

CAPITALAND MALL TRUST

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

MINUTES OF THE ANNUAL GENERAL MEETING HELD ON TUESDAY, 12 APRIL 2016 AT 2.00 P.M. AT THE STAR GALLERY, LEVEL 3, THE STAR PERFORMING ARTS CENTRE, 1 VISTA EXCHANGE GREEN, SINGAPORE 138617

Present: Unitholders/proxies
As per attendance lists

In attendance: Directors of CapitaLand Mall Trust Management Limited, as manager of
CapitaLand Mall Trust (the “Manager”)

Mr Danny Teoh Leong Kay, Chairman
Mr Lim Ming Yan, Deputy Chairman
Mr Fong Kwok Jen
Mr Gay Chee Cheong
Mr Lee Khai Fatt, Kyle
Mr Jason Leow Juan Thong
Mr Richard Rokmat Magnus
Mr Ng Chee Khern
Mr Tan Kian Chew
Mr Tan Wee Yan, Wilson, Chief Executive Officer

HSBC Institutional Trust Services (Singapore) Limited, as trustee of CapitaLand
Mall Trust
Mr Antony Wade Lewis, Chief Executive Officer

Company Secretaries of the Manager
Ms Lee Ju Lin, Audrey
Ms Tan Lee Nah

Management of the Manager
Ms Tan Lei Keng, Head, Finance
Ms Audrey Tan Loo Ming, Vice President, Investor Relations
Ms Jacqueline Lee Yu Ching, Head, Investment & Asset Management

1. Introduction

- 1.1. On behalf of HSBC Institutional Trust Services (Singapore) Limited, the trustee of CapitaLand Mall Trust (“**CMT**”, and the trustee of CMT, the “**Trustee**”), and the Board of Directors of CapitaLand Mall Trust Management Limited, the manager of CMT (“**CMTML**” or the “**Manager**”), Ms Audrey Tan, the Master of Ceremonies (the “**Emcee**”), welcomed the unitholders of CMT (the “**Unitholders**”) to the annual general meeting of CMT (“**AGM**” or the “**Meeting**”).
- 1.2. Mr Wilson Tan Wee Yan, the Chief Executive Officer (“**CEO**”) of the Manager, gave a presentation on CMT’s key highlights for the financial year ended 31 December 2015 (“**FY 2015**”).

- 1.3. The Emcee then introduced the panellists. Following the introduction, the proceedings of the Meeting were handed over to Mr Danny Teoh Leong Kay, the Chairman of the Board of Directors of the Manager, who had been nominated by the Trustee to preside as Chairman of the Meeting ("**Chairman**") in accordance with the trust deed constituting CMT dated 29 October 2001 (as amended) (the "**Trust Deed**").
- 1.4. Chairman noted that a quorum was present and declared the Meeting open at 2.28 p.m. The notice of Meeting dated 16 March 2016 contained in the Annual Report ("**AR**") circulated to the Unitholders on the same date was, with the consent of the Meeting, taken as read.
- 1.5. In line with corporate governance best practices and in accordance with the Trust Deed and Rule 730A(2) of the Listing Manual of the SGX-ST (the "**Listing Manual**"), Chairman directed that voting on each Resolution as set out in the notice of Meeting be conducted by electronic poll. Chairman informed the Meeting that DrewCorp Services Pte Ltd had been appointed as the scrutineers to conduct the electronic poll and invited Mr Raymond Lam of DrewCorp Services Pte Ltd to explain the voting procedure.
- 1.6. Mr Raymond Lam proceeded to brief Unitholders on the use of the electronic handset device provided to Unitholders to vote, and carried out a test poll.

ORDINARY BUSINESS

2. Resolution 1:

Adoption of Report of the Trustee, Statement by the Manager, and the Audited Financial Statements of CMT for the financial year ended 31 December 2015 and the Auditors' Report thereon

- 2.1. Resolution 1 to receive and adopt the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of CMT for FY 2015 and the Auditors' Report was read and duly proposed by Mr Chua Boon Hen Benjamin, and seconded by Mr David Wee Kok Thye.
- 2.2. Chairman invited questions and comments from the floor.
- 2.3. Mr Manohar P Sabnani ("**Mr Mano**") expressed his appreciation for CMT's good performance in the past year and stated that he had two questions. Mr Mano commented that there were newer malls entering the market, while consumer expenditure figures were flat or experiencing marginal growth. Conversely, he noted that online shopping was increasing at a rapid pace, especially among the younger generation. He also observed that Singapore's GDP was expected to grow between 1.5% to 2%, and this, in turn, reflected growth in income and wages. On this basis, he asked about the sources of CMT's growth in the next financial year and specifically, whether the management expected CMT's growth to come from an expanded network and through asset enhancements or through an increase in shopper traffic and expenditure.
- 2.4. In response to Mr Mano's question, Chairman stated that the Board was aware of the macro-environment that CMT was operating in. He stated that based on certain research findings, online spending in Singapore still represented a small percentage (~1.7%) of household expenditure. That said, Chairman emphasised that CMT, as a listed real estate investment trust ("**REIT**"), had focused on steady reliable growth and delivering sustainable returns to Unitholders. In addition, Chairman also highlighted that CMT's distribution growth was mainly derived from asset enhancements and acquisitions when

- suitable opportunities arose. In this regard, Chairman added that when considering acquisitions, CMT would endeavour to look for acquisitions that were accretive in terms of yield and target assets that had potential for enhancement.
- 2.5. CEO elaborated on CMT's asset enhancement initiatives ("AEIs") by giving three specific examples, i.e. Tampines Mall, Clarke Quay and Bedok Mall. On Tampines Mall, he stated that in view of Tampines Mall's prime location and historical performance, CMT could have chosen not to undertake any AEIs. However, CEO shared that CMT had actively considered how Tampines Mall could be further improved. Specifically, Tampines Mall's roof was moved from level 5 to level 6 and in so doing, net lettable area of approximately 20,000 sq ft of space on level 5 was made available for tenants that provided educational services such as Julia Gabriel and Yamaha, among others. In turn, this freed up space on levels 2 and 3 for CMT to bring in international fashion chain, H&M, which enhanced the offerings of the mall.
- 2.6. With respect to Clarke Quay, CEO stated that a major tenant, which took up close to 20% of the space in Clarke Quay, had decided to pull out completely. CMT had the option of leasing the space to a new tenant who wanted to lease the entire space. However, CMT decided to divide the space into seven different units. In so doing, CMT was able to market the same space to seven different tenants, thus reducing CMT's reliance on any single tenant. CEO highlighted that this underscored CMT's commitment not just to asset enhancement but also to lease management.
- 2.7. Lastly, CEO added that CMT's acquisition of Bedok Mall highlighted CMT's ability to capitalise on opportunities for growth. He commented that Bedok Mall had made a significant difference to CMT's portfolio, as it had strengthened CMT's portfolio in necessity shopping and increased CMT's exposure in the eastern region of Singapore. CEO ended off by stating that CMT would continue to monitor developments in e-commerce to ensure that CMT continued to do well in this digital age. In this regard, CEO cited the example of the "Food to Go" platform introduced at Raffles City Singapore as an example of CMT leveraging on technology to its advantage.
- 2.8. Mr Mano highlighted that it may not be appropriate to compare expenditure on e-commerce against the entire household expenditure as the latter also took into account other types of expenditure such as the purchase of motor vehicles.
- 2.9. In response to Mr Mano's comments, Chairman replied that the Board noted Mr Mano's concerns on the impact of e-commerce and the Board and management would continue to monitor developments in e-commerce.
- 2.10. Mr Mano followed up with his next question on the net property income ("NPI") of CMT's properties. He noted that there was a decrease in NPI for IMM Building, JCube and Clarke Quay for FY 2015. For IMM Building, Mr Mano attributed it to ongoing renovation works, but he raised a query as to why there was a drop in NPI for JCube and Clarke Quay.
- 2.11. Chairman concurred with Mr Mano that the decrease in NPI for IMM Building was the result of ongoing asset enhancement works. For JCube, Chairman said that the decrease was attributable to conceptual reconfiguration by CMT so as to ensure that JCube would remain competitive amongst the new malls that have opened in the vicinity of JCube. For Clarke Quay, Chairman said that the decrease was attributable to a change in the tenants and the reconfiguration works undertaken at Clarke Quay.
- 2.12. CEO acknowledged that JCube was a property which could be improved further. He explained to Unitholders that JCube experienced strong competition from the large amount

of retail space in the Jurong area. CMT had originally intended to distinguish JCube as a mall for young people, especially in light of the IMAX cinema and the ice skating rink located at JCube. However, CEO highlighted that, based on data obtained through CMT's CAPITASTAR loyalty programme, most of the shoppers with higher expenditure at JCube were 35 years old and above. In contrast, the younger crowds were mainly utilising the skating facilities and the cinema. In order to address this, CEO shared that CMT responded by adjusting the tenant mix and bringing in food and beverage tenants such as Astons and Eighteen Chefs to attract the younger shoppers and encourage spending. In relation to Clarke Quay, CEO said that CMT had brought in Zouk, Singapore's renowned entertainment venue, to Clarke Quay to attract both Singaporeans and tourists.

- 2.13. Mr Mano also raised a question as to why there was a drop in the income contributed by CMT's associates and joint ventures in FY 2015, as compared to the previous financial year ended 31 December 2014 ("**FY 2014**").
- 2.14. Ms Tan Lei Keng replied that the drop in income contributed by CMT's joint ventures in FY 2015 was a result of CMT's divestment of Westgate Tower in 2014. Ms Tan added the drop in income contributed by CMT's associates was also due to a decline in valuation of CMT's interest in CapitaLand Retail China Trust, and both of these had no impact on CMT's DPU.
- 2.15. Mr Vincent Tan referred the Meeting to page 75 of the AR, and noted that there was an increase in occupancy cost ratio from 17.6% in 2014 to 18.5% in 2015. Mr Tan's first question was how the occupancy cost ratio would affect the gross turnover ("**GTO**") component of the total rental payable to CMT. Mr Tan then referred to data on CMT's annual shopper traffic on pages 106 to 107 of the AR, which showed that the annualised shopper traffic for both Lot One Shoppers' Mall and Bedok Mall had the same annualised shopper traffic of 17.7 million, although Bedok had a larger catchment population (297,000) as compared to Choa Chu Kang (175,000). Mr Tan's second question was on CMT's plans to improve Bedok Mall's shopper traffic.
- 2.16. In response to Mr Vincent Tan's first question, CEO stated that in the computation of occupancy cost ratio, the numerator was gross rental and denominator was total tenants' sales. CEO highlighted that on a comparable mall basis (i.e. by including Rivervale Mall for the period of January to November 2015 and excluding Bugis Junction, Westgate and Bedok Mall), the occupancy cost ratio would actually have decreased to 17.3% in FY 2015 as compared to FY 2014. CEO said that while there was an increase in the occupancy cost ratio, there was actually an increase of 5.3% in tenants' sales per square foot year-on-year. CEO highlighted that this represented growth from a GTO sales standpoint. In terms of GTO rent, CEO stated that 95% of CMT's rental income continued to be derived from base fee income and about 5% of CMT's income was variable. CEO also noted that data indicated that an occupancy cost ratio of between 18 to 20% was likely to be expected in view of Singapore's current economic environment.
- 2.17. In response to Mr Vincent Tan's second question, CEO stated that when CMT first evaluated Bedok Mall, CMT identified a good opportunity in terms of potential for shopper traffic and GTO growth. Citing the example of the supermarket at Bedok Mall, CEO highlighted that the supermarket now experienced triple the sales as compared to when it first started operations. In addition, Bedok Residences had obtained their temporary occupation permit ("**TOP**") in the middle of 2015 and CMT expected that this would contribute to an increase in shopper traffic at Bedok Mall. CEO also noted that Lot One Shoppers' Mall, relative to its population catchment, continued to do well with its annual

shopper traffic of 17.7 million for 2015.

- 2.18. Mr Vincent Tan then raised queries on some of CMT's properties. With respect to IMM Building, he noted that the number of factory outlets had increased significantly. He enquired whether CMT was confident of its strategy of positioning IMM Building as an outlet mall.
- 2.19. In response to Mr Vincent Tan's comments, CEO replied that when IMM Building had first begun operations, there was feedback from retailers that an outlet concept mall was not workable in Singapore. However, CEO shared that outlet shopping at IMM Building had become very vibrant, especially on the weekends. As such, CMT remained optimistic about IMM Building as an outlet mall in Jurong.
- 2.20. Mr Vincent Tan followed up with a query on whether it was possible to convert the warehouse/ office space at IMM Building to retail outlets so as to increase the total rental income of IMM.
- 2.21. CEO responded that it was unlikely that CMT could decant the existing warehouse/ office space to retail space as there was already a significant amount of retail space in western Singapore where IMM Building was located. However, CEO noted Mr Vincent Tan's comments and said that CMT would continue to engage the authorities on this matter.
- 2.22. Mr Vincent Tan then referred the Meeting to JCube, and observed that on page 77 of the AR, it was stated that the gross revenue of JCube had dropped from S\$32.1 million in FY 2014 to S\$24.4 million in FY 2015. Mr Vincent Tan further commented that JCube is in an area saturated with many big shopping malls. Accordingly, Mr Vincent Tan queried whether CMT was prepared to sell JCube if CMT could not address the challenges facing JCube.
- 2.23. In response to Mr Vincent Tan's comments, Chairman said that CMT is always prepared to consider a sale if the price offered was appropriate and if the timing was suitable. CEO highlighted that JCube comprised only 2.6% of CMT's deposited property. He added that CMT would continue to look out for opportunities available for JCube. As an example of CMT's resilience, CEO noted that IMM Building had also experienced challenges when JCube first opened in 2012. However, IMM Building repositioned itself as an outlet mall and is currently performing well. CEO ended off by commenting that similar to how Tampines is a vibrant area in the east of Singapore today, he is confident in the development of Jurong East, given the Government's expressed intention to develop the Jurong area.
- 2.24. Mr Chua Ghim Hock ("**Mr Chua**") queried on the impact of the redevelopment of Funan DigitalLife Mall ("**Funan**") on CMT's DPU over the next three years, albeit noting that the acquisition of Bedok Mall could mitigate the impact of the redevelopment of Funan.
- 2.25. CEO thanked Mr Chua for the question, first making it clear to the Unitholders that Funan continued to be an accretive mall and contributed close to S\$22 million in NPI. In response to Mr Chua's question, he stated that the acquisition of Bedok Mall was expected to mitigate the loss of NPI as a result of the redevelopment of Funan. He further stated that this was an opportune time for CMT to redefine the shopping scene in Singapore through the redevelopment of Funan. He stated that Funan would be open until 30 June 2016.
- 2.26. Mr Chua then enquired on the progress of the refinancing of RCS Trust and whether the interest costs would be higher or lower than the existing financing.

- 2.27. CEO replied that CMT was in active discussions with its bankers and it was pleased with the progress of the refinancing discussions. CEO added that CMT would make an announcement to update Unitholders shortly.
- 2.28. Mr Chan Ming Ming Alvin then posed a question on Bukit Panjang Plaza (“BPP”). He noted that a mixed-use development called the Hillion Residences, in close proximity to BPP was expected to receive its temporary occupancy permit in September 2018. Accordingly, he noted that BPP would experience competition from the retail mall at Hillion Residences and could lose shopper traffic. Thus, he enquired what CMT was doing to prepare for the competition.
- 2.29. CEO shared that CMT was aware of the competition that Hillion Residences could pose to Bukit Panjang Plaza. He then elaborated on the measures that CMT had been taking. First, he stated that CMT had opened a new annex block at Bukit Panjang Plaza, which housed new eateries and a new food court. Second, CMT also relocated the entrance to the supermarket at Bukit Panjang Plaza. This was so that both the supermarket and the food and beverage outlets could be open for 24 hours. Third, CMT would be extending the size of the library by another 1,000 square metres. Fourth, CMT had opened up a childcare centre on the top floor. He added that when competitors opened new malls in close proximity to a CMT mall, it was anticipated that shopper traffic would initially decline. Citing the opening of NEX in Serangoon as an example, CEO shared that the shopper traffic at Junction 8 in that year declined. However, CMT went out to win customers back, such that Junction 8’s shopper traffic was now higher than what it was prior to the opening of NEX.
- 2.30. Mr Vincent Tan returned to ask a question on Funan. He stated that his understanding was that Funan would be redeveloped into a mixed-development and would include office space. On this note, he asked whether CMT would bear the full cost of redevelopment and who would manage the office component. In addition, he lauded CMT’s good timing in redeveloping Funan, as 470,000 square feet of new retail space, such as Capitol Piazza, Suntec City Phase 3, South Beach and Marina Square extension, had recently opened in the City Hall Area.
- 2.31. Chairman stated that as the redevelopment plans and proposals were at an early stage, the Board and management were unable to comment. However, he stated that the management had been actively considering how to reinvent Funan and leverage on its location in the Civic District and assured the Unitholders that CMT would make the necessary announcement when CMT firmed up its plans.
- 2.32. On the question of management of office space, CEO added that CMT had some experience in incorporating office space in its developments. For one, it jointly managed Raffles City Singapore together with its sister REIT, CapitaLand Commercial Trust. In addition, CMT had also leased out office space at The Atrium@Orchard and Junction 8.
- 2.33. As there were no further questions, Chairman proceeded to put Resolution 1 to vote. The result of the poll on Resolution 1 was as follows:

Resolution 1 (Ordinary Resolution)

For		Against	
No. of Units	%	No. of Units	%
2,538,211,362	99.92	2,061,508	0.08

Based on the results of the poll, Chairman declared Resolution 1 carried as an Ordinary Resolution.

3. Resolution 2:

Re-appointment of KPMG LLP as Auditors of CMT and grant of authority to the Manager to fix their remuneration

- 3.1. Resolution 2 to re-appoint KPMG LLP as Auditors of CMT to hold office until the conclusion of the next AGM of CMT, and to authorise the Manager to fix their remuneration, was read and duly proposed by Ms Tan Lee Hua, and seconded by Mr Lim Chye Heng.
- 3.2. Chairman invited questions and comments from the floor.
- 3.3. As there were no questions on Resolution 2, Chairman proceeded to put Resolution 2 to vote. The result of the poll on Resolution 2 was as follows:

Resolution 2 (Ordinary Resolution)

For		Against	
No. of Units	%	No. of Units	%
2,523,502,922	99.34	16,656,376	0.66

Based on the results of the poll, Chairman declared Resolution 2 carried as an Ordinary Resolution.

SPECIAL BUSINESS

4. Resolution 3:

Authority for the Manager to issue units in CapitaLand Mall Trust (“Units”) and to make or grant instruments convertible into Units

- 4.1. Resolution 3 to authorise the Manager to issue Units and to make or grant convertible instruments (such as warrants or debentures) convertible into Units, and to issue Units in pursuance of such instruments was read and proposed by Mr Foong Kit Leung, and seconded by Mr Melfyn Edward Davies.
- 4.2. Chairman invited questions and comments from the floor.
- 4.3. Mr Gan Hock Chai commented that he had observed that, in general, when real estate investment trusts (“REITs”) raised capital through the issuance of new Units, such private placement exercises were only offered to institutional investors and the Units were often issued at a discount to the Unit’s trading price. As a result, Mr Gan highlighted that the existing unitholding interests of minority Unitholders were diluted by the issuance of new Units under such private placement exercises. On this note, Mr Gan asked that the Board and management consider the participation of minority Unitholders in such fund raising exercises.

- 4.4. Chairman replied that there were limits as to the extent of discounts from the trading price that could be provided in private placement exercises. Chairman also highlighted that in the case of a rights issue, certain Unitholders could be unwilling to incur costs to participate in the rights issue.
- 4.5. CEO provided some statistics on previous equity fund raisings carried out by CMT in recent years. He stated that in 2009, CMT undertook a rights issue, while in 2011 and 2012, CMT undertook private placement exercises. He added that the management noted Mr Gan's concerns and was heartened that Unitholders had affirmed CMT as a platform for their investment and that they remained keen to invest in CMT. However, he emphasised that the management would consider all the available equity fund raising options and choose the option that would be the best for CMT and the Unitholders as a whole.
- 4.6. Mr Gan also expressed his appreciation to the management for managing CMT well over the years.
- 4.7. As there were no further questions on Resolution 3, Chairman proceeded to put Resolution 3 to vote. The result of the poll on Resolution 3 was as follows:

Resolution 3 (Ordinary Resolution)

For		Against	
No. of Units	%	No. of Units	%
2,338,032,442	92.06	201,683,470	7.94

Based on the results of the poll, Chairman declared Resolution 3 carried as an Ordinary Resolution.

5. Resolution 4:

Approval of the Renewal of the Unit Buy-Back Mandate

- 5.1. Resolution 4 to approve the renewal of the Unit buy-back mandate authorising the Manager to repurchase issued Units for and on behalf of CMT was read and duly proposed by Ms Teh Swee Khoi, and seconded by Mr Yong Weng Choy.
- 5.2. Chairman invited questions and comments from the floor.
- 5.3. Mr Ong Boon Kheng enquired whether the Manager had previously repurchased Units pursuant to the Unit buy-back mandate.
- 5.4. Chairman replied that the Manager had never repurchased Units pursuant to the Unit buy-back mandate in previous years.
- 5.5. As there were no further questions on Resolution 4, Chairman proceeded to put Resolution 4 to vote. The result of the poll on Resolution 4 was as follows:

Resolution 4 (Ordinary Resolution)

For		Against	
No. of Units	%	No. of Units	%
2,539,395,432	99.98	477,000	0.02

Based on the results of the poll, Chairman declared Resolution 4 carried as an Ordinary Resolution.

6. Resolution 5:

Approval of the Amendment of the Trust Deed to vary the fee structure pursuant to which the Manager receives performance fees

- 6.1. Resolution 5 to approve the amendment of the Trust Deed to vary the fee structure pursuant to which the Manager receives performance fees was read and duly proposed by Ms Teh Swee Khoi, and seconded by Mr Cheng Tee Meng.
- 6.2. Chairman stated that Pyramex Investments Pte Ltd, Albert Complex Pte Ltd, Premier Healthcare Services International Pte Ltd and the Manager would abstain from voting on Resolution 5. In the interests of good corporate governance, Mr Lim Ming Yan, Mr Jason Leow Juan Thong and CEO would also abstain from voting on Resolution 5.
- 6.3. Chairman invited questions and comments from the floor.
- 6.4. Mr Mano first stated that he understood that the proposed change of performance fee formula from 2.85% of gross revenue of CMT to 4.25% of the NPI of CMT would not result in CMT paying the Manager more performance fees than under the existing performance fee formula based on the amount of performance fees which the Manager had received for the last 13 years. He then referred the Meeting to page B-10 of the Appendix to the notice of AGM (the "**Appendix**"). On page B-10 of the Appendix, he noted that based on the independent financial adviser ("**IFA**")'s comparison of asset management fees of certain selected REITs that pegged their performance fees to NPI, the base fee charged by the selected REIT managers ranged from 0.25% to 0.50%, while the performance fee charged by the selected REIT managers ranged from 0.50% to 5.00% of NPI. Thus, he enquired why CMT had chosen to peg the new performance fee formula at 4.25% of NPI, which he observed was at the upper end of this range.
- 6.5. Chairman stated that the base fee and the performance fee of each of the selected REITs must be looked at in totality when determining how CMT's asset management fees compared with the other selected REITs. He thus highlighted that the base fee of certain selected REITs were significantly higher than CMT's base fee. In addition, Chairman added that Unitholders should note the asset management fees charged by the selected REITs in the same industry segment, e.g. industrial, commercial or retail REITs. He referred the Unitholders to pages B-11 to B-13 of the Appendix, which indicated how CMT's new asset management fees compared against the other selected REITs, and the analysis by the IFA indicated that CMT's new total asset management fees were at the lower end of the total mean and median ratios.
- 6.6. Mr Chua then asked why CMT pegged its new performance fee formula to NPI instead of DPU growth, and whether CMT considered any other possible formulas.
- 6.7. Chairman stated that CMT had considered other indicators to peg the new performance fee formula. Chairman noted that many of the other retail REITs in Singapore had pegged their performance fees to NPI. Chairman added that as NPI was determined based on gross revenue and cost, a good REIT manager had to manage both aspects well and accordingly, pegging the performance fee to NPI would drive the right behaviour of the management to ensure steady and sustainable growth in the long term interests of CMT and the Unitholders as a whole.

- 6.8. Mr Chua voiced his opinion that pegging the performance fee to DPU was better aligned to the Unitholder's interests.
- 6.9. In response, Chairman said that notwithstanding the fact that CMT did not have a performance fee formula that was pegged to DPU, CMT's management had worked towards stable and incremental increases in DPU over the years. Thus, he wanted to assure Unitholders that the new performance fee formula would not change the management's approach in this regard.
- 6.10. Mr Chua expressed his opinion that DPU worked better for Unitholders, because if the performance fee was pegged to NPI, the Manager could issue more Units and this would have the effect of reducing the DPU, without having an impact on NPI.
- 6.11. Chairman noted Mr Chua's views and responded that the management had considered all aspects and, on balance, had proposed the new performance fee formula based on what it thought was in the best interests of CMT and Unitholders as a whole in the longer term.
- 6.12. Mr Vincent Tan expressed his view that DPU was better aligned to both the Unitholders' and the management's interests.
- 6.13. CEO thanked everybody for their comments. He stated that there will be pros and cons regardless of the formula selected. CEO stated that since CMT's listing in 2002, the management had been conscientious and had not detracted from delivering a stable distribution to Unitholders. In addition, he shared his opinion as to why a performance fee formula based on DPU was not preferred. He commented that using DPU as an indicator may not be in the best interests of CMT and the Unitholders as a whole, as the management may not be incentivised to use the most efficient manner to raise funds for asset enhancements, redevelopment or greenfield developments. He noted that with the performance fee formula based on NPI, this provided transparency in terms of how revenue and costs could be controlled. Thus, using NPI promoted accountability to Unitholders and aligned the management's interest with that of the Unitholders.
- 6.14. Mr Ong Boon Keng then queried whether the performance fee would be paid in cash or in Units.
- 6.15. Chairman replied that the mode of payment would be in cash, which was consistent with the existing practice.
- 6.16. Mr Gan Hock Chai then asked what the difference would be in terms of the performance fees paid to the Manager between the existing performance fee formula and the new performance fee formula.
- 6.17. Chairman replied that as stated in the Appendix, considering the course of the preceding 13 years, the new performance fee formula would yield a performance fee that was less than the existing performance fee formula by S\$44,000. As such, there should not be significant change.
- 6.18. As there were no further questions on Resolution 5, Chairman proceeded to put Resolution 5 to vote. The result of the poll on Resolution 5 was as follows:

Resolution 5 (Special Resolution)

For		Against	
No. of Units	%	No. of Units	%
1,507,979,747	99.73	4,034,824	0.27

Based on the results of the poll, Chairman declared Resolution 5 carried as an Extraordinary Resolution.

7. CLOSING ADDRESS

There being no other business, on behalf of the Trustee and the Manager, Chairman thanked all present for their attendance and support, and declared the Meeting closed at 3.48 p.m.

CONFIRMED

Mr Richard Rokmat Magnus
Chairman