, interest rate curves and forward rate curves.

(ii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted using the market rate of interest at the reporting date.

Fair value of quoted debt securities is determined based on quoted market prices.

(iii) Other financial assets and liabilities

The fair value of quoted securities is their quoted bid price at the reporting date. The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Where other valuation techniques, such as discounted cash flow or net asset techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument.

(iv) Investment properties

The Group's investment property portfolio is mostly valued by external and independent valuation companies on an annual basis. Independent valuation is also carried out on occurrence of acquisition of investment property. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. The valuers have considered valuation techniques, mainly including capitalisation approach, discounted cash flows and residual method in arriving at the open market value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, terminal yield rate and discount rate, estimated cost to completion and gross development value.

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(a) Determination of fair value *(continued)*

(v) Assets held for sale

The fair value of the Group's investment properties held for sale is either valued by an independent valuer or based on the agreed contractual selling price on a willing buyer willing seller basis. For investment properties held for sale valued by an independent valuer, the valuer has considered the discounted cash flow and income capitalisation approaches in arriving at the open market value as at the reporting date. In determining the fair value, the valuer used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties held for sale include market-corroborated capitalisation rate.

(vi) Share-based payment transactions

The fair values of employee performance share plan and restricted share plan are measured using valuation methodology described in note 20. Measurement inputs include the share price at grant date, expected volatility (based on an evaluation of the historical volatility of the Group's and peer group's share price), expected correlation of the Group's return with those of peer group, expected dividends yield and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining the fair values.

(b) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(c) Accounting classification and fair values

The table does not include fair value information of financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount					Fair value			
	Note	Fair value – hedging instruments $'M	FVOCI $'M	FVTPL $'M	Amortised Cost $'M	Total $'M	Level 1 $'M	Level 2 $'M	Level 3 $'M	Total $'M
The Group										
31 December 2021										
Financial assets measured at fair value										
Equity investments at FVOCI	11(a)	–	60	–	–	60	60	–	–	60
Equity investments at FVTPL	11(a)	–	–	107	–	107	3	–	104	107
Derivative financial assets:										
– Interest rate swaps and cross currency swaps	11(a)	22	–	–	–	22	–	22	–	22
– Interest rate swaps, forward foreign exchange contracts and cross currency swaps	11(b)	14	–	–	–	14	–	14	–	14
		36	60	107	–	203				
Financial assets not measured at fair value										
Other non-current assets		–	–	–	19	19				
Loans due from associates	8	–	–	–	4	4				
Loans due from joint ventures	9(a)	–	–	–	422	422				
Trade and other receivables	13	–	–	–	1,610	1,610				
Cash and cash equivalents	15	–	–	–	3,877	3,877				
		–	–	–	5,932	5,932				

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(c) Accounting classification and fair values (continued)

	Note	Carrying amount: Fair value – hedging instruments $'M	Carrying amount: FVOCI $'M	Carrying amount: FVTPL $'M	Carrying amount: Amortised Cost $'M	Carrying amount: Total $'M	Fair value: Level 1 $'M	Fair value: Level 2 $'M	Fair value: Level 3 $'M	Fair value: Total $'M
The Group										
31 December 2021										
Financial liabilities measured at fair value										
Derivative financial instruments:										
– Interest rate swaps and forward foreign exchange contracts	16	(19)	–	–	–	(19)	–	(19)	–	(19)
– Interest rate swaps	19	(40)	–	–	–	(40)	–	(40)	–	(40)
		(59)	–	–	–	(59)				
Financial liabilities not measured at fair value										
Other non-current liabilities#		–	–	–	(312)	(312)	–	–	(293)	(293)
Bank borrowings^	17	–	–	–	(11,598)	(11,598)	–	(11,583)	–	(11,583)
Debt securities	18	–	–	–	(1,179)	(1,179)	–	(1,180)	–	(1,180)
Trade and other payables#		–	–	–	(2,041)	(2,041)				
		–	–	–	(15,130)	(15,130)				

Excludes liability for employee benefits, derivative liabilities and deferred income.
^ Excludes lease liability.

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(c) Accounting classification and fair values (continued)

	Note	Carrying amount: Fair value – hedging instruments $'M	Carrying amount: FVOCI $'M	Carrying amount: FVTPL $'M	Carrying amount: Amortised Cost $'M	Carrying amount: Total $'M	Fair value: Level 1 $'M	Fair value: Level 2 $'M	Fair value: Level 3 $'M	Fair value: Total $'M
The Group										
31 December 2020										
Financial assets measured at fair value										
Equity investments at FVOCI	11(a)	–	64	–	–	64	64	–	–	64
Equity investments at FVTPL	11(a)	–	–	332	–	332	3	–	329	332
Derivative financial assets:										
– Forward foreign exchange contracts and cross currency swaps	11(b)	6	–	–	–	6	–	6	–	6
– Cross currency swaps	11(a)	5	–	–	–	5	–	5	–	5
		11	64	332	–	407				
Financial assets not measured at fair value										
Other non-current assets		–	–	–	365	365				
Loans due from associates	8	–	–	–	4	4				
Loans due from joint ventures	9(a)	–	–	–	457	457				
Trade and other receivables	13	–	–	–	4,209	4,209				
Cash and cash equivalents	15	–	–	–	1,736	1,736				
		–	–	–	6,771	6,771				

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(c) Accounting classification and fair values (continued)

	Note	Carrying amount: Fair value – hedging instruments $'M	FVOCI $'M	FVTPL $'M	Amortised Cost $'M	Total $'M	Fair value: Level 1 $'M	Level 2 $'M	Level 3 $'M	Total $'M
The Group										
31 December 2020										
Financial liabilities measured at fair value										
Derivative financial instruments:										
– Interest rate swaps, forward foreign exchange contracts and cross currency swaps	16	(6)	–	–	–	(6)	–	(6)	–	(6)
– Interest rate swaps and cross currency swaps	19	(90)	–	–	–	(90)	–	(90)	–	(90)
		(96)	–	–	–	(96)				
Financial liabilities not measured at fair value										
Other non-current liabilities#		–	–	–	(7,462)	(7,462)	–	–	(7,451)	(7,451)
Bank borrowings^	17	–	–	–	(6,433)	(6,433)	–	(6,446)	–	(6,446)
Debt securities	18	–	–	–	(1,285)	(1,285)	–	(1,299)	–	(1,299)
Trade and other payables#		–	–	–	(5,277)	(5,277)				
		–	–	–	(20,457)	(20,457)				
The Company										
31 December 2021										
Financial assets not measured at fair value										
Other non-current assets		–	–	–	4,481	4,481				
Trade and other receivables	13	–	–	–	243	243				
Cash and cash equivalents	15	–	–	–	362	362				
		–	–	–	5,086	5,086				

\# Excludes liability for employee benefits, derivative liabilities and deferred income.
^ Excludes lease liability.

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(c) Accounting classification and fair values (continued)

	Note	Carrying amount: Fair value – hedging instruments $'M	FVOCI $'M	FVTPL $'M	Amortised Cost $'M	Total $'M	Fair value: Level 1 $'M	Level 2 $'M	Level 3 $'M	Total $'M
The Company										
31 December 2021										
Financial liabilities not measured at fair value										
Other non-current liabilities#		–	–	–	811	811				
Trade and other payables#		–	–	–	266	266				
		–	–	–	1,077	1,077				
31 December 2020										
Financial assets not measured at fair value										
Other non-current assets		–	–	–	198	198				
Trade and other receivables	13	–	–	–	93	93				
Cash and cash equivalents	15	–	–	–	10	10				
		–	–	–	301	301				
Financial liabilities not measured at fair value										
Other non-current liabilities#		–	–	–	1,435	1,435				
Trade and other payables#		–	–	–	28	28				
		–	–	–	1,463	1,463				

\# Excludes liability for employee benefits.

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(c) Accounting classification and fair values (continued)

The following table shows the carrying amounts and fair values of significant non-financial assets, including their levels in the fair value hierarchy.

	Note	The Group Fair value Level 3 $'M
31 December 2021		
Non-financial assets measured at fair value		
Investment properties	6	16,249
Assets held for sale – investment properties	14	2
		16,251
31 December 2020		
Non-financial assets measured at fair value		
Investment properties	6	15,852
Assets held for sale – investment properties	14	32
		15,884

(d) Level 3 fair value measurements

(i) Reconciliation of Level 3 fair value

The movements of financial and non-financial assets classified under Level 3 and measured at fair value are presented as follows:

	The Group	
	Equity investments at FVTPL $'M	Assets held for sale – investment properties $'M
2021		
At 1 January 2021	329	32
Additions	48	2
Disposals	(242)	(32)
Changes in fair value recognised in profit or loss	(18)	–
Translation differences	(13)	–
At 31 December 2021	104	2
2020		
At 1 January 2020	334	247
Additions	1	32
Disposals	–	(154)
Reclassification to investment property	–	(93)
Changes in fair value recognised in profit or loss	(13)	–
Translation differences	7	–
At 31 December 2020	329	32

Movements for investment properties are set out in note 6.

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(d) Level 3 fair value measurements (continued)

(ii) Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring significant Level 3 fair values, as well as the significant unobservable inputs used.

Investment properties (including investment properties classified as assets held for sale)

Valuation methods	Key unobservable inputs	Shopping mall	Office	Integrated development	Business park, industrial and logistics	Lodging	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation approach	Capitalisation rate (net)						The estimated fair value varies inversely against the capitalisation rate.
	2021						
	– Singapore	–	4.3%	–	6.0%	–	
	– China	5.0%	4.3%	4.8% to 6.0%	5.0% to 7.0%	–	
	– Others	6.5% to 7.0%	4.5%	6.5%	7.0% to 8.8%	4.3% to 5.3%	
	2020						
	– Singapore	–	4.3%	–	5.5% to 6.5%	–	
	– China	5.0%	4.3%	4.8% to 6.0%	5.0% to 7.0%	–	
	– Others	6.8% to 7.0%	4.5%	6.5%	6.9% to 9.0%	4.8% to 5.3%	

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(d) Level 3 fair value measurements (continued)

(ii) *Valuation techniques and significant unobservable inputs (continued)*

Valuation methods	Key unobservable inputs	Shopping mall	Office	Integrated development	Business park, industrial and logistics	Lodging	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flow approach	Discount rate						The estimated fair value varies inversely against the discount rate and terminal yield rate.
	2021						
	– Singapore	–	6.5%	–	7.8%	5.0% to 5.3%	
	– China	9.0%	7.3% to 7.8%	8.8% to 9.5%	8.3% to 10.0%	5.3% to 5.8%	
	– Others	–	4.3%	–	12.8% to 18.8%	3.3% to 10.5%	
	2020						
	– Singapore	–	6.5%	–	7.0% to 8.0%	4.2% to 4.8%	
	– China	9.0%	7.3% to 7.8%	8.8% to 9.5%	8.3% to 10.0%	7.1% to 8.1%	
	– Others	5.1% to 5.7%	4.1% to 4.4%	–	13.8% to 20.0%	3.9% to 11.0%	
	Terminal yield rate						
	2021						
	– Singapore	–	4.5%	–	6.3%	3.5% to 3.8%	
	– China	5.5%	4.3% to 4.5%	5.5% to 6.3%	5.3% to 7.3%	3.5% to 4.7%	
	– Others	–	4.6%	–	8.8%	3.6% to 8.2%	
	2020						
	– Singapore	–	4.5%	–	5.8% to 7.0%	3.5% to 4.0%	
	– China	5.5%	4.3% to 4.5%	5.0% to 6.3%	5.0% to 7.3%	5.0% to 6.0%	
	– Others	5.2% to 6.0%	4.4% to 4.7%	–	8.8% to 9.0%	3.8% to 8.0%	
Residual value method	Gross development value ($ million)						The estimated fair value increases with higher gross development value and decreases with higher estimated cost to completion.
	2021	–	–	–	37 to 158	51 to 158	
	2020	–	–	–	–	55 to 131	
	Estimated cost to completion ($ million)						
	2021	–	–	–	43 to 97	8 to 125	
	2020	–	–	–	–	31 to 129	

Notes to the Financial Statements

32 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(d) Level 3 fair value measurements (continued)

(ii) *Valuation techniques and significant unobservable inputs (continued)*

Type	Valuation methods	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Equity investment in offices in Japan, Korea and Germany at FVTPL	Discounted cash flow method	– Discount rate: 5.2% to 6.5% (2020: 3.5% to 6.5%) – Terminal yield rate: 3.0% to 4.5% (2020: 3.8% to 4.5%)	The estimated fair value increases with lower discount rate and terminal yield rate
Equity investment in a lodging platform in China at FVTPL	Income approach	– Enterprise value/Revenue multiple of comparable companies: 2.0x to 7.3x (2020: 2.8x to 7.3x) – Volatility of comparable companies: 36% to 57% (2020: 36% to 55%)	The estimated fair value increases with higher revenue multiple and varies inversely against lower volatility.
Equity investment in Australia at FVTPL	Income approach	– Discount rate: 12% (2020: 13%) – Terminal growth rate: 2% (2020: 2%)	The estimated fair value increases with lower discount rate and higher terminal growth rate.
Equity investment in funds in Korea and Japan at FVTPL	Net asset value	– Net asset value#	The estimated fair value increases with lower discount rate, higher terminal growth rate and higher net asset value.

Fair value of unquoted equity instruments is determined by reference to the underlying assets value of the investees companies, which comprise mainly investment properties stated at fair value.

(iii) *Valuation processes applied by the Group*

The significant non-financial asset of the Group categorised within Level 3 of the fair value hierarchy is investment properties. The fair values of investment properties are determined by external, independent property valuers, who have the appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. The property valuers provide the fair values of the Group's investment property portfolio annually. The valuation and its financial impact are discussed with the management in accordance with the Group's reporting policies.

33 FINANCIAL RISK MANAGEMENT

(a) Financial risk management objectives and policies

The Group is exposed to market risk (including interest rate, foreign currency and price risks), credit risk and liquidity risk arising from its business. The Group's risk management approach seeks to minimise the potential material adverse effects from these exposures. The Group uses financial instruments such as interest rate swaps, interest rate forwards and cross currency swaps as well as foreign currency borrowings to hedge certain financial risk exposures.

The management has overall responsibility for the compliance and oversight of the Group's risk management framework which was based on CapitaLand Group's risk management framework. The Group has established the Risk Committee to strengthen its risk management processes and framework. The Risk Committee is assisted by an independent unit called the CapitaLand Group Risk Management (GRM), which generates an Integrated Risk Report on a regular basis that aims to report and update the Risk Committee of the Group's risk profile.

Risks and uncertainties are expected to persist in the near term with the continued impact of the COVID-19 pandemic, geopolitical tensions, uneven global economic recovery, rising inflation and interest rate environment. In response, the management has increased the monitoring of the economic environment, operational risk and the impact on its businesses.

(b) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will have on the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment relates mainly to its investment in financial products and debt obligations.

The investments in financial products are short term in nature and they are not held for trading or speculative purposes. The financial products mainly comprise fixed deposits which yield better returns than cash at bank.

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group strives to ensure that between 60% and 70% of its interest rate risk exposure is at a fixed rate following the listing of the Company. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to balance its portfolio with portion of loans on floating basis to capitalise cheaper funding from lower floating rates and insulate its portfolio against interest volatility with a portion of 60% to 70% in fixed rate funding to achieve certain level of protection against rate hikes. The Group uses hedging instruments such as interest rate swaps and forwards to minimise its exposure to interest rate volatility and classifies these interest rate swaps as cash flow hedge.

As at 31 December 2021, the Group has interest rate swaps classified as cash flow hedges with notional contractual amount of $5,126 million (2020: $1,591 million) and for which the Group pays fixed interest rates and receives variable rates equal to the Singapore swap offer rates (SOR), Singapore Overnight Rate Average (SORA), Secured Overnight Financing Rate (SOFR), London interbank offered rates (LIBOR), Australia bank bill swap bid rates (BBSY) and Euro interbank offered rates (EURIBOR) on the notional amount.

As at 31 December 2021, the Group has cross currency swaps classified as cash flow hedges with notional contractual amount of $262 million (2020: $207 million) and for which the Group pays fixed interest rates and receives variable rates equal to the swap rates for US Dollars and Singapore Dollars on the notional amount.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from interest rate benchmark reform, then the Group assumes for this purpose that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the critical terms method. When all critical terms match, the economic relationship is considered 100% effective.

Hedge ineffectiveness may occur due to changes in the critical terms of either the interest rate swaps or borrowings. Hedging relationships that are impacted by interest rate benchmark reform may experience ineffectiveness because of a timing mismatch between the hedged item and the hedging instrument regarding interest rate benchmark reform transition.

The net carrying amount of interest rate swaps as at 31 December 2021 was $54 million (2020: $68 million) comprising derivative assets of $5 million (2020: nil) and derivative liabilities of $59 million (2020: $68 million).

Sensitivity analysis

For variable rate financial liabilities and interest rate derivative instruments used for hedging, it is estimated that an increase of 100 basis point in interest rate at the reporting date would lead to a reduction in the Group's profit before tax (and revenue reserve) by approximately $47 million (2020: $39 million). A decrease in 100 basis point in interest rate would have an equal but opposite effect. This analysis assumes that all other variables, in particular foreign currency rates, remain constant, and has not taken into account the effects of qualifying borrowing costs allowed for capitalisation, the associated tax effects and share of non-controlling interests.

Managing interest rate benchmark reform and associated risk

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The Group's main IBOR exposure as at 31 December 2021 was indexed to SGD SOR, USD LIBOR, GBP LIBOR and JPY LIBOR. These benchmark rates will lose representativeness or discontinue and be replaced with alternative interest rates benchmarks in various countries from 1 January 2022 to 1 July 2023.

Management monitors and manages the transition to alternative risk-free rates. Management evaluates whether the contracts which are referenced to IBORs will need to be amended as a result of IBOR reform and how to manage such communication with the counterparties.

33 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(i) *Interest rate risk* (continued)

Non-derivative financial liabilities

The Group's IBOR exposures to non-derivative financial liabilities as at 31 December 2021 included secured and unsecured bank loans and debt securities indexed to SGD SOR, USD LIBOR, GBP LIBOR and JPY LIBOR. The Group is in communication with the counterparties to progressively transition non-derivative financial liabilities which are indexed to the affected interest rate benchmarks to alternative risk-free rates.

Derivatives

The Group holds interest rates swap and cross currency swap for risk management purposes that are designated in cash flow hedging relationships. The interest rate swap and cross currency swap have floating legs that are indexed to SGD SOR, USD LIBOR, GBP LIBOR and JPY LIBOR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements. The Group has generally adhered to the ISDA 2020 IBOR Fallbacks Protocol to include new fallback clauses with the derivatives counterparties.

Hedge accounting

The Group has evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by IBOR reform as at 31 December 2021. The Group's hedged items and hedging instruments continue to be indexed to IBOR benchmark rates which are SGD SOR, USD LIBOR, GBP LIBOR and JPY LIBOR. These benchmark rates are quoted each business day and the IBOR cash flows are exchanged with its counterparties as usual.

The Group's SGD SOR, USD LIBOR, GBP LIBOR and JPY LIBOR cash flow hedging relationships extend beyond the anticipated cessation dates for the respective rates. The Group continues to apply the amendments to SFRS(I) 9 issued in December 2020 (Phase 1) to those hedging relationships directly affected by IBOR reform.

The Group monitors the progress of transition from IBOR to new benchmark rates by reviewing the total amounts of contracts that have yet to transition to alternative benchmark rate and the amount of such contracts that have include appropriate fallback clauses. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes fallback clauses that deals with the cessation of the existing IBOR.

The following table contains details of all the financial instruments that the Group holds as at 31 December 2021 which are referenced to SGD SOR, USD LIBOR, GBP LIBOR and JPY LIBOR and have not yet transitioned to the new benchmark rates:

Notes to the Financial Statements

33 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(i) *Interest rate risk* (continued)

	SGD SOR Carrying amount $'M	USD LIBOR Carrying amount $'M	GBP LIBOR Carrying amount $'M	JPY LIBOR Carrying amount $'M
The Group				
31 December 2021				
Borrowings	2,453	2,344	39	164
Derivative liabilities – interest rate swaps	4	48	*	*
Derivative assets – cross currency swaps	(9)	(4)	–	–
Total	2,448	2,388	39	164

* Less than $1 million

$1,977 million of these financial instruments are expected to mature before the existing benchmark rates discontinue or are replaced with the new benchmark rates.

(ii) *Equity price risk*

As at 31 December 2021, the Group has financial assets at FVTPL and financial assets at FVOCI in equity securities and is exposed to equity price risk. The securities are listed in Singapore.

Sensitivity analysis

There is no significant exposure from equity securities listed in Singapore.

(iii) *Foreign currency risk*

The Group operates internationally and is exposed to various currencies, including Chinese Renminbi, Euro, Sterling Pound, Indian Rupee, Japanese Yen, Malaysian Ringgit, Australian Dollars and US Dollars.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which its property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

33 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(iii) Foreign currency risk (continued)

As at the reporting date, the Group uses certain foreign currency denominated borrowings, which include bank loans and medium term notes, and cross currency interest rate swaps to hedge against the currency risk arising from the Group's net investments in certain subsidiaries in United States of America, Europe, Australia and Japan. The carrying amount of these US Dollars, Euro, Sterling Pound, Australian Dollars and Japanese Yen denominated borrowings as at 31 December 2021 was $721 million (2020: $846 million).

The Group uses forward exchange contracts or foreign currency loans to hedge its foreign currency risk, where feasible. It generally enters into forward exchange contracts with maturities ranging between three months and one year which are rolled over at market rates at maturity or foreign currency loans which match the Group's highly probable transactions and investment in the foreign subsidiaries. The Group also enters into cross currency swaps to hedge the foreign exchange risk of its loans denominated in a foreign currency. The foreign exchange forwards and currency swaps are denominated in the same currency as the highly probable transactions, therefore the economic relationship is 100% effective.

Hedge ineffectiveness may occur due to:

- Changes in timing of the forecasted transaction from what was originally planned; and
- Changes in the credit risk of the derivative counterparty or the Group.

The net carrying amount of the forward exchange and cross currency swap contracts as at 31 December 2021 was net assets of $31 million (2020: $17 million), comprising derivative assets of $31 million (2020: $11 million) and derivative liabilities of nil (2020: $28 million).

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

33 FINANCIAL RISK MANAGEMENT (continued)

The Group's exposure to major foreign currencies was as follows:

	Singapore Dollars $'M	US Dollars $'M	Australian Dollars $'M	Chinese Renminbi $'M	Japanese Yen $'M	Euro $'M
The Group						
31 December 2021						
Equity securities	89	40	–	–	12	26
Trade and other receivables	711	767	222	203	191	195
Cash and cash equivalents	2,102	308	58	810	320	84
Bank borrowings and debt securities	(5,904)	(3,275)	(563)	(1,053)	(870)	(405)
Trade and other payables	(1,096)	(388)	(100)	(350)	(54)	(99)
Gross currency exposure	(4,098)	(2,548)	(383)	(390)	(401)	(199)
Add: Net financial liabilities denominated in the respective entities' functional currencies	3,545	2,226	403	630	268	137
Add: Bank borrowings and debt securities designated for net investment hedge	–	49	90	–	241	303
Add: Cross currency swaps/foreign exchange forward contracts	–	124	–	–	–	–
Net currency exposure	(553)	(149)	110	240	108	241
31 December 2020						
Equity securities	86	56	–	–	254	–
Trade and other receivables	4,039	220	258	601	176	218
Cash and cash equivalents	336	60	51	600	442	63
Bank borrowings and debt securities	(1,878)	(1,854)	(532)	(1,048)	(1,687)	(382)
Trade and other payables	(12,576)	(538)	(91)	(308)	(100)	(73)
Gross currency exposure	(9,993)	(2,056)	(314)	(155)	(915)	(174)
Add: Net financial liabilities denominated in the respective entities' functional currencies	9,001	1,679	372	156	711	47
Add: Bank borrowings and debt securities designated for net investment hedge	–	49	88	–	359	314
Add: Cross currency swaps/foreign exchange forward contracts	–	69	–	–	–	–
Net currency exposure	(992)	(259)	146	1	155	187

Sensitivity analysis

It is estimated that a five-percentage point strengthening in foreign currencies against the respective functional currencies of the Group would decrease the Group's profit before tax by less than $1 million (2020: $43 million). A five-percentage point weakening in foreign currencies against the Singapore Dollar would have an equal but opposite effect. The Group's outstanding forward exchange contracts and cross currency swaps have been included in this calculation. The analysis assumed that all other variables, in particular interest rates, remain constant and does not take into account the translation related risk, associated tax effects and share of non-controlling interests.

33 FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For trade and other receivables, contract assets and financial assets at amortised cost, the Group has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. Trade and other receivables and contract assets relate mainly to the Group's customers who bought its residential units and tenants from its office buildings, shopping malls, business parks and lodging properties. Financial assets at amortised cost relate mainly to amounts owing by related parties. Investments and financial transactions are restricted to counterparties that meet the appropriate credit criteria.

The principal risk to which the Group is exposed to in respect of financial guarantee contracts is credit risk in connection with the guarantee contracts they have issued. To mitigate the risk, management continually monitors the risk and has established processes including performing credit evaluations of the parties it is providing the guarantee on behalf of. Guarantees are only given for the benefit of its subsidiaries and related parties. The maximum exposure to credit risk in respect of these financial guarantees at the reporting date is disclosed in note 35.

The Group has a diversified portfolio of businesses and as at balance sheet date, there was no significant concentration of credit risk with any entity. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet, including derivative financial instruments as well as any irrevocable loan undertaking to associates and joint ventures.

(i) Trade receivables and contract assets

The Group reviews the customers' credit risk taking into account the aging of the outstanding receivables, amount of security deposit available as well as any indication of credit default, and assess the amount of specific allowance for doubtful receivables required for each customer.

The Group also uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables and contract assets.

In measuring the expected credit losses, trade receivables and contract assets are grouped based on similar credit risk characteristics and days past due. When determining the expected credit loss rates, the Group considers historical loss rates for customer grouped by industry sector and forward-looking macroeconomic factors like country's gross domestic product (GDP), which affect the ability of the customers to settle the receivables.

Trade and other receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss. During the year, the Group temporarily extended the credit terms for specific customers with liquidity constraints or as stipulated by government legislation as a direct result of the COVID-19 pandemic. All extensions were granted within current sales limits after careful evaluation of the creditworthiness of the customer and each customer that was granted an extension is closely monitored for credit deterioration.

(ii) Financial assets at amortised cost

The Group assesses on a forward-looking basis the expected credit losses associated with financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

33 FINANCIAL RISK MANAGEMENT (continued)

(a) The movements in credit loss allowance are as follows:

	Trade receivables $'M	Other receivables $'M	Amounts due from related corporations (current) $'M	Amounts due from associates (current) $'M	Amounts due from joint ventures (current) $'M	Amounts due from joint ventures (non-current) $'M
	<——	Note 13	——>	Note 8(b)	Note 9(b)	Note 9(a)
The Group						
At 1 January 2021	29	18	84	*	25	15
Allowance utilised	(2)	–	–	–	–	–
Allowance during the year	22	1	–	*	1	1
Reversal of allowance during the year	(4)	(2)	(84)	–	(4)	(1)
Translation differences	*	1	–	*	(1)	(1)
At 31 December 2021	45	18	*	*	21	14
At 1 January 2020	11	15	84	*	20	15
Allowance utilised	(1)	*	–	*	*	–
Allowance during the year	20	4	–	*	5	–
Reversal of allowance during the year	(2)	–	–	*	*	–
Translation differences	1	(1)	–	*	*	*
At 31 December 2020	29	18	84	*	25	15

* Less than $1 million

The movements in allowance for impairment loss on loans (note 7) and amounts due from subsidiaries (note 13) were as follows:

	Loans/Amounts due from subsidiaries 2021 $'M	Loans/Amounts due from subsidiaries 2020 $'M
The Company		
At 1 January	16	16
Allowance during the year	*	–
At 31 December	16	16

* Less than $1 million

Cash and cash equivalents are subject to immaterial credit loss.

33 FINANCIAL RISK MANAGEMENT (continued)

(b) The maximum exposure to credit risk for trade receivables and other financial assets excluding cash and cash equivalents (by business activities) at the reporting date was:

	Trade receivables 2021 $'M	Other financial assets 2021 $'M	Trade receivables 2020 $'M	Other financial assets 2020 $'M
The Group				
Fee income-related business	81	333	75	610
Real estate investments	172	1,398	117	3,446
Corporate and Others	5	66	1	786
	258	1,797	193	4,842

(c) The credit quality of trade and other receivables is assessed based on credit policies established by management. The Group monitors customer credit risk by grouping trade and other receivables based on their characteristics. Trade and other receivables with high credit risk will be identified and monitored by the respective strategic business units. Where a customer has been granted a temporary extension in the credit period as a result of the COVID-19 pandemic, the past-due status is based on the extended credit period. The Group's credit risk exposure in relation to trade and other receivables under SFRS(I) 9 as at 31 December 2021 are set out in the provision matrix as follows:

		<—— Past due		——>	
	Current $'M	Within 30 days $'M	30 to 90 days $'M	More than 90 days $'M	Total $'M
The Group					
2021					
Expected loss rate	1.6%	6.3%	10.7%	66.1%	
Trade receivables	187	32	28	56	303
Loss allowance	3	2	3	37	45
Trade receivables under deferment scheme	*	*	*	*	1
Expected loss rate	–	–	–	0.6%	
Amounts due from associates (current)	202	26	22	16	266
Loss allowance	–	–	–	*	*
Expected loss rate	2.3%	–	–	53.1%	
Amounts due from joint ventures (current)	172	8	2	32	214
Loss allowance	4	–	–	17	21
Expected loss rate	–	–	–	–	
Amounts due from associates (non-current)	4	–	–	–	4
Expected loss rate	3.2%	–	–	–	
Amounts due from joint ventures (non-current)	436	–	–	–	436
Loss allowance	14	–	–	–	14
Expected loss rate	0.8%	–	–	–	
Amounts due from related corporations (current)	62	10	4	19	95
Loss allowance	*	–	–	–	*

* Less than $1 million

33 FINANCIAL RISK MANAGEMENT (continued)

		<—— Past due		——>	
	Current $'M	Within 30 days $'M	30 to 90 days $'M	More than 90 days $'M	Total $'M
The Group					
2020					
Expected loss rate	1.5%	8.8%	18.8%	53.8%	
Trade receivables	133	34	16	39	222
Loss allowance	2	3	3	21	29
Trade receivables under deferment scheme	*	*	*	*	1
Expected loss rate	–	–	–	1.3%	
Amounts due from associates (current)	110	16	17	8	151
Loss allowance	–	–	–	*	*
Expected loss rate	4.1%	–	–	64.3%	
Amounts due from joint ventures (current)	171	1	1	28	201
Loss allowance	7	*	*	18	25
Expected loss rate	–	–	–	–	
Amounts due from associates (non-current)	4	–	–	–	4
Expected loss rate	3.2%	–	–	–	
Amounts due from joint ventures (non-current)	472	–	–	–	472
Loss allowance	15	–	–	–	15
Expected loss rate	2.4%	–	–	–	
Amounts due from related corporations (current)	3,526	30	2	94	3,652
Loss allowance	84	–	–	–	84
Expected loss rate	–	–	–	–	
Amounts due from related corporations (non-current)	346	–	–	–	346

* Less than $1 million

No aging analysis of contract assets and other receivables are presented as the majority of outstanding balances as at 31 December 2021 and 31 December 2020 are current.

The Company's ageing analysis of amounts due from related corporations and subsidiaries are not presented as the outstanding balances as at 31 December 2021 and 31 December 2020 are current.

33 FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash or cash convertible investments to meet its working capital requirement. In addition, the Group strives to maintain sufficient available banking facilities to meet working capital and funding needs.

Uncertainty about the effects of COVID-19 has resulted in significant disruption to capital and securities markets, which, if it continues, may affect the Group's ability to raise new capital, funding and refinance its existing debts. While the Group has unutilised facilities and funds available for use, there can be no assurance that the Group will be able to refinance its indebtedness, as and when such indebtedness becomes due, on commercially reasonable terms or at all. The economic disruption as a result of the COVID-19 pandemic may also affect the Group's ability to refinance its existing debts. The Group's level of indebtedness means that a material portion of the Group's expected cash flow may be required to be dedicated to the payment of interest on the Group's indebtedness, thereby reducing the funds available to the Group for use in the general business operations.

As part of the Group's borrowing activities, the Group is exposed to the risk of potential and actual breaches of financial covenants in the Group's indebtedness which may also result in accelerated demands of payment or calls for events of default by lenders. This may restrict the Group's ability to obtain additional financing for capital expenditure, acquisitions or general corporate purposes and may cause the Group to be particularly vulnerable in any general economic downturn or instability in the global financial capital markets.

The Group has been actively managing its liquidity position amid the COVID-19 pandemic. As at 31 December 2021, the Group has approximately $7 billion (2020: $3 billion) of total cash and available undrawn committed facilities held under the Group, which is sufficient to support the Group's funding requirements for the next 24 months.

33 FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

The following are the expected contractual undiscounted cash flows of financial liabilities and derivative financial instruments, including interest payments and excluding the impact of netting agreements:

		<— Contractual cash flows —>			
	Carrying amount $'M	Total $'M	Not later than 1 year $'M	Between 1 and 5 years $'M	After 5 years $'M
The Group					
31 December 2021					
Financial liabilities, at amortised cost					
Bank borrowings	(11,598)	(12,454)	(2,088)	(9,105)	(1,261)
Debt securities	(1,179)	(1,233)	(641)	(592)	–
Lease liabilities	(771)	(1,008)	(95)	(334)	(579)
Trade and other payables[#]	(2,082)	(2,082)	(1,775)	(276)	(31)
	(15,630)	(16,777)	(4,599)	(10,307)	(1,871)
Derivative financial assets/ (liabilities), at fair value					
Interest rate swaps (net-settled)					
– assets	5	5	(3)	8	–
– liabilities	(59)	(68)	(53)	(15)	–
Forward foreign exchange contracts (net-settled)					
– assets	3	3	3	–	–
Cross currency swaps (gross-settled)	28				
– outflow		(700)	(322)	(378)	–
– inflow		738	340	398	–
	(23)	(22)	(35)	13	–
	(15,653)	(16,799)	(4,634)	(10,294)	(1,871)

\# Excludes advanced billings, advance payments received, accruals and other payables relating to staff cost, deferred income, derivative liabilities and liability for employee benefits.

33 FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

	Carrying amount $'M	Contractual cash flows Total $'M	Not later than 1 year $'M	Between 1 and 5 years $'M	After 5 years $'M
The Group					
31 December 2020					
Financial liabilities, at amortised cost					
Bank borrowings	(6,433)	(7,095)	(1,285)	(4,747)	(1,063)
Debt securities	(1,285)	(1,386)	(59)	(1,327)	–
Lease liabilities	(748)	(1,033)	(85)	(308)	(640)
Trade and other payables#	(12,739)	(12,858)	(7,297)	(4,541)	(1,020)
	(21,205)	(22,372)	(8,726)	(10,923)	(2,723)
Derivative financial assets/ (liabilities), at fair value					
Interest rate swaps (net-settled)					
– liabilities	(68)	(68)	(25)	(43)	–
Forward foreign exchange contracts (net-settled)					
– assets	6	6	6	–	–
– liabilities	(5)	(5)	(5)	–	–
Cross currency swaps (gross-settled)	5				
– outflow		(163)	(2)	(161)	–
– inflow		171	4	167	–
Cross currency swaps (gross-settled)	(23)				
– outflow		(586)	(9)	(577)	–
– inflow		584	18	566	–
	(85)	(61)	(13)	(48)	–
	(21,290)	(22,433)	(8,739)	(10,971)	(2,723)

Excludes advanced billings, advance payments received, accruals and other payables relating to staff cost, deferred income, derivative liabilities and liability for employee benefits.

Notes to the Financial Statements

33 FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

	Carrying amount $'M	Contractual cash flows Total $'M	Not later than 1 year $'M	Between 1 and 5 years $'M	After 5 years $'M
The Company					
31 December 2021					
Financial liabilities, at amortised cost					
Lease liabilities	(23)	(23)	(11)	(12)	–
Trade and other payables*	(1,077)	(1,101)	(276)	(339)	(486)
	(1,100)	(1,124)	(287)	(351)	(486)
31 December 2020					
Financial liabilities, at amortised cost					
Trade and other payables*	(1,463)	(1,486)	(37)	(1,449)	–

* Excludes liability for employee benefits

33 FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

At 31 December 2021, the Group held the following instruments to hedge exposures to changes in foreign currency and interest rates:

	Carrying amount			Changes in fair value used for calculating Hedge ineffectiveness				
	Contractual notional amount $'M	Assets/ (Liabilities) $'M	Financial statement line item	Hedging instrument $'M	Hedged item $'M	Hedge ineffectiveness recognised in profit or loss $'M	Weighted average hedge forex rate/ interest rate (%)	Maturity date
The Group								
31 December 2021								
Cashflow hedges								
Foreign exchange risk								
– Cross currency swaps to hedge foreign currency borrowings	262	1	Derivative financial instruments	5	(5)	–	USD: SGD1.347	January 2022 to August 2025
Interest rate risk								
– Interest rate swaps to hedge floating rate borrowings	5,126	(54)	Derivative financial instruments	51	(51)	–	1.305%	May 2022 to December 2024
Net investment hedges								
Foreign exchange risk								
– Borrowings to hedge net investments in foreign operations	–	(721)	Borrowings	25	(25)	–	JPY: SGD0.0119 EUR: SGD1.534 GBP: SGD1.753 AUD: SGD0.99 KRW: SGD0.0009	January 2022 to November 2024
– Forward contracts to hedge net investments in foreign operations	311	3	Derivative financial instruments	(2)	2	–	USD: SGD1.353 RMB: SGD0.212 JPY: SGD0.0119 EUR: SGD1.538 GBP: SGD1.815 MYR: SGD0.325	January 2022 to March 2022
– Cross currency swaps to hedge net investments in foreign operations	489	27	Derivative financial instruments	42	(42)	–	JPY: SGD0.013 EUR: SGD1.531 KRW: SGD0.0009	January 2022 to August 2025

33 FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

	Carrying amount			Changes in fair value used for calculating Hedge ineffectiveness				
	Contractual notional amount $'M	Assets/ (Liabilities) $'M	Financial statement line item	Hedging instrument $'M	Hedged item $'M	Hedge ineffectiveness recognised in profit or loss $'M	Weighted average hedge forex rate/ interest rate (%)	Maturity date
The Group								
31 December 2020								
Cashflow hedges								
Foreign exchange risk								
– Cross currency swaps to hedge foreign currency borrowings	207	(8)	Derivative financial instruments	(4)	4	–	USD: SGD1.307 (USD 2.605%)	January 2022 to August 2025
Interest rate risk								
– Interest rate swaps to hedge floating rate borrowings	1,591	(68)	Derivative financial instruments	(27)	27	–	1.493%	April 2021 to October 2023
Net investment hedges								
Foreign exchange risk								
– Borrowings to hedge net investments in foreign operations	–	(846)	Borrowings	(9)	9	–	JPY: SGD0.0127 EUR: SGD1.591 GBP: SGD1.753 AUD: SGD0.98 KRW: SGD0.0009	October 2021 to September 2023
– Forward contracts to hedge net investments in foreign operations	457	1	Derivative financial instruments	(3)	3	–	USD: SGD1.354 RMB: SGD0.203 JPY: SGD0.0130 EUR: SGD1.606 AUD: SGD0.966 GBP: SGD1.759 MYR: SGD0.326	January 2021 to March 2021
– Cross currency swaps to hedge net investments in foreign operations	489	(10)	Derivative financial instruments	(29)	29	–	JPY: SGD0.011 EUR: SGD1.531 KRW: SGD0.0009	January 2022 to August 2025

33 FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

The following table provides a reconciliation by risk category of components of equity and analysis of other comprehensive income items (net of tax) resulting from cashflow hedge accounting.

	2021 $'M	2020 $'M
The Group		
At 1 January	(51)	(33)
Change in fair value:		
– Interest rate risk	49	(20)
Amount reclassified to profit or loss:		
– Interest rate risk	1	2
At 31 December	(1)	(51)

(e) Offsetting financial assets and financial liabilities

The Group's derivative transactions that are not transacted through an exchange, are governed by the ISDA Master Netting Agreements. In general, under such agreements, the amounts due on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount and settled between the counterparties. In certain circumstances, for example when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and set off into a single net amount to be settled.

The above ISDA agreements do not meet the criteria for offsetting in the balance sheets as a right of set-off of recognised amounts is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

There is no offset of the Group and the Company's financial assets and financial liabilities as of the reporting dates.

34 COMMITMENTS

As at the reporting date, the Group had the following commitments:

(a) Operating lease

The Group's operating lease relates to leases with lease terms of 12 months or less or low value assets. Future minimum lease payments for the Group on non-cancellable operating leases are as follows:

	The Group 2021 $'M	The Group 2020 $'M
Lease payments payable:		
Not later than 1 year	68	30
Between 1 and 2 years	1	1
	69	31

34 COMMITMENTS (continued)

(b) Commitments

	The Group 2021 $'M	The Group 2020 $'M
Commitments in respect of:		
– capital expenditure contracted but not provided for in the financial statements	12	15
– development expenditure contracted but not provided for in the financial statements	500	128
– capital contribution in associates and joint ventures	944	847
– purchase of land/a property contracted but not provided for in the financial statements	92	8
	1,548	998

(c) As at the reporting date, the notional principal values of financial instruments were as follows:

	The Group 2021 $'M	The Group 2020 $'M
Interest rate swaps	5,126	1,591
Forward foreign exchange contracts	311	457
Cross currency swaps	751	696
	6,188	2,744

The maturity profile of these financial instruments was:

	The Group 2021 $'M	The Group 2020 $'M
Not later than 1 year	1,676	718
Between 1 and 5 years	4,512	2,026
	6,188	2,744

35 FINANCIAL GUARANTEE CONTRACTS AND CONTINGENT LIABILITIES

The Group accounts for its financial guarantees as insurance contracts. At the reporting date, the Group does not consider that it is probable that a claim will be made against the Group under the financial guarantee contracts. Accordingly, the Group does not expect any net cash outflows resulting from the financial guarantee contracts. The Group and the Company issue guarantees only for subsidiaries and joint ventures.

	The Group		The Company	
	2021 $'M	2020 $'M	2021 $'M	2020 $'M
(a) Guarantees given to banks to secure banking facilities provided to:				
– subsidiaries	–	–	4,626	–
– joint ventures	5	5	–	–
	5	5	4,626	–

(b) Undertakings by the Group:

(i) As at 31 December 2021, a subsidiary of the Group provided an indemnity for banker's guarantee issuance on a joint and several basis, in respect of term loan and revolving loan facilities amounting to $162 million (2020: $162 million) granted to a joint venture. As at 31 December 2021, the total amount outstanding under the facilities was $155 million (2020: $148 million).

(ii) As at 31 December 2021, two subsidiaries of the Group have pledged their shares in joint ventures for term loan and revolving facilities of $1,062 million (2020: $606 million) obtained by the joint ventures. As at 31 December 2021, the outstanding amount was $933 million (2020: $508 million).

(iii) As at 31 December 2021, a subsidiary of the Group in China, whose principal activity is the trading of development properties, would in the ordinary course of business act as guarantors for the bank loans taken by the buyers to finance the purchase of residential properties developed by this subsidiary. As at 31 December 2021, the outstanding notional amount of the guarantees amounted to $16 million (2020: $30 million).

(iv) As at 31 December 2020, a subsidiary of the Group has pledged its shares in an associate for the $500 million term and revolving loan facilities obtained by the associate, with the total amount outstanding under the facilities amounting to $484 million. The associate became a subsidiary in 2021 and the revolving loan facilities were refinanced. As at 31 December 2021, the share pledge has been discharged.

(v) As at 31 December 2020, two subsidiaries of the Group have pledged its shares and redeemable preference shares in an associate for a term loan facility obtained by the associate amounting to $1,078 million. The associate became a subsidiary in 2021 and the term loan facility was refinanced. As at 31 December 2021, the share pledges have been discharged.

35 FINANCIAL GUARANTEE CONTRACTS AND CONTINGENT LIABILITIES (continued)

(c) Government assistance

In response to the economic impacts of the COVID-19 pandemic, the governments of the Japan, France and United States of America introduced various financial support schemes, which provided guarantees for bank loans borrowed by the Group's subsidiaries amounting to $46 million (2020: $52 million) issued by the respective banks during the year. The interest rates of the loans ranged from 0.21% to 1.11% (2020: 0% to 1.11%).

The Group determined that the interest rates for an equivalent loan issued on an arm's length basis without the guarantee would have ranged from 0.5% to 1.2% (2020: 0.4% to 2.5%). There are no unfilled conditions or contingencies for the government assistance as at 31 December 2021.

36 SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the direct and indirect ability to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or significant influence. Related parties may be individuals or other entities.

The Group considers the directors of the Company, Group CEO and key management officers of the corporate office as well as CEOs of the businesses to be key management personnel in accordance with SFRS(I) 1-24 *Related Party Disclosures*. Prior to the listing of the Company in September 2021, most of the key management personnel were directors or employees of the immediate holding company or related corporations and no consideration was paid to these companies for services rendered by the key management personnel, as the services provided by them to the Company and the Group were incidental to their responsibilities to the larger group.

In addition to the related party information disclosed elsewhere in the financial statements, there were significant related party transactions which were carried out in the normal course of business on terms agreed between the parties as follows:

	The Group	
	2021 $'M	2020 $'M
Related corporations of ultimate holding company		
Management fee income	7	1
Utilities expenses	(1)	(1)
Telecommunication expenses	(5)	(7)
Receivables included in trade and other receivables	2	*
Immediate holding company		
Management fee income	3	–
IT support services income	9	10
Management fee expenses	(24)	(31)
Administrative support services expenses	(5)	(6)
Others	4	(5)

Notes to the Financial Statements

36 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

	The Group 2021 $'M	2020 $'M
Fellow subsidiaries under the immediate holding company		
Management fee income	29	32
IT support services income	22	31
Rental income	6	9
Administrative support services income	4	7
Management fee expenses	(42)	(47)
Rental expense	(3)	(6)
Purchase consideration for the acquisition of investment	–	2,616
Capital contribution in joint venture	332	–
Others	*	(3)
Associates and joint ventures		
Management fee income	427	387
Construction and project management income	8	4
Rental expense	(3)	(3)
Fees from acquisition and divestment fees, accounting service fee, marketing income and others	188	104
Proceeds from sale of investment properties	298	–
Proceeds from sale of investments	553	66
Remuneration of key management personnel		
Salary, bonus and other benefits	8	2
Employer's contributions to defined contribution plans	*	*
Equity compensation benefits	5	1
	13	3

* Less than $1 million

37 OPERATING SEGMENTS

Management determines the operating segment based on the reports reviewed and used for strategic decision making and resources allocation. The Group organises its reporting structure into segments by business activities to more accurately reflect the way the Group manage its businesses.

For segment reporting purpose, the Group's primary segment is based on business activities. The Group's secondary segment is reported by geographical locations.

The Group's reportable operating segments are as follows:

(i) Fee Income-related Business involves investment and asset management of listed and unlisted funds, lodging management and project management.

(ii) Real Estate Investments Business involves investments in real estate assets and related financial products.

(iii) Corporate and Others.

Information regarding the operations of each reportable segment is included below. Management monitors the operating results of each of its primary segments for the purpose of making decisions on resource allocation and performance assessment. Performance is measured based on segment earnings before interest, tax, depreciation and amortisation (EBITDA). EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on arm's length basis.

In term of secondary segment, the Group presents its businesses based on geographical locations based on Singapore, China, other emerging markets and other developed markets.

37 OPERATING SEGMENTS (continued)

Operating Segments

	Fee Income-related Business $'M	Real Estate Investment Business $'M	Corporate and Others $'M	Elimination $'M	Total $'M
2021					
Revenue					
External revenue	755	1,478	60	–	2,293
Inter-segment revenue	150	28	197	(375)	–
Total revenue	**905**	**1,506**	**257**	**(375)**	**2,293**
Segment results					
Company and subsidiaries	312	1,157	(218)	–	1,251
Associates	–	927	81	–	1,008
Joint ventures	3	146	61	–	210
EBITDA	**315**	**2,230**	**(76)**	–	**2,469**
Depreciation and amortisation					(160)
Finance costs					(353)
Tax expense					(396)
Profit for the year					**1,560**
Segment assets	**1,864**	**33,984**	**8,479**	**(6,681)**	**37,646**
Segment liabilities	**444**	**11,731**	**5,370**	–	**17,545**
Other segment items:					
Interest income	1	20	8	–	29
Depreciation and amortisation	(16)	(116)	(28)	–	(160)
Reversal of/(Allowance for) impairment losses on assets	(9)	73	(15)	–	49
Fair value gain on investment properties	–	255	–	–	255
Listing and restructuring expenses	–	–	(186)	–	(186)
Share-based expenses	(27)	(8)	(23)	–	(58)
Net gains on disposal of investments and investment properties	–	360	–	–	360
Associates	*	10,466	–	–	10,466
Joint ventures	7	2,775	–	–	2,782
Capital expenditure#	16	1,307	39	–	1,362
Non-current assets^	1,002	30,086	44	–	31,132

* Less than $1 million
\# Capital expenditure consists of additions of property, plant and equipment, investment properties and intangible assets.
^ Non-current assets comprised property, plant and equipment, intangible assets, investment properties, investment in associates and joint ventures and prepayments.

Notes to the Financial Statements

37 OPERATING SEGMENTS (continued)

Operating Segments

	Fee Income-related Business $'M	Real Estate Investments Business $'M	Corporate and Others $'M	Elimination $'M	Total $'M
2020					
Revenue					
External revenue	634	1,292	57	–	1,983
Inter-segment revenue	152	22	153	(327)	–
Total revenue	**786**	**1,314**	**210**	**(327)**	**1,983**
Segment results					
Company and combining entities	170	(196)	18	–	(8)
Associates	–	81	–	–	81
Joint ventures	4	(110)	–	–	(106)
EBITDA	**174**	**(225)**	**18**	–	**(33)**
Depreciation and amortisation					(149)
Finance costs					(377)
Tax expense					(114)
Loss for the year					**(673)**
Segment assets	**1,740**	**36,057**	**7,036**	**(6,610)**	**38,223**
Segment liabilities	**586**	**19,842**	**2,061**	–	**22,489**
Other segment items:					
Interest income	12	19	9	–	40
Depreciation and amortisation	(16)	(110)	(23)	–	(149)
Allowance for foreseeable losses	–	(17)	–	–	(17)
Impairment losses on assets	(119)	(85)	(3)	–	(207)
Fair value loss on investment properties	–	(698)	–	–	(698)
Share-based expenses	(13)	(2)	(3)	–	(18)
Net (losses)/gains on disposal of investments	(9)	149	*	–	140
Associates	*	10,908	–	–	10,908
Joint ventures	–	2,290	–	–	2,290
Capital expenditure#	20	291	17	–	328
Non-current assets^	906	29,740	6,659	(6,610)	30,695

* Less than $1 million
\# Capital expenditure consists of additions of property, plant and equipment, investment properties and intangible assets.
^ Non-current assets comprised property, plant and equipment, intangible assets, investment properties, investment in associates and joint ventures and prepayments.

Notes to the Financial Statements

37 OPERATING SEGMENTS (continued)

Geographical Information

	Singapore $'M	China $'M	Other developed markets[1] $'M	Other emerging markets[2] $'M	Group $'M
2021					
External revenue	620	442	985[5]	246	2,293
EBITDA[4]	803	699	896	71	2,469
Non-current assets[3]	9,276	9,736	9,087	3,033	31,132
Total assets	11,119	12,911	10,043[6]	3,573	37,646
2020					
External revenue	580	363	816[5]	224	1,983
EBITDA[4]	420	(101)	(307)	(45)	(33)
Non-current assets[3]	9,518	9,336	8,788[6]	3,053	30,695
Total assets	13,088	11,524	10,008	3,603	38,223

1 Includes United Kingdom, France, Germany, Spain, Belgium, Ireland, Japan, South Korea, United States of America, Australia and New Zealand.
2 Other emerging markets refers to Asia, but excludes Singapore, China, Hong Kong, Japan and South Korea.
3 Non-current assets comprised property, plant and equipment, intangible assets, investment properties, investment in associates and joint ventures.
4 Fair value gains of $255 million in 2021 included in EBITDA (2020: loss of $698 million).
5 Includes revenue from United States of America of $440 million (2020: $356 million), Japan of $124 million (2020: $163 million) and Australia of $196 million (2020: $130 million).
6 Includes non-current assets from United States of America of $3,132 million (2020: $2,177 million), Japan of $1,600 million (2020: $2,748 million) and Australia of $1,620 million (2020: $1,579 million).

38 SUBSEQUENT EVENTS

1) On 3 February 2022, the Group announced the establishment of a development venture, Student Accommodation Development Venture (SAVE), that has approximately $204 million in committed equity to develop student accommodation assets in USA. The Group will manage the venture and hold a 20% stake in the joint venture.

2) On 16 February 2022, the Group entered into four conditional sale and purchase agreements to acquire the trust beneficial interests in a portfolio of four turnkey properties in Osaka, comprising three rental housing properties and one student accommodation property, for a total consideration of approximately $77.1 million. The acquisition of the student accommodation property is expected to complete in March 2022. The acquisition of the three rental housing properties is expected to complete between fourth quarter of 2022 to the first quarter of 2023.

3) Russia's invasion of Ukraine on 24 February 2022 is expected to cause further volatility in the global economy and financial markets, and the increased geopolitical tensions are set to exacerbate concerns over inflation and supply chain bottlenecks. This has created a high level of uncertainty to near-term global economic prospects and may impact the Group's operations subsequent to the financial year end, the extent of which will depend on how the Russia-Ukraine conflict evolves. The Group will closely monitor the developments.

4) On 7 March 2022, the Group entered into a conditional sale and purchase agreement to acquire the trust beneficial interest in a turnkey rental housing property in Fukuoka for a total consideration of approximately $47.9 million. The acquisition of the rental housing property is expected to complete in the second quarter of 2023.

39 ADOPTION OF NEW ACCOUNTING STANDARDS

The Group has applied Interest Rate Benchmark Reform – Phase 2 (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 which is effective for the annual period beginning on 1 January 2021.

The Group applied the Phase 2 amendments retrospectively. As the Group has no transactions for which the benchmark rate had been replaced with an alternative benchmark rate as at 31 December 2020, there is no impact on opening equity balances as a result of retrospective application.

Specific policies applicable from 1 January 2021 for interest rate benchmark reform

The Phase 2 amendments provide practical relief from certain requirements in SFRS(I) Standards. These reliefs relate to modifications of financial instruments and lease contracts or hedging relationships triggered by a replacement of a benchmark interest rate in a contract with a new alternative benchmark rate.

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Group updates the effective interest rate of the financial asset of financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

– the change is necessary as a direct consequence of the reform; and
– the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

39 ADOPTION OF NEW ACCOUNTING STANDARDS (continued)

If the changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. Subsequently, the Group applies the policies on accounting for modifications to the additional changes.

The amendments also provide an exception to use a revised discount rate that reflects the change in interest rate when remeasuring a lease liability because of a lease modification that is required by interest rate benchmark reform.

Finally, the Phase 2 amendments provide a series of temporary exceptions from certain hedge accounting requirements when a change required by interest rate benchmark reform occurs to a hedge item and/or hedging instrument that permit the hedge relationship to be continued without interruption. The Group applies the following reliefs as and when uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument:

– the Group amends the designation of a hedging relationship to reflect changes that are required by the reform without discontinuing the hedging relationship; and
– when a hedged item in a cash flow hedge is amended to reflect the changes that are required by the reform, the amount accumulated in the hedging reserve is deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.

When uncertainty persists in the timing or amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, the Group continues to apply the existing accounting policies disclosed in note 3.8(f). See also note 33 for related disclosures about risks, financial assets and financial liabilities indexed to IBOR and hedge accounting.

The Group has not early adopted the new standards, interpretations and amendments to standards (collectively, "Changes") which are effective for annual periods beginning after 1 January 2021, in preparing these consolidated financial statements. These Changes are not expected to have a significant impact on the Group's financial statements.

INTEGRATED DEVELOPMENTS

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry Lease Type
CHINA					
Beijing	Raffles City Beijing R: 36% O: 37% L: 27%	30.0	110,996	Leasehold	2046 Retail 2056 Integrated Use
Chengdu	CapitaMall Tianfu R: 87% O: 13%	50.0	160,727	Leasehold	2048 Commercial
	Raffles City Chengdu R: 37% O: 35% L: 28%	30.0	219,764	Leasehold	2046
Hangzhou	Raffles City Hangzhou R: 55% O: 20% L: 25%	30.0	187,425	Leasehold	2049
Ningbo	Raffles City Ningbo R: 63% O: 37%	30.0	81,673	Leasehold	2047
Shanghai	CapitaMall LuOne R: 65% O: 35%	63.0	130,085	Leasehold	2056
	Hongkou Plaza R: 74% O: 26%	72.5	202,145	Leasehold	2047 Retail 2057 Office
	Minhang Plaza R: 62% O: 38%	65.0	144,915	Leasehold	2053
	Raffles City Changning R: 47% O: 53%	25.0	273,447	Leasehold	2055
	Raffles City Shanghai R: 34% O: 66%	12.6	139,593	Leasehold	2045
	Raffles City The Bund R: 43% O: 57%	20.8	312,727	Leasehold	2053 Retail 2063 Office
Shenzhen	Raffles City Shenzhen R: 56% O: 26% L: 18%	30.4	121,348	Leasehold	2056
Tianjin	Tianjin International Trade Centre R: 45% O: 55%	100.0	77,428	Leasehold	2057
Wuhan	CapitaMall Westgate R: 72% O: 10% S: 18%	100.0	217,556	Leasehold	2053 Commercial 2063 Integrated Use
	CapitaMall Wusheng R: 73% L: 27%	45.0	107,281	Leasehold	2044
Xi'an	CapitaMall Xindicheng R: 41% O: 44% L: 13% S: 2%	45.0	138,566	Leasehold	2043
China Total			**2,625,676**		

Legend: R: Retail, O: Office, L: Serviced Residence/ Hotel, S: Strata Sales

INTEGRATED DEVELOPMENTS

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry Lease Type
MALAYSIA					
Petaling Jaya	3 Damansara R: 83% O: 17%	38.4 [1]	71,452	Freehold	
Malaysia Total			**71,452**		
SINGAPORE					
Singapore	CapitaSpring NLA: R: 1,106 sqm O: 61,454 sqm L: 299 rooms	10.2 [2,3,4]	93,351	99	2081
	Funan R: 60% O: 40%	22.6 [2,5,7]	69,510	99	2078
	Plaza Singapura NLA - R: 100%	22.6 [2]	70,346	Freehold	
	The Atrium@Orchard NLA - R: 35% O: 65%	22.6 [2]	53,569	99	2107
	Raffles City Singapore NLA - R: 39,768 sqm O: 35,430 sqm L: 2,030 rooms	22.6 [2]	320,490	99	2078
Singapore Total			**607,266**		
Grand Total			3,304,394		

Legend: R: Retail, O: Office, L: Serviced Residence/ Hotel, S: Strata Sales

Property Portfolio

MALLS

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry Lease Type
CHINA					
Beijing	CapitaMall Crystal	45.0	72,422	Leasehold	2043 Commercial 2053 Underground Car Park
	CapitaMall Daxing	100.0	134,693	Leasehold	2051
	CapitaMall Grand Canyon	23.1 [6]	69,967	Leasehold	2044 Commercial 2054 Underground Car Park
	CapitaMall Shuangjing	23.1 [6]	49,463	Leasehold	2042 Master Lease
	CapitaMall Taiyanggong	45.0	83,693	Leasehold	2044
	CapitaMall Wangjing	23.1 [6]	68,010	Leasehold	2043 Commercial 2053 Underground Car Park
	CapitaMall Xizhimen	23.1 [6]	83,075	Leasehold	2044 Commercial 2054 Integrated Use
Changsha	CapitaMall Yuhuating	23.1 [6]	58,575	Leasehold	2044
Chengdu	CapitaMall Jinniu	45.0	152,045	Leasehold	2044
	CapitaMall Meilicheng	50.0	61,182	Leasehold	2044
	CapitaMall Xinnan	23.1 [6]	53,619	Leasehold	2047
Dalian	CapitaMall Peace Plaza	30.0	147,621	Leasehold	2035
Guangzhou	Rock Square	23.1 [6]	83,591	Leasehold	2045
Harbin	CapitaMall Aidemengdun	23.1 [6]	43,394	Leasehold	2042 Commercial
	CapitaMall Xuefu	23.1 [6]	104,294	Leasehold	2045
Huhhot	CapitaMall Nuohemule	23.1 [6]	76,309	Leasehold	2049
Mianyang	CapitaMall Fucheng	45.0	90,244	Leasehold	Phase I: 2044 Phase II: 2047 Commercial
Qingdao	CapitaMall Xinduxin	50.0	104,849	Leasehold	2050
Rizhao	CapitaMall Rizhao	30.0	70,898	Leasehold	2043
Shanghai	CapitaMall Qibao	23.1 [6]	72,729	Leasehold	2024 Master Lease
Tianjin	CapitaMall TianjinOne	30.0	59,305	Leasehold	2054
Wuhan	CapitaMall 1818	50.0	61,363	Leasehold	2052 Commercial
China Total			**1,801,339**		

MALLS

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry Lease Type
MALAYSIA					
Kuala Lumpur	Sungei Wang Plaza (approximately 61.9% of aggregate retail floor area and 100% of car park bays)	38.4 [1]	47,483	Freehold	
Kuantan	East Coast Mall	38.4 [1]	66,986	99	2106
Penang	Gurney Plaza	38.4 [1]	116,437	Freehold	
	Queensbay Mall (approximately 91.8% of aggregate retail floor area and 100% of car park bays)	100.0	86,137	Freehold	
Selangor	Melawati Mall	50.0	87,706	Freehold	
	The Mines	38.4 [1]	106,913	99	2091
Malaysia Total			**511,662**		
SINGAPORE					
Singapore	Bedok Mall	22.6 [2]	31,204	99	2110
	Bugis Junction	22.6 [2]	53,607	99	2089
	Bugis+	22.6 [2]	29,697	60	2065
	Bukit Panjang Plaza	22.6 [2]	22,998	99	2093
	Clarke Quay	22.6 [2]	34,058	99	2089
	IMM Building	22.6 [2]	132,527	60	2049
	ION Orchard	50.0	87,891	99	2105
	JCube	22.6 [2,32]	29,426	99	2090
	Junction 8	22.6 [2,7]	34,983	99	2090
	Lot One Shoppers' Mall	22.6 [2]	31,011	99	2092
	Tampines Mall	22.6 [2]	47,132	99	2091
	Westgate	22.6 [2]	55,176	99	2110
Singapore Total			**589,710**		
Grand Total			2,902,711		

Property Portfolio

LODGING

City	Property	Effective Stake (%)	No. of Units	Tenure (Years)	Tenure Expiry
AUSTRALIA					
Brisbane	Pullman and Mercure Brisbane King George Square	39.0 [8]	438	Freehold	
	Quest Cannon Hill	100.0	100	Freehold	
Melbourne	Citadines on Bourke Melbourne	39.0 [8]	380	Freehold	
	Pullman and Mercure Melbourne Albert Park	39.0 [8]	378	Freehold	
	Somerset on Elizabeth Melbourne	100.0	34	Freehold	
	Quest NewQuay Docklands	50.0	221	Freehold	
Perth	Citadines St Georges Terrace Perth	39.0 [8]	85	Freehold	
Sydney	Citadines Connect Sydney Airport	39.0 [8]	150	Freehold	
	Courtyard by Marriott Sydney - North Ryde	39.0 [8]	196	Freehold	
	Novotel Sydney Central	39.0 [8]	255	Freehold	
	Novotel Sydney Parramatta	39.0 [8]	194	Freehold	
	Pullman Sydney Hyde Park	39.0 [8]	241	Freehold	
	Quest Campbelltown	39.0 [8]	81	Freehold	
	Quest Macquarie Park Sydney	39.0 [8]	111	Freehold	
	Quest Mascot	39.0 [8]	91	Freehold	
	Quest Sydney Olympic Park	39.0 [8]	140	99	2111
Australia Total			**3,095**		
BELGIUM					
Brussels	Citadines Sainte-Catherine Brussels	39.0 [8]	169	Freehold	
	Citadines Toison d'Or Brussels	39.0 [8]	155	Freehold	
Belgium Total			**324**		
CHINA					
Chengdu	Somerset Riverview Chengdu	100.0	200	50	2049
Dalian	Somerset Grand Central Dalian	39.0 [8]	195	50	2056
Shenyang	Somerset Heping Shenyang	39.0 [8]	270	40	2046
Suzhou	Citadines Xinghai Suzhou	39.0 [8]	167	70	2066
Tianjin	Somerset Olympic Tower Property Tianjin	39.0 [8]	185	70	2062
Wuhan	Citadines Zhuankou Wuhan	39.0 [8]	249	40	2043
China Total			**1,266**		
FRANCE					
Cannes	Citadines Croisette Cannes	39.0 [8]	58	Freehold	
Lille	Citadines City Centre Lille	39.0 [8]	101	Freehold	
Lyon	Citadines Presqu'île Lyon	39.0 [8]	116	Freehold	
Marseille	Citadines Castellane Marseille	39.0 [8]	98	Freehold	
	Citadines Prado Chanot Marseille	39.0 [8]	77	Freehold	
Montpellier	Citadines Antigone Montpellier	39.0 [8]	122	Freehold	
Paris	Citadines Austerlitz Paris	39.0 [8]	50	Freehold	
	Citadines Les Halles Paris	39.0 [8]	189	Freehold	
	Citadines Maine Montparnasse Paris	39.0 [8]	67	Freehold	
	Citadines Montmartre Paris	39.0 [8]	111	Freehold	
	Citadines Place d'Italie Paris	39.0 [8]	169	Freehold	
	Citadines République Paris	39.0 [8]	76	Freehold	
	Citadines Tour Eiffel Paris	39.0 [8]	104	Freehold	
	Citadines Trocadéro Paris	39.0 [8]	97	Freehold	
	La Clef Champs-Élysées Paris	50.0	70	Freehold	
	La Clef Louvre Paris	39.0 [8]	51	Freehold	
	La Clef Tour Eiffel Paris	100.0	112	Freehold	
France Total			**1,668**		

LODGING

City	Property	Effective Stake (%)	No. of Units	Tenure (Years)	Tenure Expiry
GERMANY					
Berlin	Citadines Kurfürstendamm Berlin	39.0 [8]	117	Freehold	
Frankfurt	Citadines City Centre Frankfurt	36.2 [3,8]	165	Freehold	
Hamburg	Citadines Michel Hamburg	36.2 [3,8]	127	99	2111
	The Madison Hamburg	39.0 [8]	166	Freehold	
Munich	Citadines Arnulfpark Munich	39.0 [8]	146	Freehold	
Germany Total			**721**		
INDIA					
Chennai	Citadines OMR Gateway Chennai	100.0	269	Freehold	
	Somerset Greenways Chennai	51.0	187	Freehold	
India Total			**456**		
INDONESIA					
Jakarta	Ascott Jakarta	39.0 [8]	204	26	2024
	Ascott Kuningan Jakarta	100.0	185	30	2027
	Ascott Sudirman Jakarta	50.0	192	20	2036
	Somerset Grand Citra Jakarta	22.4 [8]	202	30	2024
Indonesia Total			**783**		
IRELAND					
Dublin	Temple Bar Hotel	100.0	136	Freehold	
Ireland Total			**136**		
JAPAN					
Fukuoka	Actus Hakata V-Tower	39.0 [8]	296	Freehold	
	Infini Garden	39.0 [8]	389	Freehold	
Hiroshima	Gravis Court Kakomachi	39.0 [8]	63	Freehold	
	Gravis Court Kokutaiji	39.0 [8]	48	Freehold	
	Gravis Court Nishiharaekimae	39.0 [8]	29	Freehold	
Kobe	S-Residence Shukugawa	88.9	33	Freehold	
Kyoto	Citadines Karasuma-Gojo Kyoto	39.0 [8]	124	Freehold	
	House Saison Shijo-dori	88.9	190	Freehold	
Nagoya	Marunouchi Central Heights	88.9	30	Freehold	
Osaka	Hotel WBF Honmachi	39.0 [8]	182	Freehold	
	Hotel WBF Kitasemba East	39.0 [8]	168	Freehold	
	Hotel WBF Kitasemba West	39.0 [8]	168	Freehold	
	Sotetsu Grand Fresa Osaka-Namba	39.0 [8]	698	Freehold	
	S-Residence Fukushima Luxe	39.0 [8]	178	Freehold	
	S-Residence Gakuenzaka	88.9	58	Freehold	
	S-Residence Hommachi Marks	39.0 [8]	110	Freehold	
	S-Residence Midoribashi Serio	39.0 [8]	98	Freehold	
	S-Residence Namba Viale	88.9	116	Freehold	
	S-Residence Tanimachi 9 chome	39.0 [8]	102	Freehold	
Sapporo	Big Palace Kita 14 jo	39.0 [8]	140	Freehold	
	Alpha Square Kita 15 jo	39.0 [8]	127	Freehold	
	Big Palace Minami 5 jo	39.0 [8]	158	Freehold	
	City Court Kita 1 jo	39.0 [8]	126	Freehold	
Tokyo	Citadines Central Shinjuku Tokyo	39.0 [8]	206	Freehold	
	Citadines Shinjuku Tokyo	39.0 [8]	160	Freehold	
	Roppongi Residences Tokyo	39.0 [8]	64	Freehold	
	Sotetsu Grand Fresa Tokyo-Bay Ariake	39.0 [8]	912	Freehold	
Japan Total			**4,973**		

Property Portfolio

LODGING

City	Property	Effective Stake (%)	No. of Units	Tenure (Years)	Tenure Expiry
MALAYSIA					
Kuala Lumpur	Ascott Kuala Lumpur	50.0	221	Freehold	
	Somerset Kuala Lumpur	39.0 [8]	205	Freehold	
Malaysia Total			**426**		
PHILIPPINES					
Makati	Ascott Makati	39.0 [8]	362	48	2044
	Somerset Millennium Makati	24.5 [8]	118	Freehold	
Philippines Total			**480**		
SINGAPORE					
Singapore	Ascott Orchard Singapore	39.0 [8]	220	99	2113
	Citadines Mount Sophia Property Singapore	39.0 [8]	154	96	2105
	lyf Funan Singapore	50.0	329	99	2078
	lyf one-north Singapore	39.0 [8]	324	60	2078
	Somerset Liang Court Property Singapore	39.0 [8,A]	192	99	2120
	Riverside Hotel Robertson Quay	39.0 [8]	336	99	2105
Singapore Total			**1,555**		
SOUTH KOREA					
Seoul	ibis Ambassador Seoul Insadong	39.5 [3,8]	363	Freehold	
	Sotetsu Hotels The Splaisir Seoul Dongdaemun	39.5 [3,8]	215	Freehold	
South Korea Total			**578**		
SPAIN					
Barcelona	Citadines Ramblas Barcelona	39.0 [8]	131	Freehold	
Spain Total			**131**		
THAILAND					
Bangkok	Ascott Sathorn Bangkok	40.0	177	50	2054
	Citadines Sukhumvit 11 Bangkok	49.0	127	Freehold	
	Citadines Sukhumvit 16 Bangkok	49.0	79	Freehold	
	Citadines Sukhumvit 8 Bangkok	49.0	130	Freehold	
Thailand Total			**513**		
UNITED KINGDOM					
London	Citadines Barbican London	39.0 [8]	129	Freehold	
	Citadines Holborn-Covent Garden London	39.0 [8]	192	Freehold	
	Citadines Islington London	50.0	108	999	3019
	Citadines South Kensington London	39.0 [8]	92	Freehold	
	Citadines Trafalgar Square London	39.0 [8]	187	Freehold	
	The Cavendish London	100.0	230	150	2158
United Kingdom Total			**938**		

LODGING

City	Property	Effective Stake (%)	No. of Units	Tenure (Years)	Tenure Expiry
UNITED STATES OF AMERICA					
Atlanta	Paloma West Midtown	39.0 [8]	183	Freehold	
Champaign	Seven07	39.0 [8]	218	Freehold	
Columbia	Standard at Columbia	62.6 [3,8,A]	247	Freehold	
Lincoln	Collegiate at Lincoln	90.0 [A]	321	Freehold	
Lubbock	Wildwood Lubbock	39.0 [8]	294	Freehold	
New York City	Citadines Connect Fifth Avenue New York	100.0	125	99	2113
	Element New York Times Square West	39.0 [8]	411	99	2112
	Sheraton Tribeca New York Hotel	39.0 [8]	369	99	2112
	voco Times Square South	39.0 [8]	224	Freehold	
Philadelphia	The Link University City	39.0 [8]	126	Freehold	
Raleigh	Latitude on Hillsborough	39.0 [8]	180	Freehold	
Sunnyvale	The Domain Hotel	100.0	136	Freehold	
Wilmington	Uncommon Wilmington	39.0 [8]	150	Freehold	
United States Of America Total			**2,984**		
VIETNAM					
Hai Phong City	Somerset Central TD Hai Phong City	100.0	132	64	2075
Hanoi	Somerset Grand Hanoi	29.6 [8]	185	45	2038
	Somerset Hoa Binh Hanoi	35.1 [8]	206	36	2042
Ho Chi Minh City	Somerset Chancellor Court Ho Chi Minh City	26.1 [8]	172	48	2041
	Somerset Ho Chi Minh City	23.5 [8]	198	45	2039
Vietnam Total			**893**		
Grand Total			**21,920**		

LODGING – MULTIFAMILY

City	Property	Effective Stake (%)	No. of Units	Tenure (Years)
UNITED STATES OF AMERICA				
Aurora	Canterra at Fitzsimons	100.0	188	Freehold
	Silverbrook	100.0	165	Freehold
Corona	Deerwood Apartments	100.0	316	Freehold
	Marquessa Villas	100.0	336	Freehold
	The Ashton	100.0	492	Freehold
Denver	Parkfield	100.0	476	Freehold
	Sienna at Cherry Creek	100.0	220	Freehold
Everett	CentrePointe Greens	100.0	186	Freehold
	Timberline Court	100.0	126	Freehold
Kirkland	Heronfield	100.0	202	Freehold
Lacey	Capitol City on the Course	100.0	96	Freehold
	Village at Union Mills	100.0	182	Freehold
Lakewood	Dartmouth Woods	100.0	201	Freehold
Milwaukie	Miramonte Lodge	100.0	231	Freehold
	The Bluffs	100.0	137	Freehold
Portland	Stoneridge at Cornell	100.0	233	Freehold
Texas	A Multifamily property in Austin, Texas	80.0 [A]	341	Freehold
United States Of America Total			**4,128**	
Grand Total			**4,128**	

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
AUSTRALIA					
Brisbane	100 Wickham Street	18.0[9]	13,030	Freehold	Suburban Office
	108 Wickham Street	18.0[9]	11,854	Freehold	Suburban Office
	1-7 Wayne Goss Drive	18.0[9]	17,907	Freehold	Logistics
	500 Green Road	18.0[9,A]	38,650	Freehold	Logistics
	62 Sandstone Place	18.0[9]	9,260	Freehold	Logistics
	77 Logistics Place	18.0[9]	14,296	Freehold	Logistics
	92 Sandstone Place	18.0[9]	13,725	Freehold	Logistics
	95 Gilmore Road	18.0[9]	41,318	Freehold	Logistics
	99 Radius Drive	18.0[9]	14,592	Freehold	Logistics
	Cargo Business Park	18.0[9]	8,209	Freehold	Logistics
Melbourne	14 - 28 Ordish Road	18.0[9]	28,189	Freehold	Logistics
	162 Australis Drive	18.0[9]	23,263	Freehold	Logistics
	169 - 177 Australis Drive	18.0[9]	31,036	Freehold	Logistics
	2 - 16 Aylesbury Drive	18.0[9]	17,513	Freehold	Logistics
	254 Wellington Road	18.0[9]	17,648	Freehold	Suburban Office
	31 Permas Way	18.0[9]	44,540	Freehold	Logistics
	35 - 61 South Park Drive	18.0[9]	32,167	Freehold	Logistics
	52 Fox Drive	18.0[9]	18,041	Freehold	Logistics
	676 - 698 Kororoit Creek Road	18.0[9]	44,036	Freehold	Logistics
	700 - 718 Kororoit Creek Road	18.0[9]	28,020	Freehold	Logistics
	81 - 89 Drake Boulevard	18.0[9]	14,099	Freehold	Logistics
	9 Andretti Court	18.0[9]	24,140	Freehold	Logistics
Perth	35 Baile Road	18.0[9]	20,747	Freehold	Logistics
Sydney	1 - 15 Kellet Close	18.0[9]	23,205	Freehold	Logistics
	1 - 5 Thomas Holt Drive	18.0[9]	39,180	Freehold	Suburban Office
	1 Distribution Place	18.0[9]	13,513	Freehold	Logistics
	16 Kangaroo Avenue	18.0[9]	19,918	Freehold	Logistics
	197 - 201 Coward Street	18.0[9]	22,534	Freehold	Suburban Office
	1A & 1B Raffles Glade	18.0[9]	21,694	Freehold	Logistics
	484 - 490 Great Western Highway	18.0[9]	13,304	Freehold	Logistics
	494 - 500 Great Western Highway	18.0[9]	25,255	Freehold	Logistics
	5 Eucalyptus Place	18.0[9]	10,732	Freehold	Logistics
	6 - 20 Clunies Ross Street	18.0[9]	38,579	Freehold	Logistics
	7 Grevillea Street	18.0[9]	51,709	Freehold	Logistics
	94 Lenore Drive	18.0[9]	21,143	Freehold	Logistics
	7 Kiora Crescent	18.0[9, A]	13,100	Freehold	Logistics
	MQX4, 1 Giffnock Ave	18.0[9, A]	-	Freehold	Suburban Office
Australia Total			**840,146**		

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
CHINA					
Beijing	Projects in the Beijing Economic Technological Development Area (BDA)	99.7	26,345	Leasehold	2051-2053 Industrial/ Logistics
Chengdu	Chengdu Shuangliu Logistics Park	23.1[6]	71,556	Leasehold	2062 Logistics
Dalian	Dalian Ascendas IT Park	100.0[A]	340,322	Leasehold	2055 Business Park
Hangzhou	Singapore-Hangzhou Science & Technology Park (Phase 1)	18.5[6]	101,811	Leasehold	2056 Business Park
	Singapore-Hangzhou Science & Technology Park (Phase 2)	18.5[6]	130,261	Leasehold	2060 Business Park
Kunshan	Kunshan Bacheng Logistics Park	23.1[6]	43,945	Leasehold	2064 Logistics
Shanghai	Ascendas i-Link	100.0	31,685	Leasehold	2056 Business Park
	Shanghai Fengxian Logistics Park	23.1[6]	62,785	Leasehold	2059 Logistics
	Shanghai Zhuanqiao Data Centre	80.0	54,931	Leasehold	2057 Data Centre
Suzhou	Ascendas iHub Suzhou	100.0	170,797	Leasehold	2058 Business Park
	Ascendas-Xinsu Portfolio	11.8[6]	373,334	Leasehold	2046-2057 Business Park/ Industrial
Wuhan	Wuhan Yangluo Logistics Park	23.1[6]	86,973	Leasehold	2064 Logistics
Xi'an	Ascendas Innovation Hub	18.5[6]	40,547	Leasehold	2051 Business Park
	Ascendas Innovation Tower	23.1[6]	118,495	Leasehold	2064 Business Park
China Total			**1,653,788**		
FRANCE					
Paris	Bièvres	18.0[9]	5,838	Freehold	Data Centre
	Montigny-le-Bretonneux	18.0[9]	10,406	Freehold	Data Centre
	Saclay	18.0[9]	2,136	Freehold	Data Centre
France Total			**18,380**		

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
INDIA					
Bangalore	Ascendas-Firstspace, Malur, Bangalore	50.8 [10,B]	55,928	Freehold	Logistics Park
	International Tech Park Bangalore	20.1 [11]	481,473	Freehold	IT Park
Chennai	Ascendas-Firstspace Chennai I, Oragadam	40.6 [10,A]	584,771	Freehold	Logistics Park
	Ascendas-Firstspace Chennai II, Periyapalayam	50.8 [10,A]	492,421	Freehold	Logistics Park
	CyberVale	21.7 [11,12]	78,923	Leasehold	2105 IT Park
	International Tech Park Chennai, Radial Road	100.0 [13,14,A,B]	468,535	Freehold	IT park
	International Tech Park Chennai, Taramani	19.3 [11]	184,732	Freehold	IT Park
Hyderabad	aVance, HITEC City, Hyderabad	21.7 [11,15]	198,682	Freehold	IT Park
	CyberPearl	21.7 [11]	39,996	Freehold	IT Park
	International Tech Park Hyderabad	21.7 [11]	137,556	Freehold	IT Park
Mumbai	Arshiya Panvel warehouses	21.7 [11,18]	77,318	Freehold	Logistics Park
	Building Q1, Aurum Q Parc	21.7 [11,16]	57,618	Leasehold	2048 IT Park
	CapitaLand Data Centre Navi Mumbai 1	21.7 [10,17,A]	26,614	Leasehold	2062-2063 Data Centre
National Capital Region	Ascendas-Firstspace, Farrukhnagar, NCR	50.8 [10,B]	327,026	Freehold	Logistics Park
	Ascendas-Firstspace, Palwal, NCR	50.8 [10,A]	216,062	Freehold	Logistics Park
	International Tech Park Gurgaon (SEZ 1)	30.0 [13,19,A,B]	713,893	Freehold	IT park
	International Tech Park Gurgaon (SEZ 2)	100.0 [10,B]	96,319	Freehold	IT park
Pune	Ascendas-Firstspace Talegaon, Pune	50.8 [10,A]	116,958	Leasehold	2114 Logistics Park
	aVance Hinjawadi, Pune	21.7 [11,20]	140,061	Freehold	IT Park
	International Tech Park Pune, Hinjawadi	78.5	214,258	Leasehold	2103 IT park
	International Tech Park Pune, Kharadi	30.0 [13,19,B]	253,028	Freehold	IT park
India Total			**4,962,171**		
JAPAN					
Osaka	A logistics property in Osaka	100.0 [A]	27,000	Freehold	Logistics
Tokyo	A logistics property in Greater Tokyo	61.0 [A]	24,000	Freehold	Logistics
Japan Total			**51,000**		
NETHERLANDS					
Amsterdam	Cateringweg	18.0 [9]	5,683	50	2059 Data Centre
	Gyroscoopweg	18.0 [9]	5,254	50	2042 Data Centre
	Paul van Vlissingenstraat	18.0 [9]	11,069	50	2054 Data Centre
Netherlands Total			**22,006**		

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
SINGAPORE					
Singapore	1 Changi Business Park Avenue 1	18.0 [9,21]	11,555	60	2061 Business Park
	1 Changi South Lane	18.0 [9]	25,768	60	2058 Logistics
	1 Jalan Kilang	18.0 [9]	7,158	99	2061 Industrial
	1, 3 & 5 Changi Business Park Crescent	18.0 [9,21]	74,660	60	2067 Business Park
	10 Toh Guan Road	18.0 [9,21]	52,147	60	2055 Industrial
	11 Woodlands Terrace	18.0 [9,21]	2,919	60	2056 Industrial
	12 Woodlands Loop	18.0 [9,21]	19,887	60	2056 Industrial
	12, 14 & 16 Science Park Drive	18.0 [9]	78,871	99	2081 Business Park
	138 Depot Road	18.0 [9,21]	29,626	60	2064 Industrial
	15 Changi North Way	18.0 [9,21]	31,961	60	2066 Logistics
	17 Changi Business Park Central 1 (formerly Honeywell Building)	18.0 [9,21]	18,123	60	2058 Business Park
	18 Woodlands Loop	18.0 [9,21]	18,422	60	2057 Industrial
	19 & 21 Pandan Avenue	18.0 [9,22]	87,842	45	2049 Logistics
	2 Changi South Lane	18.0 [9,21]	26,300	60	2057 Industrial
	2 Senoko South Road	18.0 [9,21]	23,457	60	2056 Industrial
	20 Tuas Avenue 1	18.0 [9,23]	44,449	58	2056 Logistics
	20 Tuas Avenue 6	18.0 [9,21]	5,085	60	2050 Logistics
	21 Changi South Avenue 2	18.0 [9,21]	13,120	60	2054 Logistics
	21 Jalan Buroh	18.0 [9,21]	39,980	58	2055 Logistics
	247 Alexandra Road	18.0 [9]	13,699	99	2051 Industrial
	25 & 27 Ubi Road 4	18.0 [9,21,24,A]	-	60	2055 Industrial
	3 Changi Business Park Vista	18.0 [9,21]	19,225	60	2061 Business Park
	3 Tai Seng Drive	18.0 [9]	14,929	60	2049 Industrial
	30 Tampines Industrial Avenue 3	18.0 [9,21]	9,593	60	2063 Industrial
	31 International Business Park	18.0 [9,21]	61,720	60	2054 Business Park
	31 Joo Koon Circle	18.0 [9,21]	17,638	60	2055 Industrial
	31 Ubi Road 1	18.0 [9,21]	17,709	60	2050 Industrial
	35 Tampines Street 92	18.0 [9,21]	8,931	60	2052 Industrial

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
	37A Tampines Street 92	18.0 [9,21]	12,011	60	2054 Industrial
	38A Kim Chuan Road	18.0 [9]	33,745	99	2091 Data Centre
	4 Changi South Lane	18.0 [9,21]	18,794	60	2057 Logistics
	40 Penjuru Lane	18.0 [9,25]	160,939	48	2049 Logistics
	5 Tai Seng Drive	18.0 [9]	12,930	60	2049 Industrial
	5 Toh Guan Road East	18.0 [9,21]	29,741	60	2049 Logistics
	52 Serangoon North Avenue 4	18.0 [9,21]	14,767	60	2055 Industrial
	53 Serangoon North Avenue 4	18.0 [9,21]	12,358	60	2055 Industrial
	71 Alps Avenue	18.0 [9,21]	12,756	60	2068 Logistics
	80 Bendemeer Road	18.0 [9]	43,435	59	2068 Industrial
	9 Woodlands Terrace	18.0 [9,21]	2,959	60	2054 Industrial
	9 Changi South Street 3	18.0 [9,21]	28,648	60	2055 Logistics
	90 Alps Avenue	18.0 [9,21]	26,277	60	2070 Logistics
	Acer Building	18.0 [9,21]	29,185	60	2056 Business Park
	Aperia	18.0 [9]	86,696	60	2072 Integrated Development
	CGG Veritas Hub	18.0 [9,21]	9,782	60	2066 Industrial
	Changi Logistics Centre	18.0 [9,21]	54,729	60	2050 Logistics
	Cintech I	18.0 [9]	14,943	56	2068 Business Park
	Cintech II	18.0 [9]	13,436	56	2068 Business Park
	Cintech III & IV	18.0 [9]	25,622	56	2068 Business Park
	Corporation Place	18.0 [9]	76,185	60	2050 Industrial
	Courts Megastore	18.0 [9]	28,410	30	2035 Integrated Development
	DBS Asia Hub	18.0 [9,21]	45,857	60	2067 Business Park
	FM Global Centre	18.0 [9]	11,613	99	2092 Business Park
	FoodAxis @ Senoko	18.0 [9,21]	43,362	60	2044 Industrial
	Galaxis	18.0 [9]	68,835	60	2072 Business Park
	Giant Hypermart	18.0 [9]	42,194	30	2035 Integrated Development
	Grab Headquarters	18.0 [9]	42,290	30	2049 Business Park

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
	Hamilton Sundstrand Building	18.0 [9,21]	17,737	60	2065 Industrial
	Hansapoint	18.0 [9,21]	19,448	60	2066 Business Park
	Hoya Building	18.0 [9]	6,505	30	2033 Industrial
	ICON@IBP	100.0	41,956	53	2060 Business Park
	Infineon Building	18.0 [9,26]	27,278	47	2050 Industrial
	iQuest@IBP	18.0 [9,21,27,A]	-	60	2055 Business Park
	KA Centre	18.0 [9]	19,638	99	2058 Industrial
	KA Place	18.0 [9]	10,163	99	2058 Industrial
	Kim Chuan Telecommunications Complex	18.0 [9]	35,456	99	2091 Data Centre
	Logis Hub @ Clementi	18.0 [9,21]	26,505	60	2053 Logistics
	LogisTech	18.0 [9,21]	39,078	60	2056 Logistics
	Neuros & Immunos	18.0 [9,21]	36,931	60	2065 Business Park
	Nexus @one-north	18.0 [9]	25,511	60	2071 Business Park
	Nordic European Centre	18.0 [9,21]	28,378	60	2057 Business Park
	Nucleos	18.0 [9,21]	46,174	60	2071 Business Park
	ONE@Changi City	18.0 [9]	71,158	60	2069 Business Park
	OSIM Headquarters	18.0 [9,21]	17,683	60	2057 Industrial
	Pacific Tech Centre	18.0 [9,21]	25,718	99	2061 Industrial
	Pioneer Hub	18.0 [9,21]	91,048	30	2036 Logistics
	Pratt & Whitney Singapore Component Repair	100.0	14,948	59	2070 Industrial
	Schneider Electric Building	18.0 [9,21]	18,970	60	2055 Industrial
	Siemens Centre	18.0 [9,21]	36,529	60	2061 Industrial
	Tampines Biz-Hub	18.0 [9,21]	18,086	60	2049 Industrial
	Techlink	18.0 [9,21]	49,837	60	2053 Industrial
	Techplace I	18.0 [9,21]	81,981	65	2052 Industrial
	Techplace II	18.0 [9,21]	115,162	65	2052 Industrial
	Techpoint	18.0 [9,21]	56,107	65	2052 Industrial
	Techquest	18.0 [9,21]	9,079	60	2055 Business Park
	Techview	18.0 [9,21]	50,985	60	2056 Industrial

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
	Telepark	18.0[9,21]	40,555	99	2091 Data Centre
	Thales Building (I & II)	18.0[9,28]	7,772	42	2047 Industrial
	The Alpha	18.0[9]	29,126	60	2062 Business Park
	The Aries, Sparkle & Gemini	18.0[9]	49,868	60	2062 Business Park
	The Capricorn	18.0[9]	28,601	60	2062 Business Park
	The Galen	18.0[9]	30,632	66	2079 Business Park
	The Kendall	18.0[9]	20,190	64	2079 Business Park
	The Rutherford & Oasis	18.0[9]	27,217	60	2068 Business Park
	Ubi Biz-Hub	18.0[9,21]	12,978	60	2056 Industrial
	Xilin Districentre A&B	18.0[9,21]	24,113	60	2054 Logistics
	Xilin Districentre C	18.0[9,21]	18,708	60	2054 Logistics
	Xilin Districentre D	18.0[9,21]	18,619	60	2055 Logistics
Singapore Total			**3,123,701**		
SOUTH KOREA					
Gwangju	Hansol Cold Storage Centre Gwangju	10.0	26,705	Freehold	Logistics
Gyeongin	Foodist Gyeongin Centre	5.0	8,716	Freehold	Logistics
Icheon	Foodist Icheon Centre	5.0	24,606	Freehold	Logistics
South Korea Total			**60,027**		
SWITZERLAND					
Geneva	Chemin de L'Epinglier	18.0[9]	6,114	90	2074 Data Centre
Switzerland Total			**6,114**		

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
UNITED KINGDOM					
East England	Market Garden Road	18.0[9]	13,016	Freehold	Logistics
East Midlands	Common Road	18.0[9]	47,298	Freehold	Logistics
	Units 1-5, Export Drive	18.0[9]	2,785	Freehold	Logistics
London	Cressex Business Park	18.0[9]	4,921	Freehold	Data Centre
	Croydon	18.0[9]	12,868	Freehold	Data Centre
	Welwyn Garden City	18.0[9]	11,400	Freehold	Data Centre
Manchester	Reynolds House	18.0[9]	4,871	125	2125 Data Centre
North West England	8 Leacroft Road	18.0[9]	8,432	Freehold	Logistics
	Astmoor Road	18.0[9]	45,043	Freehold	Logistics
	Hawleys Lane	18.0[9]	35,104	965	2962 Logistics
	Leacroft Road	18.0[9]	8,388	Freehold	Logistics
	Transpennine 200	18.0[9]	8,522	Freehold	Logistics
Reading	Arlington Business Park	100.0[29]	33,983	Freehold	Business Park
South East England	Howard House	18.0[9]	20,611	999	3004 Logistics
	Lodge Road	18.0[9]	12,025	Freehold	Logistics
	Units 1-2, Tower Lane	18.0[9]	7,803	Freehold	Logistics
West Midlands	1 Sun Street	18.0[9]	24,929	Freehold	Logistics
	Eastern Avenue	18.0[9]	15,994	Freehold	Logistics
	The Triangle	18.0[9]	28,917	Freehold	Logistics
	Unit 1, Wellesbourne Distribution Park	18.0[9]	21,243	Freehold	Logistics
	Unit 103, Stonebridge Cross Business Park	18.0[9]	1,233	Freehold	Logistics
	Unit 13, Wellesbourne Distribution Park	18.0[9]	5,618	Freehold	Logistics
	Unit 14, Wellesbourne Distribution Park	18.0[9]	9,887	Freehold	Logistics
	Unit 16, Wellesbourne Distribution Park	18.0[9]	1,598	Freehold	Logistics
	Unit 17, Wellesbourne Distribution Park	18.0[9]	971	Freehold	Logistics
	Unit 18, Wellesbourne Distribution Park	18.0[9]	891	Freehold	Logistics
	Unit 19, Wellesbourne Distribution Park	18.0[9]	835	Freehold	Logistics
	Unit 2, Wellesbourne Distribution Park	18.0[9]	12,282	Freehold	Logistics
	Unit 20, Wellesbourne Distribution Park	18.0[9]	3,157	Freehold	Logistics
	Unit 21, Wellesbourne Distribution Park	18.0[9]	3,064	Freehold	Logistics
	Unit 3, Wellesbourne Distribution Park	18.0[9]	19,552	Freehold	Logistics
	Unit 302, Stonebridge Cross Business Park	18.0[9]	21,499	Freehold	Logistics
	Unit 4, Wellesbourne Distribution Park	18.0[9]	4,774	Freehold	Logistics
	Unit 401, Stonebridge Cross Business Park	18.0[9]	6,265	Freehold	Logistics
	Unit 402, Stonebridge Cross Business Park	18.0[9]	5,037	Freehold	Logistics
	Unit 404, Stonebridge Cross Business Park	18.0[9]	5,045	Freehold	Logistics
	Unit 5, Wellesbourne Distribution Park	18.0[9]	6,146	Freehold	Logistics
	Unit 8, Wellesbourne Distribution Park	18.0[9]	8,759	Freehold	Logistics
	Vernon Road	18.0[9]	25,701	Freehold	Logistics
Yorkshire and the Humber	12 Park Farm Road	18.0[9]	23,454	Freehold	Logistics
	Lowfields Way	18.0[9]	11,549	Freehold	Logistics
	Unit 3, Brookfields Way	18.0[9]	18,341	Freehold	Logistics
	Units 1a, 1b, 2 & 3, Upwell Street	18.0[9]	14,065	Freehold	Logistics
United Kingdom Total			**577,876**		

Property Portfolio

BUSINESS PARKS, INDUSTRIAL, LOGISTICS AND DATA CENTRES

City	Property	Effective Stake (%)	GFA (sqm)	Tenure (Years)	Tenure Expiry/ Lease Type
UNITED STATES OF AMERICA					
Kansas City	Airworld 1	18.0 [9]	18,580	Freehold	Logistics
	Airworld 2	18.0 [9]	13,961	Freehold	Logistics
	Continental Can	18.0 [9]	15,946	Freehold	Logistics
	Crossroads Distribution Center	18.0 [9]	16,259	Freehold	Logistics
	Lackman Business Center 1-3	18.0 [9]	32,337	Freehold	Logistics
	Lackman Business Center 4	18.0 [9]	6,800	Freehold	Logistics
	Levee	18.0 [9]	22,125	Freehold	Logistics
	North Topping	18.0 [9]	11,066	Freehold	Logistics
	Quebec	18.0 [9]	28,935	Freehold	Logistics
	Saline	18.0 [9]	11,073	Freehold	Logistics
	Warren	18.0 [9]	23,826	Freehold	Logistics
Portland	8300 Creekside	18.0 [9]	5,030	Freehold	Business Park
	8305 Creekside	18.0 [9]	1,837	Freehold	Business Park
	8405 Nimbus	18.0 [9]	4,997	Freehold	Business Park
	8500 Creekside	18.0 [9]	6,085	Freehold	Business Park
	8700-8770 Nimbus	18.0 [9]	3,340	Freehold	Business Park
	9205 Gemini	18.0 [9]	3,800	Freehold	Business Park
	9405 Gemini	18.0 [9]	4,382	Freehold	Business Park
	Creekside 5	18.0 [9]	5,822	Freehold	Business Park
	Creekside 6	18.0 [9]	7,092	Freehold	Business Park
	Greenbrier Court	18.0 [9, 30]	-	Freehold	Business Park
	Parkside	18.0 [9]	14,739	Freehold	Business Park
	Ridgeview	18.0 [9]	8,708	Freehold	Business Park
	The Atrium	18.0 [9]	16,037	Freehold	Business Park
	The Commons	18.0 [9]	6,466	Freehold	Business Park
	Waterside	18.0 [9]	11,752	Freehold	Business Park
Raleigh	5200 East & West Paramount Parkway	18.0 [9]	30,555	Freehold	Business Park
	Perimeter Four	18.0 [9]	17,969	Freehold	Business Park
	Perimeter One	18.0 [9]	19,356	Freehold	Business Park
	Perimeter Three	18.0 [9]	23,959	Freehold	Business Park
	Perimeter Two	18.0 [9]	19,940	Freehold	Business Park
San Diego	10020 Pacific Mesa Boulevard	18.0 [9]	29,543	Freehold	Business Park
	15051 Avenue of Science	18.0 [9]	6,500	Freehold	Business Park
	15073 Avenue of Science	18.0 [9]	4,497	Freehold	Business Park
	15231, 15253 & 15333 Avenue of Science	18.0 [9]	16,553	Freehold	Business Park
	15378 Avenue of Science	18.0 [9]	6,391	Freehold	Business Park
	15435 & 15445 Innovation Drive	18.0 [9]	9,536	Freehold	Business Park
	5005 & 5010 Wateridge	18.0 [9]	16,051	Freehold	Business Park
	6055 Lusk Boulevard	18.0 [9]	8,640	Freehold	Business Park
San Francisco	505 Brannan Street	18.0 [9]	13,935	Freehold	Business Park
	510 Townsend Street	18.0 [9]	27,437	Freehold	Business Park
United States Of America Total			**551,857**		
Grand Total			**11,867,066**		

OFFICES

City	Property	Effective Stake (%)	NLA (sqm)	Tenure (Years)	Tenure Expiry
CHINA					
Shanghai	Ascendas Innovation Place	55.0	23,979	Leasehold	2044
	Ascendas Plaza	55.0	42,074	Leasehold	2051
	Innov Center	51.1 [31]	80,328	Leasehold	2059
	Pufa Tower	25.6 [31]	41,773	Leasehold	2045
Shenzhen	One iPark	73.0	22,507	Leasehold	2056
China Total			**210,662**		
GERMANY					
Frankfurt	Gallileo	26.5 [2]	40,496	Freehold	
	Main Airport Center	26.5 [2]	60,319	Freehold	
Germany Total			**100,815**		
JAPAN					
Tokyo	Kokugikan Front	100.0	6,007	Freehold	
	Shinjuku Front Tower	1.0	57,980	Freehold	
Yokohama	Sun Hamada	20.0	8,374	Freehold	
	Yokohama Blue Avenue	12.5	34,677	Freehold	
Japan Total			**107,038**		
SINGAPORE					
Singapore	21 Collyer Quay	22.6 [2]	19,788	999	2849
	79 Robinson Road (former CPF building)	65.0 [33]	48,206	99	2067
	ABI Plaza	23.6	8,593	Freehold	
	Asia Square Tower 2	22.6 [2]	72,398	99	2107
	CapitaGreen	22.6 [2]	65,016	99	2073
	Capital Tower	22.6 [2]	68,260	99	2094
	Six Battery Road	22.6 [2]	46,115	999	2825
Singapore Total			**328,376**		
SOUTH KOREA					
Seoul	Citibank Center	6.0	10,855	Freehold	
	Jongro Place	39.5	23,062	Freehold	
South Korea Total			**33,917**		
Grand Total			780,808		

Notes
Any discrepancies in the tables between the listed figures are there of due to rounding.
- For China integrated developments, malls and offices, GFA excludes carpark area and sold strata sales.
- For business parks, logistics and data center, GFA per property titled certs, or planning permits.
- For projects under development, the property details may be subject to change.
- Details of some joint venture projects under development may not be included due to confidentiality clauses.

Status
A Under Development
B Future Development

1 Held through CapitaLand Malaysia Mall Trust.
2 Held through CapitaLand Integrated Commercial Trust.
3 Includes other stake not held through the REIT.
4 GFA includes hawker centre.
5 Funan information relates to the Retail and Office components.
6 Held through CapitaLand China Trust
7 GFA excludes Community and Sports Facilities Scheme.
8 Held through Ascott Residence Trust.
9 Held through Ascendas Reit.
10 Gross Floor Area indicated for site refers to land area.
11 Held through Ascendas India Trust. All measurements of floor area disclosed are of the Super Built-up Area (SBA) unless otherwise stated.
12 99-year lease commencing 12th January 2006, renewable for a further 99 year as provided in the lease deed.
13 Stipulated Gross Floor Areas are estimated.
14 Gross Floor Area includes under development and future development.
15 aVance Hyderabad is considered a freehold property by the Trustee-Manager on the basis that it is on a 33-year lease which is renewable for further 33-year leases at the Trust's option at nominal lease rentals.
16 Land on leasehold basis. Underlying land of Aurum Q1 is on sub-lease from Aurum Group and Maharashtra Industrial Development Corporation (MIDC) with initial term of 30 years, renewable for further 30 years upon each expiry.
17 Refers to the 6.6-acre land in Airoli, Navi Mumbai for planned development into a data centre campus. Data centre land comprises of three sub-plots, with the lease expiries for the respective sub-plots ranging between July 2062 and March 2063, which are renewable for further 95 years upon expiry of the primary lease term.
18 Arshiya Panvel warehouses are considered freehold properties by the Trustee-Managers on the basis that they are on a 30-year lease which is renewable for further 30-year leases at the Trust's option at nominal lease rentals.
19 Gross Floor Area includes constructed and future development.
20 aVance Pune is considered a freehold property by the Trustee-Manager on the basis that it is on a 99-year lease which is renewable for further 99-year leases at the Trust's option at nominal lease rentals.
21 Includes an option for the Trust to renew the land lease for a further term of 30 years upon expiry.
22 Includes an option for the Trust to renew the land lease for a further term of 15 years upon expiry.
23 Includes an option for the Trust to renew the land lease for a further term of 28 years upon expiry.
24 25 Ubi Road 4 and 27 Ubi Road 4 were undergoing redevelopment works. The redevelopment was completed in January 2022.
25 Includes an option for the Trust to renew the land lease for a further term of 24.4 years upon expiry.
26 Includes an option for the Trust to renew the land lease for a further term of 17 years upon expiry.
27 iQuest@IBP was decommissioned for redevelopment in 2020.
28 Includes an option for the Trust to renew the land lease for a further term of 12 years upon expiry.
29 The floor area of Arlington Business Park is stated using NLA.
30 Greenbrier Court is decommissioned for major refurbishment works.
31 The floor area of Innov Center and Pufa Tower are stated using GFA.
32 Divested as at 10 March 2022.
33 Divestment of 79 Robinson Road to CICT and COREF was announced on 25 March 2022.

AS AT 15 MARCH 2022

Number of Issued Shares (including Treasury Shares)	:	5,203,195,792
Number and Percentage of Treasury Shares	:	54,347,036 or 1.04%[1]
Number of Issued Shares (excluding Treasury Shares)	:	5,148,848,756
Number and Percentage of Subsidiary Holdings[2]	:	0 or 0%
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per share. The Company cannot exercise any voting rights in respect of the shares held by it as treasury shares.

TWENTY LARGEST SHAREHOLDERS

As shown in the Register of Members and Depository Register

No.	Name	No. of Shares	%[1]
1	CAPITALAND GROUP PTE. LTD.	2,693,106,549	52.31
2	CITIBANK NOMINEES SINGAPORE PTE LTD	616,900,212	11.98
3	DBSN SERVICES PTE. LTD.	415,876,566	8.08
4	RAFFLES NOMINEES (PTE.) LIMITED	319,107,347	6.20
5	HSBC (SINGAPORE) NOMINEES PTE LTD	279,843,791	5.44
6	DBS NOMINEES (PRIVATE) LIMITED	151,811,701	2.95
7	BPSS NOMINEES SINGAPORE (PTE.) LTD.	54,061,516	1.05
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	26,187,193	0.51
9	PHILLIP SECURITIES PTE LTD	20,551,591	0.40
10	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	12,714,460	0.25
11	OCBC SECURITIES PRIVATE LIMITED	7,363,875	0.14
12	DB NOMINEES (SINGAPORE) PTE LTD	5,395,111	0.10
13	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	5,015,691	0.10
14	MAYBANK SECURITIES PTE. LTD.	4,489,822	0.09
15	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	4,416,588	0.09
16	IFAST FINANCIAL PTE. LTD.	4,392,519	0.09
17	UOB KAY HIAN PRIVATE LIMITED	4,113,291	0.08
18	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	4,043,754	0.08
19	NANYANG GUM BENJAMIN MANUFACTURING (PTE) LTD	3,410,000	0.07
20	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	2,799,560	0.05
	Total	**4,635,601,137**	**90.06**

Notes:
1 Percentage is calculated based on 5,148,848,756 issued shares, excluding treasury shares.
2 "Subsidiary Holdings" is defined in the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

AS AT 15 MARCH 2022

SUBSTANTIAL SHAREHOLDERS

	Direct Interest		Deemed Interest		Total Interest	
Substantial Shareholders	No. of Shares	%[4]	No. of Shares	%[4]	No. of Shares	%[4]
CapitaLand Group Pte. Ltd.	2,693,106,549	52.31	–	–	2,693,106,549	52.31
CLA Real Estate Holdings Pte. Ltd.	–	–	2,693,106,549 [1]	52.31	2,693,106,549	52.31
TJ Holdings (III) Pte. Ltd.	–	–	2,693,106,549 [1]	52.31	2,693,106,549	52.31
Glenville Investments Pte. Ltd.	–	–	2,693,106,549 [1]	52.31	2,693,106,549	52.31
Mawson Peak Holdings Pte. Ltd.	–	–	2,693,106,549 [1]	52.31	2,693,106,549	52.31
Bartley Investments Pte. Ltd.	–	–	2,693,106,549 [1]	52.31	2,693,106,549	52.31
Tembusu Capital Pte. Ltd.	–	–	2,715,798,249 [1,2]	52.75	2,715,798,249	52.75
Temasek Holdings (Private) Limited	–	–	2,716,665,638 [1,3]	52.76	2,716,665,638	52.76

SIZE OF HOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares excluding Treasury Shares	%[4]
1 – 99	989	1.82	34,866	0.00
100 – 1,000	9,679	17.76	7,728,001	0.15
1,001 – 10,000	34,836	63.92	147,032,756	2.86
10,001 – 1,000,000	8,960	16.44	334,088,146	6.49
1,000,001 and above	35	0.06	4,659,964,987	90.50
Total	**54,499**	**100.00**	**5,148,848,756**	**100.00**

Based on the information available to the Company, approximately 47%[4] of the issued shares are held in the hands of the public as at 15 March 2022. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Notes:

1 CapitaLand Group Pte. Ltd. ("CLG") was formerly known as CapitaLand Limited.

CLG is a wholly owned subsidiary of CLA Real Estate Holdings Pte. Ltd. ("CLA Real Estate") (formerly known as Ascendas-Singbridge Pte. Ltd.), which in turn is a wholly owned subsidiary of TJ Holdings (III) Pte. Ltd. ("TJIII"), which in turn is a wholly owned subsidiary of Glenville Investments Pte. Ltd. ("Glenville"), which in turn is a wholly owned subsidiary of Mawson Peak Holdings Pte. Ltd. ("Mawson"), which in turn is a wholly owned subsidiary of Bartley Investments Pte. Ltd. ("Bartley"), which in turn is a wholly owned subsidiary of Tembusu Capital Pte. Ltd. ("Tembusu"), which in turn is a wholly owned subsidiary of Temasek Holdings (Private) Limited ("Temasek").

CLA Real Estate, TJIII, Glenville, Mawson, Bartley, Tembusu and Temasek, respectively, are deemed to have an interest in the shares in which CLG has or is deemed to have an interest, by virtue of Section 4 of the Securities and Futures Act 2001 ("SFA").

2 Tembusu is deemed to have an interest in the shares in which its subsidiaries have or are deemed to have an interest, by virtue of Section 4 of the SFA.

3 Temasek is deemed to have an interest in the shares in which its subsidiaries and associated companies have or are deemed to have an interest, by virtue of Section 4 of the SFA.

4 Percentage is calculated based on 5,148,848,756 issued shares, excluding treasury shares.

VALUE ADDED STATEMENT

	2021 S$ million	2020 S$ million
Value added from:		
Revenue earned	**2,293**	1,983
Less: Bought in materials and services	**(979)**	(715)
Gross value added	**1,314**	1,268
Share of results of associates and joint ventures	**1,218**	(25)
Exchange gain (net)	**15**	32
Other operating income/(expenses) (net)	**670**	(616)
	1,903	(609)
Total value added	**3,217**	659
Distribution:		
To employees in wages, salaries and benefits	**743**	591
To government in taxes and levies	**494**	219
To providers of capital in:		
– Net interest on borrowings	**324**	347
– Dividends to shareholders	**4**	720
	1,565	1,877
Balance retained in the business:		
Depreciation and amortisation	**160**	148
Revenue reserves net of dividends to shareholders	**1,345**	(1,279)
Non-controlling interests	**211**	(114)
	1,716	(1,245)
Non-production cost:		
(Writeback)/Allowance for doubtful receivables	**(64)**	27
Total distribution	**3,217**	659
Productivity analysis:		
Value added per employee (S$'000) #	**170**	162
Value added per dollar of employment cost (S$)	**1.8**	2.1
Value added per dollar sales (S$)	**0.6**	0.6

Based on 2021 average headcount of 7,744 (2020: 7,813).

SUPPLEMENTAL INFORMATION

1. INTERESTED PERSON TRANSACTIONS

Interested person transactions carried out during the financial year which fall under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited are as follows:

	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)[1] S$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)[2] S$'000
Transactions with CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) and its associates:	**Immediate holding company and associates of controlling shareholder of the Company**		
Purchase of goods and services		83,943	–
Sale of goods and services		80,291	–
Borrowings from		6,189,565	–
Lending of funds (including principal amounts)		7,513,856	–
Establishment of joint venture		600,000	–
Net consideration for the transfer of entities from parent group as part of internal restructuring, settled in the Company's shares		7,619,994	–
Transactions ith Temasek Holdings (Private) Limited and its associates :	**Controlling shareholder of the Company**		
Purchase of goods and services		384	–
Sale of goods and services		18,400	–
Establishment of joint venture		204,525	–
Transactions with Singapore Telecommunications Limited and its associates:	**Associates of controlling shareholder of the Company**		
Purchase of goods and services		971	–

1 Includes the interested person transactions disclosed in the Introductory Document dated 17 July 2021.
2 The Company does not have an interested person transactions mandate under Rule 920 of the Listing Manual.

Additional Information

	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)[1] S$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)[2] S$'000
Transactions with TeleChoice International Limited and its associates:	**Associates of controlling shareholder of the Company**		
Sale of goods and services		208	–
Transactions with Singapore Airlines Limited and its associates:	**Associates of controlling shareholder of the Company**		
Sale of goods and services		2,829	–

1 Includes the interested person transactions disclosed in the Introductory Document dated 17 July 2021.
2 The Company does not have an interested person transactions mandate under Rule 920 of the Listing Manual.

Directors Seeking Reelection

The following information relating to Mr Lee Chee Koon, Ms Judy Hsu Chung Wei, Mr David Su Tuong Sing and Ms Helen Wong Siu Ming, each of whom is standing for reelection as a Director at the 2022 Annual General Meeting (AGM) of the Company is provided pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

NAME OF DIRECTOR	LEE CHEE KOON	JUDY HSU CHUNG WEI	DAVID SU TUONG SING	HELEN WONG SIU MING
Date of first appointment as a Director	1 July 2019[1]	1 June 2021	1 January 2022	1 January 2022
Date of last reelection as a Director	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Age	47	58	50	65
Country of principal residence	Singapore	Singapore	Singapore	Hong Kong
The Board's comments on the reelection	Based on the recommendation of the Nominating Committee, the Board is satisfied that Mr Lee will continue to bring invaluable insights beneficial to the Board. Mr Lee is the Group Chief Executive Officer (CEO) of the Company. His knowledge of, and inside perspective on, all aspects of the Company's businesses is beneficial to, and contributes to, the Board's deliberations.	Based on the recommendation of the Nominating Committee, the Board is satisfied that Ms Hsu will continue to bring invaluable insights beneficial to the Company and the Board. Ms Hsu's credentials, experience, background, knowledge and expertise continue to provide and complement the diversity of skill sets which are relevant to the Company and her perspectives contribute to the Board's deliberations.	Based on the recommendation of the Nominating Committee, the Board is satisfied that Mr Su will continue to bring invaluable insights beneficial to the Company and the Board. Mr Su's credentials, experience, background, knowledge and expertise continue to provide and complement the diversity of skill sets which are relevant to the Company and his perspectives contribute to the Board's deliberations.	Based on the recommendation of the Nominating Committee, the Board is satisfied that Ms Wong will continue to bring invaluable insights beneficial to the Company and the Board. Ms Wong's credentials, experience, background, knowledge and expertise continue to provide and complement the diversity of skill sets which are relevant to the Company and her perspectives contribute to the Board's deliberations.
Whether appointment is executive, and if so, the area of responsibility	Executive. Mr Lee is the Group CEO and he oversees the business of the Company	Non-executive	Non-executive	Non-executive
Job title	• Executive Non-Independent Director • Executive Committee (Member) • Strategy Committee (Member)	• Non-Executive Independent Director • Executive Resource and Compensation Committee (Member) • Risk Committee (Member)	• Non-Executive Independent Director • Strategy Committee (Member)	• Non-Executive Independent Director • Audit Committee (Member) • Strategy Committee (Member)
Professional qualifications	• Bachelor of Science in Mechanical Engineering, National University of Singapore • Master of Science in Advanced Mechanical Engineering, Imperial College London, UK	• Bachelor of Science Degree in Microbiology, University of British Columbia, Canada • Master of Business Administration in Finance, University of British Columbia, Canada	• Bachelor Degree in Applied Science (Computer Technology), Nanyang Technological University, Singapore	• Bachelor of Science in Biology, University of Dayton, Ohio, USA • Master of Business Administration in Finance, Fordham University, New York, USA

1 Mr Lee Chee Koon was a Director of the Company (then known as CapitaLand Financial Limited) for a brief period from 1 May 2018 to 15 September 2018, when it was a wholly-owned subsidiary of CapitaLand Limited (now known as CapitaLand Group Pte. Ltd.).

Directors Seeking Reelection

NAME OF DIRECTOR	LEE CHEE KOON	JUDY HSU CHUNG WEI	DAVID SU TUONG SING	HELEN WONG SIU MING
Working experience and occupation(s) during the past 10 years	• President and Group CEO, CapitaLand Limited^ (September 2018 to June 2021) • Group Chief Investment Officer, CapitaLand Limited^ (January 2018 to September 2018) • CEO, The Ascott Limited (June 2013 to December 2017) • Deputy CEO, The Ascott Limited (February 2012 to May 2013) • Managing Director, North Asia, The Ascott Limited (July 2009 to May 2013) ^ CapitaLand Limited was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021.	• CEO of Consumer, Private and Business Banking, Standard Chartered Bank (Singapore) Limited (January 2021 to Present) • Regional CEO for ASEAN and South Asia, Standard Chartered Bank (Singapore) Limited (June 2018 to December 2020) • CEO of Singapore and ASEAN Markets, Standard Chartered Bank (Singapore) Limited (October 2017 to June 2018) • CEO of Singapore, Standard Chartered Bank (Singapore) Limited (October 2015 to October 2017) • Global Head of Wealth Management, Standard Chartered Bank (December 2009 to September 2015)	• Founding Managing Partner, Matrix Partners China (July 2008 to Present)	• Founder and CEO, LAPIS Global Limited (2010 to 2016, 2018 to Present) • Chief Operating Officer, Bravia Capital Hong Kong Limited (2016 to 2017)
Shareholding interest in the Company and its subsidiaries	2,470,572 shares of the Company (direct interest) Share awards comprising up to 4,821,085 shares of the Company granted under the CapitaLand Investment Performance Share Plan 2021, subject to vesting/delivery conditions and/or achievement of pre-determined targets, as applicable	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing Director, existing executive officer, the Company and/or substantial shareholder of the Company or any of its principal subsidiaries	Nil	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company	Yes	Yes	Yes	Yes

Directors Seeking Reelection

NAME OF DIRECTOR	LEE CHEE KOON	JUDY HSU CHUNG WEI	DAVID SU TUONG SING	HELEN WONG SIU MING
Other Principal Commitments including Directorships				
Present	<u>Non-Listed Companies</u> • CapitaLand Group Pte. Ltd.^ (Director) • CapitaLand (China) Corporate Management Co., Ltd.* (Director) • CapitaLand India Pte. Ltd.* (Director) • CapitaLand International Pte. Ltd.* (Director) • CapitaLand Mall Asia Limited* (Director) • CLI Singapore Pte. Ltd.* (Director) • EDBI Pte. Ltd. (Director) • The Ascott Limited* (Director) <u>Others</u> • CapitaLand Hope Foundation (Director) • Future Economy Council (Member) • St. Joseph's Institution International Ltd (Member of the Board of Governors and Chairman of the Human Resource Committee) • St. Joseph's Institution International Elementary School Ltd (Member of the Board of Governors and Chairman of the Human Resource Committee) ^ Previously known as CapitaLand Limited, which was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021. * Entities within the CapitaLand Investment Limited group under which appointments are held by Mr Lee as part of his responsibilities as Group CEO of the Company.	<u>Non-Listed Companies</u> • Hype Records Pte Ltd (Director) • Trust Bank Singapore Limited (Chairperson and Director) <u>Government/Statutory Boards</u> • Urban Redevelopment Authority (Board Member) • Workforce Singapore (Board Member)	<u>Non-Listed Companies</u> • Business China (Director) • EDBI Pte. Ltd. (Director) • Conversant Pte. Ltd. (Director) • Nanyang Technological University (Member of the Board of Trustees)	<u>Public Listed Company</u> Aseana Properties Limited (Director) <u>Non-Listed Companies</u> • LAPIS Global Limited (Director and CEO) • AID Genomics Group Limited (Director)
Past (for the last 5 years)	<u>Public Listed Companies</u> • Managers of Ascott Residence Trust[@] (Director) • CapitaLand China Trust Management Limited (Manager of CapitaLand China Trust) (Director) • CapitaLand Commercial Trust Management Limited (Manager of CapitaLand Commercial Trust[#]) (Director) • CapitaLand Limited^ (Director) <u>Non-Listed Companies</u> • Ascott International Management (2001) Pte Ltd (Director) • Ascott Serviced Residence (Global) Investment Pte. Ltd. (Director) • Ascott Serviced Residence (Global) Fund Pte. Ltd. (Director) • Ascott Serviced Residence (China) Fund (Dissolved) (Chairman) • C31 Ventures Pte. Ltd. (Director) • C31 Ventures Fund 1 Pte. Ltd. (Director) • C31 Ventures Fund Management Pte. Ltd. (Director) • C31VF1-001V Pte. Ltd. (Director) • C31VF1-065C Pte. Ltd. (Director) • C31VF1-ESVF Pte. Ltd. (Director)	<u>Public Listed Company</u> CapitaLand Limited^ (Director) <u>Others</u> • Standard Chartered Bank (Singapore) Limited (Board Chair and Director) • Standard Chartered Holdings (Singapore) Private Limited (Director) • Singapore International Chamber of Commerce (Director) • The Institute of Banking and Finance (Director) • Association of Banks in Singapore (Vice Chairperson) ^ CapitaLand Limited was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021.	Nil	Nil

Directors Seeking Reelection

NAME OF DIRECTOR	LEE CHEE KOON	JUDY HSU CHUNG WEI	DAVID SU TUONG SING	HELEN WONG SIU MING
Past (for the last 5 years) (continued)	• CapitaLand Fund Management Pte. Ltd. (Director) • CapitaLand China Holdings Pte. Ltd. (Director) • CapitaLand Corporate Investments Pte Ltd (Director) • CapitaLand CLIMB Management Consultancy (Shanghai) Co., Ltd. (Liquidated) (Director) • CapitaLand Digital Holdings Pte. Ltd. (Director) • CapitaLand Hope Foundation (Director) • CapitaLand International (Europe) Pte. Ltd. (Director) • CapitaLand Singapore Limited (Director) • CapitaLand Singapore (BP&C) Pte. Ltd. (Director) • CapitaLand Trustee Pte. Ltd. (Director) • CapitaLand VN Limited (Director) • Guangzhou Slamet Property Co., Ltd. (Dissolved) (Director) • Jilin Food Zone Pte. Ltd. (Director) • LFIE Holding Limited (Director) • Pidemco Land Singapore Pte. Ltd. (Director) • Quest Tenancy Holdings Pty Ltd (Director) • QSA Group Pty. Ltd. (Director) • Somerset Capital Pte Ltd (Director) • Synergy Global Housing International Pte. Ltd. (Director) • Synergy Global Housing LLC (Manager) • Temasek Foundation Nurtures CLG Limited (Director) • Tujia.com International (Director) • The Ascott Capital Pte Ltd (Director) • The Ascott Holdings Limited (Director) Various other entities within the CapitaLand group under which the appointments were made as part of Mr Lee's responsibilities as Group CEO of CapitaLand Limited. Others • Lifelong Learning Institute Pte. Ltd. (Director) @ Managers of Ascott Residence Trust comprising Ascott Residence Trust Management Limited (Manager of Ascott Real Estate Investment Trust, or "Ascott Reit") and Ascott Business Trust Management Pte. Ltd. (Trustee-Manager of Ascott Business Trust, or "Ascott BT"). Ascott Residence Trust is a stapled group comprising Ascott Reit and Ascott BT with effect from 31 December 2019. # CapitaLand Commercial Trust was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 November 2020. ^ CapitaLand Limited was delisted from the Official List of the Singapore Exchange Securities Trading Limited on 21 September 2021.			

Directors Seeking Reelection

INFORMATION REQUIRED

Disclosure on the following matters concerning each Director standing for reelection as a Director at the AGM:

NAME OF DIRECTOR			LEE CHEE KOON	JUDY HSU CHUNG WEI	DAVID SU TUONG SING	HELEN WONG SIU MING
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?		No	No	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?		No	No	No	No
(c)	Whether there is any unsatisfied judgment against him?		No	No	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?		No	No	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?		No	No	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?		No	No	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?		No	No	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?		No	No	No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?		No	No	No	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :–					
	(i)	any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No
	(ii)	any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No
	(iii)	any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No
	(iv)	any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?		No	No	No	No

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Corporate Information

AS AT 15 MARCH 2022

BOARD OF DIRECTORS

Miguel Ko
Chairman

Lee Chee Koon
Group CEO

Anthony Lim Weng Kin
Lead Independent Director

Stephen Lee Ching Yen
Chaly Mah Chee Kheong
Kee Teck Koon
Goh Swee Chen
Gabriel Lim Meng Liang
Judy Hsu Chung Wei
David Su Tuong Sing
Helen Wong Siu Ming

BOARD COMMITTEES

Audit Committee

Chaly Mah Chee Kheong
Chairman

Anthony Lim Weng Kin
Gabriel Lim Meng Liang
Helen Wong Siu Ming

Executive Resource and Compensation Committee

Stephen Lee Ching Yen
Chairman

Miguel Ko
Goh Swee Chen
Judy Hsu Chung Wei

Nominating Committee

Stephen Lee Ching Yen
Chairman

Miguel Ko
Anthony Lim Weng Kin

Risk Committee

Kee Teck Koon
Chairman

Goh Swee Chen
Gabriel Lim Meng Liang
Judy Hsu Chung Wei

Strategy Committee

Anthony Lim Weng Kin
Chairman

Miguel Ko
Lee Chee Koon
Helen Wong Siu Ming
David Su Tuong Sing

Executive Committee

Miguel Ko
Chairman

Lee Chee Koon
Chaly Mah Chee Kheong
Kee Teck Koon

COMPANY SECRETARIES

Michelle Koh Chai Ping
Hon Wei Seng

REGISTERED ADDRESS

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Tel : +65 6213 3388
Fax : +65 6225 0984
(Engagement Partner since financial year ended 31 December 2021: Ling Su Min)

PRINCIPAL BANKERS

Agricultural Bank of China Limited

Australia and New Zealand Banking Group Limited

Bank of China

Bank of Communications Co., Ltd

CIMB Bank Berhad

Crédit Agricole Corporate & Investment Bank

DBS Bank Ltd

Industrial and Commercial Bank of China Limited

Malayan Banking Berhad

Mizuho Bank, Ltd.

MUFG Bank, Ltd.

Oversea-Chinese Banking Corporation Limited

Public Bank Berhad

Shinsei Bank, Limited

Société Générale

Sumitomo Mitsui Banking Corporation

The Bank of East Asia, Limited

The Hongkong and Shanghai Banking Corporation Limited

United Overseas Bank Limited

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This annual report has been produced by a printer certified according to the standards from the Forest Stewardship Council™ (FSC™), and has been printed with soy-based ink on environmentally-friendly paper in accordance to the FSC™ standard.