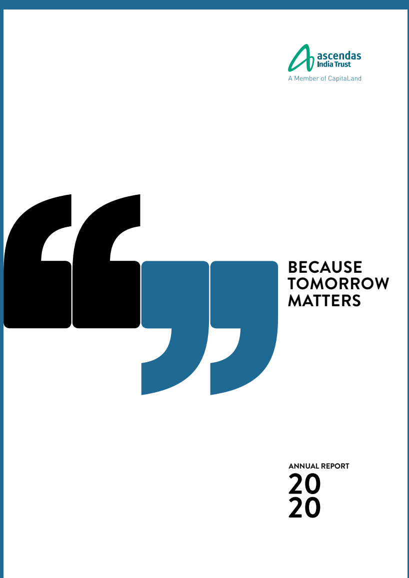
ascendas India Trust
A Member of CapitaLand

BECAUSE TOMORROW MATTERS

ANNUAL REPORT
2020



Underpinning the breadth of CapitaLand's activities is our continuous dialogue with our stakeholders which helps to shape our business as we aim to build sustainable communities. We place significance on our conversations and share our story with care and consideration for all involved. This annual report is part of that process and the motif we have chosen for this year's report reflects our focus on maintaining communication with our stakeholders with transparency and clarity.

As we adapt to these changing times, we will continue to diversify and strengthen our portfolio, while maintaining our firm commitment to deliver sustainable returns to our Unitholders.

SANJEEV DASGUPTA
CEO

BECAUSE TOMORROW MATTERS

BECAUSE DIVERSIFICATION BUILDS RESILIENCE

INVESTING IN VARIOUS ASSET CLASSES ACROSS MULTIPLE CITIES ENABLES US TO STRENGTHEN OUR ASSET PORTFOLIO AND DELIVER LONG-TERM SUSTAINABLE RETURNS TO OUR UNITHOLDERS.

BECAUSE ADAPTABILITY PROPELS PROGRESS

OUR AGILITY TO ADAPT WITH CHANGING TIMES ENSURES WE REMAIN RELEVANT. WE CONTINUE TO HARNESS NEW TECHNOLOGIES, PROVIDE INNOVATIVE QUALITY SOLUTIONS TO STAKEHOLDERS AND CLOSELY PARTNER OUR TENANTS FOR THEIR BUSINESS NEEDS WITH A FOCUS ON WELLNESS, COLLABORATION AND FLEXIBILITY.

BECAUSE SUSTAINABLE PRACTICES CREATE VALUE

WE KNOW THAT SUSTAINABILITY AND STRATEGY GO HAND-IN-HAND. TO GO THE DISTANCE, BUSINESSES NEED THE RIGHT STRATEGIES TO THRIVE. OUR PRUDENT ASSET AND CAPITAL MANAGEMENT PRACTICES PROVIDE A SOLID FOUNDATION POISED TO ENDURE CHALLENGES AND DELIVER VALUE.

WHO WE ARE

Ascendas India Trust ('a-iTrust' or the 'Trust') is a property trust which owns seven IT parks and one logistics park in India valued at S$2.1 billion as at 31 December 2020. With a portfolio of 13.8 million square feet spread across Bangalore, Chennai, Hyderabad, Pune and Mumbai, a-iTrust is well positioned to capitalise on the growing IT and logistics industries in India.

Our strategy is simple – to generate attractive portfolio returns for Unitholders by investing in income-producing real estate used primarily as business space in India. Our properties provide quality and reliable business space to our discerning tenants. This differentiation helps us attract and retain prominent tenants that commit to long leases, thereby fostering a stable income profile for the Trust.

Our growth is founded on a prudent approach to capital management. We are geared towards maintaining a strong balance sheet that meets the liquidity needs of the business.

Notes:

- All information in this annual report is dated as at 31 December 2020 unless otherwise stated.
- All measurements of floor area are defined herein as "Super Built-up Area" or "SBA", which is the sum of the floor area enclosed within the walls, the area occupied by the walls, the common areas such as the lobbies, lift shafts, toilets, and staircases of that property, and in respect of which rent is payable.
- The Indian Rupee and Singapore Dollar are defined herein as "INR/₹" and "SGD/S$" respectively.
- Any discrepancy between the individual amounts and total shown in this annual report is due to rounding.

VISION

To be a leading property Trust with a professionally managed portfolio of quality business space across India.

MISSION

Deliver sustainable returns to our Unitholders through portfolio expansion and prudent capital management.

WHY GO ONLINE?

Our corporate website contains detailed information about the Trust and is frequently updated as additional details become available.

You can sign up for email alerts of our latest news and keep track of the latest events on the Event Calendar page.

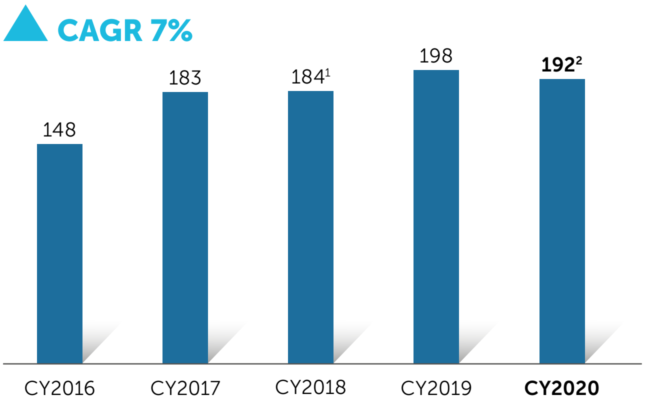
Our corporate website:
www.a-itrust.com

CONTENTS

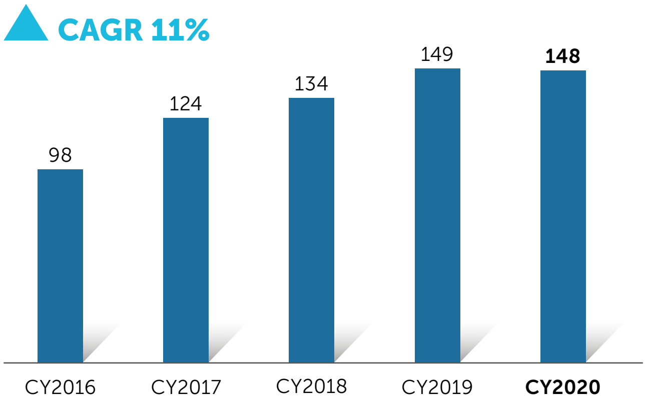
International Tech Park Chennai

AT A GLANCE

REVENUE (S$ MILLION)



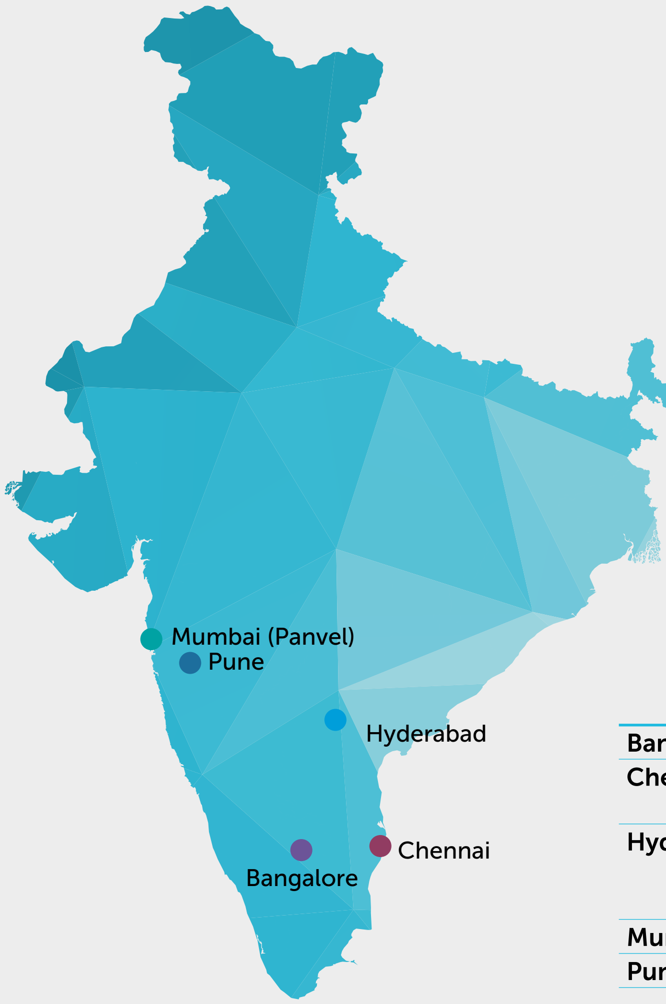
NET PROPERTY INCOME (S$ MILLION)



1 Impacted by lower utilities income with the phasing out of the Dedicated Power Plant in International Tech Park Bangalore. Property expenses also reflected a corresponding decrease due to lower utilities expenses.
2 Impacted by lower utilities and carpark income due to COVID-19 pandemic.

7 IT PARKS AND **1 LOGISTICS PARK**

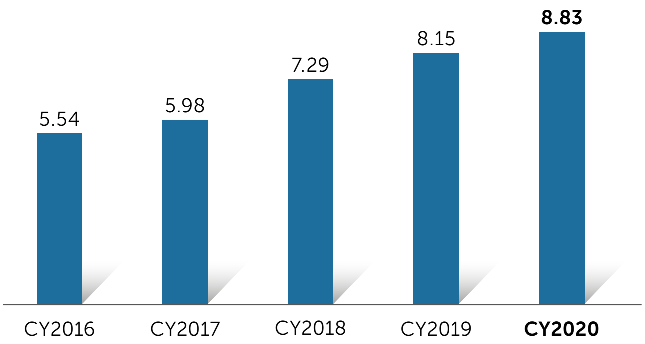
ACROSS **5** KEY INDIAN CITIES



Bangalore	› International Tech Park Bangalore
Chennai	› International Tech Park Chennai › CyberVale
Hyderabad	› International Tech Park Hyderabad › CyberPearl › aVance Hyderabad
Mumbai (Panvel)	› Arshiya Panvel
Pune	› aVance Pune

DPU[3] (S¢)

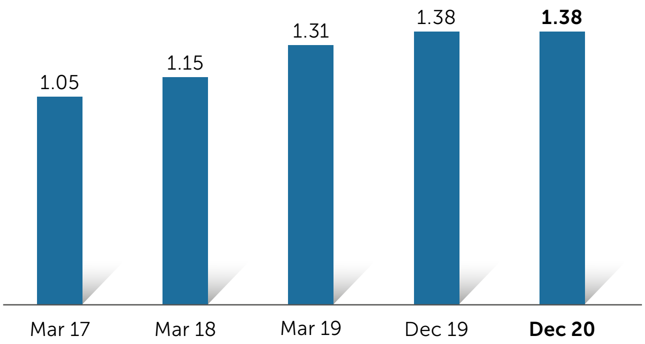
CAGR 12%



3 Refers to distribution per unit post retention of 10% of income.

ADJUSTED NAV[4] (S$)

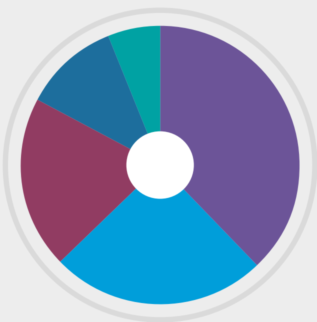
CAGR 8%



4 Adjusted net asset value per unit. Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.

COMPLETED FLOOR AREA (% BREAKDOWN BY AREA)

As at 31 December 2020

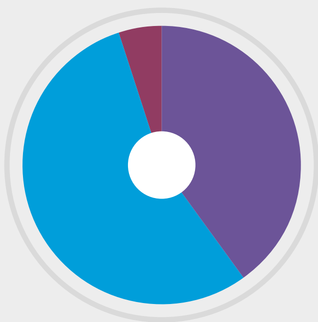


13.8
MILLION SQFT
FLOOR AREA

Bangalore	38%
Hyderabad	25%
Chennai	20%
Pune	11%
Mumbai	6%

POTENTIAL FLOOR AREA (% BREAKDOWN BY AREA)

As at 31 December 2020



7.7
MILLION SQFT
FLOOR AREA

Bangalore	40%
Hyderabad	55%
Chennai	5%

› For more details on our performance, go to pages 56 - 61.
› For more details on our portfolio, go to pages 50 - 53.

Note:
With effect from 1 April 2019, a-iTrust's financial year end was changed from 31 March to 31 December. Calendar Year (CY) figures for 2016 to 2019 are used solely for comparative purposes only.

CHAIRMAN'S MESSAGE

Dear Unitholders

2020 has been an unprecedented year, marked by challenges from the ongoing COVID-19 pandemic which disrupted the lives of all globally. India underwent a nationwide lockdown starting end March 2020, which extended over several phases, before progressively reopening amid varying levels of restrictions across different cities. India's GDP has been estimated to contract by 8.0%[1] for fiscal year 20/21 due to the pandemic. Economic recovery is expected in fiscal year 21/22 with growth forecasted to be at 11.5%[1].

STABLE FINANCIAL PERFORMANCE

In spite of the uncertainties posed by the pandemic, I am pleased to report a sound financial performance for Ascendas India Trust for the financial year ended 31 December 2020 (FY2020). The Trust's DPU[2] grew 8%[3] to 8.83 Singapore cents as compared to a year ago. This is mainly on account of a lower tax expense, where the Trust benefited from India's abolition of Dividend Distribution Tax (DDT[4]), as well as from higher interest income from investments in forward purchases. Net property income is stable at S$148 million in part due to cost savings from operations. Office rental collections remain healthy at 99%[5].

Since a-iTrust's listing on 1 August 2007, a-iTrust's market capitalisation has grown from S$0.9 billion to around S$1.6 billion as at 31 December 2020. The inclusion of a-iTrust in the MSCI Singapore Small Caps Index effective 29 May 2020 could further enhance the trading liquidity and visibility of the Trust to a wider investor pool. Including distributions paid out since listing, a-iTrust has delivered total returns of 91% to Unitholders. The total returns to our unitholders over the last five years stands at 15% per annum.

MANAGING COVID-19

This resilient performance would not have been possible without the dedication and focus of a-iTrust's management and strong support from the various city teams in India, who worked hard to keep our operations going despite the challenges and uncertainties presented by COVID-19. All our IT parks have remained open throughout FY2020 to support our

DPU
8.83
SINGAPORE CENTS
INCREASED 8% YOY

1 Source: International Monetary Fund World Economic Outlook Update, January 2021
2 Refers to distribution per unit post retention of 10% of income.
3 a-iTrust financial year end has changed from 31 March to 31 December. All year on year comparisons are made against the same 12-month period from 1 January 2019 to 31 December 2019.
4 The Indian Government abolished the DDT with effect from 1 April 2020.
5 Figure for 4Q 2020 billings collection status as at 28 February 2021.
6 Excludes Mariner building in ITPH which is being vacated for redevelopment and includes the newly completed Endeavour building in ITPB, which has been 100% committed. Endeavour was previously known as MTB 5.
7 Source: Gartner, January 2021

tenants' operations. With the well-being and safety of our tenants and employees as top priority, we have maintained high international standards in health and sanitisation procedures and adopted enhanced safety measures, including contactless technologies. All our parks have been accredited with the British Safety Council's certification for global benchmark in COVID-19 control measures.

Our retail mall in Bangalore, Park Square, was closed from 14 March 2020 to 7 June 2020 and for a further one week on 14 July 2020 per the Indian government restrictions. Rent reliefs have been granted primarily to these retail tenants to support them during this difficult period. We have also rolled-out various online and in-store activities and campaigns to draw in more shoppers. Mall footfall has increased but only gradually and is expected to improve when International Tech Park Bangalore (ITPB) tenants gradually re-populate the Park.

PORTFOLIO RESILIENCE

As at 31 December 2020, a-iTrust's portfolio valuation remained stable at S$2.1 billion. The Trust's committed portfolio occupancy ended the year at 94%[6]. Even as the situation remains fluid and leasing demand may be subdued in the next year, we are confident in the long-term resilience of our portfolio with its well-diversified tenant base of over 280 tenants. IT spending in India is projected to increase 6.8%[7] to USD 88.8 billion in 2021 with the digitalisation push that was accelerated by the pandemic. The global push for technology transformation, cloud services and e-commerce has brought about new opportunities and strong demand for many of our tenants. While Work From Home (WFH) trends do bring uncertainty to office demand, infrastructure constraints in India make WFH relatively more challenging, and the competitive rents combined with potential productivity losses from WFH provide limited cost savings for tenants. We will continue to actively

CHIANG CHIE FOO
Chairman &
Independent Director

CHAIRMAN'S MESSAGE

engage our tenants to understand their business and growth needs. With our high-quality properties across five different cities and active asset management, we believe in our ability to partner with tenants in the post-COVID environment to provide suitable locational options, "right-sizing" solutions, and safe spaces that support collaborative technology projects.

GROWTH PIPELINE

Construction activities for our current committed growth pipeline, including our forward purchases, have resumed and are in progress. We have completed the construction of the Endeavour building, a new 0.7 million sqft multi-tenanted building in ITPB, in November 2020. This building has been fully pre-committed to a leading IT services company. Together with the revised building approval for International Tech Park Hyderabad which has increased potential leasable area by a further 0.7 million sqft, a-iTrust has 13.8 million sqft of completed portfolio area and total development potential of 7.7 million sqft as at 31 December 2020.

In 2018, a-iTrust acquired its first logistics asset against the backdrop of the e-commerce boom, GST implementation and the "Make in India" campaign. In early 2020, a-iTrust had further entered into a new forward purchase agreement for a quality warehouse located in Khurja.

With increasing data consumption, demand for connectivity and anticipated surge in storage demands due to India's push for data localisation, the burgeoning Indian data centre market is expected to do well in a post-pandemic world. It is our strategic decision to enter and grow the Data Centre asset class to improve our portfolio resilience.

PRUDENT CAPITAL MANAGEMENT

a-iTrust remains prudent in its approach towards capital management to support its growth initiatives. As at 31 December 2020, the Trust has a healthy gearing ratio of 30% and ample total debt headroom of S$1.1 billion to support the Trust's growth pipeline. Cash and undrawn committed facilities totalled S$136

International Tech Park Bangalore

Artist impression: Phase 1 redevelopment of International Tech Park Hyderabad

million and these remain sufficient to repay all existing debts maturing within one year.

LOOKING AHEAD

The strategy for the Trust would be to build portfolio resilience through diversification in location and asset class, while nurturing strong tenant relationships to attract and retain quality tenants. We will continue with our existing committed portfolio pipeline of business parks and logistics assets via investments in forward purchases and through development of our land banks. At the same time, we will also look to pursue value-accretive opportunities in new economy asset classes like logistics and data centres. a-iTrust will continue to leverage on CapitaLand's deep expertise in India. Our Sponsor's strong support will be of tremendous value to a-iTrust.

COMMITMENT TO SUSTAINABILITY

The Board and Management strongly believe that a commitment to sustainability will enable the Trust to generate sustainable returns and greater value to our Unitholders over time. Indeed, we have made sustainability a key priority in our business strategy and embed environment, social and governance (ESG) considerations into our practices and day-to-day business operations. Our FY2020 Sustainability Report is in pages 63 to 96 of this Annual Report. The sustainability framework presented is aligned to that of CapitaLand's. It is a robust framework, and also outlines the progress made by a-iTrust, the Trustee-Manager, and the Property Manager.

ACKNOWLEDGEMENTS

On behalf of the Board and Management, we would like to express our appreciation to Mr Mohandas Pai, who retired from the Board in November 2020, for his wise counsel and invaluable contributions to the Trust. We have benefitted immensely from his active engagement, deep insights and knowledge throughout his nine years of service. We wish him all the best in his new endeavours.

We warmly welcome our new non-executive Independent Directors, Dr Ernest Kan and Ms Jessica Tan, who bring with them diverse and extensive experience and expertise. The Board now has eight members, five of whom are Independent Directors.

We would also like to thank our Unitholders, tenants and partners, for their continued support and confidence in a-iTrust. I would also like to thank my fellow Directors for their contributions, and the Management team for their contributions and commitment to deliver consistent value and growth for the Trust. May all of you stay safe and well.

Chiang Chie Foo
Chairman & Independent Director

IN CONVERSATION WITH CEO

A-ITRUST HAS SEEN LESS THAN 10% OF THE BUSINESS PARK COMMUNITY RETURN TO OFFICE DURING THE LAST THREE QUARTERS OF 2020. WITH THE SHIFT TO WORK FROM HOME, IS THE OFFICE STILL RELEVANT?

We are convinced of the continued relevance of the office. In the case of India, where the home environment may not be conducive due to space, infrastructure and productivity constraints, the need for office space is even more pronounced. Nearly 30% of IT/ITES employees have recorded a loss of productivity and 90% have opined that they missed their work environment[1]. Every year, the IT-BPM sector recruits thousands of fresh graduates who need mentoring, training and value integration and achieving this remotely is likely to be a significant challenge for companies. We expect corporates to take on a hybrid approach and provide greater flexibility to employees on their work location choices post-COVID. Based on various market sources and surveys, it may be possible that about 20% to 30% of employees will be working from home at any one point in the new normal. Flexibility in space is likely to be important, where the office serves as a core business hub with more well-spaced interactive areas. We will monitor these trends and provide tenants suitable "right-sizing" solutions to meet their business and growth needs.

HOW WILL THIS TREND AFFECT A-ITRUST'S INVESTMENT AND ASSET MANAGEMENT STRATEGY?

While there are certain short-term uncertainties, the demand for IT and ITES remains strong in India. In fact, this has received a boost because of the increased pace of digitalisation and technology transformation brought about by the pandemic. Given this, balancing office leasing supply and demand will be key, and

SANJEEV DASGUPTA
Executive Director &
Chief Executive Officer

we will be disciplined in our approach of acquiring attractive assets that are accretive to our DPU and value-adding to Unitholders. We will continue to acquire our committed growth pipeline of forward purchases in both business and logistics parks upon fulfilment of the conditions precedent. ITPH redevelopment is expected to happen over several phases in the next 7 to 10 years depending on leasing demands. Our ongoing strategy to proactively seek and engage quality tenants into our parks has been a right step in ensuring our portfolio resilience. We have a diversified, high quality tenant base of more than 87%[2] multinational corporations and 52%[2] whose core business activities relate to IT development and service support. In the past few years, we have also diversified into logistics assets, for which there continues to be a strong demand. We are looking to further diversify to suitable micro-markets to provide more locational options. We will also look for opportunities in the data centre segment to provide greater diversification and to improve portfolio resilience. We remain confident in the long-term resilience of India's office asset class, growth of the logistics market and new opportunities arising from rapid rise in data usage. While the Trust may still face some headwinds in 2021, we believe that as we continue to implement our focused portfolio management and growth strategy, we will be able to emerge stronger and future ready.

A-ITRUST HAS EXTENDED MORE CONSTRUCTION FUNDING TO ITS FORWARD PURCHASES DURING THE YEAR. WITH THE CURRENT OUTLOOK, DOES THE TRUST FORESEE ANY RISKS? WILL THE TRUST'S FUTURE INVESTMENTS CONTINUE TO BE VIA FORWARD PURCHASES?

a-iTrust has been entering into forward purchase agreements for acquisitions in the recent years as it allows us to lock-in quality assets at an early stage of development at attractive prices. To mitigate the risks, we have put in place sufficient safeguards such as conservative loan-to-value ratios and adequate security cover. We do not see any current cause of concern from our vendors for the various committed forward purchases. In the unlikely event where the vendor is unable to continue to complete the project, we also have the local expertise to continue with the development and management of the buildings. In the case of aVance Pune which was acquired in February 2017 when occupancy was below the stipulated leasing threshold, we successfully boosted returns by negotiating pricing deductions and successfully ramped up leasing by more than 30% in the year after acquisition. Looking forward, we believe this model will continue to serve us well to acquire quality assets in well-located micro-markets at attractive prices.

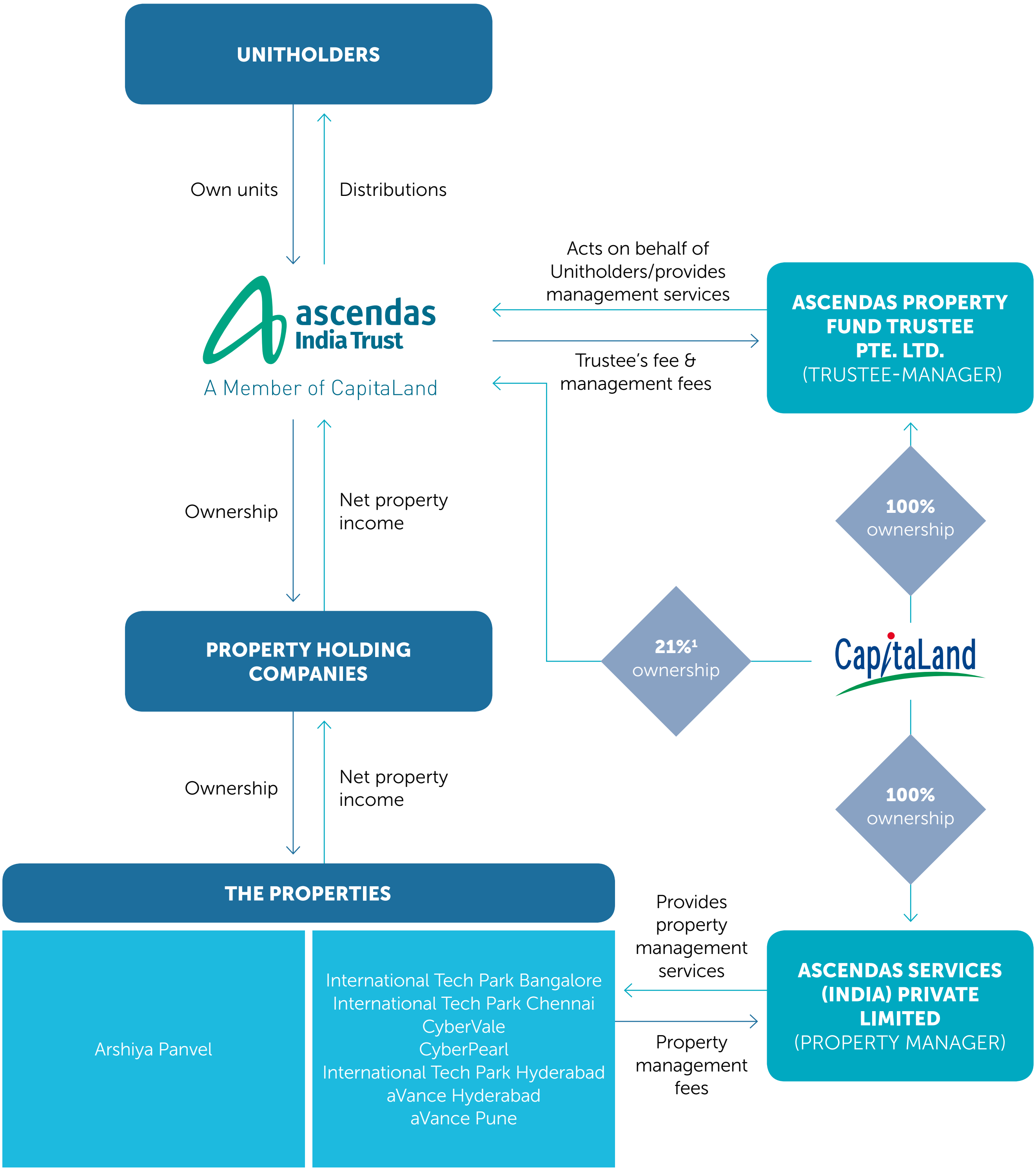

aVance Pune

HOW DOES A-ITRUST INTEND TO FUND ITS COMMITTED GROWTH PIPELINE?

As at 31 December 2020, a-iTrust had a low gearing ratio of 30% and cash and undrawn committed facilities of S$136 million. Based on the revised regulatory gearing limit of 50%[3], the debt headroom of S$1.1 billion as at 31 December 2020 can be used to fully fund the existing investment commitments.

1 Knight Frank; Work From Home - Indian Real Estate Residential & Office
2 Information by base rental as at 31 December 2020.
3 In accordance with Appendix 6 of the Code on Collective Investment Schemes

TRUST & ORGANISATION STRUCTURE



1 As at 31 December 2020

TRUST OVERVIEW

Enhanced Stability

Although a-iTrust is structured as a business trust, we have voluntarily adopted the following restrictions to enhance the stability of distributions to Unitholders:

- adherence to safeguarding provisions on allowable investments as defined under Monetary Authority of Singapore's Property Funds Appendix;
- gearing ratio capped at 50%[2];
- property development activities limited to 20% of Trust property; and
- minimum 90% of distributable income to be distributed.

Tax-exempt Distributions

Distributions made by a-iTrust, being a registered business trust, are not subjected to Singapore income tax in the hands of all Unitholders, i.e. regardless of whether they are corporates or individuals, foreign or local. Our distributions are free of Singapore withholding tax or tax deducted at source.

Asset and Property Management

a-iTrust is managed by Ascendas Property Fund Trustee Pte. Ltd. (Trustee-Manager), a wholly owned subsidiary of CapitaLand Limited. The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders, and managing the business conducted by a-iTrust. Ascendas Services (India) Private Limited (Property Manager) is responsible for managing the daily operations and maintenance of our properties.

ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.
(TRUSTEE-MANAGER)

› For more details on the Board of Directors, go to pages 20 - 25.
› For more details on the Trustee-Manager, go to pages 26 - 27.

2 As provided under Appendix 6 of the Code on Collective Investment Schemes.

BOARD OF DIRECTORS


CHIANG CHIE FOO


MANOHAR KHIATANI


SANJEEV DASGUPTA


ALAN RUPERT NISBET


ZIA JAYDEV MODY


ERNEST KAN YAW KIONG


TAN SOON NEO JESSICA


JONATHAN YAP NENG TONG

CHIANG CHIE FOO, 64

CHAIRMAN
NON-EXECUTIVE INDEPENDENT DIRECTOR

- Bachelor of Electronic Engineering (First Class Honours), University of Western Australia
- Master in Public Administration, Harvard University

Date of first appointment as a Director
1 April 2016

Date of appointment as Chairman
8 July 2016

Length of service as a Director (as at 31 December 2020)
4 Years and 9 months

Present directorship in other listed company
- ComfortDelGro Corporation Limited

Present principal commitments
- Asia Pacific Breweries Foundation (Member, Board of Trustee)
- Lee Kuan Yew Exchange Fellowship (Director)
- Central Provident Fund Board (Chairman)
- Ministry of Defence (Senior Advisor)
- PUB, Singapore's National Water Agency (Chairman)
- Epworth Community Services (Board Member)
- AETOS Holdings Pte Ltd (Chairman)

Past directorship in other listed company held over the preceding three years
- Nil

Background and working experience
- Permanent Secretary, Ministry of Defence (from 2004 to 2013)
- Permanent Secretary, Prime Minister's Office (from 2005 to 2011)

BOARD OF DIRECTORS

MANOHAR KHIATANI, 61

NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

- Masters Degree (Naval Architecture), the University of Hamburg, Germany
- Advanced Management Program, Harvard Business School

Date of first appointment as a Director
1 June 2013

Length of service as a Director (as at 31 December 2020)
7 years 7 months

Board committee served on
- Investment Committee (Chairman)

Present directorships in other listed companies
- SIA Engineering Company Limited
- Ascendas Fund Management (S) Limited (Manager of Ascendas Real Estate Investment Trust)

Present principal commitments
- CapitaLand Limited (Senior Executive Director)
- Singapore Economic Development Board (Special Advisor to Chairman)
- Ascendas Pte Ltd (Director)
- Ascendas Investment Pte Ltd (Director)
- Ascendas Land International Pte Ltd (Director)
- CapitaLand Singapore (BP&C) Pte Ltd (Director)
- CapitaLand India Pte Ltd (Director)
- Ascendas-Citramas Pte Ltd (Director)
- Jilin Food Zone Pte Ltd (Alternate Director)
- Nusajaya Tech Park Sdn Bhd (Director)
- Singapore Amaravati Investment Holdings Pte Ltd (Director)
- Directorships in other CapitaLand Group companies

Past directorship in other listed companies held over the preceding three years
- Ascendas Hospitality Fund Management Pte Ltd (Manager of Ascendas Hospitality Real Estate Investment Trust[1])
- Ascendas Hospitality Trust Management Pte Ltd (Trustee-Manager of Ascendas Hospitality Business Trust[1])

Background and working experience
- Senior Executive Director, CapitaLand Group (from July 2019 to present)
- Deputy Group CEO, Ascendas-Singbridge Pte Ltd (from January 2016 to June 2019)
- President & Chief Executive Officer, Ascendas Pte Ltd (from May 2013 to December 2015)
- Chief Executive Officer, JTC Corporation (from October 2009 to April 2013)
- Deputy/Assistant Managing Director, Economic Development Board (from February 2007 to September 2009)
- Director, Economic Development Board (from May 1999 to February 2007)

1 Delisted from the official List of the Singapore Exchange Securities Trading Limited on 3 January 2020.

SANJEEV DASGUPTA, 53

CHIEF EXECUTIVE OFFICER
EXECUTIVE NON-INDEPENDENT DIRECTOR

- Bachelor of Commerce, Mumbai University, India
- Master of Business Administration, London Business School, United Kingdom
- Qualified Chartered Accountant
- Graduate Company Secretary, India

Date of first appointment as a Director
1 October 2014
Length of service as a Director (as at 31 December 2020)
6 years and 3 months

Present directorships in other listed companies
- Nil

Present principal commitments
- Chief Executive Officer, Ascendas Property Fund Trustee Pte. Ltd. (Trustee-Manager of Ascendas India Trust)

Past directorship in other listed company held over the preceding three years
- Nil

Background and working experience
- President, Real Estate, ICICI Venture Funds Mgmt. Co. Ltd. (from 2009 to 2014)
- Managing Director, Future Capital Real Estate (from 2005 to 2009)

ALAN RUPERT NISBET, 70

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Diploma in Business Studies, Accounting from the Caulfield Institute of Technology, Melbourne
- Fellow, Institute of Singapore Chartered Accountants

Date of first appointment as a Director
30 September 2015
Length of service as a Director (as at 31 December 2020)
5 years and 3 months

Board committee served on
- Audit and Risk Committee (Chairman)

Present directorships in other listed companies
- Halcyon Agri Corporation Limited
- KrisEnergy Ltd
- Keppel REIT Management Limited (Manager of Keppel REIT)

Present principal commitments
- Standard Chartered Bank (Singapore) Limited (Director)
- RF Brussels Pte. Limited (Director)
- RF Holdings Pte. Limited (Director)
- Roberts Investments Holdings Pte. Limited (Director)
- Roberts Investments Pte. Limited (Director)

Past directorship in other listed company held over the preceding three years
- Nil

Background and working experience
- Principal, Kanni Advisory (from June 2011 to December 2019)
- Partner and Audit Leader, Deloitte & Touche LLP (from January 1989 to May 2011)

BOARD OF DIRECTORS

ZIA JAYDEV MODY, 64

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Bachelor of Arts (Law), Selwyn College, University of Cambridge
- Master of Laws, Harvard University
- Admitted to the New York State Bar Association and the Bar Council of Maharashtra and Goa

Date of first appointment as a Director
1 February 2018
Length of service as a Director (as at 31 December 2020)
2 years and 11 months

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

Present directorships in other listed companies
- CLP Holdings Limited
- The Hongkong and Shanghai Banking Corporation Limited

Present principal commitments
- AZB & Partners (Founder and Senior Partner)
- J.M. Holdings Limited (Director)
- Cambridge India Research Foundation (Non-Executive Director)
- ICCA Foundation, Inc. (Non-Executive Member, Governing Board)
- Observer Research Foundation (Non-Executive Trustee)

Past directorship in other listed company held over the preceding three years
- Nil

Background and working experience
- Founder and Senior Partner, AZB & Partners (from 2004 to present)

Awards
- India Managing Partner of the Year
- Ranked No. 1 by Fortune India in it’s ‘India's 50 Most Powerful Women in business’ list
- India’s 10 Most Powerful Women
- Asia’s 50 Power Businesswomen

ERNEST KAN YAW KIONG, 63

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Fellow, Institute of Singapore Chartered Accountants
- Fellow, Institute of Chartered Accountants in England & Wales
- Fellow, Association of Chartered Certified Accountants (UK)
- Fellow, CPA Australia

Date of first appointment as a Director
20 November 2020
Length of service as a Director (as at 31 December 2020)
1 month

Board committee served on
- Audit and Risk Committee (Member)

Present directorships in other listed companies
- Nil

Present principal commitments
- Nil

Past directorship in other listed company held over the preceding three years
- Nil

Background and working experience
- Chief Advisor (Capital Markets China), Singapore Exchange (from September 2018 to November 2020)
- Deputy Managing Partner, Deloitte & Touche LLP (as Partner from July 1994 to May 2018)

TAN SOON NEO JESSICA, 54

NON-EXECUTIVE INDEPENDENT DIRECTOR

- Bachelor of Social Sciences (Honours), National University of Singapore
- Bachelor of Arts, National University of Singapore

Date of first appointment as a Director
20 November 2020

Length of service as a Director (as at 31 December 2020)
1 month

Board committee served on
- Investment Committee (Member)

Present directorships in other listed companies
- SATS Ltd.

Present principal commitments
- Changi Health Fund (Ltd.) (Director)
- East Coast Town Council (Chairman)
- Finance, Trade & Industry and Communications & Information Parliamentary Committees (Member)
- Parliament of Singapore (Member of Parliament, East Coast GRC)
- Parliament of Singapore (Deputy Speaker)
- Nanyang Polytechnic (Vice Chairman, Board of Governors)
- Nanyang Polytechnic Information Technology, Advisory Committee (Chairman)
- Raffles Medical Group Ltd (Director, Group Commercial)
- RM Network Pte. Ltd. (Director)
- Singapore Management University, The School of Information Systems (Member, Board of Advisors)

Past directorship in other listed company held over the preceding three years
- CapitaLand Commercial Trust Management Limited (Manager of CapitaLand Commercial Trust[2])

Background and working experience
- Microsoft (from 2003 to 2016), holding various senior positions in Singapore and Asia Pacific region. Last position held was Managing Director, Microsoft Operations, Singapore.
- IBM (from 1989 to 2003), holding several senior positions in Singapore and Asia Pacific region. Last position held was Director, Networking Services, IBM Global Services, Asia Pacific.

Awards
- Singapore Computer Society IT Leader Award 2015

JONATHAN YAP NENG TONG, 53

NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

- Bachelor of Science in Estate Management (Honours), National University of Singapore
- Master of Science in Project Management, National University of Singapore

Date of first appointment as a Director
8 July 2016

Length of service as a Director (as at 31 December 2020)
4 Years and 4 months

Board committee served on
- Investment Committee (Member)

Present directorships in other listed companies
- CapitaLand Integrated Commercial Trust Management Limited (Manager of CapitaLand Integrated Commercial Trust)
- CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (Manager of CapitaLand Malaysia Mall Trust)

Present principal commitments
- CapitaLand Group (President, CapitaLand Financial)
- Institute of South Asian Studies, National University of Singapore (Member, Management Board)
- REIT Association of Singapore (President, Executive Committee)

Past directorship in other listed company held over the preceding three years
- CapitaLand Commercial Trust Management Limited (Manager of CapitaLand Commercial Trust[2])

Background and working experience
- Group Chief Operating Officer, Ascendas-Singbridge Pte. Ltd. (from July 2018 to June 2019)
- Group Chief Financial Officer, Ascendas-Singbridge Pte. Ltd. (from September 2017 to June 2019)
- Chief Investment Officer and Head of Real Estate Funds, Ascendas-Singbridge Pte. Ltd. (from June 2015 to November 2017)
- Assistant Group Chief Executive Officer for Overseas Funds & India, Ascendas Pte. Ltd. (from July 2012 to May 2015)
- Head of Real Estate Funds, Ascendas Pte Ltd (from January 2008 to May 2015)
- Executive Director and Chief Executive Officer, Ascendas Property Fund Trustee Pte. Ltd. (from June 2007 to September 2014)

2 Delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 November 2020.

TRUSTEE - MANAGER

SANJEEV DASGUPTA

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

Mr Dasgupta is both an Executive Director and the Chief Executive Officer of the Trustee-Manager.

Mr Dasgupta has around 25 years of experience in the areas of real estate fund management, corporate finance, strategy and financial control. Prior to joining the Trustee-Manager, he was working as President of Real Estate at ICICI Venture Funds Mgmt. Co. Ltd., a leading private equity fund manager in India. In that role, he was responsible for investments and portfolio management of the Real Estate funds of around USD 600 million. Before joining ICICI Venture, he managed real estate investments of around USD 430 million as Managing Director at Future Capital Real Estate, a leading real estate development-oriented fund manager. He led several landmark investments in metros such as Mumbai and Bangalore and in high growth tier 2 cities. His prior work experience included stints with organisations such as Tata Group and Merrill Lynch across India, Hong Kong and London.

Mr Dasgupta holds a Bachelor of Commerce from the Mumbai University, India and a Master of Business Administration from the London Business School, United Kingdom. He is a qualified Chartered Accountant and a Graduate Company Secretary, India.

TAN CHOON SIANG

CHIEF FINANCIAL OFFICER

As Chief Financial Officer, Mr Tan is responsible for financial and regulatory reporting, treasury, investor relations, taxation, risk management and compliance.

Mr Tan has more than 20 years of experience in financial management, investments, corporate finance, treasury and investment banking. Immediately prior to joining the Trustee-Manager, he was the Head of Corporate Finance & Treasury at Ascendas-Singbridge Pte. Ltd., where he oversaw Ascendas-Singbridge Group's corporate finance and treasury activities across the region. Prior to that, he was Vice President of Corporate Finance at Genting Singapore Plc, a company listed on the Main Board of the Singapore Exchange Securities Trading Limited. At Genting Singapore, he was responsible for the company's investments, financing and treasury functions. Mr Tan joined Genting Singapore in 2011 and held various positions within the company, including Vice President of Investments and Director of Corporate Planning. Between 2006 and 2011, Mr Tan was at Goldman Sachs in Hong Kong and Singapore where he was an Executive Director in the Securities Division. Before Goldman Sachs, Mr Tan's experience also included stints in the Investment Banking Division at Deutsche Bank and the Ministry of Finance, Singapore.

Mr Tan holds a Master's Degree in Economics from Massachusetts Institute of Technology and a Bachelor of Science in Economics from Massachusetts Institute of Technology.

ROHITH BHANDARY

HEAD, INVESTMENTS

As Head, Investments, Mr Bhandary is responsible for developing and executing a-iTrust's investment and business development strategy. He leads the team in seeking asset acquisitions and development opportunities.

Mr Bhandary has over 22 years of work experience across real estate, private equity and corporate finance. His real estate experience spans across private equity, project finance and advisory. Prior to joining the Trustee-Manager, Mr Bhandary was co-head of Real Estate Investment Practice at ICICI Venture where he managed investments of about INR 13 billion across multiple equity and debt real estate funds. His track record includes funds which have delivered a gross Internal Rate of Return of over 22%. Prior to joining ICICI Venture, Mr Bhandary was an Investment Principal at Actis India Real Estate Fund. Earlier, he worked with ICICI Bank in the Construction Realty & Funding group where he managed bank relationships with large real estate developers.

Mr Bhandary holds a Bachelor's Degree in Mechanical Engineering from Mysore University, India and a Master of Business Administration from the Indian Institute of Management, Calcutta.

PROPERTY MANAGER

SUMIT GERA

HEAD, PORTFOLIO MANAGEMENT

As Head, Portfolio Management, Mr Gera is responsible for managing asset performance and driving value creation of the a-iTrust portfolio.

Mr Gera has over 15 years of experience in pan-Asia real estate investments, fund and portfolio management. Prior to joining the Trustee-Manager, Mr Gera was Head of India Investments and Capital Partnerships at Ascendas-Singbridge Group. In this role, he was responsible for managing India focused private equity partnerships, and portfolio and investment management for the Group's India investments.

Before joining Ascendas-Singbridge in 2016, Mr Gera was Vice President at Partners Group AG, a global private markets investment manager. At Partners Group, Mr Gera worked in Switzerland and Singapore and was responsible for over USD 400 million of real estate investments across Asia Pacific, with a focus on the Indian and Australian markets. He has also worked briefly at ICICI Bank and McKinsey & Company.

Mr Gera holds a Master's Degree in Business Administration from National University of Singapore and a Bachelor's Degree in Commerce from Shri Ram College of Commerce, University of Delhi, India.

VINAMRA SRIVASTAVA

CHIEF EXECUTIVE OFFICER, ASCENDAS SERVICES (INDIA) PRIVATE LIMITED

Mr Srivastava was appointed Chief Executive Officer of Ascendas Services (India) Private Limited with effect from 1 April 2018.

In this role, Mr Srivastava oversees corporate strategy, investments, project development, sales & marketing, and operations, and leads expanding and enhancing the CapitaLand Group's portfolio of assets in India.

Mr Srivastava was previously based in Singapore heading Group Corporate Strategy & Development in Ascendas-Singbridge Group. He contributed to the successful Ascendas-Singbridge post-merger integration process and has played a key leadership role to develop the India strategy for the Group as well as setting up the Group's logistics new business in India.

Prior to joining Ascendas-Singbridge Group, Mr Srivastava was a Principal with Roland Berger Strategy Consultants and his earlier experience includes stints with Arthur D. Little and Cisco Systems. He has long standing experience in strategy and operations across these firms, where he led projects primarily in Singapore, India, Southeast Asia, Europe Middle East, and Africa.

He graduated with a Bachelor of Engineering Degree from the University of Pune and a Master of Business Administration from the Indian Institute of Management Ahmedabad.

ANANTH NAYAK

CHIEF FINANCIAL OFFICER, ASCENDAS SERVICES (INDIA) PRIVATE LIMITED

Mr Nayak oversees the Finance function for CapitaLand's India operations which includes accounting and reporting, financial strategy and analysis, funding, treasury, tax matters and other key aspects.

He joined Ascendas-Singbridge Group in November 2018. He has spent over 24 years working in India across a diverse set of industries and has handled Finance for the most of his career.

He graduated with a Bachelor of Engineering Degree from the National Institute of Technology, Surathkal and holds a Master of Business Administration from the Indian Institute of Management, Calcutta.

Prior to joining Ascendas-Singbridge Group, he was Chief Financial Officer with KEF Infra & Total Environment, Infrastructure & Real Estate companies based out of Bangalore. In his prior corporate experience, he has handled the roles of Vice President – Finance in Patni Computer Systems, Manager – Finance at Asian Paints apart from other assignments.

STRATEGY

MISSION

Deliver sustainable returns to our Unitholders through portfolio expansion and prudent capital management.

INVESTMENT MANAGEMENT

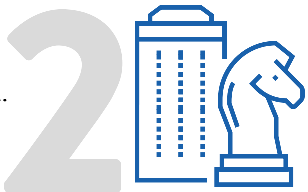
OBJECTIVE:

To develop or acquire quality assets which provide attractive cash flows, enhance earnings, and improve the diversification of the portfolio.

WHAT WE DO:

We grow by developing our land bank and acquiring stabilised properties from third parties and our sponsor.

› To read more, go to pages 34 - 37.



ASSET MANAGEMENT

OBJECTIVE:

To ensure sustainable long term financial and operational performance of the properties.

WHAT WE DO:

We provide a clean, safe and high-quality working environment and nurture strong relationships with tenants.

› To read more, go to pages 38 - 41.

CAPITAL MANAGEMENT

OBJECTIVE:

To maintain a strong financial position as we grow the portfolio.

WHAT WE DO:

We diversify our funding sources. We consider raising equity and debt to fund our growth, to maintain the Trust's gearing at an appropriate level. We also employ strategies to manage our exposure to interest rate, currency and liquidity risks.

› To read more, go to pages 42 - 43.

4

ENTERPRISE RISK MANAGEMENT

To optimise opportunities within the known and agreed risk appetite levels.

We maintain an enterprise-wide risk management process that identifies material risks and implements key controls to mitigate those risks.

› To read more, go to pages 44 - 47.

5

INVESTOR RELATIONS

To help investors make informed investment decisions on a-iTrust.

We provide timely and transparent information to the investment community to apprise them of significant developments regarding the Trust.

› To read more, go to pages 48 - 49.

6

BUSINESS SUSTAINABILITY

To run our business in a sustainable and responsible manner.

We incorporate sound environmental, social and governance practices into our business.

› To read more, go to pages 63 - 96.

MARKET REVIEW

Source: Savills Research

ECONOMIC OVERVIEW

India remains one of the fastest growing large economies in the world. Based on the International Monetary Fund (IMF) forecast of India's FY20/21 GDP[1], India will be the seventh largest economy in the world and third largest in terms of purchasing power parity.

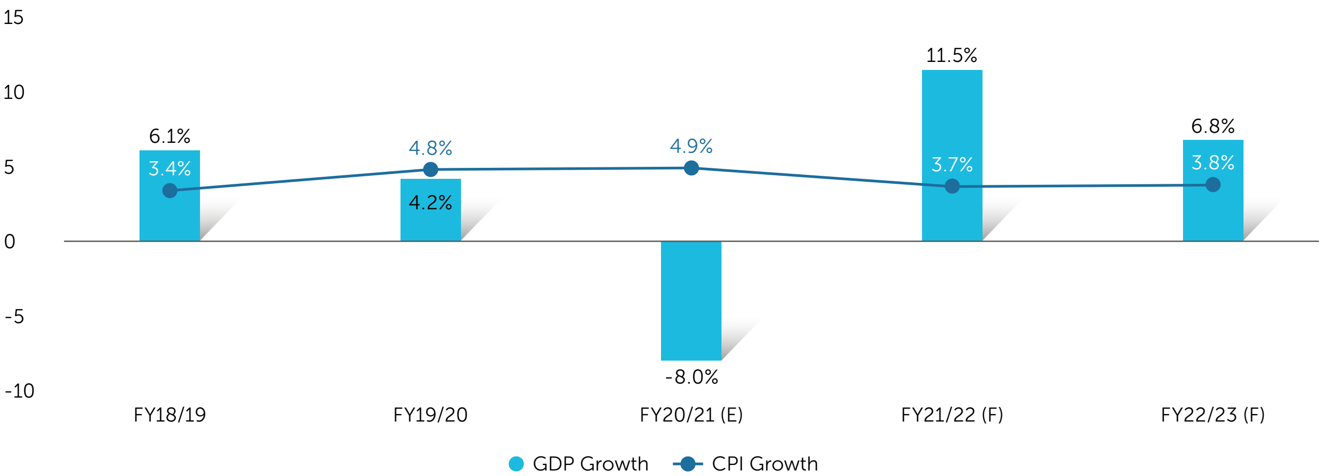
Impacted by COVID-19 pandemic, the Indian economy contracted by 23.9%[2] YOY in Q1 FY20/21, before registering a 7.5%[2] YOY contraction in Q2 FY20/21. As economic growth is expected to recover in the second half of FY20/21, IMF forecasted GDP contraction of 8.0%[3] for the full FY20/21.

Economic growth is expected to be back in positive territory in FY21/22, with a GDP growth rate forecast of 11.5%[3]. This growth is expected to be aided by structural reforms being undertaken and revival in domestic and foreign investment. The *Atmanirbhar Bharat Abhiyan* (Self-Reliant India Campaign) launched in May 2020 and Production Linked Incentive Scheme introduced in November 2020 are indicative of the Indian government providing necessary policy support to the private sector.

Consumer Price Index (CPI) inflation stood at 4.6%[2] as at December 2020, a marginal decrease as compared to the 4.8% reported at the end of FY19/20. CPI is forecasted to be 4.9%[1] in FY20/21 and 3.7%[1] in FY21/22, which is within the tolerance band of 4.0% ± 2.0% set by Reserve Bank of India (RBI)[4].

India continues to be an attractive investment destination for manufacturing and services. Despite the uncertainties posed by COVID-19, India received USD 43.2 billion[5] of FDI inflow during the first nine months of CY2020, 16.8% higher than the same period in CY2019.

INDIA'S GDP AND CPI YEAR ON YEAR GROWTH



Source: IMF World Economic Outlook, October 2020 and January 2021

1 IMF World Economic Outlook October 2020
2 Ministry of Statistics and Programme Implementation, India
3 IMF World Economic Outlook January 2021
4 RBI Annual Report FY19/20
5 Department of Industrial Policy and Promotion, September 2020

IT INDUSTRY OVERVIEW

The table below highlights the Information Technology and Business Process Management (IT-BPM) industry performance over the years:

Particulars	Unit	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21 (E)
IT-BPM Revenues*	USD billion	143	154	167	177	191	194
Growth in IT-BPM Revenues	%	8.5	8.6	8.0	6.1	7.7	2.3
Exports	USD billion	108	116	126	136	147	150
Growth in Exports	%	10.3	7.6	8.6	8.3	8.1	1.9
Exports as % of Total Revenues	%	76	75	75	77	77	77
Employment	million	3.7	3.9	4.0	4.1	4.3	4.5
Increase in Employment	number	200,000	170,000	105,000	135,000	205,000	138,000

* Values exclude revenue from e-commerce sector
Source: National Association of Software and Services Companies (NASSCOM) Yearly Strategic Reviews

According to NASSCOM, in FY19/20, the IT-BPM industry registered 7.7%[6] YOY revenue growth, driven by the upskilling of employees and advancement in digital transformation enablers such as business process automation, artificial intelligence, cloud computing and data analytics. The industry also registered 8.1%[6] YOY growth in exports to approximately USD 147 billion.

The IT-BPM sector, which accounts for approximately 8%[6] of India's GDP, has shown resilience amid the COVID-19 pandemic, with many IT companies reporting robust performance during the year. For example, HCL Technologies and TCS recorded 7.0%[7] and 3.0%[8] YOY growth in revenue, respectively, for their 9-month operations ending December 2020. Large outsourcing deals were signed during the year, notable ones include Infosys signing a USD 1.5 billion deal with Vanguard[9] and Wipro signing a USD 700 million deal with Metro AG[10].

In FY20/21, NASSCOM expects the IT-BPM sector to grow 2.3% and 1.9%[11] YOY in revenue and exports, respectively. The industry will also remain as one of the largest organised sector employers, with employment expected to reach approximately 4.5 million[11] people by end of FY20/21.

Key emerging challenges for the IT-BPM industry include political and economic uncertainty, and introduction of disruptive technologies.

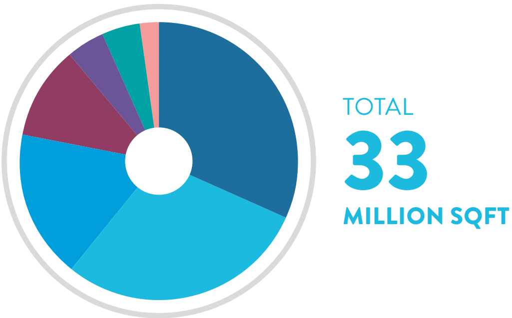
6 NASSCOM Strategic Review 2020
7 HCL Technologies 3Q FY20/21 Financial Results
8 TCS 3Q FY20/21 Consolidated Financial Results
9 Media reports
10 Wipro and METRO AG Sign Strategic Digital and IT Deal released by Wipro
11 NASSCOM Strategic Review 2021

MARKET REVIEW

OFFICE MARKET OVERVIEW

The India office market is concentrated in seven key cities, which contribute to the majority of investment-grade office stock in the country.

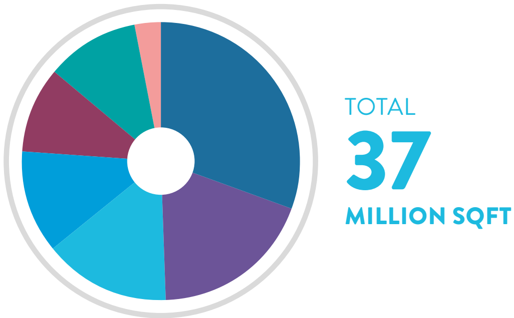
GRADE-A OFFICE SUPPLY CY2020



Bangalore	32%
Hyderabad	29%
NCR	17%
Chennai	11%
Mumbai	5%
Pune	4%
Kolkata	2%

Source: Savills Research, 2020

GRADE-A OFFICE ABSORPTION CY2020



Bangalore	31%
Mumbai	18%
Hyderabad	15%
NCR	12%
Chennai	11%
Pune	10%
Kolkata	3%

Source: Savills Research, 2020

SUPPLY TREND

The Indian commercial office segment saw 33.0 million sqft of Grade-A supply across the seven key cities (Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, NCR and Pune) during CY2020. This represented a decrease of 33.4% as compared to CY2019, mainly due to delays in construction activity during the COVID-19 nationwide lockdown. Bangalore witnessed the highest supply of office space of 10.5 million sqft followed by Hyderabad and NCR with supply of 9.6 million sqft and 5.7 million sqft, respectively. Bangalore, Chennai, Hyderabad and Pune, the cities where the Trust properties are located, collectively accounted for approximately 76.2% of the supply in CY2020. Quality supply continues to draw in occupiers who are willing to pre-commit space, especially in cities like Bangalore, Chennai, Hyderabad and Pune.

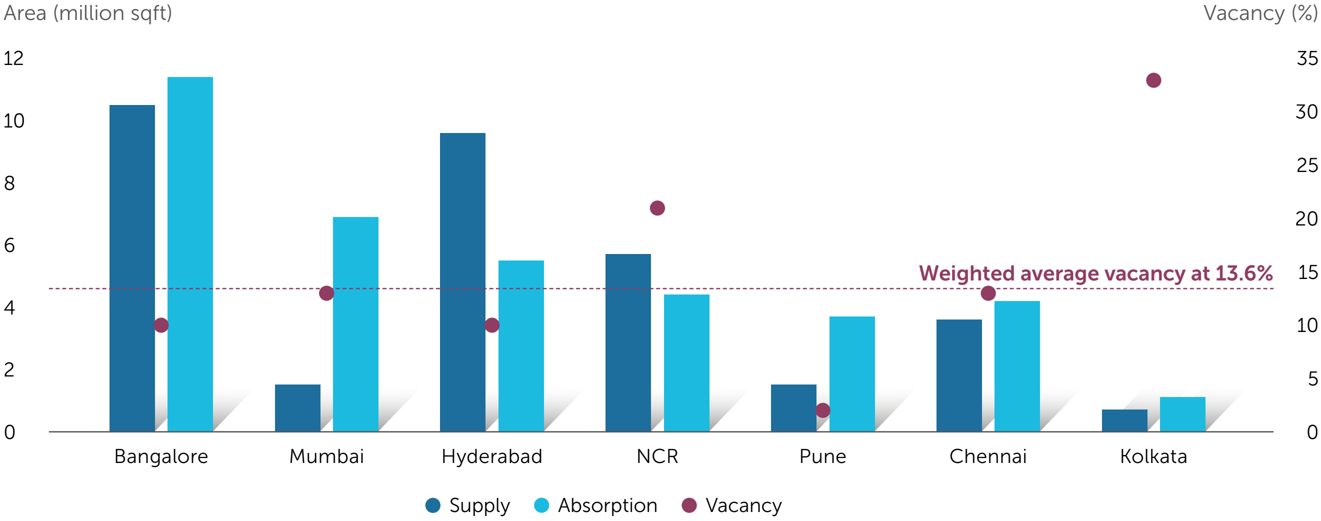
ABSORPTION TREND

Commercial office absorption across the seven key cities witnessed a fall to 37.2 million sqft in CY2020 from the record high Grade-A absorption of 55.6 million sqft seen in CY2019. This fall in absorption was on account of corporates shifting to Work From Home setup during COVID-19 induced lockdown and putting their real estate growth plans on hold. IT-BPM companies continue to be the primary demand generator, with a share of 48.7% in pan-India office space witnessed in CY2020. Engineering and manufacturing sectors leased 12.7%, followed by banking, financial services and insurance sectors as well as co-working which leased 12.3% and 8.4%, respectively.

Bangalore and Mumbai witnessed the highest office space absorption among the seven key cities, at 11.4 million sqft and 6.9 million sqft, respectively. They were followed by Hyderabad and NCR region with an absorption of 5.5 million sqft and 4.4 million sqft, respectively.

Bangalore, Chennai, Hyderabad and Pune, cities where the Trust properties are located, registered a total gross absorption of 24.8 million sqft, accounting for approximately 66.6% of the total absorption in CY2020.

SUPPLY, ABSORPTION AND VACANCY IN CY2020



Source: Savills Research, 2020

VACANCY TREND

The weighted average vacancy level across the seven key cities marginally increased to 13.6% in December 2020 as compared to 13.2% in December 2019. This increase was due to the rise in vacancy levels in cities like Bangalore, Chennai and Hyderabad. Pune had the lowest vacancy levels among the seven key cities at 2.2%.

OUTLOOK

While the IT-BPM sector remains the largest space occupiers in India, many companies adopted Work From Home setup in CY2020. Despite the sector's growth during the year, real estate leasing was slow as companies were uncertain on their real estate plans. Most tenants continued with their renewal plans while some reduced their footprint during the year. However, with the decline in daily new COVID-19 cases and the commencement of vaccination drive, we expect employees to start returning to office and companies to review their real estate strategies in CY2021.

Projects under construction are expected to be delayed by 6 to 12 months due to tepid demand and shortage of financing for speculative developments. Impacted by the supply spillover from CY2020, 51.1 million sqft is expected to be added across the seven key cities in CY2021. With absorption expected to pick up, weighted average vacancy level across the seven key cities will likely remain stable in CY2021.

Two of the major developments in the commercial office segment in CY2020 were the enforcement of the SEZ Sunset Clause in March 2020 and the listing of more Real Estate Investment Trusts (REITs) in India. The enforcement of the SEZ Sunset Clause in March 2020 resulted in new SEZ units ineligible for direct tax benefits. This reduces the relative advantage of SEZ developments over their non-SEZ counterparts. The listing of Mindspace Business Parks REIT in July 2020 and Brookfield REIT in February 2021 will likely contribute to the long term development of commercial real estate landscape and institutional investor appetite for India's growing real estate sector.

Overall, we believe that the availability of skilled manpower at competitive cost, attractive office rentals and supportive policy reforms will continue to drive office space demand from multinational companies in CY2021.

INVESTMENT MANAGEMENT

OVERVIEW

Objective

Our investment management objectives are focused on maximising returns and optimising risk by:

- progressively developing the Trust's land bank, taking into consideration market conditions and leasing demand, so as to reduce risks and maximise returns; and
- acquiring quality assets which provide attractive cash flows, enhance earnings, and diversify the portfolio.

DEVELOPMENT STRATEGY

Since listing, a-iTrust has developed 5.6 million sqft of commercial space from its land bank. The Trust continues to hold substantial land in Hyderabad, Bangalore and Chennai, with total development potential of 7.7 million sqft[1].

In Hyderabad, we are redeveloping International Tech Park Hyderabad (ITPH) to maximise the leasable space, rejuvenate the park, and leverage on the growth of leading US and Indian tech companies in Hyderabad. The redevelopment of ITPH would unlock significant value for Unitholders as it increases the development potential without incurring incremental land cost. Revised building height approval has been received which will result in additional leasable area of 0.7 million sqft. We are redeveloping ITPH in phases over the next seven to ten years to increase the leasable area from 1.5 million sqft[2] to 5.7 million sqft. Under Phase I, a new 1.4 million sqft multi-tenanted building is in progress. The construction is expected to be completed by the second half of 2022.

In Bangalore, the construction of a 0.7 million sqft IT SEZ building at International Tech Park Bangalore (ITPB) was completed in November 2020. The building has been fully committed to a leading IT services company. The remaining 3.1 million sqft of development potential within ITPB will be developed in phases over the coming years.

In Chennai, CyberVale has a 4.4 acre vacant plot with the potential to build a 0.4 million sqft IT building. Construction will commence when we have clear visibility of leasing demand in that micro-market.

ACQUISITION STRATEGY

We pursue acquisitions that offer attractive cash flows and returns relative to a-iTrust's weighted average cost of capital. We seek acquisitions that enhance the diversification of the portfolio and optimise risk-adjusted returns to Unitholders. We have acquired 4.8 million sqft[3] of leasable area since listing.

A critical part of our acquisition strategy is to diversify our revenue streams from multiple asset classes. While IT/ITES office space continues to be a key segment, we are increasing our focus on other fast-growing segments like data centres, logistics and industrial assets.

We are investing to build additional warehousing space at the Arshiya Free Trade Warehousing Zone (FTWZ) located at Panvel, near Mumbai, adjacent to our current warehouses in the Arshiya FTWZ. We are also actively evaluating other logistics / warehousing opportunities across India. We are sharpening our focus on the industrial asset segment to capitalise on the growing demand from companies looking to set up alternate supply chains. We are in an advanced stage of closing our first investment into the industrial asset segment.

We have targeted Bangalore, Chennai, Hyderabad, Mumbai, NCR (comprising Delhi, Gurgaon and Noida) and Pune for new acquisitions in the IT/ITES spaces. These cities were chosen because of their base of established IT firms and sizeable pool of talented workforce. We are actively targeting logistics / industrial locations in the outskirts of Mumbai, Chennai, Bangalore, Hyderabad and NCR.

When sourcing for third party properties, we leverage on CapitaLand Group's presence in India, proprietary deal origination and access to market information to gain a competitive advantage.

1 Includes buildings under construction and additional development potential of 0.7 million sqft in ITPH due to revised building height approvals.
2 Excludes Auriga building of 0.2 million sqft which was demolished.
3 Figure as at 22 February 2021

We focus on the following criteria when evaluating new acquisitions space:

- Location – access to public transportation and skilled workforce, proximity to residential developments and social infrastructure.
- Tenancy profile – the credit standing of tenants and diversification of tenant base.
- Design and specification – the quality of the property, including its size, age and state of maintenance.
- Land title and land tenure – to ensure clear and marketable title, and reasonably high residual land tenure.
- Rental and capital growth prospects – its current rent and capital value compared to comparable properties, the overall market outlook and potential growth factors.
- Opportunity to add value – the potential to increase rental/ occupancy rates or enhance value through selective renovations and/ or other enhancement works.

Sponsor Pipeline

CapitaLand Group has granted a-iTrust the Right of First Refusal (ROFR) to acquire its stake from the following entities, upon project completion and stabilisation:

- CapitaLand India, which holds majority stake in International Tech Park Pune, an IT SEZ in Pune, with 2.3 million sqft of completed space; and
- Ascendas India Growth Programme (AIGP), a real estate investment programme that targets business space developments. CapitaLand India owns a stake of 30% in AIGP.

Additional deal flow is also expected from the Ascendas-Firstspace platform (ASB FS). ASB FS is a joint venture between CapitaLand and Firstspace Realty for investments in logistics and industrial infrastructure with a target to develop close to 15.0 million sqft of space over the next few years.

aVance 6 in HITEC City, Hyderabad

INVESTMENT MANAGEMENT

Forward Purchase

a-iTrust has invested in forward purchase deals where the initial funding is structured in the form of debt with security of the underlying land and receivables. The security package typically also includes pledge of the shares of the project Special Purpose Vehicle (SPV). Active project monitoring is done by the in-house team to monitor timelines and quality specifications.

The deal structure helps the developer to complete financial closure and a-iTrust has also been able to acquire properties at reasonable valuations. The current credit constraints in the Indian financial markets are expected to provide a-iTrust with a pipeline of opportunities at strategic locations.

In March 2021, we completed the acquisition of aVance 6, a 0.6 million sqft IT SEZ building in Hyderabad which is part of our committed forward purchase pipeline from Phoenix Group, for a gross consideration of INR 5.06 billion.

A list of the committed forward purchase transactions is given in the table below:

Committed Pipeline[1]

Asset Class	Project Name	Location	Building	Estimated Floor Area (million sqft)	Expected Total Consideration[2]	Expected Time of Completion/Status
IT park	aVance Hyderabad	HITEC City, Hyderabad	aVance 5	1.16	₹8.4 billion (S$168 million)	2H 2021
	aVance Business Hub 2	HITEC City, Hyderabad	A1	1.05	₹14.0 billion (S$278 million)	Development timelines to be finalised.
			A2	1.05		
			Development Potential	2.43	To be finalised	
	AURUM IT SEZ	Ghansoli, Navi Mumbai	Building 1	0.62	₹9.3 billion (S$186 million)	Completed. Occupancy certificate received. 55% pre-committed.
			Building 2	0.80		1H 2021
	BlueRidge 3	Hinjawadi, Pune	Phase 1	1.41	₹9.8 billion (S$194 million)	2H 2021
			Phase 2	0.43		2H 2023
Logistics Park	Arshiya Panvel	Panvel, near Navi Mumbai	7th Warehouse	0.33	₹2.1 billion (S$42 million)	1H 2021
			Development Potential	2.47	To be finalised	Development timelines to be finalised.
	Arshiya Khurja	Khurja, NCR	1 Warehouse	0.19	₹1.0 billion (S$19 million)	Upon completion of Conditions Precedent

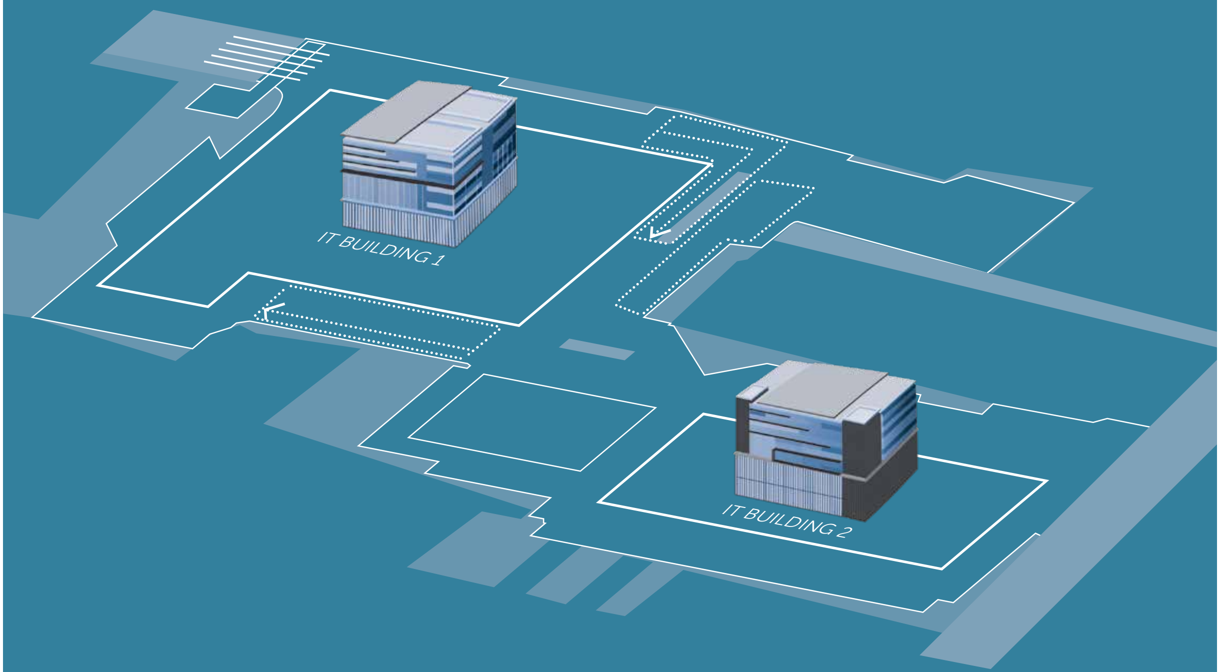
1 Committed pipeline as at 22 February 2021. aVance 6 in HITEC City, Hyderabad for which a-iTrust acquired in March 2021 has been excluded from this table.
2 Based on exchange rate at the time of investment/announcement.

CASE STUDY

BLUE RIDGE 3

In June 2019, a-iTrust entered into a master agreement for construction funding and a forward purchase agreement to acquire Phase 1 and Phase 2 (aggregate net leasable area of ~1.84 million sqft) in Blue Ridge 3 IT SEZ, located in Hinjawadi Phase 1, Pune. Phase 1 is under construction. Occupancy certificate has been obtained for Incubation space located on the ground floor. Construction for Phase 1 is expected to be completed by 2H 2021. In terms of leasing, about ~14% of Phase 1 i.e. ~201,644 sqft[4] space is leased to long term tenants. In the Incubation space, ~24,930 sqft has also been leased.

Construction of Phase 2 will commence nine months from the date of obtaining occupancy certificate for Phase 1 or 60% leasing of Phase 1, whichever is later.




IT Building 1

~1.84 million sqft
AGGREGATE NET LEASABLE AREA (PHASE 1 AND PHASE 2)

~14%
PRE-COMMITTED FOR LONG-TERM SPACE (PHASE 1)

4 Leasing status as of 22 February 2021. Includes 21,000 sqft of hard option valid till 15 June 2021.

ASSET MANAGEMENT

OVERVIEW

The Trust aims to have sustainable long term financial and operational performance of the properties by:

- providing a clean, safe and high-quality working environment; and
- nurturing strong relationships and open communication with tenants.

PRODUCT STRATEGY

Our business parks offer distinctive spaces that are built to international standards and provide a business lifestyle that inspires knowledge workers. Extensive amenities are provided within aesthetically landscaped settings incorporating lush gardens and artwork. Amenities in our parks include gymnasium and fitness facilities, co-working and flexi-office space, food courts, restaurants and cafes. Conveniences include automated teller machines, banks, gift shops, travel agencies and pharmacies.

We differentiate our properties by providing reliable real estate solutions to customers. Our tenants are assured of smooth and uninterrupted infrastructure support within our properties. We have installed backup generators to provide continual power to our facilities. We also implement best practices and processes in key areas of safety, fire, utilities and security systems as part of our business continuity plan.

Our properties are fitted with a combination of safety and security features to provide tenants with a peace of mind. Our security officers are trained to handle different threats and contingencies. Armed guards and vehicle arrestors at main entrances as well as power fencing lining the boundary walls are added precautions provided in our properties. We also work closely with and regularly receive intelligence inputs from the local police, the State Intelligence Bureau and the Centre for Counter Terrorism.

Our properties have won multiple awards for their distinguished quality; foremost amongst them are two Gold awards from the FIABCI Prix d' Excellence Award. Both International Tech Park Bangalore and International Tech Park Chennai have received this top accolade, affirming our ability to construct and manage world-class properties. We also place great emphasis on environmental sustainability and most of our buildings have green certifications, as shown in the list below.

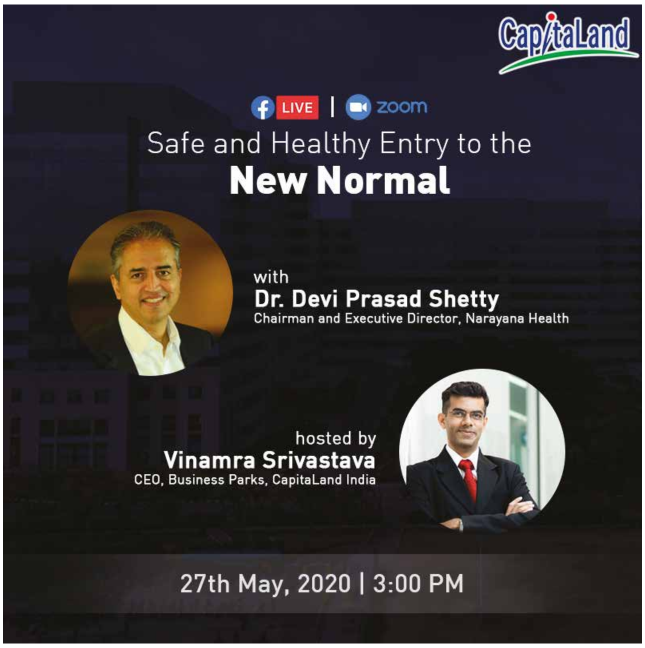
City	Property	Building	Award
Bangalore	International Tech Park Bangalore	Anchor	IGBC[1] Platinum
		Aviator	IGBC Platinum
		Creator	USGBC LEED[2] Gold
		Discoverer	USGBC LEED Gold
		Explorer	IGBC Gold
		Innovator	USGBC LEED Gold
		Inventor	IGBC Gold
		Navigator	IGBC Gold
		Victor	USGBC LEED Platinum
		Voyager	IGBC Silver
Chennai	International Tech Park Chennai	Crest	USGBC LEED Gold
		Pinnacle	USGBC LEED Gold
		Zenith	USGBC LEED Platinum
	CyberVale	Lakeview	USGBC LEED Gold
		Building 3	USGBC LEED Gold
		Springfield	USGBC LEED Gold
Hyderabad	International Tech Park Hyderabad	Atria	USGBC LEED Gold
		Vega	USGBC LEED Platinum
	CyberPearl	Block A	IGBC Gold
		Block B	IGBC Gold
Pune	aVance Pune	Buildings 1-3	IGBC Platinum

1 Indian Green Building Council
2 U.S. Green Building Council Leadership in Energy and Environmental Design

TENANT STRATEGY

To attract quality customers that are willing to commit to long leases, we offer innovative and quality solutions that go beyond meeting their basic requirements. Throughout their tenure with us, we maintain open communication to ensure smooth operations, and in the process, forge enduring relationships with our customers. This way, our customers can take their minds off their real estate needs and be able to focus on their business and compete more effectively in their markets.

COVID-19 has urged us to reimagine ways to stay connected with our industry partners and customers while limiting physical interactions. Instead of large scale festive, sporting and networking events, we organised a variety of digital events throughout the year. We have received positive feedback from our tenants that the digital events were well-organised, informative and were convenient and safe for all participants to enjoy from home.



Calendar of Events:

Month	Location	Event
Mar 20	Hyderabad	Colours
May 20	Pan-India	Safe and Healthy Entry to the New Normal
Jun 20	Pan-India	Digital Marketing Now and Beyond
		Art and Science of Public Speaking
Jul 20	Pan-India	Capitaquiz
		Luke Coutinho Live
		Career Management in the New Normal
Aug 20	Bangalore	Independence Day 2020
	Pan-India	CapitaLand Memories
Sep 20	Bangalore	Toastmasters International
Nov 20	Pune	Colours
Dec 20	Pan-India	Virtual Avatar
Aug-Dec 20	Pan-India	What's Your Hobby

ASSET MANAGEMENT

CASE STUDY

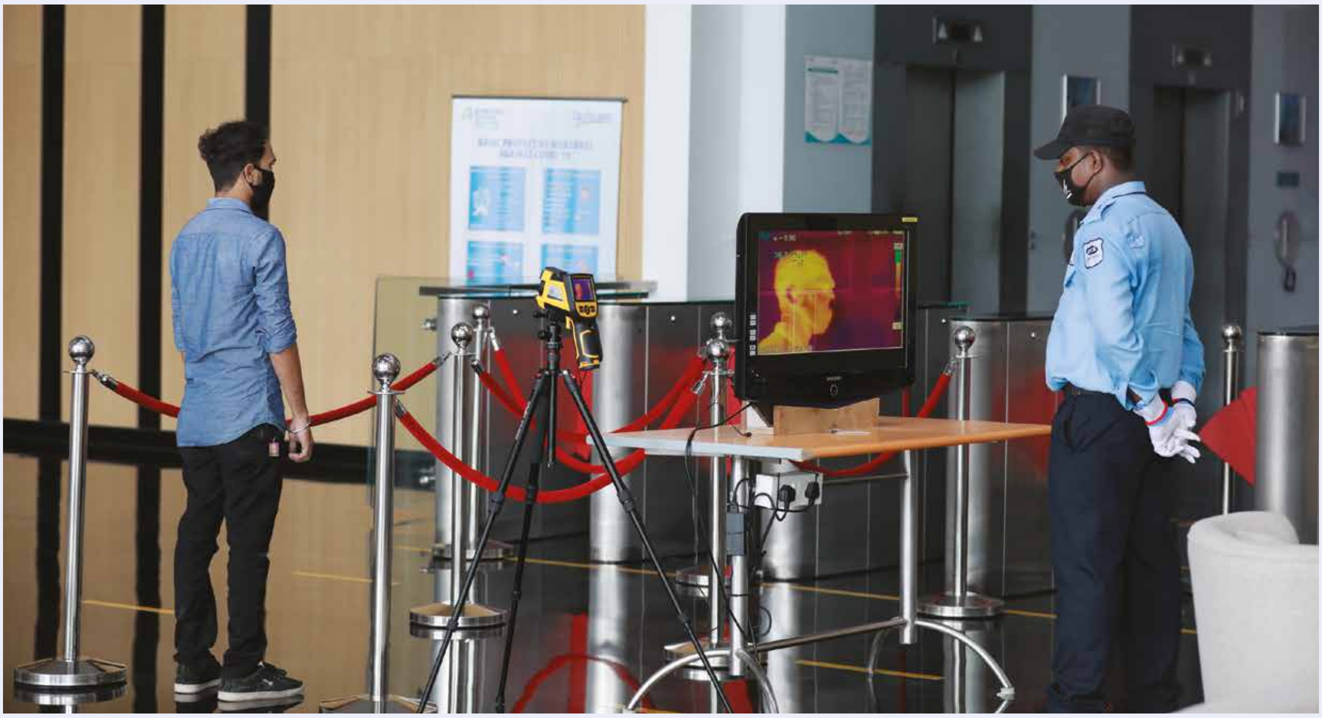
POST-LOCKDOWN COVID-19 PREPAREDNESS PLAN

As more tenants return to office amidst the pandemic, the Trust remains committed to prioritising the health of all occupiers and visitors to our parks. We have implemented a comprehensive park preparedness plan to combat the spread of the virus and keep our parks safe. This plan includes testing, heightened hygiene and safe distancing protocols, as well as clear and consistent tenant engagement.

To prevent potential viral transmission within the parks, we have adopted stringent hygiene protocols such as mandatory wearing of masks, contactless systems and designated social distancing markers in common areas. The frequency of cleaning schedules across our parks have been increased and we have adopted the use of antimicrobial coating to contact-surfaces across our lifts and restrooms.

Aside from enhanced hygiene protocols, we have also adopted new technologies to further enhance our preventive measures. Advance thermal scanners have been placed across key locations to provide efficient, accurate and contactless temperature screening while ensuring smooth people-flow. Furthermore, Ultraviolet Germicidal Irradiation (UVGI) technology, which utilises ultraviolet light to kill microbes, is being implemented in air handling units to combat airborne transmission of the virus and also improve indoor air quality for all occupiers.

We have ensured clear and consistent tenant engagement throughout the year. COVID-19 booklets have been circulated to all tenants, and posters detailing virus facts, park protocols and best practices, as well as essential contact information are placed at common areas. These aim to encourage a collaborative effort towards combatting the virus. Tenants are also kept abreast of the latest COVID-19 related news, regulations and restrictions.



Having implemented our COVID-19 preparedness plan, we subsequently sought external assurance assessment from the British Safety Council, a London-based and government-regulated training and awarding body. As of November 2020, all our buildings have received assurance statements from the British Safety Council certifying our portfolio readiness in COVID-19 prevention. This gives our tenants the confidence that we have undertaken proper measures to safeguard their well-being, and are ready for their return to work in the new normal.

BRITISH SAFETY COUNCIL

COVID-19
Assurance Statement

CAPITAL MANAGEMENT

OVERVIEW

Objective

Our capital management objectives include:

- employing the appropriate hedging strategy to manage currency risk;
- diversifying our funding sources;
- maintaining a healthy balance sheet by keeping gearing at a sensible level; and
- ensuring sufficient liquidity to meet our business requirements.

Key Indicators

Indicator	As at 31 December 2020	As at 31 December 2019
Gearing ratio[1]	30%	28%
Interest service coverage (Adjusted EBITDA[2]/Interest expenses)	4.0 times	3.6 times
Percentage of Indian Rupee debt	63%	71%
Percentage of fixed rate debt	86%	89%
Percentage of unsecured borrowings	100%	100%
Effective weighted average cost of debt	5.3%	6.3%
Available debt headroom	S$1,079 million[3]	S$802 million[3]
Net asset value	S$1.08 per unit	S$1.09 per unit
Adjusted net asset value[4]	S$1.38 per unit	S$1.38 per unit

1 Ratio of effective borrowings to the value of Trust properties. As at 31 December 2020, the effective borrowings to net asset ratio and total borrowings less cash and cash equivalent to net asset ratio were 59.4% and 53.8% respectively.
2 Earnings before interest expense, tax, depreciation & amortisation (excluding gains/losses from foreign exchange translation and mark-to-market revaluation from settlement of loans). Earnings include interest income.
3 Available debt headroom for 31 December 2019 is based on the gearing limit of 45%. Available debt headroom for 31 December 2020 is based on the revised regulatory gearing limit of 50%, which is in accordance with Appendix 6 of the Code on Collective Investment Schemes.
4 Excludes deferred income tax liabilities on capital gains due to fair value revaluation of investment properties.

Use of Gross Proceeds from Private Placement in November 2019 (as at 31 December 2020)

	Announced use of proceeds (S$ million)	Actual use of proceeds (S$ million)	Balance of proceeds (S$ million)
To part finance the initial upfront funding of Phase 1 of the Project[1] or to be applied towards project funding for existing committed pipeline projects which have been announced or to repay existing indebtedness	147.0	–	147.0
To pay the fees and expenses, including professional fees and expenses, incurred by a-iTrust in connection with the Private Placement.	3.0	3.0	–
Total	**150.0**	**3.0**	**147.0**

1 a-iTrust has entered into a non-binding agreement for a potential investment by way of forward purchase of a business park in Bangalore.

In November 2019, a-iTrust raised equity of S$150 million through a private placement of 99,470,000 new a-iTrust Units. As at 31 December 2019, about S$3.0 million or 2.0% of gross proceeds has been used to pay the fees and expenses, including professional fees and expenses, incurred by a-iTrust in connection with the Private Placement. The net proceeds remaining have been used to repay existing short-term loans in the interim. The use of proceeds is currently in accordance with the stated use and the percentage allocated in the announcement dated 20 November 2019 titled "Close of Upsized Private Placement of 99,470,000 new Units in Ascendas India Trust".

There has been a delay in the due diligence for the Project in view of the COVID-19 pandemic. The Trustee-Manager will make further announcements on the utilisation of the remaining proceeds from the Private Placement as and when such funds are materially disbursed.

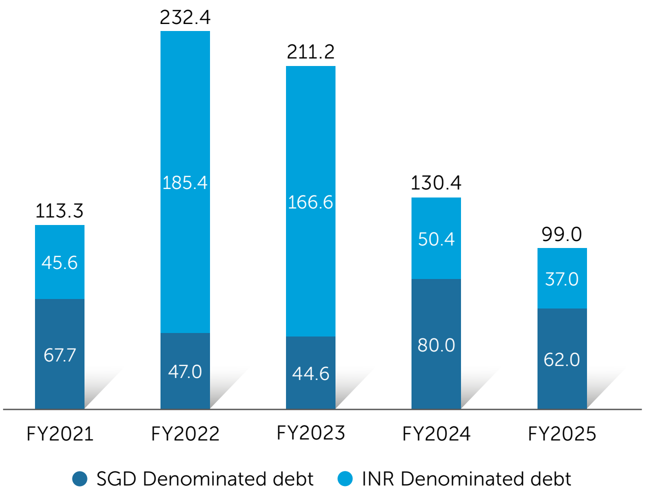
FUNDING STRATEGY

a-iTrust looks to diversify funding sources from various financial institutions and capital markets to reduce its reliance on any single source of funding. The Trust currently has in place a S$1.5 billion Multicurrency Debt Issuance Programme and principal bankers including DBS Bank, UOB, Mizuho Bank, Citibank, J.P. Morgan, HSBC, BEA and Standard Chartered Bank. As at 31 December 2020, the Trust has total effective borrowings[1] of S$786 million, comprising S$157 million of medium term notes and S$629 million of bilateral loans.

Our approach to equity raising is predicated on maintaining a strong balance sheet by keeping the Trust's gearing ratio at an appropriate level. We will carefully consider the impact on a-iTrust's DPU and net asset value before making any decision on raising equity.

We lower the Trust's borrowing cost by having a mix of Indian Rupee and Singapore Dollar borrowings. We do not borrow Indian Rupee loans onshore in India as usually it costs less to hedge Singapore Dollar borrowings to Indian Rupee-denominated borrowings using cross-currency swaps and derivatives. As at 31 December 2020, 63% of the Trust's borrowings were denominated in Indian Rupee with the remaining 37% in Singapore Dollar. The weighted average interest cost of a-iTrust's Singapore Dollar and Indian Rupee borrowings were 1.5% and 7.5% respectively as at 31 December 2020. a-iTrust's overall weighted average cost of debt was 5.3% as at 31 December 2020.

DEBT EXPIRY PROFILE (S$ MILLION)



Debt Headroom

Based on the revised regulatory gearing limit of 50%, which is in accordance with Appendix 6 of the Code on Collective Investment Schemes, the Trust may increase its borrowings by an additional S$1.1 billion. This provides the Trust with significant resources to fund potential acquisitions and developments using additional borrowings.

CASH MANAGEMENT

The Trust monitors and maintains a level of cash and cash equivalents deemed adequate to meet the Trust's operations and meet any short-term liabilities. The cash generated from operations at Indian entities are placed in bank fixed deposits to maximise interest income prior to the intended repatriation event.

INCOME HEDGING STRATEGY

We hedge the Trust's distributable income. Income is repatriated semi-annually from India to Singapore. The Trust enters into forward contracts on a monthly basis to hedge a substantial portion of income. This mitigates the risk of large currency fluctuations in the period before income is repatriated to Singapore.

The gain or loss associated with the forward contract before its maturity is recognised as unrealised fair value gain or loss on derivative financial instruments in the income statement. On maturity of the forward contract, the gain or loss is recognised as realised fair value gain or loss on derivative financial instruments in the income statement.

DISTRIBUTION POLICY

The Trust's policy is to distribute at least 90% of its distributable income. Since April 2012, a-iTrust has retained 10% of its distributable income to provide greater flexibility in growing the Trust. With effect from 1 April 2019, a-iTrust's financial year end was changed from 31 March to 31 December. Going forward, the Trust will make distributions to Unitholders for every six-month period ending 30 June and 31 December.

1 Calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings, including deferred consideration.

ENTERPRISE RISK MANAGEMENT

a-iTrust takes a proactive approach to risk management, making it an integral part of our business – both strategically and operationally. Our objective is the optimisation of opportunities within the known and agreed risk appetite levels set by our Board of Directors (Board). We take measured risks in a prudent manner for justifiable business reasons.

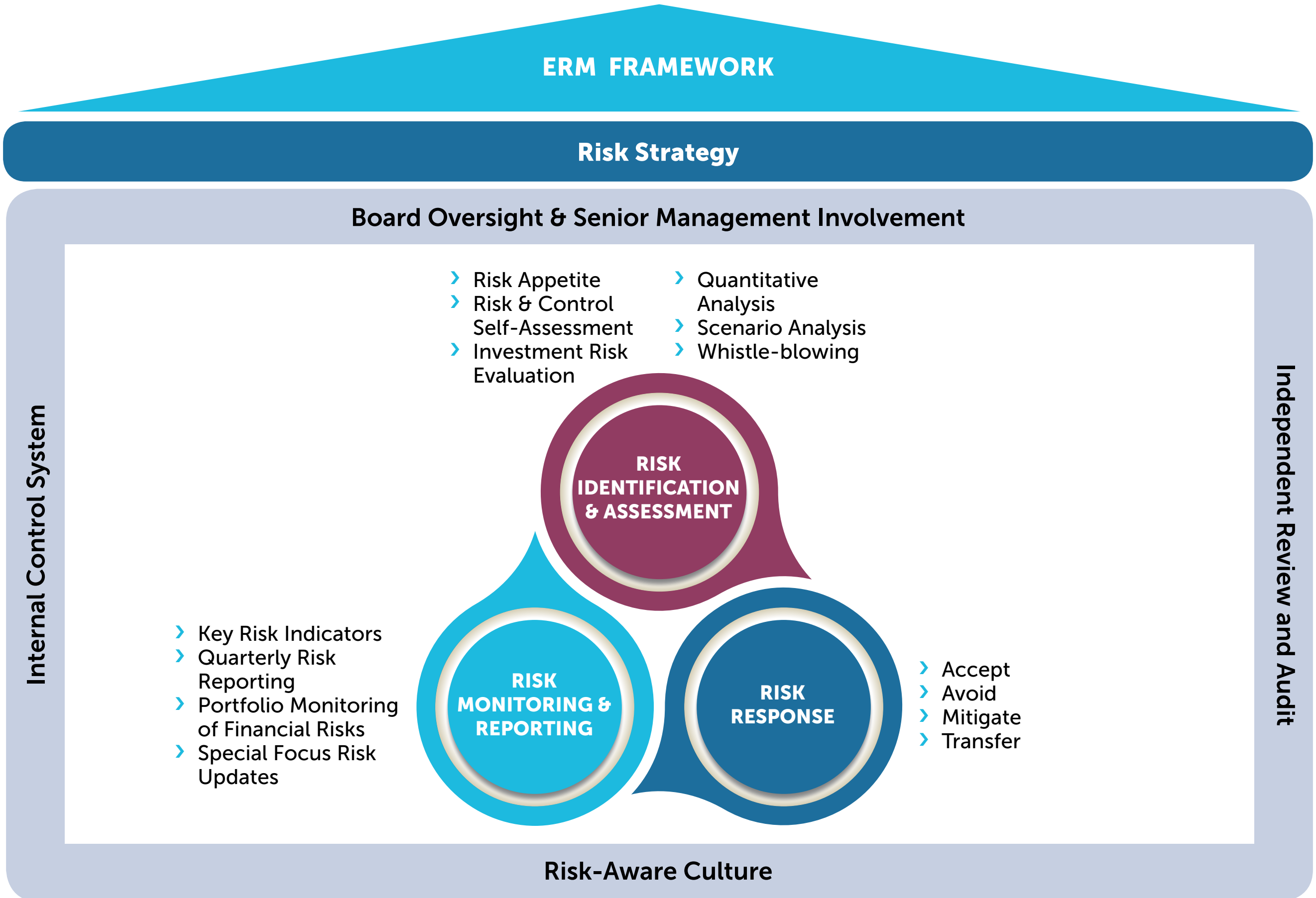
GOVERNANCE

The Board is responsible for the governance of risks across the Trust. Their role includes determining the Trust's risk appetite; overseeing the Trust's Enterprise Risk Management (ERM) Framework; regularly reviewing the Trust's risk profile, material risks and mitigation strategies; and ensuring the adequacy and effectiveness of the risk management framework and policies. For these purposes, it is assisted by the Audit and Risk Committee (ARC), which provides dedicated oversight of risk management at the Board level, including adhoc risk matters referred to it by the Board.

The ARC, made up of three independent Board members, meets on a regular basis. The meetings are attended by the CEO as well as other key management staff.

The Board approves the Trust's risk appetite, which determines the nature and extent of material risks that the Trust is willing to take to achieve its strategic and business objectives. The Trust's Risk Appetite Statement (RAS) is expressed via formal, high-level and overarching statements and accompanying risk limits which determine specific risk boundaries established at an operational level. Taking the interests of all key stakeholders into consideration, the RAS sets out explicit and forward-looking views of the Trust's desired risk profile and ensures it is aligned with the Trust's strategies and business plans.

The CEO, together with a team of other key management personnel, is responsible for directing and monitoring the development, improvement, implementation and practice of ERM across the Trust.



The Trust's ERM Framework is adapted from the International Organization for Standardization (ISO) 31000 International Risk Management Standards. It is also guided by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control-Integrated Framework and other relevant best practices and guidelines. It specifies the required environmental and organisational components needed to manage risks in an integrated, systematic and consistent manner. The ERM Framework and related risk management policies are reviewed annually and updated in compliance with latest regulatory requirements as well as best practices in the industry.

A robust internal control system and an effective, independent review and audit process underpin the Trust's ERM Framework. While management is responsible for the design and implementation of effective internal controls using a risk-based approach, CapitaLand's Internal Audit function reviews such design and implementation to provide reasonable assurance to the ARC on the adequacy and effectiveness of the risk management and internal control systems.

a-iTrust's ERM programme is based on fostering the right risk culture. Management attends regular workshops to enhance risk management knowledge and promote a culture of risk awareness within the Trust. Risk management principles are embedded in all our decision-making and business processes. Once a year, the Trust coordinates a Trust-wide Risk and Control Self-Assessment (RCSA) exercise. This requires business units and corporate functions to identify, assess and document material risks which includes Environment, Social and Governance (ESG)- relevant risks; along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed at the Trust level before they are presented to the ARC and the Board.

MANAGING MATERIAL RISKS

Ascendas India Trust takes a comprehensive, iterative approach in identifying, managing, monitoring and reporting material risks across the Trust. These material risks include:

Material Risks	Details	Key Mitigating Actions
Pandemic and natural disaster risk	› Business disruptions arising from COVID-19 pandemic have negatively impacted the Indian real estate industry, including the Trust's IT and logistics parks, resulting in potential structural disruption shifts in these asset classes. The disruptions accelerated the pace of pre-existing trends on digital adoption, which has disrupted and transformed the real estate industry to an even greater extent. These disruptions also spurred stakeholders' attention on the diversification and resilience in the Trust's supply chain.	› Future proof the Trust's business through digitalisation of business operations and processes, innovation and flexibility in the Trust's product offerings such as assist our tenants with digital transition, optimise the use-of-space, provide flexible work space and extend offerings in the new norm. › We continue to place the well-being of our tenants, shoppers, guests, customers as top priority by adopting contactless technologies and innovative tech solutions to enhance the safety, cleanliness and hygiene at the Trust's properties. › The Trust is on the lookout for counter-cyclical opportunities that will strategically uplift Trust's growth trajectory. › We also build collaborative relationships and work closely with supply chain contractors, vendors and suppliers to achieve environmental and social goals through our CapitaLand's Supply Chain Code of Conduct.
Investment risk	› Investment risk arises when the Trust develops existing land within the portfolio, acquires new properties, or does not divest existing investments when it is timely to do so. Such risks encompass market risk as well as the impact of the investment on the existing portfolio.	The following measures are implemented to mitigate investment risk: › a research-driven investment approach focusing on the relevant national macroeconomic outlook, analysis of the relevant micro real estate markets (including supply and demand, vacancy and rental), and detailed asset analysis; › detailed property and technical due diligence prior to any new acquisition; › independent valuation as a guide to the purchase price; › detailed evaluation of the impact of the proposed acquisition on the portfolio income, distributable income, geographical and tenant diversification and lease expiry profile; and › review and approval of the investment by the Investment Committee and Board of Directors.

ENTERPRISE RISK MANAGEMENT

Material Risks	Details	Key Mitigating Actions
Asset management risk	› Asset management risk encompasses risks associated with the day-to-day operations of the Trust's properties.	› Risk management measures are integrated into the day-to-day activities of the Trustee-Manager and Property Manager. These include comprehensive operating, reporting and monitoring controls put in place to manage risks arising from leasing, management and maintenance activities of the Trust's properties. These controls are closely monitored and regularly reviewed, and improvements are made whenever necessary.
Disruption to customer business risk	› Disruption to customer business risk encompasses risk associated with the impact of a tenant's exit due to disruption to his business, on the rental income of the portfolio.	› The risk is mitigated by diversifying the Trust's tenant base, which included 289 tenants as at 31 December 2020. On average, a single tenant occupied 41,722 sqft of space. The largest tenant accounted for 10% of portfolio base rents. Collectively, the top 10 tenants contributed 39% of portfolio base rents.
Funding risk	› Funding risk refers to the inability to refinance borrowings when they are due. Funding risk also refers to the risk that the Trust does not have sufficient cash and cash equivalents to meet its immediate business requirements. In addition, the Trust is also exposed to changes in interest rates which relates primarily to interest-earning financial assets and interest-bearing financial liabilities.	› The Trust maintains a well-spread out debt maturity profile and has S$257 million of available revolving credit facilities and S$35 million of undrawn committed bilateral term loan as at 31 December 2020 to meet short-term refinancing requirements. › The Trust maintains sufficient cash and cash equivalents to meet the normal operating cash requirement. In addition, the Trust regularly monitors its bank loan covenants to ensure that it does not default on any borrowings. › The Trust enters into interest rate swaps to hedge its floating-rate borrowings into fixed-rate obligations. As at 31 December 2020, 86% of the Trust's borrowings carry fixed-rate interest.
Foreign exchange risk	› The Trust is exposed to foreign exchange risk as a result of having operations in two countries; it earns income in Indian Rupee (its functional currency), but makes distribution to Unitholders in Singapore Dollar (its reporting currency).	› To mitigate the risk of large currency fluctuations in the period before income is repatriated to Singapore, the Trust enters into monthly forward contracts to hedge income that will be repatriated. › The currency exposure as a result of borrowing in Singapore Dollar, Japanese Yen and Hong Kong Dollar to fund developments and/or acquisitions in India is managed through cross-currency swaps and derivatives. The Trust's policy is to hedge at least 50% of its borrowings to Indian Rupee. As at 31 December 2020, 37% of the Trust's total borrowings were exposed to currency risk as a result of its exposure to Singapore Dollar borrowings.

Material Risks	Details	Key Mitigating Actions
Cyber security risk	› Ongoing business digitalisation exposes the business to IT-related threats, which may result in compromising the confidentiality, integrity and availability of the Trust's information assets and/or systems. This may have negative impact to customer experience, financials and/or regulatory compliance.	› Execute Cyber Security Strategy through ongoing review against existing/evolving threat landscapes and institute measures to minimise vulnerability exposure and manage threat vectors. › Roll out ongoing staff IT Security Awareness Training to counter human intervention in the information security chain. › Periodically review and update a-iTrust Group 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 incident. › Conduct annual Disaster Recovery Plan (DRP) exercise to ensure timely recoverability of business-critical IT systems. › Regularly update ARC on the status of Cyber Security risk activities and key control improvements.
Fraud, bribery & corruption risk	› Any forms of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties.	› Promote an ethical culture at all levels of the a-iTrust Group that builds strong foundations for a leading real estate company. › Adopt a zero-tolerance stance against fraud, bribery and corruption in the conduct of business and reinforce the importance of integrity – one of the Trust's core values. › Communicate the commitment to integrity from the top through policies in place, such as Fraud, Bribery & Corruption (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. › All employees are to sign the CapitaLand Pledge to renew their commitment to uphold the Group's core values annually.
Safety, health & well-being	› Increased expectations from stakeholders to provide safe and healthy environment, including well-being, at our development projects and operations.	› Regular reviews of the Trust's mitigation efforts which include work-related safety targets applicable to both a-iTrust and our supply chains. › For more information, please refer to a-iTrust's Sustainability Report on pages 63 to 96.

INVESTOR RELATIONS

OVERVIEW

We value our relationships with all analysts and investors. We are committed to timely and transparent communications to keep the investment community apprised of significant developments of a-iTrust.

Care is exercised to ensure that we avoid selective disclosure of material information. All price-sensitive information is released to investors at the same time via the Singapore Exchange Securities Trading Limited (SGX-ST) and a-iTrust's corporate website, in accordance with regulatory requirements.

We closely monitor investors' perceptions and expectations of a-iTrust and actively convey that information to our Board of Directors. Major Unitholders' views are canvassed in a detailed investor survey which is conducted by an external consultant every two years. The investor perception report is sent in its entirety to Directors to incorporate investors' views when reviewing our performance and planning our strategy.

We actively engage sell-side analysts and institutional investors via face-to-face meetings and conference calls. All requests from institutional investors to meet Management are met insofar as our schedules permit. Besides quarterly analysts conference calls, we participate in local and overseas investor conferences and non-deal roadshows to meet Unitholders and potential investors. Apart from such discussions, we also conduct site visits to our properties in India for fund managers and analysts. These visits provide them with first-hand insight into the overall quality of a-iTrust's portfolio.

Due to the COVID-19 situation in Singapore, the annual general meeting on 25 June 2020 was conducted via 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 (the COVID-19 Temporary Measures Order). The responses to the substantial and relevant questions received from Unitholders were published on our website and on SGXNET prior to the annual general meeting. When there are no pandemic risks and the COVID-19 Temporary Measures Order is not in operation, individual Unitholders will be given the opportunity to meet and seek clarification from Directors and Management at each annual general meeting and the Unitholder questions and responses will be made available on our website. We focus on responding to all queries from individual Unitholders in a timely fashion.

WEBSITE

Our corporate website is constantly updated to ensure that investors can access relevant and up-to-date information about a-iTrust. All information uploaded on SGX-ST's website is made available on our website. Investors may also view webcasts of our half and full year results presentation online.

URL: **www.a-itrust.com**
Webcast: **http://ir.a-itrust.com/webcast.html**

SUPPLEMENTARY INFORMATION

An excel spreadsheet with detailed financial and operational information may be downloaded from our website. The contents include portfolio, tenant, and balance sheet data, as well as the full annual income statements in Singapore Dollar and Indian Rupee.

Go online to download the supplementary information file:
http://ir.a-itrust.com/financials.html

RESEARCH COVERAGE

Four brokerage firms cover a-iTrust as at 31 December 2020. We maintain open channels of communication to ensure that the analysts understand and are kept updated on our performance and strategy.

Brokerage Firm

- Citi Research
- DBS Group Research
- Jefferies
- JP Morgan Securities

Go online for details of analysts who cover a-iTrust:
http://ir.a-itrust.com/research.html

MEDIA

We focus on increasing a-iTrust's media exposure by ensuring all press releases are distributed to key media agencies, including print, online and broadcast medium, in Singapore and India. In addition, we maintain good relationships with media agencies and respond promptly to media requests for information or interviews.

Go online to view our press releases and announcements:
http://ir.a-itrust.com/newsroom.html

INVESTOR RELATIONS CALENDAR FY2020

Quarter	Event
First Quarter (1 January 2020 to 31 March 2020)	FY2019 Results Announcement analysts briefing
	FY2019 post-results investor luncheon hosted by Credit Suisse
Second Quarter (1 April 2020 to 30 June 2020)	Pan-Asia Corporate Forum 2020 (via Teleconferences) hosted by Citi Research
	1Q FY2020 Business Updates analysts briefing
	1Q FY2020 Business Updates investor call hosted by DBS Group Research
Third Quarter (1 July 2020 to 30 September 2020)	1H FY2020 Results Announcement analysts briefing
	1H FY2020 post-results investor call hosted by DBS Group Research
	Citi-REITAS-SGX C-Suite Singapore REITS and Sponsors Forum 2020
	Daiwa Pan-Asia REIT Conference 2020 (Virtual)
	Bank of America Global Real Estate Virtual Conference
Fourth Quarter (1 October 2020 to 31 December 2020)	3Q FY2020 Business Updates analysts briefing
	3Q FY2020 Business Updates investor call hosted by J.P. Morgan

FINANCIAL CALENDAR

Financial Year Ended 31 December 2020	Date
1Q FY2020 Business Updates	27 April 2020
13th Annual General Meeting (Virtual)	25 June 2020
1H FY2020 Results Announcement	28 July 2020
Payment of 1H FY2020 Distribution	26 August 2020
3Q FY2020 Business Updates	29 October 2020
2H FY2020 Results Announcement	28 January 2021
Payment of 2H FY2020 Distribution	25 February 2021
14th Annual General Meeting (Virtual)	12 April 2021

Financial Year Ended 31 December 2021	Tentative Date
1Q FY2021 Business Updates	April 2021
1H FY2021 Results Announcement	July 2021
Payment of 1H FY2021 Distribution	August 2021
3Q FY2021 Business Updates	October 2021
2H FY2021 Results Announcement	January 2022
Payment of 2H FY2021 Distribution	February 2022

Following the recent amendments to Rule 705(2) of the Listing Manual which were effective from 7 February 2020, a-iTrust has adopted the announcement of half-yearly financial statements with effect from the financial year ending 31 December 2020.

We will continue our proactive engagement with stakeholders through our various communication channels, including providing relevant business updates between the half-yearly results announcements.

Go online to view the dates of upcoming events:
http://ir.a-itrust.com/financial_calendar.html

ENQUIRIES

Unitholders with queries relating to a-iTrust or their unitholding may contact:

The Trustee-Manager
Ascendas Property Fund Trustee Pte. Ltd.
Tan Choon Siang
Chief Financial Officer
Phone: +65 6713 2888
Email: choonsiang.tan@a-itrust.com

Unit Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
Phone: +65 6536 5355
Fax: +65 6536 1360
Website: www.boardroomlimited.com

Go online to sign up for free email alerts:
http://ir.a-itrust.com/email_alerts.html

PORTFOLIO

PROPERTY	INTERNATIONAL TECH PARK BANGALORE (ITPB)	INTERNATIONAL TECH PARK CHENNAI (ITPC)
City	Bangalore	Chennai
Site area (acres)	68.3	15.0
Land tenure	Freehold	Freehold
Stake	93%[2]	89%[3]
Type	IT Park	IT Park
Floor area owned by a-iTrust (million sqft)	5.2[4]	2.0
Number of buildings	12	3
Park population	48,700	22,500
Development potential of land bank (million sqft)	3.1[5]	–
Committed occupancy	94%	82%
Purchase price		
(₹ million)	13,670	5,533
(S$ million)[6]	478.5	193.7
December 2019 valuation		
(₹ million)	37,825	19,677
(S$ million)[7]	717.5	373.3
December 2020 valuation		
(₹ million)	40,892	21,127
(S$ million)[8]	739.3	382.0

1 99-year lease commencing on 12 January 2006, renewable for a further 99 year as provided in the lease deed.
2 Remaining 7.2% owned by Karnataka Industrial Area Development Board.
3 Remaining 11.0% owned by Tamil Nadu Industrial Development Corporation Limited.
4 Includes the newly completed Endeavour building (previously known as MTB 5).
5 Includes 1.1 million sqft of additional development potential due to revised government regulation.

CYBERVALE (CV)	**CYBERPEARL (CP)**
Chennai	Hyderabad
18.2	6.1
99 years[1]	Freehold
100%	100%
IT Park	IT Park
0.8	0.4
3	2
14,300	4,800
0.4	–
100%	91%
2,286 49.2	2,001 70.0
4,065 77.1	3,418 64.8
4,052 73.3	3,279 59.3

6 Based on exchange rate of S$1:₹28.6 for ITPB, ITPC, ITPH and CP, S$1:₹39.4 for aVance 1 & 2, S$1:₹46.7 for aVance 3, S$1:₹46.0 for aVance 4, Lakeview and Springfield in CV, S$1:₹48.8 for the third building in CV and S$1:₹47.0 for aVance Pune. For Arshiya Panvel, exchange rate of S$1: ₹47.5 is used for the upfront payment and respective month-end rates are used for subsequent deferred considerations.

7 Based on exchange rate of S$1: ₹52.7.

8 Based on exchange rate of S$1: ₹55.3.

PORTFOLIO

PROPERTY	INTERNATIONAL TECH PARK HYDERABAD (ITPH)	AVANCE HYDERABAD
City	Hyderabad	Hyderabad
Site area (acres)	19.4	25.7
Land tenure	Freehold	Freehold[9]
Stake	100%	100%
Type	IT Park	IT Park
Floor area owned by a-iTrust (million sqft)	1.5	1.5
Number of buildings	5	4
Park population	12,700	14,000
Development potential of land bank (million sqft)	4.2[12]	–
Committed occupancy	91%	97%
Purchase price		
(₹ million)	5,439	6,658
(S$ million)[6]	190.4	150.2
December 2019 valuation		
(₹ million)	17,778	10,848
(S$ million)[7]	337.2	205.8
December 2020 valuation		
(₹ million)	18,544	10,650
(S$ million)[8]	335.3	192.6

9 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.
10 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.
11 Arshiya Panvel is considered freehold property by the Trustee-Manager 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.

AVANCE PUNE	ARSHIYA PANVEL
Pune	Panvel, Mumbai
5.4	24.5
Freehold[10]	Freehold[11]
100%	100%
IT Park	Warehouse
1.5	0.8
3	6
13,800	–
–	–
100%	100%[13]
6,331[14] 134.8[14]	4,874[15] 101.6[15]
9,282 176.1	5,698 108.1
9,490 171.6	6,150 111.2

12 Includes 1.4 million sqft of buildings under construction and 0.7 million sqft of additional development potential due to revised building height approvals.
13 Master lease to Arshiya Lifestyle Limited (part of Arshiya Group) for operation and management of the warehouse for a six-year term.
14 Includes deferred consideration paid.
15 Includes deferred consideration of ₹534 million paid till December 2020. Balance of ₹466 million is payable over two years, subject to achievement of performance milestones.

OPERATIONAL REVIEW

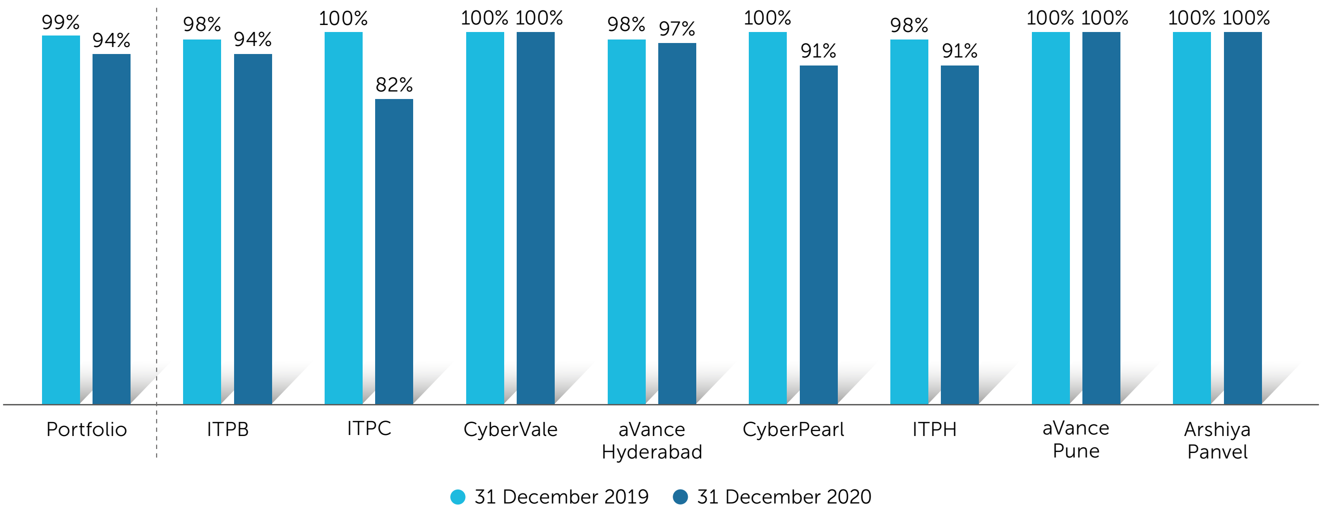
ASSET REVIEW

Leasing Report

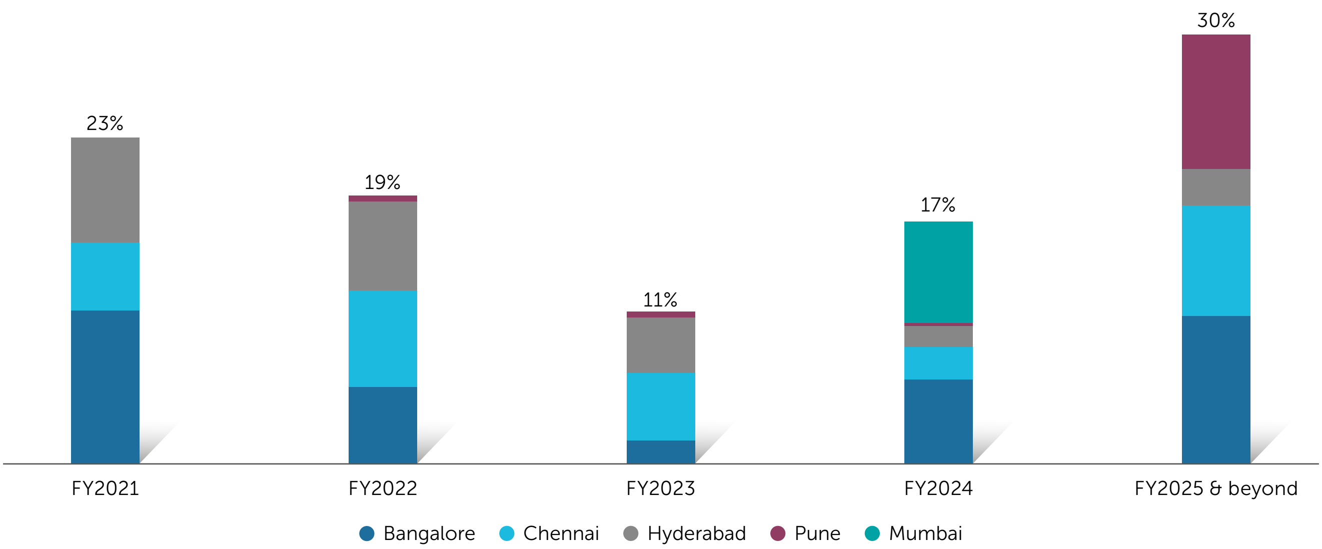
As at 31 December 2020, a-iTrust's committed portfolio occupancy stood at 94%. Close to 1.3 million sqft of floor space was leased or renewed in FY2020 and we retained 53% of tenants whose leases expired in FY2020.

Approximately 23% of leases will expire in FY2021. We commence lease renewal negotiations with our tenants six months prior to the expiry of their leases to allow time to secure a replacement tenant, where necessary.

COMMITTED OCCUPANCY



LEASE EXPIRY PROFILE
by Revenue (Percentage of Portfolio)



Tenant Profile

We had in total 289 tenants as at 31 December 2020. Many of our top 10 tenants are on the Fortune 500 list and most are multinational companies with excellent credit standing.

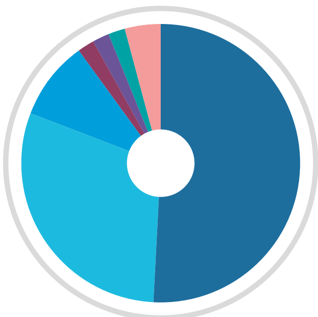
Top 10 tenants	by revenue
Tata Consultancy Services	10%
Arshiya Panvel	7%
Renault Nissan	5%
Societe Generale	4%
Applied Materials	3%
Bank of America	3%
Technicolor	2%
Cognizant	2%
UnitedHealth Group	2%
Xerox	2%

Top 5 sub-tenants of Arshiya Panvel	by revenue
Huawei Telecommunications	12%
DHL Logistics	9%
Shashwat Group	8%
ZTE Corporation	5%
Rolex Logistics (CISCO)	5%

Majority of our tenants are multinational companies, with about 51% being from the US and about 30% being from India. Most of our Indian tenants have global operations and provide services to clients from diverse industries.

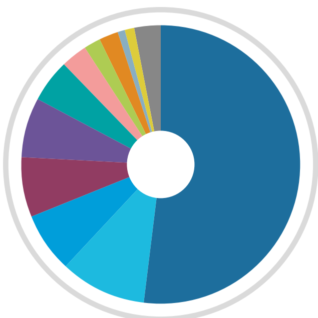
About 52% of our tenants are from the core technology sector (IT, Software and Application Development and Service Support) while the rest of the portfolio is represented by a diverse set of industries such as banking and financial services, design, gaming and media, electronics, semiconductor and engineering, logistics and automobile companies.

TENANT COUNTRY OF ORIGIN
by Revenue



USA	51%
India	30%
France	9%
Japan	2%
Singapore	2%
UK	2%
Others	4%

TENANT CORE BUSINESS
by Revenue



IT, Software and Application Devt and Service Support	52%
Banking and Financial Services	10%
Design, Gaming and Media	7%
Electronics, Semiconductor and Engineering	7%
Logistics	7%
Automobile	5%
Healthcare and Pharmaceutical	3%
Telecommunication and Network	2%
Oil and Gas	2%
Retail	1%
Food and Beverage	1%
Others	3%

FINANCIAL REVIEW

FY2020 compared to CY2019[1]

OVERVIEW

a-iTrust Results	FY2020 (Jan 20-Dec 20) ₹ million	CY2019 (Jan 19-Dec 19) ₹ million	YOY Increase/ (Decrease)	FY2020 (Jan 20-Dec 20) S$ million	CY2019 (Jan 19-Dec 19) S$ million	YOY Increase/ (Decrease)
Total property income	10,250	10,188	1%	191.7	197.6	(3%)
Total property expenses	(2,340)	(2,520)	(7%)	(43.8)	(48.9)	(11%)
Net property income	7,910	7,668	3%	147.9	148.6	(0%)
Finance costs	(2,367)	(2,382)	(1%)	(44.3)	(46.2)	(4%)
Interest income	2,768	2,143	29%	51.8	41.4	25%
Ordinary profit before tax	6,476	6,209	4%	121.0	120.4	0%
Distribution adjustments	(450)	(1,305)	(65%)	(8.4)	(25.3)	(67%)
Income available for distribution	6,026	4,904	23%	112.6	95.1	18%
Income to be distributed	5,423	4,413	23%	101.3	85.6	18%

Exchange Rate Movement	FY2020 (Jan 20-Dec 20)	CY2019 (Jan 19-Dec 19)	YOY Change
Average SGD/INR exchange rate	53.5	51.6	3.7%[i]

i The Singapore Dollar appreciated by 3.7% against the Indian Rupee.

TOTAL PROPERTY INCOME

a-iTrust Results	FY2020 (Jan 20-Dec 20) ₹ million	CY2019 (Jan 19-Dec 19) ₹ million	YOY Increase/ (Decrease)	FY2020 (Jan 20-Dec 20) S$ million	CY2019 (Jan 19-Dec 19) S$ million	YOY Increase/ (Decrease)
Base rent	7,648	7,460	3%	143.0	144.7	(1%)
Amenities income	93	111	(16%)	1.7	2.1	(19%)
Fit-out rental income	139	147	(5%)	2.6	2.8	(8%)
Operations, maintenance and utilities income	2,012	1,989	1%	37.6	38.6	(2%)
Car park and other operating income	357	481	(26%)	6.7	9.3	(28%)
Total property income	**10,250**	**10,188**	**1%**	**191.7**	**197.6**	**(3%)**

1 a-iTrust financial year end has changed from 31 March to 31 December as announced on 19 July 2019. Calendar Year 2019 (CY2019) refers to the 12-month period from 1 January 2019 to 31 December 2019 and is used solely for comparative purposes only.

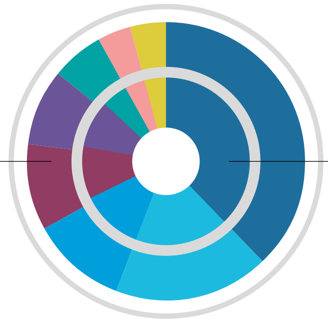
Total property income for FY2020 increased by 1% (₹62 million) to ₹10,250 million compared to the same period last year. This was mainly due to:

- income from Anchor building at ITPB, which was completed in May 2019;
- positive rental reversions; and
- partially offset by lower car park and utilities income as most tenants telecommuted in FY2020 due to the COVID-19 pandemic.

In Singapore Dollar terms, total property income decreased by 3% (S$5.9 million) to S$191.7 million.

The Singapore Dollar appreciated by about 3.7% against the Indian Rupee over the same period last year.

TOTAL PROPERTY INCOME



Property (₹ million)	FY2020 (Jan 20-Dec 20)		CY2019 (Jan 19-Dec 19)	
ITPB	3,872	38%	3,919	38%
ITPC	1,815	18%	1,797	18%
ITPH	1,178	11%	1,200	12%
aVance Hyderabad	1,069	10%	989	10%
aVance Pune	964	9%	944	9%
Arshiya Panvel	565	6%	545	5%
CyberVale	421	4%	429	4%
CyberPearl	366	4%	365	4%
Total	**10,250**	**100%**	**10,188**	**100%**

TOTAL PROPERTY EXPENSES

a-iTrust Results	FY2020 (Jan 20-Dec 20) ₹ million	CY2019 (Jan 19-Dec 19) ₹ million	YOY Increase/ (Decrease)	FY2020 (Jan 20-Dec 20) S$ million	CY2019 (Jan 19-Dec 19) S$ million	YOY Increase/ (Decrease)
Operations, maintenance and utilities expenses	(1,048)	(1,286)	(19%)	(19.6)	(24.9)	(21%)
Service and property taxes	(266)	(259)	3%	(5.0)	(5.0)	1%
Property management fees	(471)	(490)	(4%)	(8.8)	(9.5)	(7%)
Other property operating expenses	(554)	(486)	14%	(10.4)	(9.5)	10%
Total property expenses	**(2,340)**	**(2,520)**	**(7%)**	**(43.8)**	**(48.9)**	**(11%)**

Total property expenses decreased by 7% (₹180 million) to ₹2,340 million mainly due to reduced operation, maintenance and utilities expenses, partially offset by higher allowance for expected credit loss.

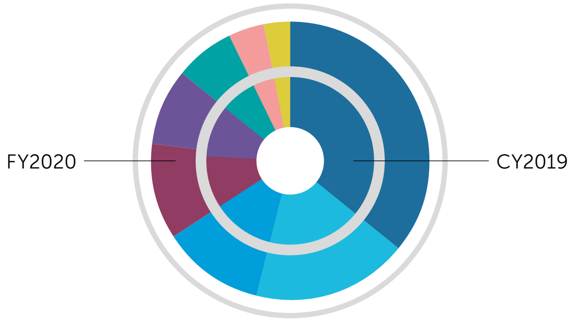
In Singapore Dollar terms, total property expenses decreased by 11% (S$5.1 million) to S$43.8 million.

FINANCIAL REVIEW

NET PROPERTY INCOME

Net property income grew by 3% (₹242 million) to ₹7,910 million, due to the above factors. In Singapore Dollar terms, net property income remained stable at S$147.9 million.

NET PROPERTY INCOME

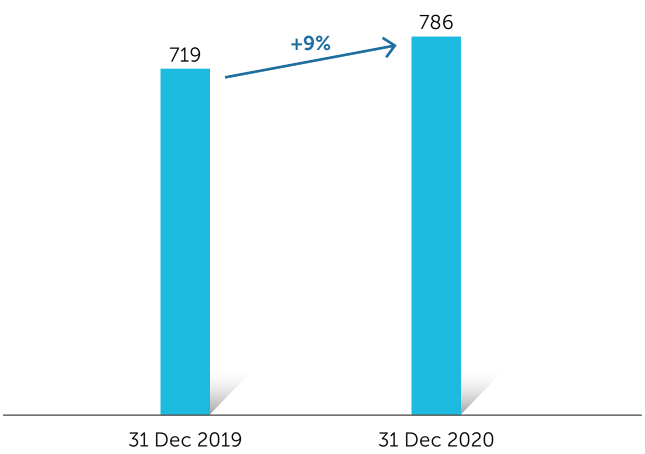


Property (₹ million)	FY2020 (Jan 20-Dec 20)		CY2019 (Jan 19-Dec 19)	
ITPB	2,814	36%	2,750	36%
ITPC	1,415	18%	1,343	18%
ITPH	945	12%	936	12%
aVance Hyderabad	889	11%	799	10%
aVance Pune	721	9%	735	10%
Arshiya Panvel	560	7%	536	7%
CyberVale	307	4%	308	4%
CyberPearl	259	3%	261	3%
Total	**7,910**	**100%**	**7,668**	**100%**

FINANCE COSTS

Finance costs decreased by 1% (₹15 million) to ₹2,367 million in spite of additional loans taken for the construction funding for Arshiya Panvel, AURUM IT SEZ and BlueRidge 3, due to lower cost of debt and repayment of loans from the proceeds from the private placement of new units on 28 November 2019. In Singapore Dollar terms, finance costs decreased by 4% (S$1.9 million) to S$44.3 million.

EFFECTIVE BORROWINGS[i] (S$ MILLION)



i Calculated by adding/deducting derivative financial instrument liabilities/(assets) to/from gross borrowings, including deferred consideration.

INTEREST INCOME

Interest income increased by 29% (₹625 million) to ₹2,768 million, mainly from interest income pertaining to construction funding for Arshiya Panvel, AURUM IT SEZ, aVance 5 & 6 and BlueRidge 3.

In Singapore Dollar terms, interest income increased by 25% (S$10.4 million) to S$51.8 million.

INCOME AVAILABLE FOR DISTRIBUTION

After accounting for distribution adjustments, income available for distribution for FY2020 grew by 23% (₹1,122 million) to ₹6,026 million. In Singapore Dollar terms, income available for distribution increased by 18% (S$17.5 million) to S$112.6 million.

INCOME TO BE DISTRIBUTED

a-iTrust's distribution policy is to distribute at least 90% of its income available for distribution. The remaining 10% is retained to provide greater flexibility in growing the Trust. Post retention, income to be distributed for FY2020 grew by 23% (₹1,010 million) to ₹5,423 million. In Singapore Dollar terms, income to be distributed increased by 18% (S$15.7 million) to S$101.3 million. This translates to a DPU of 8.83 Singapore cents, which is an increase of 8% compared to the DPU of 8.15 Singapore cents for the 12-month period from 1 January 2019 to 31 December 2019. The smaller percentage increase in DPU as compared to income available for distribution is attributable to the additional units issued from the private placement of new units on 28 November 2019.

For FY2019, due to a change in financial year end from 31 March to 31 December, a-iTrust has made distributions to unitholders for the six-month period ending 30 September 2019 and three-month period ending 31 December 2019. Due to the private placement of new units on 28 November 2019, an advance distribution for the period from 1 October 2019 to 27 November 2019 was paid on 24 December 2019. Beginning FY2020, distributions to Unitholders were on a half-yearly basis for every six-month period ending 30 June and 31 December.

Financial Year	Period	Payment Date	DPU (S¢)	Full Year DPU (S¢)
FY2020	1 Jul 2020 - 31 Dec 2020	25 Feb 2021	4.19	8.83
	1 Jan 2020 - 30 Jun 2020	26 Aug 2020	4.64	
FY2019	28 Nov 2019 - 31 Dec 2019	27 Feb 2020	0.64	6.45
	1 Oct 2019 - 27 Nov 2019	24 Dec 2019	1.48	
	1 Apr 2019 - 30 Sep 2019	22 Nov 2019	4.33	

VALUATION AND NET ASSET VALUE

As at 31 December 2020, a-iTrust's properties were valued at ₹114,183 million by Savills Property Services (India) Pvt. Ltd., in accordance with the property valuation standards pursuant to Listing Rule 1207(11) which was approximately 5% (₹5,592 million) higher than the valuation of ₹108,591 million as at 31 December 2019. In Singapore Dollar terms, portfolio valuation remained stable at S$2,064.4 million. The increase in INR terms was mainly due to annual fair value revaluation of investment properties, completion of Endeavour building[2] in ITPB and development additions such as Phase I redevelopment at ITPH. CyberPearl and aVance Hyderabad property values decreased slightly due to lower occupancy. In FY2020, a-iTrust recognised fair value gain on investment properties of ₹3,510 million (S$65.6 million). Revaluation gains are non-cash in nature and do not have an impact on income available for distribution.

Net asset value (NAV) per unit as at 31 December 2020 decreased by 1% to S$1.08 as compared to S$1.09 as at 31 December 2019. Excluding deferred tax liabilities arising from fair value adjustments on properties, the adjusted NAV per unit remained stable at S$1.38. In INR terms, both NAV and adjusted NAV per unit increased by 4% to INR 59.5 and INR 76.2 as compared to 31 December 2019.

Valuation of Properties

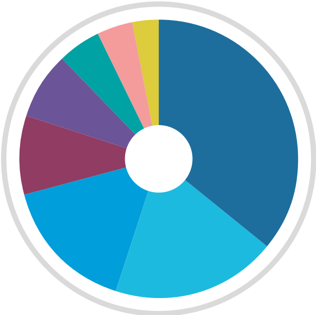
Property (₹ million)	31 Dec 2020 Valuation	31 Dec 2019 Valuation	Increase/ (Decrease)
International Tech Park Bangalore	40,892	37,825	8%
International Tech Park Chennai	21,127	19,677	7%
CyberVale	4,052	4,065	0%
CyberPearl	3,279	3,418	(4%)
International Tech Park Hyderabad	18,544	17,778	4%
aVance Hyderabad	10,650	10,848	(2%)
aVance Pune	9,490	9,282	2%
Arshiya Panvel	6,150	5,698	8%
Portfolio (in ₹million)	**114,183**	**108,591**	**5%**
Portfolio (in S$ million)	**2,064.4[i]**	**2,060.0[ii]**	**0%**

i Based on the exchange rate of S$1: ₹55.3.
ii Based on the exchange rate of S$1: ₹52.7.

2 The Endeavour building was completed in November 2019. Prior to completion, the building was known as MTB 5.

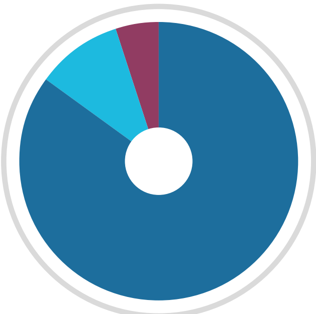
FINANCIAL REVIEW

PORTFOLIO VALUATION BY PROPERTY



ITPB	36%
ITPC	19%
ITPH	16%
aVance Hyderabad	9%
aVance Pune	8%
Arshiya Panvel	5%
CyberVale	4%
CyberPearl	3%

PORTFOLIO VALUATION BY TYPE



Completed assets	85%
Land for development	10%
Buildings under construction	5%

CASH FLOWS AND LIQUIDITY

Operating Activities

Net cash generated from operating activities for the 12-month period ended December 2020 was S$141.6 million. For the nine-month period ended December 2019, net cash generated from operating activities amounted to S$101.9 million.

Investing Activities

During the 12-month period ended December 2020, S$23.1 million was invested to fund the development of Endeavour Building in ITPB and Phase I redevelopment at ITPH. An additional S$13.1 million worth of capital expenditure was spent on upgrading and maintaining existing properties.

In terms of third-party investments, S$46.0 million was invested towards construction funding for Arshiya Panvel, AURUM IT SEZ and BlueRidge 3 which are a-iTrust's committed forward purchases. In addition, S$4.5 million was also paid in FY2020 as deferred consideration towards earlier investments in Arshiya Panvel.

In the previous nine-month period ended December 2019, S$20.0 million was invested to fund the development of Endeavour building in ITPB and Phase I redevelopment at ITPH. An additional S$7.3 million worth of capital expenditure was spent on upgrading and maintaining existing properties. S$106.6 million was invested towards investments in forward purchases through construction funding for Arshiya Panvel, AURUM IT SEZ, aVance 5 & 6 and BlueRidge 3.

Financing Activities

During the year, a-iTrust raised S$295.5 million of loans. Of the funds raised, S$228.7 million went towards the refinancing of existing loans, with the remaining being invested towards construction funding for Arshiya Panvel, AURUM IT SEZ and BlueRidge 3.

SENSITIVITY ANALYSIS

Interest Rate Risk

As at 31 December 2020, 86% of a-iTrust's total borrowings were on fixed-rate basis, which significantly reduces interest rate volatility. Income available for distribution is not materially impacted by changes in market interest rates and consequently interest rate risk is low.

Foreign Exchange Risk

In terms of operating cash flows, which are denominated substantially in Indian Rupees, an estimated 10% appreciation or depreciation of the Indian Rupee would result in a corresponding 8% increase or decrease in a-iTrust's income available for distribution.

Capital Risk

As at 31 December 2020, a-iTrust has a gearing ratio of 30%. A 10% increase or decrease in portfolio valuation would reduce the gearing to 28% or increase the gearing to 32% respectively.

HALF-YEARLY RESULTS

	₹ million			S$ million		
	FY2020[1]	CY2019[1]	YOY Change	FY2020[1]	CY2019[1]	YOY Change
TOTAL PROPERTY INCOME						
1st Half (Jan - Jun)	5,199	4,983	4%	99.0	96.5	3%
2nd Half (Jul - Dec)	5,051	5,205	(3%)	92.7	101.1	(8%)
Full Year	10,250	10,188	1%	191.7	197.6	(3%)
NET PROPERTY INCOME						
1st Half (Jan - Jun)	3,861	3,776	2%	73.5	73.0	1%
2nd Half (Jul - Dec)	4,049	3,892	4%	74.4	75.6	(2%)
Full Year	7,910	7,668	3%	147.9	148.6	(0%)
INCOME AVAILABLE FOR DISTRIBUTION						
1st Half (Jan - Jun)	3,101	2,238	39%	59.0	43.3	36%
2nd Half (Jul - Dec)	2,925	2,666	10%	53.6	51.8	3%
Full Year	6,026	4,904	23%	112.6	95.1	18%
INCOME TO BE DISTRIBUTED						
1st Half (Jan - Jun)	2,791	2,014	39%	53.1	39.0	36%
2nd Half (Jul - Dec)	2,632	2,399	10%	48.2	46.6	3%
Full Year	5,423	4,413	23%	101.3	85.6	18%

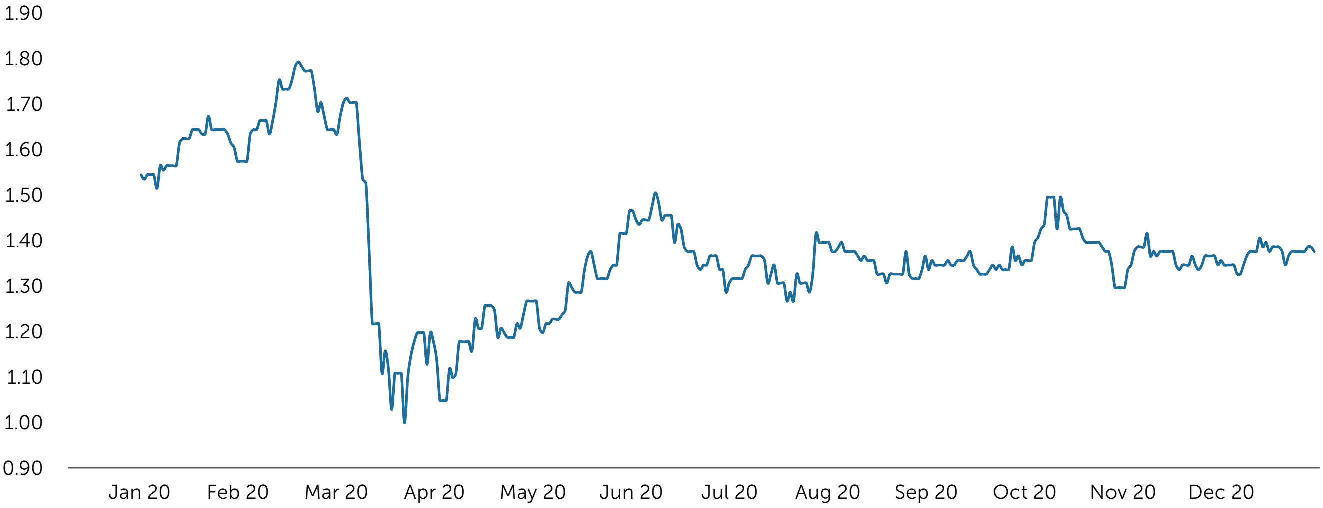
	₹			S¢		
Income to be distributed (DPU)[2]	FY2020[1]	CY2019[1]	YOY Change	FY2020[1]	CY2019[1]	YOY Change
1st Half (Jan - Jun)	2.44	1.94	26%	4.64	3.75	24%
2nd Half (Jul - Dec)	2.29	2.27	1%	4.19	4.40	(5%)
Full Year	4.73	4.21	12%	8.83	8.15	8%

1 a-iTrust's financial year end was changed from 31 March to 31 December as announced on 19 July 2019. CY2019 refers to the 12-month period from 1 January 2019 to 31 December 2019 and is used solely for comparative purposes only.
2 Refers to distribution per unit post retention of 10% income.

UNIT PRICE REVIEW

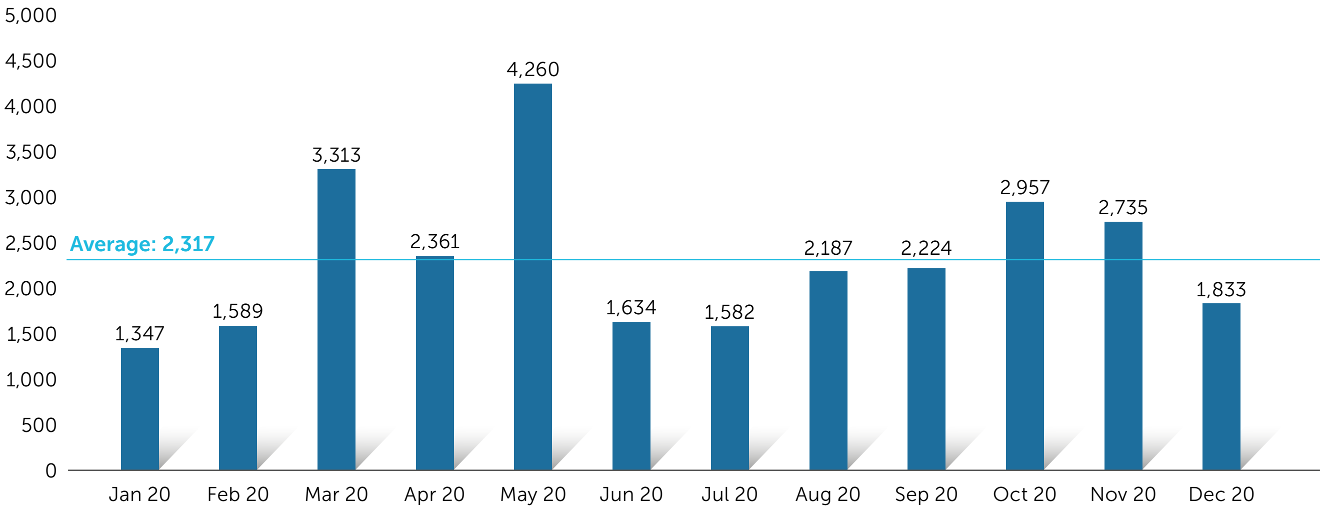
UNIT PRICE AND VOLUME

A-ITRUST UNIT PRICE
(1 January 2020 to 31 December 2020)



Period open	Period close	Period high	Period low
S$1.55	S$1.38	S$1.83	S$0.98

AVERAGE MONTHLY TRADING VOLUME
('000 units)



a-iTrust's total trading volume from January 2020 to December 2020 reached approximately 584 million Units.

Go online to download a-iTrust's historical trading price and volume data:
http://aitrust.listedcompany.com/historical_price.html

SUSTAINABILITY REPORT

ABOUT THE REPORT

Ascendas India Trust ("a-iTrust" or the "Trust") is pleased to present its fifth annual Sustainability Report. This report provides an update of a-iTrust's sustainability strategies, goals, initiatives, and progress on material Environmental, Social and Governance (ESG) matters, reflecting the Trust's firm commitment and continued efforts to deliver sustainable value to its stakeholders.

INTERNATIONAL STANDARDS AND GUIDELINES

This report has been prepared in accordance with the SGX-ST Listing Manual Rule 711(B), Global Reporting Initiative (GRI) Standards: Core option, and GRI's Construction & Real Estate Sector Supplement (CRESS). The GRI Standards have been selected as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures that are relevant to a-iTrust's industry and business model. This report has also incorporated elements of the Integrated Reporting (IR) Framework of the International Integrated Reporting Council, and references the United Nations Sustainable Development Goals (SDGs).

REPORTING SCOPE AND PERIOD

This report covers a-iTrust's sustainability performance for the period from 1 January to 31 December 2020 (FY2020), with relevant prior data for the comparable period between 1 January 2019 to 31 December 2019 where available. The scope of this report covers a-iTrust's portfolio[1], comprising the seven IT parks listed in Figure 1 below.

Figure 1: Portfolio in Reporting Scope for FY2020

City	Portfolio
Bangalore	International Tech Park Bangalore (ITPB)
Chennai	International Tech Park Chennai (ITPC)
	CyberVale
Hyderabad	International Tech Park Hyderabad (ITPH)
	CyberPearl
	aVance Hyderabad
Pune	aVance Pune

FEEDBACK

Feedback from a-iTrust's stakeholders is welcome as it enables continual improvement in the Trust's policies, processes and performance. Please send your comments and suggestions to **choonsiang.tan@a-iTrust.com**.

BOARD STATEMENT

a-iTrust places sustainability at the core of what it does. As a responsible business trust, a-iTrust contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

The Board of Directors (the "Board") of the Trustee-Manager sets a-iTrust's risk appetite, which determines the nature and extent of material risks that a-iTrust is willing to take to achieve its strategic and business objectives. The risk appetite incorporates ESG factors such as fraud, corruption and bribery, environment, health and safety. The Board considers sustainability issues as part of its strategic formulation, determines the material ESG factors and oversees the management and monitoring of the material ESG factors.

The Board also approves the executive compensation framework based on the principle of linking pay to performance. a-iTrust's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices, and are cascaded throughout the organisation.

1 The report excludes the six operating warehouses at Arshiya Free Trade Warehousing Zone in Panvel, as the Trust does not have operational control of the facilities.

SUSTAINABILITY REPORT

SUSTAINABILITY COMMITMENT

With the launch of CapitaLand's 2030 Sustainability Master Plan, CapitaLand elevated its commitment towards global sustainability in the built environment. Articulated through a series of sustainability strategies, plans and targets, the Master Plan focuses on three key themes to drive CapitaLand's sustainability efforts in the ESG pillars, enabling the CapitaLand Group to create a larger positive impact for the environment and society.

KEY THEMES OF CAPITALAND'S 2030 SUSTAINABILITY MASTER PLAN

BUILD
Portfolio Resilience and Resource Efficiency

ENABLE
Thriving and Future-Adaptive Communities

ACCELERATE
Sustainability Innovation and Collaboration

As a CapitaLand-sponsored business trust, a-iTrust aligns its sustainability objectives and strategies with CapitaLand Group. It is committed to improving the economic and social well-being of its stakeholders through management of human capital, asset, portfolio operations and project development. The Trustee-Manager and the Property Manager firmly uphold CapitaLand's credo, "Building People. Building Communities." and abide by CapitaLand's sustainability framework, policies and guidelines, as well as ethics and code of business conduct.

a-iTrust will steer towards the pathways set by CapitaLand, and keep adapting its strategies as technologies evolve and new scientific data become available. The five pathways identified by CapitaLand to achieve the CapitaLand Group's sustainability objectives are:

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

- **Strengthening innovation and collaboration to drive sustainability**
  CapitaLand will continue to source globally for new ideas and technologies to meet its sustainability ambitions and work with like-minded partners to create shared values.

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

- **Monitoring and reporting to ensure transparency**
  As CapitaLand tracks its sustainability progress, it will look to validate its performance by external assurance and align its Sustainability Report to international standards.

- **Increasing stakeholder engagement and communication with key stakeholder groups**
  It is key to build awareness among its employees, investors, customers and communities, and collectively effect transformational change to achieve its 2030 targets.

PUSH BOUNDARIES OF CHANGE

To push the boundaries of change, CapitaLand will transit to a low-carbon business that is aligned with climate science. In November 2020, it had its emissions reduction targets aligned with 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. CapitaLand is also developing a new metric, Return on Sustainability, in addition to the regular financial return to measure the Group's ESG impact.

CapitaLand has launched the inaugural CapitaLand Sustainability X Challenge (CSXC), an innovation challenge to enable CapitaLand to accelerate its sustainability efforts and meet its 2030 targets. The CSXC covers seven challenge statements which reflect the key themes and goals in CapitaLand's 2030 Sustainability Master Plan.

CapitaLand aims to be a leader in sustainable finance and intends to 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.

SUSTAINABILITY DURING COVID-19

The COVID-19 pandemic was an unprecedented event that has raised global awareness of the importance of ESG and forced organisations to re-think how daily business is run. Its impacts have been felt deep and wide globally. India, which had the second highest number of COVID-19 cases as of February 2021, underwent a nation-wide lockdown starting end March 2020 which extended over several phases across many months, before progressively reopening amid varying levels of restrictions across different cities.

a-iTrust and its stakeholders have not been spared from the impact of COVID-19. Right from the onset of the pandemic, a-iTrust placed health and safety as a key priority, enabling most staff and tenants to work from home. Nonetheless, to support its tenants' essential operations, the Trust's business parks remained operational throughout the year. Although retail tenants in Park Square mall in Bangalore were forced to only close from 14 March 2020 to 7 June 2020 and for a further one week from 14 July 2020 on government orders, mall footfalls reduced for several months in 2020. Since January 2021, mall traffic has gradually started to improve.

The lockdown restrictions also affected contractors for the Trust's developments who faced labour and material supply shortage issues. All ongoing project construction works have since resumed, with the availability of labour and supply chain improving considerably by the end of the third quarter of 2020.

Since the early days of the outbreak in India, the Board of Directors (Board) and the Trustee-Manager and Property Manager (the "Managers") have been actively involved, providing strategic input to tackle both short- and long-term impact brought about by COVID-19. Under the guidance of CapitaLand, immediate actions were taken across the Trust's portfolio through implementing all necessary precautionary measures to safeguard health and safety and provide support to tenants and contractors, while making a positive impact on the community. The following table provides a summary of the Trust's response in navigating COVID-19 with its stakeholders.

Staff	
	The Managers implemented various precautionary measures to take care of the safety and total-well-being of its staff. Frontline staff were provided with appropriate equipment such as surgical masks, hand sanitisers and Personal Protective Equipment (PPE). Enhanced cleaning measures were implemented in the work areas. Where possible, staff would work from home with the support of telecommuting technologies. To ensure the total well-being of its staff, the Managers have been engaging them through CapitaLand via online platforms including pulse surveys, virtual townhalls and online activities such as online learning, competitions etc. Resources such as financial assistance channels, other employee assistance programmes and healthcare hotlines were also circulated regularly via emails.

SUSTAINABILITY REPORT

Tenants

All of a-iTrust's business parks remained operational throughout 2020 to support tenants' operations. To provide a safe environment for tenants and the park community, the Managers enhanced hygiene measures and employed the use of contactless technologies. Regular communication on COVID-19 preparedness is also shared with all tenants. As most within the park community continue to work-from-home, a-iTrust has held various virtual engagement activities to connect with them.

a-iTrust has committed to rental reliefs to retail tenants to support them through this difficult period till footfalls revive meaningfully. The Trust has also increased social media and marketing campaign efforts for consumer outreach to increase mall footfalls to support the retail tenants.

Suppliers

There were no significant disruptions to a-iTrust's supply chain during the COVID-19 pandemic. Through the use of Zycus, an online Procure-to-Pay supplier management platform, tender calling and awarding of contracts could be conducted digitally and remotely.

During the lockdown period in India, a-iTrust leveraged its position as a real estate business trust to provide temporary lodging in addition to providing basic amenities for its contractors, including food supplies, as well as PPE and precautionary kits. This helped to reduce the exposure of these contractors to the virus and provided assurance to the Trust's tenants that the workers on-site in the IT parks were well-protected.

Community

Through CapitaLand Hope Foundation India, a-iTrust has funded various COVID-19 related initiatives to support the frontline healthcare workers, police personnel and communities around the Trust's parks. Funds went towards areas such as the procurement of medical supplies and equipment for these at-risk groups. For more details of the initiatives, please refer to page 90 of a-iTrust Annual Report 2020.

BOARD, TOP MANAGEMENT SUPPORT AND STAFF COMMITMENT AND INVOLVEMENT

STRATEGIC SUSTAINABLITY MANAGEMENT STRUCTURE

CapitaLand Board of Directors

↓

CapitaLand Sustainability Council

↓

CapitaLand Management Council

↓

Various sustainability work teams covering investments, environment, health and safety, innovation, stakeholder engagement, enterprise risk management

↓

All Staff

CapitaLand's sustainability management comes under the purview of the CapitaLand Sustainability Council. Reporting to the CapitaLand Board, the Council comprises certain CapitaLand independent board directors and members of the CapitaLand Executive Committee and is supported by the Group Sustainability Office and various work teams to drive continued progress and improvement in the areas of ESG. The work teams comprise representatives from all business units and corporate functions.

The Trust's properties are overseen by representatives in the Environmental, Health and Safety (EHS) Committee to drive initiatives within its parks. The a-iTrust Board is updated regularly on sustainability matters related to the Trust, including sustainability management performance of a-iTrust, key material issues identified by stakeholders and the planned follow-up measures.

The Trustee-Manager works closely with the Property Manager in carrying out strategies and relevant activities, abiding by CapitaLand's sustainability framework and policies.

CAPITALAND DNA

CORE VALUES			
Winning Mindset	Integrity	Respect	Enterprising
Commitment to our Stakeholders			
We create great customer value and experiences through high-quality products and services.	We deliver sustainable unitholder 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 (Tenants & Shoppers)	For our Investors (Investors & Business Partners)	For our People (Employees)	For our Communities (Government agencies, NGOs, public, environment, suppliers)

MATERIALITY

With the full integration of Ascendas-Singbridge and CapitaLand, the material ESG issues of a-iTrust were reviewed for its alignment with those identified by CapitaLand. As a CapitaLand-sponsored business trust, CapitaLand's list of ESG material issues have been deemed to be material and applicable to a-iTrust's business and operations.

Moving forward, a-iTrust will be guided by CapitaLand's regular review, assessment and feedback process in relation to ESG topics. Key to this is an annual CapitaLand Group-wide Risk and Control Self-Assessment exercise which entails the identification, assessment and documentation of 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. The CapitaLand Group identifies and reviews material issues that are most relevant and significant to the business and its stakeholders. These are prioritised based on the likelihood and potential impact of issues affecting business continuity and development. For external stakeholders, priority is given to issues important to the society and applicable to CapitaLand. For more information on stakeholder engagement, please refer to the Social and Relationship Capital, Human Capital and Environmental Capital chapters of this report.

PRIORITISATION OF ESG MATERIAL ISSUES

Environment	Social/Labour Practices	Governance
Critical		
› Energy efficiency › Climate change and emissions reduction › Water management	› Occupational health & safety › Employment › Stakeholder engagement › Supply chain management	› Compliance › Business ethics › Products and services*
Moderate and emerging		
› Building materials › Construction and operational waste › Biodiversity	› Diversity › Human rights	

* Includes customer health and safety.

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

The Guiding Principles of the International Integrated Reporting Council (IIRC) Framework were referenced in this report, and the material ESG issues are grouped 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 CapitaLand's Master Plan 2030 targets, and where CapitaLand can achieve the greatest positive impact.

Capitals	Material ESG Issues	What We Do	2020 Value Created
Environmental Capital › Carbon emissions › Energy management › Water stewardship › Waste and resource management **Manufactured Capital** › Environmentally sustainable, healthy, safe and accessible quality building › Innovating and sustainable construction methods and technologies	› Energy efficiency › Climate change and emissions reduction › Water management › Construction & operational waste › Biodiversity › Stakeholder engagement › Product safety and customer well-being	a-iTrust is committed to: › Reduce water consumption, reuse water and prevent water pollution › Transit to low-carbon business and reduce energy consumption through improved energy efficiency and increase use of renewable energy › Actively embrace innovation to ensure commercial viability without compromising the environment for future generations › Preserve the biodiversity of its sites as well as the wider area where possible › Build safe, accessible, vibrant and quality real estate development to enhance the lives of the Trust's tenants	› 77% of a-iTrust's business park buildings are certified either with IGBC or USGBC LEED green ratings across the portfolio. › Achieved 41%[2] reduction of energy consumption. › 49% of total landlord energy consumed is from solar energy. › Achieved 53%[2] reduction in water use.
Manufactured Capital › Environmentally sustainable, healthy, safe and accessible quality building › Innovating and sustainable construction methods and technologies **Human Capital** › Health and safety › Job creation and security › Learning and development › Benefits and remuneration	› Occupational health and safety › Supply chain management › Employment › Diversity › Human rights	› a-iTrust believes that regardless of age, religion, gender, race, nationality and family status, staff can make a significant contribution based on their talent, expertise and experience. a-iTrust adopts consistent, equitable, and fair labour policies and practices in rewarding and developing staff. › a-iTrust aims to provide a work environment that is safe and contributes to the general well-being of its staff. › Occupational health and safety of its stakeholders is of utmost importance to a-iTrust. This includes a-iTrust staff, tenants, contractors, suppliers and the communities that use its properties.	› Zero employee injuries and fatalities during the reporting period › Ratio of male to female employees of Trustee-Manager at 1.6:1. › Employee turnover of 6.3% during the reporting period › Average of 10.8 hours of training for all employees including digital training courses.

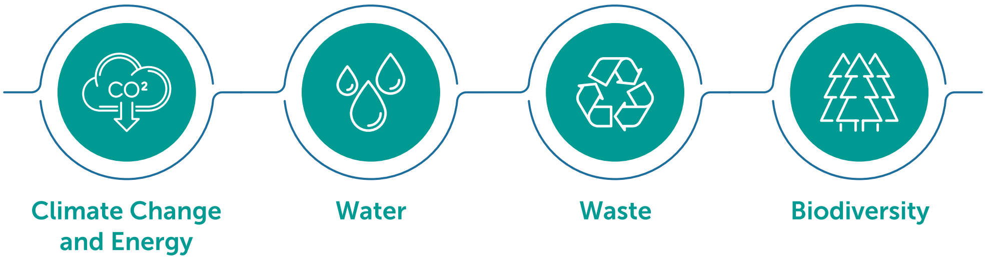
2 Compared to base year 2019. This reduction may not be reflective of the Trust's future performance due to lower physical occupancy during the reporting period in view of the COVID-19 pandemic

Capitals	Material ESG Issues	What We Do	2020 Value Created
Social and Relationship Capital › Stakeholder relations › Social license to operate › Community development › Cross-sectoral partnership 	› Stakeholder engagement › Products and services (Include customer health and safety)	› a-iTrust is committed to building safe, accessible, vibrant and quality real estate developments for tenants and members of the community › a-iTrust is committed to activities that are aligned with its focus on community investment › Promote sustainability within the tenant community	› Awarded the British Safety Council accreditation with implementing of effective control measures for COVID-19. › Tenant engagement through virtual events. Refer to page 39 of a-iTrust Annual Report 2020. › Set up COVID-19 fund in India to assist front-liners and local communities to manage the spread of the virus. More information can be found on page 90 of a-iTrust Annual Report 2020.
Organisational Capital › Leadership and culture › Corporate governance › Risk management	› Compliance › Business ethics › Stakeholder engagement	› Ensure compliance with CapitaLand's Supply Chain Code of Conduct › All staff are required to make an annual declaration to uphold CapitaLand's core values and not to engage in any corrupt or unethical practices › Requires third-party service providers and vendors to adhere to anti-bribery and anti-corruption provisions	› Refer to Corporate Governance chapter on pages 97 to 129 of the a-iTrust Annual Report 2020 › No reported incident relating to staff discrimination; child labour or forced labour in a-iTrust project sites
Financial Capital › Sustainable financing › Earnings › Equity › Investments › Assets		› Combination of operating income from investment properties, disciplined approach to investments, proactive portfolio management and prudent capital management	› Refer to financial review on pages 56 to 60 of a-iTrust Annual Report 2020

ENVIRONMENTAL AND MANUFACTURED CAPITAL

a-iTrust is committed to minimising its environmental impact as a real estate business trust. It believes that lowering the environmental footprint of its buildings through innovation creates value for its stakeholders.

It incorporates environmental sustainability in its life cycle management, in all stages of a project, from feasibility, design, procurement, construction, operation to redevelopment. Monitoring environmental impacts is integral to its business operations, as the efficient use of environmental resources such as energy and water contributes to the operational efficiency and long-term sustainability of the Trust.



Framework	
Policy and Objectives	› Identify opportunities in managing its property portfolio to deliver long-term benefits › Reduce energy consumption and encourage renewable energy sources › Reduce water consumption and encourage the use of treated/recycled water › Manage waste through construction efficiency and encourage recycling › Manage biodiversity to contribute positively to the natural environment › Engage stakeholders to play their part
Accountability	› Setting performance targets linked to remuneration for employees, and monitoring energy and water usage, waste generation and carbon emissions performance through the Environmental Tracking System (ETS) › Use of the ISO 14001-certified Environmental Management System (EMS) ensures accountability to relevant managers and all employees
Methods/Action plan	Environment Management System (EMS) › Compliance with local environmental laws and regulations. › Identify significant environmental aspects and manage impact. › Implementation of Sustainable Building Guidelines (SBG), an in-house guide that ensures holistic incorporation of environmental considerations throughout all stages of the Trust's properties' life cycles. › Appointment of ISO 14001-certified main contractors or conduct EMS legal compliance on site To contribute towards CapitaLand Group achieving the following operational targets (baseline 2008) by 2030: › Reduce carbon emissions intensity by 78% › Reduce energy consumption intensity by 35% in day-to-day operations › Increase proportion of total electricity consumed from renewable sources to 35% › Reduce water consumption intensity by 45% in day-to-day operations › Achieve 25% recycling rate in day-to-day operations › Divert 75% of construction waste from landfill
Stakeholder engagement	› Require and indicate preference for ISO 140001 main contractors/vendors › Share CapitaLand EHS policy with suppliers and service providers › Encourage end users, including tenants and the general community, to adopt environmentally sustainable habits

TOP MANAGEMENT COMMITMENT AND STAFF INVOLVEMENT

Initiatives associated with environmental and safety performance in India are driven by representatives in CapitaLand's EHS committee. This committee maintains the Group's EHS Management System as the CapitaLand Environment Sustainability Working Team and supports the work of CapitaLand's Sustainability Council.

All staff are involved in reducing a-iTrust's environmental footprint. They are encouraged to be forthcoming and to report all incidences of environmental-related issues and complaints, as well as incidences of non-compliance and non-conformities.

MANAGING OUR ENVIRONMENTAL FOOTPRINT

a-iTrust has adopted CapitaLand's Environmental Management System (EMS) as a key tool in managing its environmental footprint across its entire portfolio. The EMS is integrated with the Occupational Health and Safety Management System (OHSMS) to form CapitaLand's Environmental, Health and Safety Management System (EHSHS), and certified to the requirements of ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health & Safety) Standards.

Risk Management of Environmental Aspects and Impact

The EMS provides a systematic approach to manage a-iTrust's environmental impact and to continuously improve its environmental performance. A key element of the EMS is to identify and manage significant environmental aspects of its business operations that can potentially have a negative impact on the environment. The significance of each environmental aspect and impact is assessed based on factors such as the likelihood of the occurrence, severity of the impact and control measures implemented.

a-iTrust strives to minimise impacts such as resource depletion, carbon emissions and waste generation. This is done by setting environmental targets such as green building rating targets; carbon emissions, energy, water and paper usage reduction targets; stakeholder engagement activities; and implementing various measures to achieve them.

Training

To facilitate effective implementation of the EMS, training and awareness programmes are planned and conducted for all staff. New staff are inducted to the EHSMS, as well as CapitaLand's EHS policy and briefed on the roles they play. For the implementation of CapitaLand's EHSMS, Heads of Departments in administration, operations, and project development, including heads of operating properties, design managers and project managers, undergo more detailed training.

Internal and External Audits

a-iTrust is under the internal audit system by CapitaLand which ensures the conformance and effective implementation of its EMS to ISO 14001 international standards. Internal audits are conducted at least once a year. External audits are also conducted annually by a third-party accredited certification body.

GREEN BUILDING RATING AND BENCHMARKS

a-iTrust is aligned with the CapitaLand Group's overall green building rating targets of achieving green certifications for all new and existing high-value buildings in its portfolio. Green certification validates the Trust's efforts in aligning its portfolio with industrial best practices that are environmentally responsible and resource efficient.

Over the years, a-iTrust is proud to be recognised for its efforts to reduce its environmental footprint, receiving numerous certifications and awards relevant to the Trust's properties in India, namely the U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) and Indian Green Building Council (IGBC) certification[3]. Figure 2 provides an overview of these certifications and awards.

3 LEED/IGBC is a green building certification programme that recognises best-in-class building strategies and practices. To receive the LEED/IGBC certification, building projects must satisfy prerequisites and accumulate points to achieve different levels of certifications.

Figure 2: Sustainability Certifications

City	Property	Building	Award
Bangalore	International Tech Park Bangalore	Anchor (SEZ)	IGBC Platinum
		Aviator (SEZ)	IGBC Platinum
		Creator	USGBC LEED Gold
		Discoverer	USGBC LEED Gold
		Explorer	IGBC Gold
		Innovator	USGBC LEED Gold
		Inventor	IGBC Gold
		Navigator	IGBC Gold
		Victor (SEZ)	USGBC LEED Platinum
		Voyager (SEZ)	IGBC Silver
Chennai	International Tech Park Chennai	Crest	USGBC LEED Gold
		Pinnacle	USGBC LEED Gold
		Zenith	USGBC LEED Platinum
	CyberVale	Building 3	USGBC LEED Gold
		Lakeview	USGBC LEED Gold
		Springfield	USGBC LEED Gold
Hyderabad	International Tech Park Hyderabad	Atria	USGBC LEED Gold
		Vega	USGBC LEED Platinum
	Cyber Pearl	Block A	IGBC Gold
		Block B	IGBC Gold
Pune	aVance Pune	Buildings 1-3	IGBC Platinum

Target	Performance
Obtain 100% certification by a green rating system administered by a national government ministry/agency or World Green Building Council (WGBC) recognised Green Building Council by 2030	› In progress; 77% of the buildings across the portfolio are certified either with IGBC or USGBC LEED green rating.

CapitaLand Sustainable Building Guidelines

a-iTrust takes reference from CapitaLand's Sustainable Building Guidelines (SBG) which ensures environmental considerations are factored in at all stages of its properties' life cycles. The SBG is regularly reviewed to ensure continuous improvement, with a focus on four key objectives – reducing carbon footprint and energy consumption, water management, reducing waste generation and promoting biodiversity.

A key component of the SBG is the mandatory Environmental Impact Assessment (EIA). Prior to any acquisition or development, an EIA will be carried out during the feasibility study stage. Significant findings of the EIA and their cost implications, if any, are incorporated in the investment paper submitted to the Board for approval.

The EIA focuses on identifying any environmental threats or opportunities related to the project site and its surroundings, covering areas such as floods, biodiversity, air quality, noise, connectivity, heritage and resources. There are no properties in a-iTrust's portfolio located within protected areas and no material biodiversity risk has been identified.

TRACKING OUR ENVIRONMENTAL RESULTS

The primary impact of a-iTrust's operations on the environment is through its energy use, water use and waste generated in the operations of its buildings. To reduce its environmental footprint, a-iTrust has continuously explored new and innovative ways, with a focus on the adoption of more efficient technologies which can reduce resource use.

In FY2020, a-iTrust fully transitioned to CapitaLand's cloud-based Environmental Tracking System (ETS) platform. The ETS acts as a central point of consolidation and monitoring of energy and water consumption, carbon emissions and waste generation across the properties, allowing the Property Manager to conduct analysis against set targets and past trends to understand consumption patterns and identify areas for improvement.

This year, as a result of the lockdowns in India and changes to working arrangements, there has been a significant reduction in the amount of energy and water used and waste generation when compared to the previous year. As such, the environmental performance of a-iTrust in 2020 may not accurately reflect the typical performance of a-iTrust's properties. a-iTrust will continue to monitor its environmental performance closely and introduce initiatives to reduce its environmental impact.

Energy and Carbon Emissions

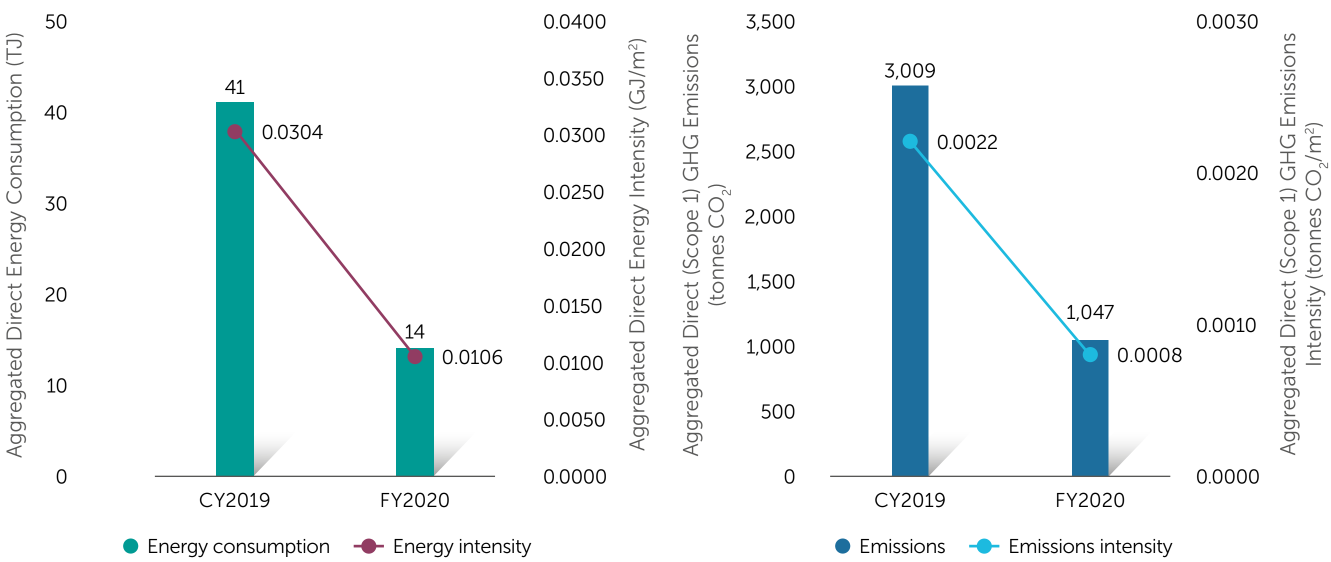
The Trust's direct energy consumption comprises fuel consumption for emergency genset testing and diesel generators as well as the energy generated from solar rooftop installations in ITPB, ITPC, CyberVale and CyberPearl.

In FY2020, the Trust utilised 14 TJ of direct energy which resulted in 1,047 metric tonnes of CO_2. This represents a significant reduction of 66% in direct energy consumed across the Trust's operations. This decrease is in line with the Trust's move away from fuel-based captive power plants to the utilisation of green energy sources such as solar energy.

The Trust's indirect energy consumption is primarily derived from a mixture of traditional grid energy and solar energy from off-site solar farms. In FY2020, the Trust utilised 55,438 MWh of electricity[5] which resulted in 54,939 metric tonnes of CO_2. Compared to the same period last year, there was a significant decrease of 41% in energy use intensity.

Figure 3:

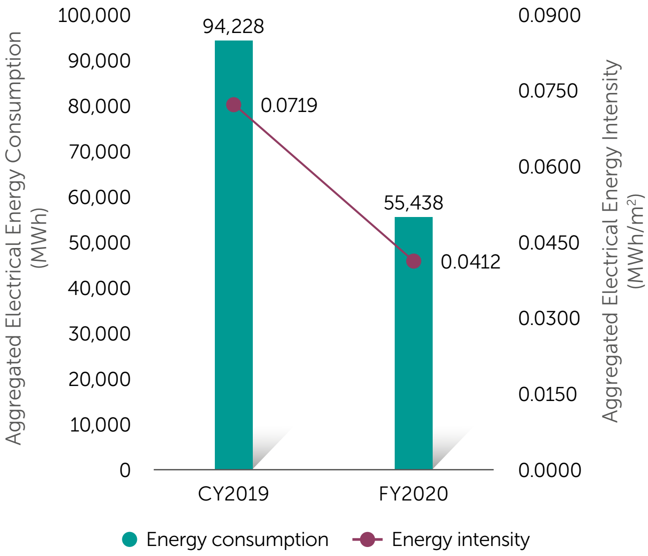
DIRECT ENERGY CONSUMPTION AND INTENSITY[4]

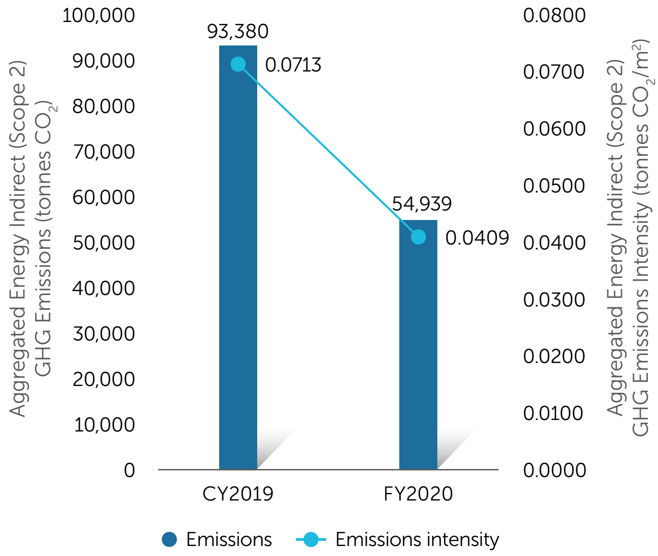


4 2019 figures refer to calendar year 2019, for comparison against full-year FY2020 figures.
5 This refers to energy consumption for common areas and air-conditioning.

Figure 4:

INDIRECT ENERGY CONSUMPTION AND INTENSITY





Renewable Energy

As part of our commitment to reduce the carbon footprint of our portfolio, the Trust has been adopting renewable energy for its properties since 2014. Since then, the proportion of renewable energy has increased year-on-year, to 44% (approximately 68.5 million kWh) of total energy consumption in 2020. This increase is also partly due to lower overall energy usage in 2020 where most of the reduction came from traditional grid energy usage. The increased adoption of renewable energy has enabled the Trust to effectively reduce its carbon footprint by approximately 48,400 metric tonnes of CO_2 in 2020.

The Trust has managed to significantly increase its adoption of renewable energy year-on-year via multiple avenues. For example, as part of the plan to decommission the diesel-driven dedicated power plant in ITPB in 2017, the Trust signed multiple power purchase agreements across 2016 and 2017. Subsequently, the Trust also installed solar panels across the rooftops of its properties; in 2020, an additional 750 kW of solar power capacity was harnessed via the construction of rooftop solar panels across buildings in aVance Hyderabad and aVance Pune. To date, an equivalent of 2.9 MW of rooftop solar power has been installed across 24 buildings, generating approximately 4.1 Million kWh annually.

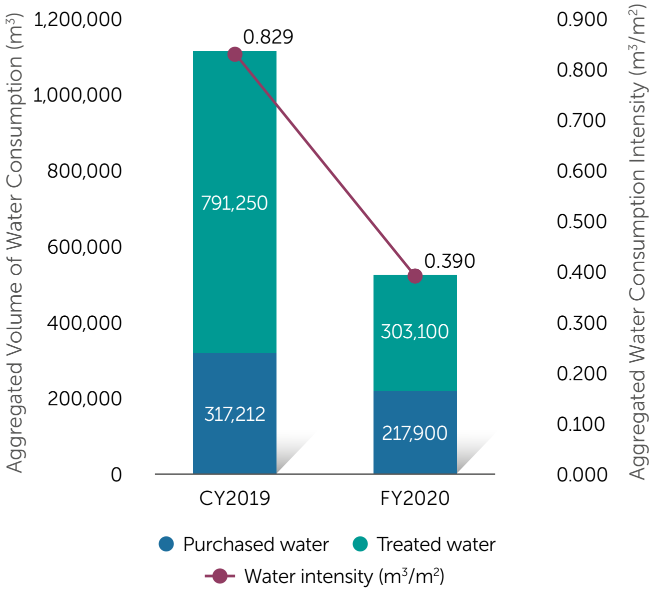
Water Management

Water scarcity remains an acute issue in India. a-iTrust is cognisant of its responsibility to the local community to use water in a sustainable manner and is committed to reduce water consumption in its daily operations. Adopting a strategic approach to water management and quality enhances the efficiency, resilience and long-term value of the Trust's portfolio.

In FY2020, the Trust utilised 521,000 m^3 of water, a significant decrease of 53% compared to the same period last year. a-iTrust's water use and water use intensity are shown in Figure 5.

Figure 5:

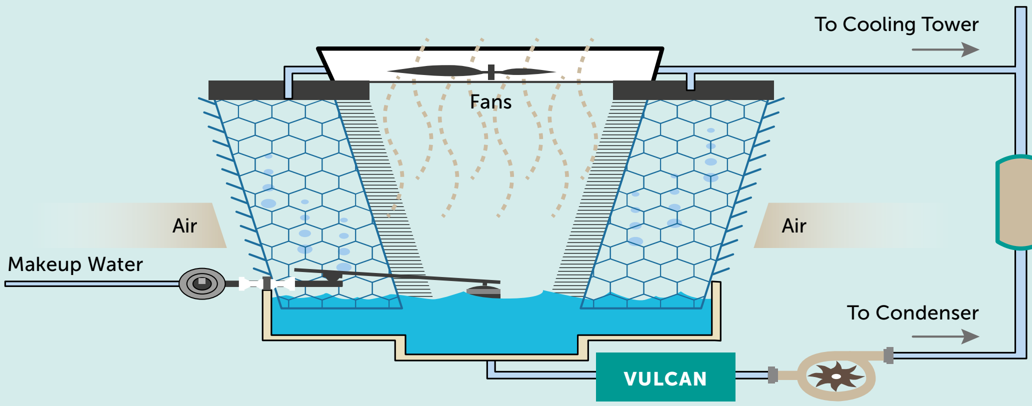
WATER CONSUMPTION AND INTENSITY



CASE STUDY 1

DESCALING OF THE CHILLER CONDENSER WATER SYSTEM AT ITPB

A common issue faced in the operation of water-cooled chiller condenser systems is the formation of scales caused by the crystallisation of minerals in water. These scales reduce the chiller efficiency resulting in increase in water and energy use. Traditionally, to prevent the formation of these scales, chillers are doused with chemicals and cleaned regularly. However, there are still limitations to such a solution as the scales are still able to form. Furthermore, the use of these chemicals can pose a risk to the environment.



To address the issue of scaling, ITPB introduced a radiofrequency (RF) based water treatment system to its water condensers at ITPB. Through the process of electrophoresis, the system modifies the crystallisation of minerals that prevents them from binding to the surface of the water condenser system. This solution has resulted in an increased chiller efficiency and a 58% reduction in the amount of water use, in addition to reducing the harmful effects of chemicals used in the process of descaling.

Waste

Within a-iTrust properties, a significant amount of waste is generated from its park community. a-iTrust takes every effort to work with its stakeholders to reduce and recycle waste.

In FY2020, a total of 542.6 tonnes of waste was generated, of which 71% were recyclable waste comprising paper, plastic metals and other materials. a-iTrust has started tracking its waste data and will monitor waste generation and recycling rates with a view to improving its performance.

Paper Consumption Management in a-iTrust Corporate Offices

Paper accounts for most of the waste generated from the Managers' corporate offices. Initiatives implemented included the use of "Follow-me" printing to better track paper usage and minimise wastage, and work processes moved online to reduce paper consumption. Recycling bins (including secured bins) are conveniently located at corporate offices to encourage staff to recycle used paper. a-iTrust also actively promotes the use of environmentally-friendly paper and reduced printing of the Ascendas India Trust Annual Report. The electronic version of the Annual Report is available on the Trust website.

CASE STUDY 2

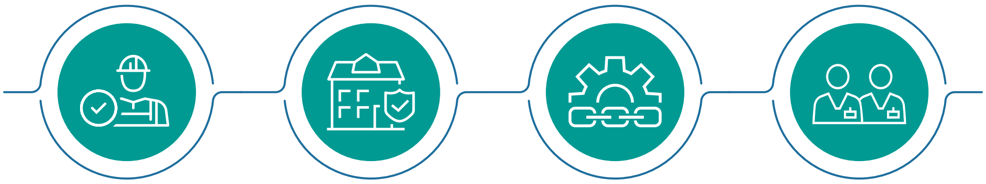
AUTOMATIC WASTE SEGREGATION AT ITPB

Building waste that is not segregated into biodegradable and non-biodegradable waste contributes to environmental pollution; poses a health risk to workers involved in the manual segregation of waste; wastes resources that could have been reused; and increases the footprint associated with more trips to collect larger volumes of unsegregated waste.

To address the above issues, ITPB has installed an automated waste segregation system, "Trashbot" that allows waste within ITPB premises to be separated into biodegradable and non-biodegradable waste. Biodegradable waste collected can be used to create compost or briquettes to generate energy, while non-biodegradable waste can be further treated by disinfection and converted into particle boards which can be reused for furniture, roofing tiles and partition walls.

HUMAN CAPITAL

Occupational Health and Safety (OHS) of the Managers' staff, the Trust's tenants, contractors, suppliers and the communities who use its properties, is of utmost importance to a-iTrust. Effective OHS management is part of risk management and deemed to enhance staff productivity and morale.



Occupational Health and Safety (OHS)

Safety and security of properties for stakeholders including staff, shoppers, tenants and the public

Supply Chain Management

Employment

Framework	
Policy and objectives	› Identify and reduce occupational injury rates to achieve zero harm › Provide a robust OHS Management System (OHSMS) › Meet and exceed OHS legal requirements › Promote a culture of individual ownership and responsibility for OHS management › Seek proactive support and participation from a-iTrust's top management, staff and stakeholders including tenants and supply chain (contractors and suppliers) › Drive continuous improvement in OHS performance through active participation in industry and national programmes to raise OHS standards
Accountability	› CEO is accountable › ISO 45001 certified OHS Management System ensures accountability to the Managers and all staff › Key performance indicators (KPIs) are linked to remuneration of all staff of the Managers, including top management
Method/Action plan	OHS Management system › Legal compliance › Identification of hazards and risk assessment › Sustainable Building Guidelines – Design for Safety (DfS) › Safe operations – OHS Standard Operating Procedures (SOPs) › Training and awareness › Give preference to ISO 45001 certified supply chain (vendors/suppliers) › Appoint ISO 45001 certified main contractors or carry out OHS legal compliance audit onsite KPI › OHS performance of staff › Stakeholder engagement
Stakeholder engagement	Educate key stakeholders including tenants and the wider community

TOP MANAGEMENT COMMITMENT AND STAFF INVOLVEMENT

CapitaLand champions OHS with commitment from the top management and staff participation through the OHSMS and stakeholder engagement activities. The CEO of the Trustee-Manager is accountable for overall OHS performance of a-iTrust and all staff are encouraged to take ownership of OHS issues and be proactive in reporting all OHS-related incidents, including non-compliances and non-conformities. This list is updated in the CapitaLand intranet.

Additionally, the OHSMS includes provisions for the consultation and participation of workers, such as determining the mechanisms for worker involvement and providing time, training and resources.

ROBUST OHS MANAGEMENT SYSTEM

a-iTrust's approach to health and safety is guided by its OHSMS, which is governed by CapitaLand's EHS policy that outlines the company's commitment to manage OHS issues. For more details of the EHS policy, please refer to the EHS policy outlined in the Environmental Capital chapter of this report.

Certified to International Standards

The OHSMS has been externally audited by a third-party accredited certification body to ISO 45001. This coverage encompasses all business functions including property management, property development, corporate management and operations.

Internal and External Audits

CapitaLand has put in place an internal audit system to ensure conformance and effective implementation of the OHSMS. For a-iTrust, internal audits are conducted at least once a year, covering all its business parks in India. In addition, external audits are conducted annually by an accredited third-party certification body. These audits provide assurance to top management and external investors of its OHSMS, legal compliance requirements and commitment to best practices.

Compliance

Legal requirements are reviewed on a quarterly basis, and compliance to these requirements are evaluated annually. There were no instances of non-compliance in a-iTrust's properties in FY2020.

Risk Management of OHS Hazards

Identifying OHS hazards and assessing their risks are key components in the OHSMS. a-iTrust strives to eliminate or minimise such hazards and risks though various measures. Hazards Identification and Risk Assessments (HIRA) are reviewed annually or when appropriate, for example, following a change in processes. OHS hazards are identified for the administration, development and operational functions of CapitaLand's businesses and their risks are assessed. Examples of hazards include poor ergonomics, falling from height, falling objects and working in an enclosed space. The Managers have put in place various standard operating procedures (SOPs) to minimise the occurrence of such hazards.

Training and Awareness

To facilitate the effective implementation of the OHS Management System, training and awareness programmes are organised for staff. Please refer to the Environmental Capital chapter of this report for more details on EHS training programmes. In addition, staff are briefed on how to respond to OHS incidents at the workplace. As part of staff well-being initiatives, the CapitaLand Group organises weekly wellness day emphasising the importance of mental, physical, and emotional wellness for all staff. Staff have the option to participate in wellness related activities and programmes such as body wellness talks, fun run, health screening and more.

Measures to Mitigate Risks of Serious Diseases

a-iTrust responds to the threat of serious diseases in a timely manner by putting in place appropriate measures to mitigate risks. When necessary, the human resource department disseminates medical and travel advisories to all staff. Information on pandemic planning is also made readily available for all staff on the intranet. In response to the health and safety risks from COVID-19, a-iTrust has taken proactive steps to protect its business park tenants and employees, overseen by the CapitaLand Business Continuity Plan Committee (which comprises top management including the Chief People Officer and respective Heads of Departments).

CASE STUDY 3

MANAGEMENT OF COVID-19 IN INDIA

As of February 2021, over 10 million people have been tested positive for the virus. To manage the spread of the virus, the nation underwent a national lockdown starting from 23 March 2020 that extended through several phases in the period following. Although the lockdowns have since been lifted, several restrictions and guidelines have been put in place to ensure that businesses can continue to safely operate in the midst of the pandemic.

During the year, the Trust worked closely with property managers to ensure that all the necessary precautionary measures were implemented and adhered to within its parks. All of the Trust's business parks adhere to international standard safety protocols. The Trust is also exploring innovative digital and technological solutions to further strengthen the health and safety measures in its business parks. These measures can be categorised broadly in three key areas – Park, Tenant and Employees.

PARK

Firstly, there was a need to ensure that the infrastructure of the park allowed for the detection of potential carriers as well as prevented any further spread of the virus. Hardware-level solutions introduced include:

- Screening of temperature at every entry point to the business parks
- Installation of thermal imaging scanners at strategic locations
- Deploying contactless technologies such as the in-house modification of elevators at ITPC/ CyberVale to allow the selection of floor through the use of a foot-operated pedal system
- Utilisation of UVGI technology to disinfect Air Handler Units (AHU) for enhanced indoor air quality
- Utilisation of anti-microbial coating for common touch surfaces e.g. elevator and restrooms

TENANT

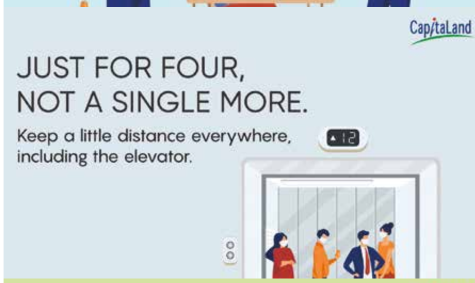
It was also important to ensure safe distancing, reduce the gathering of crowds and reduce transmission amongst tenants and visitors to the park. Accordingly, the Trust implemented the following measures:

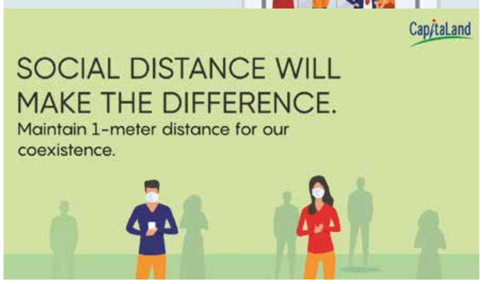
- Installation of social distancing markers at key areas such as lifts, queue in lobbies and entrances
- Circulating guidelines and reminders to tenants to ensure safe distancing
- Closing of food courts in the parks
- Making the wearing of masks mandatory inside the park

EMPLOYEE

Lastly, the Trust worked closely with its employees and contractors to enhance cleaning and disinfection of the park through the following measures:

- Enhanced sanitation with dedicated deep cleaning team with increased frequency of cleaning and disinfecting at all common spaces
- Training all service staff to follow precautionary and hygienic measures, including the use of PPE while they are in the IT parks





All of the Trust's IT parks have been accredited with the British Safety Council's global benchmarking certification for COVID-19 control measures. As an assurance assessment, the certification affirms the efficacy and compliance of the Trust's COVID-19 measures, including its policies, procedures and arrangement relating to the control of COVID-19 in accordance to requirements set by the Indian government, UK government and sector specific guidelines.

BRITISH SAFETY COUNCIL
COVID-19 Assurance Statement

MEASURING OUR SAFETY PERFORMANCE

In 2020, there were zero work-related fatalities, high consequence[6] injuries and occupational diseases recorded. However, there were a total of two minor incidents which occurred. These incidents involving one contractor and one operation staff, were deemed to not be severe. Thorough investigation was conducted to prevent recurrence and all necessary follow-up actions have been taken in line with the Manager's incident reporting and investigation guidelines and procedures. As part of its OHSMS, a-iTrust will continue to monitor its OHS performance, reinforce safety standards and review its procedures for improvement.

Perpetual target	Performance
Zero incident resulting in staff permanent disability or fatality	Achieved
Maintain ISO 45001 certification for its OHSMS	Achieved

CASE STUDY 4

IMPROVEMENT OF INDOOR AIR QUALITY USING NANO FIBRE FILTRATION AT BUSINESS PARKS

Air quality is monitored and maintained at a-iTrust's properties to ensure a quality indoor environment. At ITPB, aVance Pune and ITPC, a nano fibre filtration has been introduced that reduces Particulate Matter (PM) concentrations for PM2.5 and PM10.

These are also more energy-efficient and cost-effective than the existing MERV13 solutions.

6 A high-consequence injury is a work-related injury that results in a fatality or an injury from which the worker cannot, or does not, or is not expected to recover fully to pre-injury health status within 6 months.

SECURITY AND SAFETY AT BUSINESS PARKS

As a business space provider, a-iTrust is committed to provide a safe and secure environment for its stakeholders. The Trust takes a proactive approach by implementing various security measures, physical protection practices and security technologies.

The Managers recognise the need for constant vigilance and readiness on the ground and interact closely with external security vendors to review procedures and ensure that they are well-equipped with the skills to anticipate, identify and manage security threats. Standard procedures such as building evacuation, video surveillance backup and visitor identification checks are in place. Additionally, the Property Manager liaises with the local police, the State Intelligence Bureau and the Centre for Counter-Terrorism to stay abreast of any recent developments that may require them to intensify their security plans.

Figure 6: Examples of Security Practices at the IT parks

PROPERTY SECURITY

- Power fencing along boundary walls of parks
- Armed guards deployment
- Use of unique hologram identification sticker for vehicles and personnel
- Closed-circuit television (CCTV)
- Visitor Management System

SUPPLY CHAIN MANAGEMENT

CapitaLand works closely with its contractors and suppliers who are committed to high quality environmental, health and safety standards. Contractors are only appointed for its projects upon meeting the Group's stringent selection criteria.

The Managers adopts CapitaLand's Supply Chain Code of Conduct to influence its supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management.

Vendors and Service Providers

All vendors are required to declare their adherence to CapitaLand's Supply Chain Code of Conduct at point of enrolment for submission of quotation or tender. In all term contracts, the Managers have stipulated for Risk Assessment Forms and vendors are requested to submit a copy of their risk assessments in cases where their activities may affect the occupational health and safety of the staff or visitors. For contractors, house rules stipulate requirements such as deploying personal protective equipment, reporting of accidents and proper disposal of debris and toxic waste.

To manage its suppliers, a-iTrust employs Zycus, an online Procure-to-Pay platform that can be accessed by its suppliers. Under Zycus, all new Property Management suppliers appointed in 2020 were screened using social and environmental criteria. Performance of the contractors is monitored on a regular basis and reflected in contractor performance evaluation ratings. Suppliers' finances are also checked in accordance to CapitaLand's Contractor Financial Check to ensure fiscal sustainability.

HUMAN RIGHTS

CapitaLand has an integrated human capital strategy to recruit, develop and motivate employees. KPIs, both for the business as well as for people development, are in place to ensure that employees' performance goals are aligned with the Group's business objectives. Employees are provided with appropriate development opportunities to perform well in their job.

Anti-Child Labour and Anti-Forced Labour

a-iTrust is against any form of child labour and coerced labour. As a CapitaLand-sponsored business trust, it adheres to international human rights principles including the Universal Declaration of Human Rights and the International Labour Organisation (ILO) Conventions.
In FY2020, there was no reported incident relating to discrimination, child labour or forced labour in a-iTrust, and the company had no employees below the age of 16.

Diversity and Inclusion

a-iTrust embraces diversity and inclusivity regardless of gender, race, nationality and family status. The Managers believe that all employees can make strong contributions based on their diverse talent, expertise and experience.

The Trust identifies talent internally and externally to build bench strength as well as talent pipeline for leadership succession planning. It recruits talent through a network of local and overseas universities, and attracts young talent at an early stage through its graduate development programme. Apart from fresh graduates, a-iTrust also employs experienced and mid-career professionals and industry veterans.

In FY2020, two new hires joined the Trustee-Manager, one employee left the Trustee-Manager, while one transferred internally to another business unit within the CapitaLand Group.

Re-employment Opportunities

Programmes are also in place to facilitate the continued employability of employees such as pre-retirement planning for intended retirees, re-training for those intending to continue working after retiring, severance pay, job placement services, as well as training and counselling on transitioning to a non-working life.

Respect for Freedom of Association

a-iTrust abides by the Industrial Relations Act that allows employees to be represented by trade unions for collective bargaining. This allows an avenue for employees to seek redress in cases of industrial disputes.

Talent Management

a-iTrust seeks innovative, dynamic and talented staff to take the company into its next phase of growth and adopts a multi-pronged approach to manpower planning, i.e. developing internal talent and hiring young talent, mid-career and industry veterans. a-iTrust continuously builds its management bench strength through the identification of high potential talent from both within and outside of the CapitaLand Group as part of its regular succession planning process.

Positive Work Environment

a-iTrust recognises that a positive work environment is essential to attract, motivate and retain talent. Its total well-being programme promotes personal development, health and work-life harmony. Initiatives include a flexible medical and benefits plan, flexible work arrangements and staff engagement initiatives. Part-time staff are entitled to the same benefits on a pro-rata basis. a-iTrust advocates a pay-for-performance philosophy to drive ownership of collective goals, leading to a high-performance culture which creates long-term shareholder value. Its robust performance management system ensures that all staff receive regular performance and career development reviews.

Through the flexible work arrangement policy, employees may apply for flexible work hours, work from home or part-time work arrangements depending on their needs.

Fair Remuneration

All employees sign employment contracts with clearly stated employment terms and conditions for employees to understand. This includes employment terms on salary and allowances, (statutory) contributions/deductions, leave entitlements, insurance and medical benefits etc.

To ensure that a-iTrust remains competitive and able to attract and retain talent, external consultants are engaged to benchmark the Trusts' compensation packages against relevant talent markets. Beyond base salaries, other components of the compensation packages encompass short-term cash bonuses and long-term equity-based reward plans.

All regular full-time staff undergo an annual performance review where there is an open discussion on the staff's performance, areas for improvement, developmental needs and career plans.

a-iTrust rewards and motivates staff with a comprehensive and competitive compensation package and benefit programmes. Staff at managerial levels are also eligible to receive performance-based long-term share awards. The share awards will vest over three years subject to the achievement of pre-determined Trust's profitability and shareholder return targets.

Job Security

a-iTrust is committed to providing meaningful jobs for its staff. This is in line with the revised Tripartite Guidelines on Managing Excess Manpower and Responsible Retrenchment issued by the Singapore Ministry of Manpower together with its tripartite partners, Singapore National Employers Federation and the National Trades Union Congress.

In the event of termination or staff resignation, there is a minimum notice period of one to three months, depending on the staff's job grade. Due to operational requirements, senior management staff are required to serve a notice period of three to six months.

Learning and Development

Staff are provided with appropriate training to be better equipped to contribute at optimal levels and contribute effectively to the Trust's performance. CapitaLand has an in-house training hub, CapitaLand Institute of Management and Business, which supports the training and development needs of employees. Besides on-the-job exposure, there are many opportunities for job rotation, mentoring and coaching to allow employees to reach their full potential. These programmes include CapitaLand Onboarding Programme, Data Protection Training, Managing Fraud, Bribery and Corruption, among others. Full-time staff are allowed up to 10 days of examination leave per calendar year. In FY2020, the Trustee-Manager's employees underwent an average of 10.8 hours of learning.

Employee Engagement

CapitaLand actively engages its staff through various avenues, including regular communication sessions held by senior management for effective flow of information and alignment of business goals and objectives across all levels of the workforce.

Quarterly staff communication sessions by the CapitaLand Group CEO allow the Group's senior management team to communicate and interact with staff. These sessions are webcast live to CapitaLand offices in Singapore and overseas. During these staff communication sessions, information on the Group's financial results and key business focus is shared with staff. Staff can pose questions via an online platform prior and during the sessions, or in person during the sessions.

CapitaLand practises an open-door policy, allowing all staff to obtain a fair review and a prompt response to problems or concerns relating to any aspect of their employment with the Group. This includes harassment, grievance handling and whistle-blowing policies applicable to all staff. Staff can also raise their concerns to a higher level of management or to the Human Resource (HR) department.

Information such as employment terms, benefits and practices, Ethics and Code of Business Conduct, as well as Fraud, Bribery and Corruption Risk Management Framework is made available to all staff through CapitaLand's intranet portal, iHub.

In both Singapore and India, the pandemic has resulted in significant changes to working arrangements of the Managers' employees. For example, employees were required to work from home for a significant period during the year. Recognising that these could have an impact on the physical and mental wellbeing of its employees, CapitaLand, as the Trust's sponsor, took extensive steps towards engaging employees during these times. These include:

- *Remote work pulse survey*
  During the circuit breaker period, CapitaLand ran two pulse surveys in April and July to "check-in" on employees. The surveys allowed the Trust to understand the needs and challenges faced by employees in adapting to the new norm of working from home. The feedback was used to improve the new working arrangements.

- ***CapitaLand group staff communication sessions***
  CapitaLand held four staff communication sessions at the Group level from February to August 2020. Three of the sessions were held virtually. During these communication sessions, employees were able to raise concerns and post their questions to management. These communication sessions provided an interactive platform for promoting two-way conversation between management and employees.

- ***360 feedback survey***
  A well-executed 360-degree feedback survey will help build stronger teams, better work relationships and culture in alignment with CapitaLand's leadership competencies and core values. In FY2020, a 360-degree feedback survey was conducted for close to 400 CapitaLand leaders, conducted over 3 phases.

- ***Revamp of staff intranet portal***
  The new staff intranet serves as a platform to share information and engage the Trust's employees. Some of the key features are:
  - Leadership chat: Effective communication channel where employees can post questions and receive responses from the senior leadership team.
  - Appreciation Board: Platform for employees to post positive messages to appreciate and encourage one another (in line with core value 'Respect').
  - Share your idea: Programme to encourage employees to share good ideas and solutions to improve the company (in line with core value 'Enterprising').
  - Sustainability: Platform to engage employees to learn how to contribute to the community and environment (in line with core value 'Integrity')

Employee Well-being

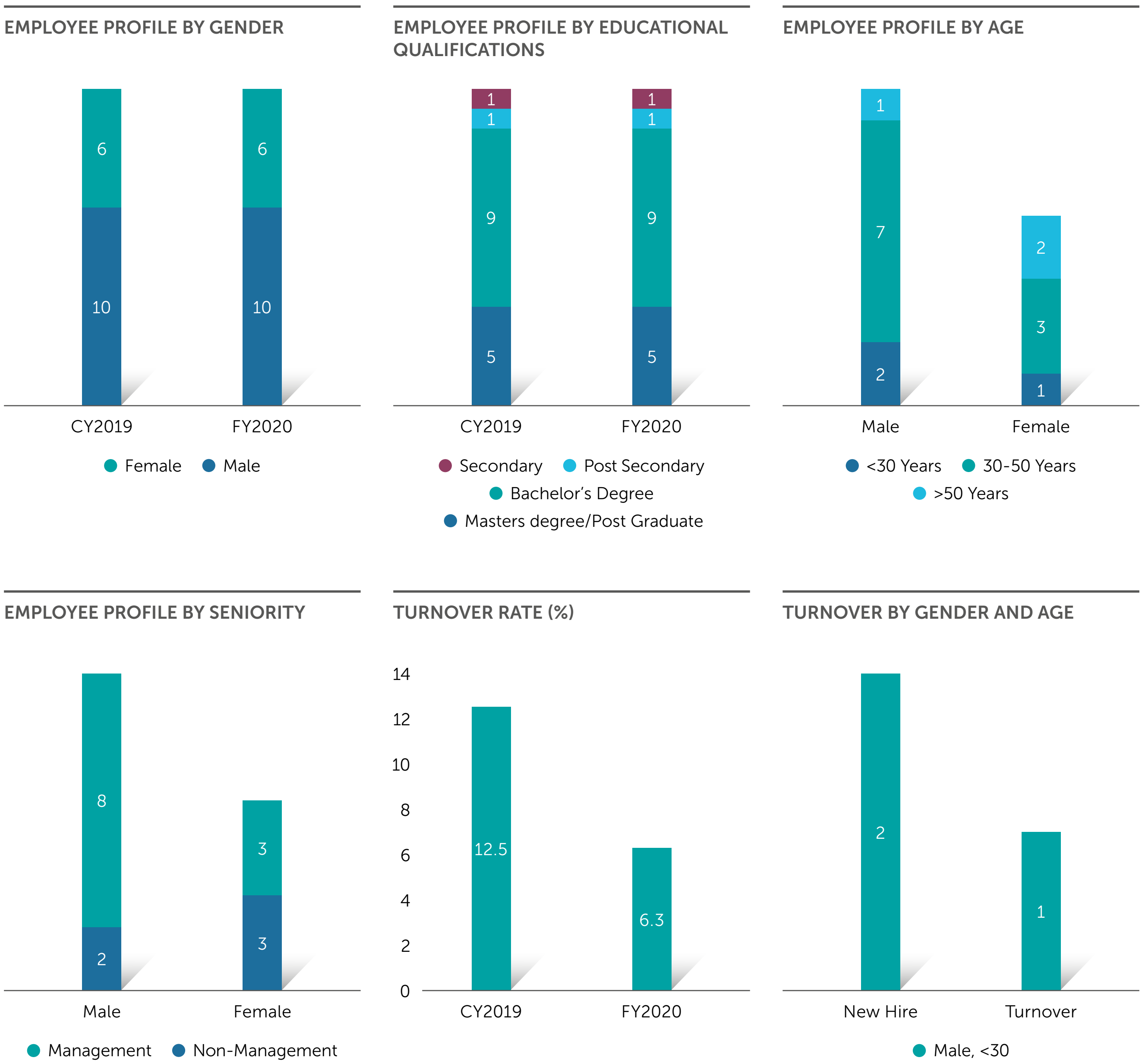
CapitaLand seeks to provide not only a safe working environment, but one that contributes to the general wellbeing of its employees. In Singapore, this is carried out through a Total Well-being Programme. Wellness Day is held every Wednesday on an ongoing basis to promote physical and mental well-being. Employees of the Managers are also encouraged to participate in weekly group wellness activities such as group runs, pilates, cross-fit classes, health talks and bazaars and monthly Corporate Social Responsibility (CSR) events.

Wellness Wednesday	*CapitaLand Cares Quiz*
Employees are given the flexibility to participate in group activities, or independently take part in their own wellness activities every Wednesdays from 5pm. During the lockdown period, many online programmes were conducted to support employees to achieve work-life integration and to better manage stress.	CapitaLand Cares Quiz was run for all Singapore-based employees. The purpose of this quiz was to reinforce their knowledge about COVID-19. About 300 employees participated in the quiz and the top 22 winners received a CapitaLand Care Hamper couriered to their home.

PROFILE OF EMPLOYEES

In FY2020, the Trustee-Manager has a total team member strength of 16 employees, all of whom are in Singapore. All employees were hired with permanent contracts and on a full-time basis. Figure 7 below illustrates the Trustee-Manager's employees' profile.

Figure 7: Employees Profile



SOCIAL AND RELATIONSHIP CAPITAL

STAKEHOLDER ENGAGEMENT

The Managers actively seek to build positive and long-lasting relationships with all stakeholders. These are groups that the Trust's business has a significant impact on and those with a vested interest in the Trust's operations.

a-iTrust's key stakeholders include the investment community, employees, tenants, suppliers, contractors and the local community. The influence and interest of all stakeholders are considered when determining the Trust's key stakeholder groups. To better understand the issues that concern them, the Managers regularly engage with all key stakeholders.

Key Stakeholder Groups	Needs and Expectations of Stakeholder Groups	Key Engagement Channels		Actions and Goals
Investment Community	› Strategic and sustainable growth, total returns › Accurate and timely information to make sound judgements › Regular and clear communications and updates	› a-iTrust website, SGXNet, email alerts › Annual General Meeting › Annual Report & Sustainability Report › Investor perception survey › Meetings and conference calls › Non-deal roadshows	Throughout the year Annually Annually Biennially Throughout the year Regularly	The Trustee-Manager aims to provide timely and transparent communications to keep the investment community apprised of significant topics relating to corporate developments, portfolio performance, asset and capital management, acquisitions and divestments.
Employees	› Active engagement › Career progression, job security and stability › Competitive remuneration, employee benefits › Learning and development opportunities › Workplace safety, health and wellness	› Staff communication sessions with Senior management team › Employee surveys › Induction programmes › Internal communication through Intranet portal › Performance appraisals › Training and workshops › Wellness, sports and social activities	Quarterly Regularly Regularly Regularly Throughout the year Regularly Regularly	The Managers strive to create a cohesive and healthy workplace based on trust, mutual respect and active communication. With that, great emphasis is placed on employee empowerment and equal opportunity for all. The Human Resources team continuously reviews employment practices and engagement methods to improve the welfare and team culture.
Tenants	› Competitive rental rates › Quality of facilities › Safety and security practices	› Active communication › Networking events › Tenant surveys › Tenant engagement activities	Throughout the year Throughout the year Regularly Throughout the year	The Managers are committed to providing premium quality solutions of business infrastructure and services to meet the needs of tenants. In addition, securing properties from threats and ensuring the health and hygiene of tenants and visitors is of paramount importance.

Key Stakeholder Groups	Needs and Expectations of Stakeholder Groups	Key Engagement Channels		Actions and Goals
Suppliers and contractors	› Fair and reasonable treatment › Share industry best practices	› Standard operating procedures, guidelines and house rules for compliance › Share CapitaLand's EHS policy with suppliers › Share CapitaLand Supply Chain Code of Conduct with suppliers › Collaborate with suppliers to manage EHS challenges	Throughout the year	The Managers work closely with contractors and suppliers to have a shared commitment to high quality EHS standards.
Local Communities	› Creation of employment opportunities › Operate in a responsible manner › Support social development and community activities	› CSR activities through CapitaLand Hope Foundation	Ad hoc	The Managers advocate the spirit of caring and sharing for the communities they operate in. Carefully managing and minimising the societal and environmental impacts of its operations is critical in fulfilling its duties as a responsible corporate citizen.

Community Engagement

Community development is a key focus of a-iTrust's sustainability strategy. This has built strong social capital and goodwill for a-iTrust in the communities where it operates. It supports various stakeholder engagement activities which include environmental sustainability, health and safety, social integration as well as helping underprivileged children and the vulnerable elderly in the community.

Advocating Staff Volunteerism

CapitaLand is a strong advocate of volunteerism and was one of the first companies in Singapore to formalise three days of Volunteer Service Leave (VSL) for its staff. In recognition of staff's social contribution as volunteers, CapitaLand Hope Foundation donates S$500 to an approved Institution of a Public Character in Singapore when he/she has taken all three days of VSL within the year. This includes activities related to the needy and underprivileged in Singapore and overseas, as well as for green volunteerism related to resource conservation, waste minimisation and recycling, pollution control and nature conservation.

CASE STUDY 5

SUPPORT FOR HOPE SCHOOL, BANGALORE

We believe that schools can have a significant impact on the long-term success of the community. a-iTrust has been a strong proponent of providing access to good education for communities in need. The Trust, through CapitaLand Hope Foundation India, has worked with the state government of Karnataka to design and develop Hope School Mahadevapura in Bangalore. It is envisioned that this will serve as a model to be emulated in other locations in the State of Karnataka. CapitaLand Hope Foundation will continue to be involved in the maintenance support of the school for the next three years.

When completed, the project will directly benefit 240 primary school students with plans underway to introduce more Hope Schools in India in the future.


CASE STUDY 6

COVID-19 FUND IN INDIA

In view of the devastating impact that the pandemic has had on vulnerable communities, CapitaLand Hope Foundation India established a COVID-19 fund. This fund has been used to support various initiatives targeting frontline healthcare workers, police personnel and communities around the Trust's parks in Bangalore and Chennai, including:

- Donation of 100,000 surgical masks to Gadag Hospital in Karnataka
- Provision of masks, hand sanitizers and thermal scanners to police and medical staff
- Donation of 12 life-saving ventilators to the Government Hospital in Bangalore
- Donation of a fully-equipped ambulance to the Government Hospital in Chennai


ORGANISATIONAL CAPITAL

CORPORATE GOVERNANCE

The Trust firmly believes that sound corporate governance is essential in delivering sustainable value to its stakeholders and is committed to the highest standards of corporate governance and transparency in its policies and processes.

As a CapitaLand-sponsored business trust, the Trust adheres to a comprehensive and robust corporate governance framework. This framework, which is in accordance to the revised Code of Corporate Governance 2018, guides the Trust's evaluation of its strategies, policies and practices.

More details on a-iTrust's corporate governance practices can be found from pages 97 to 129 of the Corporate Governance Report in the Annual Report FY2020.

FRAUD, BRIBERY AND CORRUPTION (FBC) RISK MANAGEMENT FRAMEWORK

a-iTrust adopts a strict zero-tolerance stance against any FBC in the conduct of its business activities and expects all employees to be committed to the highest standards of integrity in their work and business dealings.

The FBC Risk Management framework has been set in place to manage FBC risks in an integrated, systematic and consistent manner.

FBC Risk Management Framework		
Board Oversight and Senior Management Involvement		
FBC Risk Management Strategy		
Prevention › Process-specific Controls › Risk Assessment › Know and Manage Third Party › Managing Conflicts of Interest › Hiring	**Detection and Monitoring** › Detection of Irregularities › Monitoring of Fraud Risk Profile › Independent Review and Audit › Report Fraud Incident	**Response** › Investigation › Insurance and Recovery › Protocol to observe when contacted by Authorities › Disclosure to Authorities and Media › Disciplinary Actions › Review of Controls
Risk-Aware Culture		

Together with various CapitaLand's policies and procedures, the FBC Risk Management Policy is published on the Group's intranet and accessible by staff. The policies implemented aim to help detect and prevent FBC by:

- offering staff fair compensation packages, based on practices of pay-for-performance and promotion based on merit; and providing various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures faced by its staff.
- documenting policies and work procedures which incorporate internal controls to ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.
- building and maintaining the right organisational culture through its core values, educating its staff on business conduct and ethical values.

a-iTrust's zero-tolerance policy on FBC extends to its business dealings with third parties (including suppliers, contractors, subcontractors, consultants and others performing work or services for or on behalf of a-iTrust). Pursuant to this policy, it requires that certain agreements incorporate anti-corruption provisions.

A whistle-blowing policy and other procedures are in place to provide staff and external parties who have dealings with a-iTrust, with a well-defined, accessible and trusted channel to report suspected FBC, dishonest practices or other improprieties in the workplace. It also allows for the independent investigation of any reported incidents and appropriate actions for follow up. The objective of the whistle-blowing policy is to encourage the reporting of such matters – that staff or external parties making any report in good faith will be able to do so with confidence, that they will be treated fairly, and to the furthest extent possible, be protected from reprisal if any.

There were no cases of material non-compliance with laws and regulations in the financial year, a record the Managers endeavours to uphold.

SUSTAINABILITY REPORT

Training

The Managers believe that having the right risk culture and people with the right attitude, values and knowledge are fundamental to its success. All new staff undergo a compulsory module in the CapitaLand Immersion Programme (CIP) to understand the Group's core values and principles that shape the way it works and functions. For existing staff, there are dedicated training courses such as "CapitaDNA: Strengthening Core Values", where specific examples and applications of the Group's core values in the workplace are shared.

ENTERPRISE RISK MANAGEMENT (ERM)

The Trustee-Manager has established a consistent Enterprise Risk Management (ERM) process that anticipates and identifies material risks and implements key controls to mitigate those risks. In light of the constantly evolving operating and regulatory environment, these key risks are regularly monitored, assessed and realigned. Supported by the Audit and Risk Committee, the Board oversees risk management and determines the risk appetite of a-iTrust in line with its strategy and business plans. Material ESG findings are reported on a quarterly basis or as necessary, and recommendations are made to manage or mitigate such risks. A summary of key risks faced by the Trust can be observed in the Figure 8 below.

For more details on ERM, please refer to pages 44 - 47 of a-iTrust Annual Report FY2020.

Figure 8: Key risks faced by the Trust

GRI CONTENT INDEX

Disclosure		Reference(s) or Reasons for Omission
General Disclosures		
Organisational Profile		
102-1	Name of the organisation	Trust & Organisation Structure (Annual report ("AR") page 18)
102-2	Activities, brands, products, and services	At a Glance (AR pages 10 - 11), Strategy (AR pages 28- 29), Portfolio (AR pages 50 - 53)
102-3	Location of headquarters	Corporate Information (AR inside back cover)
102-4	Location of operations	Trust & Organisation Structure (AR page 18)
102-5	Ownership and legal form	Trust & Organisation Structure (AR page 18)
102-6	Markets served	At a Glance (AR pages 10 - 11), Operational Review (AR pages 54 - 55)
102-7	Scale of the organisation	At a Glance (AR pages 10 - 11), Portfolio (AR pages 50 - 53), Operational Review (AR pages 54 - 55), Financial Review (AR pages 56 - 60)
102-8	Information on employee and other workers	Human Capital (AR page 87)
102-9	Supply chain	Environmental and Manufactured Capital (AR page 71), Human Capital (AR pages 78, 83 - 84), Social and Relationship Capital (AR page 89)
102-10	Significant changes to the organisation and its supply chain	About The Report (AR page 63)
102-11	Precautionary principle and approach	Enterprise Risk Management (AR pages 44 - 47), Organisation Capital (AR page 91)
102-12	External initiatives	Social and Relationship Capital (AR page 90)
102-13	Membership of associations	REIT Association of Singapore (REITAS); About The Report (AR page 63), Human Capital (AR page 84), Social and Relationship Capital (AR page 88), Organisational Capital (AR page 91)
Strategy		
102-14	Statement from senior decision-maker	Chairman's Message (AR pages 12 - 15), In Conversation with CEO (AR pages 16 - 17), Board Statement (AR page 63)
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Sustainability Commitment (AR page 64), Dealings with Interested Persons (AR page 124), Dealing with Conflicts of Interest (AR page 125)
Governance		
102-18	Governance structure	Trust & Organisation Structure (AR pages 18 - 19), Board of Directors (AR pages 20 - 25), Trustee-Manager (AR page 26), Property Manager (AR page 27), The Board's Conduct of Affairs (AR pages 99 - 102)
Stakeholder Engagement		
102-40	List of stakeholder groups	Social and Relationship Capital (AR pages 88 - 89)
102-41	Collective bargaining agreements	Social and Relationship Capital (AR pages 88 - 89)
102-42	Identifying and selecting stakeholders	Social and Relationship Capital (AR pages 88 - 89)
102-43	Approach to stakeholder engagement	Social and Relationship Capital (AR pages 88 - 89)
102-44	Key topics and concerns raised	Social and Relationship Capital (AR pages 88 - 89)

Disclosure		Reference(s) or Reasons for Omission
General Disclosures		
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Investments in Subsidiaries (page 190)
102-46	Defining report content and topic boundaries	About the Report (AR page 63)
102-47	List of material topics	Materiality (AR page 68)
102-48	Restatements of information	NA
102-49	Changes in reporting	About the Report (AR page 63)
102-50	Reporting period	About the Report (AR page 63)
102-51	Date of most recent report (if any)	Sustainability Report FY2019
102-52	Reporting cycle	About the Report (AR page 63)
102-53	Contact point for questions regarding the report	About the Report (AR page 63)
102-54	Claims of reporting in accordance with the GRI Standards	About the Report (AR page 63)
102-55	GRI content index	About the Report (AR page 63)
102-56	External assurance	We have not sought external assurance on this report specifically. Our Sponsor, CapitaLand, seeks assurance and data is shared between the two entities.
Management Approach		
103-1	Explanation of the material topic and its Boundary	Refer to specific topics
103-2	The management approach and its components	Refer to specific topics
103-3	Evaluation of the management approach	Refer to specific topics
Topic-Specific Standards		
Economic Benefit to Stakeholders		
201-1	Direct Economic Value generated and distributed	Financial Review (AR pages 56 - 60)
Business Ethics		
205-1	Operations assessed for risks related to corruption	Organisational Capital (AR pages 91 - 92)
205-2	Communication and training about anti-corruption policies and procedures	Organisational Capital (AR pages 91 - 92)
205-3	Confirmed incidents of corruption and actions taken	Organisational Capital (AR pages 91 - 92)
Energy Efficiency		
302-1	Energy Consumption within the organisation	Environmental and Manufactured Capital (AR pages 74 - 75)
302-3	Energy intensity	Environmental and Manufactured Capital (AR pages 74 - 75
302-4	Reduction of energy consumption	Environmental and Manufactured Capital (AR pages 74 - 75)
Water Management		
303-5	Water consumption	Environmental and Manufactured Capital (AR page 76)
Biodiversity		
304-1	Operational sites in or adjacent to protected areas or area of high biodiversity value	None during the reporting period
304-2	Significant impact on biodiversity	
304-4	IUCN Red List species and national conservation list of species affected	

Disclosure		Reference(s) or Reasons for Omission
Topic-Specific Standards		
Climate Change and Emissions		
305-1	Direct (Scope 1) GHG Emissions	Environmental and Manufactured Capital (AR pages 74 - 75)
305-2	Energy indirect (Scope 2) GHG Emissions	Environmental and Manufactured Capital (AR pages 74 - 75)
305-4	GHG Emissions Intensity	Environmental and Manufactured Capital (AR pages 74 - 75)
305-5	Reduction of GHG emissions	Environmental and Manufactured Capital (AR pages 74 - 75)
Construction and Operational Waste (GRI Standards 2020)		
306-1	Waste generation and significant waste-related impacts	Environmental and Manufactured Capital (AR page 77)
306-2	Management of significant waste-related impacts	Environmental and Manufactured Capital (AR pages 74, 77)
306-3	Waste generated	Environmental and Manufactured Capital (AR page 77)
Compliance		
307-1	Non-compliance with environmental laws and regulations	Environmental and Manufactured Capital (AR page 71)
Supply Chain Management		
308-1	New suppliers screened using environmental criteria	Human Capital (AR pages 79, 83 - 84)
414-1	Suppliers screened using social criteria	Human Capital (AR pages 79, 83 - 84)
Employment		
401-1	New hires and employee turnover	Human Capital (AR page 87)
401-3	Parental leave	Human Capital (AR page 84)
402-1	Minimum notice period regarding operational changes	Human Capital (AR page 84)
404-1	Average training hours	Human Capital (AR page 85)
404-2	Programs for upgrading employee skills	Human Capital (AR page 85)
404-3	Employees receiving regular performance and career reviews	Human Capital (AR page 84)
Occupational Health and Safety		
403-1	Occupational health and safety management system	Human Capital (AR page 81)
403-2	Hazard identification, risk assessment, and incident investigation	Human Capital (AR page 81)
403-3	Occupational health services	Human Capital (AR page 81)
404-4	Worker participations, consultation, and communication on occupational health and safety	Human Capital (AR page 81)
403-5	Worker training on occupational health and safety	Human Capital (AR page 81)
403-6	Promotion of worker health	Human Capital (AR page 81)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital (AR page 81)
404-8	Workers covered by an occupational health and safety management system	Human Capital (AR page 81)
404-9	Work-related injuries	Human Capital (AR page 82)

SUSTAINABILITY REPORT

Disclosure		Reference(s) or Reasons for Omission
Topic-Specific Standards		
Diversity and Human Rights		
406-1	Incidents of discrimination and corrective action taken	Human Capital (AR page 84)
408-1	Operations and suppliers at significant risk for incidents of child labour and measures taken to the effective abolition of child labour	Human Capital (AR page 84)
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour, and measures taken to eliminate it	Human Capital (AR page 84)
412-1	Operations subjected to human rights reviews	Human Capital (AR page 84)
413-1	Operations with local community engagement, impact assessments, and development programmes	Social and Relationship Capital (AR page 90)
414-1	Suppliers screened using social criteria	Human Capital (AR page 79)
Products and services		
416-1	Assessment of health and safety impacts of product and service categories	Human Capital (AR pages 79 - 83), Social and Relationship Capital (AR pages 88 - 89)
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no non-compliance cases in the reporting period.
CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	Environmental and Manufactured Capital (AR pages 72 - 73)

CORPORATE GOVERNANCE REPORT

OUR ROLE

We, as the trustee-manager of Ascendas India Trust (Trustee-Manager) set the strategic direction of Ascendas India Trust (a-iTrust) and its subsidiaries (a-iTrust Group) on any investment or divestment opportunities and asset enhancements in accordance with a-iTrust's stated investment strategy, and are also responsible for the capital and risk management of the a-iTrust Group. The research, evaluation and analysis required for this purpose are led by us as the Trustee-Manager.

As the Trustee-Manager, we have general powers of management over the assets of a-iTrust. Our primary responsibility is to manage the assets and liabilities of a-iTrust for the benefit of the unitholders of a-iTrust (Unitholders). We do this with a focus on generating rental income and enhancing asset value over time to maximise returns from the investments, and ultimately the distributions and total returns, to Unitholders.

Our other functions and responsibilities as the Trustee-Manager include:

(a) conducting all transactions on behalf of a-iTrust at arm's length and conducting business in a proper and efficient manner, using our best endeavours;

(b) preparing annual business plans for review by the directors of the Trustee-Manager (Directors), including forecasts on revenue, net income, and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;

(c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of the CIS Code (Property Funds Appendix)), the Business Trusts Act (Chapter 31A of Singapore) (BTA), the Business Trusts Regulations 2005 (BTR), the Securities and Futures Act (Chapter 289 of Singapore) (SFA), written directions, notices, codes and other guidelines that MAS may issue from time to time, the tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of a-iTrust and Unitholders and the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR);

(d) maintaining a framework of prudent and effective controls which enables financial, operational, compliance and information technology (IT) risks to be assessed and managed;

(e) attending to all regular communications with Unitholders; and

(f) supervising the appointed property manager which performs the day-to-day property management functions (including leasing, marketing, promotion, operations coordination and other property management activities) for a-iTrust's properties.

The Trustee-Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. a-iTrust's environmental sustainability and community outreach programmes are set out on pages 63 to 96 of this Annual Report.

a-iTrust, constituted as a business trust, is externally managed by the Trustee-Manager and accordingly, it has no employees. The Trustee-Manager appoints experienced and well-qualified personnel to run its day-to-day operations.

The Trustee-Manager was appointed in accordance with the terms of the trust deed constituting a-iTrust dated 7 December 2004 (as amended, varied or supplemented from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Trustee-Manager can be removed, including the proposal and passing of a resolution by a majority being greater than 75.0% of the total number of votes cast at a meeting of Unitholders duly convened in accordance with the provisions of the Trust Deed.

CORPORATE GOVERNANCE REPORT

The Trustee-Manager is a wholly owned subsidiary of CapitaLand Limited (CL) which holds a significant unitholding interest in a-iTrust. CL is a long-term real estate developer and investor, with a vested interest in the long-term performance of a-iTrust. CL's significant unitholding in a-iTrust demonstrates its commitment to a-iTrust and as a result, CL's interest is aligned with that of other Unitholders. The Trustee-Manager's association with CL provides the following benefits, among other things, to a-iTrust:

(a) a stable pipeline of property assets through CL's development activities;

(b) wider and better access to banks and capital markets on favourable terms;

(c) fund raising and treasury support; and

(d) access to a bench of experienced management talent.

Our Corporate Governance Framework and Culture

The Trustee-Manager embraces the tenets of good corporate governance, including accountability, transparency and sustainability. It is committed to enhancing long-term Unitholder value and has appropriate people, processes and structure to direct and manage the business and affairs of the Trustee-Manager with a view to achieving operational excellence and delivering the a-iTrust Group's long-term strategic objectives. The policies and practices it has developed to meet the specific business needs of the a-iTrust Group provide a firm foundation for a trusted and respected business enterprise.

Our corporate governance framework is set out below:

BOARD OF DIRECTORS

5 Independent Directors (ID) and 3 Non-Independent Directors (Non-ID)
Led by ID, Mr Chiang Chie Foo, Chairman.

Key responsibility: Oversee the Trustee-Manager's strategic direction, performance and affairs and foster the success of a-iTrust to deliver sustainable value over the long term to Unitholders

AUDIT AND RISK COMMITTEE (ARC)

3 IDs
Led by ID, Mr Alan Rupert Nisbet, ARC Chairman.

Key responsibility: Assist the Board in its oversight of the financial reporting process, internal controls system, internal and external audit processes, and management of compliance with legal, regulatory and company policies

INVESTMENT COMMITTEE (IC)

2 IDs, 2 Non-IDs
Led by Mr Manohar Khiatani, IC Chairman.

Key responsibility: Assist the Board in its oversight responsibilities in the areas of investment, divestment and asset enhancement initiatives

Note: Details in the diagram are as at 22 February 2021

CORPORATE GOVERNANCE REPORT

The Board of Directors (Board) sets the tone from the top and is responsible for the Trustee-Manager's corporate governance standards and policies, underscoring their importance to the a-iTrust Group.

This corporate governance report (Report) sets out the corporate governance practices for the financial year (FY) 2020 with reference to the Code of Corporate Governance 2018 (Code).

Throughout FY2020, the Trustee-Manager has complied with the principles of corporate governance laid down by the Code and also complied, 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. This Report also sets out additional policies and practices adopted by the Trustee-Manager which are not provided in the Code.

BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

Board's Duties and Responsibilities

The Board oversees the strategic direction, performance and affairs of the Trustee-Manager, in furtherance of the Trustee-Manager's primary responsibility to foster the success of a-iTrust so as to deliver sustainable value over the long term to Unitholders and ensures that the interests of the Unitholders are always upheld above the interests of the Trustee-Manager and its shareholder/sponsor. It provides overall guidance to the management team (Management), led by the Chief Executive Officer (CEO). The Board works with Management to achieve a-iTrust's objectives and long-term success and Management is accountable to the Board for its performance. Management is responsible for the execution of the strategy for a-iTrust and the day-to-day operations of a-iTrust's business.

The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with all applicable prevailing laws and regulations, such as those contained in the Listing Manual, certain key provisions of the CIS Code including the Property Funds Appendix issued by the MAS which a-iTrust has voluntarily adopted, the SFA, the BTA, as well as the Trustee-Manager's obligations under the Trust Deed. It also sets the disclosure and transparency standards for a-iTrust and ensures that obligations to Unitholders and other stakeholders are understood and met.

The Board has adopted a set of internal controls which establishes financial approval limits for, among others, capital expenditure, foreign exchange management, procurement of goods and services, new investments and divestments, and the operation of bank accounts. The Board has reserved authority to approve certain matters and these are clearly communicated to Management in writing. These matters include:

(a) material acquisitions, investments and divestments;

(b) corporate and financial transactions that exceed the IC's limits;

(c) issue of new units in a-iTrust (Units);

(d) remuneration for the CEO and key management personnel of the Trustee-Manager for its shareholder's approval;

(e) income distributions and other returns to Unitholders;

(f) division of responsibilities between the Chairman and the CEO; and

(g) matters which involve a conflict of interest for a controlling unitholder or a Director.

Apart from matters that specifically require the Board's approval, the Board delegates authority for transactions below the Board's approval limits to Board Committees and Management to optimise operational efficiency.

CORPORATE GOVERNANCE REPORT

The Directors are fiduciaries and are collectively and individually obliged at all times to act honestly and objectively in the best interests of a-iTrust. Consistent with this principle, the Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct and Ethics (Board Code) which provides that every Director is expected to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code. This sets the appropriate tone from the top in respect of the desired organisational culture, and assists the Board in ensuring proper accountability within the Trustee-Manager. In line with this, the Board has a standing policy that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to a-iTrust and his or her own interests. Where a Director has a conflict of interest in a particular matter, he or she will be required to disclose his or her interest to the Board, recuse himself or herself from deliberations on the matter and abstain from voting on the matter. Every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meeting or written resolutions.

Furthermore, the Directors have the responsibility to act with due diligence in the discharge of their duties and ensure that they have the relevant knowledge to carry out and discharge their duties as directors, including understanding their roles as executive, non-executive, and/or independent directors, the business of a-iTrust and the environment in which a-iTrust operates. The Directors are also required to dedicate the necessary effort, commitment and time to their work as directors, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical.

Directors' Development

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 to the best of their abilities. The Trustee-Manager has in place a training framework to guide and support the Trustee-Manager 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. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. The costs of training are borne by the Trustee-Manager.

Upon appointment, each Director is provided with a formal letter of appointment and a copy of 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 a-iTrust's business, operations, strategies, organisation structure, responsibilities of CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Trustee-Manager (key management personnel), and financial and governance practices. The induction programme may include visits to the a-iTrust Group's properties. Through the induction programme, the new Director also gets acquainted with members of Management which facilitates their interaction at Board meetings.

Following their appointment, the Directors are provided with opportunities for continuing education in areas such as director's duties and responsibilities, changes to regulations and accounting standards, and industry-related matters, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members. IDs are also invited to attend professional development courses conducted by organisations such as the Singapore Institute of Directors, covering areas such as regulatory compliance to enhance their capabilities. The Directors may also recommend suitable training and development programmes to the Board. In FY2020, the training and professional development programmes for the Directors included seminars conducted by experts and senior business leaders on board practices and issues faced by boards. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

Board Committees

The Board has established various Board Committees to assist it in the discharge of its functions. These Board Committees are the Audit and Risk Committee (ARC) and the Investment Committee (IC).

CORPORATE GOVERNANCE REPORT

All the Board Committees have clear written terms of reference setting out their respective composition, authorities and duties, including reporting back to the Board. Each of the Board Committees operates under delegated authority from the Board with the Board retaining overall oversight. The decisions and significant matters discussed at the respective Board Committees are reported to the Board on a periodic basis. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The composition of the various Board Committees is set out on page 128 and the inside back cover of this Annual Report. The duties and responsibilities of the Board Committees are set out in this Report.

The Board may form other Board Committees from time to time. The composition of each Board Committee is also reviewed as and when there are changes to Board membership. Where appropriate, changes are made to composition of the Board Committees, with a view to ensuring there is an appropriate diversity of skills and experience and fostering active participation and contributions from Board Committee members.

Meetings of Board and Board Committees

Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors. The Constitution of the Trustee-Manager (Constitution) permits the Directors to participate in Board and Board Committee meetings via audio or video conference. If a Director is unable to attend a Board or Board Committee meeting, he or she may provide his or her comments to the Chairman or the relevant Board Committee Chairman ahead of the meeting and these comments are taken into consideration in the deliberations. The Board and Board Committees may also make decisions by way of written resolutions.

At the scheduled meetings, the Board reviews the financial performance of a-iTrust and also reviews the risks relating to the assets of a-iTrust, examines liabilities and comments from the auditors of a-iTrust and ensures that measures are implemented to address any concerns. In addition to scheduled meetings, the Board may also hold ad hoc meetings as required by business imperatives.

At each scheduled Board meeting, the Board is apprised of the following:

(a) significant matters discussed at the ARC meeting which is typically scheduled before the Board meeting;

(b) ARC's recommendation on a-iTrust's periodic and year-end financial results following ARC's review of the same;

(c) decisions made by Board Committees in the period under review;

(d) updates on the a-iTrust Group's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;

(e) financial performance, budgetary and capital management related matters in the period under review, including any material variance between any projections in budget or business plans and the actual results from business activities and operations;

(f) any risk management issues that materially impact a-iTrust's operations or financial performance; and

(g) prospective transactions which Management is exploring.

This allows the Board to develop a good understanding of the progress of the a-iTrust Group's business as well as the issues and challenges faced by a-iTrust, and also promotes active engagement with Management.

The Trustee-Manager adopts and practises the principle of collective decisions and therefore, no individual Director influences or dominates the decision-making process. There is mutual respect and trust among the Directors and therefore the Board benefits from a culture of frank and rigorous discussions. Such discussions conducted on a professional basis contribute to the dynamism and effectiveness of the Board. The Board composition is such that there is diversity in views and perspectives which enriches deliberations and contributes to better decision-making of the Board in the best interests of a-iTrust. At Board and Board Committee meetings, all the Directors actively participate in discussions, in particular, they engage in open and constructive debate and challenge Management on its assumptions and recommendations.

CORPORATE GOVERNANCE REPORT

Management provides the Directors with complete, adequate and timely information prior to Board and Board Committee meetings and on an ongoing basis. This enables the Directors to make informed decisions and discharge their duties and responsibilities.

As a general rule, meeting materials are provided to the Directors at least seven days prior to Board and Board Committee meetings, 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. Agendas for Board and Board Committee meetings are prepared in consultation with the Chairman and the chairmen of the respective Board Committees. This provides assurance that there is time to cover all relevant matters during the meetings.

In line with the Trustee-Manager's ongoing commitment to minimise paper wastage and reduce its carbon footprint, the Trustee-Manager does not provide printed copies of Board and Board Committee meeting materials. Instead, the Directors are provided with tablet devices to enable them to access and review meeting materials prior to and during meetings. This initiative also enhances information security as the meeting materials are made available through a secure channel. The Directors are also able to review and approve written resolutions using the tablet devices.

A total of 6 Board meetings, 4 ARC meetings, and 5 IC meetings were held in FY2020. The key deliberations and decisions taken at Board and Board Committee meetings are minuted.

A record of the Directors' attendance at Board and Board Committee meetings for FY2020 is set out on page 128 of this Annual Report. The CEO who is also a Director attends all Board meetings. He also attends all ARC meetings on an ex officio basis. Other members of Management attend Board and Board Committee meetings as required to brief the Board and Board Committees on specific business matters.

There is active interaction between the Directors and Management during and outside Board and Board Committee meetings. The Directors have separate, independent and unfettered access to Management for any information that they may require. The Board and Management share a productive and harmonious relationship, which is critical for good governance and organisational effectiveness.

The Directors also have separate and independent access to the company secretaries of the Trustee-Manager (Company Secretaries). The Company Secretaries are legally trained and keep themselves abreast of relevant developments. They have oversight of corporate secretarial administration matters and advise the Board and Management on corporate governance matters. The Company Secretaries attend Board meetings and assist the Chairman in ensuring that Board procedures are followed. The Company Secretaries also facilitate the induction programme for new Directors and oversee professional development administration for the Directors. The appointment and the removal of the Company Secretaries is subject to the Board's approval.

The Directors, whether individually or collectively as the Board, are entitled to have access to independent external professional advice where necessary, at the Trustee-Manager's expense.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

Board Independence

The Board has a strong independent element as five out of eight directors, including the Chairman, are non-executive IDs. Other than the CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. None of the Directors have served on the Board for nine years or longer. Profiles of the Directors, their respective Board Committee memberships and roles are set out on pages 20 to 25, and page 128 of this Annual Report. Key information on the Directors is also available on a-iTrust's website at www.a-itrust.com (Website). The Statement on the Composition of the Board of Directors of the Trustee-Manager pursuant to Regulation 12(8) of the BTR can be found on page 142 of this Annual Report.

The non-executive Directors and IDs, led by the independent Chairman or other ID, meet regularly without the presence of Management and the chairman of such meetings provides feedback to the Board and/or Chairman of the Board as appropriate.

CORPORATE GOVERNANCE REPORT

The Board reviews from time to time the size and composition of the Board and each Board Committee, with a view to ensuring that the size is appropriate in facilitating effective decision-making, and that the composition reflects a strong independent element as well as balance and diversity of thought and background. The review takes into account the scope and nature of the a-iTrust Group's operations, and the competition that the a-iTrust Group faces.

The Board assesses annually (and as and when circumstances require) the independence of each Director in accordance with the requirements of the Listing Manual and the guidance in the Code, the BTR and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he or she is independent in conduct, character and judgment and

(a) has no relationship with the Trustee-Manager, its related corporations, its substantial shareholders, a-iTrust's substantial Unitholders (being Unitholders who have interests in voting Units with 5% or more of the total votes attached to all voting Units) or the Trustee-Manager's officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgment in the best interests of a-iTrust;

(b) is independent from Management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager;

(c) is not a substantial shareholder of the Trustee-Manager or a substantial unitholder of a-iTrust;

(d) is not employed and has not been employed by the Trustee-Manager or a-iTrust or their related corporations in the current or any of the past three financial years; and

(e) does not have an immediate family member who is employed or has been employed by the Trustee-Manager or a-iTrust or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Board.

There is a rigorous process to evaluate the independence of each ID. As part of the process:

(a) each ID provides information of his or her business interests and confirms, annually, that there are no relationships which interfere with the exercise of his or her independent business judgment with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the Board; and

(b) the Board also reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent judgment in discharging his or her duties and responsibilities.

Each ID is required to recuse himself or herself from the Board's deliberations on his or her independence. In appropriate cases, the Board also reviews the independence of an ID as and when there is a change of circumstances involving the ID. In this regard, an ID is required to report to the Trustee-Manager when there is any change of circumstances which may affect his or her independence.

The Board has carried out the assessment of the independence of its IDs for FY2020 and the paragraphs below set out the outcome of the assessment. Each of the IDs had recused himself or herself from the Board's deliberations on his or her independence.

Mr Chiang Chie Foo and Mr Alan Rupert Nisbet

Each of Mr Chiang Chie Foo and Mr Alan Rupert Nisbet is a non-executive director of various subsidiaries and/or associated corporations of Temasek Holdings (Private) Limited (Temasek). Temasek is a controlling shareholder of the Trustee-Manager. Each of Mr Chiang Chie Foo's and Mr Alan Rupert Nisbet's role in these corporations is non-executive in nature and they are not involved in the day-to-day conduct of these corporations. Therefore, the Board believes that their appointments in these corporations do not bring into question their independence.

CORPORATE GOVERNANCE REPORT

The Board has considered the conduct of Mr Chiang Chie Foo and Mr Alan Rupert Nisbet in the discharge of their duties and responsibilities as Directors, and is of the view that the relationships referred to above did not impair their abilities to act with independent judgment in the discharge of their duties and responsibilities as Directors. Save for the relationships referred to above, each of Mr Chiang Chie Foo and Mr Alan Rupert Nisbet does not have any other relationships and is not faced with any of the circumstances identified in the Code, the BTR and the Listing Manual, or any other relationships which may affect his independent judgment. The Board is therefore of the view that each of Mr Chiang Chie Foo and Mr Alan Rupert Nisbet has exercised independent judgment in the discharge of their respective duties and responsibilities. Based on the above, the Board arrived at the determination that each of Mr Chiang Chie Foo and Mr Alan Rupert Nisbet is an ID.

Mrs Zia Jaydev Mody

Mrs Zia Jaydev Mody is currently a partner of AZB & Partners, which is one of the law firms that a-iTrust and the Trustee-Manager engage to provide legal services in India. Mrs Zia Jaydev Mody was neither involved in the relevant professional engagements, nor the provision of such legal services, which were provided by separate teams of lawyers within AZB & Partners in the ordinary course of business, on arm's length basis and based on normal commercial terms.

The Board has considered the conduct of Mrs Zia Jaydev Mody in the discharge of her duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair her ability to act with independent judgment in the discharge of her duties and responsibilities as a Director. Save for the relationships stated above, she does not have any other relationships and is not faced with any of the circumstances identified in the Code, the BTR and the Listing Manual, or any other relationships which may affect her independent judgment. The Board is therefore of the view that Mrs Zia Jaydev Mody has exercised independent judgment in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Mrs Zia Jaydev Mody is an ID.

Dr Ernest Kan Yaw Kiong

Dr Ernest Kan Yaw Kiong does not have any relationship (and is not faced with any of the circumstances identified in the Code, the BTR and the Listing Manual, or any other relationships) which may affect his independent judgment.

The Board has considered whether Dr Ernest Kan Yaw Kiong had demonstrated independence in character and judgment in the discharge of his responsibilities as a director and concluded that Dr Ernest Kan Yaw Kiong had acted with independent judgment. On the basis of the declaration of independence provided by Dr Ernest Kan Yaw Kiong and the guidance in the Code, the BTR and the Listing Manual, the Board arrived at the determination that Dr Ernest Kan Yaw Kiong is an ID.

Ms Tan Soon Neo Jessica

Ms Tan Soon Neo Jessica is currently employed as Director, Group Commercial at Raffles Medical Group Ltd (RMG). RMG and its related corporations provide healthcare insurance and medical services as part of the welfare and benefits scheme for employees of CL and its subsidiaries (CL Group). The provision of healthcare insurance and medical services by RMG is managed by and under CL. The selection of RMG to provide healthcare insurance and medical services to CL was carried out by the management of CL, based on merit and competitive terms negotiated by the management of CL. These services are provided in the ordinary course of business, on arm's length basis and based on normal commercial terms. Management understands that although Ms Tan Soon Neo Jessica is an executive of RMG, she was not involved in the process or approval of the engagement of RMG by the CL Group. Ms Tan Soon Neo Jessica is also a non-executive Director of SATS, an organisation linked to Temasek. Ms Tan Soon Neo Jessica's role in this entity is non-executive in nature and she is not involved in the day-to-day conduct of the business of this entity. Therefore, the Board believes that her appointment in this entity does not bring into question her independence.

The Board has considered whether Ms Tan Soon Neo Jessica had demonstrated independence in character and judgment in the discharge of her responsibilities as a director and concluded that Ms Tan Soon Neo Jessica had acted with independent judgment. On the basis of the declaration of independence provided by Ms Tan Soon Neo Jessica and the guidance in the Code, the BTR and the Listing Manual, the Board arrived at the determination that Ms Tan Soon Neo Jessica is an ID.

The Board is of the view that as at the last day of FY2020, each of Mr Chiang, Mr Nisbet, Mrs Mody, Dr Kan and Ms Tan was able to act in the best interests of all Unitholders in respect of the period in which they served as directors in FY2020.

CORPORATE GOVERNANCE REPORT

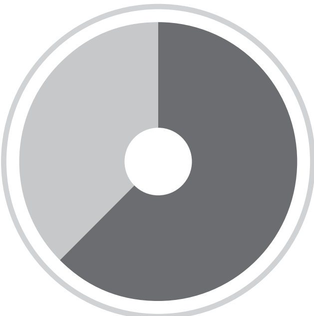
Board Diversity

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

The Board believes in diversity and 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 Trustee-Manager has the opportunity to benefit from all available talent and perspectives.

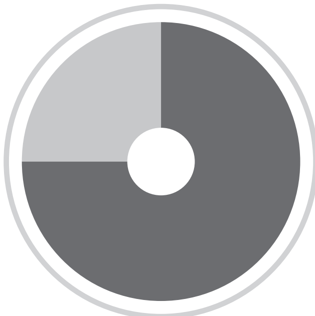
The Board, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process, identifying possible candidates and making recommendations of board appointments to the Board, considers diversity factors such as age, educational, business and professional backgrounds of its members. Female representation is also considered an important aspect of diversity. The current Board comprises eight members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in governance, real estate, accounting and finance, legal, business, management and strategic planning. The current Board has two female members. For further information on the Board's work in this regard, please refer to "Board Membership" under Principle 4 in this Report.

BOARD INDEPENDENCE



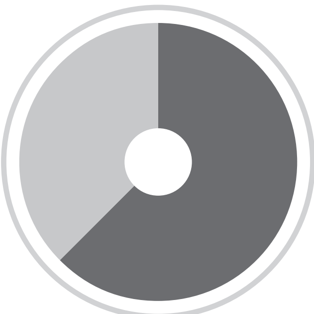
Independent - 5 Non-Executive Directors	5
Non-Independent - 2 Non-Executive Directors - 1 Executive Director	3

BOARD GENDER DIVERSITY



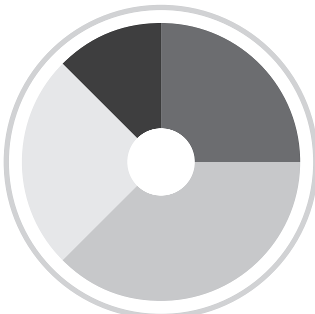
Male	6
Female	2

AGE SPREAD



61 – 70 yrs	5
51 – 60 yrs	3

TENURE MIX



0 to 3 yrs	2
3 to 5 yrs	3
5 to 7 yrs	2
7 to 9 yrs	1

CORPORATE GOVERNANCE REPORT

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of the Chairman and the 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 independent Chairman is Mr Chiang Chie Foo, while the CEO is Mr Sanjeev Dasgupta. They do not share any family ties. The Chairman and the CEO enjoy a positive and constructive working relationship between them, and support each other in their respective leadership roles.

The Chairman provides leadership to the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors. 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 CEO on strategic issues.

The Chairman devotes considerable time to understanding the business of a-iTrust, as well as the issues and the competition that a-iTrust faces. He plays a significant leadership role by providing clear oversight, direction, advice and guidance to the CEO. He also maintains open lines of communication and engages with other members of Management regularly, and acts as a sounding board for the CEO on strategic and significant operational matters.

The Chairman also presides over the Annual General Meeting (AGM) each year and other general meetings where he plays a crucial role in fostering constructive dialogue between the Unitholders, the Board and Management.

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

The separation of the roles and responsibilities of the Chairman and the CEO, which is established and set out in writing by the Board, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the a-iTrust 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.

The Board has approved the appointment of a Lead ID, on the basis that such Lead ID would provide leadership for the other independent directors only in the limited situation(s) where the Chairman is conflicted. This was done with a view to further strengthen the independence of the Board. The Lead ID is Mr Alan Rupert Nisbet.

The Lead ID is available to Unitholders where they have concerns and where contact through the normal channels of communication with the Chairman or Management is inappropriate or inadequate.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board undertakes the functions of a nominating committee and therefore, the Trustee-Manager does not have a separate nominating committee. The Board performs the functions that such a committee would otherwise perform.

The Board is able to undertake the functions of a nominating committee because:

(a) the Trustee-Manager is a dedicated trustee-manager to a-iTrust and in general, BTs (including a-iTrust) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched if the responsibilities of a nominating committee were also undertaken by the Board as the Board would be able to give adequate attention to such issues;

(b) the focused scope of the business of a-iTrust also means a manageable competency requirement for the Board such that the Board is able to manage the duties of a nominating committee; and

(c) IDs form a majority of the Board and the Chairman is an ID, which demonstrates that the IDs play a substantive role, and assures the objectivity and independence of the decision-making process concerning nomination. This also mitigates any concerns of conflict which can be managed by having the conflicted Directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of nomination.

CORPORATE GOVERNANCE REPORT

The SGX-ST has also issued a Practice Note which provides that the requirement for the establishment of nominating and remuneration committees under the Listing Manual does not apply to business trusts (BT) if the BT complies with the BTA and the regulations made thereunder that the trustee-manager acts in the best interests of the unitholders as a whole and gives priority to unitholders' interests over its own interests in the event of a conflict, as to the board composition requirements of the trustee-manager, as to the establishment of an audit committee and as to the independence requirements of a director of a trustee-manager.

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board. All Board appointments are made based on merit and approved by the Board. The Board's scope of duties and responsibilities includes:

(a) reviewing the size and composition of the Board, the succession plans for Directors, and the structure and membership of the Board Committees;

(b) reviewing the process and criteria for the evaluation of the performance of the Board, Board Committees and Directors;

(c) ensuring the provision of training and professional development programmes for the Board;

(d) considering annually and, as and when circumstances require, if a Director is independent;

(e) reviewing whether a Director has been adequately carrying out his or her duties as a Director; and

(f) considering the appointment and re-appointment of Directors.

Board Composition and Renewal

The Board strives to ensure that there is an optimal blend in the Board of backgrounds, experience and knowledge in business and general management, expertise relevant to the a-iTrust 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 a-iTrust Group. The Board has a few members who have prior working experience in the sector that a-iTrust operates in.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. The Board evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the long-term. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Trustee-Manager continues to attract and retain highly qualified individuals to serve on the Board. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with a-iTrust's strategy and environment and includes the following considerations: (a) the current size of the Board Committees, composition mix and core competencies; (b) the candidate's/Director's independence, in the case of an independent director; (c) the composition requirements for the Board and relevant Board Committees (if the candidate/Director is proposed to be appointed to any Board Committee); and (d) the candidate's/Director's age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the Board, which would provide an appropriate balance and contribute to the collective skill of the Board.

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

Board succession planning is carried out through the annual review of the Board's composition as well as when a Director gives notice of his or her intention to retire or resign. 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 an ID should serve for no more than a maximum of two three-year terms and any extension of tenure beyond six years will be reviewed by the Board on a yearly basis up to a period of nine years (inclusive of the initial two three-year terms served).

CORPORATE GOVERNANCE REPORT

The Board may retain external consultants from time to time to assist the Board in identifying suitable candidates for appointment to the Board. Candidates for new Directors may be shortlisted through a search. They may also be nominated by the Trustee-Manager or the sole shareholder of the Trustee-Manager, for endorsement by the Board. Candidates are identified based on the needs of a-iTrust and the relevant skills required, taking into account, among other things, the requirements in the Listing Manual and the Code, as well as the factors in the Board Diversity Policy. The candidates will be assessed against a range of criteria including their demonstrated business sense and judgment, 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 Board also considers the qualities of the candidates, in particular whether they are aligned to the strategic directions and values of a-iTrust. In addition, the Board assesses the candidates' ability to commit time to the affairs of a-iTrust, taking into consideration their other current appointments. New Directors or existing Directors are appointed by way of a Board resolution after the Board recommends or endorses their appointments or re-appointments.

In FY2020, no alternate director to any Director was appointed. In keeping with the principle that a Director must be able to commit time to the affairs of the Trustee-Manager, the Board has adopted the principle that it will generally not approve the appointment of alternate directors.

Board Changes

As at 22 February 2021, the Board consists of eight directors. Mr T.V. Mohandas Pai has retired from his role as independent director with effect from 20 November 2020 and has also relinquished his roles as a member of the IC and as a member of the ARC on the same day.

Dr Ernest Kan Yaw Kiong was appointed as a non-executive ID and a member of the ARC with effect from 20 November 2020. Ms Tan Soon Neo Jessica was appointed as a non-executive ID and a member of the IC with effect from 20 November 2020.

Directors who are appointed to the Board from time to time either have prior experience as a director of an issuer listed on the SGX-ST or will undergo further training required under rule 210(5)(a) of the Listing Manual. Dr Ernest Kan Yaw Kiong has undergone the requisite training under rule 210(5)(a) of the Listing Manual on 1 March 2021 and 2 March 2021. As Ms Tan Soon Neo Jessica has prior experience as a director of an issuer listed on the SGX-ST, she is not required to undergo the requisite training under rule 210(5)(a) of the Listing Manual.

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 Board 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 Trustee-Manager. In this regard, Directors are required to report to the Board any changes in their other appointments.

In respect of the Directors' other appointments and commitments, no limit is set as to the number of listed company board appointments. The Board takes the view that 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 his or her 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 Trustee-Manager. IDs are also required to inform the Chairman before accepting any invitation for appointment as a director of another entity's board or governing body, or offer of a full-time executive appointment or other principal commitment, so as to enable any concerns relating to potential conflicts of interest or the ability to commit time, to be shared and addressed.

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 Trustee-Manager. For FY2020, all non-executive Directors had undergone the self-assessment and provided the confirmation.

CORPORATE GOVERNANCE REPORT

The Board assesses each Director's ability to commit time to the affairs of the Trustee-Manager annually and, where appropriate, when there is a change of circumstances involving a Director. In conducting the assessment, the Board takes into consideration each Director's confirmation, his or her commitments, attendance record at meetings of the Board and Board Committees, as well as conduct and contributions (including preparedness and participation) at Board and Board Committee meetings.

The Directors' listed company directorships and principal commitments are disclosed on pages 20 to 25 of this Annual Report and their attendance record for FY2020 is set out on page 128 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the a-iTrust Group. For FY2020, the Directors achieved high meeting attendance rates and have contributed positively to discussions at Board and Board Committee meetings. Based on the above, the Board has determined that each Director has been adequately carrying out his or her duties as a Director and noted that no Director has a significant number of listed directorships and principal commitments.

PRINCIPLE 5: BOARD PERFORMANCE

The Trustee-Manager believes that oversight from a strong and effective Board goes a long way towards guiding a business enterprise to achieving success.

Whilst Board performance is ultimately reflected in the long-term performance of the a-iTrust 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, and for Directors to consider their performance and contributions. It also enables the Board to identify key strengths and areas for improvement which are essential to effective stewardship and attaining success for a-iTrust.

As part of the Trustee-Manager's commitment towards improving corporate governance, the Board has approved and implemented a process to evaluate annually the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors. As part of the process, a questionnaire is sent to the Directors, and the evaluation results are aggregated and reported to the Chairman of the Board. The overall evaluation results are also shared with the Board and follow up action is taken where necessary with a view to enhancing the effectiveness of the Board and individual Directors in the discharge of its and their duties and responsibilities.

For FY2020, no external facilitator has facilitated the evaluation of the effectiveness of the Board, the Board Committees and the individual Directors.

Board and Board Committees

The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, performance and governance, access to information and Board Committee effectiveness. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. The results of the survey were considered by the Board and follow up action is taken where necessary with a view to enhance the effectiveness of the Board in the discharge of its duties and responsibilities. For FY2020, the outcome of the evaluation was satisfactory and the Directors on the whole provided affirmative ratings across all the evaluation categories.

Individual Directors

The evaluation categories covered in the questionnaire include Director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management. For FY2020, the outcome of the evaluation was satisfactory and each of the Directors on the whole received affirmative ratings across all the evaluation categories.

The Board also recognises that contributions by an individual Director 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 Board Committee meetings.

Each Director of the Board has objectively discharged his or her duties and responsibilities at all times as fiduciaries in the interests of the Trustee-Manager and a-iTrust.

CORPORATE GOVERNANCE REPORT

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 between the Directors, and between the Directors 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 Directors which also contributes to a positive Board culture. The collective Board performance and the contributions of individual Directors 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 a-iTrust in the appropriate direction, and guiding the long-term performance of a-iTrust 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 undertakes the functions of a remuneration committee and therefore, the Trustee-Manager does not have a separate remuneration committee. The Board performs the functions that such a committee would otherwise perform.

The Board is able to undertake the functions of a remuneration committee because:

(a) the Trustee-Manager is a dedicated trustee-manager to a-iTrust and in general, BTs (including a-iTrust) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched by reason of it undertaking the responsibilities of a remuneration committee and the Board would be able to give adequate attention to such issues relating to remuneration matters; and

(b) the IDs form a majority of the Board and the Chairman is an ID, which demonstrate that the IDs play a substantive role and assure the objectivity and independence of the decision-making process concerning remuneration. This also mitigates any concerns of conflict which can be managed by having the conflicted Directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of remuneration.

In undertaking this function, the Board considers all aspects of remuneration, including overseeing the design and implementation of the remuneration policy, the framework of remuneration and the specific remuneration packages for each Director and for key management personnel including the CEO, and termination terms (if any) to ensure they are fair. No Director, however, is involved in any decision of the Board relating to his or her own remuneration.

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. These policies are in line with the a-iTrust Group's business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is aligned with the long-term success of a-iTrust. Pay-for-performance is emphasised by linking total remuneration to the achievement of corporate and individual goals and objectives. The Board has access to independent remuneration consultants for advice on remuneration matters as required.

In terms of the process adopted by the Trustee-Manager for developing and reviewing policies on remuneration and determining the remuneration packages for Directors and key management personnel, the Trustee-Manager, through an independent remuneration consultant, takes into account compensation benchmarks within the industry, as appropriate, so as to ensure that the remuneration packages payable to Directors and key management personnel are in line with the objectives of the remuneration policies. It also considers the compensation framework of CL as a point of reference. The Trustee-Manager is a subsidiary of CL which also holds a significant stake in a-iTrust. The association with the CL Group puts the Trustee-Manager in a better position to attract and retain better qualified management talent. It provides an intangible benefit to the Trustee-Manager such that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

CORPORATE GOVERNANCE REPORT

In FY2020, an independent remuneration consultant, Willis Towers Watson, provided professional advice on Board and executive remuneration. Willis Towers Watson is a leading global advisory, broking and solutions company with 45,000 employees serving more than 140 countries and markets. The consultant is not related to the Trustee-Manager, its controlling shareholder, its related corporations or any of its Directors.

Accordingly, the Board's procedures for developing remuneration policies are consistent with the intent of Principle 6 of the Code.

Remuneration Policy for Key Management Personnel

The remuneration framework and policy is designed to support the implementation of the a-iTrust Group's strategy and deliver sustainable Unitholder value. The principles governing the Trustee-Manager's key management personnel remuneration policy are as follows:

- **Business Alignment**
  - Focus on generating rental income and enhancing asset value over time so as to maximise returns from investments and ultimately the distributions and total returns to Unitholders
  - 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
- **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
- **Fair & Appropriate**
  - Ensure competitive remuneration relative to the appropriate external talent markets
  - Manage internal equity such that remuneration is viewed as fair across the a-iTrust Group
  - Significant and appropriate portion of pay-at-risk, taking into account risk policies of the a-iTrust Group, symmetrical with risk outcomes and sensitive to the risk time horizon
- **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 programme

Remuneration for Key Management Personnel

Remuneration for key management personnel comprises fixed components, a variable cash component, unit-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 principle that the interests of key management personnel align with those of Unitholders and that the remuneration framework links rewards to corporate and individual performance.

CORPORATE GOVERNANCE REPORT

A. Fixed Components

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

B. Variable Cash Component

The variable cash component comprises the Balanced Scorecard Bonus Plan (BSBP) that 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.

Under the Balanced Scorecard framework, the a-iTrust Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

- Financial: This includes targets relating to profitability and distributions;
- Execution: This includes targets relating to occupancy rates;
- Future Growth: This includes targets relating to growing assets under management; and
- Sustainability: This includes targets relating to governance practices.

These are cascaded down throughout the organisation, thereby creating alignment across the a-iTrust Group.

After the close of each financial year, the Board reviews the a-iTrust Group's achievements against the targets set in the Balanced Scorecard and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape and industry trends.

In determining the pay-out quantum for each key management personnel under the BSBP, the Board considers the overall business performance and individual performance as well as the affordability of the pay-out for the Trustee-Manager.

C. Unit-based Components

Unit awards were granted in FY2020 pursuant to the Ascendas Property Fund Trustee Pte. Ltd. Performance Unit Plan (PUP) and the Ascendas Property Fund Trustee Pte. Ltd. Restricted Unit Plan (RUP) (together, the Unit Plans), approved by the Board. The Trustee-Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and a-iTrust's long-term growth and value.

The obligation to deliver the Units is expected to be satisfied out of the Units held by the Trustee-Manager.

To promote the alignment of Management's interests with that of Unitholders in the longer term, senior members of Management are subject to Unit ownership guidelines to instil stronger identification with the longer-term performance and growth of the a-iTrust Group. Under these guidelines, senior members of Management are required to retain a prescribed proportion of the Units received under the Unit Plans worth up to at least one year of basic salary.

CORPORATE GOVERNANCE REPORT

Ascendas Property Fund Trustee Pte. Ltd. Performance Unit Plan

In FY2020, the Board granted an award which is conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipient at the end of the qualifying performance period, provided that minimally the threshold target is achieved. An initial number of Units (PUP baseline award) is allocated conditional on the achievement of a pre-determined target in respect of the Relative Total Unitholder Return (TUR) of the a-iTrust Group measured by the percentile ranking of the a-iTrust Group's TUR relative to the constituent REITs in the FTSE ST REIT Index.

The above performance measure has been selected as a key measurement of wealth creation for Unitholders. The final number of Units to be released will depend on the a-iTrust Group's performance against the pre-determined targets over the three-year qualifying performance period. This serves to align Management's interests with that of Unitholders in the longer term and to deter short-term risk taking. No Units will be released if the threshold target is not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the PUP baseline award can be delivered up to a maximum of 200% of the PUP baseline award. The Board has the discretion to adjust the number of Units released taking into consideration other relevant qualitative and quantitative factors. The recipient will receive fully paid Units at no cost.

In respect of the Unit awards granted under the PUP in FY2019 and FY2020, the respective qualifying performance periods have not ended as at the date of this Report.

Ascendas Property Fund Trustee Pte. Ltd. Restricted Unit Plan

In FY2020, the Board granted awards which are conditional on targets set for a one-year performance period. A specified number of Units will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the RUP, an initial number of Units (RUP baseline award) is allocated conditional on the achievement of pre-determined targets in respect of the following performance conditions:

(a) Net property income of the a-iTrust Group; and

(b) Distribution per Unit of the a-iTrust Group.

The above performance measures have been selected as they are the key drivers of business performance and are aligned to Unitholder value. The final number of Units to be released will depend on the a-iTrust Group's performance against the pre-determined targets at the end of the one-year qualifying performance period. The Units will be released in equal annual tranches over a vesting period of three years. No Units 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 Units than the RUP baseline award can be delivered up to a maximum of 150% of the RUP baseline award. The Board has the discretion to adjust the number of Units released taking into consideration other relevant qualitative and quantitative factors. Recipients will receive fully paid Units at no cost.

In respect of the Unit awards granted under the RUP in FY2020, based on the Board's assessment that the performance achieved by the a-iTrust Group has met the pre-determined performance targets for FY2020, the resulting number of Units released has been adjusted accordingly to reflect the performance level.

The Unit Plans of the Trustee-Manager are performance-based and vest over a period of three years. Coupled with interlocking annual grants, this ensures ongoing alignment between remuneration and sustaining business performance in the longer term.

CORPORATE GOVERNANCE REPORT

D. Employee Benefits

The benefits provided are comparable with local market practices.

At present, there are four key management personnel (including the CEO). Each year, the Board evaluates the extent to which each of the key management personnel has 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. In such evaluation, the Board considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage a-iTrust for the long term. The CEO does not attend discussions relating to his performance and remuneration.

The CEO's remuneration in a band of S$250,000 and the aggregate of the total remuneration of the other key management personnel (excluding the CEO), together with a breakdown of their respective remuneration components in percentage terms, are set out in the Key Management Personnel's Remuneration Table on page 129 of this Annual Report.

While the disclosure of the CEO's exact remuneration amount and the requisite remuneration band for each of the other key management personnel (who are not also Directors or the CEO) would be in full compliance with Provision 8.1 of the Code, the Board has considered carefully and decided that such disclosure would not be in the interests of the Trustee-Manager or Unitholders due to the intense competition for talents in the industry, as well as the need to balance the confidential and commercial sensitivities associated with remuneration matters. The Trustee-Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures on page 129 of this Annual Report are consistent with the intent of Principle 8 of the Code and would provide sufficient information and transparency to the Unitholders on the Trustee-Manager's remuneration policies and the level and mix of remuneration accorded to the key management personnel, and enable the Unitholders to understand the relationship between a-iTrust's performance, value creation and the remuneration of the key management personnel. In addition, the remuneration of the key management personnel is not borne by a-iTrust as it is paid out of the fees that the Trustee-Manager receives (the quantum and basis of which have been disclosed).

Apart from the key management personnel and other employees of the Trustee-Manager, the Trustee-Manager outsources various other services to a wholly owned subsidiary of CL (CL Subsidiary). The CL Subsidiary provides the services through its employees and employees of CL Group (together, the Outsourced Personnel). This arrangement is put in place so as to provide flexibility and maximise efficiency in resource management to match the needs of a-iTrust from time to time, as well as to leverage on economies of scale and tap on the management talent of an established corporate group which can offer enhanced depth and breadth of experience. However, notwithstanding the outsourcing arrangement, the responsibility for due diligence, oversight and accountability continues to reside with the Board and Management. In this regard, the remuneration of such Outsourced Personnel, being employees of the CL Subsidiary and CL Group, is not included as part of the disclosure of the remuneration of key management personnel of the Trustee-Manager in this Report.

The Board seeks to ensure that the remuneration of the CEO and other key management personnel is strongly linked to the achievement of business and individual performance targets. The performance targets approved by the Board are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on both short-term and longer-term quantifiable objectives.

In FY2020, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other key management personnel. There was also no special retirement plan, 'golden parachute' or special severance package for any of the key management personnel.

In FY2020, there were no employees of the Trustee-Manager who were substantial shareholders of the Trustee-Manager, substantial Unitholders of a-iTrust or immediate family members of a Director, the CEO, any substantial shareholder of the Trustee-Manager or any substantial Unitholder of a-iTrust. "Immediate family member" refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

CORPORATE GOVERNANCE REPORT

Disclosures under AIFMR

The Trustee-Manager is also required under the AIFMR to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Trustee-Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of a-iTrust.

All individuals included in the aggregated figures disclosed are rewarded in line with the Trustee-Manager's remuneration policies described in this Report.

The aggregate amount of remuneration awarded by the Trustee-Manager to its staff (including CEO and non-executive Directors) in respect of FY2020 was approximately S$4.20 million. This figure comprised of fixed pay of S$2.71 million, variable pay of S$1.33 million (including Units issued under the Unit Plans, where applicable) and allowances and benefits-in-kind of S$0.16 million. There was a total of 24 beneficiaries of the remuneration described above. In respect of FY2020, the aggregate amount of remuneration awarded by the Trustee-Manager to its senior management (who are also members of staff whose actions have a material impact on the risk profile of a-iTrust) was approximately S$2.70 million, comprising 6 individuals identified having considered, among other factors, their roles and decision-making powers.

Remuneration for Non-Executive Directors

The non-executive Directors' fees for FY2020, together with a breakdown of the components, are set out in the non-executive Directors' Remuneration Table on page 129 of this Annual Report. The CEO who is an executive Director is remunerated as part of the key management personnel of the Trustee-Manager and does not receive any Director's fees. The non-executive Directors who are employees of the CL Group also do not receive any Directors' fees.

The compensation policy for non-executive Directors 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 compensation package is benchmarked against market, taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of the business of the a-iTrust Group. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Trustee-Manager and a-iTrust.

From FY2020 onwards, the payment of non-executive Directors' fees is aligned with REITs in the CL Group. Instead of the previous arrangement where the non-executive Directors' fees are paid fully in cash, it will be paid in cash (about 80%) and in the form of Units (about 20%), save that (i) a non-executive Director (not being an employee of the CL Group) who steps down from the Board during a financial year will be paid fees fully in cash, and (ii) Mrs Zia Jaydev Mody, who is a non-resident director based outside of Singapore, will be paid fully in cash. The Trustee-Manager believes that the payment of a portion of the non-executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and a-iTrust's long-term growth and value. In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, a non-executive Director is required to hold the number of Units worth at least one year of his or her basic retainer fee or the total number of Units awarded to him or her, whichever is lower, at all times during his or her Board tenure.

In solidarity with a-iTrust's stakeholders, the Board agreed to a voluntary 5% reduction in the total FY2020 fees for each Director.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Trustee-Manager maintains adequate and effective systems of risk management and internal controls addressing material financial, operational, compliance and IT risks to safeguard Unitholders' interests and the a-iTrust Group's assets.

The Board has overall responsibility for the governance of risk and oversees the Trustee-Manager in the design, implementation and monitoring of the risk management and internal controls systems and determines the nature and extent of the significant risks which a-iTrust is willing to take in achieving its strategic objectives and value creation. The ARC assists the Board in examining the adequacy and effectiveness of a-iTrust's risk management policies and ensures that Management maintains a sound system of risk management and internal controls, and in carrying out the Board's responsibility of overseeing the risk management framework and policies for the a-iTrust Group. The ARC also reviews and guides Management in the formulation of risk policies and processes to effectively identify, evaluate and manage any material risks and reports to the Board material findings and makes recommendations in respect of any material risk issues.

The Board regularly reviews the business risks of a-iTrust and examines liability management and risks including those relating to the India property sector. The overall framework established by the Board to enhance the soundness of a-iTrust's financial reporting, risk management, compliance and internal controls systems includes:

- formulation and implementation of an Enterprise Risk Management (ERM) Framework which comprises a risk register and related internal controls to mitigate such risks, which is regularly reviewed by the Board;
- audits performed by internal auditors in accordance with the audit plan;
- process improvement initiatives undertaken by the asset companies;
- implementation of formal policies and procedures relating to the delegation of authority;
- involvement of experienced and suitably qualified employees who take responsibility for important business functions; and
- segregation of key functions which may give rise to possible errors or irregularities.

The scope of the ARC's duties and responsibilities includes:

(a) assessing the adequacy and effectiveness of the risk management and internal controls systems established by the Trustee-Manager to manage risks;

(b) overseeing the formulation, updating and maintenance of an adequate and effective risk management framework, policies and strategies for managing risks that are consistent with the a-iTrust Group's risk appetite and reports to the Board on its decisions on any material matters concerning the above;

(c) making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal controls systems can be made by the Board in the Annual Report in accordance with the Listing Manual and the Code; and

(d) considering and advising on risk matters referred to it by the Board or Management, including reviewing and reporting to the Board on any material non-compliance with the approved framework and policies and the adequacy of any proposed action.

CORPORATE GOVERNANCE REPORT

The Trustee-Manager adopts an 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.

More information on the Trustee-Manager's ERM Framework including the material risks identified can be found in the ERM section on pages 44 to 47 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 ARC. In the course of their statutory audit, the external auditors had considered the risk assessment conducted by the internal auditors. Any material non-compliance and weakness in internal controls, together with the internal auditors' recommendations to address them, are reported to the ARC. The ARC also reviews the adequacy and effectiveness of the measures taken by the Trustee-Manager on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the CEO and the Chief Financial Officer (CFO) of the Trustee-Manager that the financial records of the a-iTrust Group have been properly maintained and the financial statements for FY2020 give a true and fair view of the a-iTrust Group's operations and finances. It has also received assurance from the 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 in place for the a-iTrust Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) that the Trustee-Manager considers relevant and material to the current business environment.

The CEO, the CFO and the relevant key management personnel of the Trustee-Manager have obtained similar assurances from the respective risk and control owners. In addition, in FY2020, the Board received quarterly certification by Management on the integrity of financial reporting and the Board provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

The Board recognises the importance of sound internal controls and risk management practices for good corporate governance. The Board affirms its overall responsibility for systems of internal controls and risk management of a-iTrust, and for reviewing the adequacy and integrity of those systems on an annual basis. The internal controls and risk management functions are performed by key executives of the Trustee-Manager with oversight by the ARC.

The internal controls systems include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practice, and the management of business risks. Such systems are designed to manage rather than to eliminate the risk of failure to achieve business objectives and provide only reasonable, and not absolute, assurance against material misstatement or loss.

Based on the ERM Framework and the reviews conducted by Management and both the internal and external auditors, as well as the assurance from the CEO and the CFO, the Board is of the opinion that the systems of risk management and internal controls (including financial, operational, compliance and IT controls) are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the a-iTrust Group considers relevant and material to its current business environment as at 31 December 2020. The ARC concurs with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board or the ARC in the review for FY2020.

The Board notes that the systems of risk management and internal controls established by the Trustee-Manager provide reasonable assurance that the a-iTrust 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 all internal controls systems contain inherent limitations and no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 10: AUDIT COMMITTEE

At present, the ARC comprises three non-executive Directors, all of whom (including the chairman of the ARC) are IDs. The ARC Chairman is a Director other than the Chairman of the Board. The ARC Chairman and members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains.

The ARC does not comprise former partners of a-iTrust's incumbent external auditors, Ernst & Young LLP (a) within a period of two years commencing from the date of their ceasing to be partners of Ernst & Young LLP; or (b) who have any financial interest in Ernst & Young LLP.

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

The ARC's scope of duties and responsibilities includes:

(a) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the a-iTrust Group and any announcements relating to the a-iTrust Group's financial performance;

(b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Trustee-Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems;

(c) reviewing the scope and results of the external audit and the independence and objectivity of the external auditors;

(d) reviewing the adequacy and effectiveness of the Trustee-Manager's internal audit (IA) and compliance functions;

(e) making recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration of the external auditors;

(f) reviewing and approving processes to regulate transactions between an interested person (as defined in Chapter 9 of the Listing Manual) and/or interested party (as defined in the Property Funds Appendix) (each, an Interested Person) and a-iTrust and/or its subsidiaries (Interested Person Transactions), to ensure compliance with the applicable regulations. The regulations include the requirements that Interested Person Transactions are on normal commercial terms and are not prejudicial to the interests of a-iTrust and its minority Unitholders. In respect of any property management agreement which is an Interested Person Transaction, the ARC also carries out reviews at appropriate intervals to satisfy itself that the Trustee-Manager has reviewed the property manager's compliance with the terms of the property management agreement and has taken remedial actions where necessary; and

(g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be raised, and independently investigated, for appropriate follow up action to be taken.

The ARC undertook a review of the independence of the external auditors, taking into consideration, among other factors, the non-audit services provided, a-iTrust's relationships with the external auditors in FY2020, as well as the processes and safeguards adopted by the Trustee-Manager and the external auditors relating to audit independence. Based on the review, the ARC is satisfied that the independence of the external auditors is not affected by the provision of the non-audit services. The external auditors have also provided confirmation of their independence to the ARC. The total audit and non-audit fees for FY2020 paid or payable to external auditors amounted to S$412,000, comprising audit fees of S$370,000 and non-audit fees of S$42,000. On the basis of the above, the Board has concurred with the ARC's recommendation for the re-appointment of Ernst and Young LLP as the independent external auditors of a-iTrust and its subsidiaries at the coming AGM of the Unitholders.

CORPORATE GOVERNANCE REPORT

Ernst & Young LLP was appointed as the external auditors for a-iTrust and its Singapore incorporated subsidiaries and significant associated companies. Unitholders' approval was obtained for their re-appointment at the last AGM on 25 June 2020. Ernst & Young LLP will hold office until the conclusion of the coming AGM. The ARC has assessed the performance of the external auditors based on factors such as the performance and quality of their audit and the independence of the auditor.

The ARC holds at least 4 scheduled meetings in a year and met 4 times in FY2020. At all scheduled ARC meetings in FY2020, the CEO and the CFO were in attendance. During each of these meetings, among other things, the ARC reviewed the financial statements including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues. It recommended the financial statements and corresponding announcements to the Board for approval. In FY2020, the ARC also reviewed and assessed the adequacy and effectiveness of the internal controls and risk management systems established by the Trustee-Manager to manage risks, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurances from the CEO and the CFO.

The ARC also meets with the external auditors, and with the internal auditors, without the presence of Management, at least once a year. In FY2020, the ARC met with the external auditors and internal auditors once, 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.

Where relevant, the ARC 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.

Key Audit Matters

In the review of the financial statements of the a-iTrust Group for FY2020, the ARC has discussed with Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The ARC reviewed, amongst other matters, the following key audit matters, as reported by the external auditors for FY2020.

Key audit matters	How these issues were addressed by the ARC
1. Valuation of investment properties and investment properties under construction	ARC has reviewed the appropriateness of the valuation techniques as well as the other key estimates and assumptions adopted in the valuation prepared by the independent professional valuers, Savills Property Services (India) Private Limited. ARC also assessed the reasonableness of the movements in fair value of the properties by taking into consideration the comparability, industry development and market factors used by the valuers, considering the increase in the level of estimation uncertainty and judgment required arising from the changes in market and economic conditions brought on by the COVID-19 pandemic. The outbreak of the COVID-19 pandemic has impacted market activity in many property sectors. As the impact of the COVID-19 pandemic is fluid and evolving, significant market uncertainty exists. Consequently, the valuations of properties are currently subject to material estimation uncertainty. The carrying amounts of the properties were current as at 31 December 2020 only. Values may change more rapidly and significantly than during standard market conditions.
2. Taxation matters	ARC has reviewed the status of the open tax issues with uncertain positions and adequacy of the Group's accounting treatment and disclosures in the financial statements, inclusive of contingent liabilities disclosure and the deferred tax together with the assumptions used.

CORPORATE GOVERNANCE REPORT

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

The Trustee-Manager confirms, on behalf of a-iTrust, that a-iTrust complies with Rules 712 and 715 of the Listing Manual as Ernst & Young LLP is registered with the Accounting and Corporate Regulatory Authority.

Internal Audit

The Trustee-Manager has in place an IA function supported by CL's Internal Audit Department (CL IA). CL IA is independent of the activities it audits and has unfettered access to the a-iTrust Group's documents, records, properties and employees, including access to the ARC, and has appropriate standing with respect to the Manager. The primary reporting line of CL IA in respect of the a-iTrust Group is to the ARC, however, the ARC does not decide on the appointment, termination and remuneration of the head of CL IA as it operates at the CL Group level. While this is a deviation from Provision 10.4 which requires the ARC to decide on the appointment, termination and remuneration of the head of the IA function, CL IA is able to carry out its role effectively for the reasons below and this is accordingly consistent with the intent of Principle 10 of the Code.

The ARC monitors and assesses the role and effectiveness of the IA function through reviewing the IA process from time to time and may make recommendations to the Board for any changes to the IA process. The ARC also reviews to ensure that the IA function is adequately resourced and skilled in line with the nature, size and complexity of the Trustee-Manager and a-iTrust's business, and that an adequate budget is allocated to the IA function to assure its proper functioning. In FY2020, the ARC has carried out a review of the IA function and is satisfied that the IA function performed by CL IA is adequately resourced, effective and independent.

CL IA plans its IA schedules in consultation with, but independently of, Management and its plan is submitted to the ARC for approval prior to the beginning of each year. During FY2020, the ARC reviewed the results of audits performed by CL IA based on the approved audit plan. The ARC also reviewed reports on whistle blower complaints reviewed by CL IA to ensure independent and thorough investigation and adequate follow up. The ARC also received reports on Interested Person Transactions reviewed by CL IA that they were on normal commercial terms and are not prejudicial to the interests of a-iTrust and its minority Unitholders.

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

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

CORPORATE GOVERNANCE REPORT

UNITHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11, 12 AND 13: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS, ENGAGEMENT WITH SHAREHOLDERS AND MANAGING STAKEHOLDER RELATIONSHIPS

The Trustee-Manager is committed to open and regular communication with the investment community, in particular, with its Unitholders, and to treating all Unitholders fairly and equitably. All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions.

General Meetings

In view of the COVID-19 pandemic, the previous general meeting held in FY2020 was, and the forthcoming AGM to be held on 12 April 2021 (AGM 2021) will be, held via 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 (COVID-19 Temporary Measures Order). Alternative arrangements relating to attendance at the AGM 2021 (including arrangements by which the AGM 2021 can be electronically accessed via live audio-visual webcast or live audio-only stream, submission of questions in advance of the AGM 2021, addressing of substantial and relevant questions prior to or at the AGM 2021 and voting by appointing the chairman of the meeting as proxy at the AGM 2021) are set out in the Trustee-Manager's notice of annual general meeting dated 19 March 2021. The description below sets out a-iTrust's usual practice for Unitholders meetings when there are no pandemic risks and the COVID-19 Temporary Measures Order is not in operation.

Unitholders 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 Unitholder, through its appointed representative). Unitholders 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 a-iTrust.

a-iTrust supports the principle of encouraging Unitholder participation and voting at general meetings. a-iTrust's Annual Report is provided to Unitholders within 120 days from the end of a-iTrust's financial year. Unitholders may download the Annual Report from the Website and printed copies of the Annual Report are available upon request. More than the legally required notice period for general meetings is generally provided. Unitholders will receive the notices of general meetings and may download these notices from the Website. Notices of the general meetings are also advertised in the press and issued on SGXNet. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at the general meeting. This enables Unitholders to exercise their votes on an informed basis.

At AGMs, Management makes a presentation to Unitholders to update them on a-iTrust's performance, position and prospects. The presentation materials are made available to Unitholders on the Website and also on SGXNet.

Unitholders are informed of the rules governing general meetings and are given the opportunity to communicate their views, ask questions and discuss with the Board and Management on matters affecting a-iTrust. Directors (including the Chairman of the respective Board Committees), key management personnel and the external auditors of a-iTrust, are present for the entire duration of the AGMs to address any queries that the Unitholders may have, including queries about the conduct of a-iTrust's external audit and the preparation and contents of the external auditors' report. Directors and Management also interact with Unitholders after the AGMs.

All Directors attended the general meetings held during their tenure in FY2020. A record of the Directors' attendance at the general meetings in FY2020 can be found in their meeting attendance records as set out on page 128 of this Annual Report.

To safeguard the Unitholders' interests and rights, a separate resolution is proposed for each substantially separate matter to be approved at a general meeting.

CORPORATE GOVERNANCE REPORT

To ensure transparency in the voting process and better reflect Unitholders' interests, a-iTrust conducts electronic poll voting for all the resolutions proposed at general meetings. One Unit is entitled to one vote. Voting procedures and the 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 and the respective percentages, on each resolution are tallied and displayed 'live' on-screen to Unitholders immediately after each resolution is voted on at the general meetings. The total number of votes cast for or against each resolution and the respective percentages are also announced on SGXNet after the general meetings.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. a-iTrust's Trust Deed currently does not permit Unitholders to vote at general meetings in absentia (such as via mail or email). The Trustee-Manager will consider implementing the relevant amendments to a-iTrust's Trust Deed to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and the authentication of the identity of Unitholders through the internet will not be compromised, and after the implementation of legislative changes to recognise remote voting. The Trustee-Manager is of the view that despite the deviation from Provision 11.4 of the Code, Unitholders nevertheless have opportunities to communicate their views on matters affecting a-iTrust even when they are not in attendance at general meetings. For example, Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

Minutes of the general meetings recording the substantial and relevant comments made, questions raised, and answers provided, are prepared and are available to Unitholders for their inspection upon request. Minutes of AGMs are also made available on the Website as soon as practicable. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the Code.

Distribution Policy

a-iTrust's distribution policy is to distribute at least 90.0% of its distributable income, with the actual level of distribution to be determined at the Trustee-Manager's discretion.

Timely Disclosure of Information

The Trustee-Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of a-iTrust's performance and any changes in the a-iTrust Group or its business which is likely to materially affect the price or value of the Units.

The Trustee-Manager provides Unitholders with periodic and annual financial statements within the relevant periods prescribed by the Listing Manual. These periodic and annual financial statements were reviewed and approved by the Board prior to release to Unitholders by announcement on SGXNet. The release of periodic and annual financial statements was accompanied by news releases issued to the media and which were also made available on SGXNet. In presenting the periodic and annual financial statements to Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of a-iTrust and the a-iTrust Group's performance, position and prospects.

In addition to the release of financial statements, the Trustee-Manager also keeps a-iTrust's Unitholders, stakeholders and analysts informed of the performance and changes in the a-iTrust Group or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions. This is performed through the release on SGXNet of announcements in compliance with statutory and regulatory reporting requirements and news releases for the media, on a timely and consistent basis. These announcements and news releases are also posted on the Website. In addition, the Trustee-Manager also conducts analysts' briefings, and the materials used for such briefings are uploaded on SGXNet.

The Trustee-Manager has corporate disclosure controls and procedures to ensure that a-iTrust complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate the decision-making process and an obligation on internal reporting of the decisions made.

The Trustee-Manager believes in conducting the business of a-iTrust in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for a-iTrust and the Trustee-Manager's accountability to Unitholders for a-iTrust's performance. Prompt fulfilment of statutory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the Trustee-Manager.

CORPORATE GOVERNANCE REPORT

Investor Relations

Investor relations matters are handled by the Management. The Management meets with analysts and institutional investors regularly to promote a-iTrust, communicate its business performance and developments, and gather views and feedback. The Management participates in local and overseas conferences organised by securities houses and banks. The Management also addresses queries raised by retail and institutional Unitholders via phone calls, emails or the Website. Such regular interactions allow the Management to consider feedback from the investment community before formulating capital management strategies and Unitholders' resolutions.

The Trustee-Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place an Investor Relations Policy to promote regular, effective and fair communications with Unitholders.

The Investor Relations Policy sets out the mechanism through which Unitholders may contact the Trustee-Manager with questions and through which the Trustee-Manager may respond to such questions. Unitholders are welcome to engage with the Trustee-Manager beyond general meetings and they may do so via phone calls or emails.

More information on the Trustee-Manager's investor relations efforts can be found in the Investor Relations section on pages 48 to 49 of this Annual Report.

The Trustee-Manager also has in place a corporate communications function supported by CL's Group Communications department which works closely with the media and oversees a-iTrust's media communications efforts.

Managing Stakeholder Relationships

The Board's role includes considering sustainability as part of its strategic formulation. The Trustee-Manager adopts an inclusive approach for a-iTrust by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of a-iTrust are served. The Trustee-Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in a-iTrust's business strategies and operations. The Trustee-Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on the sustainability issues most important to them and to manage a-iTrust's relationships with such groups. Such arrangements include maintaining the Website, which is kept updated with current information to facilitate communication and engagement with a-iTrust's stakeholders. More details of a-iTrust's sustainability strategy and stakeholder engagement can be found on pages 88 to 89 of this Annual Report.

ADDITIONAL INFORMATION

Investment Committee

In addition to the ARC, the Board has also established an IC.

As at 22 February 2021, the IC comprises four Directors, two of whom are IDs. The four members on the IC are Mr Manohar Khiatani (IC Chairman), Mrs Zia Jaydev Mody, Ms Tan Soon Neo Jessica and Mr Jonathan Yap Neng Tong.

The IC is authorised to review all matters within its terms of reference. Pursuant to the IC's terms of reference, the IC's scope of duties and responsibilities involve assisting the Board in its oversight of responsibilities in the areas of investment, divestment and asset enhancement initiatives within the IC's approval limits.

For FY2020, the IC has met to approve the business plans of a-iTrust for the upcoming financial year.

CORPORATE GOVERNANCE REPORT

Dealings with Interested Persons

Review Procedures for Interested Person Transactions

The Trustee-Manager has established internal controls procedures to ensure that all Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties, and are not prejudicial to the interests of a-iTrust and Unitholders. In respect of such transactions, the Trustee-Manager would have to demonstrate to the ARC that such transactions are undertaken on normal commercial terms and are not prejudicial to the interests of a-iTrust and Unitholders which may include obtaining (where practicable) third party quotations or obtaining valuations from independent valuers (in accordance with applicable provisions of the Listing Manual and the Property Funds Appendix). The internal control procedures also ensure compliance with Chapter 9 of the Listing Manual and the Property Funds Appendix.

In particular, the procedures in place include the following:

Interested Person Transactions[1]	Approving Authority, Procedures and Disclosure
Below S$100,000 per transaction	• Management
S$100,000 and above per transaction (which singly, or when aggregated with other transactions[2] with the same Interested Person in the same financial year is less than 3.0% of a-iTrust's net tangible assets)	• Management • ARC
Transaction[2] which: (a) is equal to or exceeds 3.0% of a-iTrust's net tangible assets but below 5.0% of a-iTrust's net tangible assets; or (b) when aggregated with other transactions[2] with the same Interested Person in the same financial year is equal to or exceeds 3.0% of a-iTrust's net tangible assets but below 5.0% of a-iTrust's net tangible assets	• Management • ARC • Immediate announcement
Transaction[2] which: (a) is equal to or exceeds 5.0% of a-iTrust's net tangible assets; or (b) when aggregated with other transactions[2,3] with the same Interested Person in the same financial year is equal to or exceeds 5.0% of a-iTrust's net tangible assets	• Management • ARC • Immediate announcement • Unitholders[3]

Notes:
1 This table does not include the procedures applicable to Interested Person Transactions falling under the exceptions set out in Rules 915 and 916 of the Listing Manual.
2 Any transaction of less than S$100,000 in value is disregarded.
3 In relation to approval by Unitholders for transactions that are equal to or exceed 5.0% of a-iTrust's net tangible assets (whether singly or aggregated), any transaction which has been approved by Unitholders, or is the subject of aggregation with another transaction that has been approved by Unitholders, need not be included in any subsequent aggregation.

Guidelines and procedures established to monitor Interested Persons Transactions will be audited by CL IA on a periodic basis. CL IA's role will include carrying out an audit on the IPT framework and procedures as a separate audit engagement. As part of this engagement, CL IA will review, amongst other procedures, the maintenance of IPT registers, process of identification of IPTs, the comparables used for assessing if IPTs are undertaken on an arm's length basis and on normal commercial terms, and that there is reasonable and valid documentation supporting the conclusions on IPTs. CL IA will also carry out testing on sampling basis for the entire population of IPTs (including IPTs below S$100,000).

CORPORATE GOVERNANCE REPORT

Role of the Audit and Risk Committee for Interested Person Transactions

The Trustee-Manager's internal control procedures are intended to ensure that Interested Person Transactions are conducted at arm's length, on normal commercial terms and are not prejudicial to a-iTrust's and Unitholders' interests.

The Trustee-Manager maintains a register to record all Interested Person Transactions which are entered into by a-iTrust (and the basis on which they are entered into, including the quotations obtained to support such basis). All Interested Person Transactions are subject to regular periodic reviews by the ARC, which in turn obtains advice from CL IA, to ascertain that the guidelines and procedures established to monitor Interested Person Transactions, including the relevant provisions of the Listing Manual and the Property Funds Appendix, as well as any other guidelines which may from time to time be prescribed by the SGX-ST, MAS or other relevant authorities, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, he/she is to abstain from participating in the review and approval process in relation to that transaction. In addition, the ARC also reviews the IA reports to ascertain that the Listing Manual and the Property Funds Appendix have been complied with.

Details of all Interested Person Transactions (equal to or exceeding S$100,000 each in value) entered into by a-iTrust in FY2020 are disclosed on pages 138 to 139 of this Annual Report

Dealing with Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Trustee-Manager (including its Directors, key management personnel and employees) may encounter in managing a-iTrust:

(a) the Trustee-Manager is a dedicated trustee-manager to a-iTrust and will not manage any other business trust or be involved in any other real property business;

(b) all resolutions at meetings of the Board in relation to matters concerning a-iTrust must be decided by a majority vote of the Directors, including at least one ID;

(c) in respect of matters in which CL and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CL and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CL and/or its subsidiaries;

(d) in respect of matters in which a Director or his or her associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s); and

(e) the Board shall comprise:

    (i) at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;

    (ii) at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and

    (iii) at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager.

The Trustee-Manager and its associates (as defined in the Trust Deed) are prohibited under the Trust Deed from voting on their Units at, or being part of a quorum for, any meeting of Unitholders convened to approve any matter in which the Trustee-Manager or any of its associates has a material interest in the business to be conducted (save for a resolution to remove the Trustee-Manager as provided in the Trust Deed).

CORPORATE GOVERNANCE REPORT

Dealings in Securities

The Trustee-Manager has adopted a securities dealing policy for the officers and employees which applies the best practice recommendations in the Listing Manual. Under this policy, Directors and employees of the Trustee-Manager as well as certain relevant executives of the CL Group (together, the Relevant Persons) are required to refrain from dealing in a-iTrust's securities (i) while in possession of material unpublished price-sensitive information, and (ii) during a prescribed period in accordance with the Listing Manual (Black-out Period) immediately preceding, and up to the time of each announcement of a-iTrust's financial statements during a financial year. Prior to the commencement of each Black-out Period, an email would be sent to all the Relevant Persons to inform them of the duration of the Black-out Period. The Trustee-Manager also does not deal in a-iTrust's securities during the same Black-out Period. In addition, employees of the Trustee-Manager are required to give a pre-trading notification to the CEO and the Compliance department before any dealing in a-iTrust's securities.

This policy also provides for the Trustee-Manager to maintain a list of persons who are privy to price-sensitive information relating to the a-iTrust Group as and when circumstances require such a list to be maintained.

Directors and employees of the Trustee-Manager are also required to refrain from dealing in a-iTrust's securities if they are in possession of unpublished price-sensitive information of a-iTrust 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 a-iTrust's securities.

Under this policy, Directors and employees of the Trustee-Manager 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.

A Director is required to notify the Trustee-Manager of his or her interest in a-iTrust's securities within two business days after (a) the date on which he or she becomes a Director or (b) the date on which he or she acquires an interest in a-iTrust's securities. A Director is also required to notify the Trustee-Manager of any change in his or her interests in a-iTrust's securities within two business days after he or she becomes aware of such change.

Dealings by the Directors are disclosed in accordance with the requirements in the SFA and the Listing Manual. In FY2020, based on the information available to the Trustee-Manager, save as disclosed in accordance with such requirements and other than the awards of Units in part payment of Directors' fees, there were no dealings by the Directors in a-iTrust's securities.

Code of Business Conduct

The Trustee-Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place.

The policies and guidelines are published on CL Group's intranet, which is accessible by all employees of the Trustee-Manager.

The policies that the Trustee-Manager has implemented aim to help to detect and prevent occupational fraud in mainly three ways, as set out below.

First, the Trustee-Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Trustee-Manager 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 efficacy of these internal controls.

Finally, the Trustee-Manager seeks to build and maintain the right organisational culture through its core values, educating its employees on good business conduct and ethical values.

CORPORATE GOVERNANCE REPORT

Fraud, Bribery and Corruption Risk Management Policy

In line with its core values, the Trustee-Manager is committed to doing business with integrity. This is reflected in its longstanding zero tolerance stance against fraud, bribery and corruption. Consistent with this commitment, various policies and guidelines are in place to guide all employees of the Trustee-Manager to maintain the highest standards of integrity in their work and business dealings. This includes clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, and an annual pledge by all employees of the Trustee-Manager to uphold the Trustee-Manager's core values and to not engage in any corrupt or unethical practices. The Trustee-Manager's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. Pursuant to this policy, the Trustee-Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions.

The Trustee-Manager's employees adhere to CL's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the 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 Trustee-Manager's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions.

Whistle-Blowing Policy

A whistle-blowing policy and other procedures are put in place to provide the Trustee-Manager's employees and parties who have dealings with the Trustee-Manager with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action. The objective of the whistle-blowing policy is to encourage the reporting of such matters so 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. The ARC reviews all whistle-blowing complaints at its scheduled meetings. Independent, thorough investigation and appropriate follow up actions are taken. The outcome of each investigation is reported to the ARC. All employees of the Trustee-Manager are informed of this policy which is made available on CL Group's intranet.

Business Continuity Management

The Trustee-Manager has implemented a Business Continuity Management (BCM) programme to minimise the impact of adverse business interruptions or unforeseen events on the a-iTrust Group'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. Periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of these 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 to a-iTrust, allow the Trustee-Manager to continue to function as the trustee-manager of a-iTrust and mitigate any negative effects that the disruptions could have on the Trustee-Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations.

CORPORATE GOVERNANCE REPORT

Composition of Board Committees in FY2020

Board Members	Audit and Risk Committee	Investment Committee	Nominating and Remuneration Committee[1]
Mr Chiang Chie Foo	–	–	C
Mr Manohar Khiatani	–	C	M
Mr Sanjeev Dasgupta	–	–	–
Mr Alan Rupert Nisbet	C	–	M
Mr T.V. Mohandas Pai[2]	M	M	–
Mrs Zia Jaydev Mody	M	M	–
Dr Ernest Kan Yaw Kiong[3]	M	–	–
Ms Tan Soon Neo Jessica[4]	–	M	–
Mr Jonathan Yap Neng Tong	–	M	–

Denotes: C – Chairman M – Member

Notes:
1 The Nominating and Remuneration Committee has been dissolved with effect from 1 February 2020.
2 Mr T.V. Mohandas Pai retired as a non-executive ID with effect from 20 November 2020. Mr T.V. Mohandas Pai also relinquished his role as a member of the ARC and the IC on the same day.
3 Dr Ernest Kan Yaw Kiong was appointed as a non-executive ID and a member of the ARC on 20 November 2020.
4 Ms Tan Soon Neo Jessica was appointed as a non-executive ID and a member of the IC on 20 November 2020.

Attendance Record of Meetings of Unitholders, Board and Board Committees in FY2020[1]

	Board[2]	Audit and Risk Committee	Nominating and Remuneration Committee[3]	Investment Committee	AGM[4]
No. of Meetings Held	6	4	–	5	1
Board Members					
Mr Chiang Chie Foo	100%	–	–	–	100%
Mr Manohar Khiatani	100%	–	–	100%	100%
Mr Sanjeev Dasgupta	100%	–	–	–	100%
Mr Alan Rupert Nisbet	100%	100%	–	–	100%
Mr T.V. Mohandas Pai[5]	100%	100%	–	100%	100%
Mrs Zia Jaydev Mody	100%	50%	–	60%	100%
Dr Ernest Kan Yaw Kiong[6]	100%	100%	–	–	–
Ms Tan Soon Neo Jessica[7]	100%	–	–	100%	–
Mr Jonathan Yap Neng Tong	100%	–	–	100%	100%

Notes:
1 All Directors are required to attend Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
2 Includes a Board Strategy Meeting.
3 The Nominating and Remuneration Committee has been dissolved with effect from 1 February 2020.
4 Provision 11.3 of the Code requires all directors to attend general meetings of Unitholders.
5 Mr T.V. Mohandas Pai retired as a non-executive ID with effect from 20 November 2020. Mr T.V. Mohandas Pai also relinquished his role as a member of the ARC and the IC on the same day.
6 Dr Ernest Kan Yaw Kiong was appointed as a non-executive ID and a member of the ARC on 20 November 2020.
7 Ms Tan Soon Neo Jessica was appointed as a non-executive ID and a member of the IC on 20 November 2020.

CORPORATE GOVERNANCE REPORT

Key Management Personnel's Remuneration Table for FY2020[1]

	Components of Remuneration			
	Salary inclusive of employer's CPF	Bonus and Other Benefits inclusive of employer's CPF[2]	Award of Units[3]	Total
CEO				
Mr Sanjeev Dasgupta	42%	32%	26%	100%

Remuneration Band for CEO : Above S$1,000,000 to S$1,250,000

Key Management Personnel (excluding CEO)				
Mr Tan Choon Siang Mr Rohith Bhandary Mr Sumit Gera	64%	29%	7%	100%

Aggregate of the Total Remuneration for Key Management Personnel (excluding CEO): S$1,288,869

Notes:
1 Key management personnel's remuneration for FY2020.
2 The amounts disclosed include bonuses earned which have been accrued for in FY2020.
3 The proportion of value of the Unit awards is based on the fair value of the Units comprised in the contingent awards under the Ascendas Property Fund Trustee Pte. Ltd. Restricted Unit Plan (RUP) and the Ascendas Property Fund Trustee Pte. Ltd. Performance Unit Plan (PUP) at the time of grant in FY2020. The final number of Units released under the contingent awards of Units for the RUP and PUP will depend on the achievement of pre-determined targets and subject to the respective vesting period under the RUP and PUP.

Non-Executive Directors' Remuneration Table for FY2020

	Components of Directors' fees[1,2] (S$)		
	Cash component	Unit component[2]	Total (S$)[3]
Non-Executive Directors			
Mr Chiang Chie Foo	79,064.80	19,766.20	98,831.00
Mr Alan Rupert Nisbet	70,312.80	17,578.20	87,891.00
Mr T.V. Mohandas Pai[4]	73,120.00	–	73,120.00
Mrs Zia Jaydev Mody[5]	77,900.00	–	77,900.00
Dr Ernest Kan Yaw Kiong[6]	5,557.60	1,389.40	6,947.00
Ms Tan Soon Neo Jessica[7]	6,317.60	1,579.40	7,897.00
Mr Manohar Khiatani	N.A.[8]	N.A.[8]	N.A.[8]
Mr Jonathan Yap Neng Tong	N.A.[8]	N.A.[8]	N.A.[8]

Aggregate of Remuneration for Non-Executive Directors: S$352,586.00

N.A.: Not applicable
1 Inclusive of attendance fees of (a) S$1,000 per meeting attendance (in person, or via teleconferencing or video conferencing), (b) ad hoc meeting with Management of S$500 per meeting attendance and (c) an additional of S$500 per day for overseas attendance allowance. Directors' fees are subject to the approval of the Trustee-Manager's shareholder.
2 Each non-executive Director (save for non-executive Directors who are employees of CL Group, Mr T.V. Mohandas Pai and Mrs Zia Jaydev Mody) receives about 20% of his or her Director's fees in the form of Units (subject to truncation adjustments). The remainder of the Director's fees is paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Trustee-Manager from the Units that it holds.
3 In solidarity with a-iTrust's stakeholders, the Board agreed to a voluntary 5% reduction in the total FY2020 fees for each Director. The figures provided are the final figures after the 5% reduction.
4 Mr T.V. Mohandas Pai retired as a non-executive ID with effect from 20 November 2020. Mr T.V. Mohandas Pai also relinquished his role as a member of the ARC and the IC on the same day. His fees were paid fully in cash.
5 Mrs Zia Jaydev Mody, who is a non-resident director based outside of Singapore, will be paid fully in cash.
6 Dr Ernest Kan Yaw Kiong was appointed as a non-executive ID and a member of the ARC on 20 November 2020.
7 Ms Tan Soon Neo Jessica was appointed as a non-executive ID and a member of the IC on 20 November 2020.
8 Non-executive Directors who are employees of CL Group do not receive Directors' fees.

TRUST FINANCIAL STATEMENTS

TRUSTEE-MANAGER'S STATEMENT

For the Financial Year Ended 31 December 2020

The Directors of Ascendas Property Fund Trustee Pte. Ltd., the trustee-manager of Ascendas India Trust (the "Trustee-Manager"), are pleased to present their statement to the Unitholders of Ascendas India Trust (the "Trust") and its subsidiaries (together referred to as the "Group"), together with the audited financial statements of the Group. The audited financial statements comprise the balance sheets of the Group and the Trust as at 31 December 2020, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

In the opinion of the Directors,

(i) the accompanying balance sheets of the Group and the Trust, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows as set out on pages 148 to 217 are drawn up so as to give a true and fair view of the financial position of the Group and of the Trust as at 31 December 2020, and of the financial performance, changes in unitholders' funds and cash flows of the Group, for the financial year ended on that date; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil, out of the trust property of the Trust, the liabilities of the Trust as and when they fall due.

In accordance with Section 86(2) of the Singapore Business Trusts Act, we further certify:

(i) the fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed;

(ii) the interested person transactions entered into by the Group during the financial year ended 31 December 2020 are not detrimental to the interests of all the Unitholders of the Trust as a whole based on the circumstances at the time of the relevant transactions; and

(iii) the Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

DIRECTORS

The Directors of the Trustee-Manager in office at the date of this statement are:

Mr Chiang Chie Foo	(Chairman)
Mr Manohar Khiatani	(Deputy Chairman)
Mr Sanjeev Dasgupta	
Mr Alan Rupert Nisbet	
Mrs Zia Jaydev Mody	
Dr Ernest Kan Yaw Kiong	(appointed on 20 November 2020)
Ms Tan Soon Neo Jessica	(appointed on 20 November 2020)
Mr Jonathan Yap Neng Tong	

TRUSTEE-MANAGER'S STATEMENT

For the Financial Year Ended 31 December 2020

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Trustee-Manager a party to any arrangement whose objective was to enable any or all Directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in, or debentures of, the Trust.

DIRECTORS' INTERESTS IN UNITS AND DEBENTURES

According to the register of Directors' unitholdings and for the purpose of Section 76 of the Singapore Business Trusts Act, only those Directors as shown below hold units in or debentures, of the Trust:

	Units held as at			
	1 January 2020		**31 December 2020**	
Name of Director	Direct	Deemed	**Direct**	**Deemed**
Mr Jonathan Yap Neng Tong	500,000	150,000	**500,000**	**150,000**
Contingent award of Performance units[1] to be delivered after 2021				
Mr Sanjeev Dasgupta (143,763 units)	0 to 287,526[3]	–	**0 to 287,526[3]**	**–**
Contingent award of Performance units[1] to be delivered after 2022				
Mr Sanjeev Dasgupta (118,017 units)	–	–	**0 to 236,034[3]**	**–**
Unvested Restricted units[2] to be delivered after 2019				
Mr Sanjeev Dasgupta (215,644 units)	0 to 323,466[4,5]	–	**76,849[5,6]**	**–**
Contingent award of Restricted units[2] to be delivered after 2020				
Mr Sanjeev Dasgupta (118,017 units)	–	–	**0 to 177,025[4,5]**	**–**

There was no change in any of the above-mentioned interests in the Trust between the end of the financial year and 21 January 2021.

Except as disclosed in this report, no Director who held office at the end of the financial year had interests in units, unit options, warrants or debentures of the Trust, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Notes:
1 Performance units are units under awards pursuant to the Ascendas Property Fund Trustee Pte. Ltd. Performance Unit Plan 2019.
2 Restricted units are units under awards pursuant to the Ascendas Property Fund Trustee Pte. Ltd. Restricted Unit Plan 2019.
3 The final number of units to be released will depend on the achievement of pre-determined targets over a three-year performance period. No unit 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 units than the baseline award could be delivered up to a maximum of 200% of the baseline award. The Board has the discretion to adjust the number of units released taking into consideration other relevant quantitative and qualitative factors.
4 The final number of units 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 unit 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 units than the baseline award could be delivered up to a maximum of 150% of the baseline award. The Board has the discretion to adjust the number of units released taking into consideration other relevant quantitative and qualitative factors.
5 An additional number of units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the Ascendas Property Fund Trustee Pte. Ltd. Restricted Unit Plan 2019, will also be released on the final vesting.
6. Being the unvested remaining one-third of the award. During the year, 76,849 units were released, of which 76,849 units were settled in cash.

TRUSTEE-MANAGER'S STATEMENT

For the Financial Year Ended 31 December 2020

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial period, no director has received or become entitled to receive a benefit in the Trust by reason of a contract made by the Trustee-Manager, on behalf of the Trust or a related corporation, with the director, or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

UNIT OPTIONS

There were no options granted during the financial year to acquire unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units in the Trust.

There were no unissued units in the Trust under option as at the end of the financial year.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("ARC") comprises three Independent Directors. The members at the end of the financial year were as follows:

Mr Alan Rupert Nisbet (Chairman)
Mrs Zia Jaydev Mody
Dr Ernest Kan Yaw Kiong

The ARC carried out its functions in accordance with Regulation 13(6) of the Singapore Business Trusts Regulations, including the following:

– Reviewing with the external and internal auditors, the scope and results of the internal audit procedures of the Trustee-Manger; the audit plans and audit reports and the auditors' evaluation of the system of internal accounting controls, based on the recommendations and observations of the auditors;

– Reviewing the quarterly and annual financial statements and the external auditor's report on the annual financial statements of the Trust before submission to the Board of Directors;

– Reviewing the assistance given by the Management of the Trustee-Manager to the auditors of the Trust;

– Reviewing the policies and practices put in place by the Management of the Trustee-Manager to ensure compliance with the applicable laws, regulations, guidelines and constitutional documents of the Trust;

– Reviewing the procedures put in place to address any conflict that may arise between the interests of the Unitholders and those of the Trustee-Manager, including interested person transactions, the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees and charges payable out of the trust property;

– Reporting to the Board of Directors of the Trustee-Manager on any inadequacies, deficiencies or matters of concern of which the ARC becomes aware or that it suspects, arising from its review of the above described;

– Reporting to the Board of Directors of the Trustee-Manager on any breach of the Singapore Business Trusts Act or any breach of the provisions of the Trust Deed of which the ARC becomes aware or that it suspects;

– Reporting to the Monetary Authority of Singapore if the ARC is of the view that the Board of Directors of the Trustee-Manager has not taken, or does not propose to take, appropriate action to deal with a matter reported by the ARC to the Board of Directors;

TRUSTEE-MANAGER'S STATEMENT

For the Financial Year Ended 31 December 2020

AUDIT AND RISK COMMITTEE (continued)

– Reviewing the independence and objectivity of the external auditor annually, including considering the nature and extent of non-audit services performed by the external auditor;

– Meeting with the external and internal auditors, without the presence of the Management of the Trustee-Manager, at least once annually;

– Recommending the appointment, re-appointment or removal of the external or internal auditors to the Board;

– Investigating any matters within the ARC's terms of reference, whenever it deems necessary; and

– Undertaking such other functions as may be agreed to by the ARC and the Board of Directors of the Trustee-Manager.

To assess the independence of the external auditor, the ARC also reviewed the non-audit services provided by the external auditor during the financial year and the quantum of fees paid for such services. The ARC is satisfied that the independence of the external auditor was not impaired by the provision of those non-audit services. The ARC has also conducted a review of interested person transactions.

The ARC convened four meetings during the year, and attendances of members are listed in the Corporate Governance Report.

The ARC has recommended to the Board of Directors the re-appointment of Ernst & Young LLP as the independent external auditor of the Trust at the coming annual general meeting of the Unitholders.

AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

For and on behalf of the Trustee-Manager,
Ascendas Property Fund Trustee Pte. Ltd.

MANOHAR KHIATANI
Director

SANJEEV DASGUPTA
Director

22 February 2021

STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER

For the Financial Year Ended 31 December 2020

I, the Chief Executive Officer of Ascendas Property Fund Trustee Pte. Ltd., as Trustee-Manager (the “Trustee-Manager”) of Ascendas India Trust (the “Trust”), in my personal capacity, certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

SANJEEV DASGUPTA
Chief Executive Officer

22 February 2021

STATEMENT ON POLICIES AND PRACTICES

In relation to the Management and Governance of the Trust pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

The Board of Directors (the "Board") of Ascendas Property Fund Trustee Pte. Ltd., as trustee-manager (the "Trustee-Manager") of Ascendas India Trust ("a-iTrust"), is responsible for safeguarding the interests of the unitholders of a-iTrust (the "Unitholders") as a whole and managing the business of a-iTrust. The Trustee-Manager has general powers of management over the business and assets of a-iTrust and its main responsibility is to manage a-iTrust's assets and liabilities for the benefit of the Unitholders as a whole. In the event of a conflict between the interests of the Unitholders as a whole and its own interests, the Trustee-Manager will prioritise the interests of the Unitholders as a whole over its own interests.

The Board of the Trustee-Manager, in exercising its powers and carrying out its duties as Trustee-Manager of a-iTrust, has put in place measures to ensure that the following are met:

- the property of a-iTrust is properly accounted for and is kept distinct from any property held by the Trustee-Manager in its own capacity;
- adherence to the business scope of a-iTrust as set out in the trust deed constituting a-iTrust dated 7 December 2004 (as amended, varied or supplemented from time to time) (the "Trust Deed");
- potential conflicts between the interests of the Trustee-Manager and the interests of the Unitholders as a whole are appropriately managed;
- interested persons transactions are transparent, properly reviewed and recorded;
- expenses and cost allocations payable to the Trustee-Manager out of the property of a-iTrust, and fees and expenses charged to a-iTrust are appropriate and in accordance with the Trust Deed; and
- compliance with the Business Trusts Act, Chapter 31A of Singapore ("BTA"), the Listing Rules of Singapore Exchange Securities Trading Limited ("SGX-ST") and any other applicable laws and regulations.

TRUST PROPERTY PROPERLY ACCOUNTED FOR

For the purpose of ensuring that the property of a-iTrust is properly accounted for and kept distinct from the property held by the Trustee-Manager in its own capacity, the accounting records of a-iTrust are kept separate from the accounting records of the Trustee-Manager for its own matters. Separate bank accounts are maintained by the Trustee-Manager in its capacity as trustee-manager of a-iTrust and in its own capacity.

ADHERENCE TO BUSINESS SCOPE

a-iTrust is established to invest in real estate (which may be by way of direct ownership of real estate or by way of holding shares or units or interests in special purpose vehicles ("SPV")), real estate related assets and/or such other authorised investments. The Trustee-Manager shall manage the property of a-iTrust such that the principal investments of a-iTrust are in real estate. The Investment Committee ("IC") assists the Board in ensuring adherence to the business scope. The responsibilities of the IC are set out in the Corporate Governance Report.

STATEMENT ON POLICIES AND PRACTICES

In relation to the Management and Governance of the Trust pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

POTENTIAL CONFLICTS OF INTEREST

The Trustee-Manager is a related company of CapitaLand Limited (the "Sponsor"). The Sponsor is a deemed controlling Unitholder of a-iTrust and there may be potential conflicts of interest between the Unitholders as a whole, the Trustee-Manager and the Sponsor.

The Trustee-Manager has instituted, amongst others, the following measures to deal with issues of conflicts of interest:

- a Board comprising a majority of Independent Directors;
- all executive officers are directly employed by the Trustee-Manager;
- all resolutions in writing of the Board in relation to matters concerning a-iTrust must be approved by a majority of the Directors;
- where applicable, strict compliance with the relevant provisions of the Code of Corporate Governance;
- in respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent its/their interests will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee directors of the Sponsor and/or its subsidiaries; and
- where matters concerning a-iTrust relate to transactions to be entered into by the Trustee-Manager for and on behalf of a-iTrust with a related party of the Trustee-Manager, the Audit and Risk Committee ("ARC") is required to review the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms and are not prejudicial to the interests of a-iTrust, Unitholders as a whole or its minority Unitholders.

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS

(i) Property Management Agreement

The Trustee-Manager, on behalf of a-iTrust, has entered into a Master Property Management Agreement ("PMA") and individual Property Management Agreements with a related corporation, Ascendas Services (India) Pvt Ltd ("ASIPL") (the "Property Manager") for management of properties of a-iTrust for a term of 10 years, commencing from 1 August 2017 immediately following the expiry of the earlier PMA (which was entered into between the Trustee-Manager and ASIPL on 2 July 2007). The Trustee-Manager believes that the terms of these agreements, established since the listing of a-iTrust, are made on normal commercial terms and are not prejudicial to the interests of a-iTrust, the Unitholders as a whole and its minority Unitholders. The Trustee-Manager believes that the Property Manager has the necessary expertise and resources to perform property management, lease management and marketing services for a-iTrust under these agreements.

(ii) Exempted Agreements

The fees and charges payable by a-iTrust to the Trustee-Manager under the Trust Deed and to the Property Manager under the Property Management Agreements, are pursuant to interested person transactions which are deemed to have been specifically approved by the Unitholders upon subscription for the Units, to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder or the terms thereof which would adversely affect a-iTrust.

STATEMENT ON POLICIES AND PRACTICES

In relation to the Management and Governance of the Trust pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS (continued)

(iii) Future Interested Person Transactions

Depending on the materiality of the transaction, a-iTrust may make a public announcement of such transaction or obtain Unitholders' prior approval for such a transaction. If necessary, the Board may make a written statement in accordance with the resolution of the Board and signed by at least two directors on behalf of the Board certifying that, inter alia, such interested persons transaction is not detrimental to the interests of a-iTrust, the Unitholders as a whole or to its minority Unitholders, based on the circumstances at the time of the transaction.

The Trustee-Manager may, in the future, seek an annual general mandate from the Unitholders for recurring transactions of revenue or trading nature or those necessary for its day-to-day operations with interested persons, and all transactions would then be conducted under such general mandate for the relevant financial year. In seeking such an annual general mandate, the Trustee-Manager may appoint an independent financial adviser to render an opinion as to whether the methods or procedures for determining the prices of transactions contemplated under the annual general mandate are sufficient to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of a-iTrust, the Unitholders as a whole and its minority Unitholders.

When a-iTrust acquires assets from the Sponsor or parties related to the Sponsor in the future, the Trustee-Manager will obtain valuations from independent valuers. In any event, interested person transactions entered into by a-iTrust, depending on the materiality of such transactions, may be publicly announced or, as the case may be, approved by Unitholders, and will, in addition, be:

- reviewed and recommended by the ARC of the Trustee-Manager, which currently comprises only Independent Directors; and
- decided by the Board, which comprises a majority of Independent Directors.

INTERESTED PERSON TRANSACTIONS IN FY2020

The interested person transactions done in the financial year ended 31 December 2020 ("FY2020") are set out below:

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) $'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) $'000
Ascendas Property Fund Trustee Pte. Ltd.*	Trustee-Manager of a-iTrust		
– Trustee-manager fees paid/payable		15,984	–
– Acquisition fees paid/payable		33	–

STATEMENT ON POLICIES AND PRACTICES

In relation to the Management and Governance of the Trust pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

INTERESTED PERSON TRANSACTIONS IN FY2020 (continued)

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) $'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) $'000
ASIPL*	Property Manager of a-iTrust (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of a-iTrust)		
Fees received/receivable by ASIPL from a-iTrust			
– Property management services		3,607	–
– Lease management services		1,803	–
– Marketing services		1,996	–
– Project management services		368	–
– General management services		4,399	–
Office rental and related miscellaneous income received/receivable by a-iTrust from:			
ASIPL	Property Manager of a-iTrust (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of a-iTrust)	596	–
Olam Information Services Private Limited	Tenant (an associate of a controlling shareholder of the Trustee-Manager and a controlling unitholder of a-iTrust)	1,635	–
Ascendas Flexioffice India Private Limited	Tenant (an associate of the Sponsor, a controlling shareholder of the Trustee-Manager and a controlling unitholder of a-iTrust)	409	–

* Refer to "Exempted Agreements" in paragraph (ii) on page 137.

a-iTrust has not obtained a general mandate from Unitholders for any interested person transactions.

STATEMENT ON POLICIES AND PRACTICES

In relation to the Management and Governance of the Trust pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

FEES AND EXPENSES CHARGED TO A-ITRUST ARE APPROPRIATE AND IN ACCORDANCE WITH THE TRUST DEED

Fees payable to the Trustee-Manager

The Trustee-Manager is entitled under the Trust Deed to the following management fees:

- a base fee at the rate of 0.5% per annum of the value of the property of a-iTrust; and
- a performance fee at the rate of 4% per annum of the net property income of a-iTrust in the relevant financial year (calculated before accounting for the performance fee in that financial year).

Any increase in the rate or any change in the structure of the Trustee-Manager's management fees must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The base fee and the performance fee are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect). The Trustee-Manager had elected to receive 50% of both base fee and performance fee in Units and the remainder in cash for FY2020.

For transactions, the Trustee-Manager is entitled to:

- 1% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) purchased by the Trustee-Manager on behalf of a-iTrust, whether directly or indirectly through a SPV, or 1% of the acquisition price of any authorised investment acquired by the Trustee-Manager on behalf of a-iTrust; and
- 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) sold or divested by the Trustee-Manager on behalf of a-iTrust, whether directly or indirectly through an SPV, or 0.5% of the sale price of any authorised investment sold or divested by the Trustee-Manager on behalf of a-iTrust.

The acquisition fee and the divestment fee are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the then prevailing price. In accordance with the Trust Deed, when a-iTrust acquires or disposes of real estate from an interested person, the acquisition or, as the case may be, the divestment fee may be in the form of cash and/or Units issued at the prevailing market price, and, if received in the form of Units by the Trustee-Manager, such Units shall not be sold within one year from the date of issuance.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any asset of a-iTrust shall be paid by the Trustee-Manager to such persons out of the property of a-iTrust or the assets of the relevant SPV, and not out of the acquisition fee or the divestment fee received or to be received by the Trustee-Manager.

Any increase in the maximum permitted level of the Trustee-Manager's acquisition fee or disposal fee must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Under the Trust Deed, the Trustee-Manager is entitled to a trustee fee in cash of up to 0.02% per annum of the value of the property of a-iTrust.

Any increase in the maximum permitted amount or any change in the structure of the trustee fee must be approved by an extraordinary resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

STATEMENT ON POLICIES AND PRACTICES

In relation to the Management and Governance of the Trust pursuant to Section 87 of the Business Trusts Act, Chapter 31A of Singapore

FEES AND EXPENSES CHARGED TO A-ITRUST ARE APPROPRIATE AND IN ACCORDANCE WITH THE TRUST DEED (continued)

The table below sets out the fees earned by the Trustee-Manager for the financial year ended 31 December 2020:

	$'000
Management Fee	9,955
Performance Fee	5,634
Trustee Fee	395
Acquisition Fee	33
Total	16,017

For FY2020, the Board met every quarter to review the expenses charged to a-iTrust against the budget approved by the Board.

The expenses charged to a-iTrust for the financial year ended 31 December 2020 are set out below:

	$'000
Travel & entertainment	87

COMPLIANCE WITH THE BTA AND LISTING RULES

The Joint Company Secretaries and Compliance Officer monitor compliance by a-iTrust with the BTA and SGX-ST's Listing Rules.

STATEMENT ON COMPOSITION OF THE BOARD OF DIRECTORS

Under regulation 12(1) of the Business Trust Regulations 2005 ("BTR"), the Board is required to comprise:

- at least a majority of Directors who are independent from management and business relationships with the Trustee-Manager;
- at least one-third of Directors who are independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
- at least a majority of Directors who are independent from any single substantial shareholder of the Trustee-Manager.

The Board consists of eight directors, five of whom are independent directors for the purposes of the BTR.

In accordance with Rule 12(8) of the BTR, the Board of Directors of Ascendas Property Fund Trustee Pte. Ltd., as trustee-manager of Ascendas India Trust (the "Trust", and the trustee-manager of the Trust, the "Trustee-Manager") has determined that the following Directors are independent from Management and business relationships with the Trustee-Manager, and independent from every substantial shareholder of the Trustee-Manager:

Mr Chiang Chie Foo;
Mr Alan Rupert Nisbet;
Mrs Zia Jaydev Mody;
Dr Ernest Kan Yaw Kiong; and
Ms Tan Soon Neo Jessica.

Mr Manohar Khiatani, Mr Jonathan Yap Neng Tong and Mr Sanjeev Dasgupta are considered Non-Independent Directors by the Board of Directors of the Trustee-Manager.

Mr Khiatani is the Senior Executive Director of CapitaLand Group, and Mr Yap is the President, CapitaLand Financial of CapitaLand Group. Mr Dasgupta is the Chief Executive Officer of the Trustee-Manager.

CapitaLand Limited has a 100% deemed interest in the Trustee-Manager.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST

For the Financial Year Ended 31 December 2020

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ascendas India Trust (the "Trust") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Trust as at 31 December 2020, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in unitholders' funds and the consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Trust are properly drawn up in accordance with the provisions of the Singapore Business Trusts Act (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2020 and of the consolidated financial performance, changes in unitholders' funds and consolidated cash flows of the Group for the financial 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 Auditor's 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 ("ACRA") 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 these requirements and 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 judgment, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST

For the Financial Year Ended 31 December 2020

Key Audit Matters (continued)

Valuation of investment properties and investment properties under construction

The Group's investment properties and investment properties under construction (collectively, the "Properties") with a carrying value of $2,064 million represent 78% of the Group's total assets as at 31 December 2020.

The valuation of the Properties is significant to our audit due to their magnitude and complexity, and is highly dependent on a range of estimates made by Trustee-Manager and the independent professional valuers engaged by the Trustee-Manager. The Trustee-Manager use independent professional valuers to support their determination of the fair value of the Properties annually. As disclosed in Note 32(c), the valuation of the Properties involves significant unobservable inputs. The most significant judgments and estimates affecting the valuations are discount rates and capitalisation rates. In addition, there was an increase in the level of estimation uncertainty and judgment required in determining the valuation of investment properties as at 31 December 2020 arising from the changes in market and economic conditions brought on by the COVID-19 pandemic.

Amongst others, we have considered the objectivity, independence and capabilities of the independent professional valuers. We, together with our internal valuation specialists, assessed the appropriateness of the valuation techniques and property related data (such as property taxes and other key estimates) used by Management and the independent professional valuers in the estimation process by comparing them against historical rates and available industry data. In doing so, we have taken into consideration both comparability and market factors. We held discussions with the external valuers to understand the valuation methodologies, key assumptions used in the valuation and their scope of work in response to the heightened level of estimation uncertainty. We assessed the appropriateness of the valuation models used by the external valuers by considering the valuation methodologies adopted for similar property types. We also assessed the reasonableness of the movements in fair value of the Properties. We also assessed the adequacy of disclosure in Note 32(c) relating to the assumptions used in the valuation process given the estimation uncertainty and sensitivity of the valuations on the Properties in Note 20 and Note 21 to the financial statements.

Taxation matters

(a) Uncertain tax positions

The Group operates in different jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. These areas include disputed tax positions, transfer pricing, service tax, value added-tax on fit-out rental and property tax. This is described in more details in Note 35 of the financial statements. The tax matters are at various stages, from preliminary discussions with tax authorities through to tax tribunal or court proceedings where the matters can take many years to resolve. Significant judgment is required in assessing the tax issues and the potential exposures to determine whether, and how much, to provide in respect of tax assessments leading to uncertain tax positions. Accordingly, we have identified this as a key audit matter. At 31 December 2020, the Group has disclosed contingent liabilities arising from uncertain tax positions as set out in Note 35 to the financial statements.

We, together with internal tax specialists, read correspondences between the tax authorities and the Group, evaluated and reviewed Management's judgments in respect of estimates of tax exposures and contingencies in assessing the adequacy of the Group's tax provisions. In understanding and evaluating Management's judgments, we considered the status of recent and current tax audits and enquiries, the outcome of previous claims, judgmental positions taken in tax returns and current year estimates and developments in the tax environment. We have also assessed the appropriateness of the Group's disclosures on the contingent liabilities in Note 35 to the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST

For the Financial Year Ended 31 December 2020

Key Audit Matters (continued)

Taxation matters *(continued)*

(b) Deferred tax

As at 31 December 2020, the Group has recognised deferred tax liabilities of $356 million. As disclosed in the financial statements, the Group operates mainly in India whereby certain subsidiaries have tax benefits arising from local tax regulations such as Minimum Alternative Tax ("MAT") credit and deduction under 80IA of Income Tax Act 1961. The valuation of the deferred income tax arising from local tax regulations is significant to our audit because of the related complexity of the valuation process which entails significant Management judgment on assumptions that are affected by manner of realisation.

Our audit procedures comprised, amongst others, an assessment of whether Management's basis for computing deferred tax liabilities is consistent with their assumption to recover the carrying amounts of the Properties through use (except for land). This also includes Management's assumption as to when they are expected to avail themselves of the deduction under 80IA of Income Tax Act 1961 as disclosed in more details in Note 3 to the financial statements. We tested the completeness and reasonableness of the amounts recognised as deferred tax, including the assessment of fair values of the Properties and the effective tax rate applied to the fair value gain on the Properties. We involved our internal tax specialists to assess the local fiscal developments, in particular those related to changes in tax rates which is one of the key assumptions underlying the valuation of the deferred taxes. We also assessed whether the Group has met with the requirements of local tax regulations in relation to MAT credit and deduction under 80IA of Income Tax Act 1961.

In addition, we assessed the adequacy of the Group's disclosures on deferred tax positions and assumptions used. The Group's disclosures concerning income taxes are included in Note 3 and Note 8 to the financial statements.

Other Information

The Trustee-Manager is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST

For the Financial Year Ended 31 December 2020

Responsibilities of Trustee-Manager for the Financial Statements

The Trustee-Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), 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, the Trustee-Manager 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 Trustee-Manager's responsibilities include overseeing the Group's financial reporting process.

Auditor's 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 auditor's 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 judgment 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 control.

- Obtain an understanding of internal control 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 control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Trustee-Manager.

- Conclude on the appropriateness of Trustee-Manager'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 auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST

For the Financial Year Ended 31 December 2020

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 Trustee-Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustee-Manager 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 Trustee-Manager, 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 auditor's report unless law or regulation precludes 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Trust 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 auditor's report is Low Yen Mei.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

22 February 2021

CONSOLIDATED INCOME STATEMENT

For the Financial Year Ended 31 December 2020

	Note	Group 1 January to 31 December 2020 $'000	Group 1 April to 31 December 2019 $'000
Property Income			
Base rent		**143,026**	110,381
Amenities income		**1,743**	1,589
Fit-out rental income		**2,604**	2,232
Operations, maintenance and utilities income		**37,628**	29,428
Car park and other operating income		**6,671**	6,685
Total property income		**191,672**	150,315
Property Expenses			
Operations, maintenance and utilities expenses		**(19,591)**	(18,806)
Service and property taxes		**(4,983)**	(3,754)
Property management fees		**(8,815)**	(7,031)
Other property operating expenses	5	**(10,362)**	(7,363)
Total property expenses		**(43,751)**	(36,954)
Net Property Income		**147,921**	113,361
Trustee-Manager's fees		**(15,984)**	(11,704)
Other operating expenses		**(7,283)**	(4,366)
Finance costs	6	**(44,265)**	(35,956)
Interest income	4	**51,752**	32,790
Other income	12	**198**	600
Fair value gain on derivative financial instruments – realised		**7,528**	2,571
Exchange loss – realised		**(18,906)**	(3,365)
Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange		**120,961**	93,931
Fair value gain on derivative financial instruments – unrealised		**7,848**	3,247
Exchange loss – unrealised		**(1,143)**	(8,895)
Fair value (loss)/gain on investment properties under construction	20	**(6,462)**	19,227
Fair value gain on investment properties	21	**72,101**	154,759
Profit Before Tax	7	**193,305**	262,269
Income tax expenses	8(a)	**(50,479)**	(73,280)
Net Profit After Tax		**142,826**	188,989
Attributable To:			
Unitholders of the Trust		**130,716**	177,808
Non-controlling interests		**12,110**	11,181
		142,826	188,989
Earnings per unit attributable to Unitholders of the Trust, expressed in cents per unit – basic and diluted	9	**11.40**	16.86

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2020

	Group	
	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Net profit after tax	**142,826**	188,989
Other Comprehensive Income:		
Items that may be reclassified subsequently to profit or loss:		
– Cash flow hedges	**(24,301)**	(5,347)
– Translation differences arising from the conversion of functional currency into presentation currency	**(65,856)**	(40,825)
Other comprehensive income for the year/period	**(90,157)**	(46,172)
Total comprehensive income for the year/period	**52,669**	142,817
Total Comprehensive Income Attributable To:		
Unitholders of the Trust	**44,804**	134,453
Non-controlling interests	**7,865**	8,364
	52,669	142,817

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

DISTRIBUTION STATEMENT

For the Financial Year Ended 31 December 2020

	Note	Group 1 January to 31 December 2020 $'000	 1 April to 31 December 2019 $'000
Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange		**120,961**	93,931
Income tax expenses – current	8(a)	**(19,639)**	(20,432)
Trustee-Manager's fees payable in units	10	**7,794**	5,714
Depreciation of equipment and right-of-use assets	19,26	**436**	362
Realised exchange loss	10	**11,595**	1,217
Non-controlling interests		**(8,539)**	(5,306)
Distribution Adjustments		**(8,353)**	(18,445)
Income Available for Distribution		**112,608**	75,486
10% retention		**(11,261)**	(7,549)
Income to be Distributed		**101,347**	67,937
Income Available for Distribution per unit (cents)		**9.81**	7.17
Income to be Distributed per unit (cents)		**8.83**	6.45

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

BALANCE SHEETS

As at 31 December 2020

	Note	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
ASSETS					
Current Assets					
Cash and cash equivalents	11	**101,126**	79,598	**30,564**	1,967
Investment securities	12	**–**	19,694	**–**	–
Inventories	13	**454**	483	**–**	–
Other assets	14	**1,201**	1,412	**12**	14
Loans to subsidiaries	15	**–**	–	**652,028**	722,399
Trade and other receivables	16	**57,909**	34,165	**2,076**	3,141
Derivative financial instruments	18	**5,965**	7,260	**5,965**	7,260
Current income tax recoverable	8(b)	**15,038**	4,538	**–**	–
		181,693	147,150	**690,645**	734,781
Non-current Assets					
Other assets	14	**5,183**	5,235	**–**	–
Trade and other receivables	16	**9,957**	10,675	**–**	–
Long term receivables	17	**348,122**	318,193	**–**	–
Derivative financial instruments	18	**24,299**	18,759	**24,299**	18,759
Equipment	19	**949**	509	**–**	–
Right-of-use assets	26	**2,979**	2,365	**–**	–
Investment properties under construction	20	**109,113**	174,795	**–**	–
Investment properties	21	**1,955,332**	1,885,171	**–**	–
Goodwill	22	**13,839**	14,520	**–**	–
Investment in a joint venture	23	**#**	–	**–**	–
Investment in subsidiaries	24	**–**	–	**603,830**	633,554
		2,469,773	2,430,222	**628,129**	652,313
Total assets		**2,651,466**	2,577,372	**1,318,774**	1,387,094
Current Liabilities					
Trade and other payables	25	**108,084**	102,541	**64,475**	51,297
Borrowings	27	**119,210**	179,978	**119,210**	179,978
Lease liabilities	26	**180**	43	**–**	–
Derivative financial instruments	18	**52**	21	**52**	21
Current income tax liabilities	8(b)	**2,035**	1,279	**430**	–
		229,561	283,862	**184,167**	231,296
Non-current Liabilities					
Trade and other payables	25	**41,848**	51,331	**250**	500
Borrowings	27	**694,472**	561,413	**694,472**	561,413
Lease liabilities	26	**3,201**	2,563	**–**	–
Derivative financial instruments	18	**2,746**	3,464	**2,746**	3,464
Deferred income tax liabilities	8(c)	**356,241**	341,857	**–**	–
		1,098,508	960,628	**697,468**	565,377
Total liabilities		**1,328,069**	1,244,490	**881,635**	796,673
NET ASSETS		**1,323,397**	1,332,882	**437,139**	590,421

less than $1,000

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

BALANCE SHEETS

As at 31 December 2020

	Note	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
UNITHOLDERS' FUNDS					
Units in issue	28	**985,447**	978,324	**985,447**	978,324
Foreign currency translation reserve	29(a)	**(515,991)**	(454,380)	**(313,352)**	(288,452)
Hedging reserve	29(b)	**(31,930)**	(7,629)	**(31,930)**	(7,629)
Other reserves	29(c)	**68,296**	67,652	**–**	–
Retained earnings	29(d)	**730,324**	660,828	**(203,026)**	(91,822)
Net assets attributable to Unitholders		**1,236,146**	1,244,795	**437,139**	590,421
Non-controlling interests		**87,251**	88,087	**–**	–
		1,323,397	1,332,882	**437,139**	590,421

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

For the Financial Year Ended 31 December 2020

	Attributable to Unitholders of the Trust							
	Units in issue $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Other reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total $'000
2020								
Balance at beginning of financial year	**978,324**	**(454,380)**	**(7,629)**	**67,652**	**660,828**	**1,244,795**	**88,087**	**1,332,882**
Profit for the year	**–**	**–**	**–**	**–**	**130,716**	**130,716**	**12,110**	**142,826**
Other comprehensive income for the year	**–**	**(61,611)**	**(24,301)**	**–**	**–**	**(85,912)**	**(4,245)**	**(90,157)**
Transfer to other reserves	**–**	**–**	**–**	**644**	**(644)**	**–**	**–**	**–**
Issue of new units	**7,123**	**–**	**–**	**–**	**–**	**7,123**	**–**	**7,123**
Distribution to Unitholders (Note 10)	**–**	**–**	**–**	**–**	**(60,576)**	**(60,576)**	**–**	**(60,576)**
Distribution to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**(8,701)**	**(8,701)**
Balance at end of financial year	**985,447**	**(515,991)**	**(31,930)**	**68,296**	**730,324**	**1,236,146**	**87,251**	**1,323,397**
2019								
Balance at beginning of financial period	825,284	(416,372)	(2,282)	69,726	580,673	1,057,029	79,723	1,136,752
Profit for the period	–	–	–	–	177,808	177,808	11,181	188,989
Other comprehensive income for the period	–	(38,008)	(5,347)	–	–	(43,355)	(2,817)	(46,172)
Transfer from other reserves	–	–	–	(2,074)	2,074	–	–	–
Issue of new units	153,040	–	–	–	–	153,040	–	153,040
Distribution to Unitholders (Note 10)	–	–	–	–	(99,727)	(99,727)	–	(99,727)
Balance at end of financial period	978,324	(454,380)	(7,629)	67,652	660,828	1,244,795	88,087	1,332,882

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2020

	Note	Group 1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Operating activities			
Net profit after tax		**142,826**	188,989
Adjustments for:			
Income tax expenses	8(a)	**50,479**	73,280
Interest income	4	**(51,752)**	(32,790)
Finance costs	6	**44,265**	35,956
Gain on disposal of investment security	12	**(198)**	(21)
Depreciation of equipment and right-of-use assets	19,26	**436**	362
Fair value gain on derivative financial instruments – unrealised		**(7,848)**	(3,247)
Fair value gain on investment securities	12	**–**	(579)
Fair value loss/(gain) on investment properties under construction	20	**6,462**	(19,227)
Fair value gain on investment properties	21	**(72,101)**	(154,759)
Allowance for impairment of trade receivables	5	**2,275**	80
Trustee-Manager's fees paid and payable in units	10	**7,794**	5,714
Exchange differences		**12,738**	10,112
Others		**5,204**	(2,121)
Operating cash flows before changes in working capital		**140,580**	101,749
Changes in working capital			
Inventories		**7**	(92)
Other assets		**(49)**	(905)
Trade and other receivables		**(159)**	(3,603)
Trade and other payables		**3,623**	6,656
Cash flows from operations		**144,002**	103,805
Interest received		**28,412**	17,033
Income tax paid (net)		**(30,823)**	(18,929)
Net cash flows from operating activities		**141,591**	101,909
Investing activities			
Purchase of equipment	19	**(728)**	(99)
Additions to investment properties under construction	20	**(23,105)**	(20,059)
Additions to investment properties	21	**(13,132)**	(7,342)
Purchase of investment securities		**–**	(24,222)
Payment towards deferred consideration of investment properties		**(4,484)**	(5,146)
Proceeds from disposal of investment securities		**19,779**	4,235
Long term receivables	17	**(46,087)**	(106,565)
Net cash flows used in investing activities		**(67,757)**	(159,198)

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2020

	Note	Group 1 January to 31 December 2020 S$'000	1 April to 31 December 2019 S$'000
Financing activities			
Repayment of borrowings	27	**(228,700)**	(299,600)
Distribution to Unitholders		**(60,576)**	(99,727)
Distribution paid to non-controlling interests		**(8,701)**	–
Interest paid	27	**(46,105)**	(33,468)
Proceeds from borrowings	27	**295,508**	311,647
Proceeds from issuance of units	28	**–**	153,040
Net cash flows (used in)/from financing activities		**(48,574)**	31,892
Net increase/(decrease) in cash and cash equivalents		**25,260**	(25,397)
Cash and cash equivalents at beginning of financial year/period		**79,598**	108,483
Effects of exchange rate changes on cash and cash equivalents		**(3,732)**	(3,488)
Cash and cash equivalents at end of financial year/period	11	**101,126**	79,598

Notes:

(A) Significant non-cash and other transactions

- 5,151,760 new Units amounting to $7,123,000 were issued at issue prices ranging from $1.1244 to $1.5265 per Unit for the payment of 50% performance fee and base fee to the Trustee-Manager in Units during the financial year ended 31 December 2020.

- 4,761,555 new Units amounting to $6,033,000 were issued at issue prices ranging from $1.1847 to $1.5227 per Unit for the payment of 50% performance fee and base fee to the Trustee-Manager in Units during the financial period ended 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

Ascendas India Trust (the "Trust") is a Singapore-domiciled trust originally constituted as a private trust pursuant to the Trust Deed dated 7 December 2004 (as amended), with Ascendas Property Fund Trustee Pte. Ltd. as its Trustee-Manager. The Trust Deed was amended by an Amending and Restating Deed dated 28 June 2007 (as amended) ("Trust Deed") to comply with the requirements of, among others, the Monetary Authority of Singapore ("MAS") and the Singapore Exchange Securities Trading Limited ("SGX-ST"), for a listed business trust. The Trust is a registered business trust constituted by the Trust Deed and is principally regulated by the Securities and Futures Act ("SFA") and the Singapore Business Trusts Act. The Trust Deed is governed by the laws of the Republic of Singapore.

On 3 July 2007, the Trust was registered as a business trust and on 1 August 2007, the Trust was listed on the Main Board of the SGX-ST.

The registered office of Ascendas Property Fund Trustee Pte. Ltd. is at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912.

The principal activity of the Trust is owning income producing real estate used primarily as business space in India and real estate related assets in relation to the foregoing. The Trust may acquire, hold and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion. The principal activities of the subsidiaries are as disclosed in Note 24 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet of the Trust have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values in the tables are rounded to the nearest thousand ($'000), except when otherwise stated.

Notwithstanding the net current liability position, the Trustee-Manager is of the opinion that the Group will be able to refinance borrowings and meet its current obligations as and when they fall due, based on the Group's existing financial resources.

2.2 Change in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, the Group has adopted all the new and revised standards which are effective for financial periods beginning on 1 January 2020. The adoption of the above standards does not have any material impact on the financial position or financial results of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
SFRS(I) 17: *Insurance Contracts*	1 January 2021
Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 16: *Interest Rate Benchmark Reform – Phase 2*	1 January 2021
Amendments to SFRS(I) 1-16: *Property, Plant and Equipment—Proceeds before Intended Use*	1 January 2022
Annual Improvements to SFRSs 2018-2020	1 January 2022
Amendments to SFRS(I) 1: *Classification of Liabilities as Current or Non-current*	1 January 2023
Amendments to SFRS(I) 17	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Date to be determined

The Management of the Trustee-Manager expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.4 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must also be met before revenue is recognised.

(a) *Base rent, amenities income, fit-out rental income*

Base rent, amenities income and fit-out rental income, net of incentives granted are recognised in profit or loss on a straight-line basis and over the term of the lease.

Base rent comprises rental income earned from the leasing of the owned built-up area of the properties.

Amenities income is rental revenue earned from the space utilised as amenities such as canteen and business centre.

Fit-out rental income is rental revenue earned from the fit-out provisions for the tenants at the properties. Fit-out rents typically arise from the additional costs related to tenant-specific fit-out requirements, which are in turn passed through to those tenants via fit-out provisions in their lease agreements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Revenue recognition (continued)

(b) *Operations, maintenance and utilities income*

Operations, maintenance and utilities income is recognised when the services are rendered. Operations and maintenance income is revenue earned from the operation and maintenance of the properties.

(c) *Car park and other income*

Car park income includes revenue earned from the operations of the parking facilities, which is recognised when the services are rendered.

Other income includes miscellaneous income earned from the properties such as kiosks and advertising revenue, which is recognised when the services are rendered.

(d) *Interest income*

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

2.5 Basis of consolidation and business combinations

(a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries (including special purpose entities) as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Trust. Consistent accounting policies are applied to the like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses of a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(i) derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;

(ii) derecognises the carrying amount of any non-controlling interests;

(iii) derecognises the cumulative translation differences recorded in unitholders' funds;

(iv) recognises the fair value of the consideration received;

(v) recognises the fair value of any investment retained;

(vi) recognises any surplus or deficit in profit or loss;

(vii) reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Basis of consolidation and business combinations (continued)

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date.

On an acquisition-by-acquisition basis, the Group may elect to recognise any non-controlling interests in the acquiree at the date of acquisition either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Please refer to Note 2.13 (a) for the accounting policy on goodwill impairment.

(c) Transactions with non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to Unitholders of the Trust.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as equity transactions. Any difference between the change in the carrying amounts of the non-controlling interests and fair value of the consideration paid or received is recognised directly in unitholders' funds and attributed to the Unitholders of the Trust.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Trust is Indian Rupee ("INR"). The presentation currency is SGD as the financial statements are meant primarily for users in Singapore.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in unitholders' funds. The foreign currency translation reserve is reclassified from unitholders' funds to profit or loss of the Group on disposal of the foreign operation.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has a currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the reporting date; and

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Equipment

(a) *Measurement*

Equipment is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

(b) *Depreciation*

Depreciation on computers, furniture and equipment is calculated using the straight line method to allocate the depreciable amounts over the estimated useful lives as follows:

	Useful lives
Computers, furniture and equipment	3 to 10 years

The residual values, estimated useful lives and depreciation method of equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenditure is recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Other property operating expenses".

2.8 Investment properties under construction

All investment properties under construction where fair values are reliably determinable are measured at fair value. The difference between the fair value and the carrying amount is recognised in profit or loss. Investment properties under construction for which the fair value cannot be reliably measured at present, but for which the fair value would be reliably determinable in future is accounted for at cost.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Investment properties

Investment properties of the Group, principally comprising completed office buildings and interest in freehold land held for a currently undetermined future use, are held for long-term rental yields and capital appreciation.

Investment properties are initially recognised at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value, determined on an annual basis by an independent professional valuer on the highest-and-best-use basis. Changes in fair values are recognised in profit or loss. Investment properties are not subject to depreciation.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.10 Investment in subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Trust's balance sheet. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.11 Joint ventures and associates

Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Joint ventures and associates (continued)

Joint ventures and associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group account for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates or joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from joint ventures or associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate or joint venture are eliminated to the extent of the interest in the associates or joint ventures.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.12 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Impairment of non-financial assets

(a) *Goodwill*

Goodwill, recognised separately as an intangible asset, is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Investment in subsidiaries*

Investment in subsidiaries is tested for impairment whenever there is any objective evidence or indication that the asset may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

In assessing the value-in-use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by capitalisation rates or other available fair value indicators.

The Group bases its impairment calculation on detailed rent-rolls and projections which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These rent rolls and projections are generally covering a period of 5 years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Impairment of non-financial assets (continued)

(c) *Right-of-use assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.14 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on weighted average basis and includes all costs in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price less the estimated costs of completion and applicable variable selling expenses.

2.15 Financial instruments

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only, when the Group becomes a party to the contractual provisions of the financial instrument.

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.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Financial instruments (continued)

(a) Financial assets (continued)

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

(ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Financial instruments (continued)

(a) *Financial assets (continued)*

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(i) *Fair value hedge*

The Group has entered into currency forwards that are fair value hedges for currency risk arising from its firm commitments for purchases and sales denominated in foreign currencies. The fair value changes on the hedged item resulting from currency risk are recognised in profit or loss. The fair value changes on the effective portion of 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 separately in profit or loss.

(ii) *Cash flow hedge*

Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges of the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of the interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

Currency swaps

The Group has entered into currency swaps that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and transferred to either the cost of a hedged non-monetary asset upon acquisition or profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion of currency swaps are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are reclassified to profit or loss immediately.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Financial instruments (continued)

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

(i) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

(ii) *Financial liabilities at amortised cost*

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Financial instruments (continued)

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets when, and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for all debts instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("12-month ECLs"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default ("a lifetime ECL").

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience.

2.16 Leases

As lessor

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease lock-in period.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Leases (continued)

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value-assets. The Group recognises lease liabilities to make lease payments and the right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

The Group recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct cost incurred, the lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If the ownership of the leased asset transfers to the Group, at the end of the lease term or the cost reflects the exercise of a purchase option, deprecation is calculated using the estimated useful life of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.13.

(b) Lease liabilities

At the commencement date of the lease, the Group recognised lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payment (including in-substance fixed payments) less any lease incentive receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or lease payments or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Taxes

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in unitholders' funds. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

(i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credit and unused tax loss, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credit and unused tax loss can be utilised except:

(i) Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Taxes (continued)

(b) Deferred tax (continued)

Deferred tax items are recognised in correlation to the underlying transaction or event. The deferred tax effect will be:

(i) Recognised in the profit or loss, if the underlying transaction or event is recognised in profit or loss,

(ii) Recognised directly in unitholders' funds, if the underlying transaction or event is recognised in unitholders' funds, and

(iii) Recognised as an adjustment to goodwill (or negative goodwill) if the underlying transaction or event arises from a business combination.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i) Where the sales tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

2.18 Provisions

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance cost.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

2.20 Units on issue and unit issuance expenses

Proceeds from issuance of units are recognised as units on issue in unitholders' funds. Incremental costs directly attributable to the issuance of units are deducted against units on issue.

2.21 Distributions to Trust's Unitholders

Distributions to the Trust's Unitholders are recognised when the distributions are declared payable by the Trustee-Manager.

2.22 Transfer to other reserves

Other reserves represent profits statutorily transferred to capital redemption reserve, debenture redemption reserve and general reserve of the Indian subsidiaries under Indian regulatory provisions.

2.23 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

- (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Trust if that person:

(i) has control or joint control over the Trust;

(ii) has significant influence over the Trust; or

(iii) is a member of the key management personnel of the Trustee-Manager or of a parent of the Trust.

(b) An entity is related to the Group and the Trust if any of the following conditions applies:

(i) the entity and the Trust are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third party;

(v) the entity is a post-employment benefit plan for the benefit of employees of an entity related to the Trust. If the Trust is itself such a plan, the sponsoring employers are also related to the Trust;

(vi) the entity is controlled or jointly controlled by a person identified in (a); or

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Valuation of investment properties and investment properties under construction

The Group carries its investment properties and investment properties under construction at fair value, with changes in fair values being recognised in profit or loss.

The fair values of investment properties and investment properties under construction are determined by independent professional valuers using recognised valuation techniques. These techniques comprise both the income capitalisation method and the discounted cash flow method.

The determination of the fair values of the investment properties and investment properties under construction require the use of estimates such as future cash flows from assets and discount rates applicable to those assets. These estimates are based on prevailing local market conditions.

The carrying amount and key assumptions used to determine the fair value of the investment properties and investment properties under construction are further explained in Note 32. The Trustee-Manager is of the view that the valuation techniques and estimates are reflective of the current market condition.

(b) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions already recorded and contingent liabilities disclosed in the financial statements.

The Group assesses whether provisions or disclosure as contingent liabilities for tax matters, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. If provisions are required, the amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective entity's domicile.

Deferred tax assets are recognised for all unused tax loss and MAT credit to the extent that it is probable that taxable profit will be available against which the loss and MAT credit can be utilised. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

Deferred tax liabilities are recognised on fair value gains on investment properties. The determination of the appropriate tax rates to be applied on the fair value gains is based on Management's assumption to recover the carrying amounts of the investment properties through use (except for land) and as to when they are expected to avail themselves of the deduction under 80IA of Income Tax Act 1961.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(c) *Provision for expected credit losses of trade and other receivables*

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of trade and other receivables as at 31 December 2020 was amounted $67,866,000 (2019: $44,840,000).

4. INTEREST INCOME

	Group	
	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Interest income		
– Financial institutions	**3,962**	3,724
– Long term receivables	**47,163**	27,353
– Others	**627**	1,713
	51,752	32,790

5. OTHER PROPERTY OPERATING EXPENSES

	Group	
	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Advertising and publication	**139**	1,032
Depreciation of equipment and right-of-use assets	**436**	362
Employee benefits	**392**	306
Insurance	**494**	229
General management fee	**4,399**	3,629
Surcharges	**748**	114
Travel and hotel accomodation	**87**	234
Professional fees	**1,188**	870
Allowance for impairment of receivables	**2,275**	80
Other direct costs	**204**	507
	10,362	7,363

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

6. FINANCE COSTS

	Group 1 January to 31 December 2020 $'000	Group 1 April to 31 December 2019 $'000
Interest expenses		
– Financial institutions	**32,314**	24,712
– Medium term notes	**11,588**	10,751
– Lease liabilities	**354**	493
– Others	**9**	–
	44,265	35,956

7. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group 1 January to 31 December 2020 $'000	Group 1 April to 31 December 2019 $'000
Auditors of the Group:		
– Audit fees	**370**	335
– Non-audit fees	**42**	147
Inventories recognised as expenses in "Operations, maintenance and utilities expenses"	**77**	65

8. INCOME TAXES

(a) Income tax expenses

	Group 1 January to 31 December 2020 $'000	Group 1 April to 31 December 2019 $'000
Tax expenses attributable to profit is made up of:		
Current income tax expenses		
– Based on current year's/period's results	**19,571**	20,533
– Under/(over) provision in respect of prior years	**68**	(101)
	19,639	20,432
Deferred income tax expenses		
– Based on current year's/period's results	**30,886**	53,357
– Over provision in respect of prior years	**(46)**	(509)
	30,840	52,848
	50,479	73,280

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

8. INCOME TAXES (continued)

(a) *Income tax expenses (continued)*

The reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year/period ended 31 December 2020 and 2019 is as follows:

	Group	
	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Profit before tax	**193,305**	262,269
Tax calculated at tax rate of 34.94% (2019: 34.94%)	**67,541**	91,637
Effects of:		
– Income not subject to tax	**(27,598)**	(20,513)
– Expenses not deductible for tax purpose	**24,515**	19,909
– Tax incentives	**(11,410)**	(14,120)
– Fair value gains on investment properties subject to lower tax rate	**(2,694)**	(7,994)
– (Reversal)/provision of dividend distribution and withholding tax	**(776)**	6,162
– Under/(over) provision in respect of prior years	**22**	(610)
– Others	**879**	(1,191)
	50,479	73,280

The corporate tax rate applicable in India was 34.94%. For domestic companies with turnover less than INR 4,000 million, the corporate tax rate will be 29.12%.

Tax incentives comprise tax holiday benefits available for Indian entities where investment properties are located in the notified industrial park and/or special economic zones.

Withholding taxes are payable by the subsidiaries in India on dividend and interest payments made to the intermediate holding companies in Singapore.

Minimum Alternate Tax ("MAT")

Under the Indian income tax law, MAT will be payable only where tax liability, as computed, is less than 15.00% of the book profits in the profit or loss account and after making certain specified adjustments. Set-off of MAT credit is allowed in a particular year on the difference between the tax liability under normal provisions and tax liability under MAT provisions for such years. MAT credit is allowed to carry forward for a period of 15 years.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

8. INCOME TAXES (continued)

(b) *Movements in current income tax recoverable and liabilities*

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Current income tax recoverable	**15,038**	4,538	**–**	–
Current income tax liabilities	**(2,035)**	(1,279)	**(430)**	–
Current income tax recoverable, net	**13,003**	3,259	**(430)**	–

Movements in current income tax recoverable, net

	Group	
	2020	2019
	$'000	$'000
Balance at beginning of financial year/period	**3,259**	4,527
Tax charge for the year/period	**(19,571)**	(20,533)
(Under)/over provision in respect of prior years	**(68)**	101
Tax paid during the year/period	**19,759**	20,973
Tax deducted at source (net)	**11,064**	(2,044)
Translation differences	**(1,440)**	235
Balance at end of financial year/period	**13,003**	3,259

(c) *Deferred income tax liabilities and assets*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2020	2019
	$'000	$'000
Deferred income tax assets:		
– To be settled after one year	**(31,951)**	(36,951)
Deferred income tax liabilities:		
– To be settled after one year	**388,192**	378,808
Deferred income tax liabilities – net	**356,241**	341,857
The above comprises the following:		
– Fair value gains on investment properties	**388,192**	378,808
– Minimum alternate tax credit	**(31,951)**	(36,951)
	356,241	341,857

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

8. INCOME TAXES (continued)

(c) *Deferred income tax liabilities and assets (continued)*

The movements in the deferred income tax assets and liabilities are as follows:

	Fair value gains on investment properties $'000	Minimum Alternate Tax credit $'000	Total $'000
Group			
2020			
Balance at beginning of financial year	**378,808**	**(36,951)**	**341,857**
Tax charged to income statement	**27,462**	**3,378**	**30,840**
Translation differences	**(18,078)**	**1,622**	**(16,456)**
Balance at end of financial year	**388,192**	**(31,951)**	**356,241**
2019			
Balance at beginning of financial period	336,420	(37,008)	299,412
Tax charged to income statement	54,005	(1,157)	52,848
Translation differences	(11,617)	1,214	(10,403)
Balance at end of financial period	378,808	(36,951)	341,857

Deferred income tax assets are recognised for MAT credit available and tax loss carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

(d) *Dividend distribution tax on undistributed earnings*

During the year, there was an amendment to India domestic tax laws for which the dividend distribution tax ("DDT") of 20.56% on dividends applicable to domestic companies was abolished. Going forward, all the domestic companies will pay 10% withholding tax on the dividend distribution.

At the reporting date, the Group had potential withholding tax liability amounting to $24,547,000 (2019 DDT liability: $42,715,000) associated with undistributed earnings of subsidiaries. No deferred tax liabilities have been recognised in respect of these differences because the Group is in a position to control the dividend policies of these subsidiaries and provision is made only when there is a plan for dividend distribution.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

9. EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group	
	1 January to 31 December 2020	1 April to 31 December 2019
Total profit attributable to Unitholders ($'000)	**130,716**	177,808
Weighted average number of units outstanding during the year/period ('000)	**1,146,472**	1,054,828
Earnings per unit (cents)	**11.40**	16.86

Diluted earnings per unit are the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

10. DISTRIBUTION TO UNITHOLDERS

	Group and Trust	
	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Distribution paid:		
Exempt distribution of 3.75 cents per unit paid on 27 May 2019	**–**	39,083
Exempt distribution of 4.33 cents per unit paid on 22 November 2019	**–**	45,196
Exempt distribution of 1.48 cents per unit paid on 24 December 2019	**–**	15,448
Exempt distribution of 0.64 cents per unit paid on 27 February 2020	**7,331**	–
Exempt distribution of 4.64 cents per unit paid on 26 August 2020	**53,245**	–
	60,576	99,727

A tax-exempt distribution of 4.19 cents per unit amounting to $48,244,000 was approved on 28 January 2021 by the Board of Directors of the Trustee-Manager. These financial statements do not reflect this distribution, which will be accounted for in unitholders' funds as an appropriation of retained earnings in the financial year ending 31 December 2021.

Distribution adjustments

The Trustee-Manager had elected to receive 50% of its base fee and performance fee in units and 50% in cash. The 50% fees payable in units does not affect cash flow and has been added back to the income available for distribution. Trustee-Manager's fees payable in units amounted to $7,794,000 (2019: $5,714,000) during the financial year.

During the financial year, net realised exchange loss of $11,595,000 (2019: $1,217,000) arose from the refinancing of SGD-denominated loans.

Exchange gain or loss is recognised when borrowings that are denominated in currencies other than the INR are revalued. The exchange gain or loss is realised when the borrowing matures. Such exchange gain or loss does not affect cash flow and has been deducted from or added to the income available for distribution.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

11. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**62,388**	9,938	**30,564**	1,967
Fixed deposits	**38,738**	69,660	**–**	–
	101,126	79,598	**30,564**	1,967

The exposure of cash and cash equivalents to interest rate risk and currency risk is disclosed in Note 31.

Fixed deposits at the balance sheet date had an average maturity of 6 months (2019: 6 months). Fixed deposits with maturities in excess of 3 months, upon early-termination, will earn interest at the stipulated rate up to the actual period of deposit, and are subject to an insignificant risk of change in value.

As at 31 December 2020, certain companies of the Group had cash and deposit balances denominated in INR amounting to approximately $65,899,000 (2019: $77,405,000) which are deposited with financial institutions in India. Cash and deposit balances which are denominated in INR, a controlled currency, are not freely convertible into foreign currencies.

12. INVESTMENT SECURITIES

	Group	
	2020	2019
	$'000	$'000
At fair value through profit or loss		
Listed Fund Investments (Quoted)	**–**	19,694

Investment securities pertain to investment in Money Market Funds ("MMFs"). The Group has measured these MMFs at fair value through profit and loss due to the Group's intention not to hold the investment for long term appreciation. As at 31 December 2020, all of the investment securities were disposed by the Group.

During the year, the Group recognised gain on disposal of $198,000 (2019: $21,000) and in 2019, fair value gain of $579,000 on MMFs in other income of income statement has been recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

13. INVENTORIES

	Group 2020 $'000	Group 2019 $'000
Operational supplies	**454**	483

14. OTHER ASSETS

	Group 2020 $'000	Group 2019 $'000	Trust 2020 $'000	Trust 2019 $'000
Current				
Deposits	**108**	48	**–**	–
Prepayments	**1,093**	1,364	**12**	14
	1,201	1,412	**12**	14
Non-current				
Deposits	**4,913**	5,217	**–**	–
Prepayments	**270**	18	**–**	–
	5,183	5,235	**–**	–

The carrying amounts of deposits, denominated in INR, approximate their fair values.

15. LOANS TO SUBSIDIARIES

	Trust 2020 $'000	Trust 2019 $'000
Loans to subsidiaries		
– Non-interest bearing	**127,090**	214,910
– Interest bearing	**524,938**	507,489
	652,028	722,399

As at 31 December 2020, the loans to subsidiaries are unsecured, repayable on demand and approximate their fair values. The interest bearing loans carry interest rates ranging from 2.58% to 9.15% (2019: 2.58% to 9.15%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

16. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Current				
Trade receivables	**10,271**	8,674	**–**	–
Less: Allowance for impairment of receivables	**(4,325)**	(2,231)	**–**	–
Trade receivables – net	**5,946**	6,443	**–**	–
Amounts owing from subsidiary	**–**	–	**54**	7
Non-related parties				
– Advances to suppliers	**1,286**	2,095	**–**	–
– Interest receivable	**41,438**	19,798	**–**	–
– Service input tax recoverable	**9,200**	5,358	**–**	–
– Others	**39**	471	**2,022**	3,134
	57,909	34,165	**2,076**	3,141
Non-Current				
Non-related parties				
– Advances to suppliers	**418**	664	**–**	–
– Interest receivable	**9,539**	10,011	**–**	–
	9,957	10,675	**–**	–

Amounts owing from subsidiary are unsecured, interest-free and repayable on demand.

The carrying amounts of trade and other receivables approximate their fair values.

The exposure of trade and other receivables to currency risk is disclosed in Note 31.

As disclosed in Note 5, allowance for impairment of receivables of $2,275,000 (2019: $80,000) was included in “Other property operating expenses”.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

17. LONG TERM RECEIVABLES

	Group	
	2020	2019
	$'000	$'000
Balance at beginning of financial period/year	**318,193**	222,106
Additions	**45,879**	106,563
Transaction cost capitalised	**208**	2
Translation differences	**(16,158)**	(10,478)
Balance at end of financial period/year	**348,122**	318,193

Long term receivables pertain to inter-corporate deposit ("ICD") provided to non-related parties and subscription of non-convertible debentures ("NCDs") and Rupee Denominated Bonds ("RDBs") issued by non-related parties.

During the financial year, the Group continued to subscribe to RDB with coupon rates of 11.5% per annum which is issued to fund the construction of an IT building at Pune; and NCDs with coupon rate of 14.0% and 11.25% per annum to fund the construction of a Free Trade Warehousing Zone ("FTWZ") warehouse at Panvel and a IT building at Navi Mumbai.

In the previous financial period, the Group subscribed to RDB with coupon rates of 11.5% per annum. The RDB has a tenure of 30 years and is issued to fund the construction of an IT building at Pune. The subscription to the RDB is a multi-stage process to eventually acquire the properties when certain conditions are met. The Group also provided ICD with coupon rate of 11.5%. Both the RDB and ICD are secured by a charge over the issuers' land and pledge of shares and are backed by a corporate guarantee for interest and principal repayment.

In the previous financial period, the Group subscribed to NCDs with a coupon rate of 14.0% per annum to fund the construction of a Free Trade Warehousing Zone ("FTWZ") warehouse at Panvel. The NCDs are secured by a charge over the proposed warehouse, leasehold rights on the land and pledge of shares, and are backed by a corporate guarantee for interest and principal repayment. The funding through the NCDs is a multi-stage process to eventually acquire the warehouse when certain conditions are met, through the acquisition of the issued and paid-up capital of non-related parties.

In the previous financial period, the Group has provided ICD with a coupon rate of 13.0% per annum to a non-related party, which are secured by a charge over the undivided share of land and pledge of shares and is backed by a corporate guarantee for interest and principal repayment.

The Group is able to exercise significant influence through representations to the Board of Directors of non-related parties, results in becoming an investment in associates but there is no initial cost of investment.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Trust					
	2020			2019		
	Contract/ notional amount	Fair values		Contract/ notional amount	Fair values	
		Assets	Liabilities		Assets	Liabilities
	$'000	$'000	$'000	$'000	$'000	$'000
Current						
Cash flow hedges						
– Interest rate swaps	–	–	–	16,000	–	(21)
– Currency swaps	51,520	5,965	–	84,000	7,208	–
Non-hedging instruments						
– Currency forwards	15,000	–	(52)	6,000	52	–
		5,965	(52)		7,260	(21)
Non-current						
Cash flow hedges						
– Interest rate swaps	147,000	–	(1,190)	19,000	–	(239)
– Currency swaps	407,328	23,876	(836)	383,921	18,424	(1,710)
– Options	100,000	423	(720)	100,000	335	(1,515)
		24,299	(2,746)		18,759	(3,464)
Total		30,264	(2,798)		26,019	(3,485)

No cash flow hedges of expected transactions were assessed to be ineffective under SFRS(I) 9 and recognised in the profit or loss for the Group and the Trust for the financial year/period ended 31 December 2020 and 2019.

The Group held interest rate swaps to exchange floating-rate interest, on SGD loans of $189,819,980 (2019: $66,000,000), into fixed-rate interest at an average rate of 2.18% (2019: 3.22%) per annum.

The Group entered into currency swaps to exchange floating-rate SGD loans of $391,895,000 (2019: $406,895,000) for INR obligations at average fixed-rate of 7.31% (2019: 7.57%) per annum and also currency swaps to exchange fixed-rate medium term notes of $118,206,075 (2019: $118,206,075) for fixed-rate INR obligation at average fixed-rate of 8.13% (2019: 8.13%) per annum.

The rationale for entering into currency forwards is disclosed in Note 31(a)(i).

Period when cash flows on cash flow hedges are expected to occur or affect profit or loss

Currency and interest rate swaps are entered to hedge currency and interest rate fluctuations. Fair value gains and losses on the currency and interest rate swaps recognised in the hedging reserve are transferred to profit or loss as realised fair value gain or loss on derivative financial instruments upon maturity. Net interest paid on the currency and interest rate swaps is taken to profit or loss as part of interest expenses over the period of borrowings.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

19. EQUIPMENT

	Group Computers, furniture and equipment	
	2020 $'000	2019 $'000
Cost		
Balance at beginning of financial year/period	4,541	4,554
Additions	728	99
Disposals/write-offs/transfer	(401)	–
Translation differences	(223)	(112)
Balance at end of financial year/period	4,645	4,541
Accumulated depreciation		
Balance at beginning of financial year/period	4,032	4,012
Depreciation charge	256	115
Disposals/write-offs/transfer	(408)	–
Translation differences	(184)	(95)
Balance at end of financial year/period	3,696	4,032
Net book value		
Balance at end of financial year/period	949	509
Balance at beginning of financial year/period	509	542

20. INVESTMENT PROPERTIES UNDER CONSTRUCTION

	Group	
	2020 $'000	2019 $'000
Balance at beginning of financial year/period	174,795	206,065
Additions during the year/period	25,998	20,624
Transfer to investment properties (Note 21)	(78,974)	(64,904)
Fair value (loss)/gain	(6,462)	19,227
Translation differences	(6,244)	(6,217)
Balance at end of financial year/period	109,113	174,795

Investment properties under construction are stated at fair value, which has been determined based on valuations performed by Savills Property Services (India) Private Limited as at 31 December 2020. The details of the valuation techniques and inputs used are disclosed in Note 32.

The outbreak of the COVID-19 has impacted market activity in many property sectors. As the impact of COVID-19 is fluid and evolving, significant market uncertainty exists. Consequently, the valuations of investment properties are currently subject to material estimation uncertainty. The carrying amounts of the investment properties under construction were current as at 31 December 2020 only. Values may change more rapidly and significantly than during standard market conditions.

During the financial year, $78,974,000 was transferred to “Investment properties” on completion of Endeavour building, a single-tenanted building in Information Technology Park Limited (“ITPL”). In previous financial period, $64,904,000 was transferred to “Investment properties” on completion of Anchor building, a multi-tenanted building in ITPL.

Included in additions of investment properties under construction, $2,893,000 (2019: $565,000) was construction cost payable (Note 25).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

21. INVESTMENT PROPERTIES

	Group	
	2020 $'000	2019 $'000
Balance at beginning of financial year/period	1,885,171	1,711,733
Additions during the year/period	13,132	7,342
Cost adjustment arising from change in deferred consideration	4,484	4,590
Amortisation of marketing fee	(1,310)	(498)
Straightlining of rent free period	(3,458)	2,364
Transfer from investment properties under construction (Note 20)	78,974	64,904
Fair value gain	72,101	154,759
Translation differences	(93,762)	(60,023)
Balance at end of financial year/period	1,955,332	1,885,171

It is the intention of the Trustee-Manager to hold the investment properties for the long term.

Investment properties are stated at fair value, which has been determined based on valuations performed by Savills Property Services (India) Private Limited as at 31 December 2020. The details of the valuation techniques and inputs used are disclosed in Note 32.

The outbreak of the COVID-19 has impacted market activity in many property sectors. As the impact of COVID-19 is fluid and evolving, significant market uncertainty exists. Consequently, the valuations of investment properties are currently subject to material estimation uncertainty. The carrying amounts of the investment properties were current as at 31 December 2020 only. Values may change more rapidly and significantly than during standard market conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

22. GOODWILL

	Group	
	2020	2019
	$'000	$'000
Balance at beginning of financial year/period	**14,520**	15,002
Translation differences	**(681)**	(482)
Balance at end of financial year/period	**13,839**	14,520

Impairment test for goodwill

Goodwill has been allocated to cash-generating unit ("CGU"). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The carrying values of goodwill remain unchanged except for translation differences. The goodwill arose from the acquisition of Ascendas IT Park (Chennai) Limited and Cyber Pearl Information Technology Park Private Limited amounting to $12,203,000 (2019: $12,804,000) and $1,636,000 (2019: $1,716,000) respectively.

Goodwill balances result from the requirement on acquisition to recognise a deferred tax liability, calculated as the difference between the tax effect of the fair value of the acquired assets and liabilities and their tax bases. For the purpose of testing this goodwill for impairment, the related deferred tax liabilities recognised on acquisition that remain at balance sheet date are treated as part of the relevant CGU.

23. INVESTMENT IN A JOINT VENTURE

The Group, through its wholly-owned subsidiary, Ascendas Property Fund (India) Pte. Ltd., has 50% interest in the ownership and voting rights in a joint venture, Minerva Veritas Capital Partners Pte. Ltd., a private limited company which incorporated in Singapore on 1 December 2020. The principal activities are to develop and operate a data centre development project located in India.

The Group jointly controls the venture with another partner under a contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

As at 31 December 2020, the joint venture had no other contingent liabilities or commitments. Both joint venture partners have not injected any capital for the financial year ended on that date and the financial statements of joint venture is nil.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

24. INVESTMENT IN SUBSIDIARIES

The details of the Trust's subsidiaries are as follows:

Subsidiaries	Principal activities	Country of incorporation/ place of business	Class of shares	Percentage of equity held by the Trust 2020 %	2019 %	Trust Cost of investment 2020 $'000	2019 $'000
Direct subsidiaries							
Ascendas Property Fund (India) Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	**100**	100	**584,614**	613,392
Ascendas Property Fund (FDI) Pte. Ltd.*	Investment vehicle of listed trust	Singapore	Ordinary	**100**	100	**19,216**	20,162
						603,830	633,554
Indirect subsidiaries							
VITP Private Limited@	Development, owning and management of information technology parks in Hyderabad and special economic zones in Pune	India	Ordinary	**100**	100		
Information Technology Park Limited@	Development, owning and management of information technology parks in Bangalore	India	Ordinary	**92.8**	92.8		
Cyber Pearl Information Technology Park Private Limited@	Development, owning and management of information technology parks in Hyderabad and Chennai	India	Ordinary	**100**	100		
Ascendas IT Park (Chennai) Limited@	Development, owning and management of information technology parks in Chennai	India	Ordinary	**89**	89		
Hyderabad Infratech Pvt Ltd@	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	**100**	100		
Avance-Atlas Infratech Private Limited@	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	**100**	100		
Deccan Real Ventures Private Limited@	Development, owning and management of information technology parks in special economic zones in Hyderabad	India	Ordinary	**100**	100		
Ascendas Panvel FTWZ Limited@	Setting up, developing, obtaining rail siding infrastructure and network for operation and movement of container, cargo and freight trains in Mumbai	India	Ordinary	**100**	100		
Ascendas Give Foundation&	Promoting charity, education and art forming part of corporate social responsibility obligations of member companies	India	Ordinary	**80**	80		

* Audited by Ernst & Young LLP, Singapore
@ Audited by member firm of EY Global in India
& Audited by Vishnu Daya & Co LLP

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

25. TRADE AND OTHER PAYABLES

	Group		Trust	
	2020	2019	**2020**	2019
	$'000	$'000	**$'000**	$'000
Current				
Amount owing to subsidiary	**–**	–	**43,318**	32,373
Other payables				
– Non-related parties				
– Interest payable	**7,827**	8,830	**7,827**	8,808
– Construction cost payable	**2,893**	565	**–**	–
– Retention sum payable	**2,562**	1,603	**–**	–
– Advances	**3,584**	1,386	**–**	–
– Companies controlled by a Unitholder that has significant influence over the Group	**10,246**	8,783	**8,124**	6,843
Accruals	**17,905**	20,068	**560**	1,053
Rental deposits	**56,260**	53,158	**–**	–
Others	**6,807**	8,148	**4,646**	2,220
	108,084	102,541	**64,475**	51,297
Non-current				
Rental deposits	**41,357**	49,712	**–**	–
Accruals	**275**	500	**250**	500
Others	**216**	1,119	**–**	–
	41,848	51,331	**250**	500
	149,932	153,872	**64,725**	51,797

Amount owing to subsidiary is unsecured, interest free and repayable on demand.

The amounts owing to companies controlled by a Unitholder that has significant influence over the Group are unsecured, interest-free and repayable on demand. The amounts pertain mainly to fees payable to the Trustee-Manager and Property Manager, and are trade in nature.

The carrying amounts of trade and other payables approximate their fair values.

The exposure of trade and other payables to currency risk is disclosed in Note 31.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

26. RIGHT-OF-USE ASSETS LEASE LIABILITIES

	2020 $'000	2019 $'000
Cost		
Balance at beginning of financial period	**2,607**	2,659
Additions	**718**	–
Translation differences	**59**	(52)
Balance at end of financial year/period	**3,384**	2,607
Accumulated depreciation		
Balance at beginning of financial year/period	**242**	–
Depreciation charge	**180**	247
Translation differences	**(17)**	(5)
Balance at end of financial year/period	**405**	242
Net book value		
Balance at end of financial year/period	**2,979**	2,365
Balance at beginning of financial year/period	**2,365**	–
Short-term lease liabilities		
Machinery	**180**	43
Long-term lease liabilities		
Machinery	**3,201**	2,563

The Group has lease liabilities for machinery in India. The leases for the machinery as at 31 December 2020 will mature in Year 2038 to 2048. The discount rate used is 10% to 13.65% per annum. The lease agreements do not impose any covenants.

Leases are recognised as right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of return on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

27. BORROWINGS

	Group and Trust	
	2020	2019
	$'000	$'000
Current		
Unsecured bank loans	**67,700**	150,000
Less: Unamortised transaction costs	**–**	(18)
	67,700	149,982
Unsecured medium term notes	**51,520**	30,000
Less: Unamortised transaction costs	**(10)**	(4)
	51,510	29,996
Total current borrowings	**119,210**	179,978
Non-current		
Unsecured bank loans	**580,408**	400,895
Less: Unamortised transaction costs	**(1,784)**	(1,971)
	578,624	398,924
Unsecured medium term notes	**115,920**	162,630
Less: Unamortised transaction costs	**(72)**	(141)
	115,848	162,489
Total non-current borrowings	**694,472**	561,413
Total borrowings	**813,682**	741,391

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

27. BORROWINGS (continued)

Debt repayment schedule

	Group and Trust		
	Total $'000	Within 1 year $'000	After 1 year but within 5 years $'000
2020			
Unsecured bank loans			
– Variable rate SGD term loans	**596,044**	**67,700**	**528,344**
– Variable rate HKD term loans	**50,280**	**–**	**50,280**
Unsecured medium term notes			
– 5 year JPY notes	**167,358**	**51,510**	**115,848**
Total	**813,682**	**119,210**	**694,472**
2019			
Unsecured bank loans			
– Variable rate SGD term loans	498,664	149,982	348,682
– Variable rate HKD term loans	50,242	–	50,242
Unsecured medium term notes			
– 5 year SGD notes	29,996	29,996	–
– 5 year JPY notes	162,489	–	162,489
	192,485	29,996	162,489
Total	741,391	179,978	561,413

Interest rate

The weighted average effective interest rates of total borrowings at the balance sheet date were as follows:

	Group and Trust	
	2020	2019
Unsecured bank loans		
– SGD	**2.06%**	2.74%
– HKD	**1.46%**	3.53%
Unsecured medium term notes		
– 5 year SGD notes	**–**	3.90%
– 5 year JPY notes	**0.69%**	0.69%

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

27. BORROWINGS (continued)

Reconciliation of liabilities arising from financing activities

	Liabilities		Derivatives (assets)/liabilities held to hedge borrowings		
	Borrowings $'000	Interest payable $'000	Cross currency swap, interest rate swap and Options used for hedging-assets $'000	Cross currency swap, interest rate swap and Options used for hedging-liabilities $'000	Total $'000
Balance at beginning of year	**741,391**	**8,830**	**(26,019)**	**3,485**	**727,687**
Changes from financing cash flows					
Proceeds from borrowings	295,508	–	–	–	295,508
Repayment of borrowings	(228,700)	–	–	–	(228,700)
Finance costs paid	–	(46,105)	–	–	(46,105)
Total changes from financing cash flows	66,808	(46,105)	–	–	20,703
Change in fair value	–	–	(4,276)	(687)	(4,963)
Other changes					
Amortisation of transaction costs	888	–	–	–	888
Interest expense	–	43,377	–	–	43,377
Translation differences	4,595	1,725	31	–	6,351
Total liability-related other changes	5,483	45,102	31	–	50,616
Balance at end of year	**813,682**	**7,827**	**(30,264)**	**2,798**	**794,043**

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

27. BORROWINGS (continued)

Medium term notes

In March 2009, the Trust established a $500,000,000 Multicurrency Medium Term Note ("MTN") Programme. Under the MTN Programme, the Trust may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in one or more tranches, on the same or different issue dates, in SGD or any other currency.

Each tranche of notes may be issued in various amounts and tenors, and may bear fixed, floating, or variable rates of interest. Hybrid notes, zero coupon notes or perpetual securities may also be issued under the MTN Programme.

The notes shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Trust ranking pari passu, without any preference or priority among themselves and pari passu with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Trust.

The Trust has increased the maximum aggregate principal amount of notes and perpetual securities that may be issued under the Multicurrency Debt Programme from $500,000,000 to $1,500,000,000 with effect from 16 April 2019.

As at 31 December 2020, the maximum aggregate principal amount of the notes outstanding at any time shall be $1,500,000,000, or such higher amount as may be determined pursuant to the MTN Programme.

The total notes issued by the Trust as at 31 December 2020, which still remains outstanding, is $167,000,000 (2019: $193,000,000), consisting of:

(a) JPY4,000,000,000 MTN 7, which bears a fixed interest rate of 0.75% per annum, payable semi-annually in arrears and matures on 11 May 2021.

(b) JPY5,000,000,000 MTN 8, which bears a fixed interest rate of 0.67375% per annum, payable semi-annually in arrears and matures on 10 April 2023.

(c) JPY4,000,000,000 MTN 9, which bears a fixed interest rate of 0.64375% per annum, payable semi-annually in arrears and matures on 18 December 2023.

28. UNITS IN ISSUE

	Group and Trust			
	2020		2019	
	Number of units (in thousands)	**$'000**	Number of units (in thousands)	$'000
Balance at beginning of financial year/period	**1,143,269**	**978,324**	1,039,037	825,284
Issue of new units				
– Fee paid in units	**5,151**	**7,123**	4,762	6,033
– Private placement	**–**	**–**	99,470	147,007
Balance at end of financial year/period	**1,148,420**	**985,447**	1,143,269	978,324

The holders of units are entitled to receive distribution as and when declared by the Trust. At any time, all the units in a class are of equal value and shall have equal rights and obligations.

All issued units are fully paid.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

29. RESERVES

(a) *Foreign currency translation reserve*

	Trust	
	2020	2019
	$'000	$'000
Balance at beginning of financial year/period	**(288,452)**	(270,050)
Translation differences arising from the conversion of functional currency into presentation currency	**(24,900)**	(18,402)
Balance at end of financial year/period	**(313,352)**	(288,452)

(b) *Hedging reserve*

Hedging reserve represents the effective portion of cash flow hedge relationship existing as at the reporting date.

(c) *Other reserves*

Other reserves represent profits transferred to the statutory reserves of the Indian subsidiaries under Indian regulatory provisions.

(d) *Retained earnings*

	Trust	
	2020	2019
	$'000	$'000
Balance at beginning of financial year/period	**(91,822)**	51,416
Loss for the year/period	**(50,628)**	(43,511)
Distribution to Unitholders (Note 10)	**(60,576)**	(99,727)
Balance at end of financial year/period	**(203,026)**	(91,822)

30. RELATED PARTY TRANSACTIONS

The Group has entered into several service agreements in relation to the Management of the Trust and its property operations. These agreements are entered into with the Trustee-Manager and Ascendas Services (India) Pte. Ltd. (the "Property Manager"), which are companies that are controlled by a Unitholder that has significant influence over the Group. The fee structures of these services are as follows:

(a) *Trustee-Manager's fees*

(i) *Management fees*

The Trustee-Manager is entitled under the Trust Deed to receive the following management fees:

- a Base Fee at the rate of 0.5% per annum of the value of the properties held by the Trust.
- a Performance Fee at the rate of 4% per annum of the net property income of the Trust.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

30. RELATED PARTY TRANSACTIONS (continued)

(a) *Trustee-Manager's fees (continued)*

(ii) *Postponement, reduction of fees*

The Trustee-Manager may postpone the receipt of any fee (or any part of a fee) or charge a lower fee than it is entitled to receive under the Trust Deed.

(iii) *Trustee fees*

The Trustee-Manager is entitled to receive a trustee fee of up to 0.02% per annum of the value of the properties held by the Trust.

(iv) *Acquisition / divestment fees*

The Trustee-Manager is entitled to a fee upon the acquisition of an asset by any subsidiary calculated as 1% of the acquisition value of the investment.

The Trustee-Manager is entitled to a fee upon the disposal / divestment of an asset by any subsidiary calculated as 0.5% of the sale value of the investment.

(b) *Property Manager's fees*

(i) *Property management services*

For the property management services, the property owner will pay the Property Manager a fee calculated based on 2% of the total property income of each property plus reimbursement of remuneration costs of the personnel employed by the Property Manager who are deployed on-site at the properties to provide property management services.

(ii) *Lease management services*

For the lease management services, the property owner will pay the Property Manager a fee calculated based on 1% of the total property income of each property.

(iii) *General management services*

For the general management services, the property owner will pay an apportioned amount of the remuneration cost of the centralized staff employed by the Property Manager for the purposes of providing general management services.

(iv) *Marketing services*

For the marketing services, the property owner will pay the Property Manager the following commissions:

a. One month's rent (including property and fit-out rental) for every lease with duration of less than one year;

b. One and a half months' rent (including property and fit-out rental) for every lease with a duration of between one and three years;

c. Two months' rent for every lease with duration of more than three but not exceeding ten years;

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

30. RELATED PARTY TRANSACTIONS (continued)

(b) Property Manager's fees (continued)

(iv) Marketing services (continued)

d. 2% of the total lease payment for the entire lease period for every lease with a duration exceeding ten years;

e. Renewal of an existing lease will be calculated at half of the above commission otherwise payable for a new tenancy; and

f. 2% of the total sale consideration for the sale of property.

Where external property agents are involved in securing a lease, renewal or sale of a property, a 20% mark-up applies to the abovementioned commissions.

(v) Project management services

For the project management services, the property owner will pay the Property Manager a fee of 2% of the construction cost for development, re-development, refurbishment, retrofitting, addition to and alteration of or renovation carried out in the property.

Some of the Group's transactions and arrangements are with (a) the Trustee-Manager; and (b) the significant corporate Unitholders, Ascendas Pte Ltd, Capitaland Limited and Temasek Holdings (Private) Limited, and their associates. The effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, repayable on demand and expected to be settled in cash unless otherwise stated.

In addition to the transactions disclosed elsewhere in the financial statements, the following are related party transactions based on agreed terms:

	Group	
	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Companies controlled by a unitholder that has significant influence over the Group:		
Trustee-Manager's fees paid/payable	**16,017**	11,762
Property management services	**3,607**	2,844
Lease management services	**1,803**	1,422
General management fee	**4,399**	3,629
Marketing services	**1,996**	2,382
Project management fees	**368**	583
Rental income received/receivable	**(2,640)**	(1,690)

Acquisition fee

During the financial year, acquisition fee of INR 2 million (equivalent to $33,000) [2019: INR 3 million (equivalent to $58,000)] was paid/payable to the Trustee-Manager related to the progress payment on Ascendas Panvel FTWZ Limited.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk in the normal course of its business. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards, interest rate and foreign currency swaps/ options to hedge certain financial risk exposures.

Management is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in Management's organisational and reporting structure, operating manuals and delegation of authority guidelines.

The Audit and Risk Committee ("ARC") oversees how Management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The ARC is assisted in its oversight role by the internal auditors. The internal auditors undertake both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the ARC.

(a) Market risk

(i) Currency risk

The Group is exposed to foreign currency risk on purchases and borrowings that are denominated in a currency other than the functional currency of the Trust and its subsidiaries. The currency giving rise to this risk is primarily the SGD. The Group entered into cross currency swaps and options to manage foreign exchange exposure to SGD arising from SGD denominated borrowings.

The Group's distribution to Unitholders is in SGD. To enhance the stability of distribution to Unitholders, the Group entered into forward contracts to hedge a substantial portion of the cash flow it expects to receive. The hedging of INR cash flows receivable from the subsidiaries is effected through a forward sale of INR and purchase of SGD.

In respect of other monetary assets and liabilities held in currencies other than the INR, the Group ensures that the net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rates, where necessary, to address short term imbalances.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's main currency exposure based on the information provided to key management is as follows:

	INR $'000	SGD $'000	JPY $'000	USD $'000	HKD $'000	TOTAL $'000
Group						
2020						
Financial assets						
Cash and cash equivalents	65,899	35,107	103	17	–	101,126
Trade and other receivables	56,962	–	–	–	–	56,962
Long term receivables	348,122	–	–	–	–	348,122
Other financial assets	5,020	–	–	–	–	5,020
Total financial assets	476,003	35,107	103	17	–	511,230
Financial liabilities						
Trade and other payables	(145,832)	(175)	(165)	–	–	(146,172)
Borrowings	–	(596,044)	(167,358)	–	(50,280)	(813,682)
Total financial liabilities	(145,832)	(596,219)	(167,523)	–	(50,280)	(959,854)
Net financial assets/ (liabilities)	330,171	(561,112)	(167,420)	17	(50,280)	(448,624)
Less: Net financial liabilities denominated in the respective entities' functional currencies	(330,171)	–	–	–	–	(330,171)
Currency swaps	–	18,340	10,727	–	(62)	29,005
Currency forwards	–	(52)	–	–	–	(52)
Options	–	(297)	–	–	–	(297)
Net currency exposure	–	(543,121)	(156,693)	17	(50,342)	(750,139)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT (continued)

(a) *Market risk (continued)*

(i) *Currency risk (continued)*

	INR $'000	SGD $'000	JPY $'000	USD $'000	HKD $'000	TOTAL $'000
Group						
2019						
Financial assets						
Cash and cash equivalents	77,405	2,115	60	18	–	79,598
Trade and other receivables	36,723	–	–	–	–	36,723
Long term receivables	318,193	–	–	–	–	318,193
Other financial assets	5,265	–	–	–	–	5,265
Total financial assets	437,586	2,115	60	18	–	439,779
Financial liabilities						
Trade and other payables	(151,218)	(900)	(161)	–	–	(152,279)
Borrowings	–	(528,660)	(162,489)	–	(50,242)	(741,391)
Total financial liabilities	(151,218)	(529,560)	(162,650)	–	(50,242)	(893,670)
Net financial assets/ (liabilities)	286,368	(527,445)	(162,590)	18	(50,242)	(453,891)
Less: Net financial liabilities denominated in the respective entities' functional currencies	(286,368)	–	–	–	–	(286,368)
Currency swaps	–	19,962	3,100	–	860	23,922
Currency forwards	–	52	–	–	–	52
Options	–	(1,180)	–	–	–	(1,180)
Net currency exposure	–	(508,611)	(159,490)	18	(49,382)	(717,465)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT (continued)

(a) *Market risk (continued)*

(i) *Currency risk (continued)*

If SGD, JPY, USD and HKD changes against INR by 10% (2019: 10%) respectively with all other variables including tax rate being held constant, the effects on profit or loss from the net position will be as follows:

	Group	
	31 December 2020 $'000	31 December 2019 $'000
	← Increase/(Decrease) →	
SGD against INR		
– Strengthened	**(54,312)**	(50,861)
– Weakened	**54,312**	50,861
JPY against INR		
– Strengthened	**(15,669)**	(15,949)
– Weakened	**15,669**	15,949
USD against INR		
– Strengthened	**2**	2
– Weakened	**(2)**	(2)
HKD against INR		
– Strengthened	**(5,034)**	(4,938)
– Weakened	**5,034**	4,938

(ii) *Fair value interest rate risk*

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has minimal interest rate risk as the Group has substantially hedged its floating rate financial liabilities, and its profits after tax and operating cash flows are substantially independent of changes in market interest rates.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT (continued)

(b) *Credit risk*

Credit risk refers to the risk that may arise on outstanding financial instruments should counterparty default on its obligations. Credit risk arising from the inability of a customer to meet the terms of the Group's financial instrument contract is generally limited to the amounts, if any, by which the customer's obligations exceed the obligations of the Group. The Group's and Trust's exposure to credit risk primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Trust minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables balances are monitored on an on-going basis with result that the Group's exposure to bad debts is not significant.

Expected Credit Loss

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments.

To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportable forward-looking information which include, but limited to, the following indicators:

(i) Credit rating or standing;

(ii) Actual or expected significant adverse change in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;

(iii) Actual or expected significant changes in the operating results of the borrower;

(iv) Significant changes in expected performance and behaviour of the borrower, including changes in the payment status or patterns of the borrowers.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payments.

The Group determined that its financial assets are credit-impaired when:

(i) A breach of contracts that is not cure or remediate within the stipulated timeframe;

(ii) It is probable that the borrower will enter into bankruptcy or liquidation;

(iii) There is a disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery.

The following are credit risk management practises and quantitative and qualitative information about amounts arising from expected credit losses for each classes of financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

(i) Long-term receivables at amortised cost

The Group compute expected credit loss for this group of financial assets using probability of default approach.

Category	Definition of category	Basis for recognition of expected credit loss provision
Category 1	Assets where there is no identified credit deterioration since initial recognition	12-month expected credit losses
Category 2	Assets where there is no more than insignificant deterioration in credit quality since initial recognition	Lifetime expected credit losses
Category 3	Assets which are identified as impaired	Lifetime expected credit losses

There are no significant changes to estimation technique or assumptions made during the reporting period.

The maximum exposure to loss, without taking into account any collaterals held or other credit enhancements is as listed below:

		31 December 2020 $'000
12-month ECL	Long-term receivables at amortised costs	**348,122**

(ii) Trade and other receivables

Credit evaluations are performed before lease agreements are entered into with tenants. Rental deposits are received, where appropriate, to reduce credit risk. In addition, the Group monitors the balances due from its tenants on an ongoing basis.

The Group establishes allowances for impairment that represents its estimate of the expected credit loss and specific loss component in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses. If the Group is satisfied that no recovery of the amount owing is possible, the financial assets are considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial assets.

Exposure to credit risk

The Group use an allowance matrix to measure the ECLs of trade receivables. Loss rates are calculated based on the probability of a receivables progressing though successive stages of delinquency to write-off and are based on actual credit loss experience over the past years.

The Group believe that no allowance for impairment is necessary in respect of trade receivables with sufficient security deposits as collateral. The Group provide ECL in respect of those trade receivables with balances in excess of security deposits.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT (continued)

(b) *Credit risk (continued)*

(ii) *Trade and other receivables (continued)*

Provision for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(c) *Liquidity risk*

Management monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. In addition, Management also monitors and observes the bank covenants imposed by the banks on the various borrowings.

The table below analyses the maturity profile of the Group's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000
Group				
2020				
Net-settled swaps	**(18,424)**	**(15,581)**	**(12,735)**	**–**
Net-settled options	**(4,349)**	**(4,349)**	**(3,049)**	**–**
Net-settled currency forwards	**(125)**	**–**	**–**	**–**
Trade and other payables	**(104,485)**	**(41,687)**	**–**	**–**
Borrowings (including interest)	**(132,599)**	**(260,094)**	**(454,424)**	**–**
	(259,982)	**(321,711)**	**(470,208)**	**–**
2019				
Net-settled swaps	(20,760)	(16,764)	(18,635)	–
Net-settled options	(4,576)	(4,563)	(7,762)	–
Net-settled currency forwards	(9)	–	–	–
Trade and other payables	(101,154)	(51,124)	–	–
Borrowings (including interest)	(193,351)	(61,413)	(523,613)	–
	(319,850)	(133,864)	(550,010)	–

The Group and Trust manage the liquidity risk by maintaining sufficient cash from borrowings and cash generated from operations to enable them to meet their capital expenditure and operating commitments.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

31. FINANCIAL RISK MANAGEMENT (continued)

(d) Capital risk

Management's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the Trust Deed to fund future acquisitions and asset enhancement works at the Group's properties. To maintain or achieve an optimal capital structure, Management may issue new units or source for additional borrowing from both financial institutions and capital markets.

Management monitors capital based on gearing ratio. As provided for in the Trust Deed, the maximum gearing ratio currently applicable is 50%.

The gearing ratio is calculated as total effective borrowings, which takes into account deferred consideration and the derivative financial instruments used to hedge borrowings, divided by value of Trust Property.

	Group	
	2020	2019
	$'000	$'000
Total effective borrowings	**786,216**	718,857
Value of Trust Property	**2,651,466**	2,577,372
Gearing ratio	**30%**	28%

Trust Property consists of all property and rights of any kind whatsoever which are held on trust for the Unitholders, in accordance with the terms of the Trust Deed.

The Group is in compliance with the borrowing limit requirements imposed by the Trust Deed and all externally imposed capital requirements for the financial year/period ended 31 December 2020 and 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

32. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE

(a) Accounting classifications

The financial assets and liabilities, together with the carrying amounts shown in the balance sheets are as follows:

	Note	Fair value through profit or loss $'000	Fair value – hedging instrument $'000	Financial assets carried at amortised cost $'000	Other financial liabilities $'000	Total carrying amount $'000
Group						
2020						
Financial assets						
Cash and cash equivalents	11	**–**	**–**	**101,126**	**–**	**101,126**
Other financial assets		**–**	**–**	**5,020**	**–**	**5,020**
Trade and other receivables		**–**	**–**	**56,962**	**–**	**56,962**
Long term receivables	17	**–**	**–**	**348,122**	**–**	**348,122**
Currency swaps	18	**–**	**29,841**	**–**	**–**	**29,841**
Options	18	**–**	**423**	**–**	**–**	**423**
		–	**30,264**	**511,230**	**–**	**541,494**
Financial liabilities						
Trade and other payables		**–**	**–**	**–**	**146,172**	**146,172**
Borrowings	27	**–**	**–**	**–**	**813,682**	**813,682**
Currency forwards	18	**52**	**–**	**–**	**–**	**52**
Currency swaps	18	**–**	**836**	**–**	**–**	**836**
Options	18	**–**	**720**	**–**	**–**	**720**
Interest rate swaps	18	**–**	**1,190**	**–**	**–**	**1,190**
		52	**2,746**	**–**	**959,854**	**962,652**
2019						
Financial assets						
Cash and cash equivalents	11	–	–	79,598	–	79,598
Other financial assets		–	–	5,265	–	5,265
Trade and other receivables		–	–	36,723	–	36,723
Long term receivables	17	–	–	318,193	–	318,193
Currency forwards	18	52	–	–	–	52
Currency swaps	18	–	25,632	–	–	25,632
Options	18	–	335	–	–	335
		52	25,967	439,779	–	465,798
Financial liabilities						
Trade and other payables		–	–	–	152,279	152,279
Borrowings	27	–	–	–	741,391	741,391
Currency swaps	18	–	1,710	–	–	1,710
Options	18	–	1,515	–	–	1,515
Interest rate swaps	18	–	260	–	–	260
		–	3,485	–	893,670	897,155

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

32. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

(a) *Accounting classifications (continued)*

	Note	Fair value through profit or loss $'000	Fair value – hedging instrument $'000	Financial assets carried at amortised cost $'000	Other financial liabilities $'000	Total carrying amount $'000
Trust						
2020						
Financial assets						
Cash and cash equivalents	11	**–**	**–**	**30,564**	**–**	**30,564**
Loans to subsidiaries	15	**–**	**–**	**652,028**	**–**	**652,028**
Trade and other receivables	16	**–**	**–**	**2,076**	**–**	**2,076**
Currency swaps	18	**–**	**29,841**	**–**	**–**	**29,841**
Options	18	**–**	**423**	**–**	**–**	**423**
		–	**30,264**	**684,668**	**–**	**714,932**
Financial liabilities						
Trade and other payables	25	**–**	**–**	**–**	**64,725**	**64,725**
Borrowings	27	**–**	**–**	**–**	**813,682**	**813,682**
Currency forwards	18	**52**	**–**	**–**	**–**	**52**
Currency swaps	18	**–**	**836**	**–**	**–**	**836**
Options	18	**–**	**720**	**–**	**–**	**720**
Interest rate swaps	18	**–**	**1,190**	**–**	**–**	**1,190**
		52	**2,746**	**–**	**878,407**	**881,205**
2019						
Financial assets						
Cash and cash equivalents	11	–	–	1,967	–	1,967
Loans to subsidiaries	15	–	–	722,399	–	722,399
Trade and other receivables	16	–	–	3,141	–	3,141
Currency forwards	18	52	–	–	–	52
Currency swaps	18	–	25,632	–	–	25,632
Options	18	–	335	–	–	335
		52	25,967	727,507	–	753,526
Financial liabilities						
Trade and other payables	25	–	–	–	51,797	51,797
Borrowings	27	–	–	–	741,391	741,391
Currency swaps	18	–	1,710	–	–	1,710
Options	18	–	1,515	–	–	1,515
Interest rate swaps	18	–	260	–	–	260
		–	3,485	–	793,188	796,673

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

32. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

(a) *Accounting classifications (continued)*

The carrying values of fixed rate medium term note and deposit approximate their fair values. The fair values are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements.

The carrying value of the borrowings are reasonable approximation of their fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

The carrying value less impairment provision of trade receivables and the carrying value of payables are assumed to approximate their fair values.

The carrying value of other financial assets (current), trade and other payables (current) and borrowings (current), are reasonable approximation of their fair values due to their short-term nature.

(b) *Fair value hierarchy*

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

(i) Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;

(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 – Unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

32. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

(c) *Fair value measurements*

(i) *Assets and liabilities measured at fair value*

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the financial year:

	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
Group			
2020			
Recurring fair value measurements			
Assets			
Financial assets:			
Derivative financial instruments			
– Currency swaps	29,841	–	29,841
– Options	423	–	423
Total financial assets	30,264	–	30,264
Non-financial assets:			
Investment properties	–	1,955,332	1,955,332
Investment properties under construction	–	109,113	109,113
Total non-financial assets	–	2,064,445	2,064,445
Liabilities			
Financial liabilities:			
Derivative financial instruments			
– Currency forwards	52	–	52
– Currency swaps	836	–	836
– Options	720	–	720
– Interest rate swaps	1,190	–	1,190
Total financial liabilities	2,798	–	2,798

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

32. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

(c) *Fair value measurements (continued)*

(ii) *Assets and liabilities measured at fair value*

	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
Group			
2019			
Recurring fair value measurements			
Assets			
Financial assets:			
Derivative financial instruments			
– Currency forwards	52	–	52
– Currency swaps	25,632	–	25,632
– Options	335	–	335
Total financial assets	26,019	–	26,019
Non-financial assets:			
Investment properties	–	1,885,171	1,885,171
Investment properties under construction	–	174,795	174,795
Total non-financial assets	–	2,059,966	2,059,966
Liabilities			
Financial liabilities:			
Derivative financial instruments			
– Currency swaps	1,710	–	1,710
– Options	1,515	–	1,515
– Interest rate swaps	260	–	260
Total financial liabilities	3,485	–	3,485

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

32. ACCOUNTING CLASSIFICATIONS AND FAIR VALUE (continued)

(c) *Fair value measurements (continued)*

(i) *Level 2 fair value measurements*

As at 31 December 2020, the Group has currency forwards, interest rate swaps and currency swaps/options, which are categorised in Level 2. The fair value of currency forwards is determined using mark-to-market valuation, which is calculated on the basis of quoted forward exchange rates at the end of the reporting period, received from respective banking and financial institutions. The fair values of interest rate swaps and currency swaps/options are also determined using mark-to-market valuation, which is calculated as the present value of the estimated future cash flows, received from respective banking and financial institutions. These derivative financial instruments are recognised at fair value in the financial statements.

(ii) *Level 3 fair value measurements*

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

	Fair value $'000	Valuation techniques	Unobservable inputs	Range
Group				
2020				
Recurring fair value measurements				
– Investment properties	**1,955,332**	Discounted cash flow method, income capitalisation method	Discount rate, capitalisation rate	**11.75 – 17.00%** **8.75 – 9.75%**
– Investment properties under construction	**109,113**			
2019				
Recurring fair value measurements				
– Investment properties	1,885,171	Discounted cash flow method, income capitalisation method	Discount rate, capitalisation rate	11.75 – 17.00% 8.75 – 9.50%
– Investment properties under construction	174,795			

The valuation of investment properties and investment properties under construction is determined through the two approaches, income capitalisation and discounted cash flow. The income capitalisation approach involves capitalising a single year's net property income estimate by an appropriate yield, whereas, the discounted cash flow approach explicitly models future net income from the property which is then discounted to a present value at an appropriate discount rate. The final valuations determined are an average of the two approaches employed by Savills Property Services (India) Private Limited.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

33. COMMITMENTS

As at the end of the financial year, the Group had the following commitments:

(a) *Development and investment expenditure*

	2020 $'000	2019 $'000
Amounts approved and contracted for		
– Investment	**280,538**	335,749
– Development	**80,056**	107,004
Amounts approved but not contracted for		
– Development	**9,468**	20,747
	370,062	463,500

As at 31 December 2020, amount approved and contracted for includes:

(i) $85,609,000 (2019: $101,376,000) pertaining to the acquisition of two IT buildings at Navi Mumbai.

(ii) $100,308,000 (2019: $96,254,000) pertaining to the acquisition of two buildings each in Hyderabad and HITEC City 2 Special Economic Zone, Hyderabad.

(iii) $83,349,000 (2019: $115,716,000) pertaining to the acquisition of IT building at Pune.

(iv) $11,272,000 (2019: $22,403,000) pertaining to the acquisition of FTWZ warehouses at Panvel and Arshiya warehouse.

(v) $80,056,000 (2019: $107,004,000) pertaining to investment properties under construction in ITPL and VITP.

(b) *Operating lease commitments – where a group company is a lessor*

The Group leases out investment properties under operating leases with varying terms, escalation clauses and renewal rights.

The future minimum lease receivable under operating leases contracted for at the end of the reporting period but not recognised as receivables is analysed as follows:

	2020 $'000	2019 $'000
Lease receivables:		
– Within 1 year	**63,325**	73,721
– After 1 year but within 5 years	**116,555**	96,125
– After 5 years	**30,205**	1,781
	210,085	171,627

34. OPERATING SEGMENT

The Group's investment properties are primarily tenanted for use as business space and are located in India. No other business or geographical segments account for more than 10% of the base rent as at 31 December 2020. Therefore, the Manager considers that the Group operates within a single business segment and within a single geographical segment in India.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

35. CONTINGENT LIABILITIES

The Group has the following contingent liabilities and independent tax or legal opinions were obtained to support the Management position that these claims are contingent in nature, and accordingly no provision was made.

(a) *Disputed tax positions*

International Technology Park Limited ("ITPL") operates both Special Economic Zone ("SEZ") and non-SEZ properties. ITPL received order from Income Tax authorities disputing ITPL's allocation of Interest expense to non-SEZ properties only and required the same to be apportioned between SEZ and non-SEZ properties. This resulted in additional tax demand of INR 31 million (equivalent to $558,000) for assessment year 2014-15. ITPL had filed an appeal.

Cyber Pearl Information Technology Park Private Limited ("Cyber Pearl") entered into an agreement with Mindtree Limited to acquire a building in CyberVale IT Special Economic Zone ("SEZ") in Chennai. Cyber Pearl sought an exemption for stamp duty under SEZ. However, Cyber Pearl received a stamp duty notice demanding INR 62 million, for which INR 45 million was already paid under protest. Cyber Pearl had filed an appeal.

Hyderabad Infratech Pvt Ltd ("HIPL") received income tax demand, including penalties and interest, of INR 239 million (equivalent to $4,317,000) for assessment year 2013-14, 2014-15, 2015-16 and 2016-17. This pertained to interest expense on Fully and Compulsorily Convertible Debenture ("FCCD") where the assessing officer deemed that the appropriate interest rate benchmark was LIBOR plus 2% and the excess interest was disallowed; together with difference in lease rental income treatment for the assessment year 2015-16 and 2016-17. HIPL was of the view that LIBOR was used to benchmark foreign currency loans and should not be considered as an appropriate benchmark for interest on FCCD issued in INR (i.e. domestic currency of HIPL). The above adjustments will have consequential impact on the utilisation of business losses and unabsorbed depreciation, together with the availment of deduction under section 80IAB in subsequent assessment years.

(b) *Service tax disputes*

ITPL received orders from the Service Tax authorities primarily disallowing the availment of service tax input credit relating to construction and certain other inputs costs for the period from October 2006 to June 2017, which estimated to be INR 109 million. During last financial period, ITPL has opted to apply the Indirect Tax Amnesty Scheme related to the service tax litigation for the period from October 2006 to March 2011, which amounting to INR 62 million. ITPL has subsequently provided for INR 4 million. Therefore, the potential balance tax exposure is estimated to be INR 43 million (equivalent to $743,000).

Ascendas IT Park (Chennai) Limited ("AITPCL") received service tax assessment orders, including penalties and interest, disallowing the availment of service tax credit relating to construction costs used for rental of immovable property services and demand of service tax on electricity, water charges and fit-out for the period from October 2005 to September 2015. As at 31 December 2020, the total service tax in dispute not recognised in the financial statements, including penalties and interest, amounts to INR 893 million (equivalent to $16,146,000). AITPCL obtained opinion from its independent tax consultant who was of the view that AITPCL was eligible to avail the credit relating to construction costs while electricity, water and fit-out charges were not subject to service tax. A petition against this assessment was filed before the Customs Excise and Service Tax Appellate Tribunal ("CESTAT") for the period October 2005 to March 2010 and Commissioner of Service Tax for the period April 2010 to September 2015. AITPCL has received a favourable order to set aside the claims of INR 665 million, out of which Service Tax department only contested on service tax amount of INR 537 million (equivalent to $9,709,000). The balance of INR 356 million (equivalent to $6,437,000) represents the claim from the department for period from April 2010 to October 2016 on account of similar matters.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

35. CONTINGENT LIABILITIES (continued)

(b) Service tax disputes (continued)

VITP Private Limited ("VITP") had received service tax notices from the Service Tax Department on reimbursable expenditure, termination charges received from tenants and recovery of credit availed for the period June 2007 to September 2015. The potential tax exposure, including penalty attributable to such demand notices is estimated to be INR 216 million (equivalent to $3,911,000).

HIPL provides renting of immovable property services and maintenance or repair services to the units located in the SEZ premises. HIPL has claimed exemption from payment of service tax, when the services are provided to the SEZ unit/developer for their authorised operations. HIPL was served with Show Cause Notice demanding payment of service tax with applicable interest and penalty on the grounds that HIPL has not paid service tax in all such cases where it has not been able to produce the required forms to avail service tax exemption. The Commissioner passed a final order holding that service tax amounting to INR 42 million (equivalent to $764,000), along with interest and equivalent penalty of INR 42 million (equivalent to $764,000) is payable. HIPL has filed an appeal before CESTAT.

Cyber Pearl had received service tax notice including penalties, amounted to INR 82 million (equivalent to $1,483,000) on reimbursement charges collected for utilities for the period from May 2015 to June 2017. CP is in the process of filling an appeal.

(c) Value-added tax on fit-out rental

VITP and Cyber Pearl received demand notices from the Commercial Tax Department of Andhra Pradesh levying Value-Added Tax ("VAT") on lease rentals attributable to fit-outs. VITP and Cyber Pearl obtained opinion from an independent legal counsel who was of the view that VAT was liable to be paid by VITP and Cyber Pearl only on the consideration received towards movable portion of fit-outs and accordingly appeals against such demand notices were filed. The potential tax exposure, attributable to such demand notices which are not recognised in these financial statements, were estimated to be INR 58 million (equivalent to $1,043,000) for VITP and INR 7 million (equivalent to $128,000) for Cyber Pearl.

(d) Transfer pricing disputes

In ITPL, the difference in redemption price and the price as determined by the income tax department was treated as deemed dividends by ITPL in assessment years 2009-10 and 2010-11. The redemption of preference shares was not an income bearing international transaction which affected the profitability of the ITPL and did not have any income implications. Though no additional tax was demanded in the orders, the orders will have an tax impact of reducing the recorded MAT credit entitlement and carried forward business loss by INR 262 million (equivalent to $4,739,000). ITPL is contesting the said demand notice and has appealed against the same.

In VITP, the difference in buyback price and the fair value of the share as determined by the income tax department, was treated as an income of VITP in assessment years 2011-12, 2012-13, 2013-14 and 2014-15. Pursuant to rectification petition where the available MAT credits were earlier utilised for abovementioned assessment years, the Assessing Office has passed a rectification order during the financial period and the potential tax exposure attributable, not recognised in the financial statements was estimated to be INR 252 million (equivalent to $4,553,000).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

35. CONTINGENT LIABILITIES (continued)

(e) *Water supply and sanitary connection charges*

ITPL had received a demand notice from Bangalore Water Supply and Sewerage Board ("BWSSB") towards pro-rata and other charges for water supply and sanitary connection amounted to INR 239 million. ITPL has replied to the notice contesting the demand as Management was of the view that no such charges were payable by ITPL as no new water connection was sought in the past.

BWSSB subsequently clarified that the pro-rata charges would be levied only on the buildings constructed after November 2008 (when the new regulations came into effect) and a portion of the sanitation treatment charges may be waived off since ITPL has its own sewage treatment plant. Based on the discussion with the authorities, ITPL has provided INR 139 million during the financial year ended 31 March 2019. ITPL had also provided INR 41 million for the Anchor building which completed during the last financial period

During the financial year, ITPL had received a revised demand notice where the demand amount has been revised from INR 242 million to INR 384 million, therefore the contingent liability towards water supply and sanitary connection increased to INR 204 million (equivalent to $3,688,000).

(f) *Property tax disputes*

ITPL had received demand notice from the local municipal authority towards difference between property tax paid by ITPL on self-assessment basis and survey conducted by the local municipal authority for the period 2008-09 to 2017-18. This resulted in demand of additional tax of INR 398 million (equivalent to $7,200,000). ITPL is contesting the said demand notice and has appealed against the same.

36. COMPARATIVE FIGURES

The comparative figures presented in the financial statements are not comparable as the prior period figures cover the nine-month period from 1 April to 31 December 2019, while the current year figures cover the twelve-month period from 1 January to 31 December 2020 due to a change of financial year from 31 March to 31 December in 2019.

37. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 16 February 2021, The Group announced that its wholly owned subsidiaries, Ascendas Property Fund (India) Pte. Ltd. and Ascendas Property Fund (FDI) Pte. Ltd. have entered into a securities purchase agreement and share purchase agreement with the shareholders of Phoenix IT Infrastructure India Private Limited ("PIIIPL") to acquire 100% interest of PIIIPL.

38. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Trustee-Manager, Ascendas Property Fund Trustee Pte. Ltd. on 22 February 2021.

TRUSTEE-MANAGER FINANCIAL STATEMENTS

ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2020

The Directors are pleased to present their statement to the shareholder together with the audited financial statements of Ascendas Property Fund Trustee Pte. Ltd. (in its personal capacity and not as Trustee-Manager of Ascendas India Trust) (the "Company") for the financial year ended 31 December 2020.

OPINION OF THE DIRECTORS

In the opinion of the Directors,

(a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2020 and of the financial performance, changes in equity and cash flow of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards in Singapore, 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.

DIRECTORS

The Directors of the Company in office at the date of this statement are as follows:

Mr Chiang Chie Foo	(Chairman)
Mr Manohar Khiatani	(Deputy Chairman)
Mr Sanjeev Dasgupta	
Mr Alan Rupert Nisbet	
Mrs Zia Jaydev Mody	
Dr Ernest Kan Yaw Kiong	(appointed on 20 November 2020)
Ms Tan Soon Neo Jessica	(appointed on 20 November 2020)
Mr Jonathan Yap Neng Tong	

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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 or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

Since the end of the last financial period, no Director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Directors' interests in contracts which arose before their appointment as Directors are not set out herein.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2020

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 1 January 2020 or date of appointment	At 31 December 2020
Intermediate Holding Company		
CapitaLand Limited^		
Ordinary Shares		
Mr Chiang Chie Foo	35,000	**41,301**
Mr Manohar Khiatani	40,000	**78,168**
Mr Jonathan Yap Neng Tong	169,362	**244,125**
Contingent award of Performance shares[1] to be delivered after 2021		
Mr Manohar Khiatani (88,039 shares)	0 to 176,078[3]	**0 to 176,078[3]**
Mr Jonathan Yap Neng Tong (192,086 shares)	0 to 384,172[3]	**0 to 384,172[3]**
Contingent award of Performance shares[1] to be delivered after 2022		
Mr Manohar Khiatani (40,485 shares)	–	**0 to 80,970[3]**
Mr Jonathan Yap Neng Tong (175,438 shares)	–	**0 to 350,876[3]**
Unvested Restricted shares[2] to be delivered after 2019		
Mr Manohar Khiatani	0 to 168,075[4,5]	**73,165[5,6]**
Mr Jonathan Yap Neng Tong	0 to 312,139[4,5]	**135,878[5,6]**
Contingent award of Restricted shares[2] to be delivered after 2020		
Mr Manohar Khiatani (53,981 shares)	–	**0 to 80,971[4,5]**
Mr Jonathan Yap Neng Tong (148,448 shares)	–	**0 to 222,672[4,5]**
Related Corporations		
Ascendas Pte Ltd		
S$200,000,000 3.50% Fixed Rate Notes due 2023		
Mr Chiang Chie Foo	S$250,000	**S$250,000**
CapitaLand Treasury Limited		
S$500,000,000 3.80% Fixed Rate Notes due 2024		
Mr Chiang Chie Foo	S$250,000	**S$250,000**
S$500,000,000 3.65% Fixed Rate Subordinated Perpetual Notes		
Mr Chiang Chie Foo	S$250,000	**S$250,000**
Mr Jonathan Yap Neng Tong	S$250,000	**S$250,000**
Mapletree Treasury Services (HKSAR) Limited		
Perpetual Securities: S$200,000,000 2.888% Notes due 2021		
Mr Chiang Chie Foo	S$250,000	**S$250,000**

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2020

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (continued)

	Holdings in the name of the Director, spouse and/or infant children	
	At 1 January 2020 or date of appointment	At 31 December 2020
<u>**Mapletree Treasury Services Limited**</u>		
S$700,000,000 3.95% Subordinated Perpetual Securities		
Mr Chiang Chie Foo	S$250,000	**S$250,000**
<u>**Singapore Airlines Limited**</u>		
Ordinary Shares		
Mr Chiang Chie Foo	–	**23,000**
Mr Manohar Khiatani	4,000	**10,000**
S$700,000,000 3.035% Fixed Rate Notes due 2025		
Mr Chiang Chie Foo	S$250,000	**S$250,000**
S$600,000,000 3.16% Fixed Rate Notes due 2023		
Mr Chiang Chie Foo	S$250,000	**S$250,000**
<u>**Olam International Limited**</u>		
S$300,000,000 5.5% Perpetual Securities due 2022		
Dr Ernest Kan Yaw Kiong	S$250,000	**S$250,000**
US$300,000,000 4.5% Fixed Rate Notes due 2021		
Dr Ernest Kan Yaw Kiong	US$200,000	**US$200,000**
<u>**Singapore Technologies Engineering Ltd**</u>		
Ordinary Shares		
Mr Chiang Chie Foo	–	**10,000**
<u>**Singapore Technologies Telemedia Pte Ltd**</u>		
S$350,000,000 5% Subordinated Perpetual Securities		
Mr Chiang Chie Foo	S$250,000	**S$250,000**
<u>**Singapore Telecommunications Limited**</u>		
Ordinary Shares		
Mr Chiang Chie Foo	12,130	**31,130**
Ms Tan Soon Neo Jessica	190	**190**
Mr Jonathan Yap Neng Tong	380	**380**
<u>**Starhub Ltd**</u>		
Ordinary Shares		
Mr Chiang Chie Foo	20,000	**20,000**

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2020

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (continued)

	Holdings in the name of the Director, spouse and/or infant children	
	At 1 January 2020 or date of appointment	At 31 December 2020
<u>Temasek Financial (IV) Private Limited</u>		
S$500,000,000 2.7% Coupon Temasek Bond due 2023		
Ms Tan Soon Neo Jessica	S$6,000	**S$6,000**
<u>Ascendas Real Estate Investment Trust</u>		
S$200,000,000 3.14% Notes due 2025		
Mr Chiang Chie Foo	S$250,000	**S$250,000**

Notes:

1 Performance shares are shares under awards pursuant to the CapitaLand Performance Share Plan 2010.
2 Restricted shares are shares under awards pursuant to the CapitaLand Restricted Share Plan 2010.
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 CapitaLand 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 of CapitaLand 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 CapitaLand Restricted Share Plan 2010, will also be released on the final vesting.
6 Being the unvested two-thirds of the award.

Except as disclosed in this statement, no Director who held office at the end of the financial year had interest in shares, debentures, options or awards of the Company, or of related corporations either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

SHARE OPTIONS

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

INDEPENDENT AUDITOR

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors:

MANOHAR KHIATANI
Director

SANJEEV DASGUPTA
Director

22 February 2021

INDEPENDENT AUDITORS' REPORT

For the Financial Year Ended 31 December 2020

MEMBER OF THE COMPANY
ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ascendas Property Fund Trustee Pte. Ltd. (the "Company"), which comprise the balance sheet as at 31 December 2020, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the financial 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 225 to 250.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2020 and of the financial performance, changes in equity and cash flows of the Company 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 Company 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 these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information contained in the annual report of the Company. Other information is defined as all information in the annual report of the Company other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of the auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will 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 and FRSs, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT

For the Financial Year Ended 31 December 2020

MEMBER OF THE COMPANY
ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

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 judgment 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 Company'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 Company'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 Company 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.

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.

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 have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
22 February 2021

STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2020

	Note	**1 January to 31 December 2020 $'000**	1 April to 31 December 2019 $'000
Revenue	4	**16,017**	11,762
Other income	5	**3,408**	5,353
Expenses			
Depreciation of plant and equipment	9	**(8)**	(2)
Employee compensation	6	**(3,758)**	(3,121)
Other operating expenses	7	**(2,633)**	(1,832)
Total expenses		**(6,399)**	(4,955)
Profit Before Tax		**13,026**	12,160
Tax expenses	8	**(1,788)**	(1,178)
Net Profit After Tax		**11,238**	10,982
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss			
Net fair value (loss)/gain on equity instruments at fair value through other comprehensive income ("FVOCI")		**(9,030)**	19,449
Total Comprehensive Income for the year/period		**2,208**	30,431

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2020

	Note	2020 $'000	2019 $'000
ASSETS			
Non-current assets			
Deferred tax assets	8	**1**	20
Plant and equipment	9	**7**	7
Investment securities	10	**85,024**	87,191
		85,032	87,218
Current assets			
Trade and other receivables	11	**13,097**	10,933
Cash and cash equivalents	12	**1,074**	839
Prepayments		**30**	12
		14,201	11,784
Total assets		**99,233**	99,002
LIABILITIES			
Current liabilities			
Other payables	13	**1,438**	2,995
Employee benefits	14	**206**	207
Current tax liabilities		**3,495**	2,139
		5,139	5,341
Non-current liability			
Employee benefits	14	**461**	236
Total liabilities		**5,600**	5,577
NET ASSETS		**93,633**	93,425
EQUITY			
Share capital	15	**1,000**	1,000
Fair value reserve	16	**26,209**	35,350
Revenue reserve		**66,424**	57,075
Total equity		**93,633**	93,425

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2020

	Note	Share capital $'000	Fair value reserve $'000	Revenue reserve $'000	Total equity $'000
2020					
As at 1 January 2020		**1,000**	**35,350**	**57,075**	**93,425**
Profit for the year		**–**	**–**	**11,238**	**11,238**
Other comprehensive income:					
Net fair value loss on equity instruments at FVOCI	10	**–**	**(9,030)**	**–**	**(9,030)**
Total comprehensive income for the year		**–**	**(9,030)**	**11,238**	**2,208**
Transfer of fair value reserve on equity instruments at FVOCI		**–**	**(111)**	**111**	**–**
Transactions with owner, recorded directly in equity					
Dividends	17	**–**	**–**	**(2,000)**	**(2,000)**
As at 31 December 2020		**1,000**	**26,209**	**66,424**	**93,633**
2019					
As at 1 April 2019		1,000	15,901	48,093	64,994
Profit for the period		–	–	10,982	10,982
Other comprehensive income:					
Net fair value gain on equity instruments at FVOCI	10	–	19,449	–	19,449
Total comprehensive income for the period		–	19,449	10,982	30,431
Transactions with owner, recorded directly in equity					
Dividends	17	–	–	(2,000)	(2,000)
As at 31 December 2019		1,000	35,350	57,075	93,425

CASH FLOW STATEMENT

For the Financial Year Ended 31 December 2020

	Note	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Operating activities			
Net profit after tax		**11,238**	10,982
Adjustments for:			
Tax expenses	8	**1,788**	1,178
Depreciation of plant and equipment	9	**8**	2
Distribution income	5	**(3,193)**	(5,353)
Employee compensation paid/payable in units		**574**	353
Fund management fee received/receivable in units of listed property trust		**(7,794)**	(5,714)
Operating cash flows before changes in working capital		**2,621**	1,448
Changes in working capital			
Trade and other receivables		**(1,491)**	(693)
Prepayments		**(18)**	6
Other payables		**(1,648)**	(1,942)
Cash flows used in operations		**(536)**	(1,181)
Tax paid		**(414)**	(1,327)
Net cash flows used in operating activities		**(950)**	(2,508)
Investing activities			
Purchase of property, plant and equipment		**(8)**	(6)
Distribution received from investment securities		**3,193**	5,353
Net cash flows from investing activities		**3,185**	5,347
Financing activity			
Dividends paid		**(2,000)**	(2,000)
Net cash flows used in financing activity		**(2,000)**	(2,000)
Net increase in cash and cash equivalents		**235**	839
Cash and cash equivalents at beginning of financial year/period		**839**	–
Cash and cash equivalents at end of financial year/period		**1,074**	839

Significant non-cash transactions

During the year ended 31 December 2020, the Company received 5,151,760 units (2019: 4,761,555 units) in Ascendas India Trust ("a-iTrust"), amounting to $7.12 million (2019: $6.03 million) as payment of base fee for the period from October 2019 to September 2020 (2019: January 2019 to September 2019) and performance fee for the period from April 2019 to December 2019 (2019: April 2018 to March 2019).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

1. CORPORATE INFORMATION

Ascendas Property Fund Trustee Pte. Ltd. (the "Company") is a limited liability company, domiciled and incorporated in Singapore.

Its immediate holding company, intermediate holding company and ultimate holding company are Ascendas Investment Pte Ltd, CapitaLand Limited and Temasek Holdings (Private) Limited respectively. All companies are incorporated in Singapore.

The registered office and principal place of business of the Company is located at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912.

The principal activities of the Company are those relating to investment advisor, property fund management and to act as fund manager and trustee for Ascendas India Trust ("a-iTrust"), a business trust listed on the Singapore Exchange Securities Trading Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The 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 thousand ("$'000") except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial period except in the current financial year, the Company has applied the new FRSs, amendments to and interpretations of FRS that are effective for annual financial period beginning on or after 1 January 2020. The adoption of these standards did not have any effect on the financial statements of the Company.

- Amendments to References to Conceptual Framework in FRS Standards
- Definition of Material (Amendments to FRS 1 and FRS 8)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 New standards and interpretations not yet adopted

A number of new standards and interpretations and amendments are effective for the Company's annual period beginning 1 January 2020 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following amendments to FRS are not expected to have a significant impact on the Company's financial statements.

Description	Effective for annual periods beginning on or after
FRS 117 Insurance Contracts	1 January 2023
Classification of Liabilities as Current or Non-current (Amendments to FRS 1)	1 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to FRS 110 and FRS 28)	Date to be determined
Reference to the Conceptual Framework (Amendments to FRS 103)	1 January 2022
Property, Plant and Equipment – Proceeds before Intended Use (Amendments to FRS 16)	1 January 2022
Onerous Contracts – Costs of Fulfilling a Contract (Amendments to FRS 37)	1 January 2022
Annual Improvements to FRS(I)s 2018 – 2020	1 January 2022

2.4 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must also be met before revenue is recognised:

(a) *Management fee*

Management fees comprise of fund management fee, trustee fee and performance fee which is recognised in profit or loss as and when services are rendered.

(b) *Acquisition and divestment fee*

Acquisition and divestment fee is recognised in profit or loss as and when services are rendered.

2.5 Other income

(a) *Distribution income*

Distribution income is recognised in profit or loss on the date on which the Company's right to receive payment is established in the manner intended.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Other income (continued)

(b) Government grants

Government grants related to co-funding of salaries and wages are recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as 'other income' on a systematic basis over the useful life of the asset. Grants that compensate the Company for expenses incurred are recognised in profit or loss as 'other income' on a systematic basis in the same 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.

(c) Interest income

Interest income is recognised as it accrues, using the effective interest rate method.

2.6 Plant and equipment

(a) Measurement

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (Note 2.7).

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight line method to allocate their depreciable amounts over the estimated useful lives as follows:

	Useful lives
Computers, furniture and equipment	3 to 5 years

The residual values, depreciation method and estimated useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each end of reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Impairment of non-financial assets

Plant and equipment are reviewed for impairment at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. 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 generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications 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, if no impairment loss had been recognised.

2.8 Financial assets

(a) Initial recognition and measurement

Financial assets are recognised when, and only when, the entity becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Company 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.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of a third party, if the trade receivables do not contain a significant financing component at initial recognition.

(b) Subsequent measurement

(i) Financial assets at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

(b) Subsequent measurement (continued)

(ii) Equity investments at fair value through other comprehensive income ("FVOCI")

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Gains or losses recognised in other comprehensive income are never reclassified from equity to profit or loss. However, the Company may transfer the FVOCI equity reserves within equity. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established.

(c) Derecognition

Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(d) Impairment

The Company assesses on a forward looking basis the expected credit losses ("ECLs") associated with its financial assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables. For other receivables, the general approach is applied. A loss allowance is recognised based on 12-month ECL if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

At each reporting date, the Company 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;
- the restructuring of a loan or advance by the Company on terms that the Company 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.

Loss allowance for financial assets measured at amortised cost, are deducted from the gross carrying amount of these assets.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

(e) *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 Company 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 Company's procedures for recovery of amounts due.

2.9 Financial liabilities

(a) *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

(b) *Subsequent measurement*

After initial recognition, financial liabilities that are not carried at fair value through profit of loss are subsequently measured at amortised cost, using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(c) *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.10 Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company 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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities) are based on quoted market prices at the end of reporting period. The quoted market prices used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts due to their short-term nature.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

2.12 Income taxes

Tax expense comprises current and deferred tax. 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.

Current tax assets and liabilities are offset only if certain criteria are met.

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.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company 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 taxes levied by the same tax authority on the same taxable entity.

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.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Income taxes (continued)

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company 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. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment 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.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.14 Employee compensation

(a) *Defined contribution plans*

Contribution 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.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of reporting period.

(c) *Employee compensation scheme*

The Company operates the following share-based employee compensation schemes: Ascendas Property Fund Trustee Pte. Ltd. ("APFT") Performance Unit Plan 2019, and APFT Restricted Unit Plan 2019 (collectively referred to as the "APFT Unit Plans").

For cash-settled share-based payment transactions, the fair value of the 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 for the period.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Currency translation

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

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 that 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 on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of an investment in equity securities designated as FVOCI are recognised in other comprehensive income.

2.16 Cash and cash equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalents comprise cash at bank with financial institutions which are subject to an insignificant risk of change in value, but exclude balances which are subjected to restriction.

2.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital.

2.18 Dividend

Interim dividends are recorded in the financial year in which the dividends are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by the shareholders.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgment made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2020

4. REVENUE

	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Fund management fee from a-iTrust	**9,955**	7,098
Trustee fee from a-iTrust	**395**	277
Performance fee from a-iTrust	**5,634**	4,329
Acquisition fee from a-iTrust	**33**	58
	16,017	11,762

5. OTHER INCOME

Other income comprise the following:

	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Distribution income from a-iTrust	**3,193**	5,353
Government grants	**208**	–
Interest income	**7**	–
	3,408	5,353

The Company has been awarded government grant under the Job Support Scheme as announced by the Government in the Singapore Budget 2020. The receipt of grant was conditional on payments of salaries to local employees and related Central Provident Fund contributions on those salaries have been paid.

6. EMPLOYEE COMPENSATION

	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Salaries, wages and employee benefits	**3,510**	2,852
Employer's contributions to defined contribution plans including Central Provident Fund	**248**	269
	3,758	3,121

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

7. OTHER OPERATING EXPENSES

Other operating expenses comprise the following:

	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Professional fees		
– related company	1,989	1,269
– non-related parties	19	15
Travel expenses	6	7
Communication expenses	8	17
Insurance	74	39
Directors' fees	229	297
Rental expenses recharged by a related company	275	134
Others	33	54
	2,633	1,832

8. TAX EXPENSES

(a) *Income tax expenses*

	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Tax expense attributable to profit is made up of:		
Current tax expense		
– based on current year's/period's results	1,678	1,179
– under provision in respect of prior years	91	–
	1,769	1,179
Deferred tax expense		
– origination and reversal of temporary differences	19	(1)
Income tax expenses recognised in profit or loss	1,788	1,178

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

8. TAX EXPENSES (continued)

(a) *Income tax expenses (continued)*

A reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 December 2020 is as follows:

	1 January to 31 December 2020 $'000	1 April to 31 December 2019 $'000
Profit before tax	**13,026**	12,160
Income tax using the statutory tax rate of 17% (2019: 17%)	**2,214**	2,067
Effect of partial tax exemption	**(17)**	(17)
Tax effect of non-deductible expenses	**43**	38
Income not subject to tax	**(543)**	(910)
Under provision in respect of prior years	**91**	–
Income tax expenses recognised in profit or loss	**1,788**	1,178

(b) *Deferred tax assets/(liabilities)*

	2020 $'000	2019 $'000
Plant and equipment	**(1)**	(1)
Provisions	**2**	21
	1	20

Movements in the deferred tax account are as follows:

	Balance as at 1 April 2019 $'000	Recognised in profit or loss $'000	Balance as at 31 December 2019 and 1 January 2020 $'000	Recognised in profit or loss $'000	**Balance as at 31 December 2020 $'000**
Plant and equipment	#	(1)	(1)	–	**(1)**
Provisions	19	2	21	(19)	**2**
	19	1	20	(19)	**1**

Less than $1,000

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

9. PLANT AND EQUIPMENT

	Computers, furniture and equipment $'000
2020	
Cost	
Balance at beginning of financial year	**49**
Additions	**8**
Disposals	**(8)**
Balance at end of financial year	**49**
Accumulated depreciation	
Balance at beginning of financial year	**42**
Depreciation charge	**8**
Disposals	**(8)**
Balance at end of financial year	**42**
Net book value	
Balance at end of financial year	**7**
2019	
Cost	
Balance at beginning of financial period	43
Additions	6
Balance at end of financial period	49
Accumulated depreciation	
Balance at beginning of financial period	40
Depreciation charge	2
Balance at end of financial period	42
Net book value	
Balance at end of financial period	7

10. INVESTMENT SECURITIES

	2020 $'000	2019 $'000
Balance at beginning of financial year/period	**87,191**	61,708
Additions	**7,122**	6,034
Disposals	**(259)**	–
Fair value gain recognised in equity (Note 16)	**(9,030)**	19,449
Balance at end of financial year/period	**85,024**	87,191
Investment securities:		
Quoted equity securities – Singapore	**85,024**	87,191

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

11. TRADE AND OTHER RECEIVABLES

	2020 $'000	2019 $'000
Trade receivables		
– a-iTrust	**8,415**	7,063
Advances		
– other related company	**4,514**	–
Other receivables		
– a-iTrust	**7**	105
– other related companies	**161**	3,765
	168	3,870
	13,097	10,933

Trade receivables are non-interest bearing and are to be settled in the form of cash and/or units from a-iTrust as the Company elects. As at 31 December 2020, trade receivables arising from a-iTrust amounting to $4,099,000 (2019: $3,426,000) are arranged to be settled via the issuance of units by a-iTrust.

Advances to other related company is unsecured, bears interest rate of 0.03% to 0.09% (2019: Nil) per annum at the reporting date and is repayable on demand in cash. Interest rate is repriced on a monthly basis.

Other receivables from other related companies are unsecured, interest-free and repayable on demand in cash.

Expected credit losses

At the end of the reporting year, there is no allowance for doubtful debt arising from these outstanding balances as the ECL is immaterial.

12. CASH AND CASH EQUIVALENTS

	2020 $'000	2019 $'000
Cash at bank	**1,074**	839

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

13. OTHER PAYABLES

	2020 $'000	2019 $'000
Current		
Other payables		
– other related companies	72	546
– non-related parties	1,027	1,289
	1,099	1,835
Accrued operating expenses	339	1,160
	1,438	2,995

Other payables to other related companies are unsecured, interest-free and repayable on demand in cash.

Other payables to non-related parties represent mainly accrued employee bonus, sundry payables and goods and services tax payable.

Included in accrued operating expenses is an amount of $296,000 (2019: $422,000) that relates to Directors' fees for the current financial year.

14. EMPLOYEE BENEFITS

	2020 $'000	2019 $'000
Current liability		
Employee benefits	206	207
Non-current liability		
Employee benefits	461	236
	667	443

The Ascendas Property Fund Trustee Pte. Ltd. ("APFT") Unit Plans were approved by the Board of Directors of the Company on 25 July 2019.

The Board of APFT has instituted a set of unit ownership guidelines for senior management who receive units under the APFT Unit Plans. Under these guidelines, members of the senior management team are required to retain a portion of the total number of units received under the APFT Unit Plans, which will vary according to their respective job grade and salary.

During the financial year ended 31 December 2020, APFT recognised share-based expenses in relation to the APFT Unit Plans of $574,000 (2019: $353,000) in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

14. EMPLOYEE BENEFITS (continued)

APFT Performance Unit Plan 2019

This relates to compensation costs of the Company's Performance Unit Plan that reflects the benefits accruing to the participants over the service period to which the performance criteria relate.

The final number of units to be released will depend on the achievement of pre-determined relative total unitholder return targets over a three-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, up to a maximum of 200% of the baseline award could be released. Participants received fully paid units at no costs upon vesting.

APFT Restricted Unit Plan 2019

This relates to compensation costs of the Restricted Unit Plans of APFT that reflects the benefits accruing to the participants over the service period to which the performance criteria relate.

The final number of units to be released will depend on the achievement of pre-determined distribution per unit and net property income targets over a one-year performance period. No unit will be released if the threshold targets are not met at the end of the performance period. Conversely, if superior targets are met, up to a maximum of 150% of the baseline award could be released. The units will vest over three years. Participants receive fully paid units at no cost upon vesting. An additional number of units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the Restricted Unit Plan, will also be released upon the final vesting.

Units vested to participants will be delivered using existing units held by the Company. No new units will be issued by a-iTrust to meet the obligations under the APFT Unit Plans.

During the year ended 31 December 2020, 157,635 units amounting to $148,000 (2019: Nil units, Nil) were issued to employees as part of the APFT Unit Plans.

15. SHARE CAPITAL

The Company's share capital comprises fully-paid up 1,000,000 (2019: 1,000,000) ordinary shares with no par value, amounting to a total of $1,000,000 (2019: $1,000,000).

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

16. FAIR VALUE RESERVE

Fair value reserve represents the cumulative fair value changes of financial assets at FVOCI.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

17. DIVIDENDS

	2020 $'000	2019 $'000
Declared and paid/payable during the financial year/period		
Dividends on ordinary shares:		
– Final tax exempt (one-tier) dividend for financial period ended 31 December 2019 paid/payable of $2.00 (2019: dividend for financial year ended 31 March 2019 paid/payable of $2.00) per share	**2,000**	2,000
Proposed but not recognised as a liability as at end of year/period		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
– Final tax exempt (one-tier) dividend proposed in respect of the financial year of $2.00 (2019: $2.00) per share	**2,000**	2,000

18. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and related parties at terms agreed between the parties during the financial year:

	2020 $'000	2019 $'000
Directors:		
– Directors' fees	**353**	466
Key management personnel compensation (excluding Directors' fees)		
– salaries and other employee benefits	**1,908**	1,718
– contribution to CPF	**35**	29
– share-based compensation benefits*	**407**	281
	2,350	2,028

* Payable by the Company in the form of units in Ascendas India Trust under the APFT Unit Plans.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's risk management approach seeks to minimise the potential material adverse effects from these exposures. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) 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 Company'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) Currency risk

The Company's exposure to currency risk is minimal as its revenue, expenses, assets and liabilities are substantially denominated in SGD.

(ii) Equity price risk

The Company has investments in equity securities at FVOCI and is exposed to equity price risk. These securities are listed on Singapore Stock Exchange.

<u>Sensitivity analysis for price risk</u>

If prices for the equity securities listed in Singapore change by the percentages indicated below with all other variables including tax rates being held constant, the effects on profit after tax and equity will be as follows:

	2020		2019	
	Profit After Tax $'000	**Equity $'000**	Profit After Tax $'000	Equity $'000
Equity securities				
Listed in Singapore				
– increased by 14% (31 December 2019: 22%)	**–**	**11,903**	–	19,182
– decreased by 14% (31 December 2019: 22%)	**–**	**(11,903)**	–	(19,182)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Market risk (continued)

(iii) Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to its interest-bearing advance to related company.

The Company's policy on interest rate management follows that of its intermediate holding company, CapitaLand Limited. CapitaLand Limited manages the interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. It actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments, as reported to the management, was as follows:

	Nominal amount	
	2020	2019
	$'000	$'000
Variable rate instruments		
Advance to related company	**4,514**	–

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. The analysis assumed that all other variables remain constant.

	Profit or loss	
	100 bp increase	**100 bp decrease**
	$'000	**$'000**
2020		
Variable rate instruments		
Advance to related company	**45**	**(45)**
2019		
Variable rate instruments		
Advance to related company	–	–

NOTES TO THE FINANCIAL STATEMENTS
For the Financial Year Ended 31 December 2020

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) *Credit risk*

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. Investments and financial transactions are restricted to counterparties that meet the appropriate credit criteria and of high credit standing.

At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of that class of financial instruments presented on the balance sheet.

For trade receivables, the Company adopts the policy of dealing only with customer of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. The Company considers that trade receivables from a-iTrust embodies low credit default probability as a-iTrust has a relatively healthy financial position and Management does not expect a-iTrust to fail to meet its obligations.

The Company assesses on a forward-looking basis the expected credit loss associated with all financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company considers that other receivables inherently embodies low credit risk as the Company deals only with high credit quality counterparties. Loss allowance on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The credit loss on these balances is subject to immaterial credit loss. Other receivables is written off when there is no reasonable expectation of recovery.

The Company held cash and cash equivalents of $1,074,000 at 31 December 2020 (2019: $839,000). Cash and cash equivalents are placed with banks and financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Excess cash in the Company will be transferred to a related company for efficient cash management. To meet payment obligations in a timely manner, the related company makes fund transfers back to the Company as and when the need arises.

The Company's policy on liquidity risk management follows that of its intermediate holding company, CapitaLand Limited. CapitaLand Limited actively manages the debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met.

The table below analyses the maturity profile of the Company's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year $'000	After 1 year but within 5 years $'000	Total $'000
2020			
Other payables*	**1,319**	**–**	**1,319**
2019			
Other payables*	2,857	–	2,857

* Excludes GST payables

(d) *Capital management*

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholder, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the debt equity ratio, which is calculated as total external borrowings divided by total equity. As at end of reporting period, the Company does not have any external borrowings.

The Company is not subject to any externally imposed capital requirements for the financial year ended 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2020

20. FAIR VALUE OF ASSETS AND LIABILITIES

(a) *Fair value hierarchy*

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined as follows:

(i) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(iii) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) *Assets measured at fair value*

The following table presents the assets measured at fair value at the end of the reporting period:

	Level 1 $'000
Assets	
2020	
Financial assets	
Equity securities at FVOCI	
– Quoted equity securities	**85,024**
2019	
Financial assets	
Equity securities at FVOCI	
– Quoted equity securities	87,191

The carrying amounts of financial instruments with a maturity of less than one year approximate their fair values because of the short period to maturity. The carrying amounts of other financial assets and liabilities at amortised cost are a reasonable approximation of fair value.

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There was no transfer between levels in the fair value hierarchy during the year.

21. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Directors on 22 February 2021.

STATISTICS OF UNITHOLDINGS

As at 26 February 2021

ISSUED AND FULLY PAID UNITS

1,151,396,913 Units (voting rights: 1 vote per Unit)
Market Capitalisation: S$1,727,095,369 (based on closing Unit price of S$1.50 as at 26 February 2021)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	20	0.22	402	0.00
100 – 1,000	4,192	45.97	4,058,564	0.35
1,001 – 10,000	3,294	36.13	17,704,395	1.54
10,001 – 1,000,000	1,590	17.44	70,800,930	6.15
1,000,001 and above	22	0.24	1,058,832,622	91.96
Total	**9,118**	**100.00**	**1,151,396,913**	**100.00**

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	8,860	97.17	1,145,292,313	99.47
Malaysia	120	1.32	2,927,300	0.25
Others	138	1.51	3,177,300	0.28
Total	**9,118**	**100.00**	**1,151,396,913**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	DBS Nominees (Private) Limited	234,953,742	20.41
2	CapitaLand India Pte Ltd	183,279,388	15.92
3	Raffles Nominees (Pte.) Limited	153,642,688	13.34
4	Citibank Nominees Singapore Pte Ltd	153,381,897	13.32
5	HSBC (Singapore) Nominees Pte Ltd	89,266,944	7.75
6	DBSN Services Pte. Ltd.	74,635,874	6.48
7	Ascendas Property Fund Trustee Pte. Ltd.	64,587,916	5.61
8	BPSS Nominees Singapore (Pte.) Ltd.	55,280,198	4.80
9	DBS Vickers Securities (Singapore) Pte Ltd	17,598,700	1.53
10	Phillip Securities Pte Ltd	8,038,707	0.70
11	OCBC Securities Private Limited	4,442,100	0.39
12	DB Nominees (Singapore) Pte Ltd	3,673,868	0.32
13	ABN AMRO Clearing Bank N.V.	2,739,500	0.24
14	Yim Chee Chong	2,039,000	0.18
15	Maybank Kim Eng Securities Pte. Ltd.	1,861,200	0.16
16	Yap Chong Hin Gabriel	1,676,000	0.15
17	OCBC Nominees Singapore Private Limited	1,488,500	0.13
18	Chin Poh Leng	1,414,000	0.12
19	Chan Chiang Loke	1,398,000	0.12
20	iFAST Financial Pte. Ltd.	1,266,400	0.11
	Total	**1,056,664,622**	**91.78**

STATISTICS OF UNITHOLDINGS

As at 26 February 2021

DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2021

Based on the Register of Directors' Unitholdings, save for those disclosed below, none of the Directors held any interest in Units and convertible securities issued by a-iTrust.

	No. of Units		Contingent Awards of Units[1] under the Trustee-Manager's	
Name of Director	Direct Interest	Deemed Interest	Performance Unit Plan	Restricted Unit Plan
Sanjeev Dasgupta	76,849	–	0 to 523,560[2]	76,849[3,4] 0 to 177,025[2,4]
Jonathan Yap Neng Tong	500,000	150,000	–	–

Notes:
1 This refers to the number of Units which are the subject of contingent awards granted but not released under Trustee-Manager's Performance Unit Plan ("PUP") and Restricted Unit Plan ("RUP"). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.
2 The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for PUP and RUP.
3 Being the unvested Units under the RUP.
4 On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of RUP, will also be released.

STATISTICS OF UNITHOLDINGS

As at 26 February 2021

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 26 FEBRUARY 2021

Based on the information available to the Trustee-Manager as at 26 February 2021, the unitholdings of Substantial Unitholders of a-iTrust are as follows:

Name of Substantial Unitholder	Direct	Deemed	Total	%[1]
Temasek Holdings (Private) Limited[2] ("Temasek")	–	247,867,304	247,867,304	21.52
Tembusu Capital Pte. Ltd.[2] ("Tembusu")	–	247,867,304	247,867,304	21.52
Bartley Investments Pte. Ltd.[2] ("Bartley")	–	247,867,304	247,867,304	21.52
Mawson Peak Holdings Pte. Ltd.[2] ("Mawson")	–	247,867,304	247,867,304	21.52
Glenville Investments Pte. Ltd.[2] ("Glenville")	–	247,867,304	247,867,304	21.52
TJ Holdings (III) Pte. Ltd.[2] ("TJHIII")	–	247,867,304	247,867,304	21.52
CLA Real Estate Holdings Pte. Ltd.[3] ("CLA")	–	247,867,304	247,867,304	21.52
CapitaLand Limited[4] ("CL")	–	247,867,304	247,867,304	21.52
Ascendas Pte Ltd[4] ("APL")	–	183,279,388	183,279,388	15.91
CapitaLand India Pte. Ltd.[4] ("CLI")	183,279,388	–	183,279,388	15.91
CapitaLand Financial Limited[4] ("CFL")	–	64,587,916	64,587,916	5.60
Ascendas Investment Pte. Ltd.[4] ("AIPL")	–	64,587,916	64,587,916	5.60
Ascendas Property Fund Trustee Pte. Ltd.[4] ("APFT")	64,587,916	–	64,587,916	5.60
Matthews International Capital Management, LLC[5] ("MICM")	–	72,883,900	72,883,900	6.33
Matthews International Funds[5] ("MIF")	–	66,235,300	66,235,300	5.75
Kabouter Management, LLC[6] ("KM")	10,971,202	96,920,102	107,891,304	9.37
Kabouter International Opportunities Fund II, LLC	93,864,759	–	93,864,759	8.15

Notes:

1 The percentage is based on 1,151,396,913 Units in issue as at 26 February 2021. The figures are rounded down to the nearest 0.01%.

2 Each of Temasek, Tembusu, Bartley, Mawson, Glenville, TJHIII is deemed to have an interest in the Units in which CLA is deemed to have an interest, by virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Temasek holds 100% equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJHIII, which holds 100% equity interest in CLA.

3 CLA holds approximately 51.86% of the issued shares in CL. CLA is deemed to have an interest in the Units in which CL is deemed to have an interest, by virtue of Section 4 of the SFA.

4 CL, through its subsidiaries APL and CFL, is deemed to have an interest in the Units held by CLI and APFT, by virtue of Section 4 of the SFA. AIPL is deemed to have an interest in the Units held by APFT, by virtue of Section 4 of the SFA. AIPL is a subsidiary of CFL and holds 100% equity interest in APFT. CLI is a subsidiary of APL.

5 MICM is a USA-registered investment advisor and MIF is a USA-registered business trust. MICM acts as an investment advisor to MIF and its other clients. MICM has discretionary authority over its clients' Units.

6 KM is deemed interested in the Units held through funds managed by KM.

PUBLIC FLOAT

Based on the information available to the Trustee-Manager, approximately 62.7% of the Units in a-iTrust were held in the hands of the public as at 26 February 2021. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

GLOSSARY

ACRA	Accounting and Corporate Regulatory Authority
Adjusted EBITDA	Earnings Before Interest Expenses, Tax, Depreciation and Amortisation (excluding gains/ losses from foreign exchange translation and mark-to-market revaluation from settlement of loans). Earnings include interest income.
AGM	Annual General Meeting
AIGP	Ascendas India Growth Programme
AITPCL	Ascendas IT Park (Chennai) Limited
AIFMR	United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended)
a-iTrust/the Trust	Ascendas India Trust
APFT/Trustee-Manager	Ascendas Property Fund Trustee Pte. Ltd.
ARC	Audit and Risk Committee
Arshiya Panvel	Arshiya Panvel warehouses/ Arshiya Free Trade Warehousing Zone, Panvel
ASB FS	Ascendas-Firstspace
ASIPL/Property Manager	Ascendas Services (India) Private Limited
aVance Hyderabad	aVance, HITEC City, Hyderabad
aVance Pune	aVance Hinjawadi, Pune
Board	Board of Directors
BCP	Business Continuity Plan
BSBP	Balanced Scorecard Bonus Plan
BT	Business Trust
BTA	Business Trusts Act
BTR	Business Trust Regulations
BWSSB	Bangalore Water Supply and Sewerage Board
CAGR	Compound Annual Growth Rate
CapitaLand/ Sponsor	CapitaLand Limited
CEO	Chief Executive Officer
CESTAT	Customs Excise and Service Tax Appellate Tribunal
CFO	Chief Financial Officer
CGU	Cash Generating Units
CIS Code	Code on Collective Investment Schemes
CL/ Sponsor	CapitaLand Limited
CL IA	CL's Internal Audit Department
Code	Code of Corporate Governance of 2018
CP	CyberPearl, Hyderabad
CPF	Central Provident Fund
CPI	Consumer Price Index
CRESS	Construction and Real Estate Sector Supplement
CV	CyberVale, Chennai
CY	Calendar Year
DPU	Distribution per Unit
ECL	Expected Credit Losses
ERM	Enterprise Risk Management
ESG	Environment, Social and Governance
FBC	Fraud, bribery and corruption
FCCD	Fully & Compulsorily Convertible Debentures
FDI	Foreign Direct Investment
FTWZ	Free Trade Warehousing Zone
FY15/16	Financial Year Ended 31 March 2016/ Fiscal Year 2015/16
FY16/17	Financial Year Ended 31 March 2017/ Fiscal Year 2016/17
FY17/18	Financial Year Ended 31 March 2018/ Fiscal Year 2017/18
FY18/19	Financial Year Ended 31 March 2019/ Fiscal Year 2018/19
FY19/20	Fiscal Year 2019/20
FY20/21	Fiscal Year 2020/21
FY21/22	Fiscal Year 2021/22
FY22/23	Fiscal Year 2022/23
FY2019	Financial Period Ended 31 December 2019 (from 1 April 2019 to 31 December 2019)
FY2020	Financial Year Ended 31 December 2020 (from 1 January 2020 to 31 December 2020)

FY2021	Financial Year Ended 31 December 2021
FY2022	Financial Year Ended 31 December 2022
FY2023	Financial Year Ended 31 December 2023
FY2024	Financial Year Ended 31 December 2024
FY2025	Financial Year Ended 31 December 2025
GDP	Gross Domestic Product
GRI	Global Reporting Initiative
Group	a-iTrust and its subsidiaries
GST	Goods and Services Tax
HIPL	Hyderabad Infratech Pvt. Ltd.
HKD	Hong Kong Dollar
IC	Investment Committee
ICD	Inter-corporate deposit
ID	Independent Director
IGBC	Indian Green Building Council
IMF	International Monetary Fund
INR/₹	Indian Rupee
IPT	Interested Person Transactions
IT	Information Technology
IT-BPM	Information Technology and Business Process Management
IT SEZ	Information Technology Special Economic Zone
ITES	Information Technology Enabled Services
ITPB	International Tech Park Bangalore
ITPC	International Tech Park Chennai, Taramani
ITPH	International Tech Park Hyderabad
ITPL	Information Technology Park Ltd
JPY	Japanese Yen
LEED	Leadership in Energy and Environmental Design
Listing Manual	The Listing Manual of SGX-ST
MAS	Monetary Authority of Singapore
MAT	Minimum Alternative Tax
MFS	Massachusetts Financial Services Company
MICM	Matthews International Capital Management
MIF	Matthews International Funds
MMFs	Money Market Funds
MTN	Medium Term Note
NAV	Net Asset Value
NCDs	Non-convertible Debentures
NCR	National Capital Region
PMA	Property Management Agreement
PUP	Performance Unit Plan
RAS	Risk Appetite Statement
RBI	Reserve Bank of India
RDB	Rupee Denominated Bond
REIT	Real Estate Investment Trust
RERA	Real Estate and Regulatory Authority
ROFR	Right of First Refusal
RUP	Restricted Unit Plan
S¢	Singapore Cent
SBA	Super Built-up Area
SEZ	Special Economic Zone
SFA	Securities and Futures Act
SFRS(I)	Singapore Financial Reporting Standards (International)
SGD/S$	Singapore Dollar
SGX/ SGX-ST	Singapore Exchange Securities Trading Limited
SPV	Special Purpose Vehicle
sqft	Square foot/ feet
TIDCO	Tamil Nadu Industrial Development Corporation Limited
Trust Deed	Trust deed constituting a-iTrust dated 7 December 2004 (as amended, varied or supplemented from time to time)
UK	United Kingdom
US/USA	United States of America
USD	United States Dollar
USGBC	U.S. Green Building Council
VAT	Value Added Tax
VITP	VITP Private Limited
WFH	Work From Home
YOY	Year-on-year
yrs	years

MARKET RESEARCH REPORT

A. INDIA: ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

1.0 INDIA POLICY OVERVIEW

The COVID-19 pandemic has disrupted many sectors and economies across the world. In India, the real estate and infrastructure sectors were heavily impacted. To boost the economy, the Indian government proactively announced a major COVID-19 relief package while the central bank took several initiatives to improve liquidity and stability in the financial system.

The following are the key highlights of some of the significant reforms:

- **Atmanirbhar Bharat Package 3.0**
  In line with the government's push to revive the economy reeling under the COVID-19 crisis, the Ministry of Finance announced a stimulus package of INR 2.7 trillion or 1.4 % of GDP. Prominent schemes under the package include extending Emergency Credit Line Guarantee Scheme to 26 sectors, Product Linked Incentive Scheme to 10 sectors, additional funding for housing and infrastructure sectors, additional outlay for rural employment and amendments to the income tax laws.

- **Reduction in Interest Rates**
  Reserve Bank of India (RBI) reduced the repo rate to 4.0% in CY2020 from 5.2% at the end of CY2019, which provided a boost to the economy by reducing the cost of funding and increasing the overall liquidity in the market. The RBI also directed banks and other credit lending financial institutions to offer a moratorium period towards repayment of principal and interest for a period of 6 months from March 2020 to August 2020. This relief has benefited individuals and Small and Medium Enterprises facing severe liquidity issues amidst the ongoing pandemic.

- **Real Estate Regulation and Development Act**
  The Real Estate Regulation and Development Act, which came into effect partially from May 2016 and fully from May 2017, laid the groundwork to establish a Real Estate Regulatory Authority (RERA) in each state. This has increased the levels of regulation, consumer protection and professionalism in the industry, thereby promoting consumer confidence in the Indian real estate market.

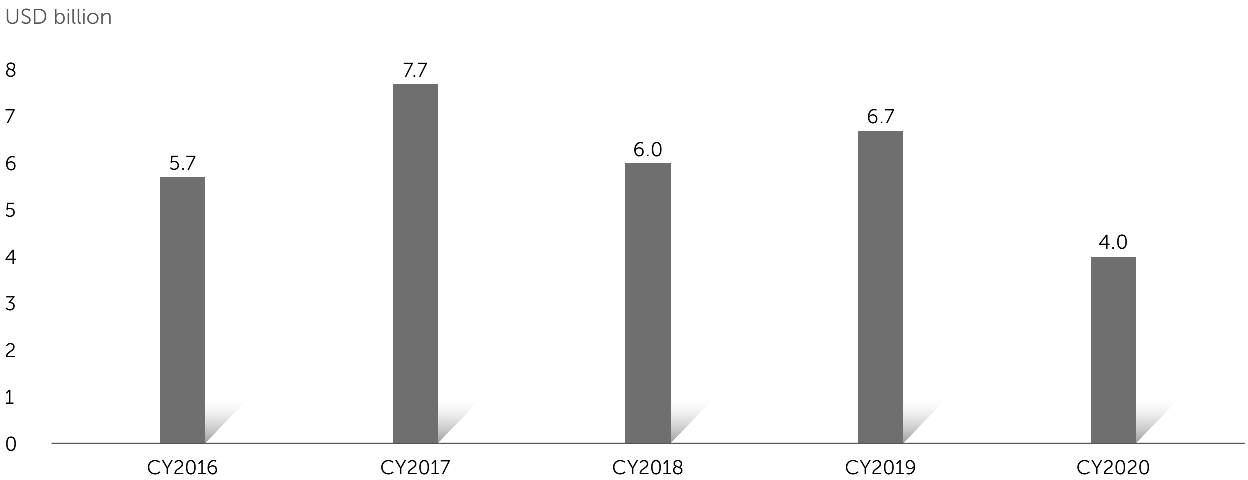
  In May 2020, the Ministry of Housing and Urban Affairs issued an advisory to the states and union territories, and their regulatory authorities to extend the registration and completion date by six months for all registered projects expiring on or after 25 March 2020. This was done in order to provide relief to developers and ensure completion of projects, amidst the onset of COVID-19.

A. INDIA: ECONOMIC AND COMMERCIAL REAL ESTATE OVERVIEW

2.0 INDIA INVESTMENT OVERVIEW

India attracted a cumulative FDI inflow of USD 721.8 billion (INR 52.7 trillion)[1,2], from April 2000 to September 2020. Equity inflows constituted nearly 69.3% of FDI, while the rest constituted reinvestment of earnings capital. FDI equity inflows from January 2020 to September 2020 stood at USD 43.2 billion (INR 3.2 trillion)[1,2] as compared to FDI inflows of USD 47.6 billion (INR 3.5 trillion)[1,2] in CY2019.

2.1 Private Equity Investments in India Real Estate



Source: Savills Research, 2020

CY2020 saw USD 4.0 billion (INR 293.6 billion)[3] in institutional investments in real estate. The deal book was dominated by foreign funds, which accounted for 94.3% of investments across office, retail, residential, and hospitality sectors.

The office sector continued to be one of the most resilient asset classes accounting for 75.3% of the investments by private equity investors in CY2020. In light of the slowdown in the residential sector, investors have increased investments in the retail and hospitality sectors, which accounted for 14.9% share of the investments. The remaining 9.8% of private equity investments were focused on residential and warehousing sectors.

1 Department of Industrial Policy and Promotion, September 2020
2 USD = INR 73.0328 as on 31 December 2020 – NSE India
3 Savills Research, 2020

B. BANGALORE COMMERCIAL MARKET OVERVIEW

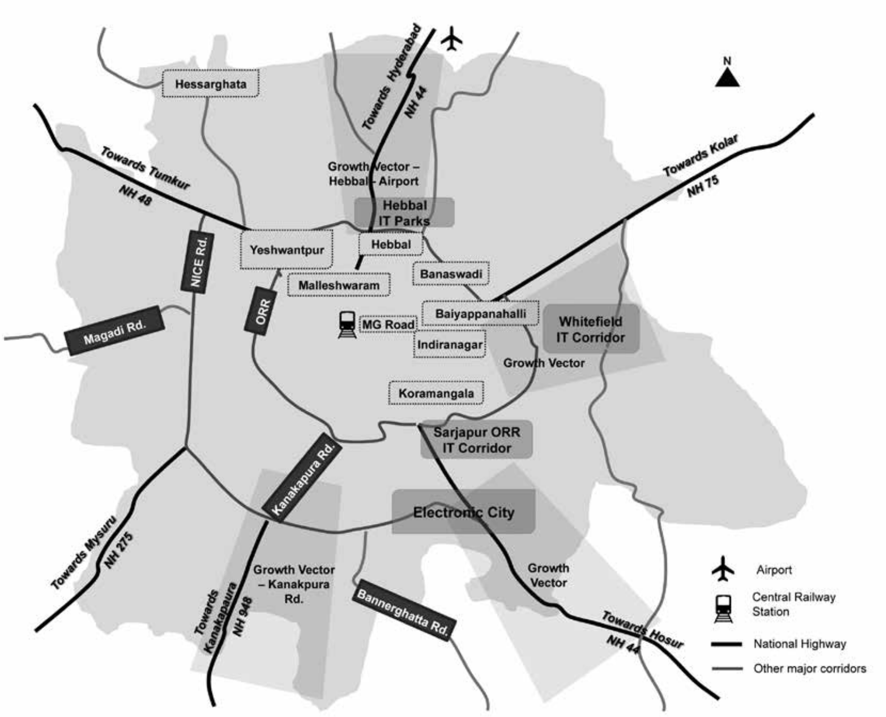
1.0 CITY OVERVIEW

Bangalore is recognised as one of the fastest-growing cities in Asia and is the fourth largest technological cluster in the world. It is the capital city and commercial centre of the state of Karnataka and is the third most populous city in India. Bangalore's success can be attributed to the growth of the IT sector, earning it the reputation as the "Silicon Valley of India" and being a significant enabler of the city's real estate growth. Apart from IT/ITES, the other economic growth sectors of the city include biotechnology, pharmaceuticals, research and development, construction and aerospace.

Bangalore has flourished largely due to the timely and proactive policies of the government and the talented pool of human resource. Besides being a hub for a new wave of start-ups and other information technology companies, Bangalore also maintains a strong legacy of science and engineering. It is the home of the Indian Space Research Organisation, Hindustan Aeronautics and the Indian Institute of Information Technology. IT/ITES growth in Bangalore was initially due to cost arbitrage, but it has moved up the value chain and the city is now a core tech research and development centre.

Micro-markets such as Central Business District (CBD) and Extended Business District (EBD), Outer Ring Road (HRBR Layout to Silk Board), Whitefield, Sarjapur Road, Electronic City and North Bangalore (including Manyata Tech Park and Bellary Road near Hebbal flyover) represent the most significant clusters of IT/ITES companies in Bangalore.

The adverse impact of COVID-19 in CY2020 was seen on both demand and supply of commercial office space in the city. While many projects were nearing completion, suspension of construction activities and shortage of labour during the period of lockdown from 25 March 2020 to 31 May 2020 has pushed delivery timelines. However, the city recovered in the second half of CY2020 with construction and leasing activity by captives as well as companies from Banking, Financial Services and Insurance (BFSI), IT security and cloud computing verticals picking up.



Map not to scale

B. BANGALORE COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.1 Bangalore Micro-Market Classification and Key Commercial Hubs

Bangalore has been classified into different activity zones based on the concentration and profile of development activity, as defined below:

Business Districts	Micro-Markets	Description
Central Business District (CBD) and External Business District (EBD)	› MG Road › Richmond Road › Old Airport Road › Indiranagar › Old Madras Road › Koramangala	› Primary commercial business district of Bangalore with many BFSI companies and corporates › Prominent companies include Deloitte, IBM and Oracle › At the end of CY2020, total Grade-A office stock in CBD and EBD was estimated to be 32.1 million sqft › Vacancy at the end of CY2020 was estimated at 6.7% › During CY2020, CBD and EBD witnessed rentals in the range of INR 80-175 per sqft per month
North Bangalore	› Bellary Road › Hebbal › Jakkur › Yelahanka	› Located at a distance of 14 km from the CBD, North Bangalore primarily serves IT/ITES and R&D companies › Prominent companies include Cognizant, Diageo and IBM › At the end of CY2020, total Grade-A office stock in North Bangalore was estimated to be 20.6 million sqft › Vacancy at the end of CY2020 was estimated at 14.1% › During CY2020, North Bangalore witnessed rentals in the range of INR 60-70 per sqft per month
Outer Ring Road (ORR)	› Marathahalli Outer Ring Road › Sarjapur Outer Ring Road	› Located at a distance of 10 km from the CBD, ORR houses prominent banks, financial institutes and IT/ITES companies › Prominent companies include Cisco, Google and Microsoft › At the end of CY2020, total Grade-A office stock in ORR was estimated to be 56.5 million sqft › Vacancy at the end of CY2020 was estimated at 4.2% › During CY2020, ORR witnessed rentals in the range of INR 75-110 per sqft per month
Peripheral Business District - East (PBD – East)	› Whitefield (including Mahadevapura, EPIP Zone, Varthur, Brookefield)	› Located at a distance of 20 km from the CBD, PBD – East houses IT/ITES companies and corporates › Prominent companies in this micro-market include Dell, TCS and Qualcomm › At the end of CY2020, total Grade-A office stock in PBD - East was estimated to be 36.4 million sqft › Vacancy at the end of CY2020 was estimated at 14.8% › During CY2020, PBD - East witnessed rentals in the range of INR 40-60 per sqft per month
Peripheral Business District - Others (PBD – Others)	› Electronic City › Jigani › Thanisandra › Sarjapur Road	› Prominent companies in this micro-market include PayPal, TCS and Wipro › At the end of CY2020, total Grade-A office stock in PBD - Others was estimated to be 12.3 million sqft › Vacancy at the end of CY2020 was estimated at 15.2% › During CY2020, PBD - Others witnessed rentals in the range of INR 35-60 per sqft per month
South Bangalore	› Banashankari › Bannerghatta Road › JP Nagar › Mysore Road	› Prominent companies in this micro-market include Accenture, Mindtree and NTT Data › At the end of CY2020, total Grade-A office stock in South Bangalore was estimated to be 10.4 million sqft › Vacancy as of at the end of CY2020 was estimated at 18.3% › During CY2020, South Bangalore witnessed rentals in the range of INR 40-85 per sqft per month

B. BANGALORE COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.2 Whitefield Micro-Market Overview

Whitefield, located in the eastern periphery of Bangalore, is a well-established commercial IT/ITES market and a significant economic suburb of the city. The micro-market emerged due to the establishment of the EPIP zone and ITPB which spurred on further growth. This micro-market offers good quality office space at lower rentals than competing locations, abundant social infrastructure and good connectivity which is expected to improve further with the completion of Metro Rail Phase 2 and the proposed Peripheral Ring Road.

Prominent large scale commercial developments include ITPB, Brigade Tech Gardens and DivyaSree Techno Park. These parks comprise of a mix of built-to-suit campuses and multi-tenanted buildings with the presence of prominent companies.

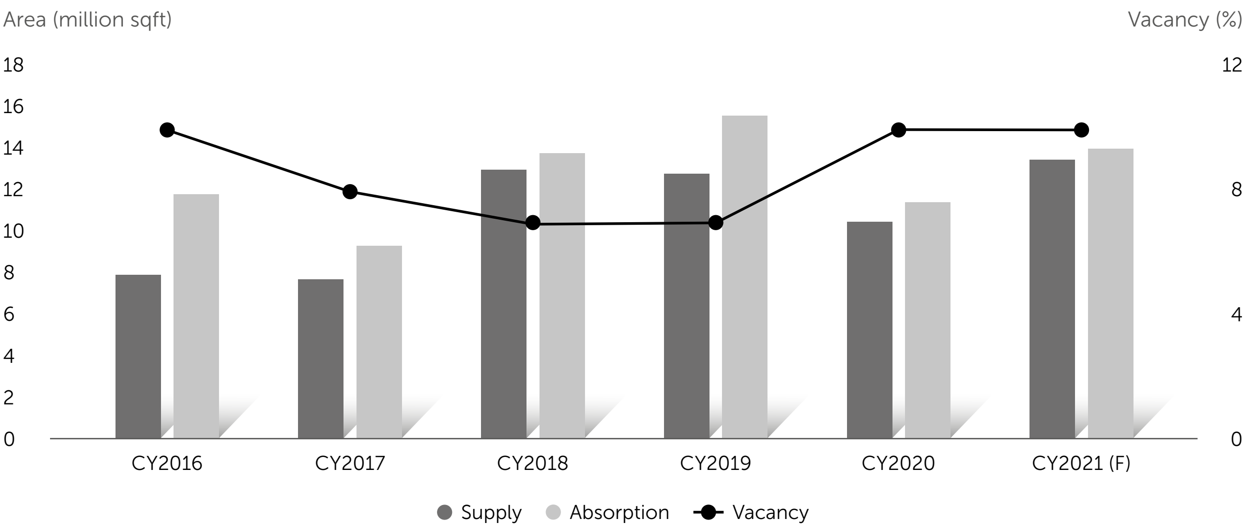
Whitefield houses prominent retail malls such as Park Square Mall, Forum Shantiniketan mall and Phoenix Market City. Other social infrastructure includes educational institutes such as Gopalan International School, Ryan International School and Vydehi School of Excellence and healthcare infrastructure such as Manipal Hospital, Sri Sathya Sai Baba Hospital and Vydehi Institute of Medical Sciences and Research Centre. Notable hospitality developments include Four Points by Sheraton, Marriott and Taj Vivanta.

2.0 SUPPLY, ABSORPTION AND VACANCY TRENDS: BANGALORE

Grade-A Office Stock Breakup	Bangalore	Whitefield
Total Completed Stock	168.3 million sqft	36.4 million sqft
Breakup – SEZ and Non-SEZ	SEZ – 45.7 million sqft Non-SEZ – 122.6 million sqft	SEZ – 9.9 million sqft Non-SEZ – 26.5 million sqft

Source: Savills Research, 2020

2.1 City – Supply, Absorption, Vacancy



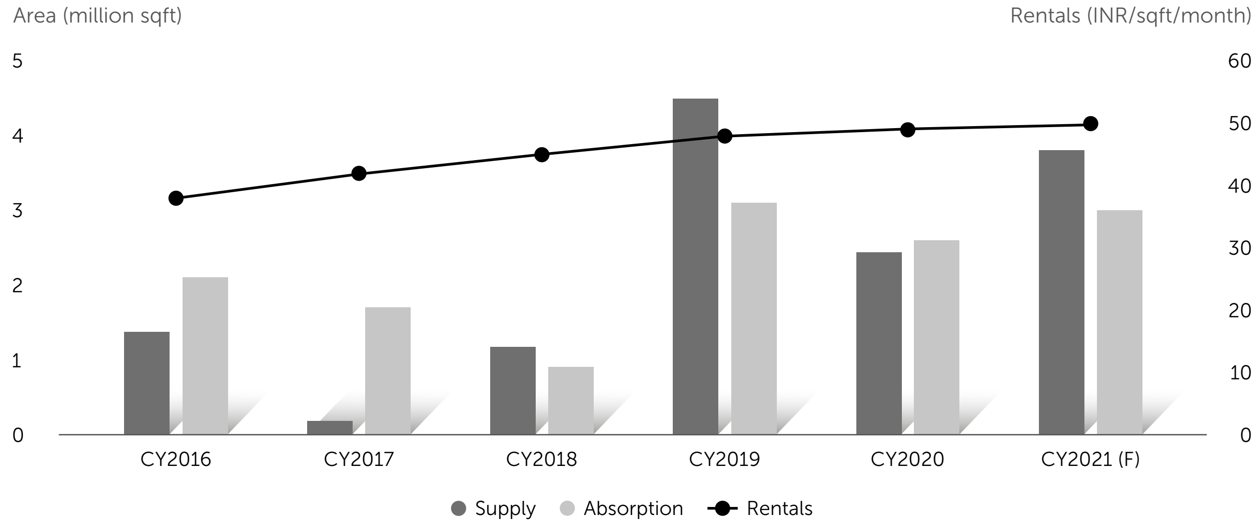
Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city at the end of any given year and includes secondary spaces (if any) being generated due to churn in the market.

B. BANGALORE COMMERCIAL MARKET OVERVIEW

3.0 SUPPLY, ABSORPTION AND RENTAL TRENDS: WHITEFIELD MICRO-MARKET

3.1 Supply, Absorption and Rental Trends for Grade-A Office in Whitefield



Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. Rents shown are average base rents as transacted.

4.0 ANALYSIS OF DEVELOPMENTS IN WHITEFIELD

4.1 Current Commercial Developments in Whitefield

Building Name	Developer	Year of Completion	Leasable Area (million sqft)	Vacancy (% of Leasable Area)	Prominent Occupiers
Kalyani Platina	Kalyani Developers	2011	1.8	10.1%	DXC Technology, Delphi, Molex India Business Services Pvt Ltd
Prestige Shantiniketan	Prestige Developers	2011	3.6	16.0%	Capgemini, Hindustan Unilever, UST Global
Brigade Metropolis	Brigade Developers	2008	0.8	–	Capgemini, GE Health Care, Ernst & Young Global Limited
DivyaSree Techno Park	DivyaSree Developers	2006	4.7	16.9%	Accenture, Capgemini, Wipro

Source: Savills Research, 2020

B. BANGALORE COMMERCIAL MARKET OVERVIEW

4.0 ANALYSIS OF DEVELOPMENTS IN WHITEFIELD (continued)

4.2 Upcoming Commercial Developments in Whitefield

Building Name	Developer	Expected Completion	Leasable Area (million sqft)
DivyaSree Techno Park	DivyaSree Developers	2021	0.2
Commerzone	Raheja	2021	0.4
Salarpuria Knowledge Court	Salarpuria Sattva	2021	1.3
Primeco Union City	SJR Prime Corporation	2021	1.6
Republic of Whitefield	DivyaSree Developers	2022	0.6
Keystone	MFAR	2022	1.5

Source: Savills Research, 2020

4.3 Current Retail Developments in Whitefield

Building Name	Developer	Year of Completion	Leasable Area (million sqft)	Vacancy (% of Leasable Area)	Prominent Occupiers
Forum Shantiniketan	Prestige Group	2018	0.6	10.0% - 11.0%	Cinepolis, Home Centre
Phoenix Market City	Phoenix	2011	0.9	4.0% - 5.0%	Marks and Spencer, PVR
Forum Neighborhood Mall (Forum Value Mall)	Prestige Group	2009	0.2	9.0% - 10.0%	Inox and Unlimited

Source: Savills Research, 2020

4.4 Upcoming Retail Developments in Whitefield

Building Name	Developer	Expected Completion	Leasable Area (million sqft)
Brigade Uptown	Brigade Developers	2021	0.8

Source: Savills Research, 2020

B. BANGALORE COMMERCIAL MARKET OVERVIEW

5.0 OUTLOOK

The COVID-19 pandemic has impacted office markets across the seven key cities in the last 8-10 months. Office space absorption in Bangalore in CY2020 was lower in comparison to the last 2 years though it is expected to recover over the next few years.

Bangalore is expected to retain the top office market position in India in CY2021 as it continues to upgrade city infrastructure, including the introduction of electric buses and construction of the metro line to the airport.

The Whitefield micro-market is anticipated to witness a demand for Grade-A office space over the next two to three years due to its location and physical infrastructure (upcoming metro line). Within Bangalore, Outer Ring Road and Whitefield are expected to retain the top spots in terms of absorption.

By CY2021, approximately 3.8 million sqft of additional Grade-A office space is anticipated in Whitefield. Whitefield is expected to witness strong demand from IT/ITES, e-commerce occupiers with rentals expected to see an upward trend to be in the range of INR 55-60 per sqft per month in the medium term.

C. HYDERABAD COMMERCIAL MARKET OVERVIEW

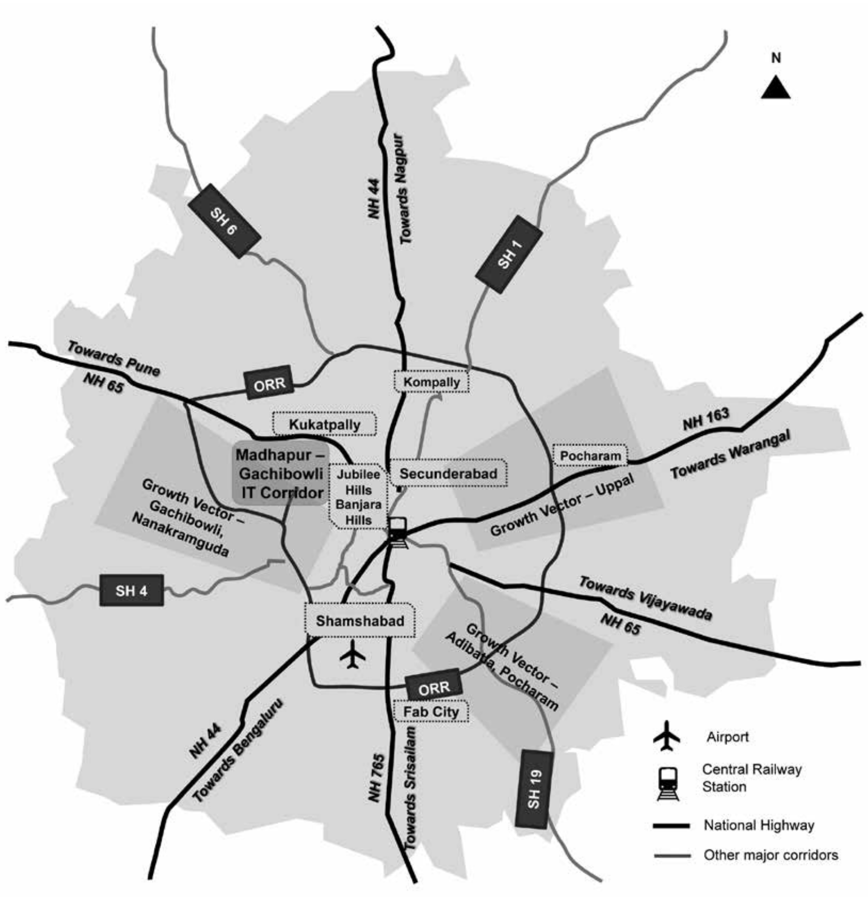
1.0 CITY OVERVIEW

Hyderabad is the joint capital of the states of Telangana and Andhra Pradesh. The Hyderabad Metropolitan area covers an extent of 7,257 sqkm. Hyderabad is ranked as one of the fastest-growing cities in the world, with projected annual GDP growth of 8.0% between CY2020 and CY2024[4]. An established destination for IT/ITES, Pharmaceutical, and Biotech companies, Hyderabad is the second largest nationwide contributor to IT exports at 11.0%[5].

The availability of well-developed physical infrastructure, increased inflow of working professionals and a mature industrial ecosystem are the key drivers attracting investments to the city. Government initiatives include the development of an Information Technology Investment Region, investor friendly policies and infrastructure growth matching the expanding urban agglomeration. In recent landmark legislation, the state government announced a single window portal facilitating faster clearances and self-certification for real estate construction on land parcels of a specific size. These regulations have provided a boost to the real estate sector in the city.

The city has well-established physical infrastructure with metro and roads providing seamless connectivity to the city's nodes as well as international connectivity via the Shamshabad Airport. Five of the most valuable companies in the world - Amazon, Apple, Facebook, Google and Microsoft - have opened their largest development centres outside of the United States of America, in Hyderabad. The city has sound technical education and research infrastructure with institutions like the Indian School of Business, Indian Institute of Technology and NALSAR University of Law among others. Hyderabad is also the pharmaceutical and biotechnology hub of India, with its industry supported by infrastructure like Genome Valley, Fab City and the Nano Technology park.

The ongoing COVID-19 pandemic has resulted in relatively muted commercial leasing activity in the first half of CY2020, followed by notable recovery in the second half. Vacancy levels have consistently increased over the last few quarters, as incremental supply has outpaced demand. However, the current high vacancy rates augur well for potential demand as businesses are expected to regain confidence in the medium phase. Rents across major micro-markets have remained stable throughout the year.



Map not to scale

4 Oxford Economics
5 IT, Electronics and Communications Department of Telangana

C. HYDERABAD COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.1 Hyderabad Micro-Market Classification and Key Commercial Hubs

Hyderabad has been classified into different activity zones based on the concentration and profile of development activity, as defined below:

Business Districts	Micro-Markets	Description
Central Business District ("CBD") and Extended Business District ("EBD")	› Banjara Hills › Jubilee Hills › Ameerpet › Begumpet › Panjagutta › Somajiguda › Himayat Nagar	› CBD is a prime commercial business district of the city, dominated by mid to high-end retail and commercial developments. It majorly houses offices of Non-Banking Financial Companies (NBFCs), construction, IT and pharmaceutical companies › Prominent companies in CBD include HSBC, iKeva and Karvy › EBD is located 2-5 km from CBD. It primarily houses regional, sales and marketing offices of companies of various industries › Prominent companies in EBD include Aurobindo Pharma, Airtel and Schneider Electric › At the end of CY2020, total Grade-A office stock in CBD and EBD was estimated to be 5.0 million sqft › Vacancy at the end of CY2020 was estimated at 9.6% › During CY2020, CBD witnessed rentals in the range of INR 50-55 per sqft per month and EBD witnessed rentals in the range of INR 45-50 per sqft per month
Secondary Business District ("SBD")	› Madhapur › Gachibowli › Nanakramguda › Manikonda › Raidurg › Kukatpally	› SBD is an IT corridor and financial district of Hyderabad located 5-10 km from CBD. It primarily houses offices of IT/ITES and financial services companies › Prominent companies include Deloitte, IBM and Wells Fargo › At the end of CY2020, total Grade-A office stock in the SBD was estimated to be 59.8 million sqft › Vacancy at the end of CY2020 was estimated at 11.8% › During CY2020, SBD witnessed rentals in the range of INR 60-75 per sqft per month
Peripheral Business District ("PBD") - East and South	› Pocharam › Shamshabad › Uppal	› This micro-market is located 15-20 km and has a limited supply of Grade-A office space. Although upcoming commercial developments are mostly IT/ITES focused, significant leasing is yet to gain momentum › Prominent companies include Cyient, Genpact and Infinx › At the end of CY2020, total Grade-A office stock in PBD – East and South was estimated to be 1.9 million sqft › Vacancy at the end of CY2020 was estimated at 15.0% › During CY2020, PBD – East and South witnessed rentals in the range of INR 30-45 per sqft per month

C. HYDERABAD COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.2 Madhapur Micro-Market Overview

Madhapur is located in the northwest region of Hyderabad city. This micro-market majorly constitutes IT/ITES developments in the technology, financial services and co-working segments. It is home to several multi-national companies such as Amazon, JPMorgan Chase and Microsoft among others.

Major developers like CapitaLand, Phoenix Group and Raheja Group have their presence in this micro-market. More developers are expected to enter the market due to the consistent demand.

This micro-market has excellent connectivity via the 150 feet HITEC City Main Road, which connects to the Outer Ring Road and the International Airport at Shamshabad.

Madhapur has witnessed total Grade-A commercial office supply of approximately 8.8 million sqft in CY2020. The micro-market is expected to record significant leasing activity with another 12.6 million sqft of additional Grade-A commercial space estimated by the end of CY2021.

Madhapur micro-market has a strong retail, entertainment and hospitality infrastructure with prominent retail developments including IKEA, Inorbit Mall and L&T Next Galleria Mall.

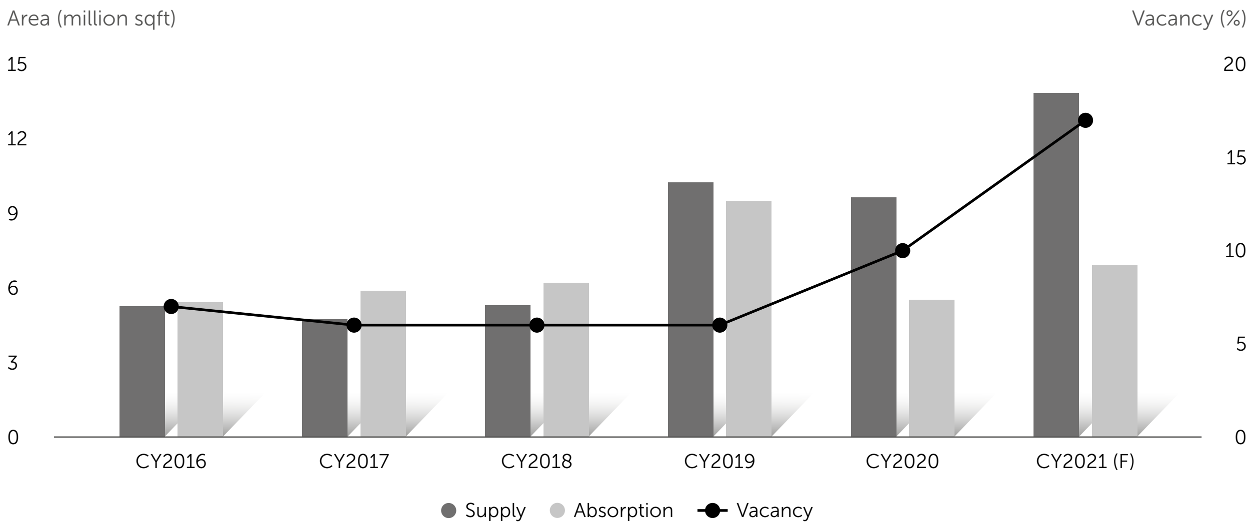
Notable hospitality developments include ITC Kohenur, Trident and Westin.

2.0 SUPPLY, ABSORPTION AND VACANCY TRENDS: HYDERABAD

Grade-A Office Stock Breakup	Hyderabad	Madhapur
Total Completed Stock	66.7 million sqft	51.9 million sqft
Breakup – SEZ and Non-SEZ	SEZ – 30.6 million sqft Non-SEZ – 36.1 million sqft	SEZ – 22.7 million sqft Non-SEZ – 29.2 million sqft

Source: Savills Research, 2020

2.1 City – Supply, Absorption, Vacancy



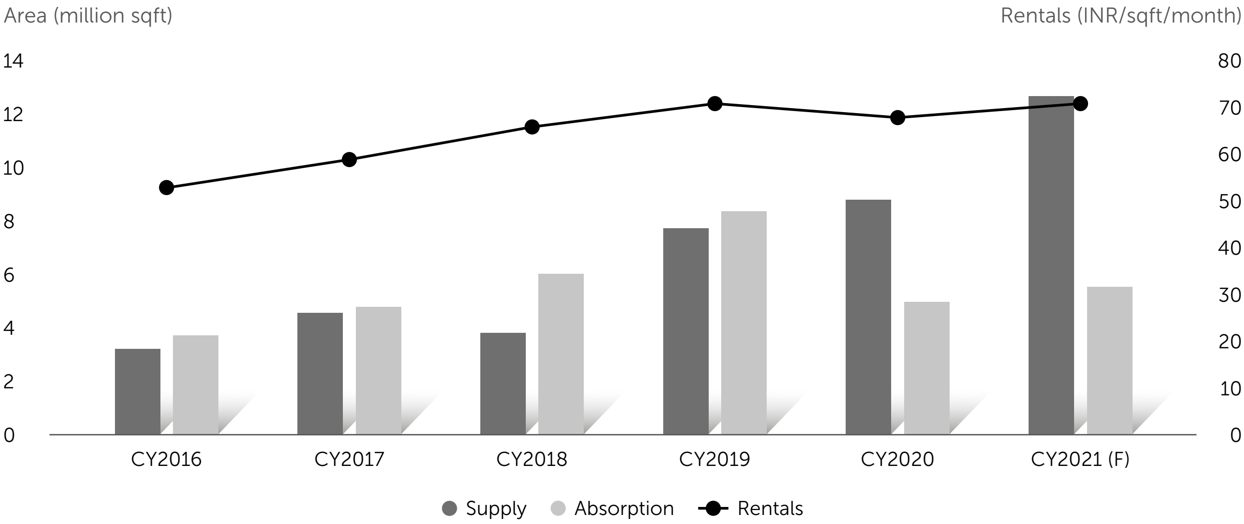
Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city at the end of any given year and includes secondary spaces (if any) being generated due to churn in the market.

C. HYDERABAD COMMERCIAL MARKET OVERVIEW

3.0 SUPPLY, ABSORPTION AND RENTAL TRENDS: MADHAPUR MICRO-MARKET

3.1 Supply, Absorption and Rental Trends for Grade-A Office in Madhapur



Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. Rents shown are average base rents as transacted.

4.0 ANALYSIS OF DEVELOPMENTS IN MADHAPUR

4.1 Current Commercial Developments in Madhapur

Building Name	Developer	Year of Completion	Leasable Area (million sqft)	Vacancy (% of Leasable Area)	Prominent Occupiers
Raheja Mindspace	Raheja Corp	2019	10.5	5.2%	IBM and Qualcomm
Salarpuria Sattva Knowledge City	Salarpuria Sattva	2019	7.5	4.9%	JP Morgan Chase, KPMG, Microsoft and Synchrony
The Sky View	RMZ Corp	2018	3.5	0.6%	L&T Infotech, SandP Global, Qualcomm
I Labs	I Labs	2006	0.5	16.0%	Ernst & Young and Regus

Source: Savills Research, 2020

4.0 ANALYSIS OF DEVELOPMENTS IN MADHAPUR (continued)

4.2 Upcoming Commercial Developments in Madhapur:

Building Name	Developer	Expected Completion	Leasable Area (million sqft)
Orbit	Aurobindo Group	2021	1.1
DivyaSree Orion Block 8	DivyaSree	2021	1.1
Meenakshi Deloitte Phase III	Meenakshi Constructions	2021	1.2
The Image Tower	Salarpuria Sattva	2021	1.6
Knowledge Park - Phase - III (Tower- 2)	Salarpuria	2021	1.8
ITPH Phase 1	CapitaLand	2022	1.3
The Spire	RMZ- Penna	2022	1.7
Centaurus	Phoenix	2022	2.1
Raheja Commerce Zone	Raheja-Hetero	2022	2.5
The Nexity	RMZ-Hetero	2022	3.0

Source: Savills Research, 2020

5.0 OUTLOOK

Hyderabad is expected to witness a fresh estimated supply of 14.0 million sqft of Grade-A commercial space in CY2021. Approximately 92.0% of the upcoming supply is expected to come up in the suburban areas of Madhapur and Gachibowli. Based on the pre-commitments and market enquiries for office space, absorption is expected to be in the range of 6.5-7.0 million sqft in CY2021. In addition, the emergence of Hyderabad as a key commercial market in 2019, relatively low rentals for Grade-A commercial office space, robust infrastructure and ease of doing business, will remain attractive to major office space occupiers.

Approximately 12.6 million sqft of new supply in Grade-A office space is expected to come up by the end of CY2021 in Madhapur, where IT/ITES, banking, financial services, e-commerce and co-working occupiers would be the major tenants. In the post COVID-19 scenario, the demand for office space is expected to recover to 6.0-8.0 million sqft absorption over the next two years. Good connectivity due to the presence of Raidurg Metro Station and quality office spaces within the micro-market allows it to command a higher rental relative to competing markets. Rentals in the micro-market are expected to remain stable in the range of INR 65-70 per sqft per month in the medium term, with strong demand from IT/ITES, e-commerce and co-working occupiers.

D. CHENNAI COMMERCIAL MARKET OVERVIEW

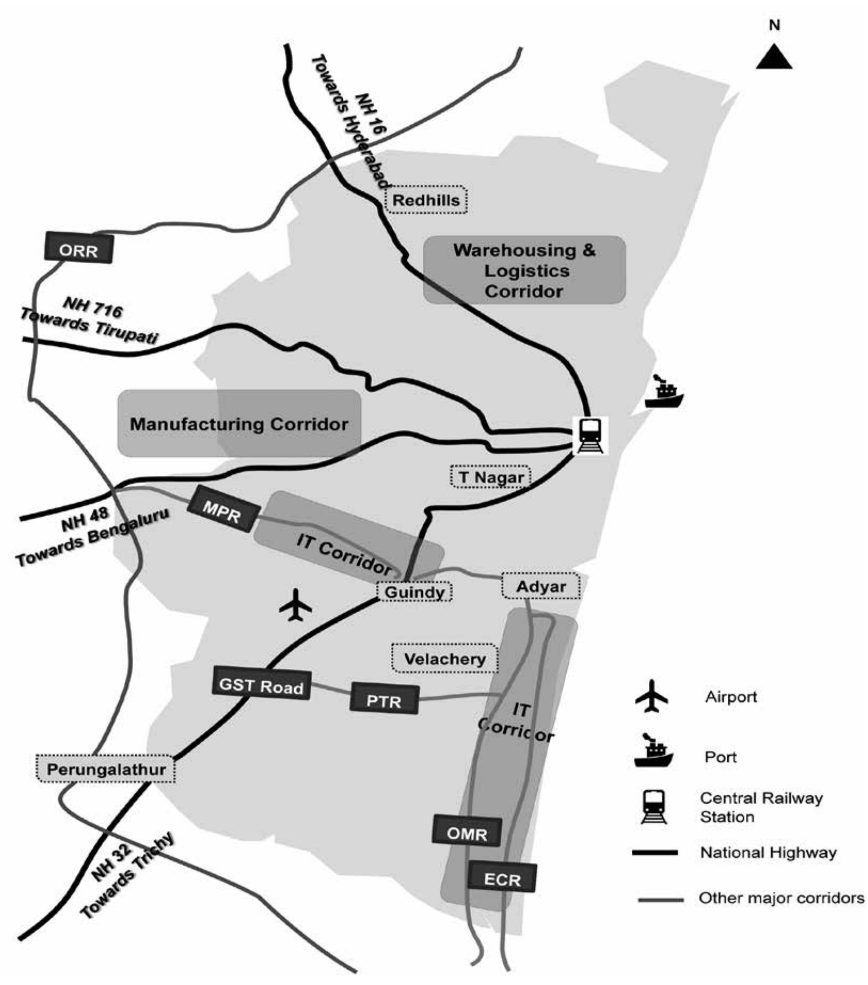
1.0 CITY OVERVIEW

Chennai, the Tamil Nadu state capital, is located on the coast of the Bay of Bengal and is home to the second-largest container port in India. It is the sixth most populous city and fourth most populous urban agglomeration in India[6]. The city, together with the adjoining regions, constitute the Chennai Metropolitan Area which is spread over 1,189 sqkm. Called the 'Detroit of India', Chennai accounts for more than one-third of India's auto component production[7]. IT/ITES, hardware engineering and financial services are the other major economic anchors for the city.

A major administrative and cultural centre, Chennai has a low cost of living, a well-established physical and social infrastructure and a skilled workforce. A significant education hub, Chennai's top institutions include Anna University, Indian Institute of Technology Madras and University of Madras among others. Major research institutes in the city are the Central Leather Research Institute and Central Electronics Engineering Research Institute.

A strategic location and connectivity through ports allowed Chennai to gain global significance and led to various businesses setting up base in the city. The increasing growth of e-commerce platforms, expanding third-party logistics sector and greater implementation of technology has catalysed the growth of logistics and warehousing. The focus on infrastructure development in the city has led to the development of road, rail, sea and air transport networks enabling excellent connectivity to other major business hubs.

The COVID-19 lockdown resulted in a temporary halt in construction activities in the first half of CY2020. However, construction picked up in the second half of CY2020 allowing phased launch of quality office spaces by developers in the city to meet the expected demand from multinational companies. Space take up in Chennai were led by firms related to information technology, allied services, and financial services.



Map not to scale

6 Census of India 2011
7 Guidance, Government of Tamil Nadu

D. CHENNAI COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.1 Chennai Business District Classification and Key Commercial Hubs

Chennai has been classified into different activity zones based on the concentration and profile of development activity, as defined below:

Business Districts	Micro-Markets	Description
Central Business District (CBD)	› T Nagar › Egmore › Teynampet › Anna Salai › RK Salai › Greams Road › Nungambakkam › Chetpet › MRC Nagar	› Strategically located with well-developed physical and social infrastructure and excellent connectivity to the prime residential locations, the CBD of the city remains one of the preferred office markets › High concentration of residential catchments, retail and commercial asset classes. Prominent companies include PwC, RR Donnelley and Standard Chartered Bank › At the end of CY2020, total Grade-A office stock in CBD was estimated to be 11.8 million sqft › Vacancy at the end of CY2020 was estimated at 15.5% › During CY2020, CBD witnessed rentals in the range of INR 50-90 per sqft per month
Secondary Business Districts (SBD)	› Guindy › Mount Poonamallee Road (MPR) › Taramani › Perungudi › Pre-Toll Old Mahabalipuram Road (OMR) › Velachery	› Located in the south and southwestern regions of the city and 9-10 km from CBD. It is in proximity to Chennai International Airport and has excellent connectivity to major nodes of the city › Preferred office destination by IT/ITES sector and major co-working office spaces › Prominent companies include Accenture, HP and IBM › At the end of CY2020, total Grade-A office stock in SBD was estimated to be 39.0 million sqft › Vacancy at the end of CY2020 was estimated at 9.6% › During CY2020, SBD witnessed rentals in the range of INR 40-110 per sqft per month
Peripheral Business Districts (PBD)	› Post-Toll OMR › Perungalathur › Grand Southern Trunk Road › Pallavaram-Thoraipakkam Road (PTR) › Ambattur	› Prominent companies include DHL, Firstsource and Standard Chartered Bank › At the end of CY2020, total Grade-A office stock in PBD was estimated to be 24.0 million sqft › Vacancy at the end of CY2020 was estimated at 17.3% › During CY2020, PBD witnessed rentals in the range of INR 40-70 per sqft per month

1.2 Rajiv Gandhi Salai - Micro-Market Overview

Rajiv Gandhi Salai, also known as Old Mahabalipuram Road (OMR), is a 45 km long expressway with many prominent IT/ITES firms situated along this stretch. It is an established IT corridor with large scale IT parks like ITPC, Brigade WTC and Ramanujan IT City among others. This road facilitates commute between major nodes of South Chennai, connecting prominent residential and commercial localities such as Kelambakkam Perungudi and Thoraipakkam. Commercial developments like Brigade WTC, Ozone Techno Park and RMZ Millenia have witnessed a significant share of the CY2020 city office space absorption in this micro-market.

Rajiv Gandhi Salai is a centre for several institutions like American International School, Dhanraj Baid Jain College and MNM Jain Engineering College. Some of the healthcare infrastructure includes Apollo Speciality Hospital, Aditya Bone and Joint Clinic and Global Hospital.

D. CHENNAI COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.3 Grand Southern Trunk (GST) Road - Micro-Market Overview

GST Road, also known as National Highway 32 (NH32) is one of South India's busiest National Highways and one of the most prominent roads in Chennai. Some of the major micro-markets this road connects to are Chrompet, Perungalathur and Tambaram.

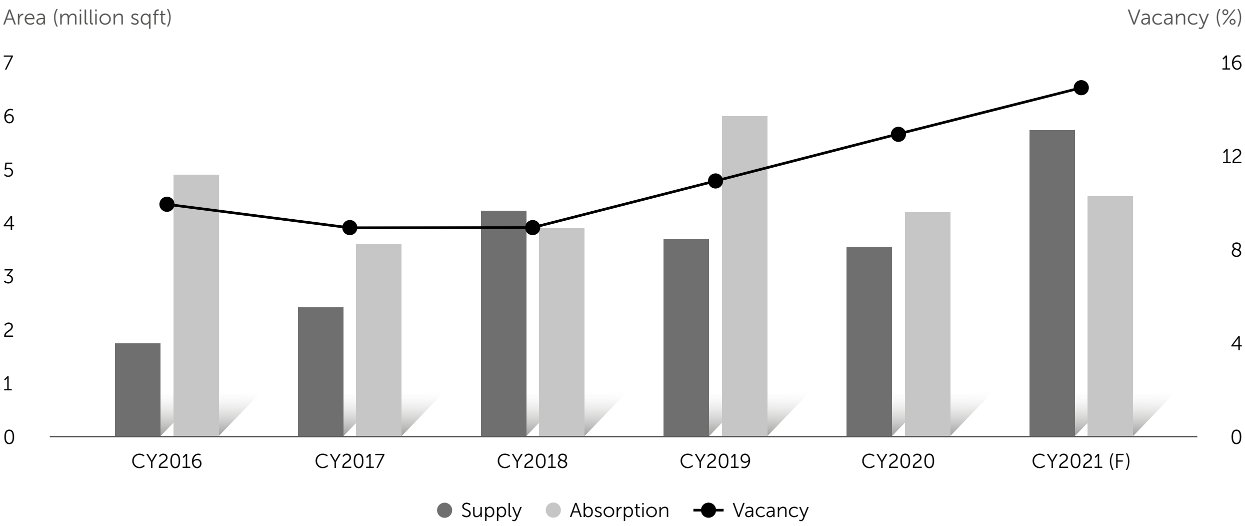
GST Road encompasses three major SEZs: Madras Export Processing Zone (MEPZ), Mahindra World City and Xander's Gateway SEZ. The industrial profile of the micro-market comprises automobile and auto-ancillary manufacturing companies, third-party logistics firms, BPOs and KPOs. Major real estate developers such as Hiranandani Group, Larsen & Toubro and PBEL have developments on GST Road.

2.0 SUPPLY, ABSORPTION AND VACANCY TRENDS: CHENNAI

Grade-A Office Stock Breakup	Chennai	Rajiv Gandhi Salai	GST Road
Total Completed Stock	74.8 million sqft	33.5 million sqft	3.1 million sqft
Breakup - SEZ and Non-SEZ	SEZ – 23.1 million sqft Non-SEZ – 51.7 million sqft	SEZ – 9.2 million sqft Non-SEZ – 24.3 million sqft	SEZ – 1.9 million sqft Non-SEZ – 1.2 million sqft

Source: Savills Research, 2020

2.1 City – Supply, Absorption, Vacancy



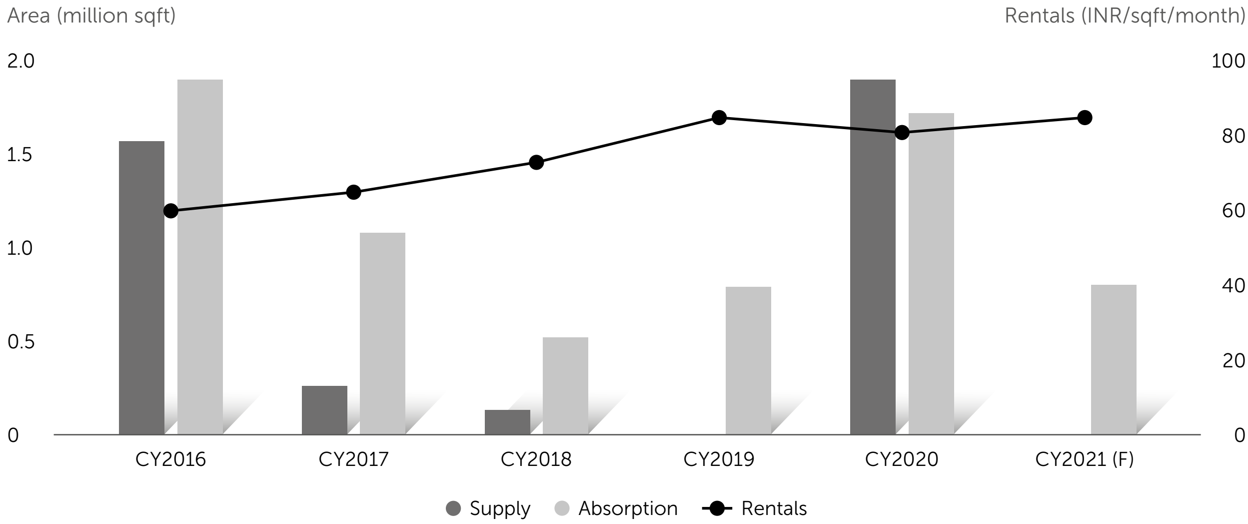
Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. The vacancy in the chart accounts for the gap between cumulative stock and occupied space in the city at the end of any given year and includes secondary spaces (if any) being generated due to churn in the market.

D. CHENNAI COMMERCIAL MARKET OVERVIEW

3.0 SUPPLY, ABSORPTION AND RENTAL TRENDS: RAJIV GANDHI SALAI - MICRO-MARKET

3.1 Supply, Absorption and Rental Trends for Grade-A Office in Rajiv Gandhi Salai

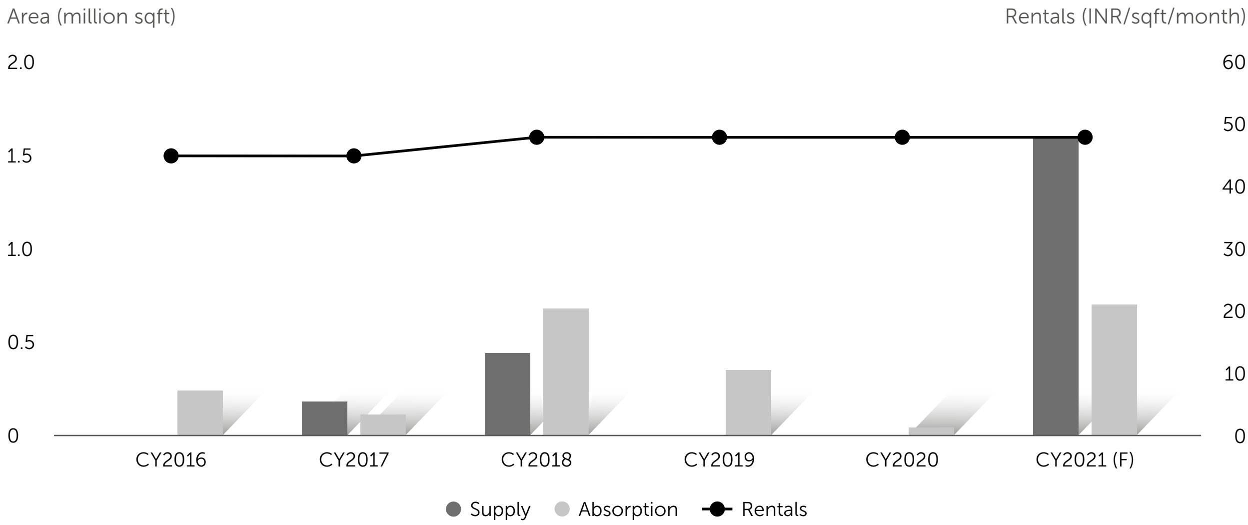


Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. Rents shown are average base rents as transacted.

4.0 SUPPLY, ABSORPTION AND RENTAL TRENDS: GRAND SOUTHERN TRUNK (GST) ROAD - MICRO-MARKET

4.1 Supply, Absorption and Rental Trends for Grade-A Office in GST Road



Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. Rents shown are average base rents as transacted.

D. CHENNAI COMMERCIAL MARKET OVERVIEW

5.0 ANALYSIS OF DEVELOPMENTS IN RAJIV GANDHI SALAI AND GST ROAD

5.1 Current Commercial Developments in Rajiv Gandhi Salai and GST Road

Building Name	Developer	Year of Completion	Leasable Area (million sqft)	Vacancy (% of Leasable Area)	Prominent Occupiers
Brigade WTC	Brigade	2020	1.9	30.0% - 32.0%	Amazon, CAT and McKinsey.
Ramanujan IT SEZ	Tata Realty and Infrastructure Limited	2017	4.9	Fully Occupied	Amazon, Cognizant and Mindtree
Global Infocity Park	Shapoorji and Pallonji	2015	2.8	Fully Occupied	Amazon, Ericsson and HSBC
RMZ Millennia	RMZ Corp	2008	2.8	9.0% - 10.0%	Caterpillar, Verizon and Shell
The Gateway	Shriram / Xander	2008	2.1	2.0% - 3.0%	Accenture, Redington and Sutherland
Prince Info City 2	Prince Foundations	2005	0.9	Fully Occupied	IBM and TATA Communications
Tidel Park	TIDCO and ELCOT	2000	1.2	Fully Occupied	Ernst & Young, TCS and Sify Technologies

Source: Savills Research, 2020

5.2 Upcoming Commercial Developments in Rajiv Gandhi Salai

Building Name	Developer	Expected Completion	Leasable Area (million sqft)
Futura Tech Park - Block C	Futura	2021	0.1
DLF iPark	DLF	2023	5.0

Source: Savills Research, 2020

5.3 Upcoming Commercial Developments in GST Road

Building Name	Developer	Expected Completion	Leasable Area (million sqft)
Gateway Office Park	Xander	2020	1.6

Source: Savills Research, 2020

D. CHENNAI COMMERCIAL MARKET OVERVIEW

6.0 OUTLOOK

Chennai's office market has observed a relatively better absorption and supply in the face of the challenges presented by the COVID-19 pandemic. Demand and supply of office space were in line with the last 3 year annual average of 4.0 to 5.0 million sqft and 3.0 to 4.0 million sqft respectively, and rentals remained stable. This is expected to be the case going forward in the case of demand for Grade-A office space.

The state government has created a task force which is proactively reaching out to Indian and foreign investors. Memorandum of Understanding for industrial investments of approximately INR 250.0 billion were recently signed. State government in its budget had allocated INR 1.0 billion for the Chennai peripheral ring road project. Phase II of the city metro has also received significant fund allocation. The infrastructure boost will be key to increased office space take up in the future when markets improve.

6.1 Rajiv Gandhi Salai

Rajiv Gandhi Salai, also known as Old Mahabalipuram Road (OMR), boasts excellent social infrastructure with several renowned educational, health and entertainment centres. Upcoming projects such as Metro corridor 3 in Phase 2 and OMR elevated corridor are expected to reduce traffic congestion in the micro-market.

The stretch of road before Perungudi Toll, termed as Pre-Toll OMR, has a lower vacancy rate and strong demand from top global IT/ITES, e-commerce and co-working occupiers. Market rentals are expected to witness an upward trend to the range of INR 85-90 per sqft per month over the medium term. The rental in the Post-Toll OMR stretch is expected to remain stable over the short term.

6.2 Grand Southern Trunk Road

The GST Road micro-market encompasses established residential catchment areas such as Tambaram, Chromepet, Pallavaram and Perungalathur, making it an attractive development area for IT/ITES and BPO industries. The micro-market is well-connected in terms of roads and railway infrastructure, which will improve future demand as the area develops.

The micro-market and vicinity are expected to witness approximately 1.6 million sqft of Grade-A office space by the end of CY2021. Demand for office space is expected to increase moderately over the medium term and stabilise thereafter. Rentals are expected to be in the range of INR 45-50 per sqft per month. The proposed Chengalpattu-Tambaram elevated expressway would ease connectivity in South Chennai along the IT corridor and provide better connectivity to the airport.

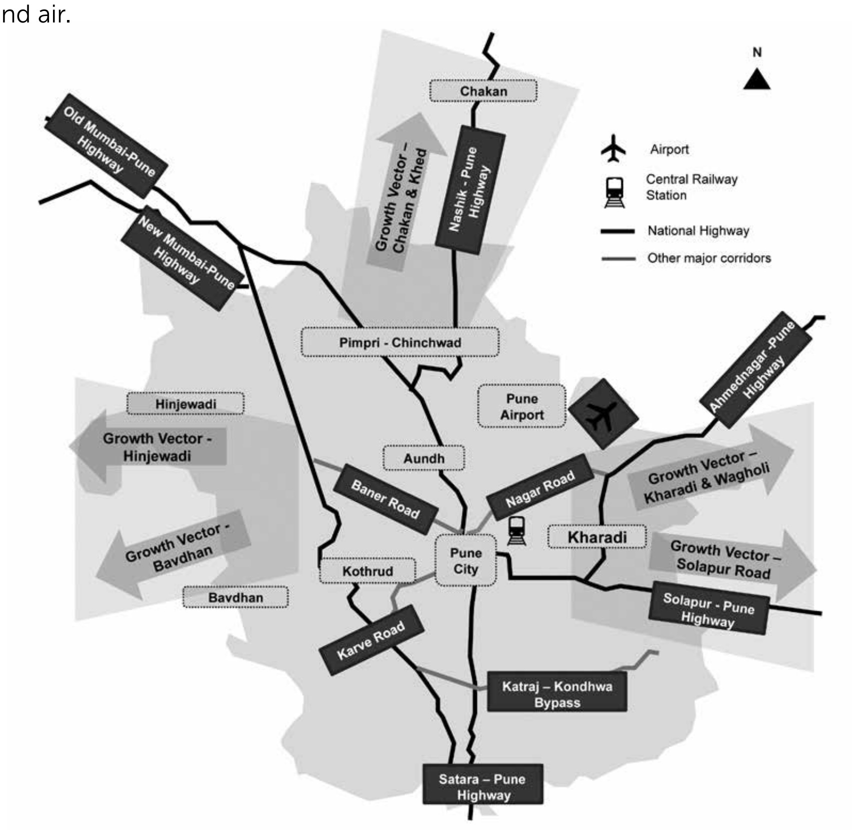
E. PUNE COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW

Located in western India, Pune is the eighth largest metropolis in the country, and the second largest in the state of Maharashtra[8], after Mumbai. Known as the 'Cultural Capital of Maharashtra', Pune is known for various cultural activities such as classical music, theatre and sports. Furthermore, Pune is well connected to other prominent cities in India by rail and air.

Pune has established educational institutes, high standards of living and a skilled workforce. Some prominent educational institutions in Pune include the Indian Institute of Information Technology, College of Engineering Pune and Armed Forces Medical College.

The ongoing pandemic resulted in relatively muted commercial leasing activity in the first half CY2020. The impact of COVID-19 in CY2020 was witnessed more on the supply of commercial office space in the city. The projects which were near completion were delayed due to suspension of construction activities. However, the city has recovered in the second half of CY2020 with construction and leasing activity picking up in pace.



Map not to scale

8 Website of the District Administration, Pune District

E. PUNE COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.1 Pune Micro-Market Classification and Key Commercial Hubs

Pune can be classified into different activity zones based on the concentration and profile of development activity, as defined below:

Business Districts	Micro-Markets	Description
Central Business District (CBD)	› Bund Garden › Koregaon Park › FC Road	› Primary commercial business district of Pune with many BFSI companies and corporations › Prominent companies include Regus, Snapdeal and Bharat Forge › At the end of CY2020, total office stock in CBD was estimated to be 10.5 million sqft › Vacancy at the end of CY2020 was estimated at 1.5% › During CY2020, CBD witnessed rentals in the range of INR 90-100 per sqft per month
Secondary Business District - East (SBD – East)	› Kharadi › Nagar Road › Viman Nagar	› Located approximately 10 km from CBD, SBD – East is a key commercial and IT/ITES business district of Pune with several multinationals › Prominent companies include Barclays, NVIDIA and Mastercard › At the end of CY2020, total office stock in SBD – East was estimated to be 20.4 million sqft › Vacancy at the end of CY2020 was estimated at 1.2% › During CY2020, SBD – East witnessed rentals in the range of INR 75-85 per sqft per month
Secondary Business District - West (SBD – West)	› Aundh › Baner › Balewadi	› Located approximately 12 km from CBD, SBD – West is a prominent commercial business district › Prominent companies include Cummins, Siemens and Veritas › At the end of CY2020, total office stock in SBD – West was estimated to be 4.5 million sqft › Vacancy at the end of CY2020 was estimated at 1.5% › During CY2020, SBD – West witnessed rentals in the range of INR 75-85 per sqft per month
Peripheral Business District - East (PBD – East)	› Wagholi › Saswad Road › Katraj	› Located approximately 14 km from CBD, PBD – East is a prominent IT/ITES business district with key multinational IT/ITES occupants › Prominent companies include IBM, Amdocs and Accenture › At the end of CY2020, total office stock in PBD - East was estimated to be 2.6 million sqft › Vacancy at the end of CY2020 was estimated at 2.0% › During CY2020, PBD – East witnessed rentals in the range of INR 65-70 per sqft per month
Peripheral Business District - West (PBD – West)	› Hinjawadi › Wakad › Pimpri	› Located approximately 20 km from CBD, PBD – West is a prominent IT/ITES business district with major national and multinational IT/ITES occupants › Prominent companies include Infosys, Cognizant and Wipro › At the end of CY2020, total office stock in PBD – West was estimated to be 13.0 million sqft › Vacancy at the end of CY2020 was estimated at 8.6% › During CY2020, PBD – West witnessed rentals in the range of INR 45-50 per sqft per month

E. PUNE COMMERCIAL MARKET OVERVIEW

1.0 CITY OVERVIEW (continued)

1.2 Hinjawadi Micro-Market Overview

The Hinjawadi region, part of PBD-West business district, is well connected to other areas of Pune via a network of internal city roads. It is directly connected to the Mumbai-Pune Express Highway, connecting it to Mumbai to the north and Bangalore to the south. The nearest airport is the Pune Airport, located approximately 25 km from the Hinjawadi region.

Prominent IT/ITES developments in Hinjawadi include aVance Pune, ITPP, and Embassy Tech Zone. Some of the largest IT/ITES occupants in the market include Cognizant, Capgemini and Infosys. In addition, Hinjawadi also houses biotechnology zone tenants such as Emcure Pharma, Centaur Pharma, and Genova Biopharma.

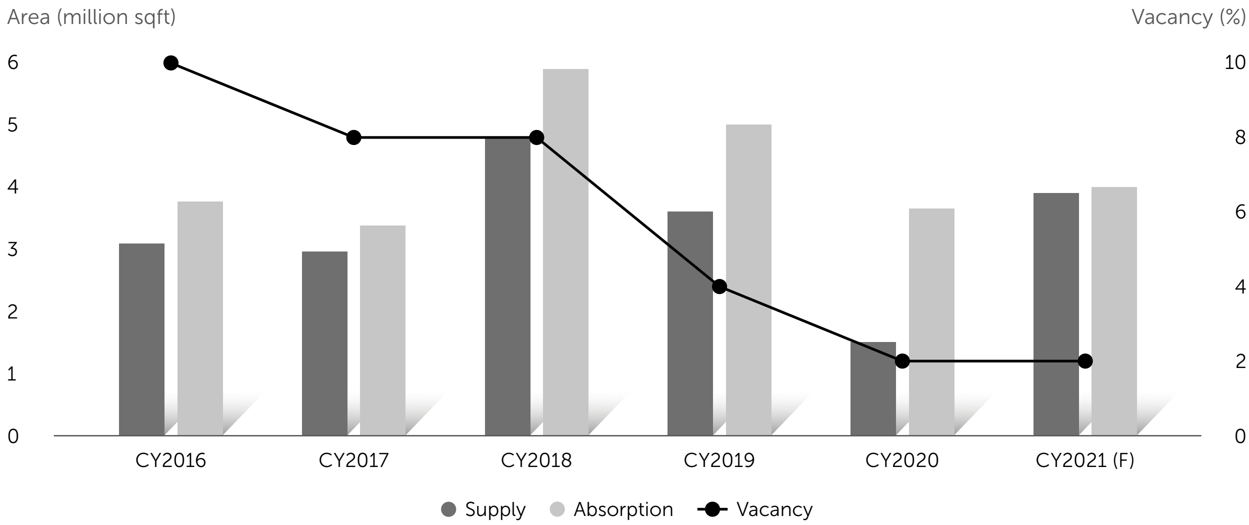
Retail developments like Xion Mall are located in Hinjawadi. Convenience stores and restaurants occupy several standalone retail spaces. Hotel brands such as Radisson, Hyatt and Lemon Tree have a presence in the business district. Residential real estate has been developing mainly in Phase 3 of Hinjawadi.

2.0 SUPPLY, ABSORPTION AND VACANCY TRENDS: PUNE

Grade-A Office Stock Breakup	Pune	Hinjawadi
Total Completed Stock	51.0 million sqft	13.0 million sqft
Breakup – SEZ and Non-SEZ	SEZ – 18.8 million sqft Non-SEZ – 32.2 million sqft	SEZ – 8.8 million sqft Non-SEZ – 4.2 million sqft

Source: Savills Research, 2020

2.1 City – Supply, Absorption, Vacancy



Source: Savills Research, 2020

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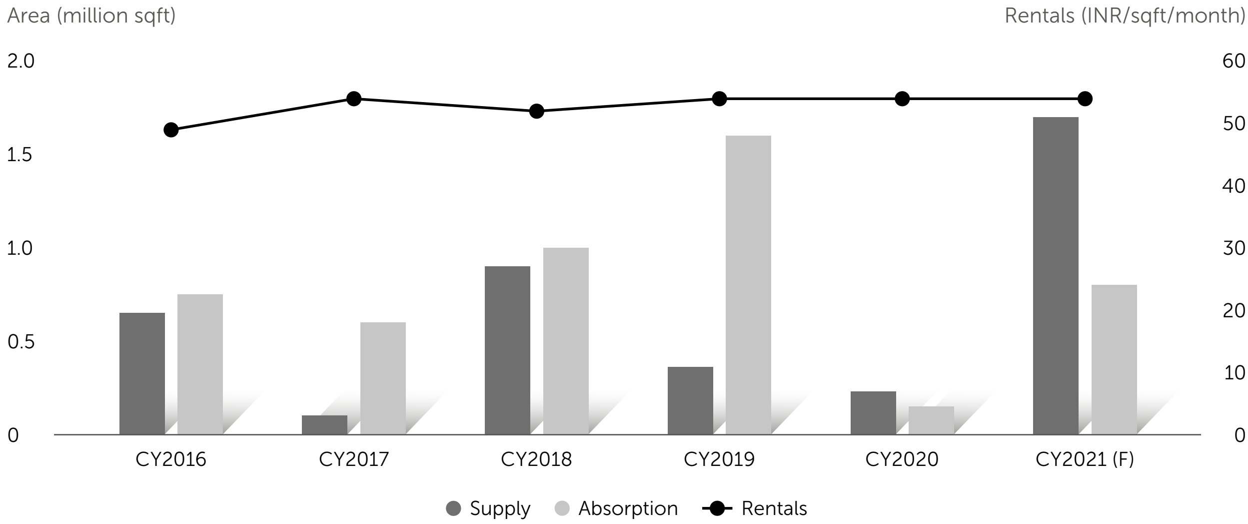
E. PUNE COMMERCIAL MARKET OVERVIEW

3.0 SUPPLY, ABSORPTION AND RENTAL TRENDS: HINJAWADI MICRO-MARKET

3.1 Supply, Absorption and Rental Trends for Grade-A Office in Hinjawadi



Source: Savills Research, 2020

Note: Supply refers to fresh completed Grade-A supply added each year; Absorption refers to fresh and secondary leasing during the year and does not include pre-commitments. Rents shown are average base rents as transacted.

4.0 ANALYSIS OF DEVELOPMENTS IN HINJAWADI

4.1 Current Commercial Developments in Hinjawadi:

Building Name	Developer	Year of Completion	Leasable Area (million sqft)	Vacancy (%)	Prominent Occupiers
Midas	Pesh Group	2011	0.3	10-15%	Coindelta, MSys Technologies
Embassy Tech Zone SEZ	Embassy Group	2010	1.8	7-10%	Calsoft, E-Clerx, Flextronics Technologies
Quantum Tower	Patang Rao Kadam	2010	0.1	10-15%	Advinus Therapeutics Limited
Panchshil Tech Park	Panchshil Realty and Developers Pvt. Ltd.	2009	0.2	10-15%	Brose, Uniglobe Mod Travel, Idea Cellular

Source: Savills Research, 2020

E. PUNE COMMERCIAL MARKET OVERVIEW

4.0 ANALYSIS OF DEVELOPMENTS IN HINJAWADI (continued)

4.2 Upcoming Commercial Developments in Hinjawadi

Building Name	Developer	Expected Completion	Leasable Area (million sqft)
Nalanda IT Park	Paranjape	2021	0.7
Embassy Quadron Business Park	Embassy Group	2021	1.0

Source: Savills Research, 2020

5.0 OUTLOOK

Leasing activity in Pune has picked up momentum in Q4 2020 after a brief slowdown in the previous quarters of 2020 due to COVID-19. With rising demand across the city expected over the medium term, developers and investors are looking forward to increasing their footprint in the city.

The Hinjawadi region is expected to witness good demand in the coming years due to its strategic location, Grade-A office supply, international tenant base, and upcoming infrastructure initiatives such as the Pune Metro.

By the end of CY2021, approximately 3.9 million sqft of Grade-A office space is anticipated in Pune, out of which supply in Hinjawadi is expected to be 1.5 to 1.7 million sqft Hinjawadi is expected to witness absorption with strong demand from IT/ITES occupiers with rentals expected to see an upward trend to the range of INR 45 - 55 per sqft per month over the next two years.

F. ABBREVIATIONS

BFSI	Banking, Financial Services and Insurance
CBD	Central Business District
CY	Calendar Year
EBD	Extended Business District
FDI	Foreign Direct Investment
FY	Financial Year
GST	Goods and Services Tax
IBC	Insolvency and Bankruptcy Code
INR	Indian Rupee
IT/ITES	Information Technology/ Information Technology Enabled Services
ITPB	International Tech Park Bangalore
ITPC	International Tech Park Chennai
MNC	Multi-National Company
NBFC	Non-Banking Financial Companies
PBD	Peripheral Business District
PE	Private Equity
RBI	Reserve Bank of India
RERA	Real Estate Regulatory Authority
SBD	Secondary Business District
SEZ	Special Economic Zone
sqft	Square Feet
sqkm	Square Kilometre
USD	United States Dollar

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Alan Rupert Nisbet
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Zia Jaydev Mody
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Ernest Kan Yaw Kiong
Non-Executive Independent Director

Tan Soon Neo Jessica
Non-Executive Independent Director

Jonathan Yap Neng Tong
Non-Executive Non-Independent Director

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Zia Jaydev Mody
Ernest Kan Yaw Kiong

INVESTMENT COMMITTEE
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Zia Jaydev Mody
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Jonathan Yap Neng Tong

COMPANY SECRETARIES
Mary Judith de Souza
Hon Wei Seng

This Annual Report to Unitholders may contain forward-looking statements. Forward-looking statements are subject to inherent uncertainties and are based on numerous assumptions. Actual performance, outcomes and results may differ materially from those expressed in forward-looking statements. Representative examples of factors which may cause the actual performance, outcomes and results to differ materially from those in the forward-looking statements include (without limitation) changes in general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate investment opportunities, competition from other companies, shifts in customers' demands, changes in operating conditions, including employee wages, benefits and training, 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 views of management on future events.

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