



A Member of CapitaLand

ASCENDAS INDIA TRUST

(Registration Number: 2007004)

(a business trust registered under the Business Trusts Act, Chapter 31A of Singapore)

PROPOSED FORWARD PURCHASE ACQUISITION OF AN INDUSTRIAL FACILITY AT MAHINDRA WORLD CITY, CHENNAI

1. INTRODUCTION

Ascendas Property Fund Trustee Pte. Ltd., as Trustee-Manager of Ascendas India Trust (“**a-iTrust**”), wishes to announce that:

- (a) Its wholly owned subsidiaries, Ascendas Property Fund (FDI) Pte. Ltd. (“**APFF**”) and VITP Private Limited (“**VITP**”), have entered into debenture subscription agreements (“**DSAs**”) with Chengalpattu Logistics Parks Private Limited (“**CLPPL**”) and Chengalpattu Warehousing Parks Private Limited (“**CWPPL**”) to subscribe to non-convertible debentures (“**NCDs**”) issued by CLPPL and CWPPL;
- (b) Its wholly owned subsidiary, Ascendas Property Fund (India) Pte. Ltd., (“**APFI**”), has entered into conditional share purchase agreements (“**SPAs**”) with the shareholders of CLPPL and CWPPL (collectively the “**Shareholders**”) to acquire 100% interest in the entities, subject to the fulfilment of certain conditions precedents including, but not limited to, the completion of construction of the projects (the “**Acquisition**”).

CLPPL and CWPPL are newly incorporated companies by Casa Grande Group that are developing the two projects spread across two land parcels located at Mahindra World City, Chennai. Casa Grande Group is a leading real estate developer in South India.

CLPPL is currently developing an industrial facility with an aggregate net leasable area of approximately 0.42 million square feet (“**Phase 1 Project**”). The Phase 1 Project is fully pre-leased to Pegatron Technology India Private Limited, a wholly owned subsidiary of Pegatron Corporation, a leading Taiwanese manufacturer of electronic products (“**Pegatron**”). a-iTrust proposes to fund the development through its subscription to the NCDs pursuant to the DSAs and subsequently acquire the Phase 1 Project (the “**Transaction**”) upon completion. The Transaction is expected to be completed in mid-2021.

CWPPL plans to develop industrial facilities with an aggregate net leasable area of approximately 0.37 million square feet (“**Phase 2 Project**”). a-iTrust has the option to fund the development of the Phase 2 Project, subject to leasing milestones and other conditions being met.

2. DETAILS OF THE TRANSACTION

2.1. Funding

Pursuant to the DSAs, APFF and VITP will be subscribing to NCDs to be issued by CLPPL and CWPPL (the “**Subscription**”), to repay existing liabilities and complete the balance development of the Phase 1 Project.

The Subscription is conditional upon the satisfaction of certain conditions precedent that include:

- CLPPL and CWPPL having entered into all necessary agreements and obtained approvals in relation to the creation of security for the Subscription; and
- CLPPL and CWPPL having performed necessary amendments to their charter documents to enable the Subscription.

The key terms of the NCDs are:

- A tenure of 30 years from the date of issue;
- Interest servicing on a quarterly basis;
- The NCDs are secured by a charge over the property, land and pledge of shares;
- The NCDs shall be automatically redeemed in the event that the SPA is terminated; and
- The NCDs are secured by personal guarantees from the Shareholders in respect of the repayment of principal and interest.

a-iTrust, through APFF and VITP, will provide total funding amounting to INR 1,400 million¹ / SGD 25.5 million².

2.2. Acquisition of the Phase 1 Project

Pursuant to the terms of the Share Purchase Agreement, a-iTrust, through APFI or its nominees, shall purchase 100% of shares of CLPPL upon completion of the Phase 1 Project, based on a purchase price to be determined in accordance with an agreed formula (“**Formula**”), which takes into account the pre-agreed capitalisation rate and rentals. a-

¹ Includes funding of INR 50 million / SGD 0.9 million to develop 0.02 million square feet in the Phase 2 Project where CWPPL has entered into a letter of intent with a tenant.

² Based on exchange rate of 1 SGD = INR 55.0 and is used throughout this announcement.

iTrust can call for NCD redemptions if the completion date is delayed beyond 30 June 2021 or any other date at a-iTrust's discretion. The purchase price³ for the Phase 1 Project, computed based on the Formula, is expected to be approximately INR 2,108 million⁴ / SGD 38.3 million. An independent valuation will be conducted and announced at the time of the Acquisition.

The Acquisition is subject to certain conditions precedent, which include the following:

- Completion of the Phase 1 Project and obtaining required approvals within defined timelines; and
- Satisfactory completion of the final due diligence at the time of acquisition.

2.3. Future Acquisition of the Phase 2 Project

The acquisition of CWPPL's industrial facilities may involve a-iTrust subscribing to additional NCDs and purchasing the shares of CWPPL.

3. RATIONALE FOR THE TRANSACTION

The Trustee-Manager believes that the Transaction will bring the following benefits to unitholders of a-iTrust ("**Unitholders**"):

3.1. Diversification into Industrial Space

The Transaction offers a diversification opportunity for a-iTrust into the industrial asset class and fits the Trustee-Manager's investment strategy to invest in quality logistics and industrial assets.

3.2. Established Location

Mahindra World City is an established industrial micro-market occupied by leading blue-chip companies including BMW, BASF, Fujitec, NCR Corporation and B. Braun.

3.3. Reduced Execution and Leasing Risks

Construction of the Phase 1 Project is ongoing and is expected to complete by mid-2021. The Phase 1 Project is fully pre-committed to Pegatron, a leading Taiwanese contract electronics manufacturer, with a 7-year lock-in period and annual escalations.

3.4. Improved Earnings and Distributions for Unitholders

The Trustee-Manager believes that the Transaction will improve the earnings and distributions for Unitholders. From the date of Subscription up to the date of the

³ Considers deduction for rent-free period post the acquisition date.

⁴ Including INR 1,350 million / SGD 24.5 million which has been used to repay existing liabilities and complete the development of the Phase 1 Project.

Acquisition, a-iTrust will receive a coupon on NCDs that is higher than its borrowing costs. The Acquisition is expected to be distribution per unit (“DPU”) accretive on a pro forma basis. Please refer to paragraph 4 for the financial effects of the Acquisition.

4. METHOD OF FINANCING AND FINANCIAL EFFECTS

4.1. Method of Financing

The Trustee-Manager intends to finance part of the Subscription using cash resources in India and additional borrowings in Singapore. Details of the mode of financing the Acquisition will be determined nearer to the point of closing.

4.2. Financial Effects

4.2.1. Assumptions

The pro forma financial effects of the Acquisition presented below are strictly for illustration purposes only, and do not reflect the actual financial position of a-iTrust following the completion of the Acquisition⁵ of the Phase 1 Project. They have been prepared based on the latest audited financial statements of a-iTrust for the financial period from 1 January 2020 to 31 December 2020 (“FY2020”).

4.2.2. Pro Forma Net Profits

Post-acquisition, the FY2020 pro forma net profit attributable to the Acquisition of the Phase 1 Project is approximately SGD 1.9 million⁶ assuming income generated on a stabilised basis.

4.2.3. Pro Forma Net Asset Value (“NAV”)

FOR ILLUSTRATIVE PURPOSES ONLY: The table below sets out the pro forma financial effects of the Acquisition on the NAV per unit in a-iTrust (“Unit”) as at 31 December 2020, as if a-iTrust had completed the acquisition on 1 January 2020 and held the interest in the Phase 1 Project through to 31 December 2020.

	Before the Acquisition	After the Acquisition
NAV per Unit (SGD)	1.08	1.08

⁵ Assuming the Transaction had been funded using 45% debt and 55% equity.

⁶ Estimate income available for distribution based on the assumed revenue derived from the Phase 1 Project post acquisition, net of operating, financing, trust expenses and withholding taxes.

4.2.4. Pro Forma Distribution per Unit⁷ (DPU)

FOR ILLUSTRATIVE PURPOSES ONLY: The table below sets out the pro forma financial effects of the Acquisition on a-iTrust's DPU for FY2020, as if a-iTrust had completed the acquisition on 1 January 2020 and held the interest in the Phase 1 Project through to 31 December 2020.

	Before the Acquisition	After the Acquisition
DPU⁸ (SGD cents)	8.83	8.87

5. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, certain directors of the Trustee-Manager collectively hold an aggregate direct and indirect interest in 726,849 Units.

Mr Manohar Khiatani, who is the Deputy Chairman and a Non-Executive Director of the Trustee-Manager, is a Senior Executive Director of CapitaLand Limited (“**CapitaLand**”). Mr Jonathan Yap, who is a Non-Executive Director of the Trustee-Manager, is the President of CapitaLand Financial. Mr Manohar Khiatani and Mr Jonathan Yap are also Directors of CapitaLand India Pte. Ltd. (the “**Sponsor**”).

The Sponsor and the Trustee-Manager are indirect, wholly owned subsidiaries of CapitaLand. As at the date of this announcement and based on information available to the Trustee-Manager, the Sponsor and the Trustee-Manager hold an aggregate direct and indirect interest in 247,867,304 Units, which is equivalent to 21.53% of the total number of Units in issue.

Save as disclosed above and based on information available to the Trustee-Manager as at the date of this announcement, none of the Directors or the Controlling Unitholder(s)⁹ have any interest, direct or indirect, in the funding and the acquisition.

6. OTHER INFORMATION

6.1. Director's Service Contracts

No person is proposed to be appointed as a director of the Trustee-Manager in connection

⁷ Rule 1010(9) of the Listing Manual requires that the issuer discloses the effect of the Transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the Transaction had been effected at the beginning of that financial year. The effect of the Transaction on the distribution per Unit is disclosed instead as it is a more appropriate measure for a real estate investment trust.

⁸ Post retaining 10% of income available for distribution.

⁹ “Controlling Unitholders” refers to any person(s) with an interest in Units constituting not less than 15.0% of all Units in issue.

with the Subscription and the Acquisition or any other transactions contemplated in relation to the Subscription and the Acquisition.

6.2. Relative Figures Computed on the Bases set out in Rule 1006

The relative figures computed on the following bases set out in Rule 1006(b) and 1006(c) of the Listing Manual of Singapore Exchange Securities Trading Limited (the “SGX-ST”) are set out below:

- (i) the net profits attributable to the assets acquired, compared with a-iTrust’s net profits; and
- (ii) the aggregate value of the consideration given, compared with a-iTrust’s market capitalisation.

Based on a-iTrust’s consolidated financial statements for FY2020, the relative figure for the basis of comparison set out in sub-paragraph (i) above in relation to the same period is not applicable as there are currently no profits attributable to the Phase 1 Project.

Based on the expected purchase consideration and a-iTrust’s market capitalisation as at the date prior to the announcement of the Subscription and the Acquisition of the Phase 1 Project, the relative figure for the basis of comparison set out in sub-paragraph (ii) above is approximately 2.1%.

6.3. Voluntary Disclosure

The Transaction is in the ordinary course of a-iTrust’s business and does not fall under Chapter 10 of the SGX-ST Listing Manual. Notwithstanding that, the Trustee-Manager is voluntarily announcing the Transaction in consonance with Rule 1010 of the SGX-ST Listing Manual as a matter of good corporate governance.

The Trustee-Manager will make further announcement(s) as appropriate when there are material developments with regards to the Transaction.

7. DOCUMENTS FOR INSPECTION

A copy of the debenture subscription agreements and share purchase agreements are available for inspection during normal business hours at the registered office of the Trustee-Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 for a period of three months commencing from the date of this announcement.

By Order of the Board

Mary Judith de Souza
Company Secretary
Ascendas Property Fund Trustee Pte. Ltd.
(Company Registration No. 200412730D)
as Trustee-Manager of a-iTrust
5 March 2021

Important Notice

This release may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management regarding future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this release. Neither Ascendas Property Fund Trustee Pte. Ltd. ("**Trustee-Manager**") nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this release or its contents or otherwise arising in connection with this release.

The past performance of Ascendas India Trust ("**a-iTrust**") is not indicative of future performance. The listing of the units in a-iTrust ("**Units**") on the Singapore Exchange Securities Trading Limited (SGX-ST) does not guarantee a liquid market for the Units. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Trustee-Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

This release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.