

## IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached information memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached information memorandum. In accessing the attached information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** In order to be eligible to view the attached information memorandum or make an investment decision with respect to the securities, investors must not be (i) a U.S. person (as defined in Regulation S under the Securities Act (as defined below)) or (ii) located within the United States of America ("U.S."). The attached information memorandum is being sent at your request and by accepting this e-mail and accessing the attached information memorandum, you shall be deemed to have represented to us (1) that you are not resident in the United States nor a U.S. person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"), nor are you acting on behalf of a U.S. person, the e-mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. and, to the extent you purchase the securities described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, and (2) that you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this e-mail and accessing the attached information memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor (as defined under Section 4A of the Securities and Futures Act 2001 (the "SFA")) pursuant to Section 274 of the SFA, a relevant person (as defined under Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or a person to whom an offer is being made pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA, and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, and (B) agree to be bound by the limitations and restrictions described therein. Any reference to the "SFA" is a reference to the Securities and Futures Act 2001 and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

The attached information memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Ascendas Property Fund Trustee Pte. Ltd. (in its capacity as trustee-manager for Ascendas India Trust) (the "Issuer"), Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd. or any person who controls any of them nor any of their respective directors, officers, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the information memorandum distributed to you in electronic format and the hard copy version.

**Restrictions:** The attached information memorandum is being furnished in connection with an offering of securities exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described therein.

***NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.***

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the Issuer, Citigroup Global Markets Singapore Pte. Ltd. or DBS Bank Ltd. to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (as defined in Regulation S under the Securities Act).

The attached information memorandum or any materials relating to the offering of securities do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering of securities be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering of securities shall be deemed to be made by the dealers or such affiliate on behalf of the Issuer in such jurisdiction. The attached information memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the attached information memorandum on the basis that you are a person into whose possession the attached information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached information memorandum, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.**

**Actions that You May Not Take:** If you receive the attached information memorandum by e-mail, you should not reply by e-mail, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

***YOU ARE NOT AUTHORISED TO, AND YOU MAY NOT, FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.***

**You are responsible for protecting against viruses and other destructive items.** If you receive the attached information memorandum by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



## ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

(in its capacity as Trustee-Manager for Ascendas India Trust)  
(Incorporated in the Republic of Singapore on 5 October 2004)  
(UEN/Company Registration No. 200412730D)

### S\$1,500,000,000 MULTICURRENCY DEBT ISSUANCE PROGRAMME (THE “PROGRAMME”)

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the “Notes”) and perpetual securities (the “Perpetual Securities”) and, together with the Notes, the “Securities”) to be issued from time to time by Ascendas Property Fund Trustee Pte. Ltd. (in its capacity as Trustee-Manager for Ascendas India Trust (“a-iTrust”)) (the “Issuer”) pursuant to the Programme may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the “SFA” is a reference to the Securities and Futures Act 2001 and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Application has been made to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for permission to deal in and quotation for any Securities that may be issued under the Programme and which are agreed at or prior to the time of the issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of any Securities on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, a-iTrust, the subsidiaries (as defined herein) and associated companies of a-iTrust, the Programme or such Securities. Unlisted Securities may also be issued under the Programme. The relevant Pricing Supplement (as defined herein) in respect of any Series (as defined herein) will specify whether or not such Securities will be listed, and if so, which exchange(s) the Securities are to be listed on.

Arrangers



## TABLE OF CONTENTS

|                                                                                                                                       | Page |
|---------------------------------------------------------------------------------------------------------------------------------------|------|
| NOTICE .....                                                                                                                          | 1    |
| FORWARD-LOOKING STATEMENTS .....                                                                                                      | 7    |
| CERTAIN DEFINED TERMS AND CONVENTIONS .....                                                                                           | 8    |
| DEFINITIONS .....                                                                                                                     | 9    |
| CORPORATE INFORMATION .....                                                                                                           | 15   |
| SUMMARY OF THE PROGRAMME .....                                                                                                        | 17   |
| TERMS AND CONDITIONS OF THE NOTES .....                                                                                               | 33   |
| TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES .....                                                                                | 74   |
| THE ISSUER .....                                                                                                                      | 110  |
| ASCENDAS INDIA TRUST .....                                                                                                            | 111  |
| SELECTED FINANCIAL INFORMATION .....                                                                                                  | 151  |
| RISK FACTORS .....                                                                                                                    | 155  |
| PURPOSE OF THE PROGRAMME AND USE OF PROCEEDS .....                                                                                    | 189  |
| CLEARING AND SETTLEMENT .....                                                                                                         | 190  |
| SINGAPORE TAXATION .....                                                                                                              | 192  |
| SUBSCRIPTION, PURCHASE AND DISTRIBUTION .....                                                                                         | 197  |
| APPENDICES                                                                                                                            |      |
| I: GENERAL AND OTHER INFORMATION .....                                                                                                | 205  |
| II: UNAUDITED FINANCIAL STATEMENTS OF ASCENDAS INDIA TRUST AND ITS<br>SUBSIDIARIES FOR THE HALF YEAR ENDED 30 JUNE 2021 .....         | 207  |
| III: AUDITED FINANCIAL STATEMENTS OF ASCENDAS INDIA TRUST AND ITS<br>SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 ..... | 254  |
| IV: AUDITED FINANCIAL STATEMENTS OF ASCENDAS INDIA TRUST AND ITS<br>SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 .....  | 357  |

## NOTICE

Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd. (together, the “**Arrangers**”) have been authorised by Ascendas Property Fund Trustee Pte. Ltd. (in its capacity as Trustee-Manager for Ascendas India Trust (“**a-iTrust**”)) (the “**Issuer**”) to arrange the S\$1,500,000,000 Multicurrency Debt Issuance Programme (the “**Programme**”) described herein. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the “**Notes**”) and perpetual securities (the “**Perpetual Securities**” and, together with the Notes, the “**Securities**”) denominated in Singapore dollars and/or any other currencies.

This Information Memorandum contains information with regard to the Issuer, a-iTrust, the subsidiaries of a-iTrust and the Securities. The Issuer, having made all reasonable enquiries, confirms that this Information Memorandum contains all information which is material in the context of the Programme and the issue and offering of the Securities, that the information contained herein is true and accurate in all material respects, that the opinions, expectations and intentions expressed in this Information Memorandum have been carefully considered, and that there are no other facts the omission of which in the context of the issue and offer of the Securities would or might make any such information or expressions of opinion, expectation or intention misleading in any material respect.

Notes may be issued in Series (as defined herein) having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than Variable Rate Notes (as described under the section “Summary of the Programme”)) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of Variable Rate Notes) for the issue prices and rates of interest. Each Series may be issued in one or more Tranches (as defined herein) on the same or different issue dates.

The Notes will be issued in bearer form or registered form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Security (as defined herein) in bearer form or a Permanent Global Security (as defined herein) in bearer form or a registered Global Certificate (as defined herein) which will be deposited on the issue date with, or registered in the name of, or in the name of a nominee of, either CDP (as defined herein) or a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) or otherwise delivered as agreed between the Issuer and the relevant Dealer(s) (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s) and may be subject to redemption or purchase in whole or in part. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Issuer and the relevant Dealer(s). The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined herein) issued in relation to each Series or Tranche of Notes. Details applicable to each Series or Tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

Perpetual Securities may be issued in Series having one or more issue dates, and on identical terms (including as to listing) except for the issue dates, issue prices and/or the dates of the first payment of distribution. Each Series may be issued in one or more tranches on the same or different issue dates. The Perpetual Securities will be issued in bearer form or registered form and may be listed on a stock exchange. The Perpetual Securities will initially be represented by either a Temporary Global Security in bearer form or a Permanent Global Security in bearer form or a registered Global Certificate which will be deposited on the issue date with, or registered in the name of, or in the name of a nominee of, either CDP or a common depositary for Euroclear and Clearstream, Luxembourg or otherwise delivered as agreed between the Issuer and the relevant Dealer(s). Subject to compliance with all relevant laws, regulations and directives, the Perpetual



Securities may be subject to redemption or purchase in whole or in part. The Perpetual Securities will confer a right to receive distributions at a fixed or floating rate. Details applicable to each Series or Tranche of Perpetual Securities will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

The maximum aggregate principal amount of the Securities to be issued, when added to the aggregate principal amount of all Securities outstanding (as defined in the Trust Deed referred to herein) shall be S\$1,500,000,000 (or its equivalent in any other currencies) or as may be increased in accordance with the provisions of the Programme Agreement (as defined herein). On 16 April 2019, the maximum aggregate principal amount of Securities that may be issued from time to time under the Programme and which remain outstanding was increased from S\$500,000,000 to S\$1,500,000,000.

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, either of the Arrangers or any of the Dealers. Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer, a-iTrust or any of the subsidiaries (if any) or associated companies of a-iTrust (if any). Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer, either of the Arrangers or any of the Dealers to subscribe for or purchase, the Securities in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum (or any part thereof) or any such other document or information and the offer of the Securities in certain jurisdictions may be prohibited or restricted by law. Persons who distribute or publish this Information Memorandum (or any part thereof) or any such other document or information or into whose possession this Information Memorandum or any such other document or information (or any part thereof) comes are required to inform themselves about and to observe any such prohibitions or restrictions and all applicable laws, orders, rules and regulations.

The Securities have not been, and will not be, registered under the Securities Act (as defined herein) or with any securities regulatory authority of any state or other jurisdiction of the U.S. and includes Securities in bearer form that are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Securities may not be offered, sold or delivered within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder).

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, either of the Arrangers or any of the Dealers to subscribe for or purchase, any of the Securities.

This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the relevant Dealer(s) of the Securities from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the SFA (as defined herein) and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the relevant Dealer(s) as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof in any manner whatsoever.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer, a-iTrust or any of the subsidiaries (if any) or associated companies (if any) of a-iTrust or in the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

The Arrangers and the Dealers have not separately verified the information contained in this Information Memorandum. Neither of the Arrangers, any of the Dealers nor any of their respective officers or employees is making any representation or warranty expressed or implied as to the merits of the Securities or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer, a-iTrust or the subsidiaries (if any) or associated companies (if any) of a-iTrust. Further, none of the Arrangers, the Dealers and the Trustee makes any representation or warranty as to the Issuer, a-iTrust, the subsidiaries (if any) or associated companies of a-iTrust (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and in the documents which are incorporated by reference in, and form part of, this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Securities is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, either of the Arrangers or any of the Dealers that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Securities or as to the merits of the Securities or the subscription for, purchase or acquisition thereof. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer, a-iTrust and the subsidiaries (if any) and associated companies (if any) of a-iTrust, and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer or a-iTrust and the subsidiaries (if any) and associated companies (if any) of a-iTrust. Accordingly, notwithstanding anything herein, none of the Arrangers and the Dealers nor any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Securities by a recipient of this Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, none of the Arrangers and the Dealers accepts any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by either of the Arrangers or any of the Dealers or on its behalf in connection with the Issuer, a-iTrust, the Programme or the issue and offering of the Securities. Each Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

In connection with the issue of any Tranche or Series of Securities, one or more Dealer(s) named as stabilising manager(s) (the “**Stabilising Manager(s)**”) (or persons acting on behalf of any Stabilising Manager) in the relevant Pricing Supplement may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager) will undertake any stabilisation action.

Any stabilisation action may begin at any time, on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Securities is made and, if begun, may be ended or discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series of Securities and 60 days after the date of the allotment of the relevant Series of Securities. Any stabilisation action will be conducted in accordance with the law.

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports, audited consolidated accounts of a-iTrust and its subsidiaries and associated companies or unaudited semi-annual financial statements of a-iTrust and its subsidiaries and (2) any supplement or amendment to this Information Memorandum issued by the Issuer. This Information Memorandum is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any Series or Tranche of Securities, any Pricing Supplement in respect of such Series or Tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum. Copies of all documents deemed incorporated by reference herein are available for inspection at the specified office of the Issuing and Paying Agent (as defined herein).

Copies of the most recent published audited consolidated financial statements of a-iTrust are available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

Any purchase or acquisition of the Securities is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Securities by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Securities or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuer, either of the Arrangers or any of the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Securities are not issued by the Issuer pursuant to the Programme Agreement.

The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Securities set out under the section "Subscription, Purchase and Distribution" on pages 197 to 204 of this Information Memorandum.

Any person(s) who is/are invited to purchase or subscribe for the Securities or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Securities or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for, purchase or otherwise acquire any of the Securities consult their own legal and other advisers before subscribing for, purchasing or acquiring the Securities.

Prospective investors should pay attention to the risk factors set out in the section "Risk Factors".

Prospective purchasers of the Securities are advised to consult their own tax advisors concerning the tax consequences of the acquisition, ownership or disposition of the Securities.

## Notification under Section 309B of the SFA

Unless otherwise stated in the Pricing Supplement in respect of any Securities, all Securities issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## EU Markets in Financial Instruments Directive II

The Pricing Supplement in respect of any Securities may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise none of the Arrangers, the Dealer(s) or any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

## UK Markets in Financial Instruments Regulation

The Pricing Supplement in respect of any Securities may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise none of the Arrangers, the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

## Packaged Retail Investment and Insurance Products – Prohibition of Sales to EEA Retail Investors

If the Pricing Supplement in respect of any Securities includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA

has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### **Packaged Retail Investment and Insurance Products – Prohibition of Sales to UK Retail Investors**

If the Pricing Supplement in respect of any Securities includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.



## FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “project”, “aim”, “seek”, “may”, “will”, “would”, “should” and “could” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Issuer, a-iTrust and/or the Group (as defined herein) (including statements as to the Issuer’s, a-iTrust’s and/or the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuer, a-iTrust and/or the Group, expected growth in the Issuer, a-iTrust and/or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer, a-iTrust and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others:

- changes in general political, social and economic conditions;
- changes in currency exchange and interest rates;
- demographic changes;
- changes in competitive conditions; and
- other factors beyond the control of the Issuer and a-iTrust.

Some of these factors are discussed in greater detail in this Information Memorandum, in particular, but not limited to, discussion under the section “Risk Factors”.

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuer, a-iTrust or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuer, the Arrangers and the Dealers do not represent or warrant that the actual future results, performance or achievements of the Issuer, a-iTrust or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue of any Securities by the Issuer shall under any circumstances constitute a continuing representation or create any suggestion or implication that there has been no change in the prospects, results of operations or general affairs of the Issuer, a-iTrust, the Group or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum or on the date on which this Information Memorandum has been most recently amended or supplemented.

Further, the Issuer, the Group, the Arrangers and the Dealers disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

## CERTAIN DEFINED TERMS AND CONVENTIONS

In this Information Memorandum, unless otherwise specified, references to “**INR**” or “**Indian rupee**” are to the lawful currency of India.

Unless otherwise indicated, references to currency conversions in this Information Memorandum are based on the exchange rates for INR as at 30 June 2021 which is listed as follows:

|     | Average rate over the six months<br>commencing on 1 January 2021 and<br>ending on 30 June 2021 | Closing rate as at<br>30 June 2021 |
|-----|------------------------------------------------------------------------------------------------|------------------------------------|
| INR | 55.0                                                                                           | 55.0                               |

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

## DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

|                              |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“a-iTrust”</b>            | : | Ascendas India Trust, a business trust constituted under the laws of Singapore                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>“a-iTrust Trust Deed”</b> | : | The trust deed dated 7 December 2004 made by Ascendas Property Fund Trustee Pte. Ltd., as Trustee-Manager, as the same was superseded by the First Amending and Restating Deed dated 13 June 2005 and the Second Amending and Restating Deed dated 28 June 2007 and as supplemented by the First Supplemental Deed dated 25 June 2009, the Second Supplemental Deed dated 20 July 2012 and the Third Supplemental Deed dated 10 July 2014 and as further superseded by the Third Amending and Restating Deed dated 19 July 2019, as the same may from time to time be further amended and restated |
| <b>“Agency Agreement”</b>    | : | The Agency Agreement dated 27 February 2009 made between (1) the Issuer, as issuer, (2) Citicorp Investment Bank (Singapore) Limited, as issuing and paying agent and agent bank, and (3) the Trustee, as trustee, as amended and restated by the Amendment and Restatement Agency Agreement dated 28 March 2013 made between (1) the Issuer, as issuer, (2) Citigroup Investment Bank (Singapore) Limited as issuing and paying agent, agent bank, transfer agent, and registrar, and (3) the Trustee, as trustee, and as further amended, varied or supplemented from time to time               |
| <b>“Agent Bank”</b>          | : | Citicorp Investment Bank (Singapore) Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>“APFFDI”</b>              | : | Ascendas Property Fund (FDI) Pte. Ltd. (UEN/Company Registration No. 201102708H), a company incorporated in Singapore                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>“APFI”</b>                | : | Ascendas Property Fund (India) Pte. Ltd. (UEN/Company Registration No. 200410839D), a company incorporated in Singapore                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>“Arrangers”</b>           | : | Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>“Bearer Securities”</b>   | : | Securities in bearer form                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>“Board”</b>               | : | Board of Directors of the Issuer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>“BPO”</b>                 | : | Business process outsourcing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>“business day”</b>        | : | A day (other than Saturday or Sunday) on which commercial banks are open for business in Singapore                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

|                                  |   |                                                                                                                                                                                                                                                                                                                           |
|----------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“CDP”</b>                     | : | The Central Depository (Pte) Limited                                                                                                                                                                                                                                                                                      |
| <b>“Certificate”</b>             | : | A registered certificate representing one or more Registered Securities of the same Series and, save as provided in the terms and conditions of the Notes or the terms and conditions of the Perpetual Securities (as the case may be), comprising the entire holding by a holder of Registered Securities of that Series |
| <b>“CIS Code”</b>                | : | The Code on Collective Investment Schemes issued by the MAS                                                                                                                                                                                                                                                               |
| <b>“Clearstream, Luxembourg”</b> | : | Clearstream Banking S.A.                                                                                                                                                                                                                                                                                                  |
| <b>“CLI”</b>                     | : | CapitaLand Investment Limited (UEN/Company Registration No. 200308451M), a company incorporated in Singapore                                                                                                                                                                                                              |
| <b>“Companies Act”</b>           | : | The Companies Act 1967, as amended or modified from time to time                                                                                                                                                                                                                                                          |
| <b>“Couponholders”</b>           | : | The holders of the Coupons                                                                                                                                                                                                                                                                                                |
| <b>“Coupons”</b>                 | : | The bearer coupons appertaining to an interest or distribution bearing Bearer Security                                                                                                                                                                                                                                    |
| <b>“Dealers”</b>                 | : | Persons appointed as dealers under the Programme                                                                                                                                                                                                                                                                          |
| <b>“Definitive Security”</b>     | : | A definitive Bearer Security having, where appropriate, a Coupon and/or a Talon attached on issue                                                                                                                                                                                                                         |
| <b>“Directors”</b>               | : | The directors (including alternate directors, if any) of the Issuer as at the date of this Information Memorandum                                                                                                                                                                                                         |
| <b>“Euroclear”</b>               | : | Euroclear Bank SA/NV                                                                                                                                                                                                                                                                                                      |
| <b>“FDI”</b>                     | : | Foreign direct investment                                                                                                                                                                                                                                                                                                 |
| <b>“Fiscal Year”</b>             | : | Fiscal year of the Indian Government for the year ending or ended 31 March                                                                                                                                                                                                                                                |
| <b>“FY”</b>                      | : | Financial year of a-iTrust for the year ending or ended 31 December                                                                                                                                                                                                                                                       |
| <b>“Global Certificate”</b>      | : | A Certificate representing Registered Securities of one or more Tranches of the same Series that are registered in the name of, or in the name of a nominee of, (i) a common depositary for Euroclear and Clearstream, Luxembourg, (ii) CDP and/or (iii) any other clearing system                                        |

|                                          |   |                                                                                                                                                                                                                                         |
|------------------------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Global Security”</b>                 | : | A global Security representing Bearer Securities of one or more Tranches of the same Series, being a Temporary Global Security and/or, as the context may require, a Permanent Global Security, in each case without Coupons or a Talon |
| <b>“Group”</b>                           | : | a-iTrust and its subsidiaries                                                                                                                                                                                                           |
| <b>“IRAS”</b>                            | : | Inland Revenue Authority of Singapore                                                                                                                                                                                                   |
| <b>“Issuer” or<br/>“Trustee-Manager”</b> | : | Ascendas Property Fund Trustee Pte. Ltd. (in its capacity as Trustee-Manager for a-iTrust)                                                                                                                                              |
| <b>“Issuing and Paying Agent”</b>        | : | (In the case of Securities cleared through Euroclear and/or Clearstream, Luxembourg) Citibank N.A., London Branch and (in any other case) Citicorp Investment Bank (Singapore) Limited                                                  |
| <b>“ITA”</b>                             | : | Income Tax Act 1947                                                                                                                                                                                                                     |
| <b>“IT”</b>                              | : | Information Technology                                                                                                                                                                                                                  |
| <b>“ITES”</b>                            | : | IT Enabled Services                                                                                                                                                                                                                     |
| <b>“Latest Practicable Date”</b>         | : | 7 January 2022                                                                                                                                                                                                                          |
| <b>“MAS”</b>                             | : | The Monetary Authority of Singapore                                                                                                                                                                                                     |
| <b>“Noteholders”</b>                     | : | The holders of the Notes                                                                                                                                                                                                                |
| <b>“Notes”</b>                           | : | The notes issued or to be issued by the Issuer under the Programme                                                                                                                                                                      |
| <b>“Permanent Global Security”</b>       | : | A Global Security representing Bearer Securities of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Security                                                               |
| <b>“Perpetual Securities”</b>            | : | The perpetual securities issued or to be issued by the Issuer under the Programme                                                                                                                                                       |
| <b>“Perpetual Securityholders”</b>       | : | The holders of the Perpetual Securities                                                                                                                                                                                                 |
| <b>“Pricing Supplement”</b>              | : | In relation to a Tranche or Series, a pricing supplement, to be read in conjunction with this Information Memorandum, specifying the relevant issue details in relation to such Tranche or, as the case may be, Series                  |
| <b>“Programme”</b>                       | : | The S\$1,500,000,000 Multicurrency Debt Issuance Programme established by the Issuer                                                                                                                                                    |



|                                  |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Programme Agreement”</b>     | : | The Programme Agreement dated 27 February 2009 made between (1) the Issuer, as issuer, and (2) Citicorp Investment Bank (Singapore) Limited and DBS Bank Ltd., as arrangers and dealers, as amended and restated by the amendment and restatement programme agreement dated 28 March 2013 made between the same parties and as amended, modified and supplemented by the supplemental programme agreement dated 24 January 2022 made between (1) the Issuer, as issuer, and (2) Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd., as arrangers and dealers, and as amended, varied or supplemented from time to time |
| <b>“Property Funds Appendix”</b> | : | Appendix 6 of the CIS Code issued by the MAS in relation to real estate investment trusts as may be modified, amended, supplemented, revised or replaced from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“Registered Securities”</b>   | : | Securities in registered form                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>“Registrar”</b>               | : | (In the case of Securities cleared through Euroclear and/or Clearstream, Luxembourg) Citibank, N.A., London Branch and (in any other case) Citicorp Investment Bank (Singapore) Limited                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>“SBA”</b>                     | : | Super built-up area comprising the sum of the floor area enclosed within the walls, the area occupied by the walls, and the common areas such as the lobbies, lift shafts, toilets and staircases of that property, and in respect of which rent is payable                                                                                                                                                                                                                                                                                                                                                                        |
| <b>“Securities”</b>              | : | The Notes and the Perpetual Securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>“Securities Account”</b>      | : | Securities account or sub-account maintained by a Depositor (as defined in Section 81SF of the SFA) with CDP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>“Securities Act”</b>          | : | Securities Act of 1933 of the United States, as amended or modified from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>“Securityholders”</b>         | : | The Noteholders and the Perpetual Securityholders                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>“Series”</b>                  | : | (1) (in relation to Securities other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest                                                                                    |

|                                    |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“SEZ”</b>                       | : | Special Economic Zones notified under the SEZ Act and includes an existing Special Economic Zone                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>“SEZ Act”</b>                   | : | Special Economic Zones Act, 2005, as amended and/or modified, from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>“SEZ Rules”</b>                 | : | The rules and regulations issued pursuant to, or under the SEZ Act                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>“SFA”</b>                       | : | Securities and Futures Act 2001, as amended or modified from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>“SGX-ST”</b>                    | : | Singapore Exchange Securities Trading Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“subsidiary”</b>                | : | <p>(a) in relation to a-iTrust, any company, corporation, trust, fund or other entity (whether or not a body corporate):</p> <ul style="list-style-type: none"> <li>(i) which is controlled, directly or indirectly, by a-iTrust (whether through the Issuer as Trustee- Manager for a-iTrust or otherwise);</li> <li>(ii) more than half of the interest of which is beneficially owned, directly or indirectly, by a-iTrust (whether through the Issuer as Trustee-Manager for a-iTrust or otherwise); or</li> <li>(iii) which is a subsidiary of any company, corporation, trust, fund or other entity (whether or not a body corporate) to which paragraph (i) or (ii) above applies,</li> </ul> <p>and, for these purposes, a company, corporation, trust, fund, or other entity (whether or not a body corporate) shall be treated as being controlled by a-iTrust if a-iTrust (whether through the Issuer as Trustee-Manager for a-iTrust or otherwise) is able to direct its affairs and/or to control the composition of its board of directors or equivalent body; and</p> <p>(b) (in any other case) a subsidiary within the meaning of Section 5 of the Companies Act</p> |
| <b>“Talons”</b>                    | : | Talons for further Coupons                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>“Temporary Global Security”</b> | : | A Global Security representing Bearer Securities of one or more Tranches of the same Series on issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>“Tranche”</b>                   | : | Securities which are identical in all respects (including as to listing)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

|                                     |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>“Transfer Agent”</b>             | : | (In the case of Securities cleared through Euroclear and/or Clearstream, Luxembourg) Citibank, N.A., London Branch and (in any other case) Citicorp Investment Bank (Singapore) Limited                                                                                                                                                                                                                                                                                                                                                             |
| <b>“Trust Deed”</b>                 | : | The Trust Deed dated 27 February 2009 made between (1) the Issuer, as issuer, and (2) the Trustee, as trustee, as amended, varied and supplemented by the Supplemental Trust Deed dated 6 November 2009, as amended and restated by the Amendment and Restatement Trust Deed dated 28 March 2013 and as supplemented by the Supplemental Trust Deed dated 16 April 2019 and the Second Supplemental Trust Deed dated 24 January 2022, in each case, made between the same parties, and as further amended, varied or supplemented from time to time |
| <b>“Trust Property”</b>             | : | Has the meaning ascribed to it in the Business Trusts Act 2004, as amended or modified from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>“Trustee”</b>                    | : | DBS Trustee Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“Unit”</b>                       | : | An undivided interest in a-iTrust as provided for in the a-iTrust Trust Deed                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>“Unitholder”</b>                 | : | The registered holder for the time being of a Unit including persons so registered as joint holders, except that where the registered holder is CDP, the term <b>“Unitholder”</b> shall, in relation to Units registered in the name of CDP, mean, where the context requires, the depositor whose Securities Account with CDP is credited with Units                                                                                                                                                                                               |
| <b>“United States” or “U.S.”</b>    | : | United States of America                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>“km”</b>                         | : | Kilometres                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>“S\$” or “Singapore dollars”</b> | : | The lawful currency of Singapore                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>“sq ft”</b>                      | : | Square feet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“sq m”</b>                       | : | Square metres                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>“US\$”</b>                       | : | The lawful currency of the United States of America                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>“%”</b>                          | : | Per cent.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

## CORPORATE INFORMATION

|                                                                                                                                                                                    |   |                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Board of Directors                                                                                                                                                                 | : | Mr Chiang Chie Foo<br>Mr Manohar Khiatani<br>Mr Sanjeev Dasgupta<br>Mr Alan Rupert Nisbet<br>Mrs Zia Jaydev Mody<br>Dr Ernest Kan Yaw Kiong<br>Ms Tan Soon Neo Jessica<br>Mr Jonathan Yap Neng Tong                              |
| Registered Office                                                                                                                                                                  | : | 168 Robinson Road<br>#30-01 Capital Tower<br>Singapore 068912                                                                                                                                                                    |
| Auditors to the Issuer                                                                                                                                                             | : | Ernst & Young LLP<br>One Raffles Quay<br>North Tower, Level 18<br>Singapore 048583                                                                                                                                               |
| Arrangers of the Programme                                                                                                                                                         | : | Citigroup Global Markets Singapore Pte. Ltd.<br>8 Marina View<br>#21-00 Asia Square Tower 1<br>Singapore 018960<br><br>DBS Bank Ltd.<br>12 Marina Boulevard, Level 42<br>Marina Bay Financial Centre Tower 3<br>Singapore 018982 |
| Legal Advisers to the Arrangers and the Trustee                                                                                                                                    | : | Allen & Gledhill LLP<br>One Marina Boulevard #28-00<br>Singapore 018989                                                                                                                                                          |
| Legal Advisers to the Issuer                                                                                                                                                       | : | WongPartnership LLP<br>12 Marina Boulevard Level 28<br>Marina Bay Financial Centre Tower 3<br>Singapore 018982                                                                                                                   |
| Issuing and Paying Agent, Transfer Agent and Registrar (in each case, other than in respect of Securities cleared through Euroclear and/or Clearstream, Luxembourg) and Agent Bank | : | Citicorp Investment Bank (Singapore) Limited<br>5 Changi Business Park Crescent<br>#07-00 Tower 1<br>Singapore 486027                                                                                                            |

|                                                                                                                                                                            |   |                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-------------------------------------------------------------------------------------------------------------------------|
| Issuing and Paying Agent,<br>Transfer Agent and<br>Registrar (in each case, in<br>respect of Securities<br>cleared through Euroclear<br>and/or Clearstream,<br>Luxembourg) | : | Citibank, N.A., London Branch<br>c/o Citibank, N.A.<br>Ground Floor DUB-01-11<br>1 North Wall Quay<br>Dublin 1, Ireland |
| Trustee for the<br>Securityholders                                                                                                                                         | : | DBS Trustee Limited<br>12 Marina Boulevard, Level 44<br>Marina Bay Financial Centre Tower 3<br>Singapore 018982         |

## SUMMARY OF THE PROGRAMME

The following summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum (and any relevant supplement to this Information Memorandum), the Programme Agreement, the Trust Deed, the Agency Agreement and the relevant Pricing Supplement.

|                                                                                                                                                                                    |   |                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issuer                                                                                                                                                                             | : | Ascendas Property Fund Trustee Pte. Ltd. (in its capacity as Trustee-Manager for Ascendas India Trust).                                                                                                                                            |
| Arrangers                                                                                                                                                                          | : | Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd.                                                                                                                                                                                     |
| Dealers                                                                                                                                                                            | : | Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd. and/or such other Dealers as may be appointed by the Issuer in accordance with the Programme Agreement.                                                                             |
| Issuing and Paying Agent, Transfer Agent and Registrar (in each case, other than in respect of Securities cleared through Euroclear and/or Clearstream, Luxembourg) and Agent Bank | : | Citicorp Investment Bank (Singapore) Limited.                                                                                                                                                                                                      |
| Issuing and Paying Agent, Transfer Agent and Registrar (in each case, in respect of Securities cleared through Euroclear and/or Clearstream, Luxembourg)                           | : | Citibank, N.A., London Branch.                                                                                                                                                                                                                     |
| Trustee                                                                                                                                                                            | : | DBS Trustee Limited.                                                                                                                                                                                                                               |
| Description                                                                                                                                                                        | : | Multicurrency Debt Issuance Programme.                                                                                                                                                                                                             |
| Programme Size                                                                                                                                                                     | : | The maximum aggregate principal amount of the Securities outstanding at any time shall be S\$1,500,000,000 (or its equivalent in any other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement. |

### **NOTES**

|          |   |                                                                                                                                                                                                |
|----------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Currency | : | Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s). |
|----------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



|                      |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Method of Issue      | : | Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Issue Price          | : | Notes may be issued at par or at a discount, or premium, to par.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Maturities           | : | Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Mandatory Redemption | : | Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Interest Basis       | : | Notes may bear interest at fixed, floating, variable or hybrid rates or may not bear interest.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Fixed Rate Notes     | : | Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Floating Rate Notes  | : | <p>Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to S\$ SIBOR or S\$ SWAP RATE (or in any other case such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin. Interest periods in relation to the Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.</p> <p>Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).</p> |
| Variable Rate Notes  | : | Variable Rate Notes will bear interest at a variable rate determined in accordance with the terms and conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.                                                                                                                                                                                                                                                                                                                                                                                                                                              |

|                                |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Hybrid Notes                   | : | Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to S\$ SIBOR or S\$ SWAP RATE (or such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Issuer and the relevant Dealer(s).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Zero Coupon Notes              | : | Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Form and Denomination of Notes | : | The Notes will be issued in bearer form or in registered form and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Notes may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein. Each Tranche or Series of registered Notes will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of, CDP, a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. Save as provided in the terms and conditions of the Notes, one Certificate shall be issued in respect of each Noteholder's entire holding of registered Notes of one Series. |

|                                                           |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Custody of the Notes                                      | : | Notes which are to be listed on the SGX-ST may be cleared through CDP. Notes which are to be cleared through CDP are required to be kept with CDP as authorised depository. Notes which are cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a common depository on behalf of Euroclear and Clearstream, Luxembourg.                                                                                                                                                                                                                                                                                       |
| Status of the Notes                                       | : | The Notes and Coupons of all Series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and <i>pari passu</i> with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.                                                                                                                                                                                                                                         |
| Redemption and Purchase                                   | : | If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes. Further, if so provided on the face of the Note and the relevant Pricing Supplement, Notes may be purchased by the Issuer (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes.                                                                                                                                                                   |
| Redemption in the event that a-iTrust ceases to be listed | : | If on any date, (a) the Units cease to be traded on the SGX-ST or (b) trading in the Units is suspended for more than seven consecutive days on which normal trading of securities is carried out, the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount (together with interest accrued to the date fixed for redemption) on the date (or, if such date is not a business day, on the immediately preceding business day) falling 45 days after (in the case of (a)) the date of cessation of trading or (in the case of (b)) the day immediately following the expiry of the seven-day period. |

- Negative Pledge : The Issuer has covenanted with the Trustee that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its subsidiaries will, create or have outstanding any security on or over their respective present or future assets unless the aggregate amount of all obligations of the Group for or in respect of amounts which is required by GAAP (as defined in the Trust Deed) to be treated as a borrowing or by the a-iTrust Trust Deed to be included in the determination of the total borrowing of a property fund and which are secured by any security interest over any asset of the Group does not exceed 30 per cent. of the Value (as defined in the Trust Deed) of a-iTrust's Trust Property (as defined in the Trust Deed). For the avoidance of doubt, the prohibition against the creation of security set out in this paragraph shall not extend to:
- (a) liens or rights of set-off arising in the ordinary course of its business or by operation of law (or by an agreement evidencing the same), in either case, in respect of indebtedness which either (i) has been due for less than 14 days or (ii) is being contested in good faith and by appropriate means; and
  - (b) any other security which has been approved by the Noteholders by way of an Extraordinary Resolution (as defined in the Trust Deed).
- Financial Covenants : The Issuer has covenanted with the Trustee that so long as any of the Notes remains outstanding, it will ensure that:
- (a) the ratio of Consolidated Total Borrowings (as defined in the Trust Deed) to Value of a-iTrust's Trust Property shall not exceed the lower of (i) the aggregate leverage limit set out under the Property Funds Appendix and (ii) 0.60 to 1;
  - (b) the ratio of Consolidated EBITDA (as defined in the Trust Deed) shall exceed Consolidated Interest Expense (as defined in the Trust Deed) by at least 2.0 times.
- Events of Default : The following are events of default:
- (a) the Issuer ceases to be the direct legal owner of, or ceases to hold on trust for the Unitholders, all of the issued share capital in APFI; and
  - (b) CLI ceases to own beneficially, directly or indirectly through one or more wholly-owned subsidiaries, at least 51 per cent. of the issued share capital of the Issuer.

See Condition 10 of the Notes for other events of default.

|                      |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Taxation             | : | All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section "Singapore Taxation" herein. |
| Listing              | : | Each Series of the Notes may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained.<br><br>If the application to SGX-ST to list a particular Series of Notes is approved, for as long as such Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of at least S\$200,000 (or its equivalent in foreign currencies).                                                                                                                                                                                                            |
| Selling Restrictions | : | For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see the section "Subscription, Purchase and Distribution" below. Further restrictions may apply in connection with any particular Series or Tranche of Notes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Governing Law        | : | The Programme and any Notes issued under the Programme will be governed by, and construed in accordance with, the laws of Singapore.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

## **PERPETUAL SECURITIES**

|                 |   |                                                                                                                                                                                                                                                                                                               |
|-----------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Currency        | : | Subject to compliance with all relevant laws, regulations and directives, Perpetual Securities may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).                                                                                                 |
| Method of Issue | : | Perpetual Securities may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement. |

|                                    |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue Price                        | : | Perpetual Securities may be issued at par or at a discount, or premium, to par.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| No Fixed Maturity                  | : | The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall only have the right (but not the obligation) to redeem or purchase them in accordance with the provisions of the terms and conditions of the Perpetual Securities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Distribution Basis                 | : | Perpetual Securities may confer a right to distribution at fixed or floating rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Fixed Rate Perpetual Securities    | : | Fixed Rate Perpetual Securities will confer a right to distribution at a fixed rate which will be payable in arrear on specified dates. If so provided on the face of the Fixed Rate Perpetual Securities, the distribution rate may be subject to reset on such date and bases as may be set out in the relevant Pricing Supplement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Floating Rate Perpetual Securities | : | <p>Floating Rate Perpetual Securities which are denominated in Singapore dollars will confer a right to distribution at a rate to be determined separately for each Series by reference to S\$ SIBOR or S\$ SWAP RATE (or in any other case such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin. Distribution periods in relation to the Floating Rate Perpetual Securities will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.</p> <p>Floating Rate Perpetual Securities which are denominated in other currencies will confer a right to distribution at a rate to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).</p> |
| Distribution Discretion            | : | If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an “ <b>Optional Payment Notice</b> ”) to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14 of the Perpetual Securities) not more than 15 nor less than five business days (or such other notice period as may be specified on the face of the Perpetual Security and the relevant Pricing Supplement) prior to a scheduled Distribution Payment Date.                                                                                                                 |

If Dividend Pusher is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Issuer may not elect to defer any distribution if during the period (the “**Reference Period**”) ending on the day before that scheduled Distribution Payment Date (such Reference Period as specified in the applicable Pricing Supplement), either or both of the following have occurred:

- (a) a discretionary dividend, distribution or other payment has been declared or paid by the Issuer or any of its subsidiaries on or in respect of any of the Junior Obligations (as defined in the terms and conditions of the Perpetual Securities) or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations (as defined in the terms and conditions of the Perpetual Securities); or
- (b) the Issuer has at its discretion repurchased, redeemed or otherwise acquired any of its Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations,

(a “**Compulsory Distribution Payment Event**”) and/or as otherwise specified in the applicable Pricing Supplement.

Non-Cumulative Deferral  
and Cumulative Deferral

: If Non-Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities is non-cumulative and will not accrue interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid (the “**Optional Distributions**”) (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e) of the Perpetual Securities. There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to Condition 4(IV) of the Perpetual Securities. Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.



If Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities shall constitute “**Arrears of Distribution**”. The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a) of the Perpetual Securities) further defer any Arrears of Distribution by complying with the notice requirement in Condition 4(IV)(e) of the Perpetual Securities applicable to any deferral of an accrued distribution. The Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to Condition 4(IV) of the Perpetual Securities except that Condition 4(IV)(c) of the Perpetual Securities shall be complied with until all outstanding Arrears of Distribution have been paid in full.

If Additional Distribution is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, each amount of Arrears of Distribution shall bear interest as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such interest (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to Condition 4 of the Perpetual Securities and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the provisions of Condition 4 of the Perpetual Securities. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

Restriction in the case of  
Non-Payment

: If Dividend Stopper is so provided on the face of the Perpetual Security and the relevant Pricing Supplement and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of Condition 4(IV) of the Perpetual Securities, the Issuer shall not and shall procure that none of its subsidiaries shall:

- (a) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of its Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations; or

- (b) redeem, reduce, cancel, buy-back or acquire for any consideration any of its Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations,

unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the Issuer is permitted to do so by an Extraordinary Resolution of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

Form and Denomination of Perpetual Securities : The Perpetual Securities will be issued in bearer form or registered form and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Perpetual Securities may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Perpetual Securities (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Perpetual Securities upon the terms therein. Each Tranche or Series of registered Perpetual Securities will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of, CDP, a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. Save as provided in the terms and conditions of the Perpetual Securities, one Certificate shall be issued in respect of each Perpetual Securityholder's entire holding of registered Perpetual Securities of one Series.

|                                                          |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Custody of the Perpetual Securities                      | : | Perpetual Securities which are to be listed on the SGX-ST may be cleared through CDP. Perpetual Securities which are to be cleared through CDP are required to be kept with CDP as authorised depository. Perpetual Securities which are cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a common depository on behalf of Euroclear and Clearstream, Luxembourg.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Status of the Senior Perpetual Securities                | : | The Senior Perpetual Securities and the Coupons relating to them will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and <i>pari passu</i> with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Status of the Subordinated Perpetual Securities          | : | The Subordinated Perpetual Securities and Coupons relating to them will constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and <i>pari passu</i> with any Parity Obligations of the Issuer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Set-off in relation to Subordinated Perpetual Securities | : | Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of the winding-up or administration of the Issuer or a-iTrust, the liquidator or, as appropriate, administrator of the Issuer or a-iTrust) and, until such time as payment is made, shall hold such amount in trust for the Issuer or a-iTrust (or the liquidator or, as appropriate, administrator of the Issuer or a-iTrust) and accordingly any such discharge shall be deemed not to have taken place. |

|                                        |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Redemption at the Option of the Issuer | : | <p>If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer's Redemption Option Period shown on the face thereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to the date fixed for redemption.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Redemption for Taxation Reasons        | : | <p>If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if:</p> <ul style="list-style-type: none"> <li>(i) the Issuer receives a ruling by the Comptroller of Income Tax (or other relevant authority) which confirms that: <ul style="list-style-type: none"> <li>(A) the Perpetual Securities will not be regarded as "debt securities" for the purposes of Section 43N(4) of the ITA and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or</li> <li>(B) the distributions will not be regarded as interest payable by the Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or</li> <li>(C) the distributions will not be regarded as sums "payable by way of interest upon any money borrowed" for the purpose of Section 14(1)(a) of the ITA; or</li> </ul> </li> </ul> |

- (ii) (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement; and
- (B) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Redemption for Accounting Reasons :

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, on such Distribution Payment Date or any time prior to or after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the "**SFRS**") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Issuer (the "**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of the Issuer pursuant to the Relevant Accounting Standard.

|                                                      |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Redemption for Tax Deductibility                     | : | <p>If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if as a result of:</p> <ul style="list-style-type: none"> <li>(i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective on or after the Issue Date;</li> <li>(ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or</li> <li>(iii) any applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or before the Issue Date,</li> </ul> <p>payments by the Issuer would no longer be fully deductible by the Issuer for Singapore income tax purposes.</p> |
| Redemption in the case of Minimal Outstanding Amount | : | <p>If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                                                                            |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Limited right to institute proceedings in relation to Perpetual Securities | : | The right to institute proceedings for winding-up is limited to circumstances where payment under the Perpetual Securities has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Proceedings for Winding-Up                                                 | : | If (i) a final order is made or an effective resolution is passed for the winding-up, bankruptcy, liquidation, receivership or similar proceedings in respect of the Issuer or a-iTrust or (ii) the Issuer shall not make payment in respect of the Perpetual Securities for a period of seven business days or more after the date on which such payment is due, the Issuer shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d) of the Perpetual Securities, institute proceedings for the winding-up, bankruptcy, liquidation, receivership or similar proceedings of a-iTrust or the Issuer (but only to the extent required to wind up a-iTrust and no further) and/or prove in the winding-up, bankruptcy, liquidation, receivership or similar proceedings of the Issuer or a-iTrust and/or claim in the liquidation of the Issuer or a-iTrust for such payment. |
| Taxation                                                                   | : | All payments in respect of the Perpetual Securities and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section "Singapore Taxation" herein.                                                                                                                                     |
| Listing                                                                    | : | <p>Each Series of the Perpetual Securities may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained.</p> <p>If the application to SGX-ST to list a particular Series of Perpetual Securities is approved, for as long as such Perpetual Securities are listed on the SGX-ST and the rules of the SGX-ST so require, such Perpetual Securities will be traded on the SGX-ST in a minimum board lot size of at least S\$200,000 (or its equivalent in foreign currencies).</p>                                                                                                                                                                                                                                                                                                          |

- Selling Restrictions : For a description of certain restrictions on offers, sales and deliveries of Perpetual Securities and the distribution of offering material relating to the Perpetual Securities, see the section “Subscription, Purchase and Distribution” below. Further restrictions may apply in connection with any particular Series or Tranche of Perpetual Securities.
- Governing Law : The Programme and any Perpetual Securities issued under the Programme will be governed by, and construed in accordance with, the laws of Singapore.



## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Security(ies) or the Global Certificates representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted by a Trust Deed dated 27 February 2009 made between (1) Ascendas Property Fund Trustee Pte. Ltd. (in its capacity as Trustee-Manager for Ascendas India Trust (“**a-iTrust**”)) (the “**Issuer**”) and (2) DBS Trustee Limited (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Noteholders (as defined below) (as supplemented by a supplemental trust deed dated 6 November 2009, as amended and restated by an amendment and restatement deed dated 28 March 2013 and as supplemented by a supplemental trust deed dated 16 April 2019 and a second supplemental trust deed dated 24 January 2022, in each case, made between the same parties, and as further amended, modified and supplemented from time to time, the “**Trust Deed**”), and (where applicable) the Notes are issued with the benefit of a deed of covenant dated 27 February 2009 (as amended, varied and supplemented by a supplemental deed of covenant dated 28 March 2013, a second supplemental deed of covenant dated 16 April 2019 and a third supplemental deed of covenant dated 24 January 2022 and as further amended, modified and supplemented from time to time, the “**Deed of Covenant**”), relating to the Notes executed by the Issuer. These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. The Issuer has entered into an Agency Agreement dated 27 February 2009 made between (1) the Issuer, (2) Citicorp Investment Bank (Singapore) Limited, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**” and, together with any other paying agents that may be appointed, the “**Paying Agents**”) and agent bank (in such capacity, the “**Agent Bank**”), and (3) the Trustee, as trustee (as amended and restated by an Amendment and Restatement Agency Agreement dated 28 March 2013 made between (1) the Issuer, (2) the Issuing and Paying Agent, (3) the Agent Bank, (4) Citicorp Investment Bank (Singapore) Limited, as transfer agent (and, together with any other transfer agents that may be appointed, the “**Transfer Agents**”), (5) Citicorp Investment Bank (Singapore) Limited, as registrar (in such capacity, the “**Registrar**”), and (6) the Trustee, as trustee, and as further amended, modified and supplemented from time to time, the “**Agency Agreement**”). The Noteholders and the holders (the “**Couponholders**”) of the coupons (the “**Coupons**”) appertaining to the interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, references to the “**Issuing and Paying Agent**”, the “**Registrar**” and the “**Transfer Agent**” shall, with respect to a Series of Notes cleared through Euroclear and/or Clearstream, Luxembourg (each as defined below), be deemed to be references to Citibank, N.A., London Branch and all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

## 1. Form, Denomination and Title

### (a) Form and Denomination

- (i) The Notes of the Series of which this Note forms part (in these Conditions, the “**Notes**”) are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”), in each case in the Denomination Amount shown hereon.
- (ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face).
- (iii) Bearer Notes are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to default interest referred to in Condition 7(h)) in these Conditions are not applicable.
- (iv) Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

### (b) Title

- (i) Title to the Bearer Notes and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

*For so long as any of the Notes is represented by a Global Security (as defined in the Trust Deed) or, as the case may be, a Global Certificate (as defined in the Trust Deed), and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or The Central Depository (Pte) Limited (the “**Depository**”), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, interest and any other amounts in respect of the Notes, for which purpose the bearer of such Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of such Global Security or, as the case may be, the Global Certificate (and*

*the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly). Notes which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository.*

- (iii) In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be), “**Series**” means (1) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (aa) expressed to be consolidated and forming a single series and (bb) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and “**Tranche**” means Notes which are identical in all respects (including as to listing).
- (iv) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## **2. No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** Subject to Condition 2(f) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise

of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the other Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the other relevant Transfer Agent may require) in respect of tax or charges.
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (ii) after any such Note has been called for redemption or (iii) during the period of 15 days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)).

### 3. Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *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 Issuer.

### 4. Negative Pledge and Financial Covenants

- (a) The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its subsidiaries (as defined in the Trust Deed) will, create or have outstanding any security on or over their respective present or future assets unless the aggregate amount of all obligations of the Group (as defined in the Trust Deed) for or in respect of amounts which is required by GAAP (as defined in the Trust Deed) to be treated as a borrowing or by the a-iTrust Trust Deed (as defined in the Trust Deed) to be included in the determination of the total borrowing of a property fund and which are secured by any security interest

over any asset of the Group does not exceed 30 per cent. of the Value (as defined in Condition 4(b)) of a-iTrust's Trust Property (as defined in Condition 4(b)). For the avoidance of doubt, the prohibition against the creation of security set out in this Condition 4(a) shall not extend to:

- (i) liens or rights of set-off arising in the ordinary course of its business or by operation of law (or by an agreement evidencing the same), in either case, in respect of indebtedness which either (1) has been due for less than 14 days or (2) is being contested in good faith and by appropriate means; and
  - (ii) any other security which has been approved by the Noteholders by way of an Extraordinary Resolution (as defined in the Trust Deed).
- (b) The Issuer has further covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will ensure that:
- (i) the ratio of Consolidated Total Borrowings to Value of a-iTrust's Trust Property shall not exceed the lower of (1) the aggregate leverage limit set out under the Property Funds Appendix and (2) 0.60 to 1; and
  - (ii) the ratio of Consolidated EBITDA shall exceed Consolidated Interest Expense by at least 2.0 times.

For the avoidance of doubt, the calculations required to be made pursuant to Condition 4(b)(ii) shall be made by reference to the currency in which the financial statements of the Group are prepared.

For the purposes of this Condition:

- (A) "**Borrowings**" means, at any time, any amount which is required by GAAP to be treated as a borrowing or by the a-iTrust Trust Deed to be included in the determination of the total borrowing of a property fund, examples of which include:
- (aa) moneys borrowed;
  - (bb) any amount raised by acceptance under any acceptance credit;
  - (cc) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
  - (dd) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
  - (ee) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
  - (ff) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of borrowing;
  - (gg) shares which are expressed to be redeemable (other than those shares which are regarded as equity as reflected in the Group's latest audited consolidated balance sheet);

- (hh) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (ii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (jj) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (aa) to (ii) above.

For the purposes of this definition of “**Borrowings**”, derivative financial assets shall be deducted from the total borrowings while derivative financial liabilities shall be added to the total borrowings;

- (B) “**Consolidated EBITDA**” means, in relation to a Financial Half Year, the total operating profit of the Group (on a consolidated basis) for that Financial Half Year:

(aa) before taking into account:

- (1) the Consolidated Interest Expense;
- (2) Tax;
- (3) any share of the profit of any associated company or undertaking, except for dividends received in cash by the Group (on a consolidated basis); and
- (4) extraordinary and exceptional items; and

(bb) after adding back all amounts provided for depreciation and amortisation for that period.

For the avoidance of doubt, the definition of Consolidated EBITDA shall exclude the other non-cash items which are realised or non-realised gains or losses arising from foreign exchange translation and realised or non-realised mark-to-market revaluation gains or losses on assets or liabilities, all as required by or in accordance with the prevailing generally accepted accounting principles;

- (C) “**Consolidated Interest Expense**” means, in relation to a Financial Half Year, the aggregate amount of interest and any other finance charges (whether or not paid, payable or capitalised) accrued by the Group (on a consolidated basis) during that Financial Half Year, including:

- (aa) the interest element of leasing and hire purchase payments;
- (bb) commitment fees, commissions and guarantee fees to banks and financial institutions; and
- (cc) amounts in the nature of interest payable in respect of any shares other than ordinary equity share capital;



- (D) “**Consolidated Total Borrowings**” means, in relation to a Financial Half Year, the aggregate amount of all obligations of the Group for or in respect of Borrowings, so that no amount shall be included or excluded more than once;
- (E) “**Financial Half Year**” means the semi-annual accounting period of the Group (or any member of the Group) ending on 30 June or 31 December in any year;
- (F) “**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
- (G) “**Trust Property**” has the meaning ascribed to it in the Business Trusts Act 2004; and
- (H) “**Value**” means with reference to any Authorised Investment (as defined in the Trust Deed) or the Trust Property and at any relevant time, the aggregate value of all Authorised Investments comprising the Trust Property at that relevant time based on the latest valuation of a-iTrust’s Real Estate (as defined in the Trust Deed).

## 5. (I) **Interest on Fixed Rate Notes**

### (a) **Interest Rate and Accrual**

Each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 5(II) (d)) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(I) to the Relevant Date (as defined in Condition 8).

### (b) **Calculations**

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon. The amount of interest payable per Calculation Amount in respect of a Fixed Rate Interest Period for any Fixed Rate Note shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

For the purposes of these Conditions, “**Fixed Rate Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

**(II) Interest on Floating Rate Notes or Variable Rate Notes**

**(a) Interest Payment Dates**

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Interest Commencement Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an “**Interest Period**”.

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(II) to the Relevant Date.



**(b) Rate of Interest – Floating Rate Notes**

- (i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SIBOR (in which case such Note will be a SIBOR Note) or Swap Rate (in which case such Note will be a Swap Rate Note) or in any case (or in the case of Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The “**Spread**” is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the “**Rate of Interest**”.

- (ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Agent Bank on the basis of the following provisions:

(1) in the case of Floating Rate Notes which are SIBOR Notes:

- (A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 A.M. SINGAPORE TIME” and under the column headed “SGD SIBOR” (or such other Screen Page as may be provided hereon) and as adjusted by the Spread (if any);
- (B) if no such rate appears on the Reuters Screen ABSIRFIX01 Page under the column headed “SGD SIBOR” (or such other replacement page thereof), the Agent Bank will, at or about the Relevant Time on such Interest Determination Date, determine the Rate of Interest for such Interest Period which shall be the rate which appears under the caption “SINGAPORE DOLLAR INTER-BANK OFFERED RATES – 11:00 A.M.” and the row headed “SIBOR SGD” on the Reuters Screen SIBP Page (or such other replacement page thereof), being the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period and as adjusted by the Spread (if any);
- (C) if no such rate appears on the Reuters Screen SIBP Page (or such other replacement page thereof or if no rate appears on such other Screen Page as may be provided hereon) or if the Reuters Screen SIBP Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Singapore dollars are offered by it at

approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to four decimal places) of such offered quotations and as adjusted by the Spread (if any), as determined by the Agent Bank;

- (D) if on any Interest Determination Date, two but not all the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (C) above on the basis of the quotations of those Reference Banks providing such quotations; and
- (E) if on any Interest Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any) or if on such Interest Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotation, the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any);

(2) in the case of Floating Rate Notes which are Swap Rate Notes:

- (A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Agent Bank as being the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 A.M. SINGAPORE TIME" under the column headed "SGD SWAP OFFER" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period) and as adjusted by the Spread (if any);

- (B) if on any Interest Determination Date, no such rate is quoted on the Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) or the Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Agent Bank will determine the Average Swap Rate (which shall be rounded up, if necessary, to four decimal places) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\begin{aligned} \text{Average Swap Rate} = & \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} \\ & + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

In the case of Discount:

$$\begin{aligned} \text{Average Swap Rate} = & \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} \\ & - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

where:

**SIBOR** = the rate which appears under the caption "SINGAPORE INTERBANK OFFER RATES (DOLLAR DEPOSITS) 11 A.M." and the row headed "SIBOR USD" on the Reuters Screen SIBO Page of the Reuters Monitor Money Rates Service (or such other page as may replace the Reuters Screen SIBO Page for the purpose of displaying Singapore inter-bank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

**Spot Rate** = the rate (determined by the Agent Bank) to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSIRFIX06 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES AT 11:00 A.M. SINGAPORE" and the column headed "SPOT" (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Premium or Discount = the rate (determined by the Agent Bank) to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appear on the Reuters Screen ABSIRFIX06 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES AT 11:00 A.M. SINGAPORE" (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Agent Bank) and as adjusted by the Spread (if any);

- (C) if on any Interest Determination Date any one of the components for the purposes of calculating the Average Swap Rate under (B) above is not quoted on the relevant Reuters Screen Page (or such other replacement page as aforesaid) or the relevant Reuters Screen Page (or such other replacement page as aforesaid) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of the Reference Banks to provide the Agent Bank with quotations of their Swap Rates for the Interest Period concerned at or about the Relevant Time on that Interest Determination Date and the Rate of Interest for such Interest Period shall be the Average Swap Rate for such Interest Period (which shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the Swap Rates quoted by the Reference Banks to the Agent Bank) and as adjusted by the Spread (if any). The Swap Rate of a Reference Bank means the rate at which that Reference Bank can generate Singapore dollars for the Interest Period concerned in the Singapore inter-bank market at or about the Relevant Time on the relevant Interest Determination Date and shall be determined as follows:

In the case of Premium:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

**SIBOR** = the rate per annum at which United States dollar deposits for a period equal to the duration of the Interest Period concerned are being offered by that Reference Bank to prime banks in the Singapore inter-bank market at or about the Relevant Time on the relevant Interest Determination Date;

**Spot Rate** = the rate at which that Reference Bank sells United States dollars spot in exchange for Singapore dollars in the Singapore inter-bank market at or about the Relevant Time on the relevant Interest Determination Date;

**Premium** = the premium that would have been paid by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore inter-bank market;

**Discount** = the discount that would have been received by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore inter-bank market; and

**T** = the number of days in the Interest Period concerned; and

- (D) if on any Interest Determination Date one only or none of the Reference Banks provides the Agent Bank with quotations of their Swap Rate(s), the Average Swap Rate shall be determined by the Agent Bank to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and the Rate of Interest for the relevant Interest Period shall be the Average Swap Rate (as so determined by the Agent Bank) and as adjusted by the Spread (if any), or if on such Interest

Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any); and

- (3) in the case of Floating Rate Notes which are not SIBOR Notes or Swap Rate Notes or which are denominated in a currency other than Singapore dollars, the Agent Bank will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:
  - (A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be
    - (aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or
    - (bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,and as adjusted by the Spread (if any);
  - (B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any); and
  - (C) if paragraph (b)(ii)(3)(B) applies and the Agent Bank determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.
- (iii) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

**(c) Rate of Interest – Variable Rate Notes**

- (i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Agreed Yield**” and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Rate of Interest**”.
- (ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:
  - (1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:
    - (A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;
    - (B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and
    - (C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an “**Agreed Rate**”) and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and
  - (2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.
- (iii) The Issuer has undertaken to the Issuing and Paying Agent and the Agent Bank that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
  - (1) notify the Issuing and Paying Agent and the Agent Bank of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and
  - (2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.



- (iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the “**Fall Back Rate**”) determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The “**Spread**” is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Agent Bank in accordance with the provisions of Condition 5(II)(b)(ii) above (*mutatis mutandis*) and references therein to “**Rate of Interest**” shall mean “**Fall Back Rate**”.

- (v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

#### (d) Definitions

As used in these Conditions:

“**Benchmark**” means the rate specified as such in the applicable Pricing Supplement;

“**business day**” means:

- (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday or Sunday) on which commercial banks are open for business in Singapore; and
- (ii) (in the case of Notes denominated in a currency other than Singapore dollars), a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in Singapore and the principal financial centre for that currency;

“**Calculation Amount**” means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

**“Interest Determination Date”** means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

**“Primary Source”** means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Reuters Monitor Money Rates Service (**“Reuters”**)) agreed by the Agent Bank;

**“Reference Banks”** means the institutions specified as such hereon or, if none, three major banks selected by the Agent Bank in the inter-bank market that is most closely connected with the Benchmark;

**“Relevant Currency”** means the currency in which the Notes are denominated;

**“Relevant Dealer”** means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

**“Relevant Financial Centre”** means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

**“Relevant Rate”** means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

**“Relevant Time”** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre; and

**“Screen Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters) as may be specified hereon, for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark.

### **(III) Interest on Hybrid Notes**

#### **(a) Interest Rate and Accrual**

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

#### **(b) Fixed Rate Period**

- (i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

- (ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.
- (iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.

**(c) Floating Rate Period**

- (i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

- (ii) The period beginning on the first day of the Floating Rate Period and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an **“Interest Period”**.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) and the Agency Agreement to the Relevant Date.
- (iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

#### **(IV) Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 6(h)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6(h)).

#### **(V) Calculations**

##### **(a) Determination of Rate of Interest and Calculation of Interest Amounts**

The Agent Bank will, as soon as practicable after the Relevant Time on each Interest Determination Date determine the Rate of Interest and calculate the amount of interest payable (the **“Interest Amounts”**) in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable per Calculation Amount in respect of any Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

##### **(b) Notification**

The Agent Bank will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee and the Issuer as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Notes, the Agent Bank will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Noteholders in accordance with Condition 16 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the

Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

**(c) Determination or Calculation by the Trustee**

If the Agent Bank does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

**(d) Agent Bank and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Agent Bank may not resign from its duties without a successor having been appointed as aforesaid.

**(VI) Benchmark Discontinuation and Replacement**

**(a) Independent Adviser**

Notwithstanding the provisions above in this Condition 5, if a Benchmark Event occurs in relation to an Original Reference Rate prior to the relevant Interest Determination Date when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 5(VI)(b)) and an Adjustment Spread, if any (in accordance with Condition 5(VI)(c)) and any Benchmark Amendments (in accordance with Condition 5(VI)(d)) by the relevant Interest Determination Date.

An Independent Adviser appointed pursuant to this Condition 5(VI) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Agent Bank, the Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 5(VI).

If the Issuer is unable to appoint an Independent Adviser after using its reasonable endeavours, or the Independent Adviser appointed by it fails to determine the Benchmark Replacement prior to the relevant Interest Determination Date, the Issuer

(acting in good faith and in a commercially reasonable manner) may, prior to the relevant Interest Determination Date, determine the Benchmark Replacement (in accordance with Condition 5(VI)(b)) and an Adjustment Spread, if any (in accordance with Condition 5(VI)(c)) and any Benchmark Amendments (in accordance with Condition 5(VI)(d)).

If the Issuer or the Independent Adviser appointed by it is unable to or does not determine the Benchmark Replacement prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Spread or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. The foregoing shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 5(VI)(a).

**(b) Benchmark Replacement**

The Benchmark Replacement determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) shall (subject to adjustments as provided in Condition 5(VI)(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(VI)).

**(c) Adjustment Spread**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines:

- (i) that an Adjustment Spread is required to be applied to the Benchmark Replacement; and
- (ii) the quantum of, or a formula or methodology for, determining such Adjustment Spread,

then such Adjustment Spread shall be applied to the Benchmark Replacement.

**(d) Benchmark Amendments**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines:

- (i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread; and
- (ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(VI)(e), without any requirement for the consent or approval of Noteholders vary



these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank of a certificate signed by a duly authorised signatory of the Issuer pursuant to Condition 5(VI)(e), the Trustee, the Issuing and Paying Agent and (if applicable) the Agent Bank shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed, the Agency Agreement and these Conditions), provided that the Trustee, the Issuing and Paying Agent and (if applicable) the Agent Bank shall not be obliged so to concur if in its opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Issuing and Paying Agent or the Agent Bank (as the case may be) in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement in any way.

For the avoidance of doubt, the Trustee, the Agent Bank, the Transfer Agents, the Registrar and the Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5(VI)(d). Noteholders' consent shall not be required in connection with effecting the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee, the Agent Bank, the Paying Agents, the Registrar or the Transfer Agents (if required).

In connection with any such variation in accordance with this Condition 5(VI)(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

**(e) Notices, etc.**

Any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(VI) will be notified promptly by the Issuer to the Trustee, the Agent Bank, the Paying Agents and, in accordance with Condition 16, the Noteholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date for such Benchmark Replacement, any related Adjustment Spread and the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank a certificate signed by a duly authorised signatory of the Issuer:

- (i) confirming (1) that a Benchmark Event has occurred, (2) the Benchmark Replacement, (3) where applicable, any Adjustment Spread and/or (4) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(VI); and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.



The Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. Further, none of the Trustee, the Paying Agents, the Agent Bank, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to the Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent's and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Agent Bank, the Paying Agents and the Noteholders and the Couponholders.

**(f) Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Conditions 5(VI)(a), 5(VI)(b), 5(VI)(c) and 5(VI)(d), the Original Reference Rate and the fallback provisions provided for in Condition 5, as applicable, will continue to apply unless and until the Trustee, the Paying Agents and the Agent Bank have been notified of the Benchmark Replacement, and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 5(VI)(e).

**(g) Definitions**

As used in this Condition 5(VI):

**“Adjustment Spread”** means either:

- (i) a spread (which may be positive, negative or zero); or
- (ii) the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:
  - (1) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body; or
  - (2) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or
  - (3) (if no such recommendation has been made) is determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or

method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes; or

- (4) if no such industry standard is recognised or acknowledged, the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines to be appropriate.

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines in accordance with Condition 5(VI)(b) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes (including, but not limited to applicable government bonds);

**“Benchmark Amendments”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period”, timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period, any other amendments to these Conditions, the Trust Deed and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines is reasonably necessary);

**“Benchmark Event”** means one or more of the following events:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or

- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative; or
- (vi) it has become unlawful for any Paying Agent, Agent Bank, the Issuer or any other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur:

- (1) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;
- (2) in the case of paragraph (iv) above, on the date of the prohibition or restriction of use of the Original Reference Rate; and
- (3) in the case of paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement,

and, in each case, not the date of the relevant public statement;

**“Benchmark Replacement”** means the Interpolated Benchmark, provided that if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Interest Determination Date, then “Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be):

- (i) Identified SORA;
- (ii) the Successor Rate;
- (iii) the ISDA Fallback Rate; and
- (iv) the Alternative Rate;

**“Corresponding Tenor”** with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

**“Identified SORA”** means the forward-looking term rate for the applicable Corresponding Tenor based on SORA that has been (i) selected or recommended by the Relevant Nominating Body, or (ii) determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) having

due consideration to any industry-accepted market practice for the relevant Singapore dollar denominated securities;

**“Independent Adviser”** means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 5(VI)(a);

**“Interpolated Benchmark”** with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (2) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

**“ISDA Fallback Rate”** means the rate that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes, provided that if a Benchmark Event has occurred with respect to the then-current Original Reference Rate, then Original Reference Rate means the applicable Benchmark Replacement;

**“Relevant Nominating Body”** means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
  - (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
  - (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

(3) a group of the aforementioned central banks or other supervisory authorities; or

(4) the Financial Stability Board or any part thereof;

**“SORA” or “Singapore Overnight Rate Average”** with respect to any Singapore Business Day means a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day; and

**“Successor Rate”** means the rate that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines is a successor to or replacement of the Original Reference Rate which is formally published, endorsed, approved, recognised or recommended by any Relevant Nominating Body.

## **6. Redemption and Purchase**

### **(a) Final Redemption**

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

### **(b) Purchase at the Option of Issuer**

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer’s Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of Notes.

**(c) Purchase at the Option of Noteholders**

- (i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Variable Rate Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Variable Rate Note(s) to be purchased with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes or Certificates representing Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering such Variable Rate Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent and in the case of Registered Notes, by surrendering the Certificate representing such Variable Rate Notes to the Registrar. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.
- (ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Note to be purchased (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) to be purchased with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes or Certificates so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering such Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

**(d) Redemption at the Option of the Issuer**

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to the date fixed for redemption.



All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of Notes.

**(e) Redemption at the Option of Noteholders**

- (i) If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar, any other Transfer Agent or the Issuer (as applicable) within the Noteholders' Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.
- (ii) If on any date, (1) the units of a-iTrust cease to be traded on the Singapore Exchange Securities Trading Limited or (2) trading in the units of a-iTrust is suspended for more than seven consecutive days on which normal trading of securities is carried out, the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount (together with interest accrued to the date fixed for redemption) on the date (or, if such date is not a business day, on the immediately preceding business day) falling 45 days after (in the case of this paragraph (ii)(1)) the date of cessation of trading or (in the case of this paragraph (ii)(2)) the day immediately following the expiry of the seven-day period (each an "**Effective Date**").

To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed Exercise Notice in the form obtainable from the Issuing and Paying Agent, any Paying Agent, the Registrar or any other Transfer Agent (as applicable), no later than the date falling 30 days after the relevant Effective Date. The Issuer shall, within seven days after the relevant Effective Date give notice to the Trustee, the Agents and the Noteholders of the occurrence of either event specified in this paragraph (ii)(1) or (ii)(2) (provided that any failure by the Issuer to give such notice shall not prejudice any exercise of such option).

Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.



**(f) Redemption for Taxation Reasons**

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 6(h) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors or a director and an authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

**(g) Purchases**

The Issuer or any of the subsidiaries of a-iTrust may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer or any of the subsidiaries of a-iTrust may be surrendered by the purchaser through the Issuer to the Issuing and Paying Agent for cancellation or may at the option of the Issuer or relevant subsidiary be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation or stock exchange.

**(h) Early Redemption of Zero Coupon Notes**

- (i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would

produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

**(i) Redemption upon Termination of a-iTrust**

In the event that a-iTrust is terminated in accordance with the provisions of the a-iTrust Trust Deed, the Issuer shall redeem all (and not some only) of the Notes at their Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of a-iTrust

The Issuer shall forthwith notify the Trustee, the Agents (as defined in the Trust Deed) and (in accordance with Condition 16) the Noteholders of the termination of a-iTrust.

**(j) Cancellation**

All Notes purchased by or on behalf of the Issuer or any of the subsidiaries of a-iTrust may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes or Certificates so surrendered for cancellation may not be reissued or resold.

**7. Payments**

**(a) Principal and Interest in respect of Bearer Notes**

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

**(b) Principal and Interest in respect of Registered Notes**

- (i) Payments of principal in respect of Registered Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(b)(ii).
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

**(c) Payments subject to law etc.**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

**(d) Appointment of Agents**

The Issuing and Paying Agent, the Paying Agent, the Transfer Agent and the Registrar initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, any Transfer Agent and the Registrar and to appoint additional or other Paying Agents or Transfer Agents, provided that it will at all times maintain (i) an Issuing and Paying Agent having a specified office in Singapore, (ii) a Transfer Agent in relation to Registered Notes, having a specified office in Singapore and (iii) a Registrar in relation to Registered Notes, having a specified office in Singapore.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 16.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Transfer Agent, the Registrar and the Trustee, without the consent of the holder of any Note or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Issuing and Paying Agent, the Transfer Agent, the Registrar and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Transfer Agent, the Registrar and the Trustee, materially and adversely affect the interests of the holders of the Notes or the Coupons.

**(e) Unmatured Coupons and unexchanged Talons**

- (i) Bearer Notes which comprise Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon which the sum of principal so paid

bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

- (ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

**(f) Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

**(g) Non-business days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

**(h) Default Interest**

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to one per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note)

the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

## 8. Taxation

All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 16 that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**interest**” and/or “**Early Redemption Amounts**” shall be deemed to include any additional amounts which may be payable under these Conditions.

## 9. Prescription

The Notes and Coupons shall become void unless presented for payment within three years from the appropriate Relevant Date for payment.

## 10. Events of Default

If any of the following events ("**Events of Default**") occurs, the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

- (a) the Issuer does not pay the principal of, or Redemption Amount (whether becoming due upon redemption or otherwise) or (in the case of Zero Coupon Notes) the Early Redemption Amounts on, or any interest on, any Notes of any Series when due and such default continues for seven business days;
- (b) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraph (a)) under any of the Issue Documents (as defined in the Trust Deed) or any of the Notes and, if in the opinion of the Trustee that default is capable of remedy, it is not remedied within 30 days after notice of such default shall have been given by the Trustee to the Issuer;
- (c) any representation, warranty or statement by the Issuer in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and if the event resulting in such non-compliance is, in the opinion of the Trustee, capable of remedy, it is not remedied within 30 days after notice thereof shall have been given by the Trustee to the Issuer;
- (d)
  - (i) any other present or future indebtedness of the Issuer, a-iTrust or any of its Principal Subsidiaries in respect of borrowed money is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due or, as the case may be, within any applicable grace period in any agreement relating to that indebtedness; or
  - (ii) the Issuer, a-iTrust or any of its Principal Subsidiaries fails to pay when due or expressed to be due, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided always that it shall not be an Event of Default if such failure is by reason of the Issuer, a-iTrust or such Principal Subsidiary, as the case may be, in good faith and by appropriate proceedings contesting or disputing any liability under such guarantee or indemnity.

However, no Event of Default will occur under this paragraph (d)(i) or (d)(ii) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this paragraph (d) has/have occurred equals or exceeds S\$15,000,000 or its equivalent in other currencies;

- (e) the Issuer, a-iTrust or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be



unable to pay when due), applies for a moratorium in respect of or affecting all or any material part of (or of a particular type of) its indebtedness, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the Issuer, a-iTrust or any of its Principal Subsidiaries;

- (f) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Issuer, a-iTrust or any of its Principal Subsidiaries and is not discharged or stayed within 30 days;
- (g) any security on or over the whole or any material part of the assets of the Issuer, a-iTrust or any of its Principal Subsidiaries becomes enforceable;
- (h) (i) a notice has been given by the Issuer under the a-iTrust Trust Deed for the termination of a-iTrust or (ii) any step is taken by any person with a view to the winding-up or termination of the Issuer, a-iTrust or any of its Principal Subsidiaries or any step is taken by any person for the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer, a-iTrust or any of its Principal Subsidiaries or over any material part of the assets of the Issuer, a-iTrust or any of its Principal Subsidiaries (except, in the case of a Principal Subsidiary of a-iTrust only, for the purpose of and followed by a consolidation, reorganisation, amalgamation, merger, reconstruction or transfer of assets to another member of the Group, in each case, not involving insolvency and where such event is not likely to have a material adverse effect on the Issuer or a-iTrust);
- (i) the Issuer, a-iTrust or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or any material part of its business or (otherwise than in the ordinary course of its business) disposes or threatens to dispose of the whole or any material part of its property or assets (except, in the case of a Principal Subsidiary of a-iTrust only, for the purpose of and followed by a consolidation, reorganisation, amalgamation, merger, reconstruction or transfer of assets to another member of the Group, in each case, not involving insolvency and where such event is not likely to have a material adverse effect on the Issuer or a-iTrust);
- (j) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer, a-iTrust or any of its Principal Subsidiaries;
- (k) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 14.6 of the Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);
- (l) it is or will become unlawful for the Issuer to perform or comply with any one or more of its payment or other material obligations under any of the Issue Documents or any of the Notes;
- (m) any of the Issue Documents or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;



- (n) any litigation, arbitration or administrative proceeding (other than (i) those of a frivolous or vexatious nature or (ii) those which are being contested in good faith and which are discharged within 90 days of its commencement) against the Issuer, a-iTrust or any of its Principal Subsidiaries is current or pending (1) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under any of the Issue Documents or any of the Notes or (2) which has or could have a material adverse effect on the Issuer, a-iTrust or the Group taken as a whole;
- (o) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (e), (f), (g), (h) or (j);
- (p) the Issuer or any of its Principal Subsidiaries is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act 1967;
- (q) if (i) (1) the Trustee-Manager (as defined in the Trust Deed) resigns or is removed; (2) an order is made for the winding up of the Trustee-Manager (other than the amalgamation, reconstruction or reorganisation of the Trustee-Manager), a receiver, judicial manager, administrator, agent or similar officer of the Trustee-Manager is appointed; and/or (3) there is a declaration, imposition or promulgation in Singapore or in any relevant jurisdiction of a moratorium, any form of exchange control or any law, directive or regulation of any agency or the amalgamation, reconstruction or reorganisation of the Trustee-Manager which prevents or restricts the ability of the Issuer to perform its obligations under any of the Issue Documents to which it is a party or any of the Notes and (ii) the replacement or substitute trustee-manager of the Trustee-Manager is not appointed in accordance with the terms of the a-iTrust Trust Deed;
- (r) the Issuer ceases to be the direct legal owner of, or ceases to hold on trust for the Holders, all of the issued share capital in APFI (as defined in the Trust Deed); and
- (s) CapitaLand Investment Limited (UEN/Company Registration No. 200308451M) ceases to own beneficially, directly or indirectly through one or more wholly-owned subsidiaries, at least 51 per cent. of the issued share capital of the Issuer.

In these Conditions:

- (1) **“Principal Subsidiaries”** means any subsidiary of a-iTrust:
  - (aa) whose profits after tax, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 15 per cent. of the consolidated profits after tax of the Group as shown by such audited consolidated accounts; or
  - (bb) whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 15 per cent. of the total assets of the Group as shown by such audited consolidated accounts,

provided that if such subsidiary (the **“transferor”**) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another subsidiary or a-iTrust (the **“transferee”**) then:

- (I) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is a-iTrust) shall thereupon become a Principal Subsidiary; and
- (II) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is a-iTrust) shall thereupon become a Principal Subsidiary.

Any subsidiary which becomes a Principal Subsidiary by virtue of (I) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profits after tax or (as the case may be) total assets as shown by the accounts of such subsidiary (consolidated (if any) in the case of a company which itself has subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 15 per cent. of the consolidated profits after tax or (as the case may be) total assets of the Group, as shown by such audited consolidated accounts. A report by the Auditors, who shall also be responsible for reviewing any pro-forma accounts required for the above purposes, that in their opinion a subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive; and

(2) “**subsidiary**” has the meaning ascribed to it in the Trust Deed.

## **11. Enforcement of Rights**

At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding not less than 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or prefunded by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

## **12. Meeting of Noteholders and Modifications**

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Noteholders holding not less than one-tenth of the principal amount of the Notes of any Series for the time being outstanding shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the

currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (g) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear, Clearstream, Luxembourg and/or the Depository and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders.

*These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.*

### **13. Replacement of Notes, Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 16, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

### **14. Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to “**Notes**” shall be construed accordingly.

### **15. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or prefunded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business

transactions with the Issuer or any of the subsidiaries of a-iTrust without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

## **16. Notices**

Notices to the holders of Notes will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in the Business Times. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above. In addition, notices to the holders of Registered Notes shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Notes are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the Depository, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of the Depository) the Depository for communication by it to the Noteholders, except that if the Notes are listed on any Stock Exchange and the rules of such Stock Exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Certificates). Whilst the Notes are represented by a Global Security or a Global Certificate, such notice may be given by any Noteholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or the Depository in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar, and Euroclear, Clearstream, Luxembourg and/or the Depository may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

## **17. Acknowledgement by Parties**

The parties to the Trust Deed acknowledge that the Issuer has entered into the Trust Deed only in its capacity as Trustee-Manager for a-iTrust and not in the Issuer's personal capacity. Accordingly, notwithstanding any provision of the Trust Deed and the Notes, the Issuer has assumed all obligations under the Trust Deed and the Notes in its capacity as Trustee-Manager for a-iTrust and not in its personal capacity and any liability of or indemnity given by the Issuer under the Trust Deed and the Notes is limited to the assets of a-iTrust over which the Issuer has recourse and shall not extend to any personal, or other assets of the Issuer or any assets held by the Issuer as trustee-manager for any other trust (other than a-iTrust). The foregoing shall not relieve or discharge the Issuer from any gross negligence, fraud or breach of trust.

It is hereby agreed that the Issuer's obligations under the Trust Deed and the Notes will be solely the corporate obligations of the Issuer and there shall be no recourse against the shareholders, directors, officers or employees of the Issuer for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed and the Notes. The foregoing shall not relieve or discharge any shareholder, director, officer or employee of the Issuer from any gross negligence, fraud or breach of trust.

For the avoidance of doubt, any legal action or proceedings commenced against the Issuer whether in Singapore or elsewhere pursuant to the Trust Deed and the Notes shall be brought against the Issuer in its capacity as Trustee-Manager and not in its personal capacity. The foregoing shall not relieve the Issuer from any gross negligence, fraud or breach of trust.

#### **18. Governing Law**

The Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.

#### **19. Contracts (Rights of Third Parties) Act**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 2001.

## TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Perpetual Securities in definitive form issued in exchange for the Global Security(ies) or the Global Certificates representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Perpetual Securities. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Perpetual Securities or on the Certificates relating to such Registered Perpetual Securities. References in the Conditions to “**Perpetual Securities**” are to the Perpetual Securities of one Series only, not to all Perpetual Securities that may be issued under the Programme.*

The Perpetual Securities are constituted by a Trust Deed dated 27 February 2009 made between (1) Ascendas Property Fund Trustee Pte. Ltd. (in its capacity as Trustee-Manager for Ascendas India Trust (“**a-iTrust**”)) (the “**Issuer**”) and (2) DBS Trustee Limited (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Securityholders (as defined below) (as supplemented by a supplemental trust deed dated 6 November 2009, as amended and restated by an amendment and restatement deed dated 28 March 2013 and as supplemented by a supplemental trust deed dated 16 April 2019 and a second supplemental trust deed dated 24 January 2022, in each case, made between the same parties, and as further amended, modified and supplemented from time to time, the “**Trust Deed**”), and (where applicable) the Perpetual Securities are issued with the benefit of a deed of covenant dated 27 February 2009 (as amended, varied and supplemented by a supplemental deed of covenant dated 28 March 2013, a second supplemental deed of covenant dated 16 April 2019 and a third supplemental deed of covenant dated 24 January 2022 and as further amended, modified and supplemented from time to time, the “**Deed of Covenant**”), relating to the Perpetual Securities executed by the Issuer. These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Perpetual Securities, Certificates, Coupons and Talons referred to below. The Issuer has entered into an Agency Agreement dated 27 February 2009 made between (1) the Issuer, (2) Citicorp Investment Bank (Singapore) Limited, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**” and, together with any other paying agents that may be appointed, the “**Paying Agents**”) and agent bank (in such capacity, the “**Agent Bank**”), and (3) the Trustee, as trustee (as amended and restated by an Amendment and Restatement Agency Agreement dated 28 March 2013 made between (1) the Issuer, (2) the Issuing and Paying Agent, (3) the Agent Bank, (4) Citicorp Investment Bank (Singapore) Limited, as transfer agent (and, together with any other transfer agents that may be appointed, the “**Transfer Agents**”), (5) Citicorp Investment Bank (Singapore) Limited, as registrar (in such capacity, the “**Registrar**”), and (6) the Trustee, as trustee and as further amended, modified and supplemented from time to time, the “**Agency Agreement**”). The Perpetual Securityholders and the holders (the “**Couponholders**”) of the coupons (the “**Coupons**”) appertaining to the Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

For the purposes of these Conditions, references to the “**Issuing and Paying Agent**”, the “**Registrar**” and the “**Transfer Agent**” shall, with respect to a Series of Perpetual Securities cleared through Euroclear and/or Clearstream, Luxembourg (each as defined below), be deemed to be references to Citibank, N.A., London Branch and all such references shall be construed accordingly.



Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

## 1. Form, Denomination and Title

### (a) Form and Denomination

- (i) The Perpetual Securities of the Series of which this Perpetual Security forms part (in these Conditions, the “**Perpetual Securities**”) are issued in bearer form (“**Bearer Perpetual Securities**”) or in registered form (“**Registered Perpetual Securities**”) in each case in the Denomination Amount shown hereon.
- (ii) This Perpetual Security is a Fixed Rate Perpetual Security or a Floating Rate Perpetual Security (depending upon the Distribution Basis shown on its face).
- (iii) Bearer Perpetual Securities are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached.
- (iv) Registered Perpetual Securities are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Perpetual Securities by the same holder.

### (b) Title

- (i) Title to the Bearer Perpetual Securities and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

*For so long as any of the Perpetual Securities is represented by a Global Security (as defined in the Trust Deed) or, as the case may be, a Global Certificate (as defined in the Trust Deed), and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or The Central Depository (Pte) Limited (the “**Depository**”), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, distribution and any other amounts in respect of the Perpetual Securities, for which purpose the bearer of such Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by*



*the Issuer, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions “Perpetual Securityholder” and “holder of Perpetual Securities” and related expressions shall be construed accordingly). Perpetual Securities which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository.*

- (iii) In these Conditions, “**Perpetual Securityholder**” means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and “**holder**” (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), “**Series**” means a Tranche, together with any further Tranche or Tranches, which are (1) expressed to be consolidated and forming a single series and (2) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and “**Tranche**” means Perpetual Securities which are identical in all respects (including as to listing).
- (iv) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## **2. No Exchange of Perpetual Securities and Transfers of Registered Perpetual Securities**

- (a) **No Exchange of Perpetual Securities:** Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.
- (b) **Transfer of Registered Perpetual Securities:** Subject to Condition 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Perpetual Securityholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Perpetual Securities:** In the case of an exercise of an Issuer's option in respect of, or a partial redemption of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the other Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the other relevant Transfer Agent may require) in respect of tax or charges.
- (f) **Closed Periods:** No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of 15 days prior to any date on which Perpetual Securities may be called for redemption by the Issuer at its option pursuant to Condition 5(b), (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of 15 days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).

### 3. Status

- (a) **Senior Perpetual Securities:** This Condition 3(a) applies to Perpetual Securities that are Senior Perpetual Securities (being the Perpetual Securities that specify their status as senior in the applicable Pricing Supplement). The Senior Perpetual Securities and the Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *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 Issuer.

- (b) Subordinated Perpetual Securities:** This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities (being the Perpetual Securities that specify their status as subordinated in the applicable Pricing Supplement).

**(i) Status**

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Issuer. The rights and claims of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities are subordinated as provided in this Condition 3(b).

**(ii) Ranking of claims on Winding-Up**

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-up of the Issuer or a-iTrust, the rights of the Perpetual Securityholders and Couponholders to payment of principal of and distribution on the Subordinated Perpetual Securities and the Coupons relating to them are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer or a-iTrust but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities and in priority to the claims of unitholders of a-iTrust and/or as otherwise specified in the applicable Pricing Supplement.

**(iii) Set-off**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of the Winding-up or administration of the Issuer or a-iTrust, the liquidator or, as appropriate, administrator of the Issuer or a-iTrust) and, until such time as payment is made, shall hold such amount in trust for the Issuer or a-iTrust (or the liquidator or, as appropriate, administrator of the Issuer or a-iTrust) and accordingly any such discharge shall be deemed not to have taken place.

**4. (I) Distribution on Fixed Rate Perpetual Securities**

**(a) Distribution Rate and Accrual**

Each Fixed Rate Perpetual Security confers a right to receive distribution on its Calculation Amount (as defined in Condition 4(II)(c)) from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security at the rate per annum (expressed as a percentage) equal to the Distribution Rate shown on the face of such Perpetual Security payable in arrear on each Distribution Payment Date or Distribution Payment Dates shown on the face of such Perpetual Security in each year.

The first payment of distribution will be made on the Distribution Payment Date next following the Distribution Commencement Date (and if the Distribution Commencement Date is not a Distribution Payment Date, will amount to the Initial Broken Amount shown on the face of such Perpetual Security).

Distribution will cease to accrue on each Fixed Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal is improperly withheld or refused, in which event distribution at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) to the Relevant Date (as defined in Condition 7).

**(b) Distribution Rate**

The Distribution Rate applicable to each Fixed Rate Perpetual Security shall be:

- (i) (if no Reset Date is specified in the applicable Pricing Supplement) the rate shown on the face of such Perpetual Security; and
- (ii) (if a Reset Date is specified in the applicable Pricing Supplement) (1) for the period from, and including, the Distribution Commencement Date to, but excluding, the First Reset Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from, and including, the First Reset Date and each Reset Date (as specified in the applicable Pricing Supplement) falling thereafter to, but excluding, the immediately following Reset Date, the Reset Distribution Rate.

For the purpose of these Conditions:

**“Reset Distribution Rate”** means the Swap Offer Rate or such other Relevant Rate to be specified in the applicable Pricing Supplement with respect to the relevant Reset Date plus the Initial Spread (as specified in the applicable Pricing Supplement) plus the Step-Up Margin (if applicable, as specified in the applicable Pricing Supplement); and

**“Swap Offer Rate”** means the rate in per cent. per annum notified by the Agent Bank to the Issuer equal to the rate appearing under the column headed “SGD IRS OFFER” for a maturity of the number of years specified as the Reset Period in the applicable Pricing Supplement which appears on Bloomberg Screen ABSI3 Page published between 11.30 am to 12.00 noon (Singapore time) on the day that is two business days preceding the relevant Reset Date. If such rate does not appear on the Bloomberg Screen ABSI3 Page, the rate for that Reset Date will be any substitute rate announced by the Association of Banks in Singapore, provided that, in each case, in the event such rate is zero or negative, the Swap Offer Rate shall be deemed to be zero per cent. per annum.

**(c) Calculation of Reset Distribution Rate**

The Agent Bank will, on the second business day prior to each Reset Date, calculate the applicable Reset Distribution Rate payable in respect of each Perpetual Security. The Agent Bank will cause the applicable Reset Distribution Rate determined by it to be notified to the Issuing and Paying Agent, the Issuer and the Trustee as soon as possible after their determination. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest error) be final and binding on all parties.

**(d) Publication of Relevant Reset Distribution Rate**

The Issuer shall cause notice of the then applicable Reset Distribution Rate to be promptly notified to the Perpetual Securityholders in accordance with Condition 14 after determination thereof.

**(e) Determination or Calculation by Trustee**

If the Agent Bank does not at any material time determine or calculate the applicable Reset Distribution Rate, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in the circumstances.

**(f) Calculations**

In the case of a Fixed Rate Perpetual Security, distribution in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon. The amount of distribution payable per Calculation Amount in respect of any Perpetual Security shall be calculated by multiplying the product of the Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

**(II) Distribution on Floating Rate Perpetual Securities**

**(a) Distribution Payment Dates**

Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date ("**Distribution Payment Date**"). Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Date(s) or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period on the face of the Perpetual Security (the "**Specified Number of Months**") after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be). If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Distribution Commencement Date and ending on the first Distribution Payment Date and each successive period beginning on a Distribution Payment Date and ending on the next succeeding Distribution Payment Date is herein called “**Distribution Period**”.

Distribution will cease to accrue on each Floating Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to the Relevant Date.

**(b) Rate of Distribution – Floating Rate Perpetual Securities**

- (i) Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Perpetual Security, being (in the case of Perpetual Securities which are denominated in Singapore dollars) SIBOR (in which case such Perpetual Security will be a SIBOR Perpetual Security) or Swap Rate (in which case such Perpetual Security will be a Swap Rate Perpetual Security) or in any case (or in the case of Perpetual Securities which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Perpetual Security.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Perpetual Security. The “**Spread**” is the percentage rate per annum specified on the face of such Perpetual Security as being applicable to the rate of distribution for such Perpetual Security. The rate of distribution so calculated shall be subject to Condition 4(IV)(a) below.

The rate of distribution payable in respect of a Floating Rate Perpetual Security from time to time is referred to in these Conditions as the “**Rate of Distribution**”.

- (ii) The Rate of Distribution payable from time to time in respect of each Floating Rate Perpetual Security will be determined by the Agent Bank on the basis of the following provisions:
  - (1) in the case of Floating Rate Perpetual Securities which are SIBOR Perpetual Securities:
    - (A) the Agent Bank will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 A.M. SINGAPORE TIME” and under the column headed “SGD SIBOR” (or such other Screen Page as may be provided hereon) and as adjusted by the Spread (if any);



- (B) if no such rate appears on the Reuters Screen ABSIRFIX01 Page under the column headed “SGD SIBOR” (or such other replacement page thereof), the Agent Bank will, at or about the Relevant Time on such Distribution Determination Date, determine the Rate of Distribution for such Distribution Period which shall be the rate which appears under the caption “SINGAPORE DOLLAR INTER-BANK OFFERED RATES – 11:00 A.M.” and the row headed “SIBOR SGD” on the Reuters Screen SIBP Page (or such other replacement page thereof), being the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period and as adjusted by the Spread (if any);
- (C) if no such rate appears on the Reuters Screen SIBP Page (or such other replacement page thereof or if no rate appears on such other Screen Page as may be provided hereon) or if the Reuters Screen SIBP Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Distribution Period commencing on such Distribution Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Perpetual Securities. The Rate of Distribution for such Distribution Period shall be the arithmetic mean (rounded up, if necessary, to four decimal places) of such offered quotations and as adjusted by the Spread (if any), as determined by the Agent Bank;
- (D) if on any Distribution Determination Date, two but not all the Reference Banks provide the Agent Bank with such quotations, the Rate of Distribution for the relevant Distribution Period shall be determined in accordance with (C) above on the basis of the quotations of those Reference Banks providing such quotations; and
- (E) if on any Distribution Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotations, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any) or if on such Distribution Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotation, the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date and as adjusted by the Spread (if any);



(2) in the case of Floating Rate Perpetual Securities which are Swap Rate Perpetual Securities:

- (A) the Agent Bank will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period which shall be the Average Swap Rate for such Distribution Period (determined by the Agent Bank as being the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 A.M. SINGAPORE TIME” under the column headed “SGD SWAP OFFER” (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period) and as adjusted by the Spread (if any);
- (B) if on any Distribution Determination Date, no such rate is quoted on the Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) or the Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Agent Bank will determine the Average Swap Rate (which shall be rounded up, if necessary, to four decimal places) for such Distribution Period in accordance with the following formula:

In the case of Premium:

$$\begin{aligned} \text{Average Swap Rate} = & \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} \\ & + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

In the case of Discount:

$$\begin{aligned} \text{Average Swap Rate} = & \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} \\ & - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

where:

SIBOR = the rate which appears under the caption “SINGAPORE INTERBANK OFFER RATES (DOLLAR DEPOSITS) 11 A.M.” and the row headed “SIBOR USD” on the Reuters Screen SIBO Page of the Reuters Monitor Money Rates Service (or such other page as may replace the Reuters Screen SIBO Page for the purpose of displaying Singapore inter-bank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Distribution Determination Date for a period equal to the duration of the Distribution Period concerned;

Spot Rate = the rate (determined by the Agent Bank) to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSIRFIX06 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES AT 11:00 A.M. SINGAPORE" and the column headed "SPOT" (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Distribution Determination Date for a period equal to the duration of the Distribution Period concerned;

Premium or Discount = the rate (determined by the Agent Bank) to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks for a period equal to the duration of the Distribution Period concerned which appear on the Reuters Screen ABSIRFIX06 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES AT 11:00 A.M. SINGAPORE" (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Distribution Determination Date for a period equal to the duration of the Distribution Period concerned; and

T = the number of days in the Distribution Period concerned.

The Rate of Distribution for such Distribution Period shall be the Average Swap Rate (as determined by the Agent Bank) and as adjusted by the Spread (if any);

- (C) if on any Distribution Determination Date any one of the components for the purposes of calculating the Average Swap Rate under (B) above is not quoted on the relevant Reuters Screen Page (or such other replacement page as aforesaid) or the relevant Reuters Screen Page (or such other replacement page as aforesaid) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of the Reference Banks to provide the Agent Bank with quotations of their Swap Rates for the Distribution Period concerned at or about the Relevant Time on that Distribution Determination Date and the Rate of Distribution for such Distribution Period shall be the Average Swap Rate for such Distribution Period (which shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the Swap Rates quoted by the Reference Banks to the Agent Bank) and as adjusted by the Spread (if any). The Swap Rate of a Reference Bank means the rate at which that Reference Bank can generate Singapore dollars for the Distribution Period concerned in the Singapore

inter-bank market at or about the Relevant Time on the relevant Distribution Determination Date and shall be determined as follows:

In the case of Premium:

$$\begin{aligned} \text{Swap Rate} = & \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} \\ & + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

In the case of Discount:

$$\begin{aligned} \text{Swap Rate} = & \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} \\ & - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360} \end{aligned}$$

where:

SIBOR = the rate per annum at which United States dollar deposits for a period equal to the duration of the Distribution Period concerned are being offered by that Reference Bank to prime banks in the Singapore inter-bank market at or about the Relevant Time on the relevant Distribution Determination Date;

Spot Rate = the rate at which that Reference Bank sells United States dollars spot in exchange for Singapore dollars in the Singapore inter-bank market at or about the Relevant Time on the relevant Distribution Determination Date;

Premium = the premium that would have been paid by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Distribution Period concerned in the Singapore inter-bank market;

Discount = the discount that would have been received by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Distribution Period concerned in the Singapore inter-bank market; and

T = the number of days in the Distribution Period concerned; and

- (D) if on any Distribution Determination Date one only or none of the Reference Banks provides the Agent Bank with quotations of their Swap Rate(s), the Average Swap Rate shall be determined by the Agent Bank to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate and the Rate of Distribution for the relevant Distribution Period shall be the Average Swap Rate (as so determined by the Agent Bank) and as adjusted by the Spread (if any), or if on such Distribution Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date and as adjusted by the Spread (if any); and
- (3) in the case of Floating Rate Perpetual Securities which are not SIBOR Perpetual Securities or Swap Rate Perpetual Securities or which are denominated in a currency other than Singapore dollars, the Agent Bank will determine the Rate of Distribution in respect of any Distribution Period at or about the Relevant Time on the Distribution Determination Date in respect of such Distribution Period as follows:
- (A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page (as defined below), subject as provided below, the Rate of Distribution in respect of such Distribution Period shall be:
- (aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or
- (bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Distribution Determination Date,
- and as adjusted by the Spread (if any);
- (B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Distribution Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Distribution Determination Date, subject as provided below, the Rate of Distribution shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the Relevant Rates that each of the Reference Banks

is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Distribution Determination Date and as adjusted by the Spread (if any); and

- (C) if paragraph (b)(ii)(3)(B) applies and the Agent Bank determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date.

- (iii) On the last day of each Distribution Period, the Issuer will pay distribution on each Floating Rate Perpetual Security to which such Distribution Period relates at the Rate of Distribution for such Distribution Period.

**(c) Definitions**

As used in these Conditions:

**“Benchmark”** means the rate specified as such in the applicable Pricing Supplement;

**“business day”** means:

- (i) (in the case of Perpetual Securities denominated in Singapore dollars) a day (other than a Saturday or Sunday) on which commercial banks are open for business in Singapore; and
- (ii) (in the case of Perpetual Securities denominated in a currency other than Singapore dollars), a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in Singapore and the principal financial centre for that currency;

**“Calculation Amount”** means the amount specified as such on the face of any Perpetual Security, or if no such amount is so specified, the Denomination Amount of such Perpetual Security as shown on the face thereof;

**“Distribution Commencement Date”** means the Issue Date or such other date as may be specified as the Distribution Commencement Date on the face of such Perpetual Security;

**“Distribution Determination Date”** means, in respect of any Distribution Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Perpetual Security;

**“Primary Source”** means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Reuters Monitor Money Rates Service (**“Reuters”**)) agreed by the Agent Bank;

**“Reference Banks”** means the institutions specified as such hereon or, if none, three major banks selected by the Agent Bank in the inter-bank market that is most closely connected with the Benchmark;

**“Relevant Currency”** means the currency in which the Perpetual Securities are denominated;

**“Relevant Financial Centre”** means, in the case of distribution to be determined on a Distribution Determination Date with respect to any Floating Rate Perpetual Security, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

**“Relevant Rate”** means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Distribution Period;

**“Relevant Time”** means, with respect to any Distribution Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre; and

**“Screen Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark.

### **(III) Calculations**

#### **(a) Determination of Rate of Distribution and Calculation of Distribution Amounts**

The Agent Bank will, as soon as practicable after the Relevant Time on each Distribution Determination Date determine the Rate of Distribution and calculate the amount of distribution payable (the **“Distribution Amounts”**) in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period. The amount of distribution payable per Calculation Amount in respect of any Perpetual Security shall be calculated by multiplying the product of the Rate of Distribution and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

#### **(b) Notification**

The Agent Bank will cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Trustee and the Issuer as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Perpetual Securities, the Agent Bank will also cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to Perpetual Securityholders in accordance with Condition 14 as soon as possible after their determination. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event occurs in relation to the Floating Rate Perpetual Securities, the Rate of Distribution and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Distribution and Distribution Amounts need to be made unless the Trustee requires otherwise.

**(c) Determination or Calculation by the Trustee**

If the Agent Bank does not at any material time determine or calculate the Rate of Distribution for a Distribution Period or any Distribution Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

**(d) Agent Bank and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Distribution for any Distribution Period or to calculate the Distribution Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Agent Bank may not resign from its duties without a successor having been appointed as aforesaid.

**(IV) Distribution Discretion**

**(a) Optional Payment**

If Optional Payment is set out hereon, the Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an “**Optional Payment Notice**”) to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 15 nor less than five business days (or such other notice period as may be specified hereon) prior to a scheduled Distribution Payment Date.

If Dividend Pusher is set out hereon, the Issuer may not elect to defer any distribution if during the period (the “**Reference Period**”) ending on the day before that scheduled Distribution Payment Date (such Reference Period to be specified in the applicable Pricing Supplement), either or both of the following have occurred:

- (i) a discretionary dividend, distribution or other payment has been declared by the Issuer on or in respect of any of the Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations; or
- (ii) the Issuer has at its discretion repurchased, redeemed or otherwise acquired any of its Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations,

(a “**Compulsory Distribution Payment Event**”) and/or as otherwise specified in the applicable Pricing Supplement.

Each Optional Payment Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, by a certificate signed by two directors or a director and an authorised signatory of the Issuer confirming that no Compulsory Distribution Payment Event has occurred. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Perpetual Securityholder or any other person on



any Optional Payment Notice or any certificate as aforementioned. Each Optional Payment Notice shall be conclusive and binding on the Perpetual Securityholders.

**(b) No obligation to pay**

If Optional Payment is set out hereon and subject to Condition 4(IV)(c) and Condition 4(IV)(d), the Issuer shall have no obligation to pay any distribution on any Distribution Payment Date and any failure to pay a distribution in whole or in part shall not constitute a default of the Issuer in respect of the Perpetual Securities.

**(c) Non-Cumulative Deferral and Cumulative Deferral**

- (a) If Non-Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) is non-cumulative and will not accrue interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid (the “**Optional Distributions**”) (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e). There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to this Condition 4(IV). Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.
- (b) If Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) shall constitute “**Arrears of Distribution**”. The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a)) further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4(IV) except that this Condition 4(IV)(c) shall be complied with until all outstanding Arrears of Distribution have been paid in full.
- (c) If Additional Distribution is set out hereon, each amount of Arrears of Distribution shall bear interest as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such interest (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 4 and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 4. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

**(d) Restrictions in the case of Non-Payment**

If Dividend Stopper is set out hereon and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of this Condition 4(IV), the Issuer shall not and shall procure that none of its subsidiaries shall:

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of its Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations; or

- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration any of its Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of its Parity Obligations,

unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the Issuer is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

**(e) Satisfaction of Optional Distribution or Arrears of Distribution**

The Issuer:

- (i) may, at its sole discretion, satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 20 nor less than 10 business days (or such other notice period as may be specified hereon) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:
  - (A) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);
  - (B) the next Distribution Payment Date on the occurrence of a breach of Condition 4(IV)(d) or the occurrence of a Compulsory Distribution Payment Event; and
  - (C) the date such amount becomes due under Condition 9 or on a Winding-up (as defined in Condition 18) of the Issuer or a-iTrust.

Any partial payment of an Optional Distribution or Arrears of Distribution, as the case may be, by the Issuer shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a *pro rata* basis.

**(f) No default**

Notwithstanding any other provision in these Conditions, the non-payment of any distribution payment in accordance with this Condition 4(IV) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the Issuer under the Perpetual Securities.

**(V) Benchmark Discontinuation and Replacement**

**(a) Independent Adviser**

Notwithstanding the provisions above in this Condition 4, if a Benchmark Event occurs in relation to an Original Reference Rate prior to (in the case of Fixed Rate Perpetual Securities) the date falling two Business Days prior to the relevant Reset Date (the **“Reset Determination Date”**) or (in the case of Floating Rate Perpetual Securities) Distribution Determination Date when any Distribution Rate or (as the case may be) Rate of Distribution (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 4(V)(b)) and an Adjustment Spread, if any (in accordance with Condition 4(V)(c)) and any Benchmark Amendments (in accordance with Condition 4(V)(d)) by the relevant Reset Determination Date or (as the case may be) Distribution Determination Date.

An Independent Adviser appointed pursuant to this Condition 4(V) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Agent Bank, the Paying Agents, the Perpetual Securityholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(V).

If the Issuer is unable to appoint an Independent Adviser after using its reasonable endeavours, or the Independent Adviser appointed by it fails to determine the Benchmark Replacement prior to the relevant Reset Determination Date or (as the case may be) Distribution Determination Date, the Issuer (acting in good faith and in a commercially reasonable manner) may, prior to the relevant Reset Determination Date or (as the case may be) Distribution Determination Date, determine the Benchmark Replacement (in accordance with Condition 4(V)(b)) and an Adjustment Spread, if any (in accordance with Condition 4(V)(c)) and any Benchmark Amendments (in accordance with Condition 4(V)(d)).

If the Issuer or the Independent Adviser appointed by it is unable to or does not determine the Benchmark Replacement prior to the relevant Reset Determination Date (the **“Original Reset Date”**) or (as the case may be) Distribution Determination Date, the Distribution Rate or (as the case may be) Rate of Distribution applicable to the next succeeding Distribution Period (the **“Relevant Distribution Period”**) shall be equal to the Distribution Rate or (as the case may be) Rate of Distribution last determined in relation to the Perpetual Securities in respect of the immediately preceding Distribution Period. If there has not been a first Distribution Payment Date, the Distribution Rate or (as the case may be) Rate of Distribution shall be the initial Distribution Rate or (as the case may be) Rate of Distribution. Where a different Spread or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the Relevant Distribution Period from that which applied to the last preceding Distribution Period, the Spread or Maximum Rate of Distribution or Minimum Rate of Distribution relating to the Relevant Distribution Period shall be substituted in place of the Spread or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Period. The foregoing shall apply to the Relevant Distribution Period only and any subsequent Distribution Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4(V)(a), and (in the case of Fixed Rate Perpetual Securities) such relevant Reset Date shall be adjusted so that it falls on the Distribution Payment Date immediately after the Original Reset Date

(the “**Adjusted Reset Date**”). For the avoidance of doubt, (1) this paragraph shall apply, *mutatis mutandis*, to each Adjusted Reset Date until the Benchmark Replacement is determined in accordance with this Condition 4(V)(a) and (2) notwithstanding any adjustment of a Reset Date pursuant to this Condition 4(V)(a), the Reset Dates falling after any Adjusted Reset Date shall continue to fall on the dates falling every Reset Period after the First Reset Date (subject to adjustment pursuant to this Condition 4(V)(a)) and the Reset Period shall remain unchanged.

**(b) Benchmark Replacement**

The Benchmark Replacement determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) shall (subject to adjustments as provided in Condition 4(V)(c)) subsequently be used in place of the Original Reference Rate to determine the Distribution Rate or (as the case may be) Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Securities (subject to the operation of this Condition 4(V)).

**(c) Adjustment Spread**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines:

- (i) that an Adjustment Spread is required to be applied to the Benchmark Replacement; and
- (ii) the quantum of, or a formula or methodology for determining such Adjustment Spread,

then such Adjustment Spread shall be applied to the Benchmark Replacement.

**(d) Benchmark Amendments**

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines:

- (i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread; and
- (ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(V)(e), without any requirement for the consent or approval of Perpetual Securityholders vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank of a certificate signed by a duly authorised signatory of the Issuer pursuant to Condition 4(V)(e), the Trustee, the Issuing and Paying Agent and (if applicable) the Agent Bank shall (at the expense of the Issuer), without any requirement for the consent or approval of the Perpetual Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement

supplemental to or amending the Trust Deed, the Agency Agreement and these Conditions), provided that the Trustee, the Issuing and Paying Agent and (if applicable) the Agent Bank shall not be obliged so to concur if in its opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Issuing and Paying Agent or the Agent Bank (as the case may be) in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement in any way.

For the avoidance of doubt, the Trustee, the Agent Bank, the Transfer Agents, the Registrar and the Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(V)(d). Perpetual Securityholders' consent shall not be required in connection with effecting the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee, the Agent Bank, the Paying Agents, the Registrar or the Transfer Agents (if required).

In connection with any such variation in accordance with this Condition 4(V)(d), the Issuer shall comply with the rules of any stock exchange on which the Perpetual Securities are for the time being listed or admitted to trading.

**(e) Notices, etc.**

Any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(V) will be notified promptly by the Issuer to the Trustee, the Agent Bank, the Paying Agents and, in accordance with Condition 14, the Perpetual Securityholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date for such Benchmark Replacement, any related Adjustment Spread and the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank a certificate signed by a duly authorised signatory of the Issuer:

- (i) confirming (1) that a Benchmark Event has occurred, (2) the Benchmark Replacement, (3) where applicable, any Adjustment Spread and/or (4) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 4(V); and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. Further, none of the Trustee, the Paying Agents, the Agent Bank, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to the Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment

Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent's and (if the Benchmark Amendments affect the Agent Bank) the Agent Bank's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Agent Bank, the Paying Agents and the Perpetual Securityholders and the Couponholders.

**(f) Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Conditions 4(V)(a), 4(V)(b), 4(V)(c) and 4(V)(d), the Original Reference Rate and the fallback provisions provided for in Condition 4, as applicable, will continue to apply unless and until the Trustee, the Paying Agents and the Agent Bank have been notified of the Benchmark Replacement, and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(V)(e).

**(g) Definitions**

As used in this Condition 4(V):

**"Adjustment Spread"** means either:

- (i) a spread (which may be positive, negative or zero); or
- (ii) the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Perpetual Securityholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:
  - (1) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body; or
  - (2) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or
  - (3) (if no such recommendation has been made) is determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of distribution (or the relevant component part thereof) for the same distribution period and in the same currency as the Perpetual Securities; or
  - (4) if no such industry standard is recognised or acknowledged, the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines to be appropriate.



**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines in accordance with Condition 4(V)(b) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of distribution (or the relevant component part thereof) for the same distribution period and in the same currency as the Perpetual Securities (including, but not limited to applicable government bonds);

**“Benchmark Amendments”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Distribution Period”, timing and frequency of determining rates and making payments of distribution, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Distribution Period, any other amendments to these Conditions, the Trust Deed and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines is reasonably necessary);

**“Benchmark Event”** means one or more of the following events:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative; or



- (vi) it has become unlawful for any Paying Agent, Agent Bank, the Issuer or any other party to calculate any payments due to be made to any Perpetual Securityholder or Couponholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur:

- (1) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;
- (2) in the case of paragraph (iv) above, on the date of the prohibition or restriction of use of the Original Reference Rate; and
- (3) in the case of paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement,

and, in each case, not the date of the relevant public statement;

**“Benchmark Replacement”** means:

- (i) in the case of Fixed Rate Perpetual Securities, the first alternative set forth in the order below that can be determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be):
  - (1) the Successor Rate; and
  - (2) the Alternative Rate; and
- (ii) in the case of Floating Rate Perpetual Securities, the Interpolated Benchmark, provided that if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) cannot determine the Interpolated Benchmark by the relevant Distribution Determination Date, then “Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be):
  - (1) Identified SORA;
  - (2) the Successor Rate;
  - (3) the ISDA Fallback Rate; and
  - (4) the Alternative Rate;

**“Corresponding Tenor”** with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

**“Identified SORA”** means the forward-looking term rate for the applicable Corresponding Tenor based on SORA that has been (i) selected or recommended by the Relevant Nominating Body, or (ii) determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) having due

consideration to any industry-accepted market practice for the relevant Singapore dollar denominated securities;

**“Independent Adviser”** means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 4(V)(a);

**“Interpolated Benchmark”** with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (2) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

**“ISDA Fallback Rate”** means the rate that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Distribution Rate or (as the case may be) Rate of Distribution (or any component part thereof) on the Perpetual Securities, provided that if a Benchmark Event has occurred with respect to the then-current Original Reference Rate, then Original Reference Rate means the applicable Benchmark Replacement;

**“Relevant Nominating Body”** means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
  - (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
  - (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

- (3) a group of the aforementioned central banks or other supervisory authorities;  
or
- (4) the Financial Stability Board or any part thereof;

**“SORA” or “Singapore Overnight Rate Average”** with respect to any Singapore Business Day means a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day; and

**“Successor Rate”** means the rate that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 4(V)(a)) (as the case may be) determines is a successor to or replacement of the Original Reference Rate which is formally published, endorsed, approved, recognised or recommended by any Relevant Nominating Body.

## **5. Redemption and Purchase**

### **(a) No Fixed Redemption Date**

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right (but not the obligation) to redeem or purchase them in accordance with the following provisions of this Condition 5.

### **(b) Redemption at the Option of the Issuer**

If so provided hereon, the Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer’s Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to the date fixed for redemption.

All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities, or in the case of Registered Perpetual Securities shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Perpetual Securities are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of Perpetual Securities.

**(c) Redemption for Taxation Reasons**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if:

- (i) the Issuer receives a ruling by the Comptroller of Income Tax (or other relevant authority) which confirms that:
  - (A) the Perpetual Securities will not be regarded as "debt securities" for the purposes of Section 43N(4) of the Income Tax Act 1947 ("ITA") and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or
  - (B) the distributions will not be regarded as interest payable by the Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or
  - (C) the distributions will not be regarded as sums "payable by way of interest upon any money borrowed" for the purpose of Section 14(1)(a) of the ITA; or
- (ii) (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement; and
- (B) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Trustee a certificate signed by two directors or a director and an authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

**(d) Redemption for Accounting Reasons**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if, on such Distribution Payment Date or any time prior to or after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore

Accounting Standards Council, as amended from time to time (the “**SFRS**”) or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Issuer (the “**Relevant Accounting Standard**”), the Perpetual Securities will not or will no longer be recorded as “equity” of the Issuer pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver to the Trustee:

- (i) a certificate, signed by two directors or a director and an authorised signatory of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and
- (ii) an opinion of the Issuer’s independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard has taken effect or is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(d), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(d).

**(e) Redemption for Tax Deductibility**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days’ notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if a Tax Event (as defined below) has occurred or will occur in the Distribution Period immediately following that Distribution Payment Date.

Prior to the publication of any notice of redemption pursuant to this Condition 5(e), the Issuer shall deliver or procure that there is delivered to the Trustee:

- (i) a certificate, signed by two directors or a director and an authorised signatory of the Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and
- (ii) an opinion of the Issuer’s independent tax or legal adviser of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the tax regime has taken effect or is due to take effect.

Upon the expiry of any such notice as is referred to in this Condition 5(e), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(e).

**(f) Redemption in the case of Minimal Outstanding Amount**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days’ notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.

Upon expiry of any such notice as is referred to in this Condition 5(f), the Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(f).

**(g) Purchases**

The Issuer or any of the subsidiaries of a-iTrust may at any time purchase Perpetual Securities at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase is in compliance with all relevant laws, regulations and directives.

Perpetual Securities purchased by the Issuer or any of the subsidiaries of a-iTrust may be surrendered by the purchaser through the Issuer to the Issuing and Paying Agent for cancellation or may at the option of the Issuer or relevant subsidiary be held or resold.

For the purposes of these Conditions, “**directive**” includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation or stock exchange.

**(h) Cancellation**

All Perpetual Securities purchased by or on behalf of the Issuer or any of the subsidiaries of a-iTrust may be surrendered for cancellation, in the case of Bearer Perpetual Securities, by surrendering each such Perpetual Security together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Perpetual Securities, by surrendering the Certificate representing such Perpetual Securities to the Registrar and, in each case, if so surrendered, shall, together with all Perpetual Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities or Certificates so surrendered for cancellation may not be reissued or resold.

**6. Payments**

**(a) Principal and Distribution in respect of Bearer Perpetual Securities**

Payments of principal and distribution in respect of Bearer Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

**(b) Principal and Distribution in respect of Registered Perpetual Securities**

- (i) Payments of principal in respect of Registered Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).
- (ii) Distribution on Registered Perpetual Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of distribution on each Registered Perpetual Security shall be made by a cheque drawn in the currency in which payment



is due on and mailed to the holder (or to the first named of joint holders) of such Perpetual Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of distribution may be made by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

**(c) Payments subject to law etc.**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.

**(d) Appointment of Agents**

The Issuing and Paying Agent, the Paying Agent, the Transfer Agent and the Registrar initially appointed by the Issuer and their specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, any Transfer Agent and the Registrar and to appoint additional or other Paying Agents or Transfer Agents, provided that it will at all times maintain (i) an Issuing and Paying Agent having a specified office in Singapore, (ii) a Transfer Agent in relation to Registered Perpetual Securities, having a specified office in Singapore and (iii) a Registrar in relation to Registered Perpetual Securities, having a specified office in Singapore.

Notice of any such change or any change of any specified office will promptly be given to the Perpetual Securityholders in accordance with Condition 14.

The Agency Agreement may be amended by the Issuer, the Issuing and Paying Agent, the Transfer Agent, the Registrar and the Trustee, without the consent of any Perpetual Securityholder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Issuing and Paying Agent, the Transfer Agent, the Registrar and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Issuing and Paying Agent, the Transfer Agent, the Registrar and the Trustee, materially and adversely affect the interests of the Perpetual Securityholders.

**(e) Unmatured Coupons and unexchanged Talons**

- (i) Bearer Perpetual Securities which comprise Fixed Rate Perpetual Securities should be surrendered for payment together with all unmatured Coupons (if any) relating to such Perpetual Securities, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
- (ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Perpetual Security comprising a Floating Rate Perpetual Security, unmatured Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.



- (iii) Upon the due date for redemption of any Bearer Perpetual Security, any unexchanged Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Perpetual Security comprising a Floating Rate Perpetual Security is presented for redemption without all unmatured Coupons, and where any Bearer Perpetual Security is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption or repayment of any Perpetual Security is not a due date for payment of distribution, distribution accrued from the preceding due date for payment of distribution or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Perpetual Security or Certificate.

**(f) Talons**

On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Perpetual Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

**(g) Non-business days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further distribution or other payment in respect of any such delay.

**7. Taxation**

All payments in respect of the Perpetual Securities and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Perpetual Security or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, “**Relevant Date**” in respect of any Perpetual Security or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Perpetual Securityholders in accordance with Condition 14 that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Perpetual Securities, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, “**distribution**” shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**distribution**” shall be deemed to include any additional amounts which may be payable under these Conditions.

## **8. Prescription**

The Perpetual Securities and Coupons shall become void unless presented for payment within three years from the appropriate Relevant Date for payment.

## **9. Non-payment**

### **(a) Non-payment when due**

Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for Winding-up is limited to circumstances where payment under the Perpetual Securities has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the Issuer in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities or the Trust Deed.

### **(b) Proceedings for Winding-Up**

If (i) a final order is made or an effective resolution is passed for the Winding-up in respect of the Issuer or a-iTrust or (ii) the Issuer shall not make payment in respect of the Perpetual Securities for a period of seven business days or more after the date on which such payment is due (together, the “**Enforcement Events**”), the Issuer shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the Winding-up of a-iTrust or the Issuer (but only to the extent required to wind up a-iTrust and no further) and/or prove in the Winding-up of the Issuer or a-iTrust and/or claim in the liquidation of the Issuer or a-iTrust for such payment.

### **(c) Enforcement**

Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may without further notice to the Issuer institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Perpetual Securities or the Trust Deed (other than any payment obligation of the Issuer under or arising from the Perpetual Securities, including, without limitation, payment of any principal or premium or satisfaction of any distributions (including any Arrears of Distribution and any Additional Distribution Amount, if applicable) in respect of the Perpetual Securities (including any damages awarded for breach of any obligations)) provided that in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

**(d) Entitlement of Trustee**

The Trustee shall not and shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the Issuer and/or a-iTrust to enforce the terms of the Trust Deed or the Perpetual Securities unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 25 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded by the Perpetual Securityholders to its satisfaction.

**(e) Right of Perpetual Securityholders or Couponholder**

No Perpetual Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the Winding-up or claim in the liquidation of the Issuer and/or a-iTrust or to prove in such Winding-up unless the Trustee, having become so bound to proceed or being able to prove in such Winding-up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Perpetual Securityholder or Couponholder shall have only such rights against the Issuer and/or a-iTrust as those which the Trustee is entitled to exercise as set out in this Condition 9.

**(f) Extent of Perpetual Securityholders' remedy**

No remedy against the Issuer or a-iTrust, other than as referred to in this Condition 9, shall be available to the Trustee or the Perpetual Securityholders or Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed, the Perpetual Securities or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Trust Deed or the Perpetual Securities (as applicable)

**10. Meeting of Perpetual Securityholders and Modifications**

The Trust Deed contains provisions for convening meetings of Perpetual Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Perpetual Securities of such Series (including these Conditions insofar as the same may apply to such Perpetual Securities) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Perpetual Securityholders holding not less than one-tenth of the principal amount of the Perpetual Securities of any Series for the time being outstanding shall, convene a meeting of the Perpetual Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Perpetual Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of redemption of the Perpetual Securities or any date for payment of distribution or Distribution Amounts on the Perpetual Securities, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Perpetual Securities, (c) to reduce the rate or rates of distribution in respect of the Perpetual Securities or to vary the method or basis of calculating the rate or rates of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Securities, (d) to vary any method of, or basis for, calculating the Redemption Amount, (e) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (g) to modify the provisions concerning the quorum required at any meeting of Perpetual Securityholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Perpetual Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Perpetual Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear, Clearstream, Luxembourg and/or the Depository and/or any other clearing system in which the Perpetual Securities may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Perpetual Securityholders. Any such modification, authorisation or waiver shall be binding on the Perpetual Securityholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Perpetual Securityholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Securityholders as a class and shall not have regard to the consequences of such exercise for individual Securityholders or Couponholders.

*These Conditions may be amended, modified, or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.*

#### **11. Replacement of Perpetual Securities, Certificates, Coupons and Talons**

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Perpetual Securities, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or, as the case may be, Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Perpetual Securityholders in accordance with Condition 14, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Perpetual Security, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

#### **12. Further Issues**

The Issuer may from time to time without the consent of the Perpetual Securityholders or Couponholders create and issue further perpetual securities having the same terms and conditions as the Perpetual Securities of any Series and so that the same shall be consolidated and form a single Series with such Perpetual Securities, and references in these Conditions to “**Perpetual Securities**” shall be construed accordingly.

#### **13. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or prefunded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with the Issuer or any of the subsidiaries of a-iTrust without accounting to the Perpetual Securityholders or Couponholders for any profit resulting from such transactions.

## **14. Notices**

Notices to the holders of Perpetual Securities will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Perpetual Securities can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in the Business Times. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above. In addition, notices to the holders of Registered Perpetual Securities shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Perpetual Securities in accordance with this Condition 14.

So long as the Perpetual Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the Depository, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of the Depository) the Depository for communication by it to the Perpetual Securityholders, except that if the Perpetual Securities are listed on any Stock Exchange and the rules of such Stock Exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Perpetual Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notices to be given by any Perpetual Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Perpetual Security or Perpetual Securities, with the Issuing and Paying Agent (in the case of Bearer Perpetual Securities) or the Registrar (in the case of Certificates). Whilst the Perpetual Securities are represented by a Global Security or a Global Certificate, such notice may be given by any Perpetual Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or the Depository in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar, and Euroclear, Clearstream, Luxembourg and/or the Depository may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Perpetual Securityholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

## **15. Acknowledgement by Parties**

The parties to the Trust Deed acknowledge that the Issuer has entered into the Trust Deed only in its capacity as Trustee-Manager for a-iTrust and not in the Issuer's personal capacity. Accordingly, notwithstanding any provision of the Trust Deed and the Perpetual Securities, the Issuer has assumed all obligations under the Trust Deed and the Perpetual Securities in its capacity as Trustee-Manager for a-iTrust and not in its personal capacity and any liability of or indemnity given by the Issuer under the Trust Deed and the Perpetual Securities is limited to the assets of a-iTrust over which the Issuer has recourse and shall not extend to any personal, or other assets of the Issuer or any assets held by the Issuer as trustee-manager for any other trust (other than a-iTrust). The foregoing shall not relieve or discharge the Issuer from any gross negligence, fraud or breach of trust.

It is hereby agreed that the Issuer's obligations under the Trust Deed and the Perpetual Securities will be solely the corporate obligations of the Issuer and there shall be no recourse against the shareholders, directors, officers or employees of the Issuer for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed and the Perpetual Securities. The foregoing shall not relieve or discharge any shareholder, director, officer or employee of the Issuer from any gross negligence, fraud or breach of trust.

For the avoidance of doubt, any legal action or proceedings commenced against the Issuer whether in Singapore or elsewhere pursuant to the Trust Deed and the Perpetual Securities shall be brought against the Issuer in its capacity as Trustee-Manager and not in its personal capacity. The foregoing shall not relieve the Issuer from any gross negligence, fraud or breach of trust.

## **16. Governing Law**

The Perpetual Securities, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.

## **17. Contracts (Rights of Third Parties) Act**

No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act 2001.

## **18. Additional Definitions**

In these Conditions:

**"Junior Obligation"** means any ordinary shares of the Issuer and any class of the Issuer's share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Perpetual Securities;

**"Parity Obligation"** means any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer (i) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Perpetual Securities and (ii) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer the issuer thereof;

**"Tax Event"** means that as a result of:

- (a) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or
- (b) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or
- (c) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date, payments by the Issuer would no longer be fully deductible by the Issuer for Singapore income tax purposes; and

**"Winding-up"** means bankruptcy, liquidation, receivership or similar proceedings.



## **THE ISSUER**

### **Registered Office**

The registered address of the Issuer as at the date of this Information Memorandum is 168 Robinson Road, #30-01, Capital Tower, Singapore 068912.

### **Shareholding and Capital**

As at the Latest Practicable Date, the issued share capital of the Issuer is S\$1 million.

### **Directors**

Please refer to the section “Corporate Information” for the names of the Directors.



# ASCENDAS INDIA TRUST

## 1. HISTORY AND BACKGROUND

a-iTrust is a Singapore-based business trust (“**BT**”), registered by the MAS and established with the principal objective of owning income-producing real estate used primarily as business space in India and other real estate-related assets. a-iTrust may also acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion.

a-iTrust was constituted as a private trust on 7 December 2004 under the a-iTrust Trust Deed, which was originally entered into by the Trustee-Manager. The Trustee-Manager is a wholly-owned subsidiary of CLI FM Pte. Ltd. (formerly known as CLIM FM Pte. Ltd.) (“**CLIFM**”), which is in turn wholly-owned by CapitaLand Investment Limited (formerly known as CapitaLand Investment Management Limited) (“**CLI**” or “**CapitaLand Investment**” or the “**Sponsor**”).

On 20 September 2021, CLI was listed by introduction on the SGX-ST following CapitaLand Limited’s restructuring of its business to form two distinct entities – CLI, the listed real estate investment management business; and CapitaLand Development Pte. Ltd., the privatised property development arm. Headquartered in Singapore, CLI is a leading global real estate investment manager with a strong Asia foothold. As at 30 September 2021, CLI has approximately S\$120.8 billion of real estate assets under management, and about S\$84.3 billion of real estate funds under management, held via six listed real estate investment trusts and business trusts, and 30 private funds across the Asia-Pacific, Europe and USA. Its diversified real estate asset classes cover integrated developments, retail, office, lodging and new economy sectors such as business parks, industrial, logistics and data centres.

On 1 August 2007, a-iTrust became the first Indian property trust to be listed on the Main Board of the SGX-ST. Since listing in 2007, a-iTrust has quadrupled its portfolio floor area from 3.6 million sq ft to 14.4 million sq ft as at 30 September 2021. a-iTrust has an asset base of approximately S\$2.9 billion as at 30 June 2021 and a market capitalisation of approximately S\$1.6 billion as at the Latest Practicable Date.

Although a-iTrust is a BT and is not required to adhere to the Property Funds Appendix which governs real estate investment trusts (“**REITs**”) listed on the SGX-ST, it has voluntarily adopted and incorporated into the a-iTrust Trust Deed certain key provisions of the Property Funds Appendix. Under the a-iTrust Trust Deed, the aggregate leverage (as defined in the a-iTrust Trust Deed) of a-iTrust shall not exceed 40% (or such higher percentage limit as property funds may from time to time be permitted under the Property Funds Appendix) of the value of a-iTrust’s Trust Property unless a-iTrust obtains a credit rating from Fitch Inc., Moody’s Investors Service or Standard and Poor’s Rating Services, a division of The McGraw Hill Companies, in which case a-iTrust’s aggregate leverage cannot exceed 60% of a-iTrust’s Trust Property (or such higher percentage limit as property funds may from time to time be permitted under the Property Funds Appendix).

The “REIT-like” characteristics of a-iTrust serve to enhance the stability of distributions to Unitholders, while its status as a BT gives it flexibility as a BT is not subject to any limit on its property development activities unlike REITs which are currently subject to a 10% limit on property development activities under the Property Funds Appendix (although this limit may be raised to a maximum of 25% if certain conditions under the Property Funds Appendix are met). The a-iTrust Trust Deed currently provides that the total contract value of property development activities undertaken and investments in uncompleted property developments by a-iTrust shall not exceed 20% of the value of a-iTrust’s properties. However, this provision may be revised by an Extraordinary Resolution (as defined in the a-iTrust Trust Deed) of the Unitholders.

As at 30 September 2021, a-iTrust has a portfolio of seven IT parks and one logistics park in India spread across Bangalore, Chennai, Hyderabad, Pune and Mumbai, comprising:

- **IT Parks:**

- o International Tech Park, Bangalore ("**ITPB**")
- o International Tech Park, Chennai ("**ITPC**")
- o CyberVale, Chennai ("**CyberVale**")
- o International Tech Park, Hyderabad ("**ITPH**")
- o CyberPearl, Hyderabad ("**CyberPearl**")
- o aVance, HITEC City, Hyderabad ("**aVance Hyderabad**")
- o aVance, Hinjawadi, Pune ("**aVance Pune**")

- **Logistics Park**

- o Arshiya Free Trade Warehousing Zone, Panvel ("**Arshiya Panvel**")

(collectively, the "**Properties**" and each, a "**Property**"). As at 30 September 2021, the Properties comprise 14.4 million sq ft Super Built-up Area ("**SBA**"), 1.4 million sq ft SBA of properties under development and land with a potential SBA of 6.3 million sq ft. The IT Parks have been designed with the concept of providing "plug-and-play" and "work-play" environments. They comprise predominantly multi-tenanted buildings supported by a host of ancillary facilities and services. A significant portion of their tenants comprise leading multinational corporations ("**MNCs**") leasing the business space for IT purposes.

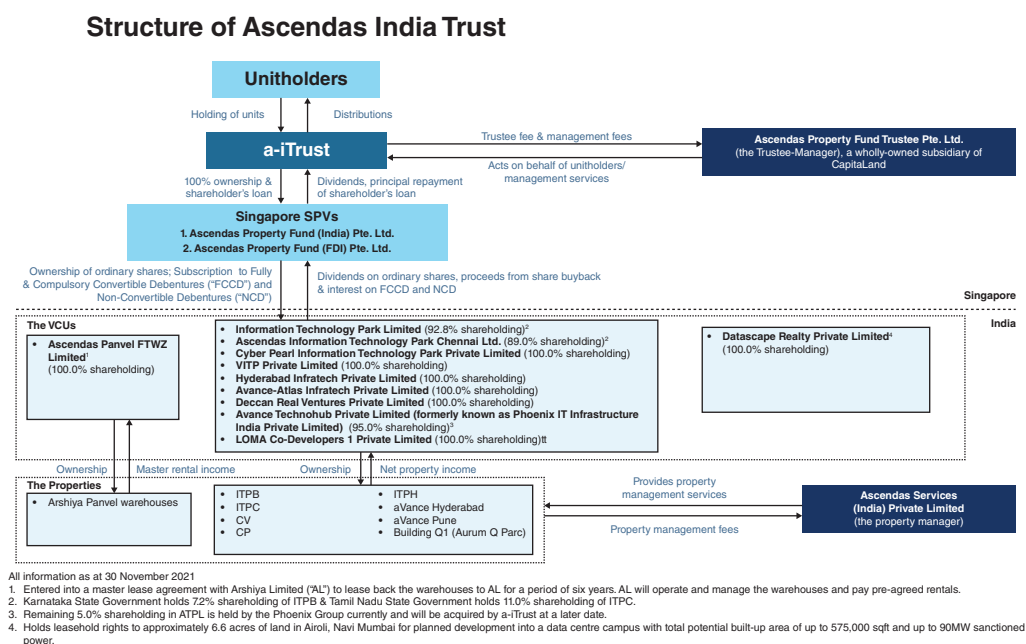
As announced on 29 October 2021, a-iTrust completed the acquisition of Datascape Realty Private Limited ("**DSRPL**") which holds leasehold rights to approximately 6.6 acre land in Airoli, Navi Mumbai. a-iTrust will commence construction and development of this greenfield land into a fully-fitted data centre campus with a total potential built-up area of up to 575,000 sq ft and up to 90 megawatts ("**MW**") of sanctioned power. In November 2021, a-iTrust completed the acquisition of LOMA Co-Developers 1 Private Limited ("**LOMA 1**") which directly owns Building Q1, a 0.6 million sq ft multi-tenanted IT SEZ building, in Aurum Q Parc<sup>1</sup> at Navi Mumbai. With the acquisition of LOMA 1, completed area of a-iTrust's portfolio of Properties totalled 15.0 million sq ft.

---

<sup>1</sup> Aurum Q Parc was formerly referred to as AURUM IT SEZ.

## 2. STRUCTURE OF a-ITRUST

The structure of a-iTrust is as follows:



## 3. THE TRUSTEE-MANAGER: ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.

The Trustee-Manager, which is also the Issuer, was incorporated in Singapore under the Companies Act on 5 October 2004. It has an issued and paid-up capital of S\$1 million and its registered office is located at 168 Robinson Road, #30-01, Capital Tower, Singapore 068912.

The Trustee-Manager is a wholly-owned subsidiary of CLIFM, which is in turn wholly-owned by CLI. As at the Latest Practicable Date, CapitalLand Limited owns 52.04 per cent. of CLI.

### Roles and Responsibilities of the Trustee-Manager

The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders and managing the business conducted by 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 Unitholders as a whole.

The Trustee-Manager sets the strategic direction of a-iTrust and decides on the acquisition, divestment or enhancement of assets of a-iTrust in accordance with its business strategy. Additionally, the Trustee-Manager undertakes active management of a-iTrust's assets to enhance the performance of the portfolio. It also undertakes capital and risk management strategies to maintain a prudent and sustainable balance sheet for a-iTrust.

The Trustee-Manager is also obliged to exercise the degree of care and diligence required of a trustee-manager of a registered BT to comply with the applicable provisions of all relevant legislation, as well as the SGX-ST Listing Manual, and is responsible for ensuring compliance with the a-iTrust Trust Deed and all relevant contracts entered into by the Trustee-Manager.

The Trustee-Manager, in exercising its powers and carrying out its duties as a-iTrust's trustee-manager, is required to do, *inter alia*, the following:

- treat Unitholders who hold Units in the same class fairly and equally;
- ensure that all payments out of a-iTrust's trust property are made in accordance with the Business Trusts Act 2004 ("**BTA**") and the a-iTrust Trust Deed;
- report to the MAS any contravention of the BTA or the Business Trusts Regulations, Regulation 2, by any other person that:
  - o relates to a-iTrust; and
  - o has had, has or is likely to have, a materially adverse effect on the interests of all the Unitholders, or any class of Unitholders, as a whole,as soon as practicable after the Trustee-Manager becomes aware of the contravention;
- ensure that a-iTrust's properties are properly accounted for; and
- ensure that the Properties are kept distinct from the property held in its own capacity.

The Board will meet regularly to review a-iTrust's business activities and strategies. Such regular review is aimed at ensuring adherence to the a-iTrust Trust Deed and compliance with any applicable legislation, regulations and guidelines.

The Trustee-Manager also has statutory duties under the BTA, including the following:

- at all times act honestly and exercise reasonable diligence in the discharge of its duties as a-iTrust's trustee-manager in accordance with the BTA and the a-iTrust Trust Deed;
- act in the best interests of all the Unitholders as a whole, and give priority to the interests of all the Unitholders as a whole over its own interests in the event of a conflict between the interests of all the Unitholders as a whole and its own interests;
- not make improper use of any information acquired by virtue of its position as a-iTrust's trustee-manager to gain, directly or indirectly, an advantage for itself or for any other person to the detriment of the Unitholders; and
- hold a-iTrust's trust property on trust for all the Unitholders as a whole in accordance with the terms of the a-iTrust Trust Deed.

#### **The Board of Directors of the Trustee-Manager**

The Board is entrusted with the responsibility for the overall management of the Trustee-Manager, and is made up of individuals with a broad range of commercial experience, including expertise in fund management and the property industry. The Board currently consists of Mr Chiang Chie Foo, Mr Manohar Khiatani, Mr Sanjeev Dasgupta, Mr Alan Rupert Nisbet, Mrs Zia Jaydev Mody, Dr Ernest Kan Yaw Kiong, Ms Tan Soon Neo Jessica and Mr Jonathan Yap Neng Tong.

**MR CHIANG CHIE FOO*****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

**Board committee served on**

- Nominating and Remuneration Committee (Chairman)

**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)
- Ministry of Defence (Senior Advisor)
- PUB, Singapore's National Water Agency (Chairman)
- Epworth Community Services (Board Member)
- AETOS Holdings Pte. Ltd. (Chairman)

**Background and working experience**

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

**MR MANOHAR KHIATANI*****Deputy Chairman & 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

**Board committees served on**

- Investment Committee (Chairman)
- Nominating and Remuneration Committee (Member)

**Present directorships in other listed companies**

- SIA Engineering Company Limited
- Ascendas Funds Management (S) Limited (Manager of Ascendas Real Estate Investment Trust)

**Present principal commitments**

- CapitaLand Investment Limited (Senior Executive Director)
- Singapore Economic Development Board (Special Advisor to Chairman)
- CLI FM Pte. Ltd. (Director)
- CLI India Pte Ltd (Director)
- Nusajaya Tech Park Sdn Bhd (Director)
- Singapore Amaravati Investment Holdings Pte Ltd (Director)
- Building and Construction Authority (Board Member)
- Institute of Real Estate and Urban Studies (Board Member)
- Singapore Business Federation, South Asia Business Group Executive Committee (Vice Chairman)

- Singapore Business Federation, Malaysia Singapore Business Council (Member)
- Singaporean-German Chamber of Industry and Commerce, Advisory Council (Member)
- EDB Society (President)
- Directorships in other CapitaLand Investment Group companies

**Past directorships in other listed companies held over the preceding three years**

- Ascendas Hospitality Fund Management Pte Ltd (Manager of Ascendas Hospitality Real Estate Investment Trust<sup>2</sup>)
- Ascendas Hospitality Trust Management Pte Ltd (Trustee-Manager of Ascendas Hospitality Business Trust<sup>3</sup>)

**Background and working experience**

- Senior Executive Director, CapitaLand Group (from July 2019 to September 2021)
- 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)

**MR SANJEEV DASGUPTA**

***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

**Present principal commitment**

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

**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)

**MR ALAN RUPERT NISBET**

***Non-Executive Lead 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

**Board committees served on**

- Audit and Risk Committee (Chairman)
- Nominating and Remuneration Committee (Member)

<sup>2</sup> Delisted from the official List of the Singapore Exchange Securities Trading Limited on 3 January 2020.

<sup>3</sup> Delisted from the official List of the Singapore Exchange Securities Trading Limited on 3 January 2020.



**Present directorships in other listed companies**

- Halcyon Agri Corporation Limited
- Keppel REIT Management Limited (Manager of Keppel REIT)

**Present principal commitments**

- Standard Chartered Bank (Singapore) Limited (Director)

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

- KrisEnergy Ltd (In liquidation)

**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)

**MRS ZIA JAYDEV MODY*****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

**Board committees served on**

- Audit and Risk Committee (Member)
- Investment Committee (Member)

**Present directorships in other listed companies**

- CLP Holdings 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**

- The Hongkong and Shanghai Banking Corporation Limited

**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 its 'India's 50 Most Powerful Women in business' list
- India's 10 Most Powerful Women
- Asia's 50 Power Businesswomen

**DR ERNEST KAN YAW KIONG*****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

**Board committee served on**

- Audit and Risk Committee (Member)

**Present principal commitment**

- Dr Ernest Kan Financial Advisory & Business Consulting

**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)

**MS TAN SOON NEO JESSICA*****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

**Board committee served on**

- Investment Committee (Member)

**Present directorship in other listed company**

- SATS Ltd.

**Present principal commitments**

- CGH Fund (Committee Member)
- 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<sup>4</sup>)

**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

<sup>4</sup> Delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 November 2020.

**MR JONATHAN YAP NENG TONG*****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 appointment as a Director:** 8 July 2016

**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 REIT Management Sdn. Bhd. (Manager of CapitaLand Malaysia Trust)

**Present principal commitments**

- CapitaLand Investment Group (CEO, Fund Management)
- 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<sup>5</sup>)

**Background and working experience**

- President, CapitaLand Financial, CapitaLand Group (from July 2019 to September 2021)
- 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)

**4. THE SPONSOR: CAPITALAND INVESTMENT LIMITED**

As at the Latest Practicable Date, the Sponsor has a deemed interest in 21.69% of the Units. Headquartered and listed in Singapore, CLI is a leading global real estate investment manager with a strong Asia foothold. As of 30 September 2021, CLI had about S\$120.8 billion of real estate assets under management, and about S\$84.3 billion of real estate funds under management held via six listed real estate investment trusts and business trusts, and 30 private funds across the Asia-Pacific, Europe and USA. Its diversified real estate asset classes cover integrated developments, retail, office, lodging and new economy sectors such as business parks, industrial, logistics and data centres.

<sup>5</sup> Delisted from the Official List of the Singapore Exchange Securities Trading Limited on 3 November 2020.

**5. THE SINGAPORE SPVS: ASCENDAS PROPERTY FUND (INDIA) PTE. LTD. AND ASCENDAS PROPERTY FUND (FDI) PTE. LTD.**

APFI is a company incorporated in Singapore. APFI is registered with the Securities and Exchange Board of India as a foreign venture capital investor. APFI holds 100% of VITP Private Limited (“VITPPL”), CyberPearl Information Technology Park Private Limited (“CPITPPL”), Avance-Atlas Infratech Private Limited (“AAIPL”), Deccan Real Ventures Private Limited (“DRVPL”), Ascendas Panvel FTWZ Limited (“APFL”), Datascape Realty Private Limited (“DSRPL”) and LOMA Co-Developers 1 Private Limited (“LOMA 1”). APFI also owns 92.8% of Information Technology Park Limited (“ITPL”), 89.0% of Ascendas IT Park (Chennai) Limited (“AITPCL”) and 95.0% of Avance Technohub Private Limited (formerly known as Phoenix IT Infrastructure India Private Limited) (“ATPL”). The Karnataka State Government through Karnataka Industrial Area Development Board (“KIADB”) holds a 7.2% stake in ITPL, and the Tamil Nadu State Government through Tamil Nadu Industrial Development Corporation Limited (“TIDCO”) holds an 11.0% stake in AITPCL. Phoenix Group<sup>6</sup> holds the remaining 5.0% stake in ATPL, which will likely be acquired by a-iTrust in the second half of 2022, upon completion of certain conditions precedent.

APFFDI is a company incorporated in Singapore and is registered with the Securities and Exchange Board of India as a foreign portfolio investor. APFFDI holds 100% of Hyderabad Infratech Private Limited (“HIPL”).

The Trustee-Manager holds the entire issued capital of APFI and APFFDI on behalf of a-iTrust.

**6. THE VCUS: INFORMATION TECHNOLOGY PARK LIMITED, ASCENDAS IT PARK CHENNAI LTD., CYBERPEARL INFORMATION TECHNOLOGY PARK PRIVATE LIMITED, VITP PRIVATE LIMITED, HYDERABAD INFRATECH PRIVATE LIMITED, AVANCE-ATLAS INFRATECH PRIVATE LIMITED, DECCAN REAL VENTURES PRIVATE LIMITED, ASCENDAS PANVEL FTWZ LIMITED, AVANCE TECHNOHUB PRIVATE LIMITED, DATASCAPE REALTY PRIVATE LIMITED AND LOMA CO-DEVELOPERS 1 PRIVATE LIMITED**

Each Property is held by a special purpose property-holding vehicle known as a venture capital undertaking (“VCU”), incorporated in India. The VCUs are ITPL, AITPCL, CPITPPL, VITPPL, HIPL, AAIPL, DRVPL, APFL, ATPL, DSRPL and LOMA1. ITPL and AITPCL own 5.2 million sq ft and 2.0 million sq ft of the total SBA of ITPB and ITPC, respectively. The SBA of ITPB and ITPC not owned by ITPL and AITPCL is owned by third parties. CPITPPL owns 0.8 million sq ft and 0.4 million sq ft of the total SBA of CyberVale and CyberPearl, respectively, while VITPPL owns 1.5 million sq ft of the total SBA of ITPH and 1.5 million sq ft of the total SBA of aVance Pune. AAIPL, HIPL, DRVPL and ATPL owns cumulatively 2.1 million sq ft of the total SBA of aVance Hyderabad while APFL own 0.8 million sq ft of the total SBA of Arshiya Panvel. DSRPL owns leasehold rights to approximately 6.6 acres of land in Airoli, Navi Mumbai for planned development into a data centre campus. LOMA 1 owns 0.6 million sq ft of the SBA of Building Q1 in Aurum Q Parc. As at the Latest Practicable Date, some of the VCUs enjoy various tax incentives and benefits under the Indian income tax regime, including the tax holiday under Section 80-IA of the Indian Income Tax Act 1961.

<sup>6</sup> Phoenix Group refers to Apex Urban Infrastructure Private Limited and Phoenix Infratech (India) Private Limited.

## 7. PROPERTY MANAGER: ASCENDAS SERVICES (INDIA) PRIVATE LIMITED

Ascendas Services (India) Private Limited (the “**Property Manager**”) is responsible for the management of the operations of, and maintenance of, all Properties of a-iTrust (whether such Properties are directly or indirectly acquired by a-iTrust or are wholly or partly owned by a-iTrust, as long as the Trustee-Manager has the right to appoint or require the appointment of the Property Manager as the property manager of such Properties), subject to the overall management of the Trustee-Manager pursuant to a master property management agreement. The Property Manager is headquartered in Bangalore and manages ITPB directly. The Property Manager manages: (i) ITPC and CyberVale through its office in Chennai; (ii) ITPH, CyberPearl and aVance Hyderabad through its office in Hyderabad and (iii) aVance Pune, Arshiya Panvel and Building Q1 in Aurum Q Parc through its office in Pune. As a-iTrust makes new investments in other cities, it is envisaged that the Property Manager will manage such investments through new office branches set up in the respective cities.

The Property Manager has dedicated personnel assigned to each of the Properties, as part of the management team who are in-charge of the day-to-day operations at each of the Properties. The management teams, which are housed on-site, provide focused attention and supervision to technicians, engineers, security and maintenance officers, and cleaners at the Properties to ensure that each Property is administered smoothly and is well-maintained.

In addition, a-iTrust enjoys access to the experience and expertise of a centralised team of personnel of the Property Manager that provides services such as leasing, technical services, tenancy co-ordination, marketing and communications, legal, human resource support and finance. The Trustee-Manager will continually assess and evaluate the performance of the Property Manager and will have the right to terminate the appointment of the Property Manager in respect of a Property, should the Property Manager’s performance be in breach of the terms of the individual property management agreement in respect of that Property.

## 8. PROPERTY PORTFOLIO AS AT 30 SEPTEMBER 2021

### International Tech Park, Bangalore

Whitefield Road, Bangalore 560066



#### *Description of the Property*

ITPB is the icon of India's IT success story, and continues its contribution to the development of Whitefield as a major IT hub in India's Silicon Valley. Located just 18 km from the city centre, ITPB is a 69 acre integrated development with office space, retail mall, hotel and host of amenities.

The construction of a 0.7 million sq ft IT SEZ "Anchor Annex" building at ITPB was completed in November 2020. The building has been fully leased to a leading IT services company.

ITPB has won several awards including the Best Ornamental Garden Award in 2008, 2009, 2014 and 2018 awarded by the Bangalore-based Mysore Horticultural Society. On 17 May 2012, ITPB was the Gold Winner in the Industrial Category at the FIABCI Prix d' Excellence Awards 2012. It is also the first park in India to be accredited with ISO 9002 certification for park management and operations, and has become the benchmark for other IT/business park projects in India.

Several of the buildings in ITPB also have green certifications. In particular, ITPB won the Indian Green Building Council ("**IGBC**") Silver Award for the "Voyager" building in 2011, the IGBC Platinum Award for the "Aviator" Building in 2014, the US Green Building Council Leadership in Energy and Environmental Design ("**USGBC LEED**") Gold Award for the "Discoverer", "Innovator" and "Creator" buildings in 2016, the USGBC LEED Platinum Award for the "Victor" building in 2017, the IGBC Platinum Award for the "Victor" building in 2018, the IGBC Platinum Award for the "Anchor" building in 2019, the IGBC Gold Award renewal for the "Explorer", "Inventor" and "Navigator" buildings in 2019 and the IGBC Platinum Award for the "Anchor Annex" building in 2021.



### *Development Potential*

- Land Available for Development

ITPB has land available for development into approximately 3.1 million sq ft of potential built-up area within ITPB. This will be developed in phases over the coming years to meet market demand.

| STATISTICS                                  |                                                                   |
|---------------------------------------------|-------------------------------------------------------------------|
| Site area                                   | 68.3 acres                                                        |
| Title                                       | Freehold                                                          |
| Shareholding in the VCU (ITPL)              | 93.0% (7.2% owned by Karnataka Industrial Area Development Board) |
| Owned built-up area as at 30 September 2021 | 5.2 million sq ft                                                 |
| Number of buildings                         | 12 buildings                                                      |
| Park population as at 30 September 2021     | Approximately 55,000 people                                       |
| Valuation as at 31 December 2020            | INR 40,892 million/S\$739.3 million <sup>7</sup>                  |
| Development potential                       | 3.1 million sq ft                                                 |

### **International Tech Park, Chennai**

Taramani Road, Chennai 600013



### *Description of the Property*

Located in Chennai's IT Corridor, ITPC is a 15 acre premium IT Park offering approximately 2 million sq ft of premium office space. It is in close proximity to prime residential precincts and is well-connected to the airport and the central business district in Chennai via local highways.

Besides office space for IT/ITES, ITPC also has amenities such as bars and restaurants, convenient shops, ATMs and a bank, a health care facility, a creche, multi-cuisine food courts, gift shops, a beauty salon and a multiple purpose hall.

<sup>7</sup> Based on an exchange rate of S\$1 : INR55.3.



In 2013, ITPC was awarded the FIABCI Prix d' Excellence Award in the Industrial Category. In 2018, ITPC also won the "Best Commercial Project" award at the 2018 CNBC-AWAAZ Real Estate Awards.

ITPC is also the recipient of certifications such as PEER – Gold certification by US Green Building Council and also proud recipient of Guinness record certification for successfully conducting 'Preserve and Conserve Natural Resources programme.

The three buildings in ITPC have received several green certifications. ITPC won the USGBC LEED Gold Award for the "Pinnacle" building in 2017 and for the "Crest" building in 2018, the USGBC LEED Platinum Award for the "Zenith" building in 2020.

| STATISTICS                                  |                                                                              |
|---------------------------------------------|------------------------------------------------------------------------------|
| Site area                                   | 15.0 acres                                                                   |
| Title                                       | Freehold                                                                     |
| Shareholding in VCU (AITPCL)                | 89.0% (11.0% owned by Tamil Nadu Industrial Development Corporation Limited) |
| Owned built-up area as at 30 September 2021 | 2.0 million sq ft                                                            |
| Number of buildings                         | Three buildings                                                              |
| Park population as at 30 September 2021     | Approximately 14,100 people                                                  |
| Valuation as at 31 December 2020            | INR 21,127 million/S\$382.0 million <sup>8</sup>                             |

#### **International Tech Park, Hyderabad**

Plot no. 17, Software Units Layout, Madhapur, Hyderabad 500081



#### *Description of the Property*

Situated at Madhapur, ITPH is a 20 acre IT Park that houses some of the best names in IT/ITES industry which together employ over 11,000 skilled workforce. ITPH is known for its extensive landscaping around the area's naturally rocky terrain, coupled with water features that enhances the park's serene campus-like appeal.

The "Vega" Building won the IGBC Platinum Award in 2018 and the "Atria" Building won the USGBC LEED Gold Award in 2019.

<sup>8</sup> Based on an exchange rate of S\$1 : INR55.3.

### *Development Potential*

- Proposed Developments

ITPH is being redeveloped to maximise the leasable space, rejuvenate the park, and leverage on the growth of leading US and Indian technology companies in Hyderabad. ITPH will be redeveloped in phases over the next seven to ten years to increase the leasable area from 1.5 million sq ft to 5.7 million sq ft. Under ITPH Redevelopment Phase I, construction of a new 1.4 million sq ft multi-tenanted building is in progress. The construction is expected to be completed by the first quarter of 2023.

| STATISTICS                                  |                                                  |
|---------------------------------------------|--------------------------------------------------|
| Site area                                   | 19.4 acres                                       |
| Title                                       | Freehold                                         |
| Shareholding in VCU (VITPPL)                | 100%                                             |
| Owned built-up area as at 30 September 2021 | 1.5 million sq ft                                |
| Number of buildings                         | Five buildings                                   |
| Park population as at 30 September 2021     | Approximately 12,300 people                      |
| Valuation as at 31 December 2020            | INR 18,544 million/S\$335.3 million <sup>9</sup> |

### **CyberVale**

TP2/1 Mahindra World City, Natham Sub Post Office, Chengalpet, Chennai 603002



### *Description of the Property*

CyberVale, located within Mahindra World City, is an hour's drive from Chennai city. CyberVale is located along the Grand Southern Trunk Road, which is in close proximity to manufacturing hubs such as Oragadam and Sriperumbadur. CyberVale is an IT/ITES SEZ and is well-connected with the rest of the city through a rail and road networks.

All three buildings in CyberVale have received the USGBC LEED Gold Award in 2018.

### *Development Potential*

CyberVale has land available for development into a 0.4 million sq ft IT building. Construction will commence when there is clear visibility of leasing demand in that micro-market.

<sup>9</sup> Based on an exchange rate of S\$1 : INR55.3.

| STATISTICS                                  |                                                 |
|---------------------------------------------|-------------------------------------------------|
| Site area                                   | 18.2 acres                                      |
| Title                                       | 99 years <sup>10</sup>                          |
| Shareholding in VCU (CPITPPL)               | 100%                                            |
| Owned built-up area as at 30 September 2021 | 0.8 million sq ft                               |
| Number of buildings                         | Three buildings                                 |
| Park population as at 30 September 2021     | Approximately 7,500 people                      |
| Valuation as at 31 December 2020            | INR 4,052 million/S\$73.3 million <sup>11</sup> |
| Development potential                       | 0.4 million sq ft                               |

### **CyberPearl**

Hitec City Layout, Madhapur, Hyderabad 500081



### *Description of the Property*

CyberPearl is located in the heart of Hyderabad's growth centre. Numerous MNC campuses, commercial facilities and extensive social infrastructure are located nearby the park. Opened in 2004, CyberPearl was the first park in Hyderabad to feature a fully equipped health club and business centre. CyberPearl's in-house amenities include a large food court, restaurants, meeting rooms, conference and recreational facilities.

Both buildings in CyberPearl have received the IGBC Gold Awards in 2018.

<sup>10</sup> Commencing on 12 January 2006, renewable for a further 99-year as provided in the lease deed.

<sup>11</sup> Based on an exchange rate of S\$1 : INR55.3.

| STATISTICS                                  |                                                 |
|---------------------------------------------|-------------------------------------------------|
| Site area                                   | 6.1 acres                                       |
| Title                                       | Freehold                                        |
| Shareholding in VCU (CPITPPL)               | 100%                                            |
| Owned built-up area as at 30 September 2021 | 0.4 million sq ft                               |
| Number of buildings                         | Two buildings                                   |
| Park population as at 30 September 2021     | Approximately 4,600 people                      |
| Valuation as at 31 December 2020            | INR 3,279 million/S\$59.3 million <sup>12</sup> |

### **aVance Hyderabad**

Serilingampally Mandal, Ranga Reddy District, Hyderabad 500039



### *Description of the Property*

aVance Hyderabad is located in the Hitec City 2 SEZ in Madhapur, the existing IT corridor. It is spread over 25.7 acres and comprises five completed multi-tenanted buildings, the latest of which was acquired in March 2021. aVance Hyderabad is approximately 32 km from the airport and approximately 16 km from the city centre, and is connected to the transportation network, including a metro rail station within close proximity to aVance Hyderabad. It is also in close proximity to a number of prime residential areas such as Banjara Hills and Jubilee Hills and in the vicinity of the retail precincts.

<sup>12</sup> Based on an exchange rate of S\$1 : INR55.3.

## Construction Funding

a-iTrust has entered into an agreement to provide construction funding for an additional building, aVance 5, with estimated floor area of 1.2 million sq ft. As of 30 September 2021, INR 4.3 billion (S\$86 million)<sup>13</sup> has been disbursed towards the construction of aVance 5. aVance 5 is 100% pre-committed to a leading US-based healthcare MNC. a-iTrust also has a right of first refusal (“**ROFR**”) to acquire four other completed buildings (aVance 7 to aVance 10) totalling 1.2 million sq ft within aVance Hyderabad.

| STATISTICS                                        |                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Site area                                         | 25.7 acres                                                                                                                                                                                                                                                                                                                                                   |
| Title                                             | Freehold <sup>14</sup>                                                                                                                                                                                                                                                                                                                                       |
| Shareholding in VCU (DRVPL, HIPL, AAIPL and ATPL) | <p>This property has five buildings and is held separately by 4 VCU (DRVPL, HIPL, AAIPL and ATPL).</p> <ul style="list-style-type: none"> <li>• HIPL owns aVance 1 and 2</li> <li>• AAIPL owns aVance 3</li> <li>• DRVPL owns aVance 4</li> <li>• ATPL owns aVance 6</li> </ul> <p>AIT owns 100% of DRVPL, HIPL and AAIPL, and 95% of ATPL<sup>15</sup>.</p> |
| Owned built-up area as at 30 September 2021       | 2.2 million sq ft                                                                                                                                                                                                                                                                                                                                            |
| Number of buildings                               | Five buildings                                                                                                                                                                                                                                                                                                                                               |
| Park population as at 30 September 2021           | Approximately 13,200 people                                                                                                                                                                                                                                                                                                                                  |
| Valuation as at 31 December 2020                  | INR 10,650 million/S\$192.6 million <sup>16</sup>                                                                                                                                                                                                                                                                                                            |

<sup>13</sup> Based on an exchange rate of S\$1 : INR50.04.

<sup>14</sup> 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 a-iTrust's option at nominal lease rentals.

<sup>15</sup> ATPL is newly acquired by the subsidiary of a-iTrust in March 2021 and owns the aVance 6 building. Remaining 5.0% shareholding in ATPL is held by the Phoenix Group currently and will be acquired by a-iTrust at a later date.

<sup>16</sup> Based on an exchange rate of S\$1 : INR55.3.

### **aVance Pune**

Plot No.2, Blue Ridge Township, Phase II, Near Rajiv Gandhi Infotech Park – Phase I, Hinjewadi, Pune 411057



#### *Description of the Property*

aVance Pune, is a 1.5 million sq ft IT/ITES Special Economic Zone (SEZ) within the first phase of the Rajiv Gandhi Infotech Park, Hinjawadi. Located in the Silicon Valley of Pune-Hinjawadi, it is in close proximity to the Pune-Mumbai Expressway and a mere 2 hours from Panvel. aVance Pune offers premium space and amenities, ideal for IT/ITES office space.

aVance Pune has won the IGBC Platinum Award for each of its three buildings in 2020.

| <b>STATISTICS</b>                           |                                                  |
|---------------------------------------------|--------------------------------------------------|
| Site area                                   | 5.4 acres                                        |
| Title                                       | Freehold <sup>17</sup>                           |
| Shareholding in VCU (VITPPL)                | 100%                                             |
| Owned built-up area as at 30 September 2021 | 1.5 million sq ft                                |
| Number of buildings                         | Three buildings                                  |
| Park population as at 30 September 2021     | Approximately 13,100 people                      |
| Valuation as at 31 December 2020            | INR 9,490 million/S\$171.6 million <sup>18</sup> |

<sup>17</sup> 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 a-iTrust's option at nominal lease rentals.

<sup>18</sup> Based on an exchange rate of S\$1 : INR55.3.



## Arshiya Panvel

Village Sai, Taluka Panvel, District – Raigad



### *Description of the Property*

This portfolio consists of six operating warehouses (0.83 million sq ft) at the Arshiya Free Trade Warehousing Zone (“**FTWZ**”) located at Panvel near Mumbai. The site is spread over 143 acres of land which has an additional estimated future development potential of 2.8 million sq ft. Key clients in the operating warehouses include DHL and Shashwat Group. Arshiya Panvel has emerged as a warehousing hub due to its proximity to Jawaharlal Nehru Port, one of India’s key ports and ease of accessibility from the consumption and industrial centres in Mumbai.

To meet incremental demand from existing and prospective tenants, a-iTrust has entered into an agreement with Arshiya Limited to fund the construction of a seventh warehouse, with total leasable area of approximately 0.3 million sq ft, which will be acquired upon completion. Once acquired, a-iTrust will lease the additional warehouse to a subsidiary company of Arshiya Limited for six years under a master lease arrangement. Arshiya Limited will pay rent to a-iTrust and operate and manage the warehouse.

| STATISTICS                                  |                                                  |
|---------------------------------------------|--------------------------------------------------|
| Site area                                   | 24.5 acres                                       |
| Title                                       | Freehold <sup>19</sup>                           |
| Shareholding in VCU (APFL)                  | 100%                                             |
| Owned built-up area as at 30 September 2021 | 0.8 million sq ft                                |
| Number of buildings                         | Six buildings                                    |
| Valuation as at 31 December 2020            | INR 6,150 million/S\$111.2 million <sup>20</sup> |

<sup>19</sup> 30-year lease renewable for further 30-year leases at a-iTrust’s option, at nominal lease rentals.

<sup>20</sup> Based on an exchange rate of S\$1 : INR 55.3.

## 9. PORTFOLIO HIGHLIGHTS

### Key Information on the Properties

A summary of key information on the Properties as at 30 September 2021 is set out below:

#### Operating Buildings

|                                                                                     | ITPB     | ITPC              | ITPH              | CyberVale               | CyberPearl | aVance Hyderabad        | aVance Pune             | Arshiya Panvel           | Total/ Weighted average |
|-------------------------------------------------------------------------------------|----------|-------------------|-------------------|-------------------------|------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Total Owned SBA (million sq ft)                                                     | 5.2      | 2.0               | 1.5               | 0.8                     | 0.4        | 2.1 <sup>[2]</sup>      | 1.5                     | 0.8                      | 14.4                    |
| Committed Occupancy Rate as at 30 September 2021 (%)                                | 91       | 69 <sup>[3]</sup> | 94 <sup>[3]</sup> | 78                      | 91         | 90                      | 99                      | 100                      | 89                      |
| Total Property Income for FY2020 (INR million)                                      | 3,872    | 1,815             | 1,178             | 421                     | 366        | 1,069                   | 964                     | 565                      | 10,250                  |
| Net Property Income for FY2020 (INR million)                                        | 2,814    | 1,415             | 945               | 307                     | 259        | 889                     | 721                     | 560                      | 7,910                   |
| Appraised Value as at 31 December 2020 <sup>[4]</sup> (\$\$ million) <sup>[5]</sup> | 739.3    | 382.0             | 335.3             | 73.3                    | 59.3       | 192.6 <sup>[6]</sup>    | 171.6                   | 111.2                    | 2,064.4                 |
| Holding Tenure                                                                      | Freehold | Freehold          | Freehold          | 99 years <sup>[7]</sup> | Freehold   | Freehold <sup>[8]</sup> | Freehold <sup>[9]</sup> | Freehold <sup>[10]</sup> |                         |

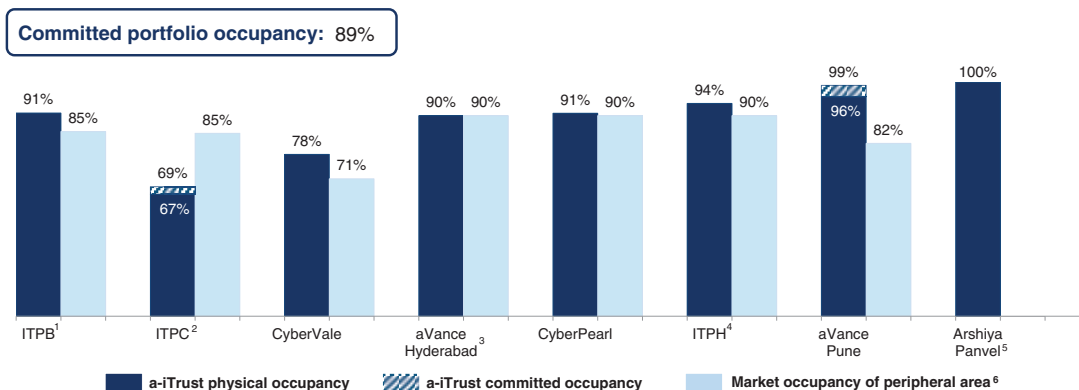
#### Notes:

- (1) Any discrepancy between individual amounts and total shown in this document is due to rounding.
- (2) Includes acquisition of aVance 6, a 0.64 million sq ft IT SEZ building, in March 2021.
- (3) Excludes Mariner building in ITPH which is being vacated for redevelopment. ITPC's committed occupancy includes committed space signed in October 2021.
- (4) Appointed independent valuer was Savills Property Services (India) Pvt. Ltd..
- (5) Based on exchange rate of S\$1: INR 55.3.
- (6) Appraised value excludes valuation of aVance 6 building which was acquired in March 2021.
- (7) 99-year lease commencing on 12th January 2006, renewable for a further 99-year as provided in the lease deed.
- (8) 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 a-iTrust's option at nominal lease rentals.
- (9) 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 a-iTrust's option at nominal lease rentals.
- (10) 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 a-iTrust's option at nominal lease rentals.

## Occupancy Rates as at 30 September 2021

As at 30 September 2021, a-iTrust's portfolio committed portfolio occupancy stands at 89%. The vacant space is being actively marketed.

### a-iTrust's Committed Portfolio Occupancy



All information as at 30 September 2021

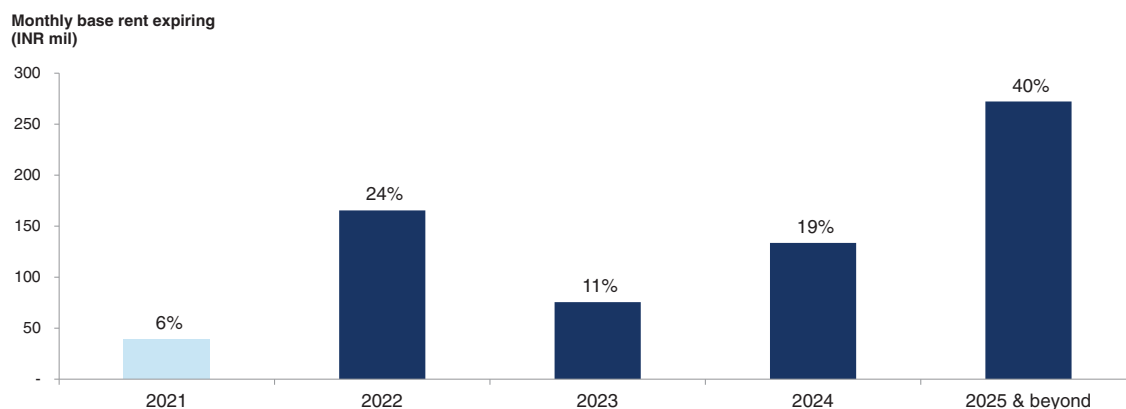
1. Includes Anchor Annex building (formerly known as Endeavour building).
2. Includes committed space signed in October 2021.
3. Includes aVance 6.
4. Excludes Mariner building in ITPH which is being vacated for redevelopment.
5. There are no comparable warehouses in the micro-market that the Arshiya Panvel warehouses are located in.
6. CBRE market report as at 30 September 2021.

## Lease Expiry Profile as at 30 September 2021

The graph below illustrates the committed lease expiry profile of leases in the Properties by area. As at 30 September 2021, a-iTrust has a weighted average lease term of 6.2 years.

### a-iTrust's committed lease expiry profile

**Weighted average lease term: 6.2 years** **Weighted average lease expiry: 3.9 years**



All information as at 30 September 2021

Note: Retention rate from 1 October 2020 to 30 September 2021 was 53%.

## Lease Activities

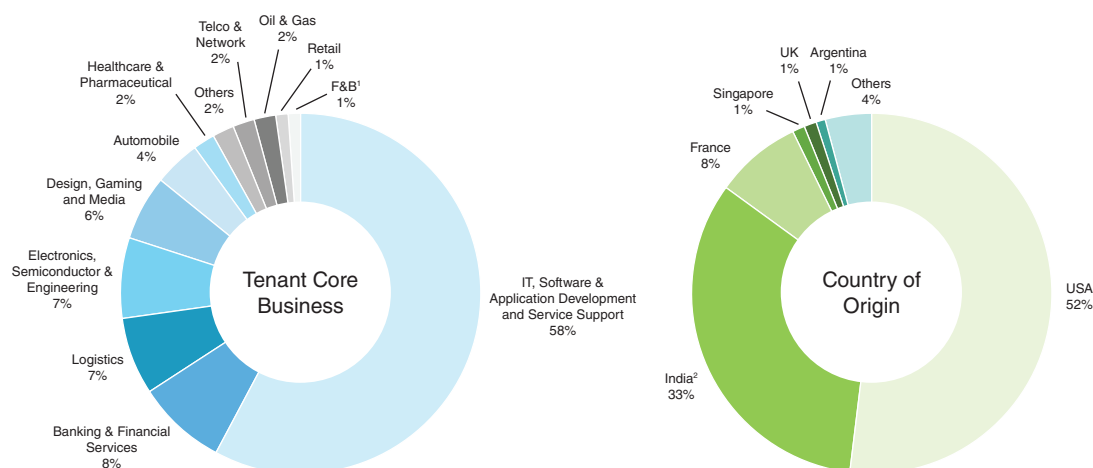
In spite of the ongoing COVID-19 pandemic, a-iTrust has leased and renewed 2.2 million sq ft of leasable area across its portfolio for the period from 1 January 2021 to 30 September 2021. Leasing discussions have re-started after the second wave of the COVID-19 pandemic in the second half of 2021. As the COVID-19 situation improves, a-iTrust expects leasing activity to pick up further in the early part of year 2022.

## Tenant's Core Business and Country of Origin as at 30 September 2021

58% of the tenants are from the IT, software and application development and service support sector.

### a-iTrust tenant's leasing profile

#### Tenant core business & country of origin by base rental



All information as at 30 September 2021

1. Food & Beverage.

2. Comprises Indian companies with local and overseas operations.

Based on the market research report by CBRE South Asia Pvt Ltd (“**CBRE**”) for the first half ended 30 June 2021, some of the key highlights (compared to the period ended 31 December 2020) include:

- **Bangalore**

In Whitefield (the micro-market where ITPB is located), vacancy increased to 16.3%, from 13.7% as of 31 December 2020, due to the addition of new supply and marginal space take-up. Rental values remained stable. CBRE expects rental values to decline slightly across SEZ and non-SEZ sectors.

- **Chennai**

In Old Mahabalipuram Road (the micro-market where ITPC is located), vacancy increased to 15.8%, from 12.0% as of 31 December 2020, due to tenant exits and addition of new supply. Non-SEZ rental values declined slightly, while SEZ rental values remained stable. CBRE expects rental values to decline further for both SEZ and non-SEZ space.

In Grand Southern Trunk (the micro-market where CyberVale is located), vacancy increased to 19.4%, from 6.5% as of 31 December 2020, due to the addition of large supply from the completion of Gateway IT Park Block A4, which was met with muted leasing demand. Rental values remained broadly stable over the near term, though CBRE expects rental values to decline slightly in the upcoming months due to the higher vacancy level.

- **Hyderabad**

In IT Corridor I (including Hitec City and Madhapur) (the micro-market where ITPH, CyberPearl and aVance are located), vacancy rates increased to 7.6%, from 5.1% as of 31 December 2020, due to release of secondary space and lower space absorption. Rental values remained stable over the same period. CBRE expects rental values in IT Corridor I to remain stable in the coming quarters.

- **Pune**

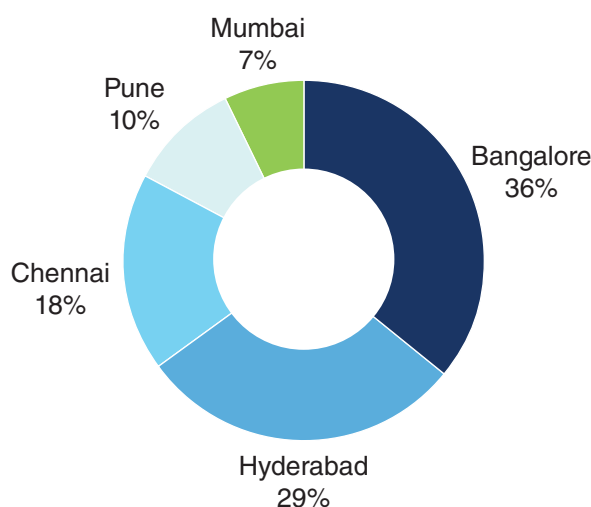
In Hinjawadi (the micro-market where aVance Pune is located), vacancy rates increased to 17.7% from 13.8% as of 31 December 2020. Rental values remained stable. CBRE expects rental values in Hinjawadi to remain largely stable over the coming quarters.

The performance of a-iTrust is influenced by its tenants' business performance and outlook, the condition of each city's real estate market and global economic conditions. a-iTrust will continue to focus on enhancing the competitiveness of its properties to distinguish itself from competitors, while maintaining financial discipline and seeking growth opportunities.

### Geographical Diversification of Properties and Strong Tenant Base

The Properties are located in rapidly growing focal points of high growth for the IT and ITES export services sectors in India. The total SBA owned by a-iTrust ("**Owned SBA**") in the completed and operating (a) 12 multi-tenanted office buildings, a multi-tenanted lower ground mall and a multi-tenanted retail mall at ITPB, (b) three multi-tenanted office buildings at ITPC, (c) three multi-tenanted office buildings at CyberVale, (d) five multi-tenanted office buildings at ITPH, (e) two multi-tenanted office buildings at CyberPearl, (f) five multi-tenanted office buildings at aVance Hyderabad, (g) three multi-tenanted office buildings at aVance Pune and (h) six warehouses at Arshiya (collectively, the "**Operating Buildings**") are distributed across the cities of Bangalore (approximately 36%), Chennai (approximately 18%), Hyderabad (approximately 29%), Mumbai (approximately 7%) and Pune (approximately 10%) as at 30 September 2021<sup>21</sup>. The Properties also have a quality tenant base of 255 tenants as at 30 September 2021. Average space per tenant is 48,679 sq ft, and no single tenant accounted for more than 15% of the portfolio monthly base rent then.

#### Geographical Diversification of Properties as at 30 September 2021:



<sup>21</sup> Refers to geographical diversification of Operating Buildings by Base Rent.

The top 10 tenants (in terms of their contributions to the portfolio monthly base rent for the month ended 30 September 2021) are listed below:

| No. | Top ten tenants           | % of base rents |
|-----|---------------------------|-----------------|
| 1   | Tata Consultancy Services | 14%             |
| 2   | Arshiya Panvel            | 7%              |
| 3   | Amazon                    | 6%              |
| 4   | Renault Nissan            | 4%              |
| 5   | Applied Materials         | 3%              |
| 6   | Bank of America           | 3%              |
| 7   | Societe Generale          | 3%              |
| 8   | Technicolor               | 2%              |
| 9   | UnitedHealth Group        | 2%              |
| 10  | Larsen & Toubro           | 2%              |

The top 10 tenants collectively accounted for approximately 46% of the portfolio monthly base rent as at 30 September 2021.

## 10. GROWTH STRATEGIES

The principal investment strategy of the Trustee-Manager for a-iTrust involves investing in quality IT parks, warehouses and other income producing real estate used primarily as business space in India and other real estate-related assets. a-iTrust may acquire, own and develop land or uncompleted developments to be used primarily for business space with the objective of holding the properties upon completion.

The Trustee-Manager's key objectives are to deliver regular and stable distributions to Unitholders and to achieve long-term growth in the net asset value per Unit. The Trustee-Manager plans to achieve these objectives through the following key strategies:

- *four-pronged external acquisitions growth*: achieve portfolio growth through a broad-based external acquisitions growth strategy supported by an identifiable acquisition pipeline;
- *active management of assets*: actively manage a-iTrust's income-producing portfolio to achieve organic growth and maximise returns on the portfolio; and
- *enterprise risk management*: maintain prudent and sustainable balance sheet and adopt appropriate financing and hedging policies to manage interest rate volatility and foreign exchange exposure.

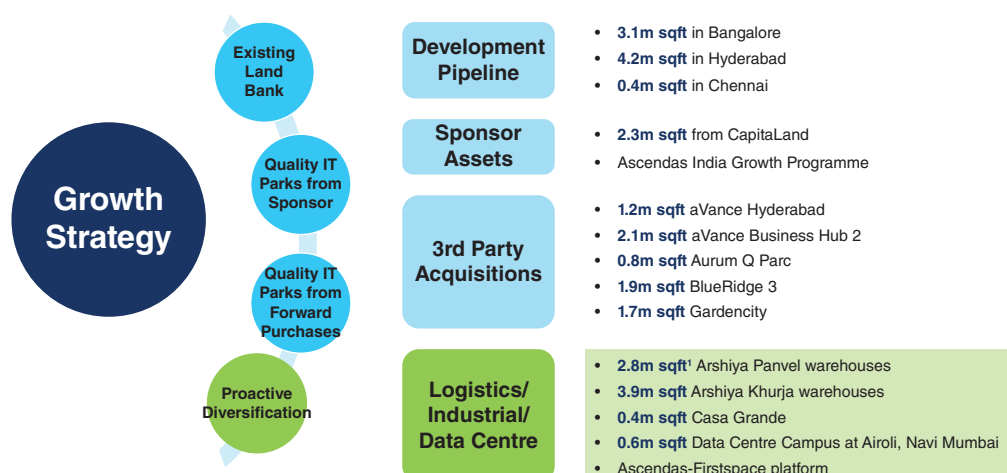
### Four-Pronged Growth Strategy

a-iTrust has a well-defined four-pronged growth strategy underpinned by the following:

- developing vacant land held by a-iTrust;
- acquisition of Sponsor assets;
- acquisition of third-party assets; and
- diversification into the logistics, industrial assets, and data centres.



a-iTrust's acquisition strategy is supported by ROFRs over substantially income-producing business space granted by the Sponsor, as well as the acquisition of third-party properties across India.



All information as at 30 November 2021

1. Includes a 7th warehouse under construction (0.3m sqft).

### Development Pipeline

Since listing, a-iTrust has developed 5.6 million sq ft of commercial space from its land bank. a-iTrust continues to hold substantial land in Hyderabad, Bangalore and Chennai, with total development potential of 7.7 million sq ft<sup>22</sup>.

In Hyderabad, a-iTrust is redeveloping 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 will be carried out in phases over the next seven to ten years to increase the leasable area from 1.5 million sq ft to 5.7 million sq ft. Under Phase I of the ITPH redevelopment, the construction of a new 1.4 million sq ft multi-tenanted building is in progress and expected to complete by the first quarter of 2023.

In Bangalore and Chennai, there is 3.1 million sq ft of development potential within ITPB and 0.4 million sq ft of development potential within CyberVale respectively. Construction in these parks will commence in phases over the coming years when there is clear visibility of leasing demand within the respective micro-markets.

### Sponsor assets

CapitaLand Group<sup>23</sup> has granted a-iTrust the ROFR to acquire its stake from the following entities, upon project completion and stabilisation:

- CapitaLand India, which holds a majority stake in International Tech Park Pune, an IT SEZ in Pune, with 2.3 million sq ft 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 the Sponsor and Firstspace Realty for investments in logistics and industrial infrastructure with a target to develop close to 15.0 million sq ft of space over the next few years.

<sup>22</sup> Includes buildings under construction.

<sup>23</sup> Refers to CapitaLand Investment Limited and its subsidiary and associated companies.

### ***Third-party acquisitions***

The Trustee-Manager pursues acquisitions that offer attractive cash flows and returns relative to a-iTrust's weighted average cost of capital and seeks acquisitions that enhance the diversification of the portfolio. Since listing, the Trustee-Manager acquired 5.4 million sq ft<sup>24</sup> of leasable area.

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

Third-party acquisitions may be carried out in the form of 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. 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.

The Trustee-Manager has targeted Bangalore, Chennai, Hyderabad, Mumbai, National Capital Region (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. In addition, the Trustee-Manager is actively targeting logistics and industrial locations in the outskirts of Mumbai, Chennai, Bangalore, Hyderabad and the National Capital Region.

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

a-iTrust's focuses 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 its 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.; and
- *opportunity to add value*: the potential to increase rental/occupancy rates or enhance value through selective renovations and/or other enhancement works.

<sup>24</sup> Figure as at 30 September 2021. Excludes (i) a 6.6 acre land in Navi Mumbai acquired in October 2021 for planned development into a data centre campus and (ii) Building Q1 in Aurum Q Parc, a 0.6 million sq ft IT SEZ building in Navi Mumbai which was acquired in November 2021.

In March 2021, a-iTrust completed the acquisition of aVance 6, a 0.6 million sq ft IT SEZ building in Hyderabad which is part of its committed forward purchase pipeline from Phoenix Group, for a gross consideration of INR 5.06 billion. In November 2021, a-iTrust completed the acquisition of Building Q1, a 0.6 million sq ft IT SEZ building, at Navi Mumbai which is part of its committed forward purchase pipeline from Aurum Group for a purchase consideration of INR 3.53 billion.

As at 30 September 2021, a-iTrust's committed forward purchase transactions is shown in the table below:

**a-iTrust's committed forward purchase transactions as at 30 September 2021<sup>25</sup>**

|                                                     | aVance<br>Hyderabad | aVance Business<br>Hub 2       |                                | Aurum Q<br>Parc             | BlueRidge 3                      |                   | Gardencity          |                   | Arshiya<br>Panvel              | Arshiya<br>Khurja                        | Casa<br>Grande                 |
|-----------------------------------------------------|---------------------|--------------------------------|--------------------------------|-----------------------------|----------------------------------|-------------------|---------------------|-------------------|--------------------------------|------------------------------------------|--------------------------------|
|                                                     | aVance 5            | aVance A1                      | aVance A2                      | Building<br>Q2              | Phase 1                          | Phase 2           | Project I           | Project II        | 7 <sup>th</sup><br>warehouse   | 1 warehouse                              | Phase 1                        |
| <b>Floor area<br/>(million sqft)</b>                | 1.16                | 1.05                           | 1.05                           | 0.85                        | 1.35 <sup>5</sup>                | 0.56 <sup>5</sup> | 1.26                | 0.39              | 0.33                           | 0.19                                     | 0.42                           |
| <b>Time of<br/>completion<sup>1</sup></b>           | 2H<br>2021          | 2H 2024                        | Timeline<br>to be<br>finalised | OC <sup>4</sup><br>received | 2H<br>2021                       | 1H<br>2025        | 2H 2024             | 2H 2024           | OC <sup>4</sup><br>received    | Upon<br>completion of<br>CP <sup>4</sup> | 2H 2021                        |
| <b>Expected total<br/>consideration<sup>2</sup></b> | ₹8.4b<br>(S\$168m)  | ₹14.0b<br>(S\$278m)            |                                | ₹5.4b<br>(S\$107m)          | ₹10.3b <sup>5</sup><br>(S\$204m) |                   | ₹11.2b<br>(S\$209m) | ₹3.2b<br>(S\$59m) | ₹2.1b <sup>6</sup><br>(S\$42m) | ₹1.0b <sup>6</sup><br>(S\$19m)           | ₹2.1b<br>(S\$38m)              |
| <b>Amount<br/>disbursed<sup>2</sup></b>             | ₹4.3b<br>(S\$86m)   | ₹0.5b <sup>3</sup><br>(S\$10m) |                                | ₹2.4b<br>(S\$48m)           | ₹4.8b<br>(S\$95m)                |                   | ₹0.5b<br>(S\$9m)    | ₹0.2b<br>(S\$3m)  | ₹0.7b<br>(S\$14m)              | -                                        | ₹1.3b<br>(S\$24m)              |
| <b>Remaining<br/>commitment<sup>2</sup></b>         | ₹4.1b<br>(S\$82m)   | ₹13.5b<br>(S\$268m)            |                                | ₹3.0b<br>(S\$59m)           | ₹5.5b<br>(S\$109m)               |                   | ₹10.7b<br>(S\$200m) | ₹3.0b<br>(S\$56m) | ₹1.4b<br>(S\$28m)              | ₹1.0b<br>(S\$19m)                        | ₹0.8b <sup>7</sup><br>(S\$14m) |

1. Refers to building completion. For Arshiya Khurja, completion refers to the acquisition of 1 Grade-A warehouse.
2. Based on exchange rate at the time of investment/announcement.
3. Excludes disbursement of ₹3.1 billion (S\$58 million<sup>2</sup>) towards refinancing of loan taken by the vendor towards acquisition of additional land.
4. OC refers to occupancy certificate; CP refers to Conditions Precedent.
5. Increase in expected total consideration is due to overall increase in total net leasable area.
6. Net consideration after deduction of security deposit.
7. Funding for 0.02 million sqft in phase 2 (where a letter of intent has been signed with a tenant) will commence once certain conditions precedent have been met.

**Proactive Diversification to Logistics/Industrial/Data Centre**

In the past few years, a-iTrust has diversified into logistics assets, for which there continues to be a strong demand due to key demand drivers such as the retail and e-commerce boom, the "Make in India" campaign and rising trend towards modern logistics and manufacturing facilities for speed and efficiency. a-iTrust is looking to further diversify to suitable micro-markets to provide more locational options as it remains confident in the growth of the logistics market.

a-iTrust actively evaluates other logistics and warehousing opportunities across India as it sharpens its focus on the industrial asset segment to capitalise on the growing demand from companies looking to set up alternate supply chains.

The Trustee-Manager has entered into a forward purchase for a 7th warehouse at the Arshiya FTWZ located at Panvel, near Mumbai, adjacent to the current warehouses in the Arshiya FTWZ as well as actively evaluating other logistics and warehousing opportunities across India. In March 2021, the Trustee-Manager has entered into a forward purchase agreement for its maiden industrial asset, a new 0.42 million sq ft fully pre-leased industrial facility located in Mahindra World City, Chennai ("**Casa Grande – Phase 1**").

<sup>25</sup> Excluding Building Q1 in Aurum Q Parc which was acquired in November 2021.

Additional deal flow is also expected from 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 sq ft of space over the next few years.

With the drive for rapid digitalisation and new technological advances, as well as with data localisation/security concerns, there is growth in data centre demand in India. a-iTrust has further diversified and has invested in this data centre asset class. In October 2021, a-iTrust acquired an approximately 6.6 acres of land in Airoli, Navi Mumbai for planned development into a data centre campus with total potential built-up area of up to 575,000 sq ft and up to 90MW of sanctioned power. a-iTrust is also actively evaluating other data centre opportunities in other Indian cities.

### **Active Management of Assets**

a-iTrust 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*

a-iTrust 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 the 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.

a-iTrust differentiate its properties by providing reliable real estate solutions to customers. Tenants are assured of smooth and uninterrupted infrastructure support within the properties. For example, backup generators are installed to provide continual power to the facilities. a-iTrust also implement best practices and processes in key areas of safety, fire, utilities and security systems as part of the business continuity plan. Its properties are fitted with a combination of safety and security features. The 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 the Properties. a-iTrust also work closely with and regularly receive intelligence inputs from the local police, the State Intelligence Bureau and the Centre for Counter Terrorism.

The Properties have won multiple awards for their distinguished quality; foremost amongst them are two Gold awards from the FIABCI Prix d' Excellence Award. Both ITPB and ITPC have received this top accolade, affirming a-iTrust's ability to construct and manage world-class properties. Great emphasis is also placed on environmental sustainability and most of the Properties have green certifications, as shown in the list below:

#### Green Certification received by the Properties as of 30 September 2021

| City      | Property                          | Building        | Award               |
|-----------|-----------------------------------|-----------------|---------------------|
| Bangalore | International Tech Park Bangalore | Anchor          | IGBC Platinum       |
|           |                                   | Anchor Annex    | IGBC Platinum       |
|           |                                   | Aviator         | IGBC Platinum       |
|           |                                   | Creator         | USGBC LEED 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                         | Building 3      | USGBC LEED Gold     |
|           |                                   | Lakeview        | USGBC LEED Gold     |
| Hyderabad | International Tech Park Hyderabad | Springfield     | USGBC LEED Gold     |
|           |                                   | 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       |

#### Tenant Strategy

To attract quality customers that are willing to commit to long leases, a-iTrust offers innovative and quality solutions that go beyond meeting their basic requirements. Throughout their lease, a-iTrust maintains open communication to ensure smooth operations, and in the process, forge enduring relationships with the customers.

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

As more tenants return to office amidst the pandemic, a-iTrust remains committed to prioritising the health of all occupiers and visitors to the parks. A comprehensive park preparedness plan have been implemented to combat the spread of the virus and keep the Properties 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, stringent hygiene protocols such as mandatory wearing of masks, contactless systems and designated social distancing markers in common areas have been adopted. The frequency of cleaning schedules across

the Properties have been increased and the use of antimicrobial coating to contact-surfaces in the lifts and restrooms have been adopted. Aside from enhanced hygiene protocols, new technologies to further enhance the current preventive measures have also been adopted. 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. a-iTrust 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.

As of November 2020, all buildings have received assurance statements from the British Safety Council, a London-based and government-regulated training and awarding body, certifying a-iTrust's portfolio readiness in COVID-19 prevention.

### **Capital Management**

a-iTrust's capital management objectives include:

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

### *Income Hedging Strategy*

a-iTrust's distributable income is hedged and income is also repatriated semi-annually from India to Singapore. Forward contracts are entered 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.

### *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. As of 30 September 2021, a-iTrust has in place the Programme and principal bankers including DBS Bank Ltd., United Overseas Bank Limited, Mizuho Bank, Ltd., Citibank, N.A., JP Morgan Chase Bank, The Hongkong and Shanghai Banking Corporation Limited, The Bank of East Asia, Limited, and Standard Chartered Bank. As at 30 September 2021, a-iTrust has total effective borrowings<sup>26</sup> of S\$1,011 million, comprising S\$110 million of medium term notes and S\$901 million of bilateral loans.

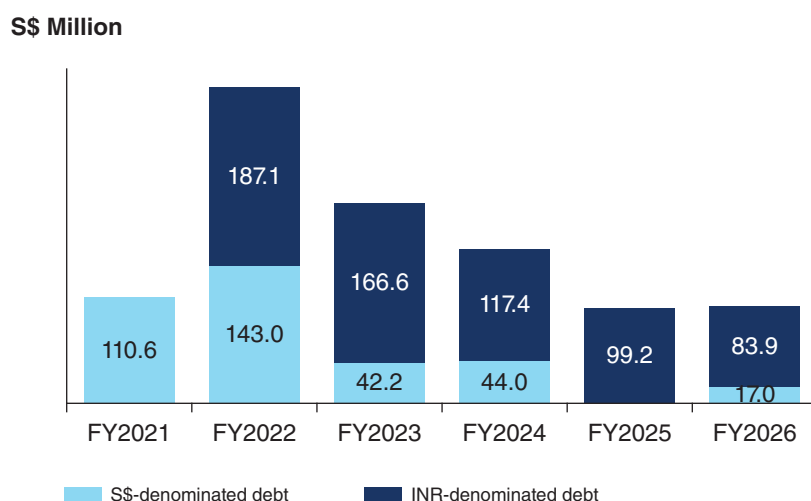
<sup>26</sup> Effective borrowings is calculated by adding/(deducting) derivative financial instruments liabilities/(assets) to/from gross borrowings, including deferred consideration.



a-iTrust's approach to equity raising is predicated on maintaining a strong balance sheet by keeping the gearing ratio at an appropriate level. As of 30 September 2021, a-iTrust has a gearing ratio of 35%. The impact on a-iTrust's DPU and net asset value are carefully considered before making any decision on raising equity.

The Property Funds Guidelines in the Code on Collective Investment Schemes provide that the total borrowings and deferred payments (collectively, the "**Aggregate Leverage**") of a real estate investment trust ("**REIT**") should not exceed 50% prior to 1 January 2022 and on or after 1 January 2022, should not exceed 45% of the value of its total assets based on the latest valuation. The REIT's Aggregate Leverage may exceed this limit (up to a maximum of 50%) only if the REIT has a minimum adjusted interest coverage ratio<sup>27</sup> of 2.5 times after taking into account the interest payment obligations arising from the new borrowings. Based on the Property Funds Guidelines, a-iTrust may increase its borrowings by an additional S\$892 million pursuant to the a-iTrust Trust Deed. This provides a-iTrust with significant resources to fund potential acquisitions and developments using additional borrowings.

#### a-iTrust's Debt Expiry Profile as of 30 September 2021



a-iTrust lowers its borrowing cost by having a mix of Indian Rupee and Singapore Dollar borrowings. Indian Rupee loans onshore in India are also not taken up as usually it costs less to hedge Singapore Dollar-denominated borrowings to Indian Rupee-denominated borrowings using cross-currency swaps and derivatives. As at 30 September 2021, 65% of a-iTrust's borrowings were denominated in Indian Rupee with the remaining 35% in Singapore Dollar. a-iTrust's overall weighted average cost of debt was 5.3% as at 30 September 2021.

#### Cash Management

a-iTrust also monitors and maintains a level of cash and cash equivalents deemed adequate to meet its 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.

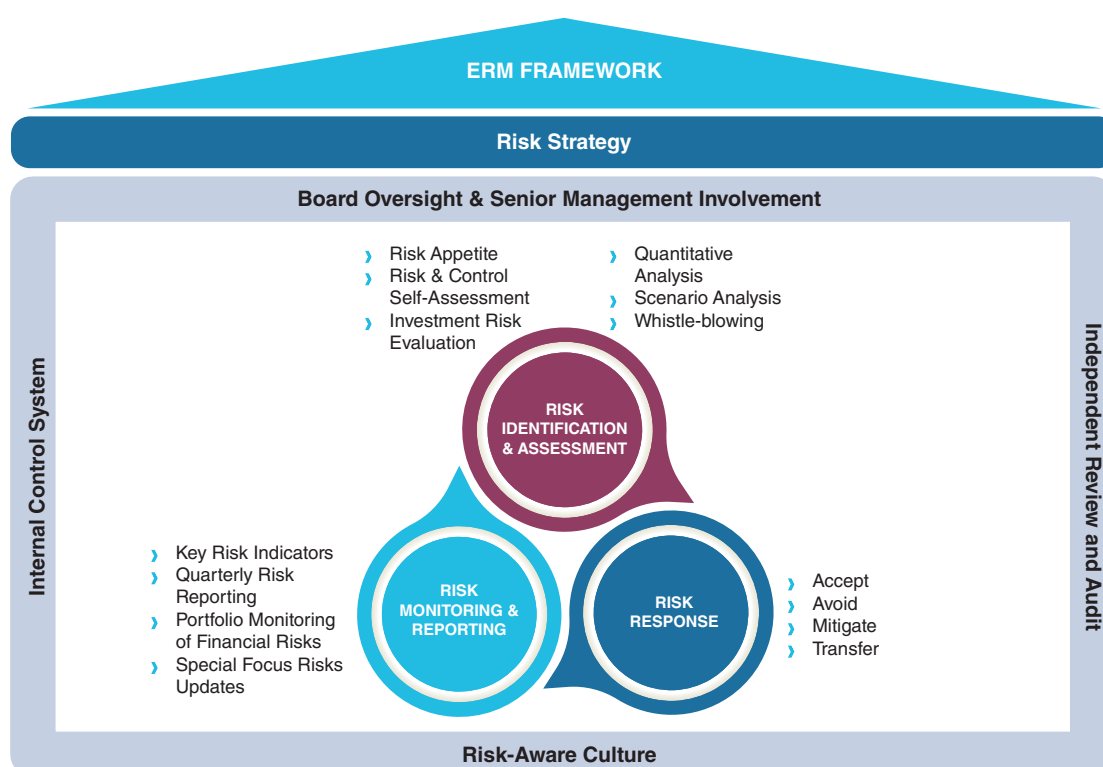
<sup>27</sup> "Adjusted interest coverage ratio" or "Adjusted-ICR" means a ratio that is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense, borrowing related fees and distributions on hybrid securities.

## Distribution Policy

a-iTrust's policy is to distribute at least 90% of its distributable income. a-iTrust retains 10% of its distributable income to provide greater flexibility in growing a-iTrust. a-iTrust makes distributions to Unitholders on a half-yearly basis for every six-month period ending 30 June and 31 December.

## Enterprise Risk Management

a-iTrust takes a proactive approach to risk management, making it an integral part of its business – both strategically and operationally. Its objective is the optimisation of opportunities within the known and agreed risk appetite levels set by the Board of Directors. a-iTrust takes measured risks in a prudent manner for justifiable business reasons. a-iTrust's Enterprise Risk Management (“**ERM**”) Framework is as shown below:



a-iTrust'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 underpins a-iTrust'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 Audit and Risk Committee (“**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. The management team attends regular workshops to enhance risk management knowledge and promote a culture of risk awareness within a-iTrust. Risk management principles are embedded in all decision-making and business processes. Once a year, a-iTrust 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 a-iTrust's level before they are presented to the ARC and the Board.

## 11. COMPETITIVE STRENGTHS

### Overview of a-iTrust's Geographical Market – India

India remains one of the fastest growing large economies in the world. Based on the International Monetary Fund (IMF) forecast of India's Fiscal Year 21/22 gross domestic product ("GDP")<sup>28</sup>, India will be the sixth largest economy in the world and third largest in terms of purchasing power parity.

Impacted by COVID-19 pandemic, the Indian economy contracted by 7.3% in Fiscal Year 20/21. IMF forecasted economy recovery with India's GDP growth to be 9.5% in Fiscal Year 21/22 and 8.5% in Fiscal Year 22/23<sup>29</sup>. This growth is expected to be aided by structural reforms being undertaken and revival in domestic and foreign investment.

Consumer Price Index (CPI) inflation stood at 4.5%<sup>30</sup> as at October 2021, a marginal decrease as compared to the 4.6% reported as at December 2020. CPI is forecasted to be 5.6% in Fiscal Year 21/22, which is within the tolerance band of 4.0% ± 2.0% set by Reserve Bank of India (RBI).

India continues to be an attractive investment destination for manufacturing and services. Despite the uncertainties posed by COVID-19, India received US\$59.6 billion<sup>31</sup> of FDI inflow during Fiscal Year 20/21, 19% higher than Fiscal Year 19/20. The IT-BPM sector, which accounts for approximately 8% of India's GDP, has shown resilience amid the COVID-19 pandemic, with many IT companies reporting robust performance during the year and robust hiring plans going into Fiscal Year 21/22.

### Competitive Strengths of the Properties

The Trustee-Manager believes that the competitive strengths of the Properties include the following:

*The Properties are strategically situated in the key high-growth IT and ITES centres of Bangalore, Chennai, Hyderabad, Mumbai and Pune which are attractive for the following reasons:*

- *availability of highly educated human resource:* Bangalore, Chennai, Hyderabad and Pune have large IT graduate pools in the country available to be deployed in the IT and ITES sectors, with Bangalore having one of the largest graduate pools in India. Premier tertiary institutes such as the Indian Institute of Science and Indian Institute of Management produce a constant pool of talented graduates to cater to the needs of the growing IT and ITES sectors;

<sup>28</sup> IMF World Economic Outlook October 2021.

<sup>29</sup> IMF World Economic Outlook October 2021.

<sup>30</sup> Ministry of Statistics and Programme Implementation, India.

<sup>31</sup> Department of Industrial Policy and Promotion, March 2021.

- *attractive work destination for IT professionals from all over India:* The IT and ITES sectors in Bangalore, Chennai, Hyderabad and Pune are well established, with leading IT and ITES companies such as Microsoft, IBM, SAP, Oracle, Infosys, Wipro and TCS all having a presence in these regions. In particular, Bangalore is the largest IT hub in India, and is dubbed India's "Silicon Valley" with numerous registered IT/ITES companies and multinational technology companies;
- *government sponsored IT initiatives:* The state governments have implemented proactive initiatives to promote the entry of IT and ITES companies into Bangalore, Chennai, Hyderabad and Pune. ITPB and ITPC were all developed by the Sponsor with various local governments, who continue to hold minority stakes in both ITPB and ITPC. a-iTrust's high quality properties in SEZs offer a high-quality workspace with the benefits of tax exemption offering cost optimized workspace solutions; and
- *cosmopolitan nature:* Bangalore, Chennai, Hyderabad and Pune are cosmopolitan cities in India and their retail and leisure sectors have attracted a number of international retail, restaurant and hotel chains, as well as other entertainment related investments. This makes it relatively easy for people to relocate to these regions from other parts of India and from abroad.

*The Properties are located in rapidly growing cities in India*

The Properties are located in rapidly growing focal points of high growth for the IT and ITES export services sectors in India. The total Owned SBA of the Operating Buildings are currently distributed across the cities of Bangalore, Chennai, Hyderabad, Mumbai and Pune.

The geographical diversification of the Properties reduces a-iTrust's reliance on any single centre or regional market and, hence, enhances the stability of future distributions of a-iTrust.

a-iTrust also benefits from the rights of first refusal from the Sponsor and AIGP. Taking into consideration the pipeline developments in AIGP, a-iTrust would have the potential to acquire additional income-producing properties across key cities in India. The Trustee-Manager has identified additional business space properties in other cities in India and, in line with its investment strategy, the Trustee-Manager endeavours to further diversify a-iTrust's portfolio geographically.

*The Properties are strategically located near residential developments and social infrastructure*

The Properties are easily accessible via public roads and transportation network, and are located in the renowned IT and ITES hubs of Bangalore, Chennai, Hyderabad, Mumbai and Pune.

Located in Hyderabad, CyberPearl, ITPH and aVance are well-connected to the Mumbai National Highway and residential localities of Banjara Hills and Jubilee Hills. The Hyderabad International Airport is approximately 30 km away from the three properties. The Sponsor's upcoming projects such as the International Tech Park Pune will enable it to tap IT companies in Pune.

Located in Whitefield, Bangalore, ITPB is 50 km from the Bangalore airport and 18 km from Mahatma Gandhi Road, the centre of the city. The Property is connected to the airport and city centre through the Outer Ring Road and Whitefield Road. Public transport in the form of buses and auto-rickshaws is widely available and easily accessible, and Cantonment

Railway Station is located 20 km away from ITPB. In addition, ITPB provides dedicated shuttle bus services to various destinations in the city. Residential developments are located in Whitefield, and also in the surrounding areas of Krishnarajapuram, Vimanpura and Marathalli. A retail mall, Park Square Mall, is located within ITPB, and provides retail and entertainment facilities to the tenant population at ITPB. The Property has very high visibility with a prominent frontage on Whitefield Road.

ITPC in Chennai is located on Old Mahabalipuram Road in Taramani and is approximately 9 km from the central business district in Chennai and 12 km from the airport. It is located within close proximity to the residential districts of Adyar and Velacheri. ITPC has good visibility with a frontage on the road connecting it to the Old Mahabalipuram Road.

CyberVale, located within Mahindra World City, is an hour's drive from Chennai city. Located along the Grand Southern Trunk Road, the 18.2 acre park is in close vicinity of major automobile manufacturers and is well connected with the suburban railway network which is ideal for IT, ITES and R&D companies.

The Arshiya Panvel is strategically located at Panvel, which has emerged as a key warehousing hub due to its proximity to Jawaharlal Nehru Port, one of India's key ports, and its ease of accessibility from the consumption and industrial centres in Mumbai.

This accessibility of the Properties brings convenience to the tenants' employees and reduces their overall transportation costs and time. Tenants perceive the strategic location and the close proximity of each of the Properties to residential developments and social infrastructure as a benefit as it leads to potentially increased employee satisfaction. The importance of employee satisfaction and retention provides the Properties with a key advantage in retaining existing tenants and attracting new tenants in a market where recruiting and retaining talented human resources is a challenge.

*The Properties are leased to diverse and high-quality tenants*

The tenants of the Properties include leading MNCs which operate in diverse business areas with no single tenant representing more than 15% of the monthly base rent of a-iTrust for September 2021. The leases with locked-in terms and expiration dates stretching beyond year 2025 would also enable a-iTrust to enjoy income stability. These include information technology companies such as Tata Consultancy Services, financial services providers and banks such as the Bank of America and automobile companies such as Renault Nissan. The Trustee-Manager believes that a congregation of such high-quality tenants in the Properties is evidence of the quality and the competitive advantage of the Properties over other competing IT parks in India. Such high-quality tenants add to the overall value of the Properties as they aid in attracting other similar high-quality tenants.

*Substantially locked-in, medium-term leases with high security deposits provide rental income stability*

As at 30 September 2021, the weighted average lease term (by monthly base rent) of the Properties is approximately 6.2 years. This reduces the lease turnover rate and ensures a steady stream of rental income for a-iTrust.

In addition, the tenants are required to pay security deposits ranging from six to 10 months of the monthly rent, and these security deposits may be used to set-off against lease payment defaults and any resulting penalty interest incurred. This minimises the adverse effects of lease payment defaults by the tenants, and ensures a stable stream of rental income for a-iTrust.

*The Ascendas and CapitaLand brand names are well reputed for quality of service*

The Ascendas and CapitaLand brand names are well perceived by the tenants and the market, and is associated with quality services and better overall IT park upkeep and maintenance. This is evidenced by the findings of the annual tenant surveys commissioned by the CLI Group, the most recent being the survey that was completed by AC Nielsen in September 2019.

*The Properties benefit from comprehensive and high-quality ancillary facilities and services managed to international standards*

Each of the Properties offers the tenants an environment to inspire work excellence, and a customer experience:

- *quality business space*: physical spaces are built and managed to international standards to offer quality building space and services to over 115,000 professionals working in the IT parks;
- *reliable business solutions*: services are tailored to suit customers' needs and remove the hassles of managing real estate so that they can focus on their businesses; and
- *international business lifestyle*: extensive amenities are provided within landscaped settings incorporating lush gardens and artworks. Amenities include gymnasium facilities, a wide range of food outlets, banks, gift shops, pharmacies and travel agencies. Organised activities include festive celebrations and sporting and charity events to create a vibrant and balanced lifestyle.

*The Operating Buildings enjoy high occupancy rates*

As at 30 September 2021, the portfolio committed occupancy rate of the Operating Buildings (by Owned SBA) was approximately 89%. The Trustee-Manager believes that the healthy demand for IT parks in India and the strategic location of the Properties provide a competitive advantage to the Properties in maintaining their high occupancy rates. See "Portfolio Highlights" on page 131 of this Information Memorandum for more information.

*The Properties are professionally managed*

Ongoing professional property management services are in place to ensure effective management of the assets and to provide tenant satisfaction. The Property Manager plays an important role in the tenants' business continuity by providing smooth and uninterrupted infrastructure support. The Property Manager provides comprehensive solutions to the tenants' office space needs, thus allowing them to focus their attention on the management of their business operations. The Property Manager aims to maintain the Properties at a high standard so as to prolong the physical life of the assets and to ensure best practices in the key areas of fire and security systems as well as the delivery of power and water.

The Property Manager also aims to create convenient and engaging lifestyle environments for the community of professionals to enjoy and thrive on working in the respective Properties.



## 12. REPATRIATION OF CASH

The distributable income of a-iTrust is substantially based on the cash flow generated from the underlying operations undertaken by the VCUs, being the letting of completed and stabilised properties and the provision of property-related services. There are various avenues by which such cash may be repatriated from the VCUs to APFI and APFFDI, which would in turn be received by a-iTrust in the form of (i) dividend income received or receivable from APFI and APFFDI, and (ii) repayments of principal and interest of the shareholder's loan by APFI and APFFDI. The avenues for such repatriation of cash to APFI and APFFDI comprise (a) dividend distributions on ordinary shares, redeemable preference shares and cumulative convertible preference shares from the VCUs, (b) proceeds from share buy-backs and (c) redemption of redeemable preference shares.

## 13. RECENT DEVELOPMENTS

In Hyderabad, ITPH is being redeveloped 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 a-iTrust as it increases the development potential without incurring incremental land cost. The redevelopment of ITPH will take place in phases over the next seven to ten years to increase the leasable area from 1.5 million sq ft<sup>32</sup> to 5.7 million sq ft. Under Phase I, a new 1.4 million sq ft multi-tenanted building is in progress. The construction is expected to be completed by the first quarter of 2023.

On 14 May 2018, a-iTrust announced that it has, through its subsidiaries, entered into a forward purchase agreement to acquire two buildings with a combined super built-up area of 1.4 million sq ft in Aurum Q Parc, located in Navi Mumbai. a-iTrust will also provide construction funding to the co-developer of the two buildings as part of the agreement. The transaction comprises a two-stage process. a-iTrust will first subscribe for debentures issued by the co-developer of the two buildings based on the properties' construction funding requirements. a-iTrust will subsequently complete the acquisition by buying 100% of the shares in the co-developer based on certain leasing milestones or 24 months from the actual completion date, whichever is earlier. As announced on 23 November 2021, a-iTrust completed the acquisition of the first building for a purchase consideration of INR3.53 billion.

On 21 May 2018, a-iTrust announced that it has, through its subsidiaries, entered into a forward purchase agreement with Phoenix Infocity Pvt Ltd to acquire two buildings, aVance 5 & 6, with a combined leasable area of 1.8 million sq ft, in aVance, HITEC City, Hyderabad. The transaction comprises a two-stage process. a-iTrust will provide construction funding via inter-corporate deposits and debentures issued by the master developer. The timing of the debenture subscription is tied to the property construction funding requirements. a-iTrust will subsequently complete the acquisition by buying 100% of the shares in the master developer once the property achieves 90% leasing. On 3 March 2021, the Trustee-Manager announced that the first tranche (95.0%) of the acquisition APFI of a 100% stake in PIILPL, was completed. The acquisition involves the purchase of aVance 6, a fully operational and tenanted IT SEZ building, with a total area of approximately 0.64 million sq ft, of which approximately 98.3% of the total floor area is leased to Amazon Development Center (India) Private Limited. The aVance 5 building is fully pre-committed to a leading US-based healthcare MNC.

<sup>32</sup> Excludes the "Auriga" building of 0.2 million sq ft which was demolished.

On 21 May 2018, a-iTrust announced that it has, through its subsidiaries, signed a master agreement with Phoenix Ventures Pvt. Ltd. and Phoenix Infratech (India) Private Limited to acquire five out of the seven future buildings in aVance Business Hub 2. On 31 July 2018, a-iTrust announced that it has, through its subsidiaries, entered into a forward purchase agreement for the first two buildings, aVance A1 and A2, with a combined leasable area of approximately 1.85 million sq ft, in aVance Business Hub 2, located in Hitec City, Hyderabad. The buildings are currently being developed. a-iTrust will also provide construction funding to the co-developer entities of the two buildings as part of the agreement. The transaction comprises a two-stage process. a-iTrust will first subscribe for debentures issued by the co-developer entities of the two buildings. The timing of the debenture subscription is tied to the property construction funding requirements. a-iTrust will subsequently complete the acquisition by purchasing 100% of the shares in the co-developer entities once the required leasing criteria of the buildings have been met.

On 11 July 2019, the Trustee-Manager announced that it has entered into a construction funding and forward purchase agreement with a subsidiary of Arshiya Limited. This is for development of an additional warehouse with total leasable area of 325,503 sq ft at the Arshiya FTWZ in Panvel. It will be acquired by a-iTrust upon completion and leasing. a-iTrust already has six operating warehouses at Arshiya Panvel which are already near full occupancy. To meet incremental demand from existing and prospective tenants, a-iTrust has entered into an agreement to fund the construction of a seventh warehouse which will be acquired upon completion. Once acquired, a-iTrust will lease the additional warehouse to a subsidiary company of Arshiya Limited for six years under a master lease arrangement. Arshiya Limited will pay rent to a-iTrust and operate and manage the warehouse.

On 13 March 2020, the Trustee-Manager announced the signing of definitive agreements for the acquisition of an income-producing warehouse with a total floor area of approximately 0.2 million sq ft from Arshiya Northern FTWZ Limited. Located in Khurja, National Capital Region, the warehouse is part of a FTWZ spread over approximately 127.0 acres of freehold land. With good quality infrastructure and facilities, the warehouse has attracted multinational customers, including ZTE, Corning, CFM Aircraft Engines etc. Within the FTWZ facility, the Arshiya Northern FTWZ Limited has two existing warehouses and substantial land bank to build additional warehouses. The future development potential of the site is estimated at approximately 3.6 million sq ft. To provide a future pipeline of warehouses for acquisition, a-iTrust has entered into an agreement with the Arshiya Northern FTWZ Limited with an option to acquire the existing warehouses and fund the construction of future warehouses within the FTWZ, and to acquire these warehouses when completed, subject to the fulfilment of certain terms and conditions.

On 5 March 2021, the Trustee-Manager announced that it has entered into a forward purchase agreement with Casa Grande Group to acquire its first industrial facility located at Mahindra World City, Chennai. a-iTrust will also provide funding for the development of this project as part of the forward purchase arrangement. The industrial facility has a net leasable area of approximately 0.42 million sq ft and is fully pre-leased to Pegatron Technology India Private Limited, a wholly owned subsidiary of Pegatron Corporation. Pegatron Corporation is a listed Taiwanese contract electronics manufacturer. Upon completion of the industrial facility and fulfilment of other key conditions, a-iTrust shall purchase 100% of the shares of the entity developing the industrial facility. Further, a-iTrust has the option to provide additional funding to develop industrial facilities of approximately 0.37 million sq ft, subject to leasing milestones and other conditions being met. Construction of the industrial facility is currently in progress.

On 29 March 2021, the Trustee-Manager announced that it has entered into a forward purchase agreement with Gardencity Realty Private Limited to acquire two buildings in an IT Park with a total net leasable area of up to 1.65 million sq ft located at Hebbal, Bangalore. a-iTrust will also provide funding for the development of the project as part of the forward purchase arrangement. This project comprises three buildings spread across two land parcels, with an aggregate net leasable area of approximately 2.26 million sq ft. a-iTrust proposes to fund the development of the Project and subsequently acquire a net leasable area of up to 1.65 million sq ft<sup>33</sup> in two buildings spread across two land parcels.

On 5 July 2021, the Trustee-Manager announced that it will invest an estimated INR 12 billion (S\$216.6 million<sup>34</sup>) to develop and operate phase one of its first data centre campus on a prime site in India. It will be one of the largest data centre campuses in Airoli, a growing data centre hub in Navi Mumbai. The 6.6 acre greenfield site will be developed in phases into a fully-fitted data centre campus with a total potential built-up area of up to 575,000 sq ft and up to 90 megawatts of sanctioned power to host customers such as global technology giants and cloud service providers, as well as large domestic enterprise clients. The acquisition of the site from third-party vendors has completed in October 2021. The data centre campus will comprise two buildings. In phase one, the first building, which is scheduled to be ready by the third quarter of 2024, will have a built-up area of about 325,000 sq ft.

---

<sup>33</sup> Balance net leasable area of approximately 0.61 million sq ft will be retained by landowners and Gardencity Realty Private Limited.

<sup>34</sup> Based on an exchange rate of SGD 1 to INR 55.0.

## SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information for the Group and a-iTrust as at and for the half years ended 30 June 2020 and 30 June 2021. This selected financial information should be read in conjunction with the unaudited financial information for the Group for the half year ended 30 June 2021, which are included elsewhere in this Information Memorandum.

### Consolidated Income Statement for half year period ended 30 June (Unaudited)

|                                                                  | Note | FY2021<br>1H<br>S\$'000 | FY2020<br>1H<br>S\$'000 | Y-on-Y<br>Change<br>% |
|------------------------------------------------------------------|------|-------------------------|-------------------------|-----------------------|
| Base rent                                                        |      | 72,292                  | 73,047                  | (1)                   |
| Amenities income                                                 |      | 791                     | 982                     | (19)                  |
| Fit-out rental income                                            |      | 1,107                   | 1,441                   | (23)                  |
| Operations, maintenance and utilities income                     |      | 17,291                  | 19,489                  | (11)                  |
| Car park and other operating income                              |      | 3,894                   | 4,034                   | (3)                   |
| <b>Total property income</b>                                     |      | <b>95,375</b>           | <b>98,993</b>           | <b>(4)</b>            |
| Operations, maintenance and utilities expenses                   |      | (7,853)                 | (10,961)                | (28)                  |
| Service and property taxes                                       |      | (2,558)                 | (2,537)                 | 1                     |
| Property management fees                                         |      | (4,101)                 | (4,570)                 | (10)                  |
| Other property operating expenses                                | (1)  | (3,585)                 | (7,405)                 | (52)                  |
| <b>Total property expenses</b>                                   |      | <b>(18,097)</b>         | <b>(25,473)</b>         | <b>(29)</b>           |
| <b>Net property income</b>                                       |      | <b>77,278</b>           | <b>73,520</b>           | <b>5</b>              |
| Trustee-manager's fees                                           |      | (8,232)                 | (7,897)                 | 4                     |
| Other operating expenses                                         |      | (2,764)                 | (2,092)                 | 32                    |
| Finance costs                                                    |      | (24,073)                | (22,752)                | 6                     |
| Interest income                                                  |      | 26,276                  | 26,019                  | 1                     |
| Other income                                                     |      | –                       | 201                     | N.M.                  |
| Fair value gain on derivative financial instruments – realised   | (2)  | 5,450                   | 7,521                   | (28)                  |
| Exchange loss – realised                                         | (3)  | (8,417)                 | (8,549)                 | (2)                   |
| <b>Ordinary profit before tax</b>                                |      | <b>65,518</b>           | <b>65,971</b>           | <b>(1)</b>            |
| Fair value gain on derivative financial instruments – unrealised | (4)  | 2,113                   | 6,368                   | (67)                  |
| Exchange gain/(loss) – unrealised                                | (5)  | 2,759                   | (2,191)                 | N.M.                  |
| Fair value gain on investment properties                         | (6)  | 7,210                   | –                       | N.M.                  |
| <b>Profit before tax</b>                                         |      | <b>77,600</b>           | <b>70,148</b>           | <b>11</b>             |
| Income tax expenses                                              |      | (19,193)                | (10,056)                | 91                    |
| <b>Net profit after tax</b>                                      |      | <b>58,407</b>           | <b>60,092</b>           | <b>(3)</b>            |
| <b>Attributable to:</b>                                          |      |                         |                         |                       |
| Unitholders of the Trust                                         |      | 55,308                  | 55,745                  | (1)                   |
| Non-controlling interests                                        |      | 3,099                   | 4,347                   | (29)                  |
|                                                                  |      | <b>58,407</b>           | <b>60,092</b>           | <b>(3)</b>            |

#### Notes

- (1) Other property operating expenses include general management fees, depreciation, advertising and promotion expenses, writeback/allowance for expected credit loss and professional fees.
- (2) The derivative financial instruments include foreign exchange forward contracts entered into to hedge income to be repatriated from India to Singapore and also swap contracts on SGD-denominated loans, where gains or losses are realised when contracts are settled.
- (3) The functional currency for the Trust and Group is INR. Realised foreign exchange gain or loss arises mainly from SGD-denominated loan settlement and cash balances not denominated in INR.
- (4) This relates to the fair value change on re-measurement of currency forwards, interest rate and foreign currency swaps/options, in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 9.
- (5) This relates mainly to the revaluation of SGD-denominated loans, which are classified as unhedged exposure under SFRS(I) 1-21.
- (6) This relates to fair value gain on investment properties arising from aVance 6 upon acquisition in March 2021.

N.M. – Not meaningful or not material.

## Review of performance

### 1H FY2021 vs 1H FY2020

**Total property income** for 1H FY2021 increased by INR47 million (1%) to INR5.2 billion mainly due to income contribution of INR402 million from:

- Anchor Annex<sup>35</sup> building at ITPB, which was completed in November 2020; and
- aVance 6 at aVance Hyderabad, which was acquired in March 2021;

but partially offset by lower occupancy and lower utilities income and carpark income because of the COVID-19 pandemic.

In SGD terms, total property income decreased by 4% to S\$95.4 million. The SGD appreciated by about 5% against the INR over the same period last year.

**Total property expenses** decreased by 26% to INR1.0 billion (S\$18.1 million) mainly due to lower operation and maintenance expenses, lower utilities expenses and reversal of expected credit loss in 1H FY2021 compared to allowance for expected credit loss in 1H FY2020.

**Net property income** for 1H FY2021 increased by 10% to INR4.3 billion (S\$77.3 million) due to the above factors.

**Trustee-manager's fees** increased by INR38 million (9%) to INR453 million (S\$8.2 million), which is in-line with higher net property income and portfolio value as of 30 June 2021.

**Other operating expenses** increased by INR42 million (38%) to INR152 million (S\$2.8 million) mainly due to higher CSR expenses in 1H FY2021.

**Finance costs** increased by INR129 million (11%) to INR1.3 billion (S\$24.1 million) mainly due to an increase in borrowing level.

**Interest income** increased by INR79 million (6%) to INR1.4 billion (S\$26.3 million) mainly due to higher interest income from investments in Casa Grande, GardenCity, Arshiya Panvel, Aurum Q Parc<sup>36</sup> and BlueRidge 3, but partially offset by loss of interest income following the acquisition of aVance 6.

**Realised gain on derivative financial instruments** for 1H FY2021 of INR300 million (S\$5.5 million) arose mainly from the settlement of SGD-denominated loans, but partially offset by loss from the settlement of foreign exchange forward contracts entered into hedge income repatriated from India to Singapore.

**Realised exchange loss** for 1H FY2021 of INR463 million (S\$8.4 million) arose mainly from settlement of SGD-denominated loans. Realised exchange gain or loss is recognised when borrowings that are denominated in currencies other than the INR are settled.

As a result, **ordinary profit before tax** was INR3.6 billion in 1H FY2021, an increase of 4% as compared to INR3.5 billion in 1H FY2020. In SGD terms, ordinary profit before tax dropped by 1% to S\$65.5 million.

**Income tax expenses** increased by INR 528 million (100%) to at INR1.1 billion (S\$19.2 million) mainly due to higher deferred tax liabilities arising from acquisition of aVance 6 and lower current income tax resulting from reversal of dividend distribution tax ("**DDT**") provision in 1H FY2020.

<sup>35</sup> Formerly known as Endeavour building.

<sup>36</sup> Formerly known as AURUM IT SEZ.

**Consolidated Balance Sheet of the Group as at 30 June 2021 and 31 December 2020**

|                                          |      | Group                      |                                | Trust                      |                                |
|------------------------------------------|------|----------------------------|--------------------------------|----------------------------|--------------------------------|
|                                          | Note | 30 June<br>2021<br>S\$'000 | 31 December<br>2020<br>S\$'000 | 30 June<br>2021<br>S\$'000 | 31 December<br>2020<br>S\$'000 |
| <b>ASSETS</b>                            |      |                            |                                |                            |                                |
| <b>Current assets</b>                    |      |                            |                                |                            |                                |
| Cash and cash equivalents                |      | 178,161                    | 101,126                        | 2,658                      | 30,564                         |
| Inventories                              |      | 471                        | 454                            | —                          | —                              |
| Other assets                             |      | 4,043                      | 1,201                          | 14                         | 12                             |
| Loans to subsidiaries                    |      | —                          | —                              | 810,849                    | 652,028                        |
| Trade and other receivables              |      | 65,166                     | 57,909                         | 1,834                      | 2,076                          |
| Derivative financial instruments         | (1)  | 13,621                     | 5,965                          | 13,621                     | 5,965                          |
| Current income tax recoverable           |      | 18,995                     | 15,038                         | —                          | —                              |
| <b>Total current assets</b>              | (4)  | <b>280,457</b>             | <b>181,693</b>                 | <b>828,976</b>             | <b>690,645</b>                 |
| <b>Non-current assets</b>                |      |                            |                                |                            |                                |
| Other assets                             |      | 34,601                     | 5,183                          | —                          | —                              |
| Trade and other receivables              |      | 17,734                     | 9,957                          | —                          | —                              |
| Long term receivables                    |      | 345,078                    | 348,122                        | —                          | —                              |
| Derivative financial instruments         | (1)  | 15,271                     | 24,299                         | 15,271                     | 24,299                         |
| Equipment                                |      | 1,407                      | 949                            | —                          | —                              |
| Investment properties under construction | (2)  | 110,596                    | 109,113                        | —                          | —                              |
| Investment properties                    | (3)  | 2,081,654                  | 1,955,332                      | —                          | —                              |
| Right-of-use assets                      |      | 2,908                      | 2,979                          | —                          | —                              |
| Goodwill                                 |      | 13,915                     | 13,839                         | —                          | —                              |
| Investment in a joint venture            |      | #                          | #                              | —                          | —                              |
| Investment in subsidiaries               |      | —                          | —                              | 607,170                    | 603,830                        |
| <b>Total non-current assets</b>          |      | <b>2,623,164</b>           | <b>2,469,773</b>               | <b>622,441</b>             | <b>628,129</b>                 |
| <b>Total assets</b>                      |      | <b>2,903,621</b>           | <b>2,651,466</b>               | <b>1,451,417</b>           | <b>1,318,774</b>               |
| <b>LIABILITIES</b>                       |      |                            |                                |                            |                                |
| <b>Current liabilities</b>               |      |                            |                                |                            |                                |
| Trade and other payables                 |      | 105,061                    | 108,084                        | 73,233                     | 64,475                         |
| Borrowings                               |      | 364,814                    | 119,210                        | 364,814                    | 119,210                        |
| Derivative financial instruments         | (1)  | 206                        | 52                             | 206                        | 52                             |
| Lease liabilities                        |      | 202                        | 180                            | —                          | —                              |
| Income tax payables                      |      | 2,134                      | 2,035                          | 432                        | 430                            |
| <b>Total current liabilities</b>         | (4)  | <b>472,417</b>             | <b>229,561</b>                 | <b>438,685</b>             | <b>184,167</b>                 |
| <b>Non-current liabilities</b>           |      |                            |                                |                            |                                |
| Trade and other payables                 |      | 80,656                     | 41,848                         | —                          | 250                            |
| Borrowings                               |      | 622,147                    | 694,472                        | 622,147                    | 694,472                        |
| Derivative financial instruments         | (1)  | 3,439                      | 2,746                          | 3,439                      | 2,746                          |
| Lease liabilities                        |      | 3,173                      | 3,201                          | —                          | —                              |
| Deferred income tax liabilities          |      | 363,683                    | 356,241                        | —                          | —                              |
| <b>Total non-current liabilities</b>     |      | <b>1,073,098</b>           | <b>1,098,508</b>               | <b>625,586</b>             | <b>697,468</b>                 |
| <b>Total liabilities</b>                 |      | <b>1,545,515</b>           | <b>1,328,069</b>               | <b>1,064,271</b>           | <b>881,635</b>                 |
| <b>NET ASSETS</b>                        |      | <b>1,358,106</b>           | <b>1,323,397</b>               | <b>387,146</b>             | <b>437,139</b>                 |
| <b>UNITHOLDERS' FUNDS</b>                |      |                            |                                |                            |                                |
| Units in issue                           |      | 990,797                    | 985,447                        | 990,797                    | 985,447                        |
| Foreign currency translation reserve     |      | (509,278)                  | (515,991)                      | (311,059)                  | (313,352)                      |
| Hedging reserve                          |      | (19,929)                   | (31,930)                       | (19,929)                   | (31,930)                       |
| Other reserves                           |      | 68,835                     | 68,296                         | —                          | —                              |
| Retained earnings                        |      | 736,849                    | 730,324                        | (272,663)                  | (203,026)                      |
| Net assets attributable to unitholders   |      | 1,267,274                  | 1,236,146                      | 387,146                    | 437,139                        |
| Non-controlling interests                |      | 90,832                     | 87,251                         | —                          | —                              |
|                                          |      | <b>1,358,106</b>           | <b>1,323,397</b>               | <b>387,146</b>             | <b>437,139</b>                 |

# less than S\$1,000



## **Notes**

- (1) The changes in derivative financial instruments (assets and liabilities) are related to fair value changes upon re-measurement of currency forwards, interest rate and foreign currency swaps/options.
- (2) The increase in investment properties under construction is mainly due to the translation difference arising from the depreciation of SGD against INR.
- (3) The increase in investment properties is mainly due to acquisition of aVance 6 in March 2021 and translation difference arising from the depreciation of the SGD against INR.

The carrying amounts of investment properties as at 30 June 2021 were assessed by the Trustee-Manager based on market conditions as at 30 June 2021. Valuations of investment properties are currently subject to significant estimation uncertainty and given that the potential impact of COVID-19 is constantly evolving, significant market uncertainty exists. Therefore, the valuation of investment properties will be reassessed at year end to understand the COVID-19 impact that may arise after the balance sheet date.

- (4) Notwithstanding the net current liability position, based on the Group's existing financial resources, the Trustee-manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due.

## **Gross Borrowings**

|                                       | <b>Group and Trust</b> |                         |
|---------------------------------------|------------------------|-------------------------|
|                                       | <b>30 June 2021</b>    | <b>31 December 2020</b> |
|                                       | <b>S\$'000</b>         | <b>S\$'000</b>          |
| <b>Amount payable within one year</b> |                        |                         |
| Bank loans                            | 364,814                | 67,700                  |
| Medium term notes                     | —                      | 51,510                  |
|                                       | 364,814                | 119,210                 |
| <b>Amount payable after one year</b>  |                        |                         |
| Bank loans                            | 512,586                | 578,624                 |
| Medium term notes                     | 109,561                | 115,848                 |
|                                       | 622,147                | 694,472                 |
| <b>Total</b>                          | <b>986,961</b>         | <b>813,682</b>          |

All borrowings are unsecured. The Trust has entered into derivative financial instruments to hedge 65% of its gross SGD/JPY/HKD borrowings into INR. The fair value of those derivative financial instruments was at a net asset position of S\$25.2 million as at 30 June 2021, which decreases the Trust's effective borrowings to S\$961.8 million.

## RISK FACTORS

*Prior to making an investment or divestment decision, prospective investors in or existing holders of the Securities should carefully consider all the information set forth in this Information Memorandum and any documents incorporated by reference herein including the risk factors and uncertainties described below, before making any investment.*

*The risk factors set out below do not purport to be complete or comprehensive of all the risk factors that may be involved in the business, assets, financial condition, performance or prospects of the Issuer, a-iTrust or the Group or any decision to purchase, own or dispose of the Securities. Additional risk factors which the Issuer is currently unaware of may also impair the business, financial condition, performance or prospects of the Issuer, a-iTrust or the Group. If any or some combination of the following risk factors develop into actual events, the business, assets, financial condition, performance or prospects of the Issuer, a-iTrust or the Group could be materially and adversely affected. In such cases, the ability of the Issuer to comply with its obligations under the Trust Deed and the Securities may be adversely affected, and investors may lose all or part of their investments in the Securities.*

*Prospective investors should not rely on the information set out herein as the sole basis for any investment decision in relation to the Securities but should seek appropriate and relevant advice concerning the appropriateness of an investment in the Securities for their particular circumstances.*

*Headings and sub-headings are for convenience only and investment considerations and risk factors that appear under a particular heading or sub-heading may also apply to one or more other headings or subheadings.*

### **Limitations of this Information Memorandum**

**This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or existing holder of the Securities may require in investigating the Issuer, a-iTrust or the Group, prior to making an investment or divestment decision in relation to the Securities issued under the Programme**

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Securities (or any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, any of the Dealers or either of the Arrangers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for, purchase or sell any of the Securities.

This Information Memorandum is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Securities only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Securities is suitable is a prospective investor's responsibility, even if the investor has received information to assist it in making such a determination. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuer, a-iTrust or any of their respective subsidiaries (if any) or associated companies (if any), any of the Dealers or either of the Arrangers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the Securities should determine for itself the relevance of the information contained in this Information Memorandum and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed

to be, based solely on its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, a-iTrust and the Group, the terms and conditions of the Securities and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Securities.

The Programme and this Information Memorandum have not been approved, disapproved or recommended by the Securities and Exchange Board of India (“SEBI”) or any other regulatory authority of India. None of these authorities has passed on or endorsed the merits of the Programme or the accuracy or adequacy of this Information Memorandum. Any representation to the contrary may be a criminal offence in certain jurisdictions.

This Information Memorandum does not constitute any offer of, or an invitation to purchase, any Securities or any other securities in any jurisdiction in which such offer or invitation would be unlawful.

This Information Memorandum has not been and will not be registered as a prospectus with the Registrar of Companies in India, is strictly for private circulation only and does not constitute a public offer or invitation or solicitation of an offer to the public in India or outside India, or to any other person or class of investors, to sell any Securities or any other securities in India.

The receipt of this Information Memorandum shall not constitute an invitation to subscribe for the Securities pursuant to the Programme. The Securities have not been offered or sold, and will not be offered or sold, to or for the account or benefit of, the public or any members of the public in India, and this Information Memorandum is not and should not be construed as a prospectus or a placement memorandum and will not be circulated or distributed, directly or indirectly, to or for the account or benefit of, the public.

Under the prevailing Indian laws, (i) an Indian Party<sup>37</sup> is prohibited from making direct investments in foreign entities engaged in the real estate business<sup>38</sup> and (ii) no person resident in India can make any direct investment outside India, except as otherwise permitted under the Foreign Exchange Management Act, 1999 (“FEMA”) and the rules, regulations and directions issued thereunder or except with the prior approval of the Reserve Bank of India (“RBI”).

#### **The forward-looking information in this Information Memorandum may prove inaccurate**

This Information Memorandum contains forward-looking statements. These forward-looking statements are based on a number of assumptions which are subject to uncertainties and contingencies, many of which are outside of the Issuer’s control. Please see the section “Forward-Looking Statements” on page 7 of this Information Memorandum.

<sup>37</sup> An Indian Party means a company incorporated in India or a body created under an Act of Parliament or a partnership firm registered under the Indian Partnership Act, 1932 or a limited liability partnership (as defined under Regulation 2(ma) of the relevant overseas direct investment regulations) making investment in a Joint Venture or Wholly Owned Subsidiary (each as defined under the relevant overseas direct investment regulations), and includes any other entity in India, as may be notified by the Reserve Bank of India. Provided that when more than one such company, body or entity makes an investment in the foreign entity, all such companies or bodies or entities shall together constitute an “Indian Party”.

<sup>38</sup> Real estate business’ means the buying and selling of real estate or trading in transferable development rights but does not include development of townships, construction of residential/commercial premises, roads or bridges.

## **RISKS RELATING TO THE SECURITIES GENERALLY**

### **The Securities may not be a suitable investment for all investors**

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Securities, the merits and risks of investing in the relevant Securities and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement or amendment to this Information Memorandum;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities, including Securities with principal, distribution or interest payable in one or more currencies, or where the currency for principal, distribution or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Securities and be familiar with the behaviour of any relevant indices and financial markets;
- (v) understand thoroughly the nature of all those risks before making a decision to invest in the Securities; and
- (vi) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Securities are complex financial instruments. Investors generally do not purchase complex financial instruments as standalone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Securities which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of the Securities and the impact such investment will have on the potential investor's overall investment portfolio.

### **Laws and regulations applicable to investors may restrict certain investments**

The investment activities of certain investors may be subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Securities are legal investments for it, (ii) the Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any of the Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Securities under any applicable risk-based capital or similar rules.

### **Provisions in the Trust Deed and the terms and conditions of the Security may be modified**

The terms and conditions of the Securities contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

The terms and conditions of the Securities also provide that the Trustee may, without the consent of the Securityholders or Couponholders, agree to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear, Clearstream, Luxembourg and/or CDP and/or any other clearing system in which the Securities may be held, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification, authorisation or waiver shall be binding on the Securityholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Securityholders as soon as practicable in accordance with the terms and conditions of the Securities.

### **A change in Singapore law which governs the Securities may adversely affect Securityholders**

The Securities are governed by Singapore law in effect as at the date of issue of the Securities. No assurance can be given as to the impact of any possible judicial decision or change to Singapore law or administrative practice after the date of issue of the Securities and any such change could adversely impact the value of any Securities affected by it.

### **The Securities may be represented by Global Securities or Global Certificates and holders of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System (as defined below)**

Securities issued under the Programme may be represented by one or more Global Securities or Global Certificates. Such Global Securities or Global Certificates will be deposited with or registered in the name of, or in the name of a nominee of, a common depository for Euroclear and Clearstream, Luxembourg, or lodged with CDP (each of Euroclear, Clearstream, Luxembourg and CDP, a “**Clearing System**”). Except in the circumstances described in the relevant Global Security or Global Certificate, investors will not be entitled to receive Definitive Securities or Certificates. While the Securities are represented by one or more Global Securities or Global Certificates, investors will be able to trade their beneficial interests only through the relevant Clearing System. The relevant Clearing System will maintain records of their direct account holders in relation to the Global Securities and Global Certificates.

While the Securities are represented by one or more Global Securities or Global Certificates, the Issuer will discharge its payment obligations under the Securities by making payments to the common depository for Euroclear and Clearstream, Luxembourg or, as the case may be, to CDP, for distribution to their accountholders or, as the case may be, to the Issuing and Paying Agent for distribution to the holders as appearing in the records of the relevant Clearing System. A holder of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the relevant Securities. The Issuer bears no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities or Global Certificates.

Holders of beneficial interests in the Global Securities and Global Certificates will not have a direct right to vote in respect of the relevant Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Securities and the Global Certificates will not have a direct right under the Global Securities and the Global Certificates to take enforcement action against the Issuer in the event of a default under the relevant Securities but will have to rely upon their rights under the Trust Deed.

### **The Securities may not be liquid and an active market for the Securities may not develop**

There can be no assurance regarding the future development of the market for the Securities issued under the Programme or the ability of the Securityholders, or the price at which the Securityholders may be able, to sell their Securities. The Securities may have no established trading market when issued, and one may never develop. Even if a market for the Securities does develop, there can be no assurance as to the liquidity or sustainability of such market. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This may particularly be the case for Securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities generally may have a more limited secondary market and more price volatility than conventional debt securities. If the Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar Securities, general economic conditions and the financial condition of the Issuer. If the Securities are trading at a discount, investors may not be able to receive a favourable price for their Securities, and in some circumstances investors may not be able to sell their Securities at their fair market value or at all.

The lack of liquidity may have an adverse effect on the market value of the Securities. Although the issue of additional Securities may increase the liquidity of the Securities, there can be no assurance that the price of such Securities will not be adversely affected by the issuance of such additional Securities.

Although an application will be made for the listing and quotation of any Securities to be issued under the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST, there is no assurance that such application will be accepted, that any particular Series or Tranche of Securities will be so listed or that an active trading market will develop. In addition, the market for investment grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Securities to be issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Series or Tranche of Securities.

### **There may be fluctuations in the market value of the Securities issued under the Programme**

Trading prices of the Securities may be influenced by numerous factors, including the operating results and/or financial condition of the Issuer, a-iTrust or any of their respective subsidiaries (if any), and/or associated companies (if any), and/or its joint venture companies (if any), the market for similar securities, political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, a-iTrust and/or any of their respective subsidiaries (if any), and/or associated companies (if any) and/or joint venture companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuer, a-iTrust or any of their respective subsidiaries (if any), and/or associated companies (if any) and/or joint venture companies (if any) operate or have business dealings, could have a material and adverse effect on the operating results, business, financial performance and/or the financial condition of the Issuer, a-iTrust or any of their respective subsidiaries (if any), and/or associated companies (if any) and/or joint venture companies (if any).



Further, recent global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material and adverse effect on worldwide financial markets, which may also materially and adversely affect the market price of any Series or Tranche of Securities.

#### **The Securities are subject to interest rate risk**

Investment in fixed rate Securities involves the risk that subsequent changes in interest rates may adversely affect the value of the fixed rate Securities and Securityholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in debt security prices, which may result in a capital loss for the Securityholders. However, the Securityholders may reinvest the interest or distribution payments at higher prevailing interest rates. Conversely, when interest rates fall, debt security prices may rise. The Securityholders may enjoy capital gains but interest or distribution payments received may be reinvested at lower prevailing interest rates.

#### **The Securities are subject to inflation risk**

Securityholders may suffer erosion on the return of their investments due to inflation. Securityholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Securities. An unexpected increase in inflation could reduce the actual returns.

#### **The market prices of Securities issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing debt securities**

The market prices of Securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing debt securities. Generally, the longer the remaining term of the Securities, the greater the price volatility as compared to conventional interest-bearing debt securities with comparable maturities.

#### **Exchange rate risks and exchange controls may result in Securityholders receiving less principal, interest and/or distribution than expected**

The Issuer will pay principal and interest or distribution on the Securities in the currency specified in the relevant Pricing Supplement (the “**Specified Currency**”). This presents certain risks relating to currency conversions if the Securityholders’ financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (i) the Investor’s Currency equivalent yield on the Securities, (ii) the Investor’s Currency equivalent value of the principal payable on the Securities, if any, and (iii) the Investor’s Currency equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Securityholders may receive less principal, interest and/or distribution than expected, or no principal, interest and/or distribution at all.

**The Issuer's ability to comply with its obligation to repay the Securities may be dependent upon the earnings of, and distributions by, the members of the Group and future performance of the Group**

The Issuer's ability to comply with its obligation to repay the Securities may depend on the earnings of the Group and the distribution of funds amongst members of the Group, primarily in the form of dividends. Whether or not the members of the Group can make distributions to the Issuer will depend on distributable earnings, cash flow conditions, restrictions that may be contained in the debt instruments of the members of the Group, applicable law and other arrangements. These restrictions could reduce the amount of distributions that the Issuer receives from the members of the Group, which would restrict the Group's ability to fund its business operations and the Issuer's ability to comply with its payment obligations under the Securities.

Further, the ability of the Issuer to make scheduled principal, distribution or interest payments on its indebtedness, including the Securities, and to fund its growth aspirations, will depend on the Group's future performance and its ability to generate cash, which to a certain extent is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in this section "Risk Factors", many of which are beyond the control of the Issuer. If the Issuer's future cash flow from operations and other capital resources are insufficient to pay its debt obligations, including the Securities, or to fund its other liquidity needs, it may be forced to sell assets, attempt to restructure or refinance its existing indebtedness. No assurance can be given that the Issuer would be able to accomplish any of these measures on a timely basis or on satisfactory terms or at all.

**The Securities issued by the Issuer are unsecured obligations of the Issuer and the rights of Securityholders may be structurally subordinated to other creditors of the Issuer's subsidiaries and associated companies (if any)**

The Securities issued by the Issuer would rank below existing secured borrowings of the Issuer's subsidiaries and associated companies (if any). As a result of the holding company structure of the Group, the Securities are also structurally subordinated to any and all existing and future liabilities and obligations of the Issuer's subsidiaries and associated companies (if any). Generally, claims of creditors and claims of preferred shareholders (if any) of any such subsidiaries and associated companies (if any) will have priority with respect to the assets and earnings of such subsidiaries and associated companies over the claims of the Issuer and its creditors, including Securityholders.

**The Securities are not secured**

The Securities and the Coupons of all Series constitute direct, unconditional, unsubordinated (except in the case of Subordinated Perpetual Securities and the Coupons relating thereto) and unsecured obligations of the Issuer and shall at all times rank *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 Issuer.

Accordingly, on a winding-up or termination of the Issuer and/or a-iTrust, the Securityholders will not have recourse to any specific assets of the Issuer or a-iTrust as security for outstanding payment or other obligations under the Securities and/or Coupons owed to the Securityholders and there can be no assurance that there would be sufficient value in the assets of the Issuer and/or a-iTrust, after meeting all claims ranking ahead of the Securities, to discharge all outstanding payment and other obligations under the Securities and/or Coupons owed to the Securityholders.

### **Performance of contractual obligations by the Issuer is dependent on other parties**

The ability of the Issuer to make payments in respect of the Securities may depend upon the due performance by the other parties to the documents relating to the Programme or an issue of Securities of their obligations thereunder including the performance by the Trustee and the Agents (as defined in the Trust Deed) of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer of its obligations to make payments in respect of the Securities, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Securityholders and/or the Couponholders.

### **The Trustee may request Securityholders to provide an indemnity, security and/or pre-funding to its satisfaction**

In certain circumstances (including pursuant to Condition 11 of the Notes or, as the case may be, Condition 9 of the Perpetual Securities), the Trustee, may at its discretion, request Securityholders to provide an indemnity, security and/or pre-funding to its satisfaction before it takes action on behalf of Securityholders. The Trustee shall not be obliged to take any such action if not indemnified, secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity, security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken.

The Trustee may not be able to take action, notwithstanding the provision of an indemnity, security and/or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Securityholders to take such action directly.

### **The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Securities referencing such “benchmarks”**

Interest rates and indices which are deemed to be “benchmarks”, are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Security referencing such a benchmark.

Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the “**UK Benchmarks Regulation**”) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Securities referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 5 March 2021, the FCA announced, *inter alia*, the dates on which the various LIBOR rates in respect of various currencies will either cease to be provided or cease to be representative of their underlying market, with such end-date falling either on 31 December 2021 or 30 June 2023. Investors should note that, subject further to the terms of the relevant Securities, such announcement may be construed as a relevant Benchmark Event (as defined in the relevant Conditions and referred to below) having occurred. In addition, as the SOR methodology relies on USD LIBOR in its computation, the likely discontinuation of LIBOR after the end of 2021 will impact the future sustainability of SOR.

It is not possible to predict with certainty whether, and to what extent the benchmarks will continue to be supported going forward. This may cause the benchmarks to perform differently than they have done in the past, and may have other consequences which cannot be predicted.

Such factors may have (without limitation) the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Securities referencing or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of Securities in making any investment decision with respect to any Securities referencing a benchmark.

Investors should also be aware that the market continues to develop in relation to risk free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. For example, on 30 August 2019, the MAS announced the establishment of a steering committee to oversee an industry-wide benchmark transition from the Singapore Dollar Swap Offer Rate (“**SOR**”) to the Singapore Overnight Rate Average (“**SORA**”). In addition, The Association of Banks in Singapore (“**ABS**”), the Singapore Foreign Exchange Market Committee (“**SFEMC**”) and the Steering Committee for SOR & SIBOR Transition to SORA (“**SC-STs**” and together with ABS and SFEMC, the “**Committees**”) laid out transition roadmaps for shifting away from the use of SOR and SIBOR to the use of SORA as the main interest rate benchmark for Singapore Dollar financial markets. Following industry consultations by the Committees, SOR is expected to be discontinued by end-June 2023, and the issuance of SOR-linked loans and securities that mature after end-2021 is expected to have ceased since end-April 2021, and financial institutions and their customers are expected to have ceased usage of SOR in new derivative contracts (except for specified purposes relating to the risk management and transition of legacy SOR positions to SORA) since end-September 2021. Similarly, SIBOR is expected to be discontinued by end 2024, with financial institutions and their customers to cease usage of SIBOR in new contracts by end-September 2021. Similarly, on 29 November 2017, the Bank of England and the United Kingdom Financial Conduct Authority announced that the Bank of England’s Working Group on Sterling Risk-Free Rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (“**SONIA**”) over the following four

years across sterling bond, loan and derivatives markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. The Secured Overnight Financing Rate (“**SOFR**”) is published by the Federal Reserve Bank of New York (the “**Federal Reserve**”) and is intended to be a broad measure of the cost of borrowing cash overnight collateralised by Treasury securities and a current preferred replacement rate to USD LIBOR. The Federal Reserve notes on its publication page for SOFR that the Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice.

**The benchmark fallback arrangements in the Securities may not operate as intended**

The Terms and Conditions of the Securities provide for certain fallback arrangements in the event that a published benchmark (including any page on which such benchmark may be published (or any successor service)) becomes unavailable, including the possibility that the rate of interest or, as the case may be, rate of distribution could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. If, following the occurrence of a Benchmark Event no benchmark replacement, successor rate or alternative rate is determined, the ultimate fallback for the purposes of calculation of (i) (in the case of Floating Rate Securities) the rate of interest, or as the case may be, rate of distribution for a particular interest period or, as the case may be, distribution period may result in the rate of interest or, as the case may be, rate of distribution for the last preceding interest period or, as the case may be, distribution period being used and (ii) (in the case of Fixed Rate Perpetual Securities) the reset rate of distribution for a particular reset period may result in the reset rate of distribution for the last preceding distribution period being used. This may result in the effective application of a fixed rate for such Securities based on the previous applicable rate. Due to the uncertainty concerning the availability of benchmark replacements, successor rates and alternative rates, the involvement of an independent adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

**Securityholders should be aware that Definitive Securities and Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade**

In relation to any issue of Securities which have a denomination consisting of a minimum Denomination Amount (as defined in the Conditions) plus a higher integral multiple of another smaller amount, it is possible that the Securities may be traded in amounts in excess of the minimum Denomination Amount that are not integral multiples of such minimum Denomination Amount. In such a case a Securityholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination Amount will not receive a Definitive Security or Certificate in respect of such holding (should Definitive Securities or Certificates be printed) and would need to purchase a principal amount of Securities such that it holds an amount equal to one or more Denomination Amounts. If Definitive Securities or Certificates are issued, holders should be aware that Definitive Securities or Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade. Definitive Securities and Certificates will in no circumstances be issued to any person holding Securities in an amount lower than the minimum denomination and such Securities will be cancelled and holders will have no rights against the Issuer (including rights to receive principal or interest or distribution or to vote at or attend meetings of Securityholders) in respect of such Securities.



## **Enforcement of payment under the Securities**

Enforcement of payment under the Securities issued by the Trustee-Manager could be dependent on the Trustee-Manager's right of indemnity out of the deposited property of a-iTrust and various other factors arising from the trust structure of a-iTrust.

Securityholders and potential investors in the Securities should note that the Securities are issued by the Trustee-Manager, and not a-iTrust, since a-iTrust is not a legal entity. Securityholders should note that under the terms of the Securities, Securityholders shall only have recourse in respect of the Securities to the assets of a-iTrust which the Trustee-Manager has recourse to under or in relation to the a-iTrust Trust Deed, and not to the Trustee-Manager in its personal capacity or any assets held by the Trustee-Manager as trustee of any trust other than a-iTrust. Further, Securityholders do not have direct access to the assets of a-iTrust but may have to gain access through the Trustee-Manager and if appropriate seek directions of a court to subrogate the Trustee-Manager's right of indemnity out of such assets, and accordingly, any claim of the Securityholders to the assets of a-iTrust is derivative of the rights of the Trustee-Manager. A Securityholder's right of subrogation therefore could be limited by the Trustee-Manager's right of indemnity under or in relation to the a-iTrust Trust Deed.

Securityholders should also note that such right of indemnity of the Trustee-Manager may be limited or lost through fraud, negligence, breach of duty or breach of trust or by reason of other liabilities that the Trustee-Manager may be liable to pay or contribute towards a-iTrust. Where the Trustee-Manager commits a breach of trust (whether or not such breach is committed in relation to the Securities), the assets of a-iTrust may only be available to satisfy claims under the Securities upon the Trustee-Manager first making good any loss arising from such breach of trust.

In addition, Securityholders should note that they may be adversely affected if the Trustee-Manager becomes insolvent, is wound-up or is placed under judicial management. If such an event occurs, the enforcement of payment under the Securities may be subject to delay and/or otherwise be impacted by such proceedings.

### **It may not be possible for Securityholders to enforce foreign judgments**

a-iTrust may, from time to time, invest in logistics and warehousing assets in other jurisdictions, including India. Where investors wish to enforce foreign judgments in such jurisdictions where a-iTrust may have assets, they may face difficulties in enforcing such judgments.

Indian law provides for reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including Singapore. In order to be enforceable, a judgment obtained in a jurisdiction with which India has reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, of India ("**Civil Code**"). Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and excludes the enforcement of arbitration awards (governed by a separate statute). Judgments or decrees from jurisdictions not having reciprocity with India cannot be directly enforced or executed in India. Even if a Securityholder obtained a judgment in such a jurisdiction, it may be required to institute a fresh proceeding in India and obtain a decree from an Indian court. Further, the party which has obtained such judgment must institute the new proceeding within three years of obtaining the judgment. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the judgment obtained in a non-reciprocating territory, unless such a judgment contravenes principles of public policy in India or is considered not conclusive under the provisions of the Civil Code. However, it is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a judgment rendered by a foreign court if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India may be required to obtain prior approval of the RBI to execute such a judgment or to realise or repatriate any amount recovered and such requirement for approval would need to be examined on a case by case basis.

Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.



## **Application of applicable Singapore insolvency and related laws to the Issuer may result in a material adverse effect on the Securityholders**

There can be no assurance that the Issuer will not become bankrupt or insolvent, or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuer, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Securityholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Securityholders.

Where the Issuer is insolvent or close to insolvent and the Issuer undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Issuer. It may also be possible that if a company related to the Issuer proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Issuer may also seek a moratorium even if the Issuer is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, additionally with the permission of the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against the Issuer, the need to obtain court permission and (in the case of judicial management) the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Securityholders may be made subject to a binding scheme of arrangement where the majority in number representing 75% in value of creditors and the court approve such scheme. In respect of company-initiated creditor schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing 75% in value of the creditors meant to be bound by the scheme have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Securityholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 (Act 40 of 2018) (the “**IRD Act**”) was passed in Parliament on 1 October 2018 and has come into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with a debenture. However, it may apply to related contracts that are not found to be directly connected with the Securities.

## **RISKS RELATING TO THE NOTES**

### **Singapore tax laws may adversely affect the Noteholders**

The Notes to be issued from time to time under the Programme during the period from the date of this Information Memorandum to 31 December 2023 are intended to be “qualifying debt securities” for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section “Singapore Taxation”.

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

### **Variable Rate Notes may have a multiplier or other leverage factor**

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be more volatile than the market value of securities that do not include such features.

### **Notes subject to optional redemption by the Issuer may have a lower market value than Notes that cannot be redeemed**

An optional redemption feature is likely to limit the market value of the Notes containing such a feature. During any period when the Issuer may elect to redeem the Notes issued by it, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At such times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

## **RISKS RELATING TO THE PERPETUAL SECURITIES**

### **Perpetual Securities may be issued for which investors have no right to require redemption**

The Perpetual Securities are perpetual and have no fixed final maturity date. Perpetual Securityholders have no right to require the Issuer to redeem Perpetual Securities at any time, and an investor who acquires Perpetual Securities may only dispose of such Perpetual Securities by sale. Perpetual Securityholders who wish to sell their Perpetual Securities may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, holders of Perpetual Securities should be aware that they may be required to bear the financial risks of an investment in Perpetual Securities for an indefinite period of time.

### **If specified in the relevant Pricing Supplement, Perpetual Securityholders may not receive distribution payments if the Issuer elects to not pay all or a part of a distribution under the terms and conditions of the Perpetual Securities**

If Optional Payment is specified in the relevant Pricing Supplement, the Issuer may, at its sole discretion, elect not to pay any scheduled distribution on the Perpetual Securities in whole or in part for any period of time. The Issuer is subject to certain restrictions in relation to the declaration or payment of distributions on its Junior Obligations and (except on a *pro rata* basis) its Parity Obligations and the redemption and repurchase of its Junior Obligations and (except on a *pro rata* basis) its Parity Obligations in the event that it does not pay a distribution in whole or in part. The Issuer is not subject to any limit as to the number of times or the amount with respect to which the Issuer can elect not to pay distributions under the Perpetual Securities. While the Issuer may, at its sole discretion, and at any time, elect to pay an Optional Distribution, being an optional amount equal to the amount of distribution which is unpaid in whole or in part, there is no assurance that the Issuer will do so, and distributions which are not paid in whole or in part may remain unpaid for an indefinite period of time. Any non-payment of a distribution in whole or in part shall not constitute a default for any purpose. Any election by the Issuer not to pay a distribution, whether in whole or in part, will likely have an adverse effect on the market price of the Perpetual Securities. In addition, as a result of the potential non-cumulative distribution feature of the Perpetual Securities and the Issuer's ability to elect not to pay a distribution in whole or in part, the market price of the Perpetual Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such election not to pay and may be more sensitive generally to adverse changes in the Group's financial condition.

**If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the Issuer's option on the date(s) specified in the relevant Pricing Supplement or on the occurrence of certain other events**

The Perpetual Securities are perpetual securities and have no fixed final redemption date. If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer on certain date(s) specified in the relevant Pricing Supplement at their principal amount (or such other redemption amount stated in the relevant Pricing Supplement) together with all outstanding Arrears of Distribution, Additional Distribution Amounts and distribution accrued to the date fixed for redemption. In addition, if specified in the relevant Pricing Supplement, the Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on any Distribution Payment Date, or any time after such Distribution Payment Date, upon the occurrence of certain other events. See "*Terms and Conditions of the Perpetual Securities – Redemption and Purchase*".

The date on which the Issuer elects to redeem the Perpetual Securities may not accord with the preference of individual Perpetual Securityholders. This may be disadvantageous to Perpetual Securityholders in light of market conditions or the individual circumstances of the holder of Perpetual Securities. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Perpetual Securities.

#### **There are limited remedies for default under the Perpetual Securities**

Any scheduled distribution will not be due if the Issuer elects not to pay all or a part of that distribution pursuant to the terms and conditions of the Perpetual Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute winding-up proceedings is limited to circumstances where payment under the Perpetual Securities has become due and the Issuer fails to make the payment for a period of seven business days or more after the date on which such payment is due. The only remedy against the Issuer available to the Trustee or (where the Trustee has failed to proceed against the Issuer as provided in the terms and conditions of the Perpetual Securities) any Perpetual Securityholder for recovery of amounts in respect of the Perpetual Securities following the occurrence of a payment default after any sum becomes due in respect of the Perpetual Securities will be instituting proceedings for the winding-up of the Issuer or a-iTrust, proving in such winding-up and/or claiming in the liquidation of the Issuer or a-iTrust in respect of any payment obligations of the Issuer arising from the Perpetual Securities.

#### **The Issuer may raise or redeem other capital which affects the price of the Perpetual Securities**

The Issuer may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Perpetual Securities. Similarly, subject to compliance with the terms and conditions of the Perpetual Securities, the Issuer may redeem securities that rank junior to, *pari passu* with, or senior to the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities may reduce the amount (if any) recoverable by holders of Perpetual Securities on a winding-up of the Issuer or a-iTrust, and may increase the likelihood of a deferral of distribution under the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities might also have an adverse impact on the trading price of the Perpetual Securities and/or the ability of holders of Perpetual Securities to sell their Perpetual Securities.

## **The Subordinated Perpetual Securities are subordinated obligations**

The obligations of the Issuer under the Subordinated Perpetual Securities will constitute unsecured and subordinated obligations of the Issuer. In the event of the winding-up of the Issuer or a-iTrust, the rights of the holders of Subordinated Perpetual Securities to receive payments in respect of the Subordinated Perpetual Securities will rank senior to the holders of all Junior Obligations and *pari passu* with the holders of all Parity Obligations, but junior to the claims of all other creditors, including, for the avoidance of doubt, the holders of Senior Perpetual Securities and/or Notes. In the event of a shortfall of funds or a winding-up, there is a real risk that an investor in the Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any unpaid Arrears of Distribution, Additional Distribution Amounts or accrued distribution.

In addition, subject to the limit on the aggregate principal amount of Securities that can be issued under the Programme (which can be amended from time to time by the Issuer without the consent of the Securityholders), there is no restriction on the amount of unsubordinated securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Perpetual Securities on a winding-up of the Issuer or a-iTrust and/or may increase the likelihood of a non-payment of distribution under the Subordinated Perpetual Securities.

## **Tax treatment of the Perpetual Securities is unclear**

It is not clear whether any particular tranche of the Perpetual Securities (the “**Relevant Tranche of the Perpetual Securities**”) will be regarded as “debt securities” by the IRAS for the purposes of the ITA, or whether distribution payments made under each tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amount) will be regarded by the IRAS as interest payable on indebtedness, and whether the tax concessions and exemptions available for qualifying debt securities under the Qualifying Debt Securities Scheme (as set out in the section “*Singapore Taxation*”) would apply to the Relevant Tranche of the Perpetual Securities.

If the Relevant Tranche of the Perpetual Securities is not regarded as “debt securities” for the purposes of the ITA, or the distribution payments made under each tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amount) are not regarded by the IRAS as interest payable on indebtedness and/or holders thereof are not eligible for the tax concessions or exemptions under the Qualifying Debt Securities Scheme, the tax treatment to holders may differ. Investors and holders of the Relevant Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and/or disposal of the Relevant Tranche of the Perpetual Securities.

## **RISKS RELATING TO A-ITRUST’S BUSINESS AND OPERATIONS**

### **Outbreak of infectious diseases or any other serious public health concerns in Asia and elsewhere could adversely impact a-iTrust’s financial condition, business and results of operations**

The outbreak of infectious diseases or any other serious public health concerns in India could adversely impact a-iTrust’s financial condition, business and results of operations. The outbreak of infectious diseases such as Influenza A (H1N1), Severe Acute Respiratory Syndrome, Middle East Respiratory Syndrome, Zika virus, Ebola, Hand, Foot and Mouth Disease or the recent COVID-19 pandemic, or any other serious public health concern in India and elsewhere, together with any resulting restrictions on travel, imposition of quarantines and/or measures to reduce its spread, could have a negative impact on the economy and business activities in India and could thereby adversely impact the revenues and results of operations of a-iTrust.

The outbreak of a novel strain of coronavirus (i.e. COVID-19) has spread globally and triggered a global economic downturn and global economic contraction, causing disruptions in demand and supply chains. The number of reported cases of COVID-19 worldwide, as well as the number of reported deaths, have significantly exceeded those observed during the SARS epidemic that occurred in 2002/2003 and have resulted in a more widespread health crisis than that observed during the SARS epidemic. On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak as a pandemic. The COVID-19 outbreak is ongoing and the actual extent of the outbreak and its impact on the domestic, regional and global economy remains uncertain.

Governments around the world have introduced measures designed to slow the spread of the virus, including strict border controls and travel restrictions and ordering residents to stay at home with a limited range of exceptions. India was severely affected by the second wave of COVID-19 that began in March 2021. In response to the second wave, the Government of India imposed a nation-wide lockdown, allowing movement of people only for essential services. Further, the Ministry of Health & Family Welfare in India has been proactive in issuing State Advisories and Guidelines on International Travel and Domestic Travel (flight/train/ship/bus and inter-state travel) – all of which have been targeted towards curbing the spread of the virus. In addition, State Governments of India have also released specific quarantine regulations to contain the spread of the virus within their borders. Currently, the restrictions applicable to different States in India vary depending on the situation in each State. The Indian Government has also been pushing for vaccination of all citizens and has been proactive in organising vaccination drives.

Further, a worsening of the COVID-19 outbreak may result in protracted volatility in international markets and result in a global recession as a consequence of widespread disruptions to travel and retail segments, tourism and manufacturing supply chains, imposition of quarantines and prolonged closures of workplaces. Uncertainty about the effects of COVID-19 has resulted in significant disruption to capital and securities markets, which, if it continues, may affect the a-iTrust's ability to raise new capital and refinance its existing debt.

The COVID-19 pandemic may affect a-iTrust's businesses in a number of ways, including but not limited to the following:

- adversely impact the underlying trends of the industries in which the Group is active;
- prevent or delay a-iTrust's capital growth projects or expansion activities or increase its anticipated cost; and
- adversely impact the operations or financial positions of the a-iTrust's third-party suppliers, service providers or tenants and increase its exposure to contract-related risks or customer credit risks.

a-iTrust may also be required to make operational changes and implement measures to ensure health and safety of employees and counterparties, which may involve increased costs or operational inefficiencies. There can be no assurance that any precautionary measures taken against infectious diseases would be effective.

The extent of the impact of COVID-19 pandemic on a-iTrust's operational and financial performance will depend on future developments, including the duration and spread of the pandemic and related restrictions, any resurgence of new waves of infection, the availability and efficacy of vaccines and the rate of distribution of vaccines globally, and the impact of COVID-19 on the overall global economy, all of which are highly uncertain and cannot be predicted. The uncertainties associated with the COVID-19 pandemic make it difficult to predict how long these conditions will persist and the extent to which a-iTrust may be eventually affected. To the extent that the COVID-19 pandemic adversely affects a-iTrust's business, results of operations and financial condition, it may also have the effect of heightening many of the risk factors described



herein. The outbreak of an infectious disease including but not limited to SARS, H5N1, H1N1-2009, MERS-CoV or the on-going COVID-19 pandemic, in India and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in India and could thereby adversely impact the revenues and results of a-iTrust. These factors could materially and adversely affect the business and financial conditions and the results of operations of a-iTrust.

**The Properties are located in India and therefore will be subject to Indian real estate market laws, policies, as well as economic conditions in India**

a-iTrust is a Singapore-based business trust established with the principal objective of owning indirectly, through VCUs held by APFI and APFFDI, income-producing real estate used primarily as business space or warehousing space in India and real estate-related assets in relation to the foregoing. As per the Foreign Exchange Management (Non-Debt) Rules, 2019 (“**FEMA Non-Debt Rules**”), direct ownership of Indian real estate, such as immovable property, by non-residents is not permitted (other than upon fulfilment of certain conditions), without the prior permission of the RBI. Consequently, non-residents can only, subject to the restrictions and limitations specified by applicable Indian laws, invest in Indian companies, which upon compliance with applicable law requirements, (including the FEMA Non-Debt Rules (as described below)) in turn will acquire (or already own), construct and develop properties.

Foreign investment in real estate in India (including the restrictions applicable in this regard) is governed by the FEMA, the FEMA Non-Debt Rules and other regulations promulgated by the RBI.

In certain cases, FDI is permitted, subject to applicable legal requirements and restrictions, under the automatic route (which does not require any prior approval from the Indian Government) (the “**Automatic Route**”) in the development of townships, construction of residential/commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, townships, completed projects for operating and managing townships, malls/shopping complexes and business centres, and industrial parks as per the FEMA Non-Debt Rules.

If the Government of India makes any changes in the FEMA Non-Debt Rules or other applicable rules or policies subjecting a-iTrust to additional conditions or permissions or which prevents or restricts a-iTrust (including through APFI, APFFDI and the VCUs) from making investments, the ability of the Issuer to make payments in respect of the Securities could be affected.

Subject to applicable legal requirements and restrictions, the VCUs may undertake construction-development projects or invest in industrial parks and logistics warehouses in India. All of the Properties are currently situated in India in the states of Karnataka, Telangana, Tamil Nadu and Maharashtra. As a result, a-iTrust’s income<sup>39</sup> and results of operations depend, to a large extent, on the performance of the Indian economy and the property market conditions in India as a whole and in the above identified states. An economic downturn in India could adversely affect a-iTrust’s business and financial condition, results of operations and future growth. Political upheavals, natural disasters, insurgency movements, riots and governmental policies all play a pivotal role in and may adversely affect the performance of the Properties. The value of the Properties may also be adversely affected by a number of local property market conditions, such as over-supply, competition from other IT parks or reduced demand for IT parks located in India. As a result, a-iTrust’s income and results of operations depend, to a large extent, on the performance of the economy of India and may be adversely affected by a downturn in the Indian economy.

<sup>39</sup> “**income**” means the aggregate of base rent, amenities income, fit-out rental income, operating and maintenance income (including revenue from the dedicated power plant at ITPB), car park income and other income earned from a-iTrust’s Properties.



Furthermore, the real estate markets are historically cyclical, a phenomenon that can affect the timing of investment in properties which are used primarily for IT, ITES, business and warehousing spaces located in India. Also, the real estate market, both for land and developed properties is relatively illiquid, which may limit the Issuer's ability to respond promptly to market events. In addition, a-iTrust will be subject to Indian real estate laws, regulations and policies as the property investments are in India. The properties of a-iTrust will be subject to those laws, regulations and policies from time to time adopted by the state and the central governments of India and will be significantly affected by changes in government policies, economic conditions, demographic trends, employment and income levels and interest rates, among other factors. These factors can negatively affect the demand for and valuation of both its ongoing and proposed projects.

#### **Changes in the political climate in India may adversely affect the businesses and operations of a-iTrust**

Since 1991, successive Indian Governments have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. In light of the recent global economic turmoil, there have been several changes in the fiscal, macro and micro economic, and regulatory policies of the Indian Government and the RBI, and further changes may be anticipated in the future. Such changes and future policies of the Indian central government or the relevant Indian state governments could have a significant impact on the Indian economy, which could adversely affect private sector companies, market conditions, prices and yields, and the business of a-iTrust in India.

Possible political instability, changes in the rate of economic liberalisation, laws and policies, foreign investment, currency exchange, India's economic liberalisation and deregulation policies could all adversely affect business and economic conditions in India generally, and consequentially also adversely affect a-iTrust.

#### **a-iTrust is exposed to risks associated with exchange rate fluctuations and changes in foreign exchange regulations**

As the income of a-iTrust is being generated in India, a-iTrust is exposed to risks associated with exchange rate fluctuations between the Indian rupee and the currency in which the Securities are denominated. In the event that the Indian rupee should depreciate against the currency in which the Securities are denominated, this may have an adverse effect on the ability of the Issuer to service interest, distribution and/or repay the Securities.

a-iTrust may also be subject to the imposition or tightening of exchange control or repatriation restrictions, and may encounter difficulties or delays in the receipt of its dividends and other distributions due to the existence of such restrictions in India.

#### **The Group may be exposed to risks associated with interest rate fluctuations**

The Group may be exposed to risks associated with interest rate fluctuations if it undertakes debt which bears floating interest rates. Consequently, the interest cost to the Group for the floating interest rate debt will be subject to fluctuations in interest rates and this may adversely affect a-iTrust's cost of borrowings and correspondingly, its financial condition.

#### **Hedging transactions can limit gains and increase exposure to losses**

a-iTrust has entered and may enter into hedging transactions to protect itself from the effects of interest rate and currency exchange fluctuations on floating rate debt and also to protect its portfolio from interest rate and prepayment fluctuations. Hedging transactions may include

entering into interest rate and currency hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements. Hedging activities may not have the desired beneficial impact on the results of operations or financial condition of a-iTrust. The hedging activities may not completely insulate a-iTrust from the risks associated with changes in interest rates and exchange rates. Moreover, interest rate and currency hedging could fail to protect a-iTrust or even adversely affect a-iTrust because among others:

- available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs a-iTrust's ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments would reduce the net asset value of a-iTrust.

Hedging involves risks and typically involves costs, including transaction costs, which may reduce overall returns. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. The Trustee-Manager will regularly monitor the feasibility of engaging in such hedging transactions taking into account the cost of such hedging transactions.

#### **A slowdown in the economic growth of India could cause the business of a-iTrust to suffer**

The VCUs derive all of their revenue from the operations in India and consequently, their performance and growth is dependent on the state of the overall Indian economy. Any slowdown in the Indian economy and in particular the demand for real estate and the demand for business of tenants could adversely affect the business of a-iTrust.

#### **a-iTrust's investment in the Properties are held via the VCUs through APFI and APFFDI. As such, its ability to make payments to Securityholders is dependent on the financial position of the VCUs, APFI and APFFDI**

a-iTrust's investment in the Properties are held via the VCUs through APFI and APFFDI. APFI is registered with the SEBI as a foreign venture capital investor ("FVCI") under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 ("FVCI Regulations") and is subject to all the regulations in this regard. FVCIs, however, are permitted to invest in equity, equity linked instruments, debt and debt instruments (not listed on a recognised stock exchange) of investee companies engaged in the following sectors: (i) infrastructure; (ii) biotechnology; (iii) information technology related to hardware and software development; (iv) nanotechnology; (v) seed research and development; (vi) research and development of new chemical entities in the pharmaceutical sector; (vii) the dairy industry; (viii) the poultry industry; (ix) production of bio-fuels; and (x) hotel-cum-convention centres with seating capacity of more than 3,000. "Infrastructure" has the meaning as prescribed in the Harmonised Master List of Infrastructure sub-sectors approved by the Government of India vide notification F. No. 13/06/2009-INF dated 27 March 2012, as amended or updated. FVCIs are also permitted to invest in equity, equity linked instruments, debt and debt instruments (not listed on a recognised stock exchange) issued by a startup (as defined in the Department for Promotion of Industry and Internal Trade's Notification No. G.S.R. 364(E), dated the 11th April, 2018), subject to terms and conditions as stipulated in FEMA Non-Debt Rules.

APFFDI is registered with the SEBI as a foreign portfolio investor (“**FPI**”) under the SEBI (Foreign Portfolio Investors) Regulations 2014 (as replaced by the SEBI (Foreign Portfolio Investors) Regulations, 2019, “**FPI Regulations**”) and is subject to all the regulations in this regard. FPIs are permitted to invest in certain types of instruments as specified in the FPI Regulations, the FEMA Non-Debt Rules and the Foreign Exchange Management (Debt Instruments) Regulations, 2019 (“**FEMA Debt Regulations**”) or such other instruments specified by SEBI from time to time. However, a single FPI or an investor group as referred under the FPI Regulations is permitted to hold equity shares constituting less than 10% of the total paid-up equity capital on a fully diluted basis or 10% of the paid-up value of each series of convertible debentures, preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together should not exceed 24% of the paid-up equity capital on a fully diluted basis or the paid-up value of each series of convertible debentures or preference shares or share warrants. In case the total holding of an FPI increases to 10% or more of the total paid-up equity capital on a fully diluted basis or 10% or more of the paid-up value of each series of convertible debentures, preference shares or share warrants issued by an Indian company, the FPI shall divest the excessive holding within 5 trading days from the date of settlement of the trades causing the breach. If the FPI fails to divest the excessive holding, the total investment made by the FPI would be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and the investee company and the investor complying with the reporting requirements prescribed in FEMA Non-Debt Rules, and the FPI and its investor group shall not make further portfolio investment in that company under the FPI Regulations. With respect to investments in non-convertible debentures, there are specified conditions to be complied with depending on whether the investment is made through the voluntary retention route or not.

a-iTrust will receive dividends and/or other distributions from APFI and APFFDI which are paid out of dividends and/or other distributions received from the VCUs (holding the Properties, if any). In addition, substantially all of the assets of a-iTrust consist of its shareholdings in the VCUs through APFI and APFFDI.

In order to meet its payment obligations and to make distributions to holders of debt, including the Securityholders, a-iTrust will rely on the receipts from the VCUs through APFI and APFFDI. There can be no assurance that the VCUs (and therefore APFI and APFFDI) will have sufficient distributable or realised profits or surplus in any future period to make payments or distributions. Further, the VCUs may under certain circumstances, require the prior consent of their lenders for declaration of dividends out of distributable profits. Debt facilities may further contain certain restrictive covenants, including the need to obtain the lender’s written consent prior to any declaration of dividend or distributable profits where there is default in the repayment of any loan instalment. Subject to and in accordance with the terms of such financing/lending agreements, they may not during the subsistence of their liability to their lenders under or in respect of the credit facilities, without the written consent of their lenders, declare a dividend or distribute profits (after deduction of taxes), except where the instalment of principal and interest payable to such lenders in respect of the credit facilities are being paid regularly and there are no irregularities whatsoever in respect of any of the credit facilities. The ability of the VCUs, APFI and APFFDI to make payments of dividends or interest may be affected by a number of factors including, among others:

- their respective business and financial positions;
- the availability of distributable profits;
- insufficient cash flows received by the VCUs from the Properties;
- applicable laws and regulations which may restrict the payment of dividends by the VCUs, APFI and APFFDI;
- operating losses incurred by the VCUs, APFI and APFFDI in any financial year;

- changes in accounting standards (including standards in respect of depreciation policies relating to investment properties like IT parks and warehouses), taxation laws and regulations, laws and regulations in respect of foreign exchange repatriation of funds, corporation laws and regulations (including laws and regulations in respect of statutory reserves required to be maintained by the VCUs, APFI and APFFDI) relating thereto, in India and/or Singapore; and
- the terms of agreements to which they are, or may become, a party to.

The occurrence of these or other factors that affect the ability of the VCUs, APFI and APFFDI to pay dividends or other distributions would adversely affect the ability of the Issuer to make payments in respect of the Securities.

### **Distribution of trapped cash may be restricted**

Due to a difference between the Indian accounting standards and the Singapore Financial Reporting Standards over the treatment of depreciation of real estate, cash is effectively trapped at the VCU level. As such, there is a need to extract the cash that is trapped in the VCUs in the form of depreciation expense in order to distribute to Unitholders or make payments to holders of debt, including the Securityholders. This may be achieved, subject to applicable laws, through a redemption of preference shares and share buybacks on a periodic basis.

Investors should note that under the RBI Master Direction No. 11/2017-18, dated 4 January 2018 (**“Foreign Investment Master Directions”**), Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 (**“ECB Regulations”**) and the FEMA Non-Debt Rules, foreign investment structured as non-convertible, optionally convertible or partially convertible preference shares is considered as debt and will need to comply with the ECB Regulations), any guidelines framed thereunder, subsequent notifications and circulars issued by the RBI in that regard and the FEMA and only fully compulsorily and mandatorily convertible preference shares can constitute part of equity share capital.

In this regard it should be noted that the RBI Master Direction No. 5/2018-19, dated 26 March 2019 (**“ECB Master Directions”**) specify the negative list for which the proceeds from External Commercial Borrowings (as defined under the ECB Master Directions) cannot be utilised and such list includes real estate activities<sup>40</sup>. However, the definition of real estate activities specifically excludes construction/development of industrial parks and therefore, External Commercial Borrowings with end-use as construction/development of industrial parks would be permitted under the automatic route. Further, in relation to warehousing, External Commercial Borrowings with end-use as infrastructure sector in India (where the definition of ‘infrastructure’ as per the ECB Master Directions<sup>41</sup>, includes ‘warehousing facility with investment of minimum INR 250 million and minimum area of 100,000 sq ft’), is permitted under the automatic route, as per and subject to compliance with other requirements of the External Commercial Borrowings policy, including the ECB Master Directions (and subsequent circulars and notifications issued by the RBI in this regard) and FEMA.

<sup>40</sup> ‘Real estate activities’ involve owning or leasing property for buying, selling and renting of commercial and residential properties or land and also includes activities either on a fee or contract basis assigning real estate agents for intermediating in buying, selling, letting or managing real estate. However, this would not include construction/development of industrial parks/integrated township/SEZ, purchase/long term leasing of industrial land as part of new project/modernisation of expansion of existing units or any activity under ‘infrastructure sector’ definition.

<sup>41</sup> ECB Master Directions state that ‘Infrastructure Sector’ will have the same meaning as given in the Harmonised Master List of Infrastructure sub-sectors approved by Government of India vide Notification F. No. 13/062009-INF as amended/updated from time to time. The Harmonised Master List of Infrastructure sub-sectors was amended on 14 November 2017 whereby warehousing facilities with investment of minimum INR 250 million and minimum area of 100,000 sq ft., have been included under the sub-head of Logistics Infrastructure under the definition of infrastructure.

In the case of investments by VCUs, in accordance with the Foreign Investment Master Directions and FEMA Non-Debt Rules, preference shares if issued, would need to be fully, mandatorily and compulsorily convertible (as partially, optionally and non-convertible preference shares are regarded as debt and External Commercial Borrowings in real estate is not permitted). Accordingly, a proposed buyback of shares for the extraction of cash from the VCU level (with real estate investments) will be subject to the requirement to convert the preference shares (being fully, compulsorily and mandatorily convertible preference shares which shall be mandatorily converted and not redeemed) into ordinary equity shares, and the subsequent buyback thereof by the VCUs, in accordance with applicable legal requirements and restrictions. It should be noted herein that foreign direct investment in real estate business is not permitted under the FEMA Non-Debt Rules. It has been clarified that development of townships, construction of residential/commercial premises, roads or bridges and Real Estate Investment Trusts (REITs) registered and regulated under the SEBI (REITs) Regulations 2014 would not be included in the real estate business.

Additionally, it may be noted that RBI may view options in favour of non-resident investors to cause Indian promoters of investee companies to buy back securities held by the non-resident investors as providing investors an exit route and assured return and therefore imparting debt-like features to the investments (making it ineligible as FDI-compliant instruments and akin to External Commercial Borrowings). The possibility of RBI extending the same view to options in favour of non-resident investors to cause Indian companies to buy back its own securities held by the non-resident entities cannot be ruled out. In this regard, as mentioned above as per the ECB Master Directions, utilisation of proceeds from External Commercial Borrowings is not permitted for the real estate sector.

Furthermore, any share buyback must be in accordance with Section 68 and other applicable provisions of the Indian Companies Act, 2013 and other applicable Indian law requirements including the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, as applicable, and the pricing guidelines and reporting requirements specified by the RBI in this regard. In the event that any conditions for share buyback are not satisfied, the relevant VCU will not be able to effect such a share buyback, and this will restrict the manner in which the trapped cash may be extracted.

Furthermore, in the case of investments by the VCUs in construction and development projects in India, repatriation of original investment will be subject to the lock-in requirements provided under FEMA Non-Debt Rules as applicable to construction development projects.

#### **a-iTrust may face risks associated with debt financing**

a-iTrust is subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the original borrowings. In addition, a-iTrust may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations and its ability to fulfil its payment obligations under the Securities.

Such covenants may also restrict a-iTrust's ability to acquire properties or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits.

Furthermore, if prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make loans in relation to IT parks or warehouses located in India) result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect a-iTrust's cashflow.



**The Trustee-Manager may not be able to successfully implement its investment strategy for a-iTrust**

a-iTrust is established with the principal objective of owning (indirectly through Indian VCUs held by APFI and APFFDI in which a-iTrust has a shareholding) income-producing real estate used primarily as business space or warehousing space in India and other real estate-related assets. The VCUs may, subject to applicable Indian law restrictions, undertake construction development projects or invest in industrial parks and warehouses in India. There can be no assurance that the Trustee-Manager will be able to implement its investment strategy successfully or that it will be able to expand a-iTrust's portfolio at all, or at any specified rate or to any specified size.

a-iTrust relies on external sources of funding to expand its asset portfolio, which may not be available on favourable terms, or at all. Even if the Group was able to successfully make additional property acquisitions or investments (subject at all times to the restrictions and limitations as per Indian applicable laws), there can be no assurance that the Group will achieve its intended return on such acquisitions or investments. As the amount of debt a-iTrust can incur to finance acquisitions is limited (for example, by the various financial and restrictive covenants in a-iTrust's debt instruments and/or loan facilities), such acquisitions may be dependent on a-iTrust's ability to raise equity capital. Potential vendors may also view the necessity of raising equity capital to fund any such purchase negatively and may prefer other potential purchasers.

The VCUs are likely to compete with Indian real estate developers who have an established presence in local markets, are more familiar with the local regulations, business practices and customs, and have stronger relationships with local contractors and relevant government authorities, all of which may collectively or individually give them a competitive advantage over the Trustee-Manager.

While expanding into various other regions, the VCU's business will face various additional challenges, including seeking governmental approvals from agencies with which the VCU has no previous working relationship, identifying and collaborating with local business partners, contractors and suppliers with whom the VCU has no previous familiarity, attracting potential customers in a market in which it does not have significant experience, local taxation in additional regions and adopting its marketing materials and operations to different regions of India where other languages are spoken.

Furthermore, there may be significant competition for attractive investment opportunities from other property investors, including commercial property development companies and private investment funds. These property investors may include foreign or domestic companies, which may be larger in terms of assets and revenue and/or have greater financial resources, better quality assets and/or stronger relationships with potential vendors and tenants than a-iTrust. India has also introduced a framework for the registration and regulation of REITs in India with the enactment of the SEBI (Real Estate Investment Trusts) Regulations on 26 September 2014. In 2018, SEBI approved India's first REIT listing. The emergence of such Indian REITs increases the competition faced by a-iTrust for investment opportunities and tenants. There can be no assurance that a-iTrust will be able to compete effectively against such entities.

In the event that the Trustee-Manager is not able to successfully implement its investment strategy for a-iTrust or effectively compete with its competitors, a-iTrust's business, financial condition, results of operations and/or prospects may be adversely affected, which may in turn affect the ability of the Issuer to make payments in respect of the Securities.



**The amount a-iTrust may borrow is limited, which may affect the operations of a-iTrust and the borrowing limit may be exceeded if there is a downward revaluation of assets**

Under the a-iTrust Trust Deed, the aggregate leverage (as defined in the a-iTrust Trust Deed) of a-iTrust shall not exceed 40% (or such higher percentage limit as property funds may from time to time be permitted under the Property Funds Appendix) of the value of a-iTrust's Trust Property unless a-iTrust obtains a credit rating from Fitch Inc., Moody's Investors Service or Standard and Poor's Rating Services, a division of The McGraw Hill Companies, in which case a-iTrust's aggregate leverage cannot exceed 60% of a-iTrust's Trust Property (or such higher percentage limit as property funds may from time to time be permitted under the Property Funds Appendix). This is the case unless such requirement is waived by Unitholders in an Extraordinary General Meeting (as defined in the a-iTrust Trust Deed).

Further, a-iTrust's ability to borrow against the security of real estate assets held by VCUs in India is subject to the FEMA, guidelines prescribed by the RBI from time to time and exchange control regulations in India and would require the prior approval of the Indian regulatory authorities, including specifically the RBI, which may not be forthcoming.

a-iTrust may, from time to time, require further debt financing to achieve its investment strategy. In the event that a-iTrust is not able to incur further borrowings in accordance with the provisions of the a-iTrust Trust Deed, a-iTrust may face adverse business consequences of this limitation on any future borrowings, and these may include:

- an inability to fund capital expenditure requirements in relation to a-iTrust's existing asset portfolio or in relation to the VCU's future acquisitions of additional IT parks and warehouses located in India to expand its portfolio;
- a decline in the value of the Trust Property of a-iTrust that may cause the borrowing limit to be exceeded, thus affecting a-iTrust's ability to make further borrowings; and
- cash flow shortages which a-iTrust might otherwise be able to resolve by borrowing funds.

**a-iTrust depends on certain key personnel, and the loss of any key personnel may adversely affect its operations**

a-iTrust's performance depends, in part, upon the continued service and performance of key staff members of the Trustee-Manager. These key personnel may leave the Trustee-Manager in the future and compete with the Trustee-Manager and a-iTrust. The loss of any of these individuals could have an adverse effect on a-iTrust's financial condition and the results of operations.

**The current portfolio of Properties is concentrated on the IT and ITES industries**

The tenants of the Properties are primarily those from the IT and ITES sectors. a-iTrust's strategic focus on the development of real estate for the IT and ITES industries may not be successful. The growth in the IT and ITES industries in India may not be sustainable. The Indian IT and ITES industries may come under competitive pressure from other countries providing similar services such as the Philippines. In addition, the IT and ITES industries in India are dependent on the continued popularity of BPO by businesses located in Western Europe and North America. It is possible that BPO may become politically less acceptable in such countries and the practice may be reduced or stopped. Recent events affecting Western Europe and North America may also have an impact on the popularity of BPO, such as the decision of the United Kingdom to withdraw from the European Union and/or the controversy over trade barriers between the United States and the PRC that have threatened a trade war between the two countries. Demand for office space from IT and ITES companies may fall in the event that the IT and ITES sectors suffer a decrease in revenues or profitability or the expansion of such sectors slows or ceases entirely and may lead

to decreases in rental revenues and property values in the IT and ITES real estate sectors, which may adversely affect a-iTrust's business, results of operations and financial condition. In addition, an increasing number of other real estate developers in India are focusing on the IT and ITES sectors given the anticipated growth of these sectors. As a consequence, an increasing number of real estate developments aimed at these sectors are likely to become available in the cities targeted by a-iTrust in India, which may adversely affect a-iTrust's business, results of operations and financial condition.

**The loss of key tenants or a downturn in the businesses of a-iTrust's tenants could have an adverse effect on its financial condition and results of operations**

The 10 largest tenants of the Properties (in terms of their contributions to the total monthly base rent for the month of September 2021) accounted for approximately 46% of the total monthly base rent of the Properties for the said period. No single tenant accounted for more than 15% of the total monthly base rent for the month of September 2021. Accordingly, a-iTrust's financial condition and results may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of one or more of these tenants, as well as the decision by one or more of these tenants not to renew its lease or to terminate its lease before it expires.

The Trustee-Manager expects that a-iTrust will continue to be dependent upon key tenants for a significant portion of its income. If these key tenants terminate their leases, do not renew their leases at expiry, or reduce their leased space in the Properties, the income of a-iTrust could be adversely affected. Replacement tenants able to lease the Properties on satisfactory terms may not be found in a timely manner or at all. The loss of one or more of the key tenants of the Properties could result in periods of vacancy, which could adversely affect a-iTrust's rental income. In addition, the amount of rent and the terms on which lease renewals and new leases are agreed may be less favourable than those on current leases.

**a-iTrust may suffer material losses in excess of insurance proceeds**

The Properties face the risks of physical damage caused by fire or natural disaster, *force majeure* or other causes, as well as facing potential public liability claims, including claims arising from the operations of the Properties, all of which may result in losses (including loss of rent) and may not be fully compensated by insurance proceeds. a-iTrust will remain liable for any debt or other financial obligation related to a particular Property if there are material losses in excess of insurance proceeds.

In addition, certain types of risks (such as war risk and losses caused by the outbreak of contagious diseases, contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Currently, a-iTrust's insurance policies for the Properties do not cover acts of war, contamination or other environmental breaches arising from any non-compliance with any applicable laws and regulations and all possible *force majeure* events.

Should an uninsured loss or a loss in excess of insured limits occur, a-iTrust could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that Property. a-iTrust will also remain liable for any debt or other financial obligation related to that Property. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future.

## **Land title in India is uncertain and may be subject to various legal defects and there is no assurance of clean title**

The method of documentation of land records in India has not been fully computerised. Records and related documents are generally updated manually. This may result in the updating process taking a significant amount of time or may be inaccurate in certain respects. The land records are often hand-written, in local languages and may not be legible which makes it difficult to ascertain the content. Further, the land records are often in a poor condition and at times untraceable, which materially impedes the title investigation process. As a result, while the Trustee-Manager is not aware of any potential dispute or claims over title to the lands on which the Properties are situated, the title of the real property that a-iTrust has invested and/or might invest in may not be clear or may be in doubt. It is difficult to obtain title guarantees in India. Title records provide only for presumptive title rather than a guaranteed title to the land. Further, independent verification of title is time consuming.

There may be a number of uncertainties relating to land title in India including, among other things, difficulties in obtaining title guarantees and fragmented or defective title. While the VCUs would seek to retain lawyers to conduct due diligence and assessment exercises and provide the VCUs title search reports, written or otherwise, prior to acquiring land, entering into joint or sole development agreements with land owners, and undertaking, it is impracticable for counsel to give legal opinions satisfying various technical legal requirements which arise out of court decisions because of the uncertainties discussed above. The VCUs are unlikely to be able to obtain title insurance in India due to the limited availability of such insurance coverage. A lack of title insurance, coupled with difficulties in verifying title to land, may increase a-iTrust's exposure to third parties claiming title to the property. This could even result in a loss of title to the property, affect valuations of the property, or otherwise materially prejudice the development of the property which could in turn have an adverse effect on a-iTrust's business, financial condition or results of operations. More often than not, the title to land is fragmented and it is possible that land relating to one project may have come from multiple owners. Some lands may have irregularities of title, such as improper, non-execution or non-registration of conveyance deeds and inadequate stamping and may be subject to encumbrances, rights of adverse possessors, ownership claims of family members of prior owners, or other defects that a-iTrust and the VCUs may not be aware of. The uncertainty of title to land makes the acquisition process more complicated. It may also impede the transfer of title, expose a-iTrust to legal disputes and adversely affect land valuations. Legal disputes in respect of land title may take several years and considerable expense to resolve if they become the subject of court proceedings. Any judgment obtained by a-iTrust in the Indian courts in respect of the ownership of or title to any particular development may also be difficult or impossible to enforce, if it is at all enforceable.

While the Trustee-Manager is not aware of any potential dispute or claims over title to the lands on which the Properties are situated, the VCUs may face claims of third parties to ownership or use of the land and where disputes cannot be resolved through accommodations with such claimants, the VCUs may lose their respective interests in the land in case of any adverse order being passed by the courts in India. Legal disputes arising in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If the VCU, or the owners of the land which is the subject of the development agreements, are unable to resolve such legal disputes or title defects, the VCU may lose its interest in the land. The ability to develop such land may be impaired pending the resolution of such dispute. The failure to obtain good title to a particular plot of land may prejudice the success of the entire development of which that plot is a critical part. Under Indian law, a title document may not be admitted as evidence in court, unless it has been registered and applicable stamp duty has been paid in respect of such title document. There also exists the possibility that in case a title document is not adequately stamped as per the applicable laws then the stamp authorities might impound the documents which may lead to further delays or possible imposition of fines under certain circumstances. The failure to comply with such requirements may result in a-iTrust failing to have acquired valid title or development rights. As mentioned in the foregoing risk factors, multiple property registries exist, and verification of title is difficult.

### **The Group may be affected by health and safety regulations in India**

In developing countries such as India, the health and safety standards on construction sites may not be applied as stringently as in industrialised countries. Accidents and in particular, fatalities, may have an adverse impact on the Group's reputation and may result in fines imposed and/or investigations made by public authorities, as well as litigation by injured workers and/or their dependants.

### **The Government of India's SEZ policy framework may be subject to change, which could potentially affect a-iTrust's business and operations**

The Government of India's policy in respect of SEZs has and continues to be a politically sensitive issue in India. It is possible that, as a result of political pressures, the procedure for obtaining SEZ status may become more onerous, or that the types of land that are eligible for SEZ status will be restricted, or that the benefits and concessions under the SEZ regime may be withdrawn. The Indian SEZ policy and SEZ Act are relatively new developments and have faced opposition in relation to the procedures for granting licences and acquiring lands for such properties. The SEZ policy framework is evolving and as a result, the policy of the Indian Government or the state governments with respect to the regulation of SEZs, including the norms for land development and usage, compensation payable for land holdings and the fiscal incentives available to SEZs may change. Such changes in policies or regulatory frameworks may result in delays with respect to SEZs, thereby adversely affecting SEZ development plans. Further there have been tensions between local groups in certain areas regarding the compulsory acquisition of land under the SEZ regulations and the quantum of compensation to be paid to displaced farmers. Such situations may have serious and adverse repercussions for SEZs throughout the country.

The SEZ regulatory regime has also attracted public interest litigation in Indian courts, including the Supreme Court of India, primarily around the issues of acquisition of land for the purpose of development of the SEZs. In addition, as a result of current developments within the SEZ sector, the relevant central government authorities may prevent state governments from acquiring land on behalf of private developers of SEZs and may also reduce the area of land that can be acquired for SEZ development. Accordingly, the development of the VCU's operations and/or a-iTrust's Properties, which rely on the cooperation of state governments, may be adversely affected.

Additionally, regulatory authorities may allege non-compliance and may subject the relevant VCU to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings under applicable laws and regulations. Any such changes to the SEZ regime may adversely affect the relevant VCU's results of operations, financial condition and the value of a-iTrust's Properties. Furthermore, a large number of SEZs have been approved since the SEZ Act and policies were enacted. This is likely to result in increased competition among different SEZs to attract manufacturing and industrial units. Any inability on the part of a-iTrust to compete with the other SEZs in terms of quality infrastructure and other incentives to attract potential customers may adversely affect its proposed SEZ plans. At the Latest Practicable Date, approximately 3.0 million sq ft of SBA and development potential of 1.9 million sq ft in ITPB, 0.9 million sq ft of SBA and development potential of 0.4 million sq ft in CyberVale, 2.1 million sq ft of SBA in aVance Hyderabad and 1.5 million sq ft of SBA in aVance Pune are within an approved SEZ.

### **Weaknesses and uncertainties relating to the legal and regulatory systems in the Indian subcontinent create an uncertain and high-risk environment for investment and business activities**

India is still in the process of transition to a market economy and, as a result, is experiencing changes in its economy and its government policies (including, without limitation, policies relating to foreign ownership, repatriation of profits, property and contractual rights and planning and permit-granting regimes) that may affect a-iTrust's investments in India. Further, property litigation in India is often protracted and such delays in legal proceedings could potentially affect a-iTrust's operations.

**The business of a-iTrust and the relevant VCU is subject to extensive and changing laws, rules and regulations, which may become more stringent in the future**

The real estate sector in India is heavily regulated by the central, state and local governments. Real estate developers must comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established and implemented by local authorities. For example, the relevant VCU may be subject to various land ceiling regulations, which regulate the amount of land that can be held under single ownership. The relevant VCU's business is also governed by various other laws and regulations including the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, Real Estate (Regulation and Development) Act, 2016 ("**RERA Act**") and the rules made thereunder, including state specific rules, the Indian Stamp Act, 1899, the Maharashtra Regional and Town Planning Act, 1966, the Maharashtra Stamp Act, 1958, the Indian Registration Act, 1908, the MOFA, the Environment (Protection) Act, 1986 and the Consumer Protection Act, 1986.

Additionally, in order to develop and complete a real estate project, the developers must obtain various approvals, permits and licences from the relevant administrative authorities at various stages of development, and developments may have to qualify for inclusion in local "master plans". The relevant VCU may encounter major problems in obtaining the requisite approvals or licences and may experience delays in fulfilling the conditions precedent to any required approvals. The relevant VCU may also not be able to adapt itself to new laws, regulations or policies that may come into effect from time to time with respect to the real estate sector. If the relevant VCU experiences material problems in obtaining or fails to obtain the requisite governmental approvals, the schedule of development and sale or letting of the land of the relevant VCU could face substantial disruption. Under RERA, 70% of the amounts realised for the real estate project from the allottees (i.e. customers of a real estate project), from time to time, shall be deposited in a separate account to be maintained in a scheduled bank to cover the cost of construction and the land cost and shall be used only for that purpose. Further, such amount deposited in the separate bank account can only be withdrawn by the promoter (as defined under RERA) to cover the 'cost of the project', in proportion to the percentage of completion of the project. While cost of the project is not defined under RERA, various states have promulgated rules under which they have defined cost of the project. Therefore, the amounts which can be utilised from the 70% of the amounts may vary from state to state. RERA also places certain other restrictions on the payments which may be received by the promoter (as defined under RERA) and on certain aspects of operations of the developer such as restriction on the promoter (as defined under RERA) from transferring or assigning his majority rights and liabilities in respect of a real estate project to a third party without obtaining prior written consent from two-third allottees, except the promoter, and without the prior written approval of the real estate regulatory authority established under the RERA.

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing the relevant VCU's business and operations could result in the relevant VCU being deemed to be in contravention of such laws and may require the relevant VCU to apply for additional approvals including the Development Control Regulation 2034 which is proposed to be made applicable to development of real estate and land in Mumbai. The relevant VCU may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect its business, financial condition and results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for the relevant VCU to resolve and may affect its business, financial condition and results of operations. For instance, while the relevant VCU is of the view that it is not required to obtain certain environment approvals in relation to certain of its projects, it cannot be assured that the regulator or the courts will agree with the relevant VCU's interpretation of the legal requirements.



Accordingly, non-compliance with legal requirements, including such non-compliance arising out of uncertainty in the applicability, interpretation or implementation of any law, could have a material and adverse effect on the relevant VCU's business, financial condition and results of operations. Although the properties of the relevant VCU are in material compliance with applicable laws and regulations, regulatory authorities may allege non-compliance and may subject the relevant VCU to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings.

India has also implemented a comprehensive national goods and services tax ("**GST**") regime with effect from 1 July 2017 that subsumes multiple erstwhile indirect taxes and levies by the Central and State Governments into a unified indirect tax structure. Accordingly, all incentives offered or proposed by the Central or State Government(s) need to be freshly evaluated in light of GST. Additionally, the relevant VCU cannot make any assurances as to any other aspect of the indirect tax regime with implementation of the GST including anti-profiteering regulations of the new indirect tax regime and availability of input tax credit.

Further, the General Anti-Avoidance Rules ("**GAAR**") became effective from 1 April 2017. GAAR applies to an 'impermissible avoidance arrangement' which means an arrangement whose main purpose is to obtain a 'tax benefit' i.e. a reduction or avoidance of tax that would be payable under the Indian Income-tax Act, 1961, and, amongst other things, such arrangement 'lacks' or is 'deemed to lack' commercial substance in whole or in part. The tax consequences of the GAAR provisions being applied to an arrangement could result in the denial of tax benefits to an arrangement (including denial of tax treaty benefits), among other consequences. In the absence of any such precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to any person or arrangement, it may have an adverse tax impact on the relevant person(s).

Currently, there are no statutory thin capitalisation rules in force in India. However, Section 94B of the Indian Income-tax Act, 1961 ("**Tax Act**"), which came into effect on 1 April 2018, limits the deduction of interest expenditure allowable in the computation of income from business to an Indian entity, or a permanent establishment of a foreign entity, where the borrower makes payment of interest to an associated enterprise in a tax year. The said section provides that where the total interest expenditure exceeds 30% of the borrower's earnings before interest, taxes, depreciation and amortisation ("**EBITDA**"), then the total interest expenses in excess of 30% of EBITDA or interest payable to the associated enterprise, whichever is lower, shall be disallowed. The interest so disallowed can be carried forward for eight years. This provision may have an impact on the cost of foreign debt funding and may have an adverse tax impact on the relevant VCU.

In November 2016, the Government of India carried out demonetisation, which had an immediate effect of decreasing the liquidity of cash in India. The impacts of the demonetisation on India's economic growth, credit demand, credit quality, liquidity and interest rates is uncertain. The long term effects of demonetisation on the relevant VCU's business are uncertain. The relevant VCU cannot accurately predict the effects thereof on its business, results of operations, financial condition and prospects.

Indian tax law provides for certain provisions ("**Indirect Transfer Provisions**") for the levy of capital gains tax on income arising through the transfer of shares of a foreign company or interest in a foreign entity, if such foreign company or entity derives, directly or indirectly, its value substantially from assets located in India. The test for "substantial value" is that the value of Indian assets exceeds INR 100 million and constitutes 50% or more of the global assets of the offshore entity, to be determined as per prescribed rules. In a case where all the assets owned by the offshore entity are not located in India, the taxation of gains under this provision, if any, will be on proportionate basis, i.e., only such part of income will be taxable in India as is reasonably attributable to assets located in India and determined as per prescribed rules. India has clarified that dividends declared and paid by a foreign company in respect of shares which derive their



value substantially from assets situated in India would not be taxable in India by virtue of the Indirect Transfer Provisions. In view thereof, gains arising on a transfer/disposal of the Securities, or shares of APFI or APFFDI may be taxable in India under the Indirect Transfer Provisions of the Tax Act if such Securities/shares derive their value, directly or indirectly, substantially from assets located in India. There are certain exemptions for small investors and offshore mergers and demergers subject to certain conditions. Amongst other exceptions, the Indirect Transfer Provisions are not be applicable to investments held by non-residents, directly or indirectly, in a Category I or Category II Foreign Portfolio Investors. In other words, there is a specific exemption for direct and indirect investors in Category I and Category II Foreign Portfolio Investors from Indirect Transfer Provisions. Further, this will generally be subject to benefits available to the investor, if any, under the applicable tax treaty.

In addition, all applicable legislation, its judicial interpretation and the policies of regulatory authorities are subject to change from time to time, and these may have a bearing on the information provided, positions stated, conclusions reached and views expressed herein in this Information Memorandum. Accordingly, any change or amendment in the law or relevant regulations would necessitate a review of such views and comments contained in this Information Memorandum. Any such change or amendment of the above nature may also be adverse to a-iTrust and its investment structure, and may affect the legality of the investment structure.

**The relevant VCU's and a-iTrust's business and growth plan could be adversely affected by the incidence and rate of property taxes and stamp duties**

As a property owning and development company, the VCUs are subject to the property tax regime in each state where their properties are located. These taxes could increase in the future, and new types of taxes may be established which would increase the overall costs. The relevant VCU's purchase and sale of properties throughout India are generally subject to stamp duty. If these duties increase, the cost of acquiring properties will rise, and sale values could also be affected. Additionally, if the rate of stamp duties levied on instruments evidencing transactions were to be increased, the acquisition costs and sale values would be affected, resulting in a reduction of the profitability of the relevant VCU. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on the financial condition and results of operations of the relevant VCU.

**a-iTrust may be involved in legal and other proceedings from time to time**

a-iTrust may be involved from time to time in disputes with various parties such as tenants, contractors, sub-contractors, consultants, suppliers, construction companies, purchasers and other partners involved in the asset enhancement, operation and purchase of a-iTrust's properties. These disputes may lead to legal and other proceedings, and may cause a-iTrust to suffer additional costs and delays. In the event that such proceedings are resolved in favour of other parties against a-iTrust, there may be an adverse impact on a-iTrust's business, financial condition, results of operations and/or prospects. Additionally, a-iTrust may have disputes with regulatory bodies in the course of its operations and may be subject to administrative proceedings and unfavourable orders, directives or decrees that may have a material and adverse effect on a-iTrust's business, reputation, financial condition, results of operations and/or prospects. Should any of the above circumstances develop into actual events, the Issuer's ability to make payments in respect of the Securities may be adversely affected.

**If regional hostilities, terrorist attacks or social unrest in some parts of the country increase, a-iTrust could be adversely affected**

India has from time to time experienced social and civil unrest and hostilities both internally and with neighbouring countries. In the past, there have been military confrontations between India and some of its neighbouring countries. India has also experienced terrorist attacks in some parts of the country, including the attacks on luxury hotels and other non-military targets in Mumbai in November 2008. These hostilities and tensions could lead to political or economic instability in India and adversely affect the business of a-iTrust's tenants which could in turn affect the amount of distributions if the tenants are not able to pay the rent. India has been one of the countries which have been the target of terrorism for a fairly long period of time. Each VCU's business may be adversely affected by war, terrorist attacks, natural disasters or other catastrophic and *force majeure* events. A catastrophic event could have a direct negative impact on the VCU or an indirect impact on it by, for instance, affecting the VCU's customers, the financial markets or the overall economy. The occurrence of such events in the future could have a material and adverse effect on the VCU's ability to develop and expand its operations. As a result, its business, prospects, results of operations and financial condition could be materially adversely affected.

**Exchange control regulations governing construction and development projects in India may be subject to differing interpretations**

The FEMA, FEMA Non-Debt Rules and the exchange control regulations impose certain conditions and restrictions on investment in real estate in India. In accordance with the extant laws of India, foreign direct investment is prohibited in 'agricultural activities' (other than the activities specified in FEMA Non-Debt Rules). Land in India is mostly designated as agricultural land and non-residents cannot invest or own agricultural land, including indirectly through a special purpose vehicle or VCU which is capitalised through foreign funds. As discussed above, FDI under the automatic route (i.e. without requiring prior governmental approval) in townships, housing, built-up infrastructure and construction development projects, in India is regulated by the FEMA Non-Debt Rules which permits FDI of up to 100% subject to the project fulfilling certain specified conditions. Through the FEMA Non-Debt Rules, the Government of India has permitted FDI of up to 100% under the automatic route in townships, housing, built-up infrastructure and construction-development projects, subject however to certain restrictions, which could be subject to differing interpretations. An interpretation by the Government of the FEMA Non-Debt Rules that is not favourable to the proposed investment by a-iTrust and/or its affiliates resident outside India could prevent a-iTrust from fulfilling its investment strategy and/or result in partial or total reversal of the investment in VCUs and have an adverse effect on a-iTrust's profitability.

**IT parks and industrial parks typically involve long development periods**

IT parks and industrial parks usually involve long development periods, and are therefore subject to a variety of risks which are not within the VCU's control. These include construction delays, unanticipated cost increases and changes in the regulatory and business environment. Although the VCU may receive notifications from the Ministry of Commerce and Industry, Government of India with respect to its land, it may in the future experience delays in acquiring, or be unable to acquire additional land or obtain notification of such land. The uncertainty as to the future of SEZ regulations and/or IT/industrial park regulations, as to the application and evolution of the regulatory framework as well as the possibility of withdrawal of applicable incentives and concessions and the current suspension of approvals of proposed IT parks and/or industrial parks create substantial risk to the VCU and thereby to a-iTrust's business plans. Any inability on the part of the VCU to modify or change the proposed business plans to respond to any such changes could have an adverse effect on its business, financial condition and results of operations.

Furthermore, it may take several years following the acquisition of land before income or positive cash flows can be generated through real estate. During this time, there can be changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perceptions of prospective customers with respect to the convenience and attractiveness of IT parks and industrial parks, and changes with respect to competition from other property developments. Changes to the business environment during such time may affect the costs and revenues associated with the project and can ultimately affect the profitability of the project. If such changes occur during the time it takes to complete a certain project, its return on such may be lower than expected and its financial performance may be adversely affected.

**The joint venture and strategic partners of the relevant VCU may not perform their obligations satisfactorily and their interests may not be aligned with the interest of the relevant VCU and/or a-iTrust**

The relevant VCU may have to enter into several agreements and joint venture arrangements for construction and development of real estate or SEZs. The success of these joint ventures depends significantly on the satisfactory performance by the joint venture partners and the fulfilment of their obligations. If one of these companies or a joint venture partner fails to perform its obligations satisfactorily, the joint venture will be unable to perform adequately or deliver its contracted services. In such a case, the relevant VCU may be required to make additional investments in the joint venture, which could result in reduced profits or, in some cases, significant losses. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that the relevant VCU would bear increased, or possibly sole, responsibility for the relevant projects. Further, arrangements governing joint ventures between the relevant VCU and their partners may permit only partial control over the operations of the joint ventures. Contractually, the relevant VCU may be required to obtain prior consent from its existing joint venture partner(s), if any, before entering in to any new joint ventures in the same field.

**The Properties and/or future acquisitions, or a part of them, may be acquired compulsorily**

Indian laws provide for a right of the Indian Government to acquire any land or property for public purpose with compensation which may be below market value. As is the case of other real estate development companies in India, the relevant VCU is subject to the risk that central or state governments in India may exercise rights of eminent domain, or compulsory acquisition of the VCU's lands. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 allows the central and state governments to exercise rights of compulsory acquisition, or eminent domain, which, if used in respect of the relevant VCU's land, could require it to relinquish land with minimal compensation. The likelihood of such actions may increase as the central and state governments seek to acquire land for the development of infrastructure projects such as roads, airports and railways. Such compulsory acquisitions of any of the Properties or any future properties acquired by a-iTrust (indirectly) would have an adverse effect on the financial condition, operating results and the value of a-iTrust's asset portfolio.

**Most of the VCU's business models and strategies require the involvement of the services of third parties, which entails certain risks**

The requirement of the services of third parties, including architects, engineers, contractors and suppliers of labour and materials entails several inherent risks. The timing and quality of construction of the immovable properties that the VCU develops depends on the availability and skill of these third parties, as well as contingencies affecting them, including labour and raw material shortages and industrial action such as strikes and lockouts. The VCU has not entered into any exclusive or long-term arrangements with any of these third parties, may not be able to identify appropriately experienced third parties and consequently there is no assurance that skilled third parties will continue to be available at reasonable rates and in the areas in which it undertakes projects, or at all. As a result, the VCU may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of contracted services. Any consequent delay in execution could adversely affect the profitability and reputation of the VCU and/or APFI and/or APFFDI and/or a-iTrust.

## **Cybersecurity, data security and data privacy breaches may create liability for a-iTrust and the Trustee-Manager, damage its reputation, and harm its business**

In the ordinary course of business, a-iTrust and the Trustee-Manager have access to and routinely process the personal information of tenants, employees and joint venture partners. While a-iTrust and the Trustee-Manager have programmes and measures in place designed to safeguard this data, and while it has implemented access controls designed to limit the risk of unauthorised use or disclosure by employees, the techniques used to obtain unauthorised access to data are complex and changing, and may be difficult to detect for long periods of time. A cyberattack, disruption, intrusion, theft or other breach or an inadvertent act by an employee, could result in unauthorised access to, or disclosure of, confidential data, resulting in civil or criminal penalties, costs and reputational harm that could materially and adversely affect a-iTrust's and the Trustee-Manager's business, financial condition and results of operations. As the cybersecurity landscape evolves, a-iTrust may find it necessary to make further investments to protect data and infrastructure, which can be costly.

Data collection and storage are increasingly subject to legislation and regulations in various jurisdictions and governments and international organisations are increasingly acting to protect the privacy and security of personal information. Complying with these evolving and varying requirements could require significant expense and effort. In addition, violations of these laws can result in significant penalties, claims by regulators or third parties, and damage to a-iTrust's and the Trustee-Manager's brand and business.

### **KEY INDIAN TAX RISKS**

The income and gains derived from investment in properties in India may be subject to various types of taxes in India, including income tax, withholding tax, capital gains tax, property tax, goods and services tax and any other taxes which may be specific to Bangalore, Chennai, Hyderabad, Pune and Mumbai, imposed by the respective state governments. Also, the relevant VCU is subject to the property tax regime in each state where its properties are located. These taxes could increase in the future, and new types of taxes may be established which would increase the overall costs. All of these taxes, which are subject to changes in laws and regulations that may lead to an increase in tax rates or the introduction of new taxes, could adversely affect and erode the returns from the Properties.

The Union Finance Ministry of India announces the fiscal policy annually in February and the legislature approves the annual fiscal budget for India, generally with effect from 1 April every year. Such fiscal policy, and the annual fiscal budget, includes matters such as tax rates (including surcharges and cesses, if any) and amendments in tax laws. The taxes covered in the fiscal announcements include direct and indirect taxes. There is no assurance or guarantee that the current tax rates or scope of taxability will continue in the years to come. Any changes in such tax rates or in scope of levy of taxes would have a direct or indirect bearing on the income of the VCUs.

### **Taxation of APFI and APFFDI**

APFI and APFFDI may be eligible to avail certain concessional tax treatment pursuant to the provisions of the India-Singapore tax treaty, subject to fulfilment of prescribed eligibility conditions. The Tax Act provides that, to claim any relief under a tax treaty, an entity must hold a valid tax residence certificate ("**TRC**") and also provide to Indian tax authorities prescribed information and documents. Further, the place of effective management of such entity must be situated outside of India. The Tax Act defines the "place of effective management" to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made. In the absence of a TRC and other information or documents as may be prescribed, APFI and APFFDI would not be eligible for the

benefits under the India-Singapore tax treaty, if any. Indian tax authorities generally adopt an aggressive position towards claims of tax exemptions available under tax treaties, and often challenge claims for various reasons (for example, lack of substance in the relevant entity). If the Indian tax authorities were to allege that the benefits under the India-Singapore tax treaty were not available to APFI and APFFDI, they may attempt to deny the benefit of any tax exemption to APFI and APFFDI that may be available under the India-Singapore tax treaty.

Pursuant to the provisions of the Tax Act, if the tax payable by a company is less than 15% of its book profits, such company will be liable to pay the Minimum Alternate Tax (“**MAT**”) at the rate of 15% (plus applicable surcharge and health and education cess) of such book profits.

MAT shall not be applicable to a foreign company if:

- (i) the foreign company is a resident of a country having a tax treaty with India and such foreign company does not have a permanent establishment within the definition of the term in the relevant tax treaty, or
- (ii) the foreign company is a resident of a country which does not have a tax treaty with India and such foreign company is not required to seek registration under Indian law.

### **Tax incentives granted to companies located in SEZ**

The Government of India has granted a number of tax incentives (including in the form of duty/exemptions/reductions) to companies operating in SEZ (as defined under Section 10AA of the Tax Act), which may be withdrawn or conditions precedent for availing said incentives may be amended, thus reducing the profits of such companies. However, the profit linked deductions for units in SEZ under Section 10AA of the Tax Act shall not be available to units commencing manufacture or production of article or thing or start providing services on or after 1 April 2021. Any adverse effect on the IT and ITES industries in India or on the BPO industry, including on account of any fiscal policy of the Government of India having adverse effects, may have a negative impact on a-iTrust’s business, financial condition and results of operations. In this regard, the provisions of Section 80-IAB of the Tax Act which provided tax benefits to entities engaged in development of SEZ shall not be available to the developer if the development did not begin by 31 March 2017. Further, it should also be noted that the benefits under Section 80-IA (4)(iii) of the Tax Act available to Industrial Parks notified by the Government of India in accordance with the Industrial Park Scheme, issued by the Ministry of Finance, Government of India, on 8 January 2008 had a terminal date of 31 March 2011 and accordingly, the benefits under Section 80-IA (4)(iii) of the Tax Act shall not be available to industrial parks developed after 31 March 2011.

### **Tax imposed on tenants**

In addition to the risks associated with SEZ incentives mentioned above, it may also be noted that the renting of certain immovable property is subject to the imposition of goods and services tax. While, generally speaking, such indirect tax liability may contractually be passed on the tenants, any increase in such tax liability and any inability to pass on such liability to the tenants may reduce profits of the investee companies and accordingly this may have an impact on the returns of APFI. Furthermore, any increase in rentals due to any increase in tax liability may render lease rentals commercially unviable.

## **PURPOSE OF THE PROGRAMME AND USE OF PROCEEDS**

The net proceeds arising from the issue of Securities under the Programme (after deducting issue expenses) will be used for the purpose of refinancing existing borrowings or the repayment of loans, financing/refinancing the investments of a-iTrust, on-lending to any trust, fund or entity (whether or not a body corporate) in which a-iTrust has an interest, financing/refinancing any asset enhancement or construction works initiated by a-iTrust or such trust, fund or entity (whether or not a body corporate) and financing the business activities, acquisitions and general working capital of a-iTrust.



## CLEARING AND SETTLEMENT

### Clearance and Settlement under the Depository System

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Securities which are accepted for clearance by CDP, the entire issue of the Securities is to be held by CDP in the form of a Global Security or a Global Certificate for persons holding the Securities in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Securities between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Securities through the Depository System may only be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Securities in direct securities accounts with CDP, and who wish to trade Securities through the Depository System, must transfer the Securities to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payments of interest and distribution and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfers of interests in the Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

### Clearance and Settlement under Euroclear and/or Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Payments of principal, interest or distributions with respect to book-entry interests in the Securities held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

## SINGAPORE TAXATION

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the IRAS and MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Holders or prospective holders of the Securities are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposal of the Securities, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arrangers and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Securities.*

*In addition, the disclosure below is on the assumption that the IRAS regards each tranche of the Perpetual Securities as “debt securities” for the purposes of the ITA and that distribution payments made under each tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amount) will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the Qualifying Debt Securities Scheme are satisfied. If any tranche of the Perpetual Securities is not regarded as “debt securities” for the purposes of the ITA or any distribution payment under any tranche of the Perpetual Securities (including any Arrears of Distribution and Additional Distribution Amount) is not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax concessions or exemptions under the Qualifying Debt Securities Scheme, the tax treatment to holders may differ. Investors and holders of any tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any tranche of the Perpetual Securities.*

### **1. Interest and Other Payments**

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0 per cent. The applicable rate for non-resident individuals is currently 22.0 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

In addition, as the Programme as a whole was arranged by Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd., each of which was a Financial Sector Incentive (Bond Market) Company (as defined in the ITA) at such time, any tranche of the Securities (the “**Relevant Securities**”) issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2023 would be qualifying debt securities (“**QDS**”) for the purposes of the ITA, to which the following treatment shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Securities of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Securities is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Securities using the funds and profits of such person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Qualifying Income**”) from the Relevant Securities, paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Securities are not obtained from such person’s operation through a permanent establishment in Singapore, are exempt from Singapore tax;

- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require), Qualifying Income from the Relevant Securities paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (iii) subject to:
  - (aa) the Issuer including in all offering documents relating to the Relevant Securities a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA; and
  - (bb) the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Securities as MAS may require,

payments of Qualifying Income derived from the Relevant Securities are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of Relevant Securities, the Relevant Securities of such tranche are issued to fewer than four persons and 50.0 per cent. or more of the issue of such Relevant Securities is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Securities would not qualify as QDS; and
- (B) even though a particular tranche of Relevant Securities are QDS, if, at any time during the tenure of such tranche of Relevant Securities, 50.0 per cent. or more of such Relevant Securities which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Securities held by:
  - (I) any related party of the Issuer; or
  - (II) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term “**related party**”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms “**prepayment fee**”, “**redemption premium**” and “**break cost**” are defined in the ITA as follows:

“prepayment fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

“break cost”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to “prepayment fee”, “redemption premium” and “break cost” in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from the Relevant Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Securities is not exempt from tax is required to include such income in a return of income made under the ITA.

## **2. Capital Gains**

Any gains considered to be in the nature of capital made from the sale of the Securities will not be taxable in Singapore. However, any gains derived by any person from the sale of the Securities which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Securities who apply or are required to apply Singapore Financial Reporting Standard (“**FRS**”) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be), may for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes”.

## **3. Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes**

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled “Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition & Measurement”.



FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Securities who may be subject to the tax treatment under the Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

#### **4. Estate Duty**

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

## **SUBSCRIPTION, PURCHASE AND DISTRIBUTION**

The Programme Agreement provides for Securities to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Issuer and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe or procure subscribers for Securities from the Issuer pursuant to the Programme Agreement.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

In connection with the issue of any Tranche of Securities, such Securities, when issued, may not have a market. The Dealers may advise the Issuer that they intend to make a market in such Securities as permitted by applicable law. They are not obligated, however, to make a market in the Securities and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for such Securities.

The Arrangers, the Dealers or any of their respective affiliates may purchase Securities for its own account or enter into secondary market transactions or derivative transactions relating to the Securities, including, without limitation, purchase, sale (or facilitation thereof), stock borrowing or credit or equity-linked derivatives such as asset swaps, repackaging and credit default swaps, at the same time as the offering of the Securities. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Securities to which this Information Memorandum relates (notwithstanding that such selected counterparties may also be a purchaser of the Securities). As a result of such transactions, the Arrangers, the Dealers or any of their respective affiliates may hold long or short positions relating to the Securities.

The Arrangers, the Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Arrangers and the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its subsidiaries, jointly controlled entities or associated companies from time to time. In the ordinary course of their various business activities, the Arrangers, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or of its subsidiaries, jointly controlled entities or associated companies, including Securities issued under the Programme, may be entered into at the same time or proximate to offers and sales of Securities or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Securities. Securities issued under the Programme may be purchased by or be allocated to any Arranger or Dealer or any of their affiliates for asset management and/or proprietary purposes but not with a view to distribution.

Accordingly, references herein to the Securities being “offered” should be read as including any offering of the Securities to the Arrangers, the Dealers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

While the Arrangers, the Dealers and/or any of their respective affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause the Arrangers, the Dealers or any of their respective affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Securities. The Arrangers, the Dealers or any of their respective affiliates may receive returns on such transactions and have no obligations to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Securities.

## **United States**

The Securities have not been and will not be registered under the Securities Act and, the Securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

Bearer Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Programme Agreement, it will not offer, or sell or, in the case of Bearer Securities, deliver Securities (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Securities are a part, as determined and certified to the Issuing and Paying Agent by such Dealer (or, in the case of an identifiable tranche of Securities sold to or through more than one Dealer, by each of such Dealers with respect to Securities of an identifiable tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Securities during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of any identifiable tranche of Securities within the United States by any dealer that is not participating in the offering of such tranche of Securities may violate the registration requirements of the Securities Act.

This Information Memorandum has been prepared by the Issuer for use in connection with the offer and sale of the Securities outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. This Information Memorandum does not constitute an offer to any person in the United States. Distribution of this Information Memorandum by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

## Prohibition of sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (i) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, “**MiFID II**”); or
  - (b) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (c) not a qualified investor as defined in the Prospectus Regulation (as defined below); and
- (ii) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area (each, a “**Relevant State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Relevant State except that it may make an offer of such Securities to the public in that Relevant State:

- (A) if the Pricing Supplement in relation to the Securities specifies that an offer of those Securities may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (B) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (C) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (D) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in (B) to (D) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Securities to the public**” in relation to any Securities in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities, and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended or superseded).

### **Prohibition of sales to UK Retail Investors**

Unless the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (i) the expression “retail investor” means a person who is one (or more) of the following:
  - (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”);
  - (b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (c) not a qualified investor as defined in the UK Prospectus Regulation (as defined below); and
- (ii) the expression “**an offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

If the Pricing Supplement in respect of any Securities specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom, except that it may make an offer of such Securities to the public in the United Kingdom:

- (A) if the Pricing Supplement in relation to the Securities specify that an offer of those Securities may be made other than pursuant to section 86 of the FSMA (a “**Public Offer**”), following the date of publication of a prospectus in relation to such Securities which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;

- (B) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (C) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (D) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Securities referred to in (B) to (D) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Securities to the public**” in relation to any Securities means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

#### ***Other regulatory restrictions***

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (i) in relation to any Securities which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

#### **India**

The Programme and this Information Memorandum have not been approved, disapproved or recommended by the SEBI, or any other regulatory authority of India. None of these authorities has passed or endorsed the merits of the Programme or the accuracy or adequacy of this Information Memorandum. Any representation to the contrary may be a criminal offence in certain jurisdictions, including in the Republic of India.



This Information Memorandum does not constitute any offer of, or an invitation to purchase, any Securities or any other securities in any jurisdiction in which such offer or invitation would be unlawful.

This Information Memorandum has not been and will not be registered as a prospectus with the Registrar of Companies in India, is strictly for private circulation only and does not constitute a public offer or invitation or solicitation of an offer to the public in India or outside India, or to any other person or class of investors, to sell any securities, including Securities, in India.

The receipt of this Information Memorandum shall not constitute an invitation to subscribe for securities, including the Securities, pursuant to the Programme. The Securities have not been offered or sold, and will not be offered or sold, to or for the account or benefit of, the public or any members of the public in India, and this Information Memorandum is not and should not be construed as a prospectus or a placement memorandum and will not be circulated or distributed, directly or indirectly, to or for the account or benefit of, the public.

Under the prevailing Indian laws, (i) an Indian Party<sup>42</sup> is prohibited from making direct investments in foreign entities engaged in the real estate business<sup>43</sup> and (ii) no person resident in India can make any direct investment outside India, except as otherwise permitted under the FEMA, and the rules, regulations and directions issued thereunder or except with the prior approval of the RBI.

A prospective investor should consult with its legal, tax and financial advisors prior to deciding to make an investment in the Securities. Accordingly, prospective investors must seek legal advice as to whether they are entitled to subscribe for the Securities and must comply with all applicable Indian laws in this respect.

## Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the “SFO”) other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

<sup>42</sup> An Indian Party means a company incorporated in India or a body created under an Act of Parliament or a partnership firm registered under the Indian Partnership Act, 1932 or a limited liability partnership (as defined under Regulation 2(ma) of the relevant overseas direct investment regulations) making investment in a Joint Venture or Wholly Owned Subsidiary (each as defined under the relevant overseas direct investment regulations), and includes any other entity in India, as may be notified by the Reserve Bank of India. Provided that when more than one such company, body or entity makes an investment in the foreign entity, all such companies or bodies or entities shall together constitute an “Indian Party”.

<sup>43</sup> Real estate business’ means buying and selling of real estate or trading in transferable development rights but does not include development of townships, construction of residential/commercial premises, roads or bridges.

- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under that Ordinance.

## **Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Information Memorandum has not been and will not be registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Any reference to the “SFA” is a reference to the Securities and Futures Act 2001 and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

## **General**

The selling restrictions herein contained may be modified, varied, or amended by agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification or supplement to the selling restrictions will be set out in the Pricing Supplement to be issued in respect of the issue of the Securities to which it relates or in a supplement to this Information Memorandum.

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Information Memorandum or any other document or any Pricing Supplement, in any country or jurisdiction (other than Singapore) where action for that purpose is required.

Each Dealer has agreed that it will comply with all applicable securities laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers Securities or any interest therein or rights in respect thereof or has in its possession or distributes, any other document or any Pricing Supplement. No Dealer will directly or indirectly offer, sell or deliver Securities or any interest therein or rights in respect thereof or distribute or publish any prospectus, circular, advertisement or other offering material (including, without limitation, this Information Memorandum) in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations, and all offers, sales and deliveries

of Securities or any interest therein or rights in respect thereof by it will be made on the foregoing terms. In connection with the offer, sale or delivery by any Dealer of any Securities or any interest therein or rights in respect thereof, the Issuer shall not have responsibility for, and each Dealer will obtain, any consent, approval or permission required in and each Dealer will comply with the laws and regulations in force in, any jurisdiction to which it is subject or from which it may make any such offer or sale.

*Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Securities or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.*

## GENERAL AND OTHER INFORMATION

### INFORMATION ON DIRECTORS

1. No Director is or was involved in any of the following events:
  - (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;
  - (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being a named subject to any proceedings pending as at the date of this Information Memorandum which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or
  - (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.
2. The Directors are not related by blood or marriage to one another nor are they related to any substantial shareholder of the Issuer.
3. No option to subscribe for Units has been granted to, or was exercised by, any Director or employees of the Group during the last financial year ended 31 December 2020.

### SHARE CAPITAL

4. As at the date of this Information Memorandum, there is only one class of units in a-iTrust. The rights and privileges attached to the units of a-iTrust are stated in the a-iTrust Trust Deed.
5. The Units in issue of a-iTrust as at the Latest Practicable Date is 1,154,078,969.
6. No shares in, or debentures of, the Issuer or Units have been issued or are proposed to be issued, as fully or partly paid-up, for cash or for a consideration other than cash, within the two years preceding the date of this Information Memorandum.

### BORROWINGS

7. As at the Latest Practicable Date, save as disclosed in Appendix II, there are no other borrowings or indebtedness in the nature of borrowings of the Group including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

### WORKING CAPITAL

8. The Directors are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Securities (if any), the Issuer and a-iTrust will have adequate working capital for their present requirements.

## **CHANGES IN ACCOUNTING POLICIES**

### **9. Convergence with International Financial Reporting Standards**

The accounting policies and methods of computation applied in the preparation of the condensed consolidated interim financial statements for the period ended 30 June 2021 are consistent with those of the financial statements for the year ended 31 December 2020, as described in those annual financial statements.

The following Financial Reporting Standards became effective for the Group on 1 January 2021:

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 16: Interest Rate Benchmark Reform – Phase 2;

The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Trustee-Manager.

### **10. Save as mentioned in paragraph 9 above, there has been no significant change in the accounting policies of a-iTrust since its audited financial statements for the financial year ended 31 December 2020.**

## **LITIGATION**

### **11. There are no legal or arbitration proceedings pending or, as far as the Directors are aware, threatened against the Issuer, a-iTrust or any of its subsidiaries the outcome of which, in the opinion of the Directors, may have or have had during the 12 months prior to the date of this Information Memorandum a material and adverse effect on the financial position of a-iTrust or the Group.**

## **MATERIAL ADVERSE CHANGE**

### **12. There has been no material adverse change in the financial condition or business of the Issuer or a-iTrust since 31 December 2020 or in the consolidated financial condition or business of the Group since 31 December 2020.**

## **CONSENT**

### **13. The Auditors have given and have not withdrawn their written consents to the issue of this Information Memorandum with the references herein to their name and, where applicable, reports in the form and context in which they appear in this Information Memorandum.**

## **DOCUMENTS AVAILABLE FOR INSPECTION**

### **14. Copies of the following documents may be inspected at the registered office of the Issuer at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 during normal business hours for a period of six months from the date of this Information Memorandum:**

- (a) the Memorandum and Articles of Association of the Issuer;
- (b) the a-iTrust Trust Deed;
- (c) the Trust Deed;
- (d) the consent letters referred to in paragraph 13 above; and
- (e) the audited financial statements of a-iTrust and its subsidiaries for the financial years ended 31 December 2019 and 31 December 2020 and the unaudited financial statements of a-iTrust and its subsidiaries for the half-year ended 30 June 2021.

## **FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE**

### **15. The functions, rights and obligations of the Trustee are set out in the Trust Deed.**

**UNAUDITED FINANCIAL STATEMENTS OF ASCENDAS INDIA TRUST AND  
ITS SUBSIDIARIES FOR THE HALF YEAR ENDED 30 JUNE 2021**

*The information in this Appendix II has been reproduced from the unaudited financial statements announcement of a-iTrust and its subsidiaries for the half year ended 30 June 2021 and has not been specifically prepared for inclusion in this Information Memorandum.*



## **ASCENDAS INDIA TRUST**

### **Corporate Profile**

Ascendas India Trust (“a-iTrust” or the “Trust”) is a Singapore-listed business trust established with the principal objective of owning income-producing real estate used primarily as business space in India. a-iTrust may also acquire, hold and develop land or uncompleted developments to be used for business space with the objective of holding the properties upon completion. Although a-iTrust is a business trust, it has voluntarily adopted certain regulations governing Real Estate Investment Trusts (“REITs”) to enhance the stability of its distributions to unitholders.

As at 30 June 2021, a-iTrust has a diversified portfolio of seven IT Parks and one logistics park, comprising:

1. International Tech Park Bangalore (“ITPB”);
2. International Tech Park Chennai (“ITPC”);
3. CyberVale, Chennai (“CyberVale”);
4. International Tech Park Hyderabad (“ITPH”);
5. CyberPearl, Hyderabad (“CyberPearl”);
6. aVance, HITEC City, Hyderabad (“aVance Hyderabad”);
7. aVance, Hinjawadi, Pune (“aVance Pune”); and
8. Arshiya Free Trade Warehousing Zone, Panvel (“Arshiya Panvel”).

As at 30 June 2021, the portfolio comprises 14.4 million sqft of completed properties. In addition, the Trust holds land with potential built-up area of 7.7 million sqft.

### **Functional and Reporting Currency**

a-iTrust’s functional currency is the Indian Rupee, which is the currency that its earnings are denominated in. The reporting currency for the Trust is Singapore Dollar as distribution to unitholders is made in Singapore Dollar.

### **Income Available for Distribution**

As a business trust, a-iTrust computes distribution to unitholders based on cash flow generated from operations, rather than accounting profit. To derive the income available for distribution, adjustments are made to ordinary profit before tax to remove primarily non-cash accounting entries.

### **Distribution Policy**

a-iTrust’s policy is to distribute at least 90% of its income available for distribution. a-iTrust retains 10% of its income available for distribution to provide greater flexibility in growing the Trust. a-iTrust makes distributions to unitholders on a half-yearly basis for every six-month period ending 30 June and 31 December.

**Executive Summary****INR<sup>1</sup> Results**

|                                                             | <b>FY2021<br/>1H<br/>₹'000</b> | <b>FY2020<br/>1H<br/>₹'000</b> | <b>Y-on-Y<br/>Change<br/>%</b> |
|-------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Total property income                                       | 5,246,123                      | 5,199,216                      | 1                              |
| Total property expenses                                     | (995,409)                      | (1,337,846)                    | (26)                           |
| Net property income                                         | 4,250,714                      | 3,861,370                      | 10                             |
| Income available for distribution                           | 2,957,009                      | 3,100,900                      | (5)                            |
| Income to be distributed                                    | 2,661,308                      | 2,790,810                      | (5)                            |
| Income to be distributed (DPU <sup>2</sup> ) (Indian Rupee) | 2.31                           | 2.44                           | (5)                            |

**SGD<sup>3</sup> Results**

|                                                   | <b>FY2021<br/>1H<br/>S\$'000</b> | <b>FY2020<br/>1H<br/>S\$'000</b> | <b>Y-on-Y<br/>Change<br/>%</b> |
|---------------------------------------------------|----------------------------------|----------------------------------|--------------------------------|
| Total property income                             | 95,375                           | 98,993                           | (4)                            |
| Total property expenses                           | (18,097)                         | (25,473)                         | (29)                           |
| Net property income                               | 77,278                           | 73,520                           | 5                              |
| Income available for distribution                 | 53,758                           | 59,041                           | (9)                            |
| Income to be distributed                          | 48,382                           | 53,137                           | (9)                            |
| Income to be distributed (DPU) (S¢ <sup>4</sup> ) | 4.20                             | 4.64                             | (9)                            |

**Distribution details**

|                      |                                |
|----------------------|--------------------------------|
| Distribution period  | 1 January 2021 to 30 June 2021 |
| Distribution amount  | 4.20 Singapore cents per unit  |
| Ex-distribution date | 9.00 am, 16 August 2021        |
| Record date          | 5.00 pm, 17 August 2021        |
| Payment date         | 25 August 2021                 |

**1H FY2021 vs 1H FY2020**

**Total property income** for 1H FY2021 increased by 1% to ₹5.2 billion mainly due to the income contribution from Endeavour building at ITPB and aVance 6 at aVance Hyderabad which were completed in November 2020 and acquired in March 2021 respectively, but partially offset by lower occupancy and lower utilities income and carpark income because of the COVID-19 pandemic.

In SGD terms, total property income decreased by 4% to S\$95.4 million. The SGD appreciated by about 5% against the INR over the same period last year.

**Total property expenses** for 1H FY2021 decreased by 26% to ₹1.0 billion (S\$18.1 million) mainly due to lower operation and maintenance expenses across the properties, lower utilities expenses and reversal of expected credit loss.

**Net property income** for 1H FY2021 increased by 10% to ₹4.3 billion (S\$77.3 million) due to the above factors.

**Income available for distribution** for 1H FY2021 decreased by 5% to ₹3.0 billion. In SGD terms, income available for distribution decreased by 9% to S\$53.8 million.

<sup>1</sup> Indian Rupee is defined herein as INR or ₹.

<sup>2</sup> Distribution per unit.

<sup>3</sup> Singapore Dollar is defined herein as SGD or S\$.

<sup>4</sup> Singapore Cent is defined herein as S¢.

**Income to be distributed (DPU)** for 1H FY2021 decreased by 5% to ₹2.31. In SGD terms, DPU decreased by 9% to 4.20 S¢.

### **Foreign Exchange Movement**

The FX rate of ₹55.0:S\$1 used in the income statement was the YTD average rate for 1H FY2021. This represented a year-on-year appreciation of the SGD against INR of about 5%.

The closing FX rate used in the balance sheet, as at 30 June 2021, was ₹55.0:S\$1.

| SGD/INR YTD average rate for Income Statement |                  |               | SGD/INR closing rate for Balance Sheet as at |                  |               |
|-----------------------------------------------|------------------|---------------|----------------------------------------------|------------------|---------------|
| <u>1H FY2021</u>                              | <u>1H FY2020</u> | <u>Change</u> | <u>30-Jun-21</u>                             | <u>31-Dec-20</u> | <u>Change</u> |
| 55.0                                          | 52.5             | 4.8%          | 55.0                                         | 55.3             | -0.5%         |
| <u>1H FY2021</u>                              | <u>2H FY2020</u> | <u>Change</u> |                                              |                  |               |
| 55.0                                          | 53.5             | 2.8%          |                                              |                  |               |

### **Operational and Financial Statistics**

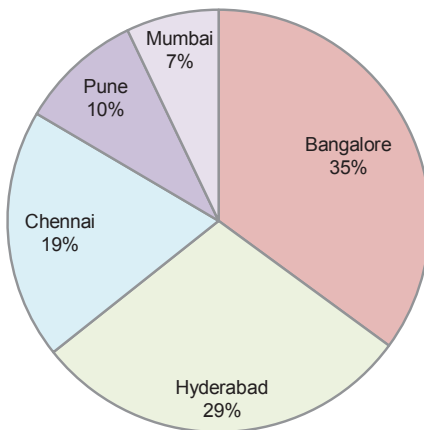
**Committed portfolio occupancy** was 90% as at 30 June 2021. The weighted average lease term and weighted average lease expiry stood at 6.6 years and 3.5 years respectively.

**Gearing** as at 30 June 2021 was 33% on a loan-to-value basis. Gearing is calculated by dividing effective borrowings<sup>5</sup> by the value of Trust properties. At the revised regulatory gearing limit of 50%, the debt headroom was S\$1.0 billion.

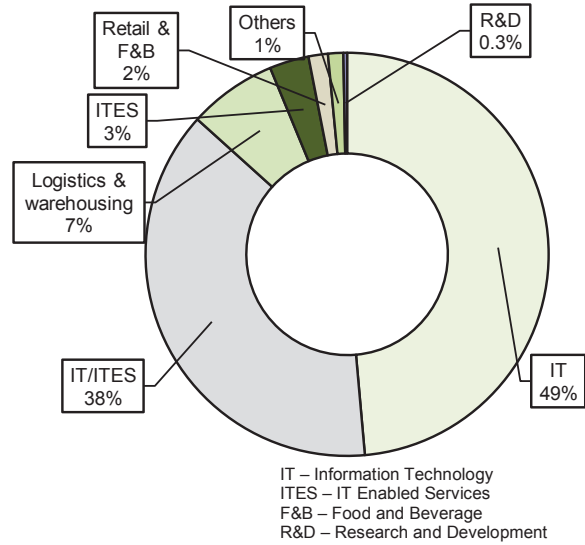
**Net Asset Value ("NAV")** per unit as at 30 June 2021 increased by 2% to S\$1.10 as compared to 31 December 2020. Excluding deferred tax liabilities arising from fair value adjustments on properties, the adjusted NAV per unit increased by 2% to S\$1.40. In INR terms, both NAV and adjusted NAV per unit increased by 2% and 1% to INR 60.5 and INR 77.2 respectively as compared to 31 December 2020.

<sup>5</sup> Calculated by adding/deducting derivative financial instruments liabilities/assets, entered to hedge SGD/JPY/HKD borrowings to INR, to/from gross borrowings, including deferred consideration.

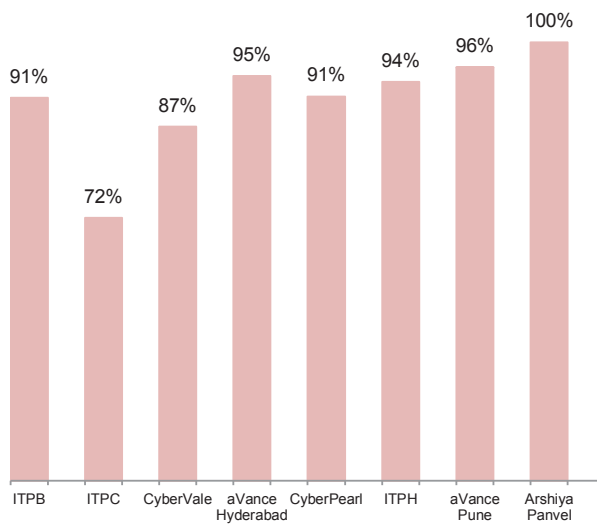
**Geographical Diversification of Operating Buildings by Base Rent (as at 30 June 2021)**



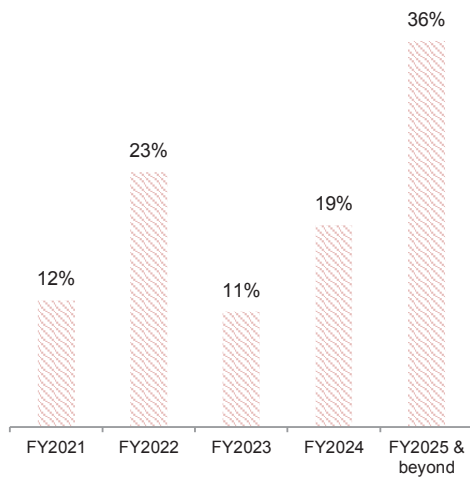
**Tenant Sectors by Base Rent (as at 30 June 2021)**



**Portfolio Occupancy (as at 30 June 2021)**



**Portfolio Lease Expiry Profile by Base Rent (as at 30 June 2021)**



- Notes:
- ITPH occupancy excludes Mariner building which is being vacated for redevelopment
  - Occupancy at aVance Hyderabad includes the newly acquired aVance 6

## FINANCIAL REVIEW FOR HALF-YEAR PERIOD ENDED 30 JUNE 2021

1(a)(i) Consolidated Income and Distribution Statement

|                                                                  | Note | FY2021<br>1H<br>S\$'000 | FY2020<br>1H<br>S\$'000 | Y-on-Y<br>Change<br>% |
|------------------------------------------------------------------|------|-------------------------|-------------------------|-----------------------|
| Base rent                                                        |      | 72,292                  | 73,047                  | (1)                   |
| Amenities income                                                 |      | 791                     | 982                     | (19)                  |
| Fit-out rental income                                            |      | 1,107                   | 1,441                   | (23)                  |
| Operations, maintenance and utilities income                     |      | 17,291                  | 19,489                  | (11)                  |
| Car park and other operating income                              |      | 3,894                   | 4,034                   | (3)                   |
| <b>Total property income</b>                                     |      | <b>95,375</b>           | <b>98,993</b>           | <b>(4)</b>            |
| Operations, maintenance and utilities expenses                   |      | (7,853)                 | (10,961)                | (28)                  |
| Service and property taxes                                       |      | (2,558)                 | (2,537)                 | 1                     |
| Property management fees                                         |      | (4,101)                 | (4,570)                 | (10)                  |
| Other property operating expenses                                | (1)  | (3,585)                 | (7,405)                 | (52)                  |
| <b>Total property expenses</b>                                   |      | <b>(18,097)</b>         | <b>(25,473)</b>         | <b>(29)</b>           |
| <b>Net property income</b>                                       |      | <b>77,278</b>           | <b>73,520</b>           | <b>5</b>              |
| Trustee-manager's fees                                           |      | (8,232)                 | (7,897)                 | 4                     |
| Other operating expenses                                         |      | (2,764)                 | (2,092)                 | 32                    |
| Finance costs                                                    |      | (24,073)                | (22,752)                | 6                     |
| Interest income                                                  |      | 26,276                  | 26,019                  | 1                     |
| Other income                                                     |      | -                       | 201                     | N.M. <sup>6</sup>     |
| Fair value gain on derivative financial instruments - realised   | (2)  | 5,450                   | 7,521                   | (28)                  |
| Exchange loss - realised                                         | (3)  | (8,417)                 | (8,549)                 | (2)                   |
| <b>Ordinary profit before tax</b>                                |      | <b>65,518</b>           | <b>65,971</b>           | <b>(1)</b>            |
| Fair value gain on derivative financial instruments - unrealised | (4)  | 2,113                   | 6,368                   | (67)                  |
| Exchange gain/(loss) - unrealised                                | (5)  | 2,759                   | (2,191)                 | N.M.                  |
| Fair value gain on investment properties                         | (6)  | 7,210                   | -                       | N.M.                  |
| <b>Profit before tax</b>                                         |      | <b>77,600</b>           | <b>70,148</b>           | <b>11</b>             |
| Income tax expenses                                              |      | (19,193)                | (10,056)                | 91                    |
| <b>Net profit after tax</b>                                      |      | <b>58,407</b>           | <b>60,092</b>           | <b>(3)</b>            |
| <b>Attributable to:</b>                                          |      |                         |                         |                       |
| Unitholders of the Trust                                         |      | 55,308                  | 55,745                  | (1)                   |
| Non-controlling interests                                        |      | 3,099                   | 4,347                   | (29)                  |
|                                                                  |      | <b>58,407</b>           | <b>60,092</b>           | <b>(3)</b>            |

<sup>6</sup> N.M – Not meaningful or not material.

**Distribution Statement**

|                                                        | Note | FY2021<br>1H<br>S\$'000 | FY2020<br>1H<br>S\$'000 | Y-on-Y<br>Change<br>% |
|--------------------------------------------------------|------|-------------------------|-------------------------|-----------------------|
| <i>Ordinary profit before tax</i>                      |      | 65,518                  | 65,971                  | (1)                   |
| Income tax expenses - current                          |      | (14,349)                | (7,251)                 | 98                    |
| Trustee-manager's fee payable in units                 |      | 4,015                   | 3,850                   | 4                     |
| Depreciation of equipment                              |      | 344                     | 211                     | 63                    |
| Realised exchange loss                                 |      | 1,198                   | 518                     | 131                   |
| Non-controlling interests                              |      | (2,968)                 | (4,258)                 | (30)                  |
| <i>Distribution adjustments</i>                        |      | (11,760)                | (6,930)                 | 70                    |
| <i>Income available for distribution</i>               |      | 53,758                  | 59,041                  | (9)                   |
| <i>10% retention</i>                                   | (7)  | (5,376)                 | (5,904)                 | (9)                   |
| <i>Income to be distributed</i>                        |      | 48,382                  | 53,137                  | (9)                   |
| <i>Income available for distribution per unit (S¢)</i> |      | 4.67                    | 5.15                    | (9)                   |
| <i>Income to be distributed (DPU) (S¢)</i>             |      | 4.20                    | 4.64                    | (9)                   |

**Notes**

- (1) Other property operating expenses include general management fees, depreciation, advertising and promotion expenses, writeback/allowance for expected credit loss and professional fees.
- (2) The derivative financial instruments include foreign exchange forward contracts entered into to hedge income to be repatriated from India to Singapore and also swap contracts on SGD-denominated loans, where gains or losses are realised when contracts are settled.
- (3) The functional currency for the Trust and Group is INR. Realised foreign exchange gain or loss arises mainly from SGD-denominated loan settlement and cash balances not denominated in INR.
- (4) This relates to the fair value change on re-measurement of currency forwards, interest rate and foreign currency swaps/options, in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 9.
- (5) This relates mainly to the revaluation of SGD-denominated loans, which are classified as unhedged exposure under SFRS(I) 1-21.
- (6) This relates to fair value gain on investment properties arising from aVance 6 upon acquisition in March 2021.
- (7) 10% of the income available for distribution was retained to provide a-iTrust with greater flexibility to grow.

**Please refer to item 8 for review of performance.**



**1(a)(ii) Statement of Comprehensive Income**

|                                                                                                            | <b>FY2021<br/>1H<br/>S\$'000</b> | <b>FY2020<br/>1H<br/>S\$'000</b> |
|------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Net profit after tax                                                                                       | <b>58,407</b>                    | 60,092                           |
| <b>Other Comprehensive Income:</b>                                                                         |                                  |                                  |
| Items that may be reclassified subsequently to profit or loss:                                             |                                  |                                  |
| - Cash flow hedges                                                                                         | <b>12,001</b>                    | (18,012)                         |
| - Translation differences arising from the conversion of<br>functional currency into presentation currency | <b>7,195</b>                     | (8,139)                          |
| <b>Total comprehensive income</b>                                                                          | <b>77,603</b>                    | 33,941                           |
| <b>Total comprehensive income attributable to:</b>                                                         |                                  |                                  |
| Unitholders of the Trust                                                                                   | <b>74,022</b>                    | 30,116                           |
| Non-controlling interests                                                                                  | <b>3,581</b>                     | 3,825                            |
|                                                                                                            | <b>77,603</b>                    | 33,941                           |

**1(b)(i) Balance Sheets**

|                                          |      | Group <sup>7</sup>      |                             | Trust                   |                             |
|------------------------------------------|------|-------------------------|-----------------------------|-------------------------|-----------------------------|
|                                          | Note | 30 June 2021<br>S\$'000 | 31 December 2020<br>S\$'000 | 30 June 2021<br>S\$'000 | 31 December 2020<br>S\$'000 |
| <b>ASSETS</b>                            |      |                         |                             |                         |                             |
| <b>Current assets</b>                    |      |                         |                             |                         |                             |
| Cash and cash equivalents                |      | 178,161                 | 101,126                     | 2,658                   | 30,564                      |
| Inventories                              |      | 471                     | 454                         | -                       | -                           |
| Other assets                             |      | 4,043                   | 1,201                       | 14                      | 12                          |
| Loans to subsidiaries                    |      | -                       | -                           | 810,849                 | 652,028                     |
| Trade and other receivables              |      | 65,166                  | 57,909                      | 1,834                   | 2,076                       |
| Derivative financial instruments         | (1)  | 13,621                  | 5,965                       | 13,621                  | 5,965                       |
| Current income tax recoverable           |      | 18,995                  | 15,038                      | -                       | -                           |
| <b>Total current assets</b>              | (4)  | <b>280,457</b>          | <b>181,693</b>              | <b>828,976</b>          | <b>690,645</b>              |
| <b>Non-current assets</b>                |      |                         |                             |                         |                             |
| Other assets                             |      | 34,601                  | 5,183                       | -                       | -                           |
| Trade and other receivables              |      | 17,734                  | 9,957                       | -                       | -                           |
| Long term receivables                    |      | 345,078                 | 348,122                     | -                       | -                           |
| Derivative financial instruments         | (1)  | 15,271                  | 24,299                      | 15,271                  | 24,299                      |
| Equipment                                |      | 1,407                   | 949                         | -                       | -                           |
| Investment properties under construction | (2)  | 110,596                 | 109,113                     | -                       | -                           |
| Investment properties                    | (3)  | 2,081,654               | 1,955,332                   | -                       | -                           |
| Right-of-use assets                      |      | 2,908                   | 2,979                       | -                       | -                           |
| Goodwill                                 |      | 13,915                  | 13,839                      | -                       | -                           |
| Investment in a joint venture            |      | #                       | #                           | -                       | -                           |
| Investment in subsidiaries               |      | -                       | -                           | 607,170                 | 603,830                     |
| <b>Total non-current assets</b>          |      | <b>2,623,164</b>        | <b>2,469,773</b>            | <b>622,441</b>          | <b>628,129</b>              |
| <b>Total assets</b>                      |      | <b>2,903,621</b>        | <b>2,651,466</b>            | <b>1,451,417</b>        | <b>1,318,774</b>            |
| <b>LIABILITIES</b>                       |      |                         |                             |                         |                             |
| <b>Current liabilities</b>               |      |                         |                             |                         |                             |
| Trade and other payables                 |      | 105,061                 | 108,084                     | 73,233                  | 64,475                      |
| Borrowings                               |      | 364,814                 | 119,210                     | 364,814                 | 119,210                     |
| Derivative financial instruments         | (1)  | 206                     | 52                          | 206                     | 52                          |
| Lease liabilities                        |      | 202                     | 180                         | -                       | -                           |
| Income tax payables                      |      | 2,134                   | 2,035                       | 432                     | 430                         |
| <b>Total current liabilities</b>         | (4)  | <b>472,417</b>          | <b>229,561</b>              | <b>438,685</b>          | <b>184,167</b>              |
| <b>Non-current liabilities</b>           |      |                         |                             |                         |                             |
| Trade and other payables                 |      | 80,656                  | 41,848                      | -                       | 250                         |
| Borrowings                               |      | 622,147                 | 694,472                     | 622,147                 | 694,472                     |
| Derivative financial instruments         | (1)  | 3,439                   | 2,746                       | 3,439                   | 2,746                       |
| Lease liabilities                        |      | 3,173                   | 3,201                       | -                       | -                           |
| Deferred income tax liabilities          |      | 363,683                 | 356,241                     | -                       | -                           |
| <b>Total non-current liabilities</b>     |      | <b>1,073,098</b>        | <b>1,098,508</b>            | <b>625,586</b>          | <b>697,468</b>              |
| <b>Total liabilities</b>                 |      | <b>1,545,515</b>        | <b>1,328,069</b>            | <b>1,064,271</b>        | <b>881,635</b>              |
| <b>NET ASSETS</b>                        |      | <b>1,358,106</b>        | <b>1,323,397</b>            | <b>387,146</b>          | <b>437,139</b>              |
| <b>UNITHOLDERS' FUNDS</b>                |      |                         |                             |                         |                             |
| Units in issue                           |      | 990,797                 | 985,447                     | 990,797                 | 985,447                     |
| Foreign currency translation reserve     |      | (509,278)               | (515,991)                   | (311,059)               | (313,352)                   |
| Hedging reserve                          |      | (19,929)                | (31,930)                    | (19,929)                | (31,930)                    |
| Other reserves                           |      | 68,835                  | 68,296                      | -                       | -                           |
| Retained earnings                        |      | 736,849                 | 730,324                     | (272,663)               | (203,026)                   |
| Net assets attributable to unitholders   |      | 1,267,274               | 1,236,146                   | 387,146                 | 437,139                     |
| Non-controlling interests                |      | 90,832                  | 87,251                      | -                       | -                           |
|                                          |      | <b>1,358,106</b>        | <b>1,323,397</b>            | <b>387,146</b>          | <b>437,139</b>              |

# less than \$1,000

<sup>7</sup> Ascendas India Trust and its subsidiaries.

**Notes**

- (1) The changes in derivative financial instruments (assets and liabilities) are related to fair value changes upon re-measurement of currency forwards, interest rate and foreign currency swaps/options.
- (2) The increase in investment properties under construction is mainly due to the translation difference arising from the depreciation of SGD against INR.
- (3) The increase in investment properties is mainly due to acquisition of aVance 6 in March 2021 and translation difference arising from the depreciation of the SGD against INR.

The carrying amounts of investment properties as at 30 June 2021 were assessed by the Trustee-Manager based on market conditions as at 30 June 2021. Valuations of investment properties are currently subject to significant estimation uncertainty and given that the potential impact of COVID-19 is constantly evolving, significant market uncertainty exists. Therefore, the valuation of investment properties will be reassessed at year end to understand the COVID-19 impact that may arise after the balance sheet date.

- (4) Notwithstanding the net current liability position, based on the Group's existing financial resources, the Trustee-manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due.

**1(b)(ii) Gross Borrowings**

|                                       | <b>Group and Trust</b> |                         |
|---------------------------------------|------------------------|-------------------------|
|                                       | <b>30 June 2021</b>    | <b>31 December 2020</b> |
|                                       | <b>S\$'000</b>         | <b>S\$'000</b>          |
| <b>Amount payable within one year</b> |                        |                         |
| Bank loans                            | 364,814                | 67,700                  |
| Medium term notes                     | -                      | 51,510                  |
|                                       | 364,814                | 119,210                 |
| <b>Amount payable after one year</b>  |                        |                         |
| Bank loans                            | 512,586                | 578,624                 |
| Medium term notes                     | 109,561                | 115,848                 |
|                                       | 622,147                | 694,472                 |
| <b>Total</b>                          | <b>986,961</b>         | <b>813,682</b>          |

All borrowings are unsecured. The Trust has entered into derivative financial instruments to hedge 65% of its gross SGD/JPY/HKD borrowings into INR. The fair value of those derivative financial instruments was at a net asset position of S\$25.2 million as at 30 June 2021, which decreases the Trust's effective borrowings to S\$961.8 million.

**1(c) Consolidated Statement of Cash Flows**

|                                                                                               | <b>FY2021<br/>1H<br/>S\$'000</b> | <b>FY2020<br/>1H<br/>S\$'000</b> |
|-----------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Cash flows from operating activities</b>                                                   |                                  |                                  |
| Net profit after tax                                                                          | 58,407                           | 60,092                           |
| Adjustments for:                                                                              |                                  |                                  |
| Income tax expenses                                                                           | 19,193                           | 10,056                           |
| Depreciation of equipment                                                                     | 344                              | 211                              |
| Finance costs                                                                                 | 24,073                           | 22,752                           |
| Interest income                                                                               | (26,276)                         | (26,019)                         |
| Gain on disposal of investment securities                                                     | -                                | (201)                            |
| Fair value gain on derivative financial instruments - unrealised                              | (2,113)                          | (6,368)                          |
| Fair value gain on investment properties (Write-back)/allowance for impairment of receivables | (7,210)                          | -                                |
| Trustee-manager's fees paid and payable in units                                              | (514)                            | 3,262                            |
| Exchange differences                                                                          | 4,015                            | 3,850                            |
| Others                                                                                        | (1,561)                          | 2,709                            |
|                                                                                               | 5,098                            | (1,213)                          |
| <b>Operating cash flows before changes in working capital</b>                                 | <b>73,456</b>                    | <b>69,131</b>                    |
| <b>Changes in working capital</b>                                                             |                                  |                                  |
| Inventories                                                                                   | (14)                             | 72                               |
| Other assets                                                                                  | (2,788)                          | (2,059)                          |
| Trade and other receivables                                                                   | (4,780)                          | (2,916)                          |
| Trade and other payables                                                                      | 1,530                            | 3,311                            |
| <b>Cash flows from operations</b>                                                             | <b>67,404</b>                    | <b>67,539</b>                    |
| Interest received                                                                             | 17,677                           | 13,424                           |
| Income tax paid (net)                                                                         | (17,309)                         | (16,541)                         |
| <b>Net cash flows from operating activities</b>                                               | <b>67,772</b>                    | <b>64,422</b>                    |
| <b>Cash flows from investing activities</b>                                                   |                                  |                                  |
| Purchase of equipment                                                                         | (718)                            | (348)                            |
| Advance payment of investment properties                                                      | (29,254)                         | -                                |
| Additions to investment properties under construction                                         | (880)                            | (12,947)                         |
| Additions to investment properties                                                            | (11,006)                         | (6,035)                          |
| Net cash outflow from acquisition of subsidiary                                               | (31,555)                         | -                                |
| Payment towards deferred consideration of investment properties                               | (91)                             | -                                |
| Proceeds from Long term receivables                                                           | 82,153                           | -                                |
| Long term receivables                                                                         | (111,664)                        | (19,358)                         |
| Proceeds from disposal of investment securities                                               | -                                | 19,779                           |
| <b>Net cash flows used in investing activities</b>                                            | <b>(103,015)</b>                 | <b>(18,909)</b>                  |
| <b>Cash flows from financing activities</b>                                                   |                                  |                                  |
| Repayment of borrowings                                                                       | (103,533)                        | (115,200)                        |
| Distribution to unitholders                                                                   | (48,244)                         | (7,331)                          |
| Distribution to non-controlling interest                                                      | -                                | (3,142)                          |
| Interest paid                                                                                 | (20,792)                         | (25,273)                         |
| Proceeds from borrowings                                                                      | 284,288                          | 155,300                          |
| <b>Net cash flows from financing activities</b>                                               | <b>111,719</b>                   | <b>4,354</b>                     |
| <b>Net increase in cash and cash equivalents</b>                                              | <b>76,476</b>                    | <b>49,867</b>                    |
| Cash and cash equivalents at beginning of financial period                                    | 101,126                          | 79,598                           |
| Effects of exchange rate changes on cash and cash equivalents                                 | 559                              | (465)                            |
| <b>Cash and cash equivalents at end of financial period</b>                                   | <b>178,161</b>                   | <b>129,000</b>                   |

**1(d)(i) Consolidated Statement of Changes in Unitholders' Funds (Group)**

|                                             | <----- Attributable to unitholders of the Trust -----> |                                               |                    |                   |                      |                                  |                  |
|---------------------------------------------|--------------------------------------------------------|-----------------------------------------------|--------------------|-------------------|----------------------|----------------------------------|------------------|
|                                             | Units in<br>issue                                      | Foreign<br>currency<br>translation<br>reserve | Hedging<br>reserve | Other<br>reserves | Retained<br>earnings | Non-<br>controlling<br>interests | Total            |
|                                             | S\$'000                                                | S\$'000                                       | S\$'000            | S\$'000           | S\$'000              | S\$'000                          | S\$'000          |
| <b>FY2021</b>                               |                                                        |                                               |                    |                   |                      |                                  |                  |
| <b>Balance at 1 January 2021</b>            | <b>985,447</b>                                         | <b>(515,991)</b>                              | <b>(31,930)</b>    | <b>68,296</b>     | <b>730,324</b>       | <b>87,251</b>                    | <b>1,323,397</b> |
| Profit for the period                       | -                                                      | -                                             | -                  | -                 | 55,308               | 3,099                            | 58,407           |
| Other comprehensive income for the period   | -                                                      | 6,713                                         | 12,001             | -                 | -                    | 482                              | 19,196           |
| Transfer to other reserves                  | -                                                      | -                                             | -                  | 539               | (539)                | -                                | -                |
| Issue of new units                          | 5,350                                                  | -                                             | -                  | -                 | -                    | -                                | 5,350            |
| Distribution to Unitholders                 | -                                                      | -                                             | -                  | -                 | (48,244)             | -                                | (48,244)         |
| <b>Balance at 30 June 2021</b>              | <b>990,797</b>                                         | <b>(509,278)</b>                              | <b>(19,929)</b>    | <b>68,835</b>     | <b>736,849</b>       | <b>90,832</b>                    | <b>1,358,106</b> |
| <b>FY2020</b>                               |                                                        |                                               |                    |                   |                      |                                  |                  |
| <b>Balance at 1 January 2020</b>            | <b>978,324</b>                                         | <b>(454,380)</b>                              | <b>(7,629)</b>     | <b>67,652</b>     | <b>660,828</b>       | <b>88,087</b>                    | <b>1,332,882</b> |
| Profit for the period                       | -                                                      | -                                             | -                  | -                 | 55,745               | 4,347                            | 60,092           |
| Other comprehensive income for the period   | -                                                      | (7,617)                                       | (18,012)           | -                 | -                    | (522)                            | (26,151)         |
| Transfer to other reserves                  | -                                                      | -                                             | -                  | 369               | (369)                | -                                | -                |
| Issue of new units                          | 4,654                                                  | -                                             | -                  | -                 | -                    | -                                | 4,654            |
| Distribution to Unitholders                 | -                                                      | -                                             | -                  | -                 | (7,331)              | -                                | (7,331)          |
| Dividends paid to non-controlling interests | -                                                      | -                                             | -                  | -                 | -                    | (3,142)                          | (3,142)          |
| <b>Balance at 30 June 2020</b>              | <b>982,978</b>                                         | <b>(461,997)</b>                              | <b>(25,641)</b>    | <b>68,021</b>     | <b>708,873</b>       | <b>88,770</b>                    | <b>1,361,004</b> |

**1(d)(ii) Statement of Changes in Unitholders' Funds (Trust)**

|                                           | <----- Attributable to unitholders of the Trust -----> |                                               |                    |                      |                |
|-------------------------------------------|--------------------------------------------------------|-----------------------------------------------|--------------------|----------------------|----------------|
|                                           | Units in<br>issue                                      | Foreign<br>currency<br>translation<br>reserve | Hedging<br>reserve | Retained<br>earnings | Total          |
|                                           | S\$'000                                                | S\$'000                                       | S\$'000            | S\$'000              | S\$'000        |
| <b>FY2021</b>                             |                                                        |                                               |                    |                      |                |
| <b>Balance at 1 January 2021</b>          | <b>985,447</b>                                         | <b>(313,352)</b>                              | <b>(31,930)</b>    | <b>(203,026)</b>     | <b>437,139</b> |
| Loss for the period                       | -                                                      | -                                             | -                  | (21,393)             | (21,393)       |
| Other comprehensive income for the period | -                                                      | 2,293                                         | 12,001             | -                    | 14,294         |
| Issue of new units                        | 5,350                                                  | -                                             | -                  | -                    | 5,350          |
| Distribution to Unitholders               | -                                                      | -                                             | -                  | (48,244)             | (48,244)       |
| <b>Balance at 30 June 2021</b>            | <b>990,797</b>                                         | <b>(311,059)</b>                              | <b>(19,929)</b>    | <b>(272,663)</b>     | <b>387,146</b> |
| <b>FY2020</b>                             |                                                        |                                               |                    |                      |                |
| <b>Balance at 1 January 2020</b>          | <b>978,324</b>                                         | <b>(288,452)</b>                              | <b>(7,629)</b>     | <b>(91,822)</b>      | <b>590,421</b> |
| Loss for the period                       | -                                                      | -                                             | -                  | (19,165)             | (19,165)       |
| Other comprehensive income for the period | -                                                      | (3,117)                                       | (18,012)           | -                    | (21,129)       |
| Issue of new units                        | 4,654                                                  | -                                             | -                  | -                    | 4,654          |
| Distribution to Unitholders               | -                                                      | -                                             | -                  | (7,331)              | (7,331)        |
| <b>Balance at 30 June 2020</b>            | <b>982,978</b>                                         | <b>(291,569)</b>                              | <b>(25,641)</b>    | <b>(118,318)</b>     | <b>547,450</b> |



**1(d)(iii) Details of any changes in the units (a-iTrust)****Movement for the half year**

|                                 | <b>30 June 2021</b>               |                | <b>30 June 2020</b>               |                |
|---------------------------------|-----------------------------------|----------------|-----------------------------------|----------------|
|                                 | Number of units<br>(in thousands) | S\$'000        | Number of units<br>(in thousands) | S\$'000        |
| Balance as at 1 January         | 1,148,420                         | 985,447        | 1,143,269                         | 978,324        |
| Issue of new units:             |                                   |                |                                   |                |
| - base fee paid in units        | 1,775                             | 2,526          | 1,918                             | 2,491          |
| - performance fee paid in units | 2,045                             | 2,824          | 1,417                             | 2,163          |
| <b>Balance as at 30 June</b>    | <b>1,152,240</b>                  | <b>990,797</b> | <b>1,146,604</b>                  | <b>982,978</b> |

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

**2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The financial information as set out in paragraphs 1(a)(i), 1(a)(ii), 1(b)(i), 1(b)(ii), 1(c), 1(d)(i), 1(d)(ii), 1(d)(iii) and 7 of this announcement has been extracted from the Condensed consolidated interim financial statements for the period ended 30 June 2021, which has been reviewed in accordance with Singapore Standard on Review Engagement 2410, Review of Interim Financial Information, performed by the independent auditor of the Group.

**3 Where the figures have been audited, or reviewed, the auditor's report (including any qualifications or emphasis of matter)**

The Condensed consolidated interim financial statements for the period ended 30 June 2021 and the independent auditor's review report dated 28 July 2021 are enclosed in Appendix 2.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2020.

The following Financial Reporting Standards became effective for the Group on 1 January 2021:

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 16: *Interest Rate Benchmark Reform – Phase 2*

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed as well as the reasons for, and the effect of, the change**

Not applicable.

**6 Earnings per unit ("EPU") and DPU for the financial period (Group)**

|                                                                | <b>FY2021<br/>1H</b> | <b>FY2020<br/>1H</b> |
|----------------------------------------------------------------|----------------------|----------------------|
| Weighted average number of units for calculation of EPU ('000) | <b>1,151,014</b>     | 1,145,365            |
| EPU (S¢)                                                       | <b>4.81</b>          | 4.87                 |
| Income available for distribution per unit (S¢)                | <b>4.67</b>          | 5.15                 |
| Income to be distributed (DPU) (S¢)                            | <b>4.20</b>          | 4.64                 |

Diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the financial period.

**7 NAV backing per unit**

|                                                    | <b>As at<br/>30 June 2021</b> | <b>31 December 2020</b> |
|----------------------------------------------------|-------------------------------|-------------------------|
| No. of units in issue at end of year/period ('000) | <b>1,152,240</b>              | 1,148,420               |
| NAV per unit of the Group (S\$)                    | <b>1.10</b>                   | 1.08                    |
| NAV per unit of the Trust (S\$)                    | <b>0.34</b>                   | 0.38                    |

## 8 Review of performance

### 1H FY2021 vs 1H FY2020

**Total property income** for 1H FY2021 increased by ₹47 million (1%) to ₹5.2 billion mainly due to income contribution of ₹402 million from:

- Endeavour building at ITPB, which was completed in November 2020; and
- aVance 6 at aVance Hyderabad, which was acquired in March 2021;

but partially offset by lower occupancy and lower utilities income and carpark income because of the COVID-19 pandemic.

In SGD terms, total property income decreased by 4% to S\$95.4 million. The SGD appreciated by about 5% against the INR over the same period last year.

**Total property expenses** decreased by 26% to ₹1.0 billion (S\$18.1 million) mainly due to lower operation and maintenance expenses, lower utilities expenses and reversal of expected credit loss in 1H FY2021 compared to allowance for expected credit loss in 1H FY2020.

**Net property income** for 1H FY2021 increased by 10% to ₹4.3 billion (S\$77.3 million) due to the above factors.

**Trustee-manager's fees** increased by ₹38 million (9%) to ₹453 million (S\$8.2 million), which is in-line with higher net property income and portfolio value as of 30 June 2021.

**Other operating expenses** increased by ₹42 million (38%) to ₹152 million (S\$2.8 million) mainly due to higher CSR expenses in 1H FY2021.

**Finance costs** increased by ₹129 million (11%) to ₹1.3 billion (S\$24.1 million) mainly due to an increase in borrowing level.

**Interest income** increased by ₹79 million (6%) to ₹1.4 billion (S\$26.3 million) mainly due to higher interest income from investments in Casa Grande, GardenCity, Arshiya Panvel, AURUM IT SEZ and BlueRidge 3, but partially offset by loss of interest income following the acquisition of aVance 6.

**Realised gain on derivative financial instruments** for 1H FY2021 of ₹300 million (S\$5.5 million) arose mainly from the settlement of SGD-denominated loans, but partially offset by loss from the settlement of foreign exchange forward contracts entered into hedge income repatriated from India to Singapore.

**Realised exchange loss** for 1H FY2021 of ₹463 million (S\$8.4 million) arose mainly from settlement of SGD-denominated loans. Realised exchange gain or loss is recognised when borrowings that are denominated in currencies other than the INR are settled.

As a result, **ordinary profit before tax** was ₹3.6 billion in 1H FY2021, an increase of 4% as compared to ₹3.5 billion in 1H FY2020. In SGD terms, ordinary profit before tax dropped by 1% to S\$65.5 million.

**Income tax expenses** increased by INR 528 million (100%) to at ₹1.1 billion (S\$19.2 million) mainly due to higher deferred tax liabilities arising from acquisition of aVance 6 and lower current income tax resulting from reversal of dividend distribution tax ("DDT") provision in 1H FY2020.

**Distribution adjustments:**

- **Current income tax expenses** of ₹789 million (S\$14.3 million).
- **Trustee-manager fees** of ₹221 million (S\$4.0 million) to be paid in units. The Trustee-manager has elected to receive 50% of its base fee and performance fee in units and 50% in cash; hence 50% of the fees are added back to the income available for distribution.
- **Realised loss on settlement of loans** of ₹66 million (S\$1.2 million) was added back for distribution purpose. This pertains to refinancing of SGD-denominated loans that have not been hedged into INR. Exchange gain/loss is recognised when borrowings that are denominated in currencies other than the INR are revalued. The exchange gain/loss is realised when the borrowing matures, is prepaid, or swapped to INR denomination.
- Income due to **non-controlling interests** of ₹163 million (S\$3.0 million) is deducted from income available for distribution.

**Income available for distribution** for 1H FY2021 decreased by 5% to ₹3.0 billion, mainly due to the reversal of DDT provision in 1H FY2020 and higher finance cost resulting from higher level of borrowing, but partially offset by higher NPI and higher interest income from additional investments in Casa Grande, GardenCity, Arshiya Panvel, AURUM IT SEZ and BlueRidge 3. In SGD terms, income available for distribution decreased by 9% to S\$53.8 million

**Income available for distribution per unit** for 1H FY2021 was ₹2.57 or 4.67 S¢. **DPU** was ₹2.31 or 4.20 S¢ after retaining 10% of income available for distribution, representing a decrease of 5% and 9% in INR terms and SGD terms respectively.

**1H FY2021 vs 2H FY2020****INR**

|                                                           | <b>FY2021<br/>1H<br/>₹'000</b> | <b>FY2020<br/>2H<br/>₹'000</b> | <b>Change<br/>%</b> |
|-----------------------------------------------------------|--------------------------------|--------------------------------|---------------------|
| Total property income                                     | 5,246,123                      | 5,050,706                      | 4                   |
| Total property expenses                                   | (995,409)                      | (1,001,798)                    | (1)                 |
| Net property income                                       | 4,250,714                      | 4,048,908                      | 5                   |
| Ordinary profit before tax                                | 3,603,850                      | 3,011,192                      | 20                  |
| Income available for distribution                         | 2,957,009                      | 2,924,856                      | 1                   |
| Income to be distributed                                  | 2,661,308                      | 2,632,370                      | 1                   |
| Income available for distribution per unit (Indian Rupee) | 2.57                           | 2.55                           | 1                   |
| Income to be distributed (DPU) (Indian Rupee)             | 2.31                           | 2.29                           | 1                   |

**SGD**

|                                                  | <b>FY2021<br/>1H<br/>S\$'000</b> | <b>FY2020<br/>2H<br/>S\$'000</b> | <b>Change<br/>%</b> |
|--------------------------------------------------|----------------------------------|----------------------------------|---------------------|
| Total property income                            | 95,375                           | 92,679                           | 3                   |
| Total property expenses                          | (18,097)                         | (18,278)                         | (1)                 |
| Net property income                              | 77,278                           | 74,401                           | 4                   |
| Ordinary profit before tax                       | 65,518                           | 54,990                           | 19                  |
| Income available for distribution                | 53,758                           | 53,567                           | 0                   |
| Income to be distributed                         | 48,382                           | 48,210                           | 0                   |
| Income available for distribution per unit (S\$) | 4.67                             | 4.66                             | 0                   |
| Income to be distributed (DPU) (S\$)             | 4.20                             | 4.19                             | 0                   |

**Total property income** for 1H FY2021 increased by 4% to ₹5.2 billion (S\$95.4 million) mainly due to the income from Endeavour building at ITPB which was completed in November 2020 and aVance 6 at aVance Hyderabad which was acquired in March 2021.

**Total property expenses** for 1H FY2021 decreased by 1% to ₹1.0 billion (S\$18.1 million) mainly due to lower operation and maintenance expenses during 1H FY2021.

As a result, **net property income** for 1H FY2021 increased by 5% at ₹4.3 billion. In SGD terms, net property income increased by 4% to S\$77.3 million.

**Income available for distribution** increased by 1% to ₹3.0 billion, mainly due higher NPI and higher provision for Singapore GST in 2H FY2020, but partially offset by higher finance cost and lower current income tax resulting from reversal of DDT in 2H FY2020. In SGD terms, income available for distribution remained stable at S\$53.8 million.

**Income available for distribution per unit** for 1H FY2021 was ₹2.57, or 4.67 S\$. DPU remained stable at ₹2.31 or 4.20 S\$ respectively, after retaining 10% of income available for distribution.

**9 Variance between forecast and the actual results**

No forecast has been disclosed.

**10 If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of each transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

a-iTrust has not obtained a general mandate from unitholders for any Interested Person Transactions.

**11 Update on development projects**

**Redevelopment at ITPH**

As previously reported, a-iTrust has received the building plan approval to redevelop and construct incremental 3.5 million sqft of leaseable area at ITPH in Hyderabad. Revised building height approval has been received which will result in additional leaseable area of 0.7 million sqft. ITPH will be redeveloped in phases over the next 7 to 10 years to increase the leaseable area from 1.5<sup>8</sup> million sqft to 5.7 million sqft. Construction of Phase 1 of 1.4 million sqft is in progress and is expected to be completed by 2H 2022.

**12 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

India was hit by a second wave of COVID-19 in April 2021. States across India were locked down and subsequently reopened. To date, Bangalore, Chennai and Hyderabad have lifted their lockdown, while Pune is expected to follow suit by end July 2021. Daily cases of COVID-19 and mortality rates have declined. As such, tenants are expected to gradually ramp-up attendance in their offices in the coming months.

Based on the market research report by CBRE South Asia Pvt Ltd ("CBRE") for the period ended 30 June 2021, some of the key highlights (compared to period ended 31 December 2020) include:

---

<sup>8</sup> Excludes the leaseable area of Auriga building (0.2 million sqft) which has been demolished.



### **Bangalore**

- In Whitefield (the micro-market where ITPB is located), vacancy increased to 16.3%, from 13.7% as of 31 December 2020, due to the addition of new supply and marginal space take-up. Rental values remained stable. CBRE expects rental values to decline slightly across SEZ and non-SEZ sectors.

### **Chennai**

- In Old Mahabalipuram Road (the micro-market where ITPC is located), vacancy increased to 15.8%, from 12.0% as of 31 December 2020, due to tenant exits and addition of new supply. Non-SEZ rental values declined slightly, while SEZ rental values remained stable. CBRE expects rental values to decline further for both SEZ and non-SEZ space.
- In Grand Southern Trunk (the micro-market where CyberVale is located), vacancy increased to 19.4%, from 6.5% as of 31 December 2020, due to the addition of large supply from the completion of Gateway IT Park Block A4, which was met with muted leasing demand. Rental values remained broadly stable over the near term, though CBRE expects rental values to decline slightly in the upcoming months due to the higher vacancy level.

### **Hyderabad**

- In IT Corridor I<sup>9</sup> (the micro-market where ITPH, CyberPearl and aVance Hyderabad are located), vacancy increased to 7.6%, from 5.1% as of 31 December 2020, due to release of secondary space and lower space absorption. Rental values remained stable over the same period. CBRE expects rental values in IT Corridor I to remain stable in the coming quarters.

### **Pune**

- In Hinjawadi (the micro-market where aVance Pune is located), vacancy increased to 17.7%, from 13.8% as of 31 December 2020. Rental values remained stable. CBRE expects rental values in Hinjawadi to remain largely stable over the coming quarters.

The performance of a-iTrust is influenced by its tenants' business performance and outlook, condition of each city's real estate market and global economic conditions. a-iTrust will continue to focus on enhancing the competitiveness of its properties to distinguish itself from competitors, while maintaining financial discipline, and seeking growth opportunities.

## **13 Distributions**

- (a) Current financial period - Any distributions declared for the current financial period?

Yes. A distribution of 4.20 Singapore cents has been declared for the period from 1 January 2021 to 30 June 2021.

- (b) Corresponding period of the immediately preceding year - Any distributions declared for the corresponding period of the immediate preceding financial period?

Yes. A distribution of 4.64 Singapore cents has been declared for the period from 1 January 2020 to 30 June 2020.

---

<sup>9</sup> Includes HITEC City and Madhapur.

**14 If no distribution has been declared/recommended, a statement to the effect**

Refer to paragraph 13, a-iTrust makes distributions to unitholders on a half-yearly basis for every six-month period ending 30 June and 31 December.

**15 Disclosure pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

**16 Disclosure pursuant to Rule 720(1) of the Listing Manual**

The Trustee-manager confirms that it has procured undertakings from all Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and 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 current view of management on future events.

By order of the Board

**Ascendas Property Fund Trustee Pte. Ltd.**

(Company registration no. 200412730D)

(as Trustee-manager of Ascendas India Trust)

Mary Judith de Souza / Hon Wei Seng

Joint Company Secretaries

28 July 2021

**Consolidated Income and Distribution Statement (INR)**

|                                                                  | <b>FY2021<br/>1H<br/>₹'000</b> | <b>FY2020<br/>1H<br/>₹'000</b> | <b>Y-on-Y<br/>Change<br/>%</b> |
|------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Base rent                                                        | 3,976,479                      | 3,836,493                      | 4                              |
| Amenities income                                                 | 43,524                         | 51,564                         | (16)                           |
| Fit-out rental income                                            | 60,871                         | 75,680                         | (20)                           |
| Operations, maintenance and utilities income                     | 951,095                        | 1,023,591                      | (7)                            |
| Car park and other operating income                              | 214,154                        | 211,888                        | 1                              |
| <b>Total property income</b>                                     | <b>5,246,123</b>               | <b>5,199,216</b>               | <b>1</b>                       |
| Operations, maintenance and utilities expenses                   | (431,973)                      | (575,676)                      | (25)                           |
| Service and property taxes                                       | (140,693)                      | (133,231)                      | 6                              |
| Property management fees                                         | (225,564)                      | (240,028)                      | (6)                            |
| Other property operating expenses                                | (197,179)                      | (388,911)                      | (49)                           |
| <b>Total property expenses</b>                                   | <b>(995,409)</b>               | <b>(1,337,846)</b>             | <b>(26)</b>                    |
| <b>Net property income</b>                                       | <b>4,250,714</b>               | <b>3,861,370</b>               | <b>10</b>                      |
| Trustee-manager's fees                                           | (452,801)                      | (414,740)                      | 9                              |
| Other operating expenses                                         | (152,033)                      | (109,888)                      | 38                             |
| Finance costs                                                    | (1,324,162)                    | (1,194,988)                    | 11                             |
| Interest income                                                  | 1,445,336                      | 1,366,564                      | 6                              |
| Other income                                                     | -                              | 10,575                         | N.M.                           |
| Fair value gain on derivative financial instruments - realised   | 299,795                        | 395,003                        | (24)                           |
| Exchange loss - realised                                         | (462,999)                      | (449,033)                      | N.M.                           |
| <b>Ordinary profit before tax</b>                                | <b>3,603,850</b>               | <b>3,464,863</b>               | <b>4</b>                       |
| Fair value gain on derivative financial instruments - unrealised | 116,213                        | 334,436                        | (65)                           |
| Exchange gain/(loss) - unrealised                                | 151,778                        | (117,378)                      | N.M.                           |
| Fair value gain on investment properties                         | 396,583                        | -                              | N.M.                           |
| <b>Profit before tax</b>                                         | <b>4,268,424</b>               | <b>3,681,921</b>               | <b>16</b>                      |
| Income tax expenses                                              | (1,055,694)                    | (528,146)                      | 100                            |
| <b>Net profit after tax</b>                                      | <b>3,212,730</b>               | <b>3,153,775</b>               | <b>2</b>                       |
| <b>Attributable to:</b>                                          |                                |                                |                                |
| Unitholders of the Trust                                         | 3,042,284                      | 2,925,468                      | 4                              |
| Non-controlling interests                                        | 170,446                        | 228,307                        | (25)                           |
|                                                                  | <b>3,212,730</b>               | <b>3,153,775</b>               | <b>2</b>                       |
| <b>Distribution statement</b>                                    |                                |                                |                                |
| <b>Ordinary profit before tax</b>                                | <b>3,603,850</b>               | <b>3,464,863</b>               | <b>4</b>                       |
| Income tax expenses - current                                    | (789,257)                      | (380,820)                      | 107                            |
| Trustee-manager's fee payable in units                           | 220,825                        | 202,199                        | 9                              |
| Depreciation of equipment                                        | 18,928                         | 11,092                         | 71                             |
| Realised exchange loss                                           | 65,922                         | 27,218                         | 142                            |
| Non-controlling interests                                        | (163,259)                      | (223,652)                      | (27)                           |
| <b>Distribution adjustments</b>                                  | <b>(646,841)</b>               | <b>(363,963)</b>               | <b>78</b>                      |
| <b>Income available for distribution</b>                         | <b>2,957,009</b>               | <b>3,100,900</b>               | <b>(5)</b>                     |
| <b>10% retention</b>                                             | <b>(295,701)</b>               | <b>(310,090)</b>               | <b>(5)</b>                     |
| <b>Income to be distributed</b>                                  | <b>2,661,308</b>               | <b>2,790,810</b>               | <b>(5)</b>                     |
| <b>Income available for distribution per unit (₹)</b>            | <b>2.57</b>                    | <b>2.71</b>                    | <b>(5)</b>                     |
| <b>Income to be distributed (DPU) (₹)</b>                        | <b>2.31</b>                    | <b>2.44</b>                    | <b>(5)</b>                     |
| <b>Income available for distribution per unit (S¢)</b>           | <b>4.67</b>                    | <b>5.15</b>                    | <b>(9)</b>                     |
| <b>Income to be distributed (DPU) (S¢)</b>                       | <b>4.20</b>                    | <b>4.64</b>                    | <b>(9)</b>                     |

**Balance Sheets (INR)**

|                                          | Group              |                    | Trust             |                   |
|------------------------------------------|--------------------|--------------------|-------------------|-------------------|
|                                          | 30 June 2021       | 31 December 2020   | 30 June 2021      | 31 December 2020  |
|                                          | ₹'000              | ₹'000              | ₹'000             | ₹'000             |
| <b>ASSETS</b>                            |                    |                    |                   |                   |
| <b>Current assets</b>                    |                    |                    |                   |                   |
| Cash and cash equivalents                | 9,799,832          | 5,593,226          | 146,204           | 1,690,478         |
| Inventories                              | 25,900             | 25,106             | -                 | -                 |
| Other assets                             | 222,380            | 66,447             | 782               | 676               |
| Investment securities                    | -                  | -                  | -                 | -                 |
| Loans to subsidiaries                    | -                  | -                  | 44,601,173        | 36,063,489        |
| Trade and other receivables              | 3,584,468          | 3,202,928          | 100,901           | 114,817           |
| Derivative financial instruments         | 749,249            | 329,916            | 749,249           | 329,916           |
| Current income tax recoverable           | 1,044,839          | 831,759            | -                 | -                 |
| <b>Total current assets</b>              | <b>15,426,668</b>  | <b>10,049,382</b>  | <b>45,598,309</b> | <b>38,199,376</b> |
| <b>Non-current assets</b>                |                    |                    |                   |                   |
| Other assets                             | 1,903,260          | 286,672            | -                 | -                 |
| Trade and other receivables              | 975,460            | 550,732            | -                 | -                 |
| Long term receivables                    | 18,981,168         | 19,254,545         | -                 | -                 |
| Derivative financial instruments         | 839,970            | 1,343,975          | 839,970           | 1,343,975         |
| Equipment                                | 77,419             | 52,463             | -                 | -                 |
| Investment properties under construction | 6,083,389          | 6,035,000          | -                 | -                 |
| Investment properties                    | 114,502,431        | 108,148,900        | -                 | -                 |
| Right-of-use assets                      | 159,968            | 164,760            | -                 | -                 |
| Goodwill                                 | 765,408            | 765,408            | -                 | -                 |
| Investment in a joint venture            | #                  | #                  | -                 | -                 |
| Investment in subsidiaries               | -                  | -                  | 33,397,689        | 33,397,689        |
| <b>Total non-current assets</b>          | <b>144,288,473</b> | <b>136,602,455</b> | <b>34,237,659</b> | <b>34,741,664</b> |
| <b>Total assets</b>                      | <b>159,715,141</b> | <b>146,651,837</b> | <b>79,835,968</b> | <b>72,941,040</b> |
| <b>LIABILITIES</b>                       |                    |                    |                   |                   |
| <b>Current liabilities</b>               |                    |                    |                   |                   |
| Trade and other payables                 | 5,778,961          | 5,978,149          | 4,028,241         | 3,566,094         |
| Income tax payables                      | 117,406            | 112,577            | 23,783            | 23,783            |
| Borrowings                               | 20,066,800         | 6,593,468          | 20,066,800        | 6,593,468         |
| Lease liabilities                        | 11,133             | 9,936              | -                 | -                 |
| Derivative financial instruments         | 11,309             | 2,889              | 11,309            | 2,889             |
| <b>Total current liabilities</b>         | <b>25,985,609</b>  | <b>12,697,019</b>  | <b>24,130,133</b> | <b>10,186,234</b> |
| <b>Non-current liabilities</b>           |                    |                    |                   |                   |
| Trade and other payables                 | 4,436,498          | 2,314,583          | -                 | 13,827            |
| Borrowings                               | 34,221,495         | 38,411,036         | 34,221,495        | 38,411,036        |
| Derivative financial instruments         | 189,187            | 151,897            | 189,187           | 151,897           |
| Lease liabilities                        | 174,544            | 177,032            | -                 | -                 |
| Deferred income tax liabilities          | 20,004,540         | 19,703,618         | -                 | -                 |
| <b>Total non-current liabilities</b>     | <b>59,026,264</b>  | <b>60,758,166</b>  | <b>34,410,682</b> | <b>38,576,760</b> |
| <b>Total liabilities</b>                 | <b>85,011,873</b>  | <b>73,455,185</b>  | <b>58,540,815</b> | <b>48,762,994</b> |
| <b>NET ASSETS</b>                        | <b>74,703,268</b>  | <b>73,196,652</b>  | <b>21,295,153</b> | <b>24,178,046</b> |
| <b>UNITHOLDERS' FUNDS</b>                |                    |                    |                   |                   |
| Units in issue                           | 35,151,845         | 34,857,869         | 35,151,845        | 34,857,869        |
| Hedging reserve                          | (1,072,195)        | (1,722,848)        | (1,072,195)       | (1,722,848)       |
| Other reserves                           | 2,661,332          | 2,632,482          | -                 | -                 |
| Retained earnings                        | 32,966,017         | 32,603,326         | (12,784,497)      | (8,956,975)       |
| Net assets attributable to unitholders   | 69,706,999         | 68,370,829         | 21,295,153        | 24,178,046        |
| Non-controlling interests                | 4,996,269          | 4,825,823          | -                 | -                 |
|                                          | <b>74,703,268</b>  | <b>73,196,652</b>  | <b>21,295,153</b> | <b>24,178,046</b> |

## **ASCENDAS INDIA TRUST**

*(Constituted under the Business Trusts Act, Chapter 31A of Singapore)*

*(Registration Number: 2007004)*

## **AND ITS SUBSIDIARIES**

### **Condensed consolidated interim financial statements**

**For period ended 30 June 2021**

| <b>Contents</b>                                                            | <b>Page</b> |
|----------------------------------------------------------------------------|-------------|
| Balance Sheets                                                             | 25          |
| Consolidated Income Statement                                              | 26          |
| Consolidated Statement of Comprehensive Income                             | 27          |
| Distribution Statement                                                     | 27          |
| Trust Statement of Changes in Unitholders' Funds                           | 28          |
| Consolidated Statement of Changes in Unitholders' Funds                    | 29          |
| Consolidated Statement of Cash Flows                                       | 30          |
| Selected notes to the condensed consolidated interim financial information |             |
| Report on review of interim financial information                          | 45          |

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**Balance Sheets**

|                                          |      | Group                     |                               | Trust                     |                               |
|------------------------------------------|------|---------------------------|-------------------------------|---------------------------|-------------------------------|
|                                          | Note | 30 June<br>2021<br>\$'000 | 31 December<br>2020<br>\$'000 | 30 June<br>2021<br>\$'000 | 31 December<br>2020<br>\$'000 |
| <b>ASSETS</b>                            |      |                           |                               |                           |                               |
| <b>Current assets</b>                    |      |                           |                               |                           |                               |
| Cash and cash equivalents                | 5    | 178,161                   | 101,126                       | 2,658                     | 30,564                        |
| Inventories                              |      | 471                       | 454                           | -                         | -                             |
| Other assets                             |      | 4,043                     | 1,201                         | 14                        | 12                            |
| Loans to subsidiaries                    |      | -                         | -                             | 810,849                   | 652,028                       |
| Trade and other receivables              |      | 65,166                    | 57,909                        | 1,834                     | 2,076                         |
| Derivative financial instruments         |      | 13,621                    | 5,965                         | 13,621                    | 5,965                         |
| Current income tax recoverable           |      | 18,995                    | 15,038                        | -                         | -                             |
|                                          |      | 280,457                   | 181,693                       | 828,976                   | 690,645                       |
| <b>Non-current assets</b>                |      |                           |                               |                           |                               |
| Other assets                             |      | 34,601                    | 5,183                         | -                         | -                             |
| Trade and other receivables              |      | 17,734                    | 9,957                         | -                         | -                             |
| Long term receivables                    | 6    | 345,078                   | 348,122                       | -                         | -                             |
| Derivative financial instruments         |      | 15,271                    | 24,299                        | 15,271                    | 24,299                        |
| Equipment                                | 7    | 1,407                     | 949                           | -                         | -                             |
| Right-of-use assets                      |      | 2,908                     | 2,979                         | -                         | -                             |
| Investment properties under construction | 8    | 110,596                   | 109,113                       | -                         | -                             |
| Investment properties                    | 9    | 2,081,654                 | 1,955,332                     | -                         | -                             |
| Goodwill                                 |      | 13,915                    | 13,839                        | -                         | -                             |
| Investment in a joint venture            | 10   | #                         | #                             | -                         | -                             |
| Investment in subsidiaries               | 11   | -                         | -                             | 607,170                   | 603,830                       |
|                                          |      | 2,623,164                 | 2,469,773                     | 622,441                   | 628,129                       |
| <b>Total assets</b>                      |      | <b>2,903,621</b>          | <b>2,651,466</b>              | <b>1,451,417</b>          | <b>1,318,774</b>              |
| <b>LIABILITIES</b>                       |      |                           |                               |                           |                               |
| <b>Current liabilities</b>               |      |                           |                               |                           |                               |
| Trade and other payables                 |      | 105,061                   | 108,084                       | 73,233                    | 64,475                        |
| Borrowings                               | 12   | 364,814                   | 119,210                       | 364,814                   | 119,210                       |
| Lease liabilities                        |      | 202                       | 180                           | -                         | -                             |
| Derivative financial instruments         |      | 206                       | 52                            | 206                       | 52                            |
| Income tax payables                      |      | 2,134                     | 2,035                         | 432                       | 430                           |
|                                          |      | 472,417                   | 229,561                       | 438,685                   | 184,167                       |
| <b>Non-current liabilities</b>           |      |                           |                               |                           |                               |
| Trade and other payables                 |      | 80,656                    | 41,848                        | -                         | 250                           |
| Borrowings                               | 12   | 622,147                   | 694,472                       | 622,147                   | 694,472                       |
| Lease liabilities                        |      | 3,173                     | 3,201                         | -                         | -                             |
| Derivative financial instruments         |      | 3,439                     | 2,746                         | 3,439                     | 2,746                         |
| Deferred income tax liabilities          |      | 363,683                   | 356,241                       | -                         | -                             |
|                                          |      | 1,073,098                 | 1,098,508                     | 625,586                   | 697,468                       |
| <b>Total liabilities</b>                 |      | <b>1,545,515</b>          | <b>1,328,069</b>              | <b>1,064,271</b>          | <b>881,635</b>                |
| <b>NET ASSETS</b>                        |      | <b>1,358,106</b>          | <b>1,323,397</b>              | <b>387,146</b>            | <b>437,139</b>                |
| <b>UNITHOLDERS' FUNDS</b>                |      |                           |                               |                           |                               |
| Units in issue                           | 13   | 990,797                   | 985,447                       | 990,797                   | 985,447                       |
| Foreign currency translation reserve     |      | (509,278)                 | (515,991)                     | (311,059)                 | (313,352)                     |
| Hedging reserve                          |      | (19,929)                  | (31,930)                      | (19,929)                  | (31,930)                      |
| Other reserves                           |      | 68,835                    | 68,296                        | -                         | -                             |
| Retained earnings                        |      | 736,849                   | 730,324                       | (272,663)                 | (203,026)                     |
| Net assets attributable to Unitholders   |      | 1,267,274                 | 1,236,146                     | 387,146                   | 437,139                       |
| Non-controlling interests                |      | 90,832                    | 87,251                        | -                         | -                             |
|                                          |      | 1,358,106                 | 1,323,397                     | 387,146                   | 437,139                       |

The notes on pages 31 to 44 form an integral part of this condensed interim financial statements.



**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**Consolidated Income Statement**

|                                                                                                                                                         |             | <b>Six months ended 30 June</b> |                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------------------|-----------------|
|                                                                                                                                                         | <b>Note</b> | <b>2021</b>                     | <b>2020</b>     |
|                                                                                                                                                         |             | <b>\$'000</b>                   | <b>\$'000</b>   |
| <b>Property Income</b>                                                                                                                                  |             |                                 |                 |
| Base rent                                                                                                                                               |             | 72,292                          | 73,047          |
| Amenities income                                                                                                                                        |             | 791                             | 982             |
| Fit-out rental income                                                                                                                                   |             | 1,107                           | 1,441           |
| Operations, maintenance and utilities income                                                                                                            |             | 17,291                          | 19,489          |
| Car park and other income                                                                                                                               |             | 3,894                           | 4,034           |
| <b>Total property income</b>                                                                                                                            |             | <b>95,375</b>                   | <b>98,993</b>   |
| <b>Property Expenses</b>                                                                                                                                |             |                                 |                 |
| Operations, maintenance and utilities expenses                                                                                                          |             | (7,853)                         | (10,961)        |
| Service and property taxes                                                                                                                              |             | (2,558)                         | (2,537)         |
| Property management fees                                                                                                                                |             | (4,101)                         | (4,570)         |
| Other property operating expenses                                                                                                                       |             | (3,585)                         | (7,405)         |
| <b>Total property expenses</b>                                                                                                                          |             | <b>(18,097)</b>                 | <b>(25,473)</b> |
| <b>Net Property Income</b>                                                                                                                              |             | <b>77,278</b>                   | <b>73,520</b>   |
| Trustee-Manager's fees                                                                                                                                  |             | (8,232)                         | (7,897)         |
| Other operating expenses                                                                                                                                |             | (2,764)                         | (2,092)         |
| Finance costs                                                                                                                                           |             | (24,073)                        | (22,752)        |
| Interest income                                                                                                                                         |             | 26,276                          | 26,019          |
| Other income                                                                                                                                            |             | -                               | 201             |
| Fair value gain on derivative financial instruments                                                                                                     |             |                                 |                 |
| - realised                                                                                                                                              |             | 5,450                           | 7,521           |
| Exchange loss - realised                                                                                                                                |             | (8,417)                         | (8,549)         |
| <b>Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange</b> |             | <b>65,518</b>                   | <b>65,971</b>   |
| Fair value gain on derivative financial instruments                                                                                                     |             |                                 |                 |
| - unrealised                                                                                                                                            |             | 2,113                           | 6,368           |
| Exchange gain/(loss) - unrealised                                                                                                                       |             | 2,759                           | (2,191)         |
| Fair value gain on investment properties                                                                                                                | 9           | 7,210                           | -               |
| <b>Profit Before Tax</b>                                                                                                                                |             | <b>77,600</b>                   | <b>70,148</b>   |
| Income tax expenses                                                                                                                                     | 14          | (19,193)                        | (10,056)        |
| <b>Net Profit After Tax</b>                                                                                                                             |             | <b>58,407</b>                   | <b>60,092</b>   |
| <b>Attributable to:</b>                                                                                                                                 |             |                                 |                 |
| Unitholders of the Trust                                                                                                                                |             | 55,308                          | 55,745          |
| Non-controlling interests                                                                                                                               |             | 3,099                           | 4,347           |
|                                                                                                                                                         |             | <b>58,407</b>                   | <b>60,092</b>   |
| <b>Earnings per unit attributable to unitholders of the Trust, expressed in cents per unit</b>                                                          |             |                                 |                 |
| -- basic and diluted                                                                                                                                    | 15          | 4.81                            | 4.87            |

The notes on pages 31 to 44 form an integral part of this condensed interim financial statements.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**Consolidated Statement of Comprehensive Income**

|                                                                                                         | <b>Six months ended 30 June</b> |               |
|---------------------------------------------------------------------------------------------------------|---------------------------------|---------------|
|                                                                                                         | <b>2021</b>                     | <b>2020</b>   |
|                                                                                                         | <b>\$'000</b>                   | <b>\$'000</b> |
| Net profit after tax                                                                                    | 58,407                          | 60,092        |
| <b>Other Comprehensive Income:</b>                                                                      |                                 |               |
| Items that may be reclassified subsequently to profit or loss:                                          |                                 |               |
| - Cash flow hedges                                                                                      | 12,001                          | (18,012)      |
| - Translation differences arising from the conversion of functional currency into presentation currency | 7,195                           | (8,139)       |
| Other comprehensive income for the period                                                               | 19,196                          | (26,151)      |
| <b>Total comprehensive income for the period</b>                                                        | <b>77,603</b>                   | <b>33,941</b> |
| <b>Total Comprehensive Income Attributable To:</b>                                                      |                                 |               |
| Unitholders of the Trust                                                                                | 74,022                          | 30,116        |
| Non-controlling interests                                                                               | 3,581                           | 3,825         |
|                                                                                                         | <b>77,603</b>                   | <b>33,941</b> |

**Distribution Statement**

|                                                                                                                                                         | <b>Six months ended 30 June</b> |               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------|
|                                                                                                                                                         | <b>2021</b>                     | <b>2020</b>   |
|                                                                                                                                                         | <b>\$'000</b>                   | <b>\$'000</b> |
| <b>Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange</b> | <b>65,518</b>                   | <b>65,971</b> |
| Income tax expenses - current                                                                                                                           | (14,349)                        | (7,251)       |
| Trustee-Manager's fees payable in units                                                                                                                 | 4,015                           | 3,850         |
| Depreciation of equipment                                                                                                                               | 344                             | 211           |
| Realised exchange loss                                                                                                                                  | 1,198                           | 518           |
| Non-controlling interests                                                                                                                               | (2,968)                         | (4,258)       |
| Distribution Adjustments                                                                                                                                | (11,760)                        | (6,930)       |
| <b>Income Available for Distribution</b>                                                                                                                | <b>53,758</b>                   | <b>59,041</b> |
| 10% retention                                                                                                                                           | (5,376)                         | (5,904)       |
| <b>Income to be Distributed</b>                                                                                                                         | <b>48,382</b>                   | <b>53,137</b> |
| Income available for distribution per unit (cents)                                                                                                      | 4.67                            | 5.15          |
| Income to be distributed per unit (cents)                                                                                                               | 4.20                            | 4.64          |

The notes on pages 31 to 44 form an integral part of this condensed interim financial statements.

**Ascendas India Trust and its subsidiaries**

**Interim financial statements**

**As at 30 June 2021 (Unaudited)**

*(All amounts in Singapore dollar thousands unless otherwise stated)*

**Trust Statement of Changes in Unitholders' Funds**

|                                           | <----- Attributable to Unitholders of the Trust -----> |                                               |                    |                      |                |
|-------------------------------------------|--------------------------------------------------------|-----------------------------------------------|--------------------|----------------------|----------------|
|                                           | Units in issue                                         | Foreign<br>currency<br>translation<br>reserve | Hedging<br>reserve | Retained<br>earnings | Total          |
|                                           | \$'000                                                 | \$'000                                        | \$'000             | \$'000               | \$'000         |
| <b>2021</b>                               |                                                        |                                               |                    |                      |                |
| <b>Balance at 1 January 2021</b>          | <b>985,447</b>                                         | <b>(313,352)</b>                              | <b>(31,930)</b>    | <b>(203,026)</b>     | <b>437,139</b> |
| Loss for the period                       | -                                                      | -                                             | -                  | (21,393)             | (21,393)       |
| Other comprehensive income for the period | -                                                      | 2,293                                         | 12,001             | -                    | 14,294         |
| Issue of new units                        | 5,350                                                  | -                                             | -                  | -                    | 5,350          |
| Distribution to Unitholders               | -                                                      | -                                             | -                  | (48,244)             | (48,244)       |
| <b>Balance at 30 June 2021</b>            | <b>990,797</b>                                         | <b>(311,059)</b>                              | <b>(19,929)</b>    | <b>(272,663)</b>     | <b>387,146</b> |
| <b>2020</b>                               |                                                        |                                               |                    |                      |                |
| <b>Balance at 1 January 2020</b>          | <b>978,324</b>                                         | <b>(288,452)</b>                              | <b>(7,629)</b>     | <b>(91,822)</b>      | <b>590,421</b> |
| Loss for the period                       | -                                                      | -                                             | -                  | (19,165)             | (19,165)       |
| Other comprehensive income for the period | -                                                      | (3,117)                                       | (18,012)           | -                    | (21,129)       |
| Issue of new units                        | 4,654                                                  | -                                             | -                  | -                    | 4,654          |
| Distribution to Unitholders               | -                                                      | -                                             | -                  | (7,331)              | (7,331)        |
| <b>Balance at 30 June 2020</b>            | <b>982,978</b>                                         | <b>(291,569)</b>                              | <b>(25,641)</b>    | <b>(118,318)</b>     | <b>547,450</b> |

The notes on pages 31 to 44 form an integral part of this condensed interim financial statements.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**

*(All amounts in Singapore dollar thousands unless otherwise stated)*

**Consolidated Statement of Changes in Unitholders' Funds**

|                                             | <----- Attributable to Unitholders of the Trust -----> |                                               |                    |                   |                      |                                  |                  |
|---------------------------------------------|--------------------------------------------------------|-----------------------------------------------|--------------------|-------------------|----------------------|----------------------------------|------------------|
|                                             | Units in<br>issue                                      | Foreign<br>currency<br>translation<br>reserve | Hedging<br>reserve | Other<br>reserves | Retained<br>earnings | Non-<br>controlling<br>interests | Total            |
|                                             | \$'000                                                 | \$'000                                        | \$'000             | \$'000            | \$'000               | \$'000                           | \$'000           |
| <b>2021</b>                                 |                                                        |                                               |                    |                   |                      |                                  |                  |
| <b>Balance at 1 January 2021</b>            | 985,447                                                | (515,991)                                     | (31,930)           | 68,296            | 730,324              | 87,251                           | 1,323,397        |
| Profit for the period                       | -                                                      | -                                             | -                  | -                 | 55,308               | 3,099                            | 58,407           |
| Other comprehensive income for the period   | -                                                      | 6,713                                         | 12,001             | -                 | -                    | 482                              | 19,196           |
| Transfer to other reserves                  | -                                                      | -                                             | -                  | 539               | (539)                | -                                | -                |
| Issue of new units                          | 5,350                                                  | -                                             | -                  | -                 | -                    | -                                | 5,350            |
| Distribution to Unitholders                 | -                                                      | -                                             | -                  | -                 | (48,244)             | -                                | (48,244)         |
| <b>Balance at 30 June</b>                   | <b>990,797</b>                                         | <b>(509,278)</b>                              | <b>(19,929)</b>    | <b>68,835</b>     | <b>736,849</b>       | <b>90,832</b>                    | <b>1,358,106</b> |
| <b>2020</b>                                 |                                                        |                                               |                    |                   |                      |                                  |                  |
| <b>Balance at 1 January 2020</b>            | 978,324                                                | (454,380)                                     | (7,629)            | 67,652            | 660,828              | 88,087                           | 1,332,882        |
| Profit for the period                       | -                                                      | -                                             | -                  | -                 | 55,745               | 4,347                            | 60,092           |
| Other comprehensive income for the period   | -                                                      | (7,617)                                       | (18,012)           | -                 | -                    | (522)                            | (26,151)         |
| Transfer to other reserves                  | -                                                      | -                                             | -                  | 369               | (369)                | -                                | -                |
| Issue of new units                          | 4,654                                                  | -                                             | -                  | -                 | -                    | -                                | 4,654            |
| Distribution to Unitholders                 | -                                                      | -                                             | -                  | -                 | (7,331)              | -                                | (7,331)          |
| Dividends paid to non-controlling interests | -                                                      | -                                             | -                  | -                 | -                    | (3,142)                          | (3,142)          |
| <b>Balance at 30 June 2020</b>              | <b>982,978</b>                                         | <b>(461,997)</b>                              | <b>(25,641)</b>    | <b>68,021</b>     | <b>708,873</b>       | <b>88,770</b>                    | <b>1,361,004</b> |

The notes on pages 31 to 44 form an integral part of this condensed interim financial statements.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**Consolidated Statement of Cash Flows**

|                                                                     | Note | Six months ended 30 June<br>2021<br>\$'000 | 2020<br>\$'000  |
|---------------------------------------------------------------------|------|--------------------------------------------|-----------------|
| <b>Operating activities</b>                                         |      |                                            |                 |
| Net profit after tax                                                |      | 58,407                                     | 60,092          |
| Adjustments for:                                                    |      |                                            |                 |
| Income tax expenses                                                 |      | 19,193                                     | 10,056          |
| Depreciation of equipment                                           |      | 344                                        | 211             |
| Finance costs                                                       |      | 24,073                                     | 22,752          |
| Interest income                                                     |      | (26,276)                                   | (26,019)        |
| Gain on disposal of investment securities                           |      | -                                          | (201)           |
| Fair value gain on derivative financial instruments<br>- unrealised |      | (2,113)                                    | (6,368)         |
| Fair value gain on investment properties                            | 9    | (7,210)                                    | -               |
| (Write-back)/allowance for impairment of receivables                |      | (514)                                      | 3,262           |
| Trustee-Manager's fees payable in units                             |      | 4,015                                      | 3,850           |
| Exchange differences                                                |      | (1,561)                                    | 2,709           |
| Others                                                              |      | 5,098                                      | (1,213)         |
| Operating cash flows before changes in working capital              |      | 73,456                                     | 69,131          |
| Changes in working capital                                          |      |                                            |                 |
| Inventories                                                         |      | (14)                                       | 72              |
| Other assets                                                        |      | (2,788)                                    | (2,059)         |
| Trade and other receivables                                         |      | (4,780)                                    | (2,916)         |
| Trade and other payables                                            |      | 1,530                                      | 3,311           |
| Cash flows from operations                                          |      | 67,404                                     | 67,539          |
| Interest received                                                   |      | 17,677                                     | 13,424          |
| Income tax paid (net)                                               |      | (17,309)                                   | (16,541)        |
| <b>Net cash flows from operating activities</b>                     |      | <b>67,772</b>                              | <b>64,422</b>   |
| <b>Investing activities</b>                                         |      |                                            |                 |
| Purchase of equipment                                               |      | (718)                                      | (348)           |
| Advance payment of investment properties                            |      | (29,254)                                   | -               |
| Additions to investment properties under construction               |      | (880)                                      | (12,947)        |
| Additions to investment properties                                  |      | (11,006)                                   | (6,035)         |
| Net cash outflow from acquisition of subsidiary                     |      | (31,555)                                   | -               |
| Payment towards deferred consideration of investment properties     |      | (91)                                       | -               |
| Proceeds from disposal of investment securities                     |      | -                                          | 19,779          |
| Proceeds from long term receivables                                 |      | 82,153                                     | -               |
| Long term receivables                                               |      | (111,664)                                  | (19,358)        |
| <b>Net cash flows used in investing activities</b>                  |      | <b>(103,015)</b>                           | <b>(18,909)</b> |
| <b>Financing activities</b>                                         |      |                                            |                 |
| Repayment of borrowings                                             |      | (103,533)                                  | (115,200)       |
| Distribution to Unitholders                                         |      | (48,244)                                   | (7,331)         |
| Distribution to non-controlling interest                            |      | -                                          | (3,142)         |
| Interest paid                                                       |      | (20,792)                                   | (25,273)        |
| Proceeds from borrowings                                            |      | 284,288                                    | 155,300         |
| <b>Net cash flows from financing activities</b>                     |      | <b>111,719</b>                             | <b>4,354</b>    |
| Net increase in cash and cash equivalents                           |      | 76,476                                     | 49,867          |
| Cash and cash equivalents at beginning of financial period          |      | 101,126                                    | 79,598          |
| Effects of exchange rate changes on cash and cash equivalents       |      | 559                                        | (465)           |
| <b>Cash and cash equivalents at end of financial period</b>         | 5    | <b>178,161</b>                             | <b>129,000</b>  |

The notes on pages 31 to 44 form an integral part of this condensed interim financial statements.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**Selected notes to the condensed consolidated interim financial information**

**1. General 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 11 to the condensed consolidated interim financial statements.

**2. Basis of Preparation**

This condensed consolidated interim financial information for the six months ended 30 June 2021 has been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting. The condensed consolidated interim financial statements should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

The condensed consolidated interim 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, based on the Group's existing financial resources, 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.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**3. Accounting policies**

The accounting policies and methods of computation applied in the preparation of the condensed consolidated interim financial statements are consistent with those of the financial statements for the year ended 31 December 2020, as described in those annual financial statements. The following Financial Reporting Standards became effective for the Group on 1 January 2021:

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 16: *Interest Rate Benchmark Reform - Phase 2*

The adoption of the above standards does not have any material impact on the financial position or financial results of the Group.

**4. Operating segment**

The Group's investment properties are primarily tenanted for use as business space and are located in India. The revenues from the Group are derived primarily from corporate tenants and no single major customer represents sales of more than 10%. Therefore, the Trustee-Manager considers that the Group operates within a single business segment and within a single geographical segment in India.

**5. Cash and cash equivalents**

|                          | <b>Group</b>        |                  |
|--------------------------|---------------------|------------------|
|                          | <b>30 June 2021</b> | 31 December 2020 |
|                          | <b>\$'000</b>       | <b>\$'000</b>    |
| Cash at bank and on hand | <b>53,361</b>       | 62,388           |
| Fixed deposits           | <b>124,800</b>      | 38,738           |
|                          | <b>178,161</b>      | 101,126          |



**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**6. Long term receivable**

|                                                        | <b>Group</b>        |                         |
|--------------------------------------------------------|---------------------|-------------------------|
|                                                        | <b>30 June 2021</b> | <b>31 December 2020</b> |
|                                                        | <b>\$'000</b>       | <b>\$'000</b>           |
| Balance at beginning of financial period               | <b>348,122</b>      | 318,193                 |
| Additions                                              | <b>111,664</b>      | 46,087                  |
| Repayment                                              | <b>(82,153)</b>     | -                       |
| Derecognition upon acquisition of subsidiary (Note 10) | <b>(35,149)</b>     | -                       |
| Translation differences                                | <b>2,594</b>        | (16,158)                |
| <b>Balance at the end of financial period</b>          | <b>345,078</b>      | <b>348,122</b>          |

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 period, the Group subscribed to RDB with coupon rates of 11.0% per annum issued by non-related party. The RDB has a tenure of 30 years and is issued to fund the development of an industrial facility at Chennai. The subscription to the RDB is a multi-stage process to eventually acquire the properties when certain conditions are met.

During the financial period, the Group subscribed to NCDs and ICD with coupon rate of 11.5% and 12.0% per annum respectively issued by non-related party to fund the construction of two IT buildings at Bangalore. Both the NCDs and ICD are secured by a charge on the land and buildings; 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.

The Group also continued to subscribe NCDs to fund the construction of a Free Trade Warehousing Zone ("FTWZ") warehouse at Panvel, an IT building at Pune and a building in aVance Business Hub at Hyderabad.

During the financial year ended 31 December 2020, 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 respectively to fund the construction of a Free Trade Warehousing Zone ("FTWZ") warehouse at Panvel and a IT building at Navi Mumbai.

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.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**7. Equipment**

|                                           | <b>Group</b>        |                         |
|-------------------------------------------|---------------------|-------------------------|
|                                           | <b>30 June 2021</b> | <b>31 December 2020</b> |
|                                           | <b>\$'000</b>       | <b>\$'000</b>           |
| <b>Cost</b>                               |                     |                         |
| Balance at beginning of financial period  | 4,645               | 4,541                   |
| Additions                                 | 718                 | 728                     |
| Disposals/write-offs/transfer             | -                   | (401)                   |
| Translation differences                   | 25                  | (223)                   |
| <b>Balance at end of financial period</b> | <b>5,388</b>        | <b>4,645</b>            |
| <b>Accumulated depreciation</b>           |                     |                         |
| Balance at beginning of financial period  | 3,696               | 4,032                   |
| Depreciation charge                       | 264                 | 256                     |
| Disposals/write-offs/transfer             | -                   | (408)                   |
| Translation differences                   | 21                  | (184)                   |
| <b>Balance at end of financial period</b> | <b>3,981</b>        | <b>3,696</b>            |
| <b>Net book value</b>                     |                     |                         |
| Balance at end of financial period        | 1,407               | 949                     |
| Balance at beginning of financial period  | 949                 | 509                     |

**8. Investment properties under construction**

|                                             | <b>Group</b>        |                         |
|---------------------------------------------|---------------------|-------------------------|
|                                             | <b>30 June 2021</b> | <b>31 December 2020</b> |
|                                             | <b>\$'000</b>       | <b>\$'000</b>           |
| Balance at beginning of financial period    | 109,113             | 174,795                 |
| Additions                                   | 880                 | 25,998                  |
| Transfers to investment properties (Note 9) | -                   | (78,974)                |
| Fair value loss                             | -                   | (6,462)                 |
| Translation differences                     | 603                 | (6,244)                 |
| <b>Balance at end of financial period</b>   | <b>110,596</b>      | <b>109,113</b>          |

The carrying amounts of investment properties under construction as at 30 June 2021 were assessed by the Trustee-Manager based on market conditions as at 30 June 2021. The details of the valuation techniques and inputs used are disclosed in Note 9.

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 under construction are currently subject to material estimation uncertainty. The carrying amounts of the investment properties under construction were current as at 30 June 2021. Values may change more rapidly and significantly than during standard market conditions. Therefore, the valuation of investment properties under construction will be reassessed at year end to understand the COVID impact that may arise after the balance sheet date.

For the financial year ended 31 December 2020, \$78,974,000 was transferred to "Investment properties" on completion of Endeavour building, a single-tenanted building in Information Technology Park Limited ("ITPL").

For the financial year ended 31 December 2020, construction cost payable amounted to \$2,893,000 was included in the additions of investment property under construction. In current financial period, there was no construction cost being included in the addition.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**9. Investment properties**

|                                                                  | <b>Group</b>        |                         |
|------------------------------------------------------------------|---------------------|-------------------------|
|                                                                  | <b>30 June 2021</b> | <b>31 December 2020</b> |
|                                                                  | <b>\$'000</b>       | <b>\$'000</b>           |
| Balance at beginning of financial period                         | 1,955,332           | 1,885,171               |
| Additions                                                        | 11,006              | 13,132                  |
| Acquisition of subsidiary (Note 11)                              | 93,607              | -                       |
| Cost adjustment arising from change in deferred consideration    | 91                  | 4,484                   |
| Capitalisation/(Amortisation) of marketing fee                   | 1,340               | (1,310)                 |
| Straightlining of rent free period                               | 2,406               | (3,458)                 |
| Transfers from investment properties under construction (Note 8) | -                   | 78,974                  |
| Fair value gain                                                  | 7,210               | 72,101                  |
| Translation differences                                          | 10,662              | (93,762)                |
| <b>Balance at end of financial period</b>                        | <b>2,081,654</b>    | <b>1,955,332</b>        |

The carrying amounts of investment properties as at 30 June 2021 were assessed by the Trustee-Manager based on market conditions as at 30 June 2021 using a similar approach as described below.

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 30 June 2021. Values may change more rapidly and significantly than during standard market conditions. Therefore, the valuation of investment properties will be reassessed at year end to understand the COVID impact that may arise after the balance sheet date.

*Valuation*

The valuation of investment properties and investment properties under construction is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using two approaches, the 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 most significant input into both approaches are the capitalisation rate and discount rate of 8.75% to 9.75% (31 December 2020: 8.75% to 9.75%) and 11.75% to 17.00% (31 December 2020: 11.75% to 17.00%) per annum respectively. The final valuations determined are an average of the two approaches.

**10. Investment in a joint venture**

The Group, through its wholly-owned subsidiary, Ascendas Property Fund (India) Pte. Ltd., has a 50% interest in the ownership and voting rights in a joint venture company, Minerva Veritas Capital Partners Pte. Ltd., a private limited company incorporated in Singapore on 1 December 2020.

The joint venture was dormant as at 30 June 2021 and had no contingent liabilities or commitments. Both joint venture partners have not injected any capital for the financial period ended on that date.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**11. Investment in subsidiaries**

| Subsidiaries                                              | Principal activities                                                                                                                                 | Country of incorporation / place of business | Class of shares | Percentage of equity held by the Trust |      | Trust              |                |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-----------------|----------------------------------------|------|--------------------|----------------|
|                                                           |                                                                                                                                                      |                                              |                 |                                        |      | Cost of investment |                |
|                                                           |                                                                                                                                                      |                                              |                 | 2021                                   | 2020 | 2021               | 2020           |
|                                                           |                                                                                                                                                      |                                              |                 | %                                      | %    | \$'000             | \$'000         |
| <b>Direct subsidiaries</b>                                |                                                                                                                                                      |                                              |                 |                                        |      |                    |                |
| Ascendas Property Fund (India) Pte. Ltd.*                 | Investment vehicle of listed trust                                                                                                                   | Singapore                                    | Ordinary        | 100                                    | 100  | 587,848            | 584,614        |
| Ascendas Property Fund (FDI) Pte. Ltd. *                  | Investment vehicle of listed trust                                                                                                                   | Singapore                                    | Ordinary        | 100                                    | 100  | 19,322             | 19,216         |
|                                                           |                                                                                                                                                      |                                              |                 |                                        |      | <b>607,170</b>     | <b>603,830</b> |
| <b>Indirect subsidiaries</b>                              |                                                                                                                                                      |                                              |                 |                                        |      |                    |                |
| VTP 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  |                    |                |
| Phoenix IT Infrastructure India Private Limited ®         | Development, owning and management of information technology parks in special economic zones in Hyderabad                                            | India                                        | Ordinary        | 95                                     | -    |                    |                |
| 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

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**11. Investment in subsidiaries (Continued)**

*Acquisition of subsidiaries*

The Group had originally planned to acquire both aVance 5 and 6 building concurrently via a single transaction. However, due to the delays in construction completion of aVance 5, the vendor had demerged aVance 6 to Phoenix IT Infrastructure India Private Limited ("PITIPL") to facilitate the acquisition of aVance 6 separately.

On 2 March 2021, the Group's subsidiary, Ascendas Property Fund (India) Pte Ltd ("APFI") had acquired 95% of shareholdings in PITIPL and the remaining shareholding of 5% will be transferred to APFI upon the completion of aVance 5 acquisition and the settlement of the deferred consideration.

The total consideration of INR 5,353 million (equivalent to \$97,487,000), included a cash consideration of INR 1,653 million (equivalent to \$30,123,000), settlement of long term receivables and accrued interest amounting to INR 2,093 million (equivalent to \$38,110,000), and a remaining consideration of INR 1,607 million (equivalent to \$29,254,000).

Post-acquisition of PITIPL, APFI is exposed, and has rights, to the full variable returns from PITIPL's operations. The vendor is not entitled to share the returns of PITIPL's operations post acquisition by APFI. Accordingly, the Group holds rights, obligation and the power on the 100% equity interest in PITIPL, and therefore consolidates 100% of equity interests in PITIPL into its financial statements.

The acquisition of PITIPL augments the Trust's presence in Hyderabad.

The costs of the identifiable assets and liabilities of PITIPL as at the acquisition date were:

|                                                   | <b>Group<br/>Cost recognised on<br/>acquisition</b> |
|---------------------------------------------------|-----------------------------------------------------|
|                                                   | <b>30 June 2021</b>                                 |
|                                                   | <b>\$'000</b>                                       |
| Investment properties (Note 9)                    | 93,607                                              |
| Other assets                                      | 230                                                 |
| Trade and other receivables                       | 4,719                                               |
| Cash and cash equivalents                         | 35                                                  |
|                                                   | <b>98,591</b>                                       |
| Trade and other payables                          | <b>(1,104)</b>                                      |
| Total identifiable net assets                     | 97,487                                              |
| Transaction costs capitalised                     | 1,467                                               |
|                                                   | <b>98,954</b>                                       |
| <u>Consideration transferred for acquisition</u>  |                                                     |
| Purchases consideration                           | 97,487                                              |
| Transaction costs                                 | 1,467                                               |
| Total consideration                               | 98,954                                              |
| Less: Cash and cash equivalent acquired           | (35)                                                |
| Settlement of long term receivables               | (35,149)                                            |
| Settlement of interest receivables                | (2,961)                                             |
| Deferred consideration                            | (29,254)                                            |
| Net cash outflow from acquisition of subsidiaries | <b>31,555</b>                                       |

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**12. Borrowings**

|                             | <b>Group and Trust</b> |                         |
|-----------------------------|------------------------|-------------------------|
|                             | <b>30 June 2021</b>    | <b>31 December 2020</b> |
|                             | <b>\$'000</b>          | <b>\$'000</b>           |
| <i>Current</i>              |                        |                         |
| Unsecured bank loans        | 364,814                | 67,700                  |
| Unsecured medium term notes | -                      | 51,510                  |
|                             | <b>364,814</b>         | <b>119,210</b>          |
| <i>Non-current</i>          |                        |                         |
| Unsecured bank loans        | 512,586                | 578,624                 |
| Unsecured medium term notes | 109,561                | 115,848                 |
|                             | <b>622,147</b>         | <b>694,472</b>          |
|                             | <b>986,961</b>         | <b>813,682</b>          |

Movement in borrowings is analysed as follows:

|                                              | <b>30 June 2021</b> | <b>31 December 2020</b> |
|----------------------------------------------|---------------------|-------------------------|
|                                              | <b>\$'000</b>       | <b>\$'000</b>           |
| Balance at beginning of financial period     | 813,682             | 741,391                 |
| Translation differences                      | (7,861)             | 4,595                   |
| Borrowings / medium term notes               | 284,288             | 295,508                 |
| Accumulated amortisation of transaction cost | 385                 | 888                     |
| Repayment of borrowings                      | (103,533)           | (228,700)               |
| <b>Balance at end of financial period</b>    | <b>986,961</b>      | <b>813,682</b>          |

Maturity of gross interest-bearing borrowings is analysed as follows:

|                                 | <b>30 June 2021</b> | <b>31 December 2020</b> |
|---------------------------------|---------------------|-------------------------|
|                                 | <b>\$'000</b>       | <b>\$'000</b>           |
| Within 1 year                   | 364,814             | 119,210                 |
| After 1 year but within 5 years | 622,147             | 694,472                 |
|                                 | <b>986,961</b>      | <b>813,682</b>          |

During the financial period, the Group's borrowings increased mainly from the drawdowns of a new unsecured long-term bank loan of S\$100million and existing short-term credit facilities.

The Trustee-Manager monitors the cash flow position and the working capital of the Group to ensure that there are adequate liquid reserves in terms of cash and credit facilities to meet short-term obligations. Steps have been taken to plan early for funding and expense requirements so as to manage cash position at any point in time. As at 30 June 2021, the Trust has undrawn credit facilities of \$205,100,000.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**13. Units in issue**

|                                 | Group and Trust                           |                |                                              |                |
|---------------------------------|-------------------------------------------|----------------|----------------------------------------------|----------------|
|                                 | 2021<br>Number of units<br>(in thousands) | \$'000         | 2020<br>Number of<br>units<br>(in thousands) | \$'000         |
| Balance as at 1 January         | 1,148,420                                 | 985,447        | 1,143,269                                    | 978,324        |
| Issue of new units:             |                                           |                |                                              |                |
| - base fee paid in units        | 1,775                                     | 2,526          | 1,918                                        | 2,491          |
| - performance fee paid in units | 2,045                                     | 2,824          | 1,417                                        | 2,163          |
| <b>Balance as at 30 June</b>    | <b>1,152,240</b>                          | <b>990,797</b> | <b>1,146,604</b>                             | <b>982,978</b> |

The holders of units are entitled to receive trust distribution as and when declared by the Trust. At any time, all the units are of equal value and shall have equal rights and obligations. All issued units are fully paid.

**14. Income tax expenses**

|                                                    | Group                                      |                |
|----------------------------------------------------|--------------------------------------------|----------------|
|                                                    | Six months ended 30 June<br>2021<br>\$'000 | 2020<br>\$'000 |
| Tax expenses attributable to profit is made up of: |                                            |                |
| <i>Current income tax expenses</i>                 |                                            |                |
| - Based on current period's results                | 14,271                                     | 7,196          |
| - Under-provision in respect of prior periods      | 78                                         | 55             |
|                                                    | <b>14,349</b>                              | <b>7,251</b>   |
| <i>Deferred income tax expenses</i>                |                                            |                |
| - Based on current period's results                | 4,844                                      | 2,851          |
| - Over-provision in respect of prior periods       | -                                          | (46)           |
|                                                    | <b>19,193</b>                              | <b>10,056</b>  |

The Group's tax expense has been computed using the tax rates and tax laws that have been enacted or substantially enacted as at the end of the reporting period.



**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**15. Earnings per unit**

|                                                                       | <b>Group</b>                    |             |
|-----------------------------------------------------------------------|---------------------------------|-------------|
|                                                                       | <b>Six months ended 30 June</b> |             |
|                                                                       | <b>2021</b>                     | <b>2020</b> |
| The calculation of basic earnings per unit is based on:               |                                 |             |
| Total profit attributable to unitholders (S\$'000)                    | 55,308                          | 55,745      |
| Weighted average number of units outstanding during the period ('000) | 1,151,014                       | 1,145,365   |
| Earnings per unit (cents)                                             | 4.81                            | 4.87        |

Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial period.

The calculation of net asset value per unit is based on:

|                                                                  | <b>As at</b>        |                         |
|------------------------------------------------------------------|---------------------|-------------------------|
|                                                                  | <b>30 June 2021</b> | <b>31 December 2020</b> |
| Net asset value of Group - attributable to Unitholders (S\$'000) | <b>1,267,274</b>    | 1,236,146               |
| Net asset value of Trust (S\$'000)                               | <b>387,146</b>      | 437,139                 |
| Number of units outstanding as at end of each period ('000)      | <b>1,152,240</b>    | 1,148,420               |
| Group's net asset value per unit (S\$)                           | <b>1.10</b>         | 1.08                    |
| Trust's net asset value per unit (S\$)                           | <b>0.34</b>         | 0.38                    |

**16. Distribution to Unitholders**

During the financial period, a tax-exempt distribution of 4.19 cents per unit amounting to \$48,244,000 was paid on 25 February 2021.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**

*(All amounts in Singapore dollar thousands unless otherwise stated)*

**17. Related-party transactions**

For the purposes of these financial statements, parties are considered to be related to the Trust if the Trustee-Manager has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Trustee-Manager and the party are subject to common significant influence. Related parties may be individuals or other entities. The Trustee-Manager (Ascendas Property Fund Trustee Pte. Ltd.) and Property Manager (Ascendas Property Management Services (India) Private Limited) are companies that are under common control with a unitholder that has significant influence over the Group.

During the financial period, in addition to the related party information disclosed elsewhere in the financial statements, there were the following significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

|                                                                                                               | <b>Six months ended 30 June</b> |               |
|---------------------------------------------------------------------------------------------------------------|---------------------------------|---------------|
|                                                                                                               | <b>2021</b>                     | <b>2020</b>   |
|                                                                                                               | <b>\$'000</b>                   | <b>\$'000</b> |
| <hr/>                                                                                                         |                                 |               |
| <b>Companies under common control with<br/>a unitholder that has significant<br/>influence over the Group</b> |                                 |               |
| Trustee-manager's fees paid/payable                                                                           | <b>8,898</b>                    | 7,897         |
| Property manager's fees paid/payable                                                                          |                                 |               |
| - Property management services                                                                                | <b>1,774</b>                    | 1,854         |
| - Lease management services                                                                                   | <b>887</b>                      | 927           |
| - Marketing services                                                                                          | <b>2,914</b>                    | 1,113         |
| - Project management services                                                                                 | <b>139</b>                      | 196           |
| General management services                                                                                   | <b>2,376</b>                    | 2,548         |
| Office rental income received/receivable                                                                      | <b>(1,440)</b>                  | (1,591)       |
|                                                                                                               | <hr/>                           |               |

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**18. Contingent liabilities**

|                                                 | Entity | 30 June 2021<br>\$'000 | 31 December 2020<br>\$'000 |
|-------------------------------------------------|--------|------------------------|----------------------------|
| a) Service tax disputes                         | ITPL   | 775                    | 771                        |
|                                                 | AITPCL | 16,235                 | 16,146                     |
|                                                 | VITP   | 3,932                  | 3,911                      |
|                                                 | CP     | 1,492                  | 1,483                      |
|                                                 | HIPL   | 1,538                  | 1,529                      |
| b) Value added tax on fit-out rental            | VITP   | 1,049                  | 1,043                      |
|                                                 | CP     | 129                    | 128                        |
| c) Transfer pricing disputes                    | ITPL   | 4,766                  | 4,739                      |
|                                                 | VITP   | 4,997                  | 4,553                      |
|                                                 | AVAIPL | 1,216                  | -                          |
|                                                 | DRVPL  | 433                    | -                          |
| d) Water supply and sanitary connection charges | ITPL   | 3,709                  | 3,688                      |
| e) Stamp duty charges under protest             | CP     | 296                    | 295                        |
| f) Income tax disputes                          | ITPL   | 561                    | 560                        |
|                                                 | HIPL   | 5,695                  | 4,317                      |
| g) Property tax disputes                        | ITPL   | 7,238                  | 7,199                      |
| <b>Total contingent liabilities</b>             |        | <b>54,061</b>          | <b>50,362</b>              |

During the financial period, Avance-Atlas Infratech Private Limited ("AVAIPL") had received a transfer pricing order of INR 67 million for YA 2017-18, related to transfer pricing adjustment with respect to interest expenses on Fully and Compulsorily Convertible Debenture ("FCCD"). As at 30 June 2021, AVAIPL has yet to receive the final income tax assessment order.

Deccan Real Ventures Private Limited ("DRVPL") received transfer pricing order of INR 69 million for YA 2017-18, related to transfer pricing adjustment with respect to interest expenses on FCCD. As at 30 June 2021, DRVPL is yet to receive the final income tax assessment order.

Hyderabad Infratech Private Limited ("HIPL") had received the final assessment order of INR 74 million related to transfer pricing adjustment with respect to interest expenses on FCCD.

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**19. Fair value measurement**

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- a) Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 – Unobservable inputs for the asset or liability.

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the financial period:

| Group                                    | Significant<br>observable inputs<br>other than quoted<br>prices<br><br>(Level 2)<br>\$'000 | Significant<br>unobservable<br>inputs<br><br>(Level 3)<br>\$'000 | Total<br><br>\$'000 |
|------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------------------------------|---------------------|
| <b>30 June 2021</b>                      |                                                                                            |                                                                  |                     |
| <b>Recurring fair value measurements</b> |                                                                                            |                                                                  |                     |
| <b>Assets</b>                            |                                                                                            |                                                                  |                     |
| <b>Financial assets:</b>                 |                                                                                            |                                                                  |                     |
| Derivative financial instruments         |                                                                                            |                                                                  |                     |
| - Currency forwards                      | 22                                                                                         | -                                                                | 22                  |
| - Currency swaps                         | 26,703                                                                                     | -                                                                | 26,703              |
| - Options                                | 1,612                                                                                      | -                                                                | 1,612               |
| - Interest rate swaps                    | 555                                                                                        | -                                                                | 555                 |
| <b>Total financial assets</b>            | <b>28,892</b>                                                                              | <b>-</b>                                                         | <b>28,892</b>       |
| <b>Non-financial assets:</b>             |                                                                                            |                                                                  |                     |
| Investment properties                    | -                                                                                          | 2,081,654                                                        | 2,081,654           |
| Investment properties under construction | -                                                                                          | 110,596                                                          | 110,596             |
| <b>Total non-financial assets</b>        | <b>-</b>                                                                                   | <b>2,192,250</b>                                                 | <b>2,192,250</b>    |
| <b>Liabilities</b>                       |                                                                                            |                                                                  |                     |
| <b>Financial liabilities:</b>            |                                                                                            |                                                                  |                     |
| Derivative financial instruments         |                                                                                            |                                                                  |                     |
| - Currency swaps                         | 3,439                                                                                      | -                                                                | 3,439               |
| - Interest rate swaps                    | 206                                                                                        | -                                                                | 206                 |
| <b>Total financial liabilities</b>       | <b>3,645</b>                                                                               | <b>-</b>                                                         | <b>3,645</b>        |

**Ascendas India Trust and its subsidiaries**  
**Interim financial statements**  
**As at 30 June 2021 (Unaudited)**  
*(All amounts in Singapore dollar thousands unless otherwise stated)*

**19. Fair value measurement (Continued)**

| Group                                    | Significant<br>observable<br>inputs other<br>than quoted<br>prices<br>(Level 2)<br>\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>\$'000 | Total<br>\$'000  |
|------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------|
| <b>31 December 2020</b>                  |                                                                                           |                                                              |                  |
| <b>Recurring fair value measurements</b> |                                                                                           |                                                              |                  |
| <b>Assets</b>                            |                                                                                           |                                                              |                  |
| <b>Financial assets:</b>                 |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency swaps                         | 29,841                                                                                    | -                                                            | 29,841           |
| - Options                                | 423                                                                                       | -                                                            | 423              |
| <b>Total financial assets</b>            | <b>30,264</b>                                                                             | <b>-</b>                                                     | <b>30,264</b>    |
| <b>Non-financial assets:</b>             |                                                                                           |                                                              |                  |
| Investment properties                    | -                                                                                         | 1,955,332                                                    | 1,955,332        |
| Investment properties under construction | -                                                                                         | 109,113                                                      | 109,113          |
| <b>Total non-financial assets</b>        | <b>-</b>                                                                                  | <b>2,064,445</b>                                             | <b>2,064,445</b> |
| <b>Liabilities</b>                       |                                                                                           |                                                              |                  |
| <b>Financial liabilities:</b>            |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency forwards                      | 52                                                                                        | -                                                            | 52               |
| - Currency swaps                         | 836                                                                                       | -                                                            | 836              |
| - Options                                | 720                                                                                       | -                                                            | 720              |
| - Interest rate swaps                    | 1,190                                                                                     | -                                                            | 1,190            |
| <b>Total financial liabilities</b>       | <b>2,798</b>                                                                              | <b>-</b>                                                     | <b>2,798</b>     |

(i) Level 2 fair value measurements

As at 30 June 2021, 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 fair value measurements of investment properties and investment properties under construction have been disclosed in Note 9.

**20. Events occurring after the reporting period**

On 5 July 2021, the Group announced that it will invest an estimated INR 12 billion to develop and operate phase one of a data centre campus on approximately 6.6-acre site in Navi Mumbai, India, through its wholly-owned subsidiary, APFI. APFI has entered into a conditional securities subscription with third-party vendors, to acquired 100% of the interest in the Datascape Realty Private Limited ("DRPL"), which is the entity holding the land on which the project will be constructed as a data centre campus. The acquisition of DRPL is expected to be completed by the third quarter of 2021.



Ernst & Young LLP  
One Raffles Quay  
North Tower, Level 18  
Singapore 048563

Mailing Address:  
Robinson Road  
PO Box 384  
Singapore 900734

Tel: +65 6535 7777  
Fax: +65 6532 7662  
ey.com

The Board of Directors  
Ascendas Property Fund Trustee Pte. Ltd.  
(as Trustee-Manager of Ascendas India Trust) (the "Trustee-  
Manager")  
168 Robinson Road  
#30-01 Capital Tower  
Singapore 068912

28 July 2021

## Report on Review of Interim Condensed Financial Statements

### Introduction

We have reviewed the accompanying interim condensed 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 30 June 2021, and the related interim condensed statements of changes in unitholders' funds of the Group and the Trust and the interim condensed consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the six-month period then ended and explanatory notes. The Trustee-Manager is responsible for the preparation and presentation of these interim condensed financial statements in accordance with Singapore Financial Reporting Standard (International) 1-34 *Interim Financial Reporting* ("SFRS(I) 1-34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



#### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with SFRS(I) 1-34.

Yours faithfully

A handwritten signature in black ink that reads 'Ernst &amp; Young' with a stylized flourish at the end.

ERNST & YOUNG LLP  
Public Accountants and  
Chartered Accountants  
Singapore



**AUDITED FINANCIAL STATEMENTS OF ASCENDAS INDIA TRUST AND ITS  
SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

*The information in this Appendix III has been reproduced from the audited financial statements of a-iTrust and its subsidiaries for the financial year ended 31 December 2020 and has not been specifically prepared for inclusion in this Information Memorandum.*

# ASCENDAS INDIA TRUST

*(Constituted under the Business Trusts Act, Chapter 31A of Singapore)  
(Registration Number: 2007004)*

## AND ITS SUBSIDIARIES

### ANNUAL REPORT

*For the financial year ended 31 December 2020*



## **ANNUAL REPORT**

*For the financial year ended 31 December 2020*

### **CONTENTS**

|                                                                    |    |
|--------------------------------------------------------------------|----|
| TRUSTEE-MANAGER'S STATEMENT .....                                  | 1  |
| STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER .. | 6  |
| INDEPENDENT AUDITOR'S REPORT .....                                 | 7  |
| CONSOLIDATED INCOME STATEMENT .....                                | 14 |
| CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....               | 15 |
| DISTRIBUTION STATEMENT .....                                       | 16 |
| BALANCE SHEETS .....                                               | 17 |
| CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS .....      | 19 |
| CONSOLIDATED STATEMENT OF CASH FLOWS .....                         | 20 |
| NOTES TO THE FINANCIAL STATEMENTS .....                            | 22 |

## 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 14 to 100 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.

## TRUSTEE-MANAGER'S STATEMENT

For the financial year ended 31 December 2020

---

### 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 |                                 |

### 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:

| Name of Director          | Units held as at |         |                  |         |
|---------------------------|------------------|---------|------------------|---------|
|                           | 1 January 2020   |         | 31 December 2020 |         |
|                           | Direct           | Deemed  | Direct           | Deemed  |
| Mr Jonathan Yap Neng Tong | 500,000          | 150,000 | 500,000          | 150,000 |

#### **Contingent award of Performance units<sup>1</sup> to be delivered after 2021**

|                                     |                           |   |                           |   |
|-------------------------------------|---------------------------|---|---------------------------|---|
| Mr Sanjeev Dasgupta (143,763 units) | 0 to 287,526 <sup>3</sup> | - | 0 to 287,526 <sup>3</sup> | - |
|-------------------------------------|---------------------------|---|---------------------------|---|

#### **Contingent award of Performance units<sup>1</sup> to be delivered after 2022**

|                                     |   |   |                           |   |
|-------------------------------------|---|---|---------------------------|---|
| Mr Sanjeev Dasgupta (118,017 units) | - | - | 0 to 234,034 <sup>3</sup> | - |
|-------------------------------------|---|---|---------------------------|---|

#### **Contingent award of Restricted units<sup>2</sup> to be delivered after 2019**

|                                     |                             |   |                       |   |
|-------------------------------------|-----------------------------|---|-----------------------|---|
| Mr Sanjeev Dasgupta (215,644 units) | 0 to 323,466 <sup>4,5</sup> | - | 76,849 <sup>5,6</sup> | - |
|-------------------------------------|-----------------------------|---|-----------------------|---|

#### **Contingent award of Restricted units<sup>2</sup> to be delivered after 2020**

|                                     |   |   |                             |   |
|-------------------------------------|---|---|-----------------------------|---|
| Mr Sanjeev Dasgupta (118,017 units) | - | - | 0 to 177,025 <sup>4,5</sup> | - |
|-------------------------------------|---|---|-----------------------------|---|

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.

## TRUSTEE-MANAGER'S STATEMENT

*For the financial year ended 31 December 2020*

---

### Directors' interests in units and debentures (continued)

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.

### 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.

## TRUSTEE-MANAGER'S STATEMENT

*For the financial year ended 31 December 2020*

---

### 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-Manager; 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;
- 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;



## TRUSTEE-MANAGER'S STATEMENT

*For the financial year ended 31 December 2020*

---

### Audit and Risk Committee (continued)

- 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

22 February 2021



---

SANJEEV DASGUPTA  
Director

**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

**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 judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial year ended 31 December 2020*

---

**Key Audit Matters** (continued)

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.

***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 judgements and estimates affecting the valuations are discount rates and capitalisation rates. In addition, there was an increase in the level of estimation uncertainty and judgement 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.

**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***

*(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 judgement 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 judgements 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 judgements, 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.

*(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.

**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*** (continued)

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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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.



**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)**

- 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.
- 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial year ended 31 December 2020*

---

**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*

---

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<br>31 December<br>2020<br>\$'000 | 1 April to<br>31 December<br>2019<br>\$'000 |
| <b>Property Income</b>                                                                                                                                              |      |                                               |                                             |
| 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                                       |
| <b>Total property income</b>                                                                                                                                        |      | <b>191,672</b>                                | <b>150,315</b>                              |
| <b>Property Expenses</b>                                                                                                                                            |      |                                               |                                             |
| 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)                                     |
| <b>Total property expenses</b>                                                                                                                                      |      | <b>(43,751)</b>                               | <b>(36,954)</b>                             |
| <b>Net Property Income</b>                                                                                                                                          |      | <b>147,921</b>                                | <b>113,361</b>                              |
| 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<br>- realised                                                                                                   |      | 7,528                                         | 2,571                                       |
| Exchange loss - realised                                                                                                                                            |      | (18,906)                                      | (3,365)                                     |
| <b>Profit Before Change in Fair Value of Investment<br/>Properties, and Unrealised Gain/(Loss) on<br/>Derivative Financial Instruments and Foreign<br/>Exchange</b> |      | <b>120,961</b>                                | <b>93,931</b>                               |
| Fair value gain on derivative financial instruments<br>- unrealised                                                                                                 |      | 7,848                                         | 3,247                                       |
| Exchange loss - unrealised                                                                                                                                          |      | (1,143)                                       | (8,895)                                     |
| Fair value (loss)/gain on investment properties<br>under construction                                                                                               | 20   | (6,462)                                       | 19,227                                      |
| Fair value gain on investment properties                                                                                                                            | 21   | 72,101                                        | 154,759                                     |
| <b>Profit Before Tax</b>                                                                                                                                            | 7    | <b>193,305</b>                                | <b>262,269</b>                              |
| Income tax expenses                                                                                                                                                 | 8(a) | (50,479)                                      | (73,280)                                    |
| <b>Net Profit After Tax</b>                                                                                                                                         |      | <b>142,826</b>                                | <b>188,989</b>                              |
| <b>Attributable To:</b>                                                                                                                                             |      |                                               |                                             |
| Unitholders of the Trust                                                                                                                                            |      | 130,716                                       | 177,808                                     |
| Non-controlling interests                                                                                                                                           |      | 12,110                                        | 11,181                                      |
|                                                                                                                                                                     |      | <b>142,826</b>                                | <b>188,989</b>                              |
| Earnings per unit attributable to Unitholders of the Trust,<br>expressed in cents per unit<br>- basic and diluted                                                   | 9    | <b>11.40</b>                                  | 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*

|                                                                                                            | <b>Group</b>                                            |                                                       |
|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                                                                                                            | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| Net profit after tax                                                                                       | 142,826                                                 | 188,989                                               |
| <b>Other Comprehensive Income:</b>                                                                         |                                                         |                                                       |
| Items that may be reclassified subsequently to profit or loss:                                             |                                                         |                                                       |
| - Cash flow hedges                                                                                         | (24,301)                                                | (5,347)                                               |
| - Translation differences arising from the conversion of<br>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                                               |
| <b>Total Comprehensive Income Attributable To:</b>                                                         |                                                         |                                                       |
| 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<br>31 December<br>2020<br>\$'000 | 1 April to<br>31 December<br>2019<br>\$'000 |
| <b>Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange</b> |       | <b>120,961</b>                                | <b>93,931</b>                               |
| 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)                                     |
| <b>Distribution Adjustments</b>                                                                                                                         |       | <b>(8,353)</b>                                | <b>(18,445)</b>                             |
| <b>Income Available for Distribution</b>                                                                                                                |       | <b>112,608</b>                                | <b>75,486</b>                               |
| <b>10% retention</b>                                                                                                                                    |       | <b>(11,261)</b>                               | <b>(7,549)</b>                              |
| <b>Income to be Distributed</b>                                                                                                                         |       | <b>101,347</b>                                | <b>67,937</b>                               |
| <b>Income Available for Distribution per unit (cents)</b>                                                                                               |       | <b>9.81</b>                                   | <b>7.17</b>                                 |
| <b>Income to be Distributed per unit (cents)</b>                                                                                                        |       | <b>8.83</b>                                   | <b>6.45</b>                                 |

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

**BALANCE SHEETS**  
As at 31 December 2020

|                                          | Note | Group            |                  | Trust            |                  |
|------------------------------------------|------|------------------|------------------|------------------|------------------|
|                                          |      | 2020             | 2019             | 2020             | 2019             |
|                                          |      | \$'000           | \$'000           | \$'000           | \$'000           |
| <b>ASSETS</b>                            |      |                  |                  |                  |                  |
| <b>Current Assets</b>                    |      |                  |                  |                  |                  |
| 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          |
| <b>Non-current Assets</b>                |      |                  |                  |                  |                  |
| 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          |
| <b>Total assets</b>                      |      | <b>2,651,466</b> | <b>2,577,372</b> | <b>1,318,774</b> | <b>1,387,094</b> |
| <b>Current Liabilities</b>               |      |                  |                  |                  |                  |
| 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          |
| <b>Non-current Liabilities</b>           |      |                  |                  |                  |                  |
| 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          |
| <b>Total liabilities</b>                 |      | <b>1,328,069</b> | <b>1,244,490</b> | <b>881,635</b>   | <b>796,673</b>   |
| <b>NET ASSETS</b>                        |      | <b>1,323,397</b> | <b>1,332,882</b> | <b>437,139</b>   | <b>590,421</b>   |

# 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            |           | Trust            |           |
|----------------------------------------|-------|------------------|-----------|------------------|-----------|
|                                        |       | 2020             | 2019      | 2020             | 2019      |
|                                        |       | \$'000           | \$'000    | \$'000           | \$'000    |
| <b>UNITHOLDERS' FUNDS</b>              |       |                  |           |                  |           |
| Units in issue                         | 28    | <b>985,447</b>   | 978,324   | <b>985,447</b>   | 978,324   |
| Foreign currency translation reserve   | 29(a) | <b>(515,991)</b> | (454,380) | <b>(313,352)</b> | (288,452) |
| Hedging reserve                        | 29(b) | <b>(31,930)</b>  | (7,629)   | <b>(31,930)</b>  | (7,629)   |
| Other reserves                         | 29(c) | <b>68,296</b>    | 67,652    | -                | -         |
| Retained earnings                      | 29(d) | <b>730,324</b>   | 660,828   | <b>(203,026)</b> | (91,822)  |
| Net assets attributable to Unitholders |       | <b>1,236,146</b> | 1,244,795 | <b>437,139</b>   | 590,421   |
| Non-controlling interests              |       | <b>87,251</b>    | 88,087    | -                | -         |
|                                        |       | <b>1,323,397</b> | 1,332,882 | <b>437,139</b>   | 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                           | Foreign currency translation reserve | Hedging reserve | Other reserves | Retained earnings | Total            |
|                                                 | \$'000                                   | \$'000                               | \$'000          | \$'000         | \$'000            | \$'000           |
| <b>2020</b>                                     |                                          |                                      |                 |                |                   |                  |
| <b>Balance at beginning of financial year</b>   | <b>978,324</b>                           | <b>(454,380)</b>                     | <b>(7,629)</b>  | <b>67,652</b>  | <b>660,828</b>    | <b>1,332,882</b> |
| Profit for the year                             | -                                        | -                                    | -               | -              | 130,716           | 142,826          |
| Other comprehensive income for the year         | -                                        | (61,611)                             | (24,301)        | -              | -                 | (90,157)         |
| Transfer to other reserves                      | -                                        | -                                    | -               | 644            | (644)             | -                |
| Issue of new units                              | 7,123                                    | -                                    | -               | -              | -                 | 7,123            |
| Distribution to Unitholders (Note 10)           | -                                        | -                                    | -               | -              | (60,576)          | (60,576)         |
| Distribution to non-controlling interests       | -                                        | -                                    | -               | -              | -                 | -                |
| <b>Balance at end of financial year</b>         | <b>985,447</b>                           | <b>(515,991)</b>                     | <b>(31,930)</b> | <b>68,296</b>  | <b>730,324</b>    | <b>1,323,397</b> |
| <b>2019</b>                                     |                                          |                                      |                 |                |                   |                  |
| <b>Balance at beginning of financial period</b> | <b>825,284</b>                           | <b>(416,372)</b>                     | <b>(2,282)</b>  | <b>69,726</b>  | <b>580,673</b>    | <b>1,136,752</b> |
| Profit for the period                           | -                                        | -                                    | -               | -              | 177,808           | 188,989          |
| Other comprehensive income for the period       | -                                        | (38,008)                             | (5,347)         | -              | -                 | (46,172)         |
| Transfer from other reserves                    | -                                        | -                                    | -               | (2,074)        | 2,074             | -                |
| Issue of new units                              | 153,040                                  | -                                    | -               | -              | -                 | 153,040          |
| Distribution to Unitholders (Note 10)           | -                                        | -                                    | -               | -              | (99,727)          | (99,727)         |
| <b>Balance at end of financial period</b>       | <b>978,324</b>                           | <b>(454,380)</b>                     | <b>(7,629)</b>  | <b>67,652</b>  | <b>660,828</b>    | <b>1,332,882</b> |

*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<br>31 December<br>2020<br>\$'000 | 1 April to<br>31 December<br>2019<br>\$'000 |
| <b>Operating activities</b>                                           |       |                                               |                                             |
| 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<br>- unrealised   |       | (7,848)                                       | (3,247)                                     |
| Fair value gain on investment securities                              | 12    | -                                             | (579)                                       |
| Fair value loss/(gain) on investment properties under<br>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)                                     |
| <b>Operating cash flows before changes in working capital</b>         |       | <b>140,580</b>                                | <b>101,749</b>                              |
| 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                                            |       | <b>144,002</b>                                | <b>103,805</b>                              |
| Interest received                                                     |       | 28,412                                        | 17,033                                      |
| Income tax paid (net)                                                 |       | (30,823)                                      | (18,929)                                    |
| <b>Net cash flows from operating activities</b>                       |       | <b>141,591</b>                                | <b>101,909</b>                              |
| <b>Investing activities</b>                                           |       |                                               |                                             |
| 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<br>properties    |       | (4,484)                                       | (5,146)                                     |
| Proceeds from disposal of investment securities                       |       | 19,779                                        | 4,235                                       |
| Long term receivables                                                 | 17    | (46,087)                                      | (106,565)                                   |
| <b>Net cash flows used in investing activities</b>                    |       | <b>(67,757)</b>                               | <b>(159,198)</b>                            |

*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<br>31 December<br>2020<br>S\$'000 | 1 April to<br>31 December<br>2019<br>S\$'000 |
| <b>Financing activities</b>                                      |      |                                                |                                              |
| 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                                      |
| <b>Net cash flows (used in)/from financing activities</b>        |      | <b>(48,574)</b>                                | <b>31,892</b>                                |
| Net increase/(decrease) in cash and cash equivalents             |      | <b>25,260</b>                                  | (25,397)                                     |
| Cash and cash equivalents at beginning of financial year/period  |      | <b>79,598</b>                                  | 108,483                                      |
| Effects of exchange rate changes on cash and cash equivalents    |      | (3,732)                                        | (3,488)                                      |
| <b>Cash and cash equivalents at end of financial year/period</b> | 11   | <b>101,126</b>                                 | <b>79,598</b>                                |

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.

*The accompanying accounting policies and explanatory notes form an integral part of these financial statements.*

**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.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

---

**2. Significant accounting policies (continued)**

**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.

**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:

| <i>Description</i>                                                                                                                     | <i>Effective for annual periods beginning on or after</i> |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| SFRS(I) 17: <i>Insurance Contracts</i>                                                                                                 | 1 January 2021                                            |
| Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 16: <i>Interest Rate Benchmark Reform - Phase 2</i>                          | 1 January 2021                                            |
| Amendments to SFRS(I) 1-16: <i>Property, Plant and Equipment—Proceeds before Intended Use</i>                                          | 1 January 2022                                            |
| Annual Improvements to SFRSs 2018-2020                                                                                                 | 1 January 2022                                            |
| Amendments to SFRS(I) 1: <i>Classification of Liabilities as Current or Non-current</i>                                                | 1 January 2023                                            |
| Amendments to SFRS(I) 17                                                                                                               | 1 January 2023                                            |
| Amendments to SFRS(I) 10 and SFRS(I) 1-28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | 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. Significant accounting policies (continued)**

**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.

*(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. Significant accounting policies (continued)**

**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.



**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.

**2. Significant accounting policies (continued)**

**2.5 Basis of consolidation and business combinations (continued)**

*(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.

**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.

**2. Significant accounting policies (continued)**

**2.6 Currency translation (continued)**

*(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).

**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:

|                                    |                     |
|------------------------------------|---------------------|
|                                    | <u>Useful lives</u> |
| 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.

**2. Significant accounting policies (continued)**

**2.7 Equipment (continued)**

*(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.

**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. Significant accounting policies (continued)**

**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.

*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.

**2. Significant accounting policies (continued)**

**2.11 Joint ventures and associates (continued)**

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. Significant accounting policies (continued)**

**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.

**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.



**2 Significant accounting policies (continued)**

**2.13 Impairment of non-financial assets (continued)**

*(b) Investment in subsidiaries (continued)*

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.

*(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.

**2 Significant accounting policies (continued)**

**2.13 Impairment of non-financial assets (continued)**

*(c) Right-of-use assets (Continued)*

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.

*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:

**2 Significant accounting policies (continued)**

2.15 Financial instruments (continued)

(a) *Financial assets (continued)*

*Subsequent measurement (continued)*

Investments in debt instruments (continued)

(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.

**2 Significant accounting policies (continued)**

**2.15 Financial instruments (continued)**

**(a) Financial assets (continued)**

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.

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.

**2 Significant accounting policies (continued)**

2.15 Financial instruments (continued)

(a) *Financial assets (continued)*

Derivatives (continued)

(ii) Cash flow hedge (continued)

*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.

(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.

## 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 (continued)*

###### *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.

##### (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.



**2 Significant accounting policies (continued)**

**2.15 Financial instruments (continued)**

*(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.



**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, depreciation 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.

**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.

**2. Significant accounting policies (continued)**

2.17 Taxes (continued)

*(b) Deferred tax* (continued)

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.

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.

**2. Significant accounting policies (continued)**

2.17 Taxes (continued)

*(b) Deferred tax (continued)*

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. Significant accounting policies (continued)**

**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.

**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. Significant accounting policies (continued)**

**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.

**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.

## NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2020*

---

### 2. Significant accounting policies (continued)

#### 2.24 Related parties (continued)

- (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).



### **3. Critical accounting judgements, estimates and assumptions**

The preparation of the Group's consolidated financial statements requires Management to make judgements, 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.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

---

### 3. Critical accounting judgements, estimates and assumptions (continued)

#### (b) Taxes (continued)

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.

#### (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).

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

**4. Interest income**

|                          | <b>Group</b>                                            |                                                       |
|--------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                          | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| Interest income          |                                                         |                                                       |
| - Financial institutions | 3,962                                                   | 3,724                                                 |
| - Long term receivables  | 47,163                                                  | 27,353                                                |
| - Others                 | 627                                                     | 1,713                                                 |
|                          | <b>51,752</b>                                           | <b>32,790</b>                                         |

**5. Other property operating expenses**

|                                                   | <b>Group</b>                                            |                                                       |
|---------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                                                   | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| 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                                                   |
|                                                   | <b>10,362</b>                                           | <b>7,363</b>                                          |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

---

**6. Finance costs**

|                          | <b>Group</b>                                            |                                                       |
|--------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                          | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| Interest expenses        |                                                         |                                                       |
| - Financial institutions | <b>32,314</b>                                           | 24,712                                                |
| - Medium term notes      | <b>11,588</b>                                           | 10,751                                                |
| - Lease liabilities      | <b>354</b>                                              | 493                                                   |
| - Others                 | <b>9</b>                                                | -                                                     |
|                          | <b>44,265</b>                                           | <b>35,956</b>                                         |

**7. Profit before tax**

The following items have been included in arriving at profit before tax:

|                                                                                           | <b>Group</b>                                            |                                                       |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                                                                                           | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| Auditors of the Group:                                                                    |                                                         |                                                       |
| - Audit fees                                                                              | <b>370</b>                                              | 335                                                   |
| - Non-audit fees                                                                          | <b>42</b>                                               | 147                                                   |
| Inventories recognised as expenses in<br>"Operations, maintenance and utilities expenses" | <b>77</b>                                               | <b>65</b>                                             |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2020

**8. Income taxes**

*(a) Income tax expenses*

|                                                    | <b>Group</b>                                            |                                                       |
|----------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                                                    | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| Tax expenses attributable to profit is made up of: |                                                         |                                                       |
| <i>Current income tax expenses</i>                 |                                                         |                                                       |
| - Based on current year's/period's results         | <b>19,571</b>                                           | 20,533                                                |
| - Under/(over) provision in respect of prior years | <b>68</b>                                               | (101)                                                 |
|                                                    | <b>19,639</b>                                           | 20,432                                                |
| <i>Deferred income tax expenses</i>                |                                                         |                                                       |
| - Based on current year's/period's results         | <b>30,886</b>                                           | 53,357                                                |
| - Over provision in respect of prior years         | <b>(46)</b>                                             | (509)                                                 |
|                                                    | <b>30,840</b>                                           | 52,848                                                |
|                                                    | <b>50,479</b>                                           | 73,280                                                |

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:

|                                                                          | <b>Group</b>                                            |                                                       |
|--------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                                                                          | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| Profit before tax                                                        | <b>193,305</b>                                          | 262,269                                               |
| Tax calculated at tax rate of 34.94% (2019: 34.94%)                      | <b>67,541</b>                                           | 91,637                                                |
| Effects of:                                                              |                                                         |                                                       |
| - Income not subject to tax                                              | <b>(27,598)</b>                                         | (20,513)                                              |
| - Expenses not deductible for tax purpose                                | <b>24,515</b>                                           | 19,909                                                |
| - Tax incentives                                                         | <b>(11,410)</b>                                         | (14,120)                                              |
| - Fair value gains on investment properties<br>subject to lower tax rate | <b>(2,694)</b>                                          | (7,994)                                               |
| - (Reversal)/provision of dividend distribution and withholding tax      | <b>(776)</b>                                            | 6,162                                                 |
| - Under/(over) provision in respect of prior years                       | <b>22</b>                                               | (610)                                                 |
| - Others                                                                 | <b>879</b>                                              | (1,191)                                               |
|                                                                          | <b>50,479</b>                                           | 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 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.

*(b) Movements in current income tax recoverable and liabilities*

|                                     | <b>Group</b>  |               | <b>Trust</b>  |               |
|-------------------------------------|---------------|---------------|---------------|---------------|
|                                     | <b>2020</b>   | <b>2019</b>   | <b>2020</b>   | <b>2019</b>   |
|                                     | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| 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*

|                                                  | <b>Group</b>  |               |
|--------------------------------------------------|---------------|---------------|
|                                                  | <b>2020</b>   | <b>2019</b>   |
|                                                  | <b>\$'000</b> | <b>\$'000</b> |
| 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         |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

---

**8. Income taxes (continued)**

*(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:

|                                             | <b>Group</b>    |                 |
|---------------------------------------------|-----------------|-----------------|
|                                             | <b>2020</b>     | <b>2019</b>     |
|                                             | <b>\$'000</b>   | <b>\$'000</b>   |
| Deferred income tax assets:                 |                 |                 |
| - To be settled after one year              | <b>(31,951)</b> | <b>(36,951)</b> |
| Deferred income tax liabilities:            |                 |                 |
| - To be settled after one year              | <b>388,192</b>  | <b>378,808</b>  |
| Deferred income tax liabilities - net       | <b>356,241</b>  | <b>341,857</b>  |
| The above comprises the following:          |                 |                 |
| - Fair value gains on investment properties | <b>388,192</b>  | <b>378,808</b>  |
| - Minimum alternate tax credit              | <b>(31,951)</b> | <b>(36,951)</b> |
|                                             | <b>356,241</b>  | <b>341,857</b>  |



**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:

| Group                                    | Fair value<br>gains on<br>investment<br>properties | Minimum<br>alternate tax<br>credit | Total    |
|------------------------------------------|----------------------------------------------------|------------------------------------|----------|
|                                          | \$'000                                             | \$'000                             | \$'000   |
| <b>2020</b>                              |                                                    |                                    |          |
| 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  |
| <b>2019</b>                              |                                                    |                                    |          |
| 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:

|                                                                            | <b>Group</b>                                 |                                            |
|----------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------|
|                                                                            | <b>1 January to<br/>31 December<br/>2020</b> | <b>1 April to<br/>31 December<br/>2019</b> |
| Total profit attributable to Unitholders (\$'000)                          | <b>130,716</b>                               | 177,808                                    |
| Weighted average number of units outstanding during the year/period ('000) | <b>1,146,472</b>                             | 1,054,828                                  |
| Earnings per unit (cents)                                                  | <b>11.40</b>                                 | 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**

|                                                                     | <b>Group and Trust</b>                                  |                                                       |
|---------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                                                                     | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| 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 | <b>7,331</b>                                            | -                                                     |
| Exempt distribution of 4.64 cents per unit paid on 26 August 2020   | <b>53,245</b>                                           | -                                                     |
|                                                                     | <b>60,576</b>                                           | <b>99,727</b>                                         |

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.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

---

**10. Distribution to Unitholders (continued)**

*Distribution adjustments (continued)*

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.

**11. Cash and cash equivalents**

|                          | <b>Group</b>   |        | <b>Trust</b>  |        |
|--------------------------|----------------|--------|---------------|--------|
|                          | <b>2020</b>    | 2019   | <b>2020</b>   | 2019   |
|                          | <b>\$'000</b>  | \$'000 | <b>\$'000</b> | \$'000 |
| Cash at bank and on hand | <b>62,388</b>  | 9,938  | <b>30,564</b> | 1,967  |
| Fixed deposits           | <b>38,738</b>  | 69,660 | -             | -      |
|                          | <b>101,126</b> | 79,598 | <b>30,564</b> | 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

**12. Investment securities**

|                                             | <b>Group</b>  |               |
|---------------------------------------------|---------------|---------------|
|                                             | <b>2020</b>   | 2019          |
|                                             | <b>\$'000</b> | <b>\$'000</b> |
| <b>At fair value through profit or loss</b> |               |               |
| 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.

**13. Inventories**

|                      | <b>Group</b>  |               |
|----------------------|---------------|---------------|
|                      | <b>2020</b>   | 2019          |
|                      | <b>\$'000</b> | <b>\$'000</b> |
| Operational supplies | 454           | 483           |

**14. Other assets**

**Other assets**

|                    | <b>Group</b>  |               | <b>Trust</b>  |               |
|--------------------|---------------|---------------|---------------|---------------|
|                    | <b>2020</b>   | 2019          | <b>2020</b>   | 2019          |
|                    | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| <b>Current</b>     |               |               |               |               |
| Deposits           | 108           | 48            | -             | -             |
| Prepayments        | 1,093         | 1,364         | 12            | 14            |
|                    | <b>1,201</b>  | <b>1,412</b>  | <b>12</b>     | <b>14</b>     |
| <b>Non-current</b> |               |               |               |               |
| Deposits           | 4,913         | 5,217         | -             | -             |
| Prepayments        | 270           | 18            | -             | -             |
|                    | <b>5,183</b>  | <b>5,235</b>  | <b>-</b>      | <b>-</b>      |

The carrying amounts of deposits, denominated in INR, approximate their fair values.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2020

**15. Loans to subsidiaries**

|                        | Trust          |                |
|------------------------|----------------|----------------|
|                        | 2020           | 2019           |
|                        | \$'000         | \$'000         |
| Loans to subsidiaries  |                |                |
| - Non-interest bearing | 127,090        | 214,910        |
| - Interest bearing     | 524,938        | 507,489        |
|                        | <b>652,028</b> | <b>722,399</b> |

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.

**16. Trade and other receivables**

|                                               | Group         |               | Trust        |              |
|-----------------------------------------------|---------------|---------------|--------------|--------------|
|                                               | 2020          | 2019          | 2020         | 2019         |
|                                               | \$'000        | \$'000        | \$'000       | \$'000       |
| <b>Current</b>                                |               |               |              |              |
| 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        |
|                                               | <b>57,909</b> | <b>34,165</b> | <b>2,076</b> | <b>3,141</b> |
| <b>Non-Current</b>                            |               |               |              |              |
| Non-related parties                           |               |               |              |              |
| - Advances to suppliers                       | 418           | 664           | -            | -            |
| - Interest receivable                         | 9,539         | 10,011        | -            | -            |
|                                               | <b>9,957</b>  | <b>10,675</b> | <b>-</b>     | <b>-</b>     |

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**

|                                               | <b>Group</b>    |               |
|-----------------------------------------------|-----------------|---------------|
|                                               | <b>2020</b>     | 2019          |
|                                               | <b>\$'000</b>   | <b>\$'000</b> |
| Balance at beginning of financial year/period | <b>318,193</b>  | 222,106       |
| Additions                                     | <b>45,879</b>   | 106,563       |
| Transaction cost capitalised                  | <b>208</b>      | 2             |
| Translation differences                       | <b>(16,158)</b> | (10,478)      |
| Balance at end of financial year/period       | <b>348,122</b>  | 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/<br>notional<br>amount | Fair values |             | Contract/<br>notional<br>amount | Fair values |             |
|                                |                                 | Assets      | Liabilities |                                 | Assets      | Liabilities |
|                                | \$'000                          | \$'000      | \$'000      | \$'000                          | \$'000      | \$'000      |
| <b>Current</b>                 |                                 |             |             |                                 |             |             |
| <i>Cash flow hedges</i>        |                                 |             |             |                                 |             |             |
| - Interest rate swaps          | -                               | -           | -           | 16,000                          | -           | (21)        |
| - Currency swaps               | 51,520                          | 5,965       | -           | 84,000                          | 7,208       | -           |
| <i>Non-hedging instruments</i> |                                 |             |             |                                 |             |             |
| - Currency forwards            | 15,000                          | -           | (52)        | 6,000                           | 52          | -           |
|                                |                                 | 5,965       | (52)        |                                 | 7,260       | (21)        |
| <b>Non-current</b>             |                                 |             |             |                                 |             |             |
| <i>Cash flow hedges</i>        |                                 |             |             |                                 |             |             |
| - 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)     |
| <b>Total</b>                   |                                 | 30,264      | (2,798)     |                                 | 26,019      | (3,485)     |



**18. Derivative financial instruments (continued)**

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**

|                                               | <b>Group</b>                              |               |
|-----------------------------------------------|-------------------------------------------|---------------|
|                                               | <b>Computers, furniture and equipment</b> |               |
|                                               | <b>2020</b>                               | <b>2019</b>   |
|                                               | <b>\$'000</b>                             | <b>\$'000</b> |
| <b>Cost</b>                                   |                                           |               |
| 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         |
| <b>Accumulated depreciation</b>               |                                           |               |
| 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         |
| <b>Net book value</b>                         |                                           |               |
| Balance at end of financial year/period       | 949                                       | 509           |
| Balance at beginning of financial year/period | 509                                       | 542           |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

**20. Investment properties under construction**

|                                               | <b>Group</b>    |               |
|-----------------------------------------------|-----------------|---------------|
|                                               | <b>2020</b>     | 2019          |
|                                               | <b>\$'000</b>   | <b>\$'000</b> |
| Balance at beginning of financial year/period | <b>174,795</b>  | 206,065       |
| Additions during the year/period              | <b>25,998</b>   | 20,624        |
| Transfer to investment properties (Note 21)   | <b>(78,974)</b> | (64,904)      |
| Fair value (loss)/gain                        | <b>(6,462)</b>  | 19,227        |
| Translation differences                       | <b>(6,244)</b>  | (6,217)       |
| Balance at end of financial year/period       | <b>109,113</b>  | 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**

|                                                                  | <b>Group</b>     |               |
|------------------------------------------------------------------|------------------|---------------|
|                                                                  | <b>2020</b>      | 2019          |
|                                                                  | <b>\$'000</b>    | <b>\$'000</b> |
| Balance at beginning of financial year/period                    | <b>1,885,171</b> | 1,711,733     |
| Additions during the year/period                                 | <b>13,132</b>    | 7,342         |
| Cost adjustment arising from change in deferred consideration    | <b>4,484</b>     | 4,590         |
| Amortisation of marketing fee                                    | <b>(1,310)</b>   | (498)         |
| Straightlining of rent free period                               | <b>(3,458)</b>   | 2,364         |
| Transfer from investment properties under construction (Note 20) | <b>78,974</b>    | 64,904        |
| Fair value gain                                                  | <b>72,101</b>    | 154,759       |
| Translation differences                                          | <b>(93,762)</b>  | (60,023)      |
| Balance at end of financial year/period                          | <b>1,955,332</b> | 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**

|                                               | <b>Group</b>  |        |
|-----------------------------------------------|---------------|--------|
|                                               | <b>2020</b>   | 2019   |
|                                               | <b>\$'000</b> | \$'000 |
| Balance at beginning of financial year/period | <b>14,520</b> | 15,002 |
| Translation differences                       | <b>(681)</b>  | (482)  |
| Balance at end of financial year/period       | <b>13,839</b> | 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 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 |      | Trust              |                |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-----------------|----------------------------------------|------|--------------------|----------------|
|                                                           |                                                                                                                                                      |                                              |                 |                                        |      | Cost of investment |                |
|                                                           |                                                                                                                                                      |                                              |                 | 2020                                   | 2019 | 2020               | 2019           |
|                                                           |                                                                                                                                                      |                                              |                 | %                                      | %    | \$'000             | \$'000         |
| <b>Direct subsidiaries</b>                                |                                                                                                                                                      |                                              |                 |                                        |      |                    |                |
| 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         |
|                                                           |                                                                                                                                                      |                                              |                 |                                        |      | <b>603,830</b>     | <b>633,554</b> |
| <b>Indirect subsidiaries</b>                              |                                                                                                                                                      |                                              |                 |                                        |      |                    |                |
| 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**

|                                                                                      | <b>Group</b>   |               | <b>Trust</b>  |               |
|--------------------------------------------------------------------------------------|----------------|---------------|---------------|---------------|
|                                                                                      | <b>2020</b>    | <b>2019</b>   | <b>2020</b>   | <b>2019</b>   |
|                                                                                      | <b>\$'000</b>  | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| <b>Current</b>                                                                       |                |               |               |               |
| Amount owing to subsidiary                                                           | -              | -             | <b>43,318</b> | 32,373        |
| Other payables                                                                       |                |               |               |               |
| - Non-related parties                                                                |                |               |               |               |
| - Interest payable                                                                   | <b>7,827</b>   | 8,830         | <b>7,827</b>  | 8,808         |
| - Construction cost payable                                                          | <b>2,893</b>   | 565           | -             | -             |
| - Retention sum payable                                                              | <b>2,562</b>   | 1,603         | -             | -             |
| - Advances                                                                           | <b>3,584</b>   | 1,386         | -             | -             |
| - Companies controlled by a Unitholder that has significant influence over the Group | <b>10,246</b>  | 8,783         | <b>8,124</b>  | 6,843         |
| Accruals                                                                             | <b>17,905</b>  | 20,068        | <b>560</b>    | 1,053         |
| Rental deposits                                                                      | <b>56,260</b>  | 53,158        | -             | -             |
| Others                                                                               | <b>6,807</b>   | 8,148         | <b>4,646</b>  | 2,220         |
|                                                                                      | <b>108,084</b> | 102,541       | <b>64,475</b> | 51,297        |
| <b>Non-current</b>                                                                   |                |               |               |               |
| Rental deposits                                                                      | <b>41,357</b>  | 49,712        | -             | -             |
| Accruals                                                                             | <b>275</b>     | 500           | <b>250</b>    | 500           |
| Others                                                                               | <b>216</b>     | 1,119         | -             | -             |
|                                                                                      | <b>41,848</b>  | 51,331        | <b>250</b>    | 500           |
|                                                                                      | <b>149,932</b> | 153,872       | <b>64,725</b> | 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**

|                                               | <b>2020</b>   | 2019   |
|-----------------------------------------------|---------------|--------|
|                                               | <b>\$'000</b> | \$'000 |
| <b>Cost</b>                                   |               |        |
| Balance at beginning of financial period      | <b>2,607</b>  | 2,659  |
| Additions                                     | <b>718</b>    | -      |
| Translation differences                       | <b>59</b>     | (52)   |
| Balance at end of financial year/period       | <b>3,384</b>  | 2,607  |
| <b>Accumulated depreciation</b>               |               |        |
| Balance at beginning of financial year/period | <b>242</b>    | -      |
| Depreciation charge                           | <b>180</b>    | 247    |
| Translation differences                       | <b>(17)</b>   | (5)    |
| Balance at end of financial year/period       | <b>405</b>    | 242    |
| <b>Net book value</b>                         |               |        |
| Balance at end of financial year/period       | <b>2,979</b>  | 2,365  |
| Balance at beginning of financial year/period | <b>2,365</b>  | -      |
| <b>Short-term lease liabilities</b>           |               |        |
| Machinery                                     | <b>180</b>    | 43     |
| <b>Long-term lease liabilities</b>            |               |        |
| Machinery                                     | <b>3,201</b>  | 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**

|                                     | <b>Group and Trust</b> |                |
|-------------------------------------|------------------------|----------------|
|                                     | <b>2020</b>            | <b>2019</b>    |
|                                     | <b>\$'000</b>          | <b>\$'000</b>  |
| <b>Current</b>                      |                        |                |
| Unsecured bank loans                | 67,700                 | 150,000        |
| Less: Unamortised transaction costs | -                      | (18)           |
|                                     | <b>67,700</b>          | <b>149,982</b> |
| Unsecured medium term notes         | 51,520                 | 30,000         |
| Less: Unamortised transaction costs | (10)                   | (4)            |
|                                     | <b>51,510</b>          | <b>29,996</b>  |
| Total current borrowings            | <b>119,210</b>         | <b>179,978</b> |
| <b>Non-current</b>                  |                        |                |
| Unsecured bank loans                | 580,408                | 400,895        |
| Less: Unamortised transaction costs | (1,784)                | (1,971)        |
|                                     | <b>578,624</b>         | <b>398,924</b> |
| Unsecured medium term notes         | 115,920                | 162,630        |
| Less: Unamortised transaction costs | (72)                   | (141)          |
|                                     | <b>115,848</b>         | <b>162,489</b> |
| Total non-current borrowings        | <b>694,472</b>         | <b>561,413</b> |
| Total borrowings                    | <b>813,682</b>         | <b>741,391</b> |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

**27. Borrowings (continued)**

*Debt repayment schedule*

|                                | <b>Group and Trust</b> |                      |                     |
|--------------------------------|------------------------|----------------------|---------------------|
|                                | <b>Total</b>           | <b>Within 1 year</b> | <b>After 1 year</b> |
|                                | <b>\$'000</b>          | <b>\$'000</b>        | <b>but within 5</b> |
|                                |                        |                      | <b>years</b>        |
|                                |                        |                      | <b>\$'000</b>       |
| <b>2020</b>                    |                        |                      |                     |
| Unsecured bank loans           |                        |                      |                     |
| - Variable rate SGD term loans | <b>596,044</b>         | 67,700               | 528,344             |
| - Variable rate HKD term loans | <b>50,280</b>          | -                    | 50,280              |
| Unsecured medium term notes    |                        |                      |                     |
| - 5 year JPY notes             | <b>167,358</b>         | 51,510               | 115,848             |
| <b>Total</b>                   | <b>813,682</b>         | <b>119,210</b>       | <b>694,472</b>      |
| <b>2019</b>                    |                        |                      |                     |
| 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             |
| <b>Total</b>                   | <b>741,391</b>         | <b>179,978</b>       | <b>561,413</b>      |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

**27. Borrowings (continued)**

*Interest rate*

The weighted average effective interest rates of total borrowings at the balance sheet date were as follows:

|                             | <b>Group and Trust</b> |             |
|-----------------------------|------------------------|-------------|
|                             | <b>2020</b>            | <b>2019</b> |
| 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%       |

*Reconciliation of liabilities arising from financing activities*

|                                          | <b>Liabilities</b> |                         | <b>Derivatives (assets)/liabilities held to hedge borrowings</b>                    |                                                                                          | <b>Total</b>   |
|------------------------------------------|--------------------|-------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------|
|                                          | <b>Borrowings</b>  | <b>Interest payable</b> | <b>Cross currency swap, interest rate swap and Options used for hedging- assets</b> | <b>Cross currency swap, interest rate swap and Options used for hedging- liabilities</b> |                |
|                                          | <b>\$'000</b>      | <b>\$'000</b>           | <b>\$'000</b>                                                                       | <b>\$'000</b>                                                                            | <b>\$'000</b>  |
| <b>Balance at beginning of year</b>      | 741,391            | 8,830                   | (26,019)                                                                            | 3,485                                                                                    | 727,687        |
| <b>Changes from financing cash flows</b> |                    |                         |                                                                                     |                                                                                          |                |
| 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         |
| <b>Change in fair value</b>              | -                  | -                       | (4,276)                                                                             | (687)                                                                                    | (4,963)        |
| <b>Other changes</b>                     |                    |                         |                                                                                     |                                                                                          |                |
| 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         |
| <b>Balance at end of year</b>            | <b>813,682</b>     | <b>7,827</b>            | <b>(30,264)</b>                                                                     | <b>2,798</b>                                                                             | <b>794,043</b> |

**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.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

**28. Units in issue**

|                                                  | <b>Group and Trust</b>                        |               |                                           |               |
|--------------------------------------------------|-----------------------------------------------|---------------|-------------------------------------------|---------------|
|                                                  | <b>2020</b>                                   |               | <b>2019</b>                               |               |
|                                                  | <b>Number of<br/>units (in<br/>thousands)</b> | <b>\$'000</b> | <b>Number of units<br/>(in thousands)</b> | <b>\$'000</b> |
| Balance at beginning of<br>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<br>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*

|                                                                                                       | <b>Trust</b>     |               |
|-------------------------------------------------------------------------------------------------------|------------------|---------------|
|                                                                                                       | <b>2020</b>      | <b>2019</b>   |
|                                                                                                       | <b>\$'000</b>    | <b>\$'000</b> |
| Balance at beginning of financial year/period                                                         | <b>(288,452)</b> | (270,050)     |
| Translation differences arising from the conversion of functional currency into presentation currency | <b>(24,900)</b>  | (18,402)      |
| Balance at end of financial year/period                                                               | <b>(313,352)</b> | (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*

|                                               | <b>Trust</b>     |               |
|-----------------------------------------------|------------------|---------------|
|                                               | <b>2020</b>      | <b>2019</b>   |
|                                               | <b>\$'000</b>    | <b>\$'000</b> |
| Balance at beginning of financial year/period | <b>(91,822)</b>  | 51,416        |
| Loss for the year/period                      | <b>(50,628)</b>  | (43,511)      |
| Distribution to Unitholders (Note 10)         | <b>(60,576)</b>  | (99,727)      |
| Balance at end of financial year/period       | <b>(203,026)</b> | (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.

##### *(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.

**30. Related party transactions (continued)**

*(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;
- 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2020

**30. Related party transactions (continued)**

(b) *Property Manager's fees (continued)*

(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:

|                                                                                                | <b>Group</b>                                            |                                                       |
|------------------------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------|
|                                                                                                | <b>1 January to<br/>31 December<br/>2020<br/>\$'000</b> | <b>1 April to<br/>31 December<br/>2019<br/>\$'000</b> |
| <b>Companies controlled by a unitholder<br/>that has significant influence over the Group:</b> |                                                         |                                                       |
| Trustee-Manager's fees paid/payable                                                            | <b>16,017</b>                                           | 11,762                                                |
| Property management services                                                                   | <b>3,607</b>                                            | 2,844                                                 |
| Lease management services                                                                      | <b>1,803</b>                                            | 1,422                                                 |
| General management fee                                                                         | <b>4,399</b>                                            | 3,629                                                 |
| Marketing services                                                                             | <b>1,996</b>                                            | 2,382                                                 |
| Project management fees                                                                        | <b>368</b>                                              | 583                                                   |
| Rental income received/receivable                                                              | <b>(2,640)</b>                                          | (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.

### **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:

| Group                                                                                                  | INR<br>\$'000    | SGD<br>\$'000    | JPY<br>\$'000    | USD<br>\$'000 | HKD<br>\$'000   | TOTAL<br>\$'000  |
|--------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|---------------|-----------------|------------------|
| <b>2020</b>                                                                                            |                  |                  |                  |               |                 |                  |
| <b>Financial assets</b>                                                                                |                  |                  |                  |               |                 |                  |
| 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            |
| <b>Total financial assets</b>                                                                          | <b>476,003</b>   | <b>35,107</b>    | <b>103</b>       | <b>17</b>     | <b>-</b>        | <b>511,230</b>   |
| <b>Financial liabilities</b>                                                                           |                  |                  |                  |               |                 |                  |
| Trade and other payables                                                                               | (145,832)        | (175)            | (165)            | -             | -               | (146,172)        |
| Borrowings                                                                                             | -                | (596,044)        | (167,358)        | -             | (50,280)        | (813,682)        |
| <b>Total financial liabilities</b>                                                                     | <b>(145,832)</b> | <b>(596,219)</b> | <b>(167,523)</b> | <b>-</b>      | <b>(50,280)</b> | <b>(959,854)</b> |
| <b>Net financial assets/(liabilities)</b>                                                              | <b>330,171</b>   | <b>(561,112)</b> | <b>(167,420)</b> | <b>17</b>     | <b>(50,280)</b> | <b>(448,624)</b> |
| Less: Net financial liabilities<br>denominated in the<br>respective entities'<br>functional currencies | (330,171)        | -                | -                | -             | -               | (330,171)        |
| Currency swaps                                                                                         | -                | 18,340           | 10,727           | -             | (62)            | 29,005           |
| Currency forwards                                                                                      | -                | (52)             | -                | -             | -               | (52)             |
| Options                                                                                                | -                | (297)            | -                | -             | -               | (297)            |
| <b>Net currency exposure</b>                                                                           | <b>-</b>         | <b>(543,121)</b> | <b>(156,693)</b> | <b>17</b>     | <b>(50,342)</b> | <b>(750,139)</b> |

**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)*

| Group                                                                                                  | INR<br>\$'000  | SGD<br>\$'000    | JPY<br>\$'000    | USD<br>\$'000 | HKD<br>\$'000   | TOTAL<br>\$'000  |
|--------------------------------------------------------------------------------------------------------|----------------|------------------|------------------|---------------|-----------------|------------------|
| <b>2019</b>                                                                                            |                |                  |                  |               |                 |                  |
| <b>Financial assets</b>                                                                                |                |                  |                  |               |                 |                  |
| 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          |
| <b>Financial liabilities</b>                                                                           |                |                  |                  |               |                 |                  |
| 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)        |
| <b>Net financial assets/(liabilities)</b>                                                              | <b>286,368</b> | <b>(527,445)</b> | <b>(162,590)</b> | <b>18</b>     | <b>(50,242)</b> | <b>(453,891)</b> |
| Less: Net financial liabilities<br>denominated in the<br>respective entities'<br>functional currencies | (286,368)      | -                | -                | -             | -               | (286,368)        |
| Currency swaps                                                                                         | -              | 19,962           | 3,100            | -             | 860             | 23,922           |
| Currency forwards                                                                                      | -              | 52               | -                | -             | -               | 52               |
| Options                                                                                                | -              | (1,180)          | -                | -             | -               | (1,180)          |
| <b>Net currency exposure</b>                                                                           | <b>-</b>       | <b>(508,611)</b> | <b>(159,490)</b> | <b>18</b>     | <b>(49,382)</b> | <b>(717,465)</b> |

**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:

|                 | <b>Group</b>                      |                         |
|-----------------|-----------------------------------|-------------------------|
|                 | <b>31 December 2020</b>           | <b>31 December 2019</b> |
|                 | <b>S\$'000</b>                    | <b>S\$'000</b>          |
|                 | <----- 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.



**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.

**31. Financial risk management (continued)**

*(b) Credit risk (continued)*

Expected Credit Loss (continued)

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.

*(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<br>\$'000 |
|--------------|------------------------------------------|----------------------------|
| 12-month ECL | Long-term receivables at amortised costs | 348,122                    |

**31. Financial risk management** (continued)

(b) *Credit risk (continued)*

(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 through 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

**31. Financial risk management** (continued)

*(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.

| Group                           | Less than 1<br>year<br>\$'000 | Between 1<br>and 2 years<br>\$'000 | Between 2<br>and 5 years<br>\$'000 | Over 5<br>years<br>\$'000 |
|---------------------------------|-------------------------------|------------------------------------|------------------------------------|---------------------------|
| <b>2020</b>                     |                               |                                    |                                    |                           |
| 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)                          | -                         |
|                                 | <b>(259,982)</b>              | <b>(321,711)</b>                   | <b>(470,208)</b>                   | <b>-</b>                  |
| <b>2019</b>                     |                               |                                    |                                    |                           |
| 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)                          | -                         |
|                                 | <b>(319,850)</b>              | <b>(133,864)</b>                   | <b>(550,010)</b>                   | <b>-</b>                  |

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.

**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.

|                            | <b>Group</b>     |               |
|----------------------------|------------------|---------------|
|                            | <b>2020</b>      | <b>2019</b>   |
|                            | <b>\$'000</b>    | <b>\$'000</b> |
| Total effective borrowings | <b>786,216</b>   | 718,857       |
| Value of Trust Property    | <b>2,651,466</b> | 2,577,372     |
| Gearing ratio              | <b>30%</b>       | <b>28%</b>    |

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:

| Group                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>2020</b>                  |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| 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                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| 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                  |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2020

**32. Accounting classifications and fair value (continued)**

*(a) Accounting classifications (continued)*

| Group                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>2019</b>                  |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| 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                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| 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)*

| Trust                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>2020</b>                  |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| 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                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| 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                  |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2020

**32. Accounting classifications and fair value (continued)**

*(a) Accounting classifications (continued)*

| Trust                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>2019</b>                  |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| 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                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| 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                  |

**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:

| Group                                    | Significant<br>observable<br>inputs other<br>than quoted<br>prices<br>(Level 2)<br>\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>\$'000 | Total<br>\$'000  |
|------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------|
| <b>2020</b>                              |                                                                                           |                                                              |                  |
| <b>Recurring fair value measurements</b> |                                                                                           |                                                              |                  |
| <b>Assets</b>                            |                                                                                           |                                                              |                  |
| <b>Financial assets:</b>                 |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency swaps                         | 29,841                                                                                    | -                                                            | 29,841           |
| - Options                                | 423                                                                                       | -                                                            | 423              |
| <b>Total financial assets</b>            | <b>30,264</b>                                                                             | <b>-</b>                                                     | <b>30,264</b>    |
| <b>Non-financial assets:</b>             |                                                                                           |                                                              |                  |
| Investment properties                    | -                                                                                         | 1,955,332                                                    | 1,955,332        |
| Investment properties under construction | -                                                                                         | 109,113                                                      | 109,113          |
| <b>Total non-financial assets</b>        | <b>-</b>                                                                                  | <b>2,064,445</b>                                             | <b>2,064,445</b> |
| <b>Liabilities</b>                       |                                                                                           |                                                              |                  |
| <b>Financial liabilities:</b>            |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency forwards                      | 52                                                                                        | -                                                            | 52               |
| - Currency swaps                         | 836                                                                                       | -                                                            | 836              |
| - Options                                | 720                                                                                       | -                                                            | 720              |
| - Interest rate swaps                    | 1,190                                                                                     | -                                                            | 1,190            |
| <b>Total financial liabilities</b>       | <b>2,798</b>                                                                              | <b>-</b>                                                     | <b>2,798</b>     |

**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*

| Group                                    | Significant<br>observable<br>inputs other<br>than quoted<br>prices<br>(Level 2)<br>\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>\$'000 | Total<br>\$'000  |
|------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------|
| <b>2019</b>                              |                                                                                           |                                                              |                  |
| <b>Recurring fair value measurements</b> |                                                                                           |                                                              |                  |
| <b>Assets</b>                            |                                                                                           |                                                              |                  |
| <b>Financial assets:</b>                 |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency forwards                      | 52                                                                                        | -                                                            | 52               |
| - Currency swaps                         | 25,632                                                                                    | -                                                            | 25,632           |
| - Options                                | 335                                                                                       | -                                                            | 335              |
| <b>Total financial assets</b>            | <b>26,019</b>                                                                             | <b>-</b>                                                     | <b>26,019</b>    |
| <b>Non-financial assets:</b>             |                                                                                           |                                                              |                  |
| Investment properties                    | -                                                                                         | 1,885,171                                                    | 1,885,171        |
| Investment properties under construction | -                                                                                         | 174,795                                                      | 174,795          |
| <b>Total non-financial assets</b>        | <b>-</b>                                                                                  | <b>2,059,966</b>                                             | <b>2,059,966</b> |
| <b>Liabilities</b>                       |                                                                                           |                                                              |                  |
| <b>Financial liabilities:</b>            |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency swaps                         | 1,710                                                                                     | -                                                            | 1,710            |
| - Options                                | 1,515                                                                                     | -                                                            | 1,515            |
| - Interest rate swaps                    | 260                                                                                       | -                                                            | 260              |
| <b>Total financial liabilities</b>       | <b>3,485</b>                                                                              | <b>-</b>                                                     | <b>3,485</b>     |

**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):

| Group                                         | Fair value<br>\$'000 | Valuation<br>techniques                   | Unobservable<br>inputs | Range          |
|-----------------------------------------------|----------------------|-------------------------------------------|------------------------|----------------|
| <b>2020</b>                                   |                      |                                           |                        |                |
| <b>Recurring fair value<br/>measurements</b>  |                      |                                           |                        |                |
| - Investment properties                       | 1,955,332            | Discounted cash<br>flow method,<br>income | Discount rate,         | 11.75 - 17.00% |
| - Investment properties<br>under construction | 109,113              | capitalisation<br>method                  | capitalisation rate    | 8.75 - 9.75%   |
| <b>2019</b>                                   |                      |                                           |                        |                |
| <b>Recurring fair value<br/>measurements</b>  |                      |                                           |                        |                |
| - Investment properties                       | 1,885,171            | Discounted cash<br>flow method,<br>income | Discount rate,         | 11.75 - 17.00% |
| - Investment properties<br>under construction | 174,795              | capitalisation<br>method                  | capitalisation rate    | 8.75 - 9.50%   |

**32. Accounting classifications and fair value (continued)**

*(c) Fair value measurements (continued)*

*(iii) Level 3 fair value measurements (continued)*

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.

**33. Commitments**

As at the end of the financial year, the Group had the following commitments:

*(a) Development and investment expenditure*

|                                         | 2020<br>\$'000 | 2019<br>\$'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         |
|                                         | <b>370,062</b> | <b>463,500</b> |



**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2020*

---

**33. Commitments** (continued)

*(a) Development and investment expenditure (continued)*

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<br>\$'000 | 2019<br>\$'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          |
|                                   | <b>210,085</b> | <b>171,627</b> |

**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.

### **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).

**35. Contingent liabilities (continued)**

*(b) Service tax disputes (continued)*

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.

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 filing an appeal.

**35. Contingent liabilities (continued)**

*(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).

*(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

**35. Contingent liabilities (continued)**

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 ("PIIPL") to acquire 100% interest of PIIPL.

**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.

**AUDITED FINANCIAL STATEMENTS OF ASCENDAS INDIA TRUST AND ITS  
SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

*The information in this Appendix IV has been reproduced from the audited financial statements of a-iTrust and its subsidiaries for the financial year ended 31 December 2019 and has not been specifically prepared for inclusion in this Information Memorandum.*

# ASCENDAS INDIA TRUST

*(Constituted under the Business Trusts Act, Chapter 31A of Singapore)  
(Registration Number: 2007004)*

## AND ITS SUBSIDIARIES

### ANNUAL REPORT

*For the financial period from 1 April 2019 to 31 December 2019*





## **ANNUAL REPORT**

*For the financial period ended 31 December 2019*

### **CONTENTS**

|                                                                    |    |
|--------------------------------------------------------------------|----|
| TRUSTEE-MANAGER'S STATEMENT .....                                  | 1  |
| STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER .. | 6  |
| INDEPENDENT AUDITOR'S REPORT .....                                 | 7  |
| CONSOLIDATED INCOME STATEMENT .....                                | 14 |
| CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....               | 15 |
| DISTRIBUTION STATEMENT .....                                       | 16 |
| BALANCE SHEETS .....                                               | 17 |
| CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS .....      | 19 |
| CONSOLIDATED STATEMENT OF CASH FLOWS .....                         | 20 |
| NOTES TO THE FINANCIAL STATEMENTS .....                            | 22 |

## **TRUSTEE-MANAGER'S STATEMENT**

*For the financial period ended 31 December 2019*

---

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 2019, 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 period from 1 April 2019 to 31 December 2019, 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 14 to 99 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 2019, and of the financial performance, changes in unitholders' funds and cash flows of the Group, for the financial period 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 period ended 31 December 2019 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.

## TRUSTEE-MANAGER'S STATEMENT

For the financial period ended 31 December 2019

---

### 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  
Mr T.V. Mohandas Pai  
Mrs Zia Jaydev Mody  
Mr Jonathan Yap Neng Tong

### Arrangements to enable Directors to acquire units and debentures

Neither at the end of nor at any time during the financial period 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:

| Name of Director          | Units held as at |         |                  |         |
|---------------------------|------------------|---------|------------------|---------|
|                           | 1 April 2019     |         | 31 December 2019 |         |
|                           | Direct           | Deemed  | Direct           | Deemed  |
| Mr Jonathan Yap Neng Tong | 500,000          | 150,000 | 500,000          | 150,000 |

#### **Contingent award of Performance units<sup>1</sup> to be delivered after 2021**

|                     |                 |   |   |                           |   |
|---------------------|-----------------|---|---|---------------------------|---|
| Mr Sanjeev Dasgupta | (143,763 units) | - | - | 0 to 287,526 <sup>3</sup> | - |
|---------------------|-----------------|---|---|---------------------------|---|

#### **Contingent award of Restricted units<sup>2</sup> to be delivered after 2019**

|                     |                 |   |   |                             |   |
|---------------------|-----------------|---|---|-----------------------------|---|
| Mr Sanjeev Dasgupta | (215,664 units) | - | - | 0 to 323,466 <sup>4,5</sup> | - |
|---------------------|-----------------|---|---|-----------------------------|---|

There was no change in any of the above-mentioned interests in the Trust between the end of the financial period and 21 January 2020.

Except as disclosed in this report, no Director who held office at the end of the financial period had interests in units, unit options, warrants or debentures of the Trust, either at the beginning of the financial period or at the end of the financial period.

## TRUSTEE-MANAGER'S STATEMENT

*For the financial period ended 31 December 2019*

---

### Directors' interests in units and debentures (continued)

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.
- 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.
- 5 An additional number of units 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 Ascendas Property Fund Trustee Pte Ltd Restricted Unit Plan 2019, will also be released on the final vesting.

### Directors' contractual benefits

Since the end of the previous financial year, 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 period to acquire unissued units in the Trust.

No units have been issued during the financial period 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 period.

## **TRUSTEE-MANAGER'S STATEMENT**

*For the financial period ended 31 December 2019*

---

### **Audit and Risk Committee**

The Audit and Risk Committee ("ARC") comprises three Independent Directors. The members at the end of the financial period were as follows:

Mr Alan Rupert Nisbet                      (Chairman)  
Mr T.V. Mohandas Pai  
Mrs Zia Jaydev Mody

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 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;
- 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;

## TRUSTEE-MANAGER'S STATEMENT

*For the financial period ended 31 December 2019*

---

### **Audit and Risk Committee** (continued)

- 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 period 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 three meetings during the period, 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

12 February 2020

---

**STATEMENT BY THE CHIEF EXECUTIVE OFFICER OF THE TRUSTEE-MANAGER**  
*For the financial period ended 31 December 2019*

---

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

12 February 2020



**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial period ended 31 December 2019*

---

**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 2019, 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 period from 1 April 2019 to 31 December 2019 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 2019 and of the consolidated financial performance, changes in unitholders' funds and consolidated cash flows of the Group for the financial period from 1 April 2019 to 31 December 2019.

**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 judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial period ended 31 December 2019*

---

**Key Audit Matters** (continued)

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.

***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 \$2,060 million represent 80% of the Group's total assets as at 31 December 2019. The valuation of the Properties is significant to our audit due to their magnitude, and the valuation is complex and 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 31(c), the Properties are measured using significant unobservable inputs. The most significant judgements and estimates affecting the valuations are discount rates and capitalisation rates.

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 the independent professional valuers. In addition, we evaluated the appropriateness of the data used by Management and the independent professional valuers in the estimation process by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. We also assessed the reasonableness of the movements in fair value of the Properties. We also assessed the adequacy of disclosure in Note 31(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.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial period ended 31 December 2019*

---

**Key Audit Matters** (continued)

***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 34 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 judgement 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 2019, the Group has disclosed contingent liabilities arising from uncertain tax positions as set out in Note 34 to the financial statements.

We, together with internal tax specialists, read correspondences between the tax authorities and the Group, evaluated and reviewed Management's judgements 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 judgements, 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 period estimates and developments in the tax environment. We have also assessed the appropriateness of the Group's disclosures on the contingent liabilities in Note 34 to the financial statements.

*(b) Deferred tax*

As at 31 December 2019, the Group has recognised deferred tax liabilities of \$342 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial period ended 31 December 2019*

---

**Key Audit Matters** (continued)

***Taxation matters*** (continued)

**(b) *Deferred tax*** (continued)

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 period ended 31 December 2019*

---

**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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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.



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial period ended 31 December 2019*

---

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- 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.
- 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF ASCENDAS INDIA TRUST**  
*For the financial period ended 31 December 2019*

---

**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*

---

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore

12 February 2020



**CONSOLIDATED INCOME STATEMENT**  
*For the financial period ended 31 December 2019*

|                                                                                                                                                                     | Note | Group<br>1 April 2019 to<br>31 December<br>2019<br>\$'000 | 1 April 2018 to<br>31 March<br>2019<br>\$'000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------------------------------------------------------|-----------------------------------------------|
| <b>Property Income</b>                                                                                                                                              |      |                                                           |                                               |
| Base rent                                                                                                                                                           |      | 110,381                                                   | 134,744                                       |
| Amenities income                                                                                                                                                    |      | 1,589                                                     | 2,221                                         |
| Fit-out rental income                                                                                                                                               |      | 2,232                                                     | 1,709                                         |
| Operations, maintenance and utilities income                                                                                                                        |      | 29,428                                                    | 35,350                                        |
| Car park and other operating income                                                                                                                                 |      | 6,685                                                     | 7,947                                         |
| <b>Total property income</b>                                                                                                                                        |      | <b>150,315</b>                                            | <b>181,971</b>                                |
| <b>Property Expenses</b>                                                                                                                                            |      |                                                           |                                               |
| Operations, maintenance and utilities expenses                                                                                                                      |      | (18,806)                                                  | (22,343)                                      |
| Service and property taxes                                                                                                                                          |      | (3,754)                                                   | (5,053)                                       |
| Property management fees                                                                                                                                            |      | (7,031)                                                   | (9,216)                                       |
| Other property operating expenses                                                                                                                                   | 5    | (7,363)                                                   | (9,683)                                       |
| <b>Total property expenses</b>                                                                                                                                      |      | <b>(36,954)</b>                                           | <b>(46,295)</b>                               |
| <b>Net Property Income</b>                                                                                                                                          |      | <b>113,361</b>                                            | <b>135,676</b>                                |
| Trustee-Manager's fees                                                                                                                                              |      | (11,704)                                                  | (13,874)                                      |
| Other operating expenses                                                                                                                                            |      | (4,366)                                                   | (4,163)                                       |
| Finance costs                                                                                                                                                       | 6    | (35,956)                                                  | (37,046)                                      |
| Interest income                                                                                                                                                     | 4    | 32,790                                                    | 28,661                                        |
| Other income                                                                                                                                                        | 12   | 600                                                       | 45                                            |
| Fair value gain on derivative financial instruments<br>- realised                                                                                                   |      | 2,571                                                     | 7,962                                         |
| Exchange loss - realised                                                                                                                                            |      | (3,365)                                                   | (16,840)                                      |
| <b>Profit Before Change in Fair Value of Investment<br/>Properties, and Unrealised Gain/(Loss) on<br/>Derivative Financial Instruments and Foreign<br/>Exchange</b> |      | <b>93,931</b>                                             | <b>100,421</b>                                |
| Fair value gain/(loss) on derivative financial instruments<br>- unrealised                                                                                          |      | 3,247                                                     | (2,272)                                       |
| Exchange (loss)/gain - unrealised                                                                                                                                   |      | (8,895)                                                   | 5,634                                         |
| Fair value gain on investment properties<br>under construction                                                                                                      | 20   | 19,227                                                    | 100,445                                       |
| Fair value gain on investment properties                                                                                                                            | 21   | 154,759                                                   | 84,443                                        |
| <b>Profit Before Tax</b>                                                                                                                                            | 7    | <b>262,269</b>                                            | <b>288,671</b>                                |
| Income tax expenses                                                                                                                                                 | 8(a) | (73,280)                                                  | (84,152)                                      |
| <b>Net Profit After Tax</b>                                                                                                                                         |      | <b>188,989</b>                                            | <b>204,519</b>                                |
| <b>Attributable To:</b>                                                                                                                                             |      |                                                           |                                               |
| Unitholders of the Trust                                                                                                                                            |      | 177,808                                                   | 192,115                                       |
| Non-controlling interests                                                                                                                                           |      | 11,181                                                    | 12,404                                        |
|                                                                                                                                                                     |      | <b>188,989</b>                                            | <b>204,519</b>                                |
| Earnings per unit attributable to Unitholders of the Trust,<br>expressed in cents per unit<br>- basic and diluted                                                   | 9    | <b>16.86</b>                                              | 18.53                                         |

*The accompanying accounting policies and explanatory notes form an integral part of these financial statements.*

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period ended 31 December 2019

|                                                                                                            | <b>Group</b>                                               |                                                         |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------|
|                                                                                                            | <b>1 April 2019 to<br/>31 December<br/>2019<br/>\$'000</b> | <b>1 April 2018 to<br/>31 March<br/>2019<br/>\$'000</b> |
| Net profit after tax                                                                                       | 188,989                                                    | 204,519                                                 |
| <b>Other Comprehensive Income:</b>                                                                         |                                                            |                                                         |
| Items that may be reclassified subsequently to profit or loss:                                             |                                                            |                                                         |
| - Cash flow hedges                                                                                         | (5,347)                                                    | (3,110)                                                 |
| - Translation differences arising from the conversion of<br>functional currency into presentation currency | (40,825)                                                   | (28,757)                                                |
| Other comprehensive income for the period/year                                                             | (46,172)                                                   | (31,867)                                                |
| Total comprehensive income for the period/year                                                             | 142,817                                                    | 172,652                                                 |
| <b>Total Comprehensive Income Attributable To:</b>                                                         |                                                            |                                                         |
| Unitholders of the Trust                                                                                   | 134,453                                                    | 162,182                                                 |
| Non-controlling interests                                                                                  | 8,364                                                      | 10,470                                                  |
|                                                                                                            | 142,817                                                    | 172,652                                                 |

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

## DISTRIBUTION STATEMENT

For the financial period ended 31 December 2019

|                                                                                                                                                         | Note  | Group<br>1 April 2019 to<br>31 December<br>2019<br>\$'000 | 1 April 2018 to<br>31 March<br>2019<br>\$'000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------------------------------------------|-----------------------------------------------|
| <b>Profit Before Change in Fair Value of Investment Properties, and Unrealised Gain/(Loss) on Derivative Financial Instruments and Foreign Exchange</b> |       | <b>93,931</b>                                             | <b>100,421</b>                                |
| Income tax expenses - current                                                                                                                           | 8(a)  | (20,432)                                                  | (26,237)                                      |
| Trustee-Manager's fees payable in units                                                                                                                 | 10    | 5,714                                                     | 6,779                                         |
| Depreciation of equipment and right-of-use assets                                                                                                       | 19,25 | 362                                                       | 152                                           |
| Realised exchange loss                                                                                                                                  | 10    | 1,217                                                     | 8,502                                         |
| Non-controlling interests                                                                                                                               |       | (5,306)                                                   | (5,084)                                       |
| <b>Distribution Adjustments</b>                                                                                                                         |       | <b>(18,445)</b>                                           | <b>(15,888)</b>                               |
| <b>Income Available for Distribution</b>                                                                                                                |       | <b>75,486</b>                                             | <b>84,533</b>                                 |
| <b>10% retention</b>                                                                                                                                    |       | <b>(7,549)</b>                                            | <b>(8,453)</b>                                |
| <b>Income to be Distributed</b>                                                                                                                         |       | <b>67,937</b>                                             | <b>76,080</b>                                 |
| <b>Income Available for Distribution per unit (cents)</b>                                                                                               |       | <b>7.17</b>                                               | <b>8.14</b>                                   |
| <b>Income to be Distributed per unit (cents)</b>                                                                                                        |       | <b>6.45</b>                                               | <b>7.33</b>                                   |

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

**BALANCE SHEETS**  
As at 31 December 2019

|                                          | Note | Group            |                  | Trust            |                  |
|------------------------------------------|------|------------------|------------------|------------------|------------------|
|                                          |      | 31 December      | 31 March         | 31 December      | 31 March         |
|                                          |      | 2019             | 2019             | 2019             | 2019             |
|                                          |      | \$'000           | \$'000           | \$'000           | \$'000           |
| <b>ASSETS</b>                            |      |                  |                  |                  |                  |
| <b>Current Assets</b>                    |      |                  |                  |                  |                  |
| Cash and cash equivalents                | 11   | 79,598           | 108,483          | 1,967            | 2,280            |
| Investment securities                    | 12   | 19,694           | -                | -                | -                |
| Inventories                              | 13   | 483              | 405              | -                | -                |
| Other assets                             | 14   | 1,412            | 437              | 14               | 16               |
| Loans to subsidiaries                    | 15   | -                | -                | 722,399          | 699,789          |
| Trade and other receivables              | 16   | 34,165           | 28,661           | 3,141            | 3,084            |
| Derivative financial instruments         | 18   | 7,260            | 4,138            | 7,260            | 4,138            |
| Current income tax recoverable           | 8(b) | 4,538            | 4,931            | -                | -                |
|                                          |      | <b>147,150</b>   | <b>147,055</b>   | <b>734,781</b>   | <b>709,307</b>   |
| <b>Non-current Assets</b>                |      |                  |                  |                  |                  |
| Other assets                             | 14   | 5,235            | 5,496            | -                | -                |
| Trade and other receivables              | 16   | 10,675           | -                | -                | -                |
| Long term receivables                    | 17   | 318,193          | 222,106          | -                | -                |
| Derivative financial instruments         | 18   | 18,759           | 10,923           | 18,759           | 10,923           |
| Equipment                                | 19   | 509              | 542              | -                | -                |
| Right-of-use assets                      | 25   | 2,365            | -                | -                | -                |
| Investment properties under construction | 20   | 174,795          | 206,065          | -                | -                |
| Investment properties                    | 21   | 1,885,171        | 1,711,733        | -                | -                |
| Goodwill                                 | 22   | 14,520           | 15,002           | -                | -                |
| Investment in subsidiaries               | 23   | -                | -                | 633,554          | 654,595          |
|                                          |      | <b>2,430,222</b> | <b>2,171,867</b> | <b>652,313</b>   | <b>665,518</b>   |
| <b>Total assets</b>                      |      | <b>2,577,372</b> | <b>2,318,922</b> | <b>1,387,094</b> | <b>1,374,825</b> |
| <b>Current Liabilities</b>               |      |                  |                  |                  |                  |
| Trade and other payables                 | 24   | 102,541          | 95,515           | 51,297           | 38,225           |
| Borrowings                               | 26   | 179,978          | 223,445          | 179,978          | 223,445          |
| Lease liabilities                        | 25   | 43               | -                | -                | -                |
| Derivative financial instruments         | 18   | 21               | 29               | 21               | 29               |
| Current income tax liabilities           | 8(b) | 1,279            | 404              | -                | 94               |
|                                          |      | <b>283,862</b>   | <b>319,393</b>   | <b>231,296</b>   | <b>261,793</b>   |
| <b>Non-current Liabilities</b>           |      |                  |                  |                  |                  |
| Trade and other payables                 | 24   | 51,331           | 55,553           | 500              | 852              |
| Borrowings                               | 26   | 561,413          | 500,833          | 561,413          | 500,833          |
| Lease liabilities                        | 25   | 2,563            | -                | -                | -                |
| Derivative financial instruments         | 18   | 3,464            | 6,979            | 3,464            | 6,979            |
| Deferred income tax liabilities          | 8(c) | 341,857          | 299,412          | -                | -                |
|                                          |      | <b>960,628</b>   | <b>862,777</b>   | <b>565,377</b>   | <b>508,664</b>   |
| <b>Total liabilities</b>                 |      | <b>1,244,490</b> | <b>1,182,170</b> | <b>796,673</b>   | <b>770,457</b>   |
| <b>NET ASSETS</b>                        |      | <b>1,332,882</b> | <b>1,136,752</b> | <b>590,421</b>   | <b>604,368</b>   |

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

## BALANCE SHEETS

As at 31 December 2019

|                                        | Note  | Group                         |                            | Trust                         |                            |
|----------------------------------------|-------|-------------------------------|----------------------------|-------------------------------|----------------------------|
|                                        |       | 31 December<br>2019<br>\$'000 | 31 March<br>2019<br>\$'000 | 31 December<br>2019<br>\$'000 | 31 March<br>2019<br>\$'000 |
| <b>UNITHOLDERS' FUNDS</b>              |       |                               |                            |                               |                            |
| Units in issue                         | 27    | 978,324                       | 825,284                    | 978,324                       | 825,284                    |
| Foreign currency translation reserve   | 28(a) | (454,380)                     | (416,372)                  | (288,452)                     | (270,050)                  |
| Hedging reserve                        | 28(b) | (7,629)                       | (2,282)                    | (7,629)                       | (2,282)                    |
| Other reserves                         | 28(c) | 67,652                        | 69,726                     | -                             | -                          |
| Retained earnings                      | 28(d) | 660,828                       | 580,673                    | (91,822)                      | 51,416                     |
| Net assets attributable to Unitholders |       | 1,244,795                     | 1,057,029                  | 590,421                       | 604,368                    |
| Non-controlling interests              |       | 88,087                        | 79,723                     | -                             | -                          |
|                                        |       | <b>1,332,882</b>              | <b>1,136,752</b>           | <b>590,421</b>                | <b>604,368</b>             |

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 period ended 31 December 2019*

|                                           | Attributable to Unitholders of the Trust |                                      |                 |                |                   |                  |
|-------------------------------------------|------------------------------------------|--------------------------------------|-----------------|----------------|-------------------|------------------|
|                                           | Units in issue                           | Foreign currency translation reserve | Hedging reserve | Other reserves | Retained earnings | Total            |
|                                           | \$'000                                   | \$'000                               | \$'000          | \$'000         | \$'000            | \$'000           |
| <b>31 December 2019</b>                   |                                          |                                      |                 |                |                   |                  |
| Balance at beginning of financial period  | 825,284                                  | (416,372)                            | (2,282)         | 69,726         | 580,673           | 1,057,029        |
| Profit for the period                     | -                                        | -                                    | -               | -              | 177,808           | 177,808          |
| Other comprehensive income for the period | -                                        | (38,008)                             | (5,347)         | -              | -                 | (43,355)         |
| Transfer from other reserves              | -                                        | -                                    | -               | (2,310)        | 2,310             | -                |
| Issue of new units                        | 153,040                                  | -                                    | -               | -              | -                 | 153,040          |
| Distribution to Unitholders (Note 10)     | -                                        | -                                    | -               | -              | (99,727)          | (99,727)         |
| <b>Balance at end of financial period</b> | <b>978,324</b>                           | <b>(454,380)</b>                     | <b>(7,629)</b>  | <b>67,416</b>  | <b>661,064</b>    | <b>1,244,795</b> |
|                                           |                                          |                                      |                 |                |                   | <b>88,087</b>    |
|                                           |                                          |                                      |                 |                |                   | <b>1,332,882</b> |
| <b>31 March 2019</b>                      |                                          |                                      |                 |                |                   |                  |
| Balance at beginning of financial year    | 818,802                                  | (389,549)                            | 828             | 67,947         | 436,288           | 934,316          |
| Profit for the year                       | -                                        | -                                    | -               | -              | 192,115           | 192,115          |
| Other comprehensive income for the year   | -                                        | (26,823)                             | (3,110)         | -              | -                 | (29,933)         |
| Transfer to other reserves                | -                                        | -                                    | -               | 1,779          | (1,779)           | -                |
| Issue of new units                        | 6,482                                    | -                                    | -               | -              | -                 | 6,482            |
| Distribution to Unitholders (Note 10)     | -                                        | -                                    | -               | -              | (45,951)          | (45,951)         |
| <b>Balance at end of financial year</b>   | <b>825,284</b>                           | <b>(416,372)</b>                     | <b>(2,282)</b>  | <b>69,726</b>  | <b>580,673</b>    | <b>1,057,029</b> |
|                                           |                                          |                                      |                 |                |                   | <b>79,723</b>    |
|                                           |                                          |                                      |                 |                |                   | <b>1,136,752</b> |

*The accompanying accounting policies and explanatory notes form an integral part of these financial statements.*

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period ended 31 December 2019

|                                                                            | Note  | Group<br>1 April 2019 to<br>31 December<br>2019<br>\$'000 | 1 April 2018 to<br>31 March<br>2019<br>\$'000 |
|----------------------------------------------------------------------------|-------|-----------------------------------------------------------|-----------------------------------------------|
| <b>Operating activities</b>                                                |       |                                                           |                                               |
| Net profit after tax                                                       |       | 188,989                                                   | 204,519                                       |
| Adjustments for:                                                           |       |                                                           |                                               |
| Income tax expenses                                                        | 8(a)  | 73,280                                                    | 84,152                                        |
| Interest income                                                            | 4     | (32,790)                                                  | (28,661)                                      |
| Finance costs                                                              | 6     | 35,956                                                    | 37,046                                        |
| Investment properties written off                                          | 21    | -                                                         | 217                                           |
| Gain on disposal of investment security                                    | 12    | (21)                                                      | (45)                                          |
| Depreciation of equipment and right-of-use assets                          | 19,25 | 362                                                       | 152                                           |
| Fair value (gain)/loss on derivative financial instruments<br>- unrealised |       | (3,247)                                                   | 2,272                                         |
| Fair value gain on investment securities                                   | 12    | (579)                                                     | -                                             |
| Fair value gain on investment properties under<br>construction             | 20    | (19,227)                                                  | (100,445)                                     |
| Fair value gain on investment properties                                   | 21    | (154,759)                                                 | (84,443)                                      |
| Allowance for impairment of receivables                                    | 5     | 80                                                        | 33                                            |
| Trustee-Manager's fees paid and payable in units                           | 10    | 5,714                                                     | 6,779                                         |
| Exchange differences                                                       |       | 10,110                                                    | 2,868                                         |
| Others                                                                     |       | (2,120)                                                   | 8,205                                         |
| <b>Operating cash flows before changes in working capital</b>              |       | <b>101,748</b>                                            | <b>132,649</b>                                |
| Changes in working capital                                                 |       |                                                           |                                               |
| Inventories                                                                |       | (92)                                                      | 60                                            |
| Other assets                                                               |       | (905)                                                     | 5,385                                         |
| Trade and other receivables                                                |       | (3,603)                                                   | (2,824)                                       |
| Trade and other payables                                                   |       | 6,656                                                     | 20,804                                        |
| Cash flows from operations                                                 |       | 103,804                                                   | 156,074                                       |
| Interest received                                                          |       | 17,033                                                    | 17,861                                        |
| Income tax paid (net)                                                      |       | (18,929)                                                  | (25,377)                                      |
| <b>Net cash flows from operating activities</b>                            |       | <b>101,908</b>                                            | <b>148,558</b>                                |
| <b>Investing activities</b>                                                |       |                                                           |                                               |
| Purchase of equipment                                                      | 19    | (99)                                                      | (319)                                         |
| Additions to investment properties under construction                      | 20    | (20,058)                                                  | (20,113)                                      |
| Additions to investment properties                                         | 21    | (7,342)                                                   | (20,690)                                      |
| Purchase of investment securities                                          |       | (24,222)                                                  | (5,597)                                       |
| Payment towards deferred consideration of investment<br>properties         |       | (5,146)                                                   | (10,753)                                      |
| Proceeds from disposal of investment securities                            |       | 4,235                                                     | 5,450                                         |
| Long term receivables                                                      | 17    | (106,565)                                                 | (224,393)                                     |
| <b>Net cash flows used in investing activities</b>                         |       | <b>(159,197)</b>                                          | <b>(276,415)</b>                              |

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



## CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period ended 31 December 2019

|                                                                  | Note | Group<br>1 April 2019 to<br>31 December<br>2019<br>S\$'000 | 1 April 2018 to<br>31 March<br>2019<br>S\$'000 |
|------------------------------------------------------------------|------|------------------------------------------------------------|------------------------------------------------|
| <b>Financing activities</b>                                      |      |                                                            |                                                |
| Repayment of borrowings                                          | 26   | (299,600)                                                  | (271,600)                                      |
| Distribution to Unitholders                                      |      | (99,727)                                                   | (45,951)                                       |
| Interest paid                                                    | 26   | (33,468)                                                   | (36,889)                                       |
| Proceeds from borrowings                                         | 26   | 311,647                                                    | 484,234                                        |
| Proceeds from issuance of units                                  | 27   | 153,040                                                    | -                                              |
| <b>Net cash flows from financing activities</b>                  |      | <b>31,892</b>                                              | <b>129,794</b>                                 |
| Net (decrease)/increase in cash and cash equivalents             |      | (25,397)                                                   | 1,937                                          |
| Cash and cash equivalents at beginning of financial period/year  |      | 108,483                                                    | 109,807                                        |
| Effects of exchange rate changes on cash and cash equivalents    |      | (3,488)                                                    | (3,261)                                        |
| <b>Cash and cash equivalents at end of financial period/year</b> | 11   | <b>79,598</b>                                              | <b>108,483</b>                                 |

Notes:

(A) Significant non-cash and other transactions

- 4,768,555 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.
- 6,272,150 new Units amounting to \$6,482,000 were issued at issue prices ranging from \$1.0025 to \$1.1223 per Unit for the payment of 50% performance fee and base fee to the Trustee-Manager in Units during the financial year ended 31 March 2019.

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial period ended 31 December 2019*

---

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 1 Fusionopolis Place #10-10, Galaxis, Singapore 138522.

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 23 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, based on the Group's existing financial resources, 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.

**2. Significant accounting policies (continued)**

**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 April 2019. The adoption of the above standards does not have any material impact on the financial position or financial results of the Group, except for SFRS(I) 16. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

*SFRS(I) 16 Leases*

SFRS (I) 16 requires lessees to recognise most leases on balance sheets. The standard includes two recognition exemptions for lessees – leases of ‘low value’ assets and short-term leases. SFRS (I) 16 is effective for annual periods beginning on or after 1 January 2019. At commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

On the adoption of SFRS (I) 16, the Group elected the modified retrospective method where the lease liability was measured at present value of the remaining lease payments discounted using the incremental borrowing rate at the date of initial application. The Company adopted to measure the right-of-use asset at an amount equal to the lease liability. The Company will also separately recognise the interest expense on the lease liability and the depreciation expense on the lease asset.

All right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payment relating to that lease recognised in balance as at 31 March 2019. As a result, right-of-use assets and lease liabilities of \$2,659,000 was recognised on 1 April 2019.

In applying SFRS (I) 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- the use of a single discount to a portfolio of leases with reasonably similar characteristics.
- the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of date of initial application.
- the exclusion of initial direct costs from the measurement of the lease asset at the date of initial application.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**2. Significant accounting policies (continued)**

**2.2 Change in accounting policies (continued)**

*SFRS(I) 16 Leases*

|                                                        | \$'000       |
|--------------------------------------------------------|--------------|
| Lease commitment as at 31 March 2019                   | 6,738        |
| Weighted average discount rate used as at 1 April 2019 | 11.8%        |
| Lease liabilities as at 1 April 2019                   | <u>2,659</u> |

*SFRS(I) INT 23 Uncertainty over Income Tax Treatments*

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

Upon adoption of the Interpretation, the Group considered whether it has any uncertain income tax positions, particularly those relating to disputed tax positions and transfer pricing. 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 are required. If provisions are required, the amount of such provisions is based on various factors, such as advisory by tax or legal consultant, experience of previous tax audits and differing understanding of tax regulations by the taxable entity and the relevant tax authority.

Based on the assessment above, the Interpretation did not have any material impact on the financial position or financial results of the Group.

**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:

| <i>Description</i>                                                                                                                     | <i>Effective for annual periods beginning on or after</i> |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| Amendments to References to the Conceptual Framework in SFRS(I) Standards                                                              | 1 January 2020                                            |
| Amendments to Illustrative Examples, Implementation Guidance and SFRS(I) Practice Statements                                           | 1 January 2020                                            |
| SFRS(I) <i>Insurance Contracts</i>                                                                                                     | 1 January 2021                                            |
| Amendments to SFRS(I) 10 and SFRS(I) 1-28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | 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. Significant accounting policies (continued)**

**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.

*(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. Significant accounting policies (continued)**

**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.



**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.



**2. Significant accounting policies (continued)**

**2.5 Basis of consolidation and business combinations (continued)**

*(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.

**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.

**2. Significant accounting policies (continued)**

**2.6 Currency translation (continued)**

*(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).

**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:

|                                    | <u>Useful lives</u> |
|------------------------------------|---------------------|
| 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.

**2. Significant accounting policies (continued)**

**2.7 Equipment (continued)**

*(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.

**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. Significant accounting policies (continued)**

**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.

*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.

**2. Significant accounting policies (continued)**

**2.11 Joint ventures and associates (continued)**

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. Significant accounting policies (continued)**

**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.

**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.



**2 Significant accounting policies (continued)**

**2.13 Impairment of non-financial assets (continued)**

*(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.



**2 Significant accounting policies (continued)**

**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.

*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.

**2 Significant accounting policies (continued)**

2.15 Financial instruments (continued)

(a) *Financial assets (continued)*

*Subsequent measurement (continued)*

*Investments in debt instruments (continued)*

(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.

**2 Significant accounting policies (continued)**

**2.15 Financial instruments (continued)**

**(a) Financial assets (continued)**

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.

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.

**2 Significant accounting policies (continued)**

**2.15 Financial instruments (continued)**

**(a) Financial assets (continued)**

Derivatives (continued)

**(ii) Cash flow hedge (continued)**

*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.

**(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.

**2 Significant accounting policies (continued)**

**2.15 Financial instruments (continued)**

*(b) Financial liabilities (continued)*

*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.

**(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.

**2 Significant accounting policies (continued)**

**2.15 Financial instruments (continued)**

*(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.



**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, depreciation 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.



**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.

**2. Significant accounting policies (continued)**

**2.17 Taxes (continued)**

*(b) Deferred tax (continued)*

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.

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.

**2. Significant accounting policies (continued)**

**2.17 Taxes (continued)**

*(b) Deferred tax (continued)*

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. Significant accounting policies (continued)**

**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.

**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. Significant accounting policies (continued)**

**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.

**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.

**2. Significant accounting policies (continued)**

2.24 Related parties (continued)

- (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).

### **3. Critical accounting judgements, estimates and assumptions**

The preparation of the Group's consolidated financial statements requires Management to make judgements, 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 31. 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.



**3. Critical accounting judgements, estimates and assumptions (continued)**

*(b) Taxes (continued)*

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 Minimum Alternative Tax ("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 period ended 31 December 2019*

---

**4. Interest income**

|                          | <b>Group</b>                                               |                                                         |
|--------------------------|------------------------------------------------------------|---------------------------------------------------------|
|                          | <b>1 April 2019 to<br/>31 December<br/>2019<br/>\$'000</b> | <b>1 April 2018 to<br/>31 March<br/>2019<br/>\$'000</b> |
| Interest income          |                                                            |                                                         |
| - Financial institutions | 3,724                                                      | 5,522                                                   |
| - Long term receivables  | 27,353                                                     | 20,898                                                  |
| - Others                 | 1,713                                                      | 2,241                                                   |
|                          | <b>32,790</b>                                              | <b>28,661</b>                                           |

**5. Other property operating expenses**

|                                                   | <b>Group</b>                                               |                                                         |
|---------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------|
|                                                   | <b>1 April 2019 to<br/>31 December<br/>2019<br/>\$'000</b> | <b>1 April 2018 to<br/>31 March<br/>2019<br/>\$'000</b> |
| Advertising and publication                       | 1,032                                                      | 833                                                     |
| Depreciation of equipment and right-of-use assets | 362                                                        | 152                                                     |
| Employee benefits                                 | 306                                                        | 327                                                     |
| Insurance                                         | 229                                                        | 265                                                     |
| Investment properties written off                 | -                                                          | 217                                                     |
| General management fee                            | 3,629                                                      | 4,312                                                   |
| Surcharges                                        | 114                                                        | 305                                                     |
| Travel and hotel accomodation                     | 234                                                        | 293                                                     |
| Professional fees                                 | 870                                                        | 1,276                                                   |
| Allowance for impairment of receivables           | 80                                                         | 33                                                      |
| Other direct costs                                | 507                                                        | 1,670                                                   |
|                                                   | <b>7,363</b>                                               | <b>9,683</b>                                            |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

---

**6. Finance costs**

|                           | <b>Group</b>                                               |                                                         |
|---------------------------|------------------------------------------------------------|---------------------------------------------------------|
|                           | <b>1 April 2019 to<br/>31 December<br/>2019<br/>\$'000</b> | <b>1 April 2018 to<br/>31 March<br/>2019<br/>\$'000</b> |
| Interest expenses         |                                                            |                                                         |
| - Financial institutions  | <b>24,712</b>                                              | 22,748                                                  |
| - Medium term notes       | <b>10,751</b>                                              | 14,750                                                  |
| - Lease liabilities       | <b>493</b>                                                 | -                                                       |
| - Reversal of prior years | <b>-</b>                                                   | (452)                                                   |
|                           | <b>35,956</b>                                              | <b>37,046</b>                                           |

**7. Profit before tax**

The following items have been included in arriving at profit before tax:

|                                                                                           | <b>Group</b>                                               |                                                         |
|-------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------|
|                                                                                           | <b>1 April 2019 to<br/>31 December<br/>2019<br/>\$'000</b> | <b>1 April 2018 to<br/>31 March<br/>2019<br/>\$'000</b> |
| Auditors of the Group:                                                                    |                                                            |                                                         |
| - Audit fees                                                                              | <b>335</b>                                                 | 397                                                     |
| - Non-audit fees                                                                          | <b>147</b>                                                 | 46                                                      |
| Inventories recognised as expenses in<br>"Operations, maintenance and utilities expenses" | <b>65</b>                                                  | 221                                                     |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**8. Income taxes**

*(a) Income tax expenses*

|                                                    | <b>Group</b>       |          |
|----------------------------------------------------|--------------------|----------|
|                                                    | <b>31 December</b> | 31 March |
|                                                    | <b>2019</b>        | 2019     |
|                                                    | <b>\$'000</b>      | \$'000   |
| Tax expenses attributable to profit is made up of: |                    |          |
| <i>Current income tax expenses</i>                 |                    |          |
| - Based on current period's/year's results         | 20,533             | 28,783   |
| - Over provision in respect of prior years         | (101)              | (2,546)  |
|                                                    | <b>20,432</b>      | 26,237   |
| <i>Deferred income tax expenses</i>                |                    |          |
| - Based on current period's/year's results         | 53,357             | 61,427   |
| - Over provision in respect of prior years         | (509)              | (3,512)  |
|                                                    | <b>52,848</b>      | 57,915   |
|                                                    | <b>73,280</b>      | 84,152   |

The reconciliation between tax expenses and the product of accounting profit multiplied by the applicable corporate tax rate for the financial period/year ended 31 December 2019 and 31 March 2019 is as follows:

|                                                                          | <b>Group</b>       |          |
|--------------------------------------------------------------------------|--------------------|----------|
|                                                                          | <b>31 December</b> | 31 March |
|                                                                          | <b>2019</b>        | 2018     |
|                                                                          | <b>\$'000</b>      | \$'000   |
| Profit before tax                                                        | <b>262,269</b>     | 288,671  |
| Tax calculated at tax rate of 34.94% (2019: 34.94%)                      | <b>91,637</b>      | 100,862  |
| Effects of:                                                              |                    |          |
| - Income not subject to tax                                              | (20,513)           | (22,592) |
| - Expenses not deductible for tax purpose                                | 19,909             | 21,096   |
| - Tax incentives                                                         | (14,120)           | (12,395) |
| - Fair value gains on investment properties<br>subject to lower tax rate | (7,994)            | (7,119)  |
| - Dividend distribution and withholding tax                              | 6,162              | 10,328   |
| - Over provision in respect of prior years                               | (610)              | (6,058)  |
| - Others                                                                 | (1,191)            | 30       |
|                                                                          | <b>73,280</b>      | 84,152   |

**8. Income taxes** (continued)

*(a) Income tax expenses (continued)*

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.

Dividend distribution tax is levied on any dividend payments by the subsidiaries in India while withholding tax is payable by the subsidiaries in India on 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 period ended 31 December 2019*

**8. Income taxes (continued)**

*(b) Movements in current income tax recoverable and liabilities*

|                                     | <b>Group</b>       |                 |
|-------------------------------------|--------------------|-----------------|
|                                     | <b>31 December</b> | <b>31 March</b> |
|                                     | <b>2019</b>        | <b>2019</b>     |
|                                     | <b>\$'000</b>      | <b>\$'000</b>   |
| Current income tax recoverable      | 4,538              | 4,931           |
| Current income tax liabilities      | (1,279)            | (404)           |
| Current income tax recoverable, net | <u>3,259</u>       | <u>4,527</u>    |

*Movements in current income tax recoverable, net*

|                                               | <b>Group</b>       |                 |
|-----------------------------------------------|--------------------|-----------------|
|                                               | <b>31 December</b> | <b>31 March</b> |
|                                               | <b>2019</b>        | <b>2019</b>     |
|                                               | <b>\$'000</b>      | <b>\$'000</b>   |
| Balance at beginning of financial period/year | 4,527              | 7,240           |
| Tax charge for the period/year                | (20,533)           | (28,783)        |
| Overprovision in respect of prior years       | 101                | 2,546           |
| Arising from merger of subsidiaries           | -                  | (1,618)         |
| Tax paid during the period/year               | 20,973             | 12,422          |
| Tax deducted at source (net)                  | (2,044)            | 12,955          |
| Translation differences                       | 235                | (235)           |
| Balance at end of financial period/year       | <u>3,259</u>       | <u>4,527</u>    |

*(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:

|                                             | <b>Group</b>       |                 |
|---------------------------------------------|--------------------|-----------------|
|                                             | <b>31 December</b> | <b>31 March</b> |
|                                             | <b>2019</b>        | <b>2019</b>     |
|                                             | <b>\$'000</b>      | <b>\$'000</b>   |
| Deferred income tax assets:                 |                    |                 |
| - To be settled after one year              | <u>(36,951)</u>    | <u>(37,008)</u> |
| Deferred income tax liabilities:            |                    |                 |
| - To be settled after one year              | <u>378,808</u>     | <u>336,420</u>  |
| Deferred income tax liabilities - net       | <u>341,857</u>     | <u>299,412</u>  |
| The above comprises the following:          |                    |                 |
| - Fair value gains on investment properties | 378,808            | 336,420         |
| - Minimum alternate tax credit              | (36,951)           | (37,008)        |
|                                             | <u>341,857</u>     | <u>299,412</u>  |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

**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:

| Group                                    | Fair value<br>gains on<br>investment<br>properties | Minimum<br>alternate tax<br>credit | Total          |
|------------------------------------------|----------------------------------------------------|------------------------------------|----------------|
|                                          | \$'000                                             | \$'000                             | \$'000         |
| <b>31 December 2019</b>                  |                                                    |                                    |                |
| 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       | <u>378,808</u>                                     | <u>(36,951)</u>                    | <u>341,857</u> |
| <b>31 March 2019</b>                     |                                                    |                                    |                |
| Balance at beginning of financial year   | 276,325                                            | (26,419)                           | 249,906        |
| Tax charged to income statement          | 69,486                                             | (11,571)                           | 57,915         |
| Translation differences                  | (9,391)                                            | 982                                | (8,409)        |
| Balance at end of financial year         | <u>336,420</u>                                     | <u>(37,008)</u>                    | <u>299,412</u> |

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*

At the reporting date, the Group had potential dividend distribution tax liability amounting to \$42,715,000 (31 March 2019: \$32,500,000) 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 period ended 31 December 2019*

**9. Earnings per unit**

The calculation of basic earnings per unit is based on:

|                                                                     | <b>Group</b>                                    |                                     |
|---------------------------------------------------------------------|-------------------------------------------------|-------------------------------------|
|                                                                     | <b>1 April 2019 to<br/>31 December<br/>2019</b> | 1 April 2018 to<br>31 March<br>2019 |
| Total profit attributable to Unitholders (\$'000)                   | <b>177,808</b>                                  | 192,115                             |
| Weighted average number of units outstanding during the year ('000) | <b>1,054,828</b>                                | 1,036,952                           |
| Earnings per unit (cents)                                           | <b>16.86</b>                                    | 18.53                               |

Diluted earnings per unit are the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial period.

**10. Distribution to Unitholders**

|                                                                     | <b>Group and Trust</b>                                     |                                               |
|---------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------|
|                                                                     | <b>1 April 2019 to<br/>31 December<br/>2019<br/>\$'000</b> | 1 April 2018 to<br>31 March<br>2019<br>\$'000 |
| Distribution paid:                                                  |                                                            |                                               |
| Exempt distribution of 0.85 cents per unit paid on 25 May 2018      | -                                                          | 8,787                                         |
| Exempt distribution of 3.58 cents per unit paid on 26 November 2018 | -                                                          | 37,164                                        |
| Exempt distribution of 3.75 cents per unit paid on 27 May 2019      | <b>39,083</b>                                              | -                                             |
| Exempt distribution of 4.33 cents per unit paid on 22 November 2019 | <b>45,196</b>                                              | -                                             |
| Exempt distribution of 1.48 cents per unit paid on 24 December 2019 | <b>15,448</b>                                              | -                                             |
|                                                                     | <b>99,727</b>                                              | 45,951                                        |

A tax-exempt distribution of 0.64 cents per unit amounting to \$7,331,000 was approved on 30 January 2020 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 2020.

*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 \$5,714,000 (31 March 2019: \$6,779,000) during the financial period.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

---

**10. Distribution to Unitholders (continued)**

*Distribution adjustments (continued)*

During the financial period, net realised exchange loss of \$1,217,000 (31 March 2019: \$8,502,000) 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.

**11. Cash and cash equivalents**

|                          | <b>Group</b>       |          | <b>Trust</b>       |          |
|--------------------------|--------------------|----------|--------------------|----------|
|                          | <b>31 December</b> | 31 March | <b>31 December</b> | 31 March |
|                          | <b>2019</b>        | 2019     | <b>2019</b>        | 2019     |
|                          | <b>\$'000</b>      | \$'000   | <b>\$'000</b>      | \$'000   |
| Cash at bank and on hand | <b>9,938</b>       | 8,035    | <b>1,967</b>       | 2,280    |
| Fixed deposits           | <b>69,660</b>      | 100,448  | <b>-</b>           | -        |
|                          | <b>79,598</b>      | 108,483  | <b>1,967</b>       | 2,280    |

The exposure of cash and cash equivalents to interest rate risk and currency risk is disclosed in Note 30.

Fixed deposits at the balance sheet date had an average maturity of 6 months (31 March 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 2019, certain companies of the Group had cash and deposit balances denominated in INR amounting to approximately \$77,405,000 (31 March 2019: \$106,097,000) 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**12. Investment Securities**

|                                             | <b>Group</b>       |                 |
|---------------------------------------------|--------------------|-----------------|
|                                             | <b>31 December</b> | <b>31 March</b> |
|                                             | <b>2019</b>        | <b>2019</b>     |
|                                             | <b>\$'000</b>      | <b>\$'000</b>   |
| <b>At fair value through profit or loss</b> |                    |                 |
| Listed Fund Investments (Quoted)            | <b>19,694</b>      | <b>-</b>        |

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.

During the period, the Group recognised gain on disposal of \$21,000 (31 March 2019: \$45,000) and fair value gain of \$579,000 (31 March 2019: Nil) on MMFs in other income of income statement.

**13. Inventories**

|                      | <b>Group</b>       |                 |
|----------------------|--------------------|-----------------|
|                      | <b>31 December</b> | <b>31 March</b> |
|                      | <b>2019</b>        | <b>2019</b>     |
|                      | <b>\$'000</b>      | <b>\$'000</b>   |
| Operational supplies | <b>483</b>         | <b>405</b>      |

**14. Other assets**

|                    | <b>Group</b>       |                 | <b>Trust</b>       |                 |
|--------------------|--------------------|-----------------|--------------------|-----------------|
|                    | <b>31 December</b> | <b>31 March</b> | <b>31 December</b> | <b>31 March</b> |
|                    | <b>2019</b>        | <b>2019</b>     | <b>2019</b>        | <b>2019</b>     |
|                    | <b>\$'000</b>      | <b>\$'000</b>   | <b>\$'000</b>      | <b>\$'000</b>   |
| <b>Current</b>     |                    |                 |                    |                 |
| Deposits           | <b>48</b>          | <b>38</b>       | <b>-</b>           | <b>-</b>        |
| Prepayments        | <b>1,364</b>       | <b>399</b>      | <b>14</b>          | <b>16</b>       |
|                    | <b>1,412</b>       | <b>437</b>      | <b>14</b>          | <b>16</b>       |
| <b>Non-current</b> |                    |                 |                    |                 |
| Deposits           | <b>5,217</b>       | <b>5,431</b>    | <b>-</b>           | <b>-</b>        |
| Prepayments        | <b>18</b>          | <b>65</b>       | <b>-</b>           | <b>-</b>        |
|                    | <b>5,235</b>       | <b>5,496</b>    | <b>-</b>           | <b>-</b>        |

The carrying amounts of deposits, denominated in INR, approximate their fair values.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

**15. Loans to subsidiaries**

|                        | <b>Trust</b>       |                 |
|------------------------|--------------------|-----------------|
|                        | <b>31 December</b> | <b>31 March</b> |
|                        | <b>2019</b>        | <b>2019</b>     |
|                        | <b>\$'000</b>      | <b>\$'000</b>   |
| Loans to subsidiaries  |                    |                 |
| - Non-interest bearing | <b>214,910</b>     | 222,820         |
| - Interest bearing     | <b>507,489</b>     | 476,969         |
|                        | <b>722,399</b>     | 699,789         |

As at 31 December 2019, 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% (31 March 2019: 2.58% to 9.15%) per annum.

**16. Trade and other receivables**

|                                               | <b>Group</b>       |                 | <b>Trust</b>       |                 |
|-----------------------------------------------|--------------------|-----------------|--------------------|-----------------|
|                                               | <b>31 December</b> | <b>31 March</b> | <b>31 December</b> | <b>31 March</b> |
|                                               | <b>2019</b>        | <b>2019</b>     | <b>2019</b>        | <b>2019</b>     |
|                                               | <b>\$'000</b>      | <b>\$'000</b>   | <b>\$'000</b>      | <b>\$'000</b>   |
| <b>Current</b>                                |                    |                 |                    |                 |
| Trade receivables                             | <b>8,674</b>       | 9,282           | -                  | -               |
| Less: Allowance for impairment of receivables | <b>(2,231)</b>     | (2,224)         | -                  | -               |
| Trade receivables - net                       | <b>6,443</b>       | 7,058           | -                  | -               |
| Amounts owing from subsidiary                 | -                  | -               | <b>7</b>           | 7               |
| Non-related parties                           |                    |                 |                    |                 |
| - Advances to suppliers                       | <b>2,095</b>       | 959             | -                  | -               |
| - Interest receivable                         | <b>19,798</b>      | 14,909          | -                  | -               |
| - Service input tax recoverable               | <b>5,358</b>       | 5,553           | -                  | -               |
| - Others                                      | <b>471</b>         | 182             | <b>3,134</b>       | 3,077           |
|                                               | <b>34,165</b>      | 28,661          | <b>3,141</b>       | <b>3,084</b>    |
| <b>Non-Current</b>                            |                    |                 |                    |                 |
| Non-related parties                           |                    |                 |                    |                 |
| - Advances to suppliers                       | <b>664</b>         | -               | -                  | -               |
| - Interest receivable                         | <b>10,011</b>      | -               | -                  | -               |
|                                               | <b>10,675</b>      | -               | -                  | -               |

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 30.

As disclosed in Note 5, allowance for impairment of receivables of \$80,000 (31 March 2019: \$33,000) was included in "Other property operating expenses".

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

**17. Long term receivables**

|                                               | <b>Group</b>       |                 |
|-----------------------------------------------|--------------------|-----------------|
|                                               | <b>31 December</b> | <b>31 March</b> |
|                                               | <b>2019</b>        | <b>2019</b>     |
|                                               | <b>\$'000</b>      | <b>\$'000</b>   |
| Balance at beginning of financial period/year | <b>222,106</b>     | -               |
| Additions                                     | <b>106,565</b>     | 224,393         |
| Translation differences                       | <b>(10,478)</b>    | (2,287)         |
| Balance at end of financial period/year       | <b>318,193</b>     | 222,106         |

Long term receivables pertain to inter-corporate deposit ("ICD") provided to a non-related party and subscription of non-convertible debentures ("NCDs") and Rupee Denominated Bonds ("RDBs") issued by non-related parties.

During the period, the Group subscribed to RDB with coupon rates of 11.5% per annum. The RDB has a tenure of 30 years and are 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.

During the 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.

During the period, the Group has provided ICD with a coupon rate of 13.0% per annum to a non-related party, which 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.

In the previous financial year, the Group subscribed to NCDs with coupon rates ranging between 11.25% to 13.75%. The NCDs have a tenure of 30 years and are issued to fund the construction of two IT buildings at Navi Mumbai, two IT buildings in aVance Business Hub 2 at Hyderabad and two buildings in aVance Business Hub at Hyderabad. The NCDs are secured by a charge over non-related parties' properties, land, land lease and pledge of shares, and are backed by a corporate guarantee for interest and principal repayment. The subscription to the NCDs is a multi-stage process to eventually acquire the properties when certain conditions are met, through the acquisition of the issued and paid-up capital of non-related parties. The Group has the legal enforceable right to call for NCD redemptions if the completion date for the acquisition of shares is delayed beyond certain specific dates.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

**17. Long term receivables (continued)**

The Group also provided ICD with coupon rates ranging between 13.0% to 13.5% per annum. The ICD has a tenure of 5 years and is secured by a charge over non-related parties' properties, land and pledge of shares, and are backed by a corporate guarantee.

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.

**18. Derivative financial instruments**

|                                | Group and Trust                 |             |             |                                 |             |             |
|--------------------------------|---------------------------------|-------------|-------------|---------------------------------|-------------|-------------|
|                                | 31 December 2019                |             |             | 31 March 2019                   |             |             |
|                                | Contract/<br>notional<br>amount | Fair values |             | Contract/<br>notional<br>amount | Fair values |             |
|                                |                                 | Assets      | Liabilities |                                 | Assets      | Liabilities |
|                                | \$'000                          | \$'000      | \$'000      | \$'000                          | \$'000      | \$'000      |
| <b>Current</b>                 |                                 |             |             |                                 |             |             |
| <i>Cash flow hedges</i>        |                                 |             |             |                                 |             |             |
| - Interest rate swaps          | 16,000                          | -           | (21)        | 16,000                          | -           | (29)        |
| - Currency swaps               | 84,000                          | 7,208       | -           | 69,000                          | 4,137       | -           |
| <i>Non-hedging instruments</i> |                                 |             |             |                                 |             |             |
| - Currency forwards            | 6,000                           | 52          | -           | 18,000                          | 1           | -           |
|                                |                                 | 7,260       | (21)        |                                 | 4,138       | (29)        |
| <b>Non-current</b>             |                                 |             |             |                                 |             |             |
| <i>Cash flow hedges</i>        |                                 |             |             |                                 |             |             |
| - Interest rate swaps          | 19,000                          | -           | (239)       | 19,000                          | -           | (72)        |
| - Currency swaps               | 383,921                         | 18,424      | (1,710)     | 329,026                         | 10,880      | (2,682)     |
| - Options                      | 100,000                         | 335         | (1,515)     | 100,000                         | 43          | (4,225)     |
|                                |                                 | 18,759      | (3,464)     |                                 | 10,923      | (6,979)     |
| <b>Total</b>                   |                                 | 26,019      | (3,485)     |                                 | 15,061      | (7,008)     |

## NOTES TO THE FINANCIAL STATEMENTS

For the financial period ended 31 December 2019

---

### 18. Derivative financial instruments (continued)

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 period/year ended 31 December 2019 and 31 March 2019.

The Group held interest rate swaps to exchange floating-rate interest, on SGD loans of \$66,000,000 (31 March 2019: \$77,820,000), into fixed-rate interest at an average rate of 3.22% (31 March 2019: 3.42%) per annum.

The Group entered into currency swaps to exchange floating-rate SGD loans of \$406,895,000 (31 March 2019: \$287,000,000) for INR obligations at average fixed-rate of 7.57% (31 March 2019: 7.63%) per annum and also currency swaps to exchange fixed-rate medium term notes of \$118,206,075 (31 March 2019: \$168,206,000) for fixed-rate INR obligation at average fixed-rate of 8.13% (31 March 2019: 8.07%) per annum.

The rationale for entering into currency forwards is disclosed in Note 30(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 period ended 31 December 2019*

**19. Equipment**

|                                               | <b>Group</b>                              |                 |
|-----------------------------------------------|-------------------------------------------|-----------------|
|                                               | <b>Computers, furniture and equipment</b> |                 |
|                                               | <b>31 December</b>                        | <b>31 March</b> |
|                                               | <b>2019</b>                               | <b>2019</b>     |
|                                               | <b>\$'000</b>                             | <b>\$'000</b>   |
| <b>Cost</b>                                   |                                           |                 |
| Balance at beginning of financial period/year | 4,554                                     | 4,355           |
| Additions                                     | 99                                        | 319             |
| Translation differences                       | (112)                                     | (120)           |
| Balance at end of financial period/year       | 4,541                                     | 4,554           |
| <b>Accumulated depreciation</b>               |                                           |                 |
| Balance at beginning of financial period/year | 4,012                                     | 3,970           |
| Depreciation charge                           | 115                                       | 152             |
| Translation differences                       | (95)                                      | (110)           |
| Balance at end of financial period/year       | 4,032                                     | 4,012           |
| <b>Net book value</b>                         |                                           |                 |
| Balance at end of financial period/year       | 509                                       | 542             |
| Balance at beginning of financial period/year | 542                                       | 385             |

**20. Investment properties under construction**

|                                                    | <b>Group</b>       |                 |
|----------------------------------------------------|--------------------|-----------------|
|                                                    | <b>31 December</b> | <b>31 March</b> |
|                                                    | <b>2019</b>        | <b>2019</b>     |
|                                                    | <b>\$'000</b>      | <b>\$'000</b>   |
| Balance at beginning of financial period/year      | 206,065            | 14,706          |
| Additions during the period/year                   | 20,623             | 19,214          |
| Transfer (to)/from investment properties (Note 21) | (64,904)           | 70,059          |
| Fair value gain                                    | 19,227             | 100,445         |
| Translation differences                            | (6,216)            | 1,641           |
| Balance at end of financial period/year            | 174,795            | 206,065         |

Investment properties under construction are stated at fair value, which has been determined based on residual valuations performed by Savills Property Services (India) Private Limited as at 31 December 2019. The details of the valuation techniques and inputs used are disclosed in Note 31.

During the financial period, \$64,904,000 was transferred to "Investment properties" on completion of Anchor building, a multi-tenanted building in Information Technology Park Limited. In previous financial year, \$70,059,000 was transferred from "Investment properties" related to the Phase 1 redevelopment of VITP Private Limited and development of a new multi-tenanted building in Information Technology Park Limited.

Included in additions of investment properties under construction, \$565,000 (31 March 2019: \$664,000) was construction cost payable (Note 24).

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**21. Investment properties**

|                                                                        | <b>Group</b>       |                  |
|------------------------------------------------------------------------|--------------------|------------------|
|                                                                        | <b>31 December</b> | <b>31 March</b>  |
|                                                                        | <b>2019</b>        | <b>2019</b>      |
|                                                                        | <b>\$'000</b>      | <b>\$'000</b>    |
| Balance at beginning of financial period/year                          | 1,711,733          | 1,726,292        |
| Additions during the period/year                                       | 7,342              | 20,690           |
| Cost adjustment arising from change in deferred consideration          | 4,590              | (69)             |
| Investment properties written off (Note 5)                             | -                  | (217)            |
| Amortisation of marketing fee                                          | (498)              | (753)            |
| Straightlining of rent free period                                     | 2,364              | 2,310            |
| Transfer from /(to) investment properties under construction (Note 20) | 64,904             | (70,059)         |
| Fair value gain                                                        | 154,759            | 84,443           |
| Translation differences                                                | (60,023)           | (50,904)         |
| Balance at end of financial period/year                                | <b>1,885,171</b>   | <b>1,711,733</b> |

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 2019. The details of the valuation techniques and inputs used are disclosed in Note 31.

**22. Goodwill**

|                                               | <b>Group</b>       |                 |
|-----------------------------------------------|--------------------|-----------------|
|                                               | <b>31 December</b> | <b>31 March</b> |
|                                               | <b>2019</b>        | <b>2019</b>     |
|                                               | <b>\$'000</b>      | <b>\$'000</b>   |
| Balance at beginning of financial period/year | 15,002             | 15,461          |
| Translation differences                       | (482)              | (459)           |
| Balance at end of financial period/year       | <b>14,520</b>      | <b>15,002</b>   |

*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 \$12,804,000 (31 March 2019: \$13,229,000) and \$1,716,000 (31 March 2019: \$1,773,000) 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**23. 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 |                 | Trust                   |                      |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-----------------|----------------------------------------|-----------------|-------------------------|----------------------|
|                                                           |                                                                                                                                                      |                                              |                 |                                        |                 | Cost of investment      |                      |
|                                                           |                                                                                                                                                      |                                              |                 | 31 December 2019 %                     | 31 March 2019 % | 31 December 2019 \$'000 | 31 March 2019 \$'000 |
| <b>Direct subsidiaries</b>                                |                                                                                                                                                      |                                              |                 |                                        |                 |                         |                      |
| Ascendas Property Fund (India) Pte. Ltd.*                 | Investment vehicle of listed trust                                                                                                                   | Singapore                                    | Ordinary        | 100                                    | 100             | 613,392                 | 633,763              |
| Ascendas Property Fund (FDI) Pte. Ltd. *                  | Investment vehicle of listed trust                                                                                                                   | Singapore                                    | Ordinary        | 100                                    | 100             | 20,162                  | 20,832               |
|                                                           |                                                                                                                                                      |                                              |                 |                                        |                 | <b>633,554</b>          | <b>654,595</b>       |
| <b>Indirect subsidiaries</b>                              |                                                                                                                                                      |                                              |                 |                                        |                 |                         |                      |
| VTP 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 Infotech Pvt Ltd @                              | Development, owning and management of information technology parks in special economic zones in Hyderabad                                            | India                                        | Ordinary        | 100                                    | 100             |                         |                      |
| Avance-Atlas Infotech 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             |                         |                      |
| Arshiya 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                                     | -               |                         |                      |

\* Audited by Ernst & Young LLP, Singapore.

@ Audited by member firm of EY Global in India

# Incorporated in April 2019 & not required statutory audit

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

**23. Investment in subsidiaries (continued)**

*Amalgamation of VITP Private Limited and Flagship Developers Private Limited*

On 17 July 2018, VITP Private Limited ("VITP"), a wholly-owned subsidiary of the Trust, received approval from the National Company Law Tribunal, Hyderabad Bench for the amalgamation of Flagship Developers Private Limited ("FDPL") with VITP. FDPL was accordingly dissolved, with VITP as the surviving entity.

**24. Trade and other payables**

|                                                                                      | <b>Group</b>       |                 | <b>Trust</b>       |                 |
|--------------------------------------------------------------------------------------|--------------------|-----------------|--------------------|-----------------|
|                                                                                      | <b>31 December</b> | <b>31 March</b> | <b>31 December</b> | <b>31 March</b> |
|                                                                                      | <b>2019</b>        | <b>2019</b>     | <b>2019</b>        | <b>2019</b>     |
|                                                                                      | <b>\$'000</b>      | <b>\$'000</b>   | <b>\$'000</b>      | <b>\$'000</b>   |
| <b>Current</b>                                                                       |                    |                 |                    |                 |
| Amount owing to subsidiary                                                           | -                  | -               | 32,373             | 20,595          |
| Other payables                                                                       |                    |                 |                    |                 |
| - Non-related parties                                                                |                    |                 |                    |                 |
| - Interest payable                                                                   | 8,830              | 7,109           | 8,808              | 7,086           |
| - Construction cost payable                                                          | 565                | 664             | -                  | -               |
| - Retention sum payable                                                              | 1,603              | 1,521           | -                  | -               |
| - Advances                                                                           | 1,386              | 2,713           | -                  | -               |
| - Companies controlled by a Unitholder that has significant influence over the Group | 8,783              | 9,446           | 6,843              | 7,969           |
| Accruals                                                                             | 20,068             | 19,954          | 1,053              | 1,301           |
| Rental deposits                                                                      | 53,158             | 46,859          | -                  | -               |
| Deferred consideration                                                               | -                  | 960             | -                  | -               |
| Others                                                                               | 8,148              | 6,289           | 2,220              | 1,274           |
|                                                                                      | <b>102,541</b>     | <b>95,515</b>   | <b>51,297</b>      | <b>38,225</b>   |
| <b>Non-current</b>                                                                   |                    |                 |                    |                 |
| Rental deposits                                                                      | 49,712             | 53,667          | -                  | -               |
| Accruals                                                                             | 500                | 852             | 500                | 852             |
| Others                                                                               | 1,119              | 1,034           | -                  | -               |
|                                                                                      | <b>51,331</b>      | <b>55,553</b>   | <b>500</b>         | <b>852</b>      |
|                                                                                      | <b>153,872</b>     | <b>151,068</b>  | <b>51,797</b>      | <b>39,077</b>   |

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 30.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

---

**25. Right-of-use assets**  
**Lease Liabilities**

|                                          | 31 December<br>2019<br>\$'000 |
|------------------------------------------|-------------------------------|
| <b>Cost</b>                              |                               |
| Balance at beginning of financial period | -                             |
| Effect of adopting SFRS (I) 16           | 2,659                         |
| At 1 April, as restated                  | 2,659                         |
| Translation differences                  | (52)                          |
| Balance at end of financial period       | 2,607                         |
| <b>Accumulated depreciation</b>          |                               |
| Depreciation charge                      | 247                           |
| Translation differences                  | (5)                           |
| Balance at end of financial period       | 242                           |
| <b>Net book value</b>                    |                               |
| Balance at end of financial period       | 2,365                         |
| <b>Short-term lease liabilities</b>      |                               |
| Machinery                                | 43                            |
| <b>Long-term lease liabilities</b>       |                               |
| Machinery                                | 2,563                         |

The Group has lease liabilities for machinery in India. The leases for the machinery as at 31 December 2019 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 period ended 31 December 2019*

**26. Borrowings**

|                                     | <b>Group and Trust</b> |                 |
|-------------------------------------|------------------------|-----------------|
|                                     | <b>31 December</b>     | <b>31 March</b> |
|                                     | <b>2019</b>            | <b>2019</b>     |
|                                     | <b>\$'000</b>          | <b>\$'000</b>   |
| <b>Current</b>                      |                        |                 |
| Unsecured bank loans                | 150,000                | 173,500         |
| Less: Unamortised transaction costs | (18)                   | (17)            |
|                                     | 149,982                | 173,483         |
| Unsecured medium term notes         | 30,000                 | 50,000          |
| Less: Unamortised transaction costs | (4)                    | (38)            |
|                                     | 29,996                 | 49,962          |
| Total current borrowings            | 179,978                | 223,445         |
| <b>Non-current</b>                  |                        |                 |
| Unsecured bank loans                | 400,895                | 315,000         |
| Less: Unamortised transaction costs | (1,971)                | (2,200)         |
|                                     | 398,924                | 312,800         |
| Unsecured medium term notes         | 162,630                | 188,262         |
| Less: Unamortised transaction costs | (141)                  | (229)           |
|                                     | 162,489                | 188,033         |
| Total non-current borrowings        | 561,413                | 500,833         |
| Total borrowings                    | 741,391                | 724,278         |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**26. Borrowings (continued)**

*Debt repayment schedule*

|                                | Group and Trust |                         |                                                 |
|--------------------------------|-----------------|-------------------------|-------------------------------------------------|
|                                | Total<br>\$'000 | Within 1 year<br>\$'000 | After 1 year<br>but within 5<br>years<br>\$'000 |
| <b>31 December 2019</b>        |                 |                         |                                                 |
| 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                                         |
| <b>Total</b>                   | <b>741,391</b>  | <b>179,978</b>          | <b>561,413</b>                                  |
| <b>31 March 2019</b>           |                 |                         |                                                 |
| Unsecured bank loans           |                 |                         |                                                 |
| - Variable rate SGD term loans | 486,283         | 173,483                 | 312,800                                         |
| Unsecured medium term notes    |                 |                         |                                                 |
| - 5 year SGD notes             | 79,915          | 49,962                  | 29,953                                          |
| - 5 year JPY notes             | 158,080         | -                       | 158,080                                         |
|                                | 237,995         | 49,962                  | 188,033                                         |
| <b>Total</b>                   | <b>724,278</b>  | <b>223,445</b>          | <b>500,833</b>                                  |



**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**26. Borrowings (continued)**

*Interest rate*

The weighted average effective interest rates of total borrowings at the balance sheet date were as follows:

|                             | <b>Group and Trust</b>      |                          |
|-----------------------------|-----------------------------|--------------------------|
|                             | <b>31 December<br/>2019</b> | <b>31 March<br/>2019</b> |
| Unsecured bank loans        |                             |                          |
| - SGD                       | 2.74%                       | 3.21%                    |
| - HKD                       | 3.53%                       | -                        |
| Unsecured medium term notes |                             |                          |
| - 5 year SGD notes          | 3.90%                       | 3.84%                    |
| - 5 year JPY notes          | 0.69%                       | 0.69%                    |

*Reconciliation of liabilities arising from financing activities*

|                                          | <b>Liabilities</b>           |                                        | <b>Derivatives (assets)/liabilities held to<br/>hedge borrowings</b>                                                       |                                                                                                                                 |                         |
|------------------------------------------|------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|                                          | <b>Borrowings<br/>\$'000</b> | <b>Interest<br/>payable<br/>\$'000</b> | <b>Cross<br/>currency<br/>swap,<br/>interest rate<br/>swap and<br/>Options used<br/>for hedging-<br/>assets<br/>\$'000</b> | <b>Cross<br/>currency<br/>swap,<br/>interest rate<br/>swap and<br/>Options used<br/>for hedging-<br/>liabilities<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
| Balance at beginning of period           | 724,278                      | 7,109                                  | (15,061)                                                                                                                   | 7,008                                                                                                                           | 723,334                 |
| <b>Changes from financing cash flows</b> |                              |                                        |                                                                                                                            |                                                                                                                                 |                         |
| Proceeds from borrowings                 | 311,647                      | -                                      | -                                                                                                                          | -                                                                                                                               | 311,647                 |
| Repayment of borrowings                  | (299,600)                    | -                                      | -                                                                                                                          | -                                                                                                                               | (299,600)               |
| Finance costs paid                       | -                            | (33,468)                               | -                                                                                                                          | -                                                                                                                               | (33,468)                |
| Total changes from financing cash flows  | 12,047                       | (33,468)                               | -                                                                                                                          | -                                                                                                                               | (21,421)                |
| Change in fair value                     | -                            | -                                      | (10,988)                                                                                                                   | (3,523)                                                                                                                         | (14,511)                |
| <b>Other changes</b>                     |                              |                                        |                                                                                                                            |                                                                                                                                 |                         |
| Amortisation of transaction costs        | 991                          | -                                      | -                                                                                                                          | -                                                                                                                               | 991                     |
| Interest expense                         | -                            | 34,965                                 | -                                                                                                                          | -                                                                                                                               | 34,965                  |
| Translation differences                  | 4,075                        | 224                                    | 30                                                                                                                         | -                                                                                                                               | 4,329                   |
| Total liability-related other changes    | 5,066                        | 35,189                                 | 30                                                                                                                         | -                                                                                                                               | 40,285                  |
| Balance at end of period                 | 741,391                      | 8,830                                  | (26,019)                                                                                                                   | 3,485                                                                                                                           | 727,687                 |

**26. 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 2019, 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 2019, which still remains outstanding, is \$193,000,000 (31 March 2019: \$238,000,000), consisting of:

- (a) \$30,000,000 MTN 6, which bears a fixed interest rate of 3.90% per annum, payable semi-annually in arrears and matures on 5 October 2020.
- (b) 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.
- (c) 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.
- (d) 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

---

**27. Units in issue**

|                                                  | <b>Group and Trust</b>                        |                |                                           |               |
|--------------------------------------------------|-----------------------------------------------|----------------|-------------------------------------------|---------------|
|                                                  | <b>31 December 2019</b>                       |                | <b>31 March 2019</b>                      |               |
|                                                  | <b>Number of<br/>units (in<br/>thousands)</b> | <b>\$'000</b>  | <b>Number of units<br/>(in thousands)</b> | <b>\$'000</b> |
| Balance at beginning of<br>financial period/year | <b>1,039,037</b>                              | <b>825,284</b> | 1,032,765                                 | 818,802       |
| Issue of new units                               |                                               |                |                                           |               |
| - Fee paid in units                              | <b>4,762</b>                                  | <b>6,033</b>   | 6,272                                     | 6,482         |
| - Private placement                              | <b>99,470</b>                                 | <b>147,007</b> | -                                         | -             |
| Balance at end of<br>financial period/year       | <b>1,143,269</b>                              | <b>978,324</b> | 1,039,037                                 | 825,284       |

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.

The private placement (net) includes units issuance expenses of \$2,993,000.

All issued units are fully paid.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

---

**28. Reserves**

*(a) Foreign currency translation reserve*

|                                                                                                             | <b>Trust</b>       |                 |
|-------------------------------------------------------------------------------------------------------------|--------------------|-----------------|
|                                                                                                             | <b>31 December</b> | <b>31 March</b> |
|                                                                                                             | <b>2019</b>        | <b>2019</b>     |
|                                                                                                             | <b>\$'000</b>      | <b>\$'000</b>   |
| Balance at beginning of financial period/year                                                               | <b>(270,050)</b>   | (247,461)       |
| Translation differences arising from the<br>conversion of functional currency into<br>presentation currency | <b>(18,402)</b>    | (22,589)        |
| Balance at end of financial period/year                                                                     | <b>(288,452)</b>   | (270,050)       |

*(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*

|                                               | <b>Trust</b>       |                 |
|-----------------------------------------------|--------------------|-----------------|
|                                               | <b>31 December</b> | <b>31 March</b> |
|                                               | <b>2019</b>        | <b>2019</b>     |
|                                               | <b>\$'000</b>      | <b>\$'000</b>   |
| Balance at beginning of financial period/year | <b>51,416</b>      | 138,998         |
| Loss for the period/year                      | <b>(43,511)</b>    | (41,631)        |
| Distribution to Unitholders (Note 10)         | <b>(99,727)</b>    | (45,951)        |
| Balance at end of financial period/year       | <b>(91,822)</b>    | 51,416          |

## **29. 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.

#### *(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.

**29. Related party transactions (continued)**

*(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;
- 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**29. Related party transactions (continued)**

(b) *Property Manager's fees (continued)*

(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:

|                                                       | <b>Group</b>       |                 |
|-------------------------------------------------------|--------------------|-----------------|
|                                                       | <b>31 December</b> | <b>31 March</b> |
|                                                       | <b>2019</b>        | <b>2019</b>     |
|                                                       | <b>\$'000</b>      | <b>\$'000</b>   |
| <b>Companies controlled by a unitholder</b>           |                    |                 |
| <b>that has significant influence over the Group:</b> |                    |                 |
| Trustee-Manager's fees paid/payable                   | 11,762             | 13,920          |
| Property management services                          | 2,844              | 3,415           |
| Lease management services                             | 1,422              | 1,707           |
| General management fee                                | 3,629              | 4,312           |
| Marketing services                                    | 2,382              | 3,145           |
| Project management fees                               | 583                | 464             |
| Rental income received/receivable                     | (1,690)            | (1,690)         |

*Acquisition fee*

During the financial period, acquisition fee of INR 3 million (equivalent to \$58,000) was paid/payable to the Trustee-Manager related to the progress payment on Ascendas Panvel FTWZ Limited ("APFL"). In the previous financial year, acquisition fee of INR 2 million (equivalent to \$45,000) was paid/payable to the Trustee-Manager relating to the acquisition of Deccan Real Ventures Private Limited ("DRVPL") and APFL.



### **30. 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 period ended 31 December 2019

**30. 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:

| Group                                                                                                  | INR<br>\$'000  | SGD<br>\$'000    | JPY<br>\$'000    | USD<br>\$'000 | HKD<br>\$'000   | TOTAL<br>\$'000  |
|--------------------------------------------------------------------------------------------------------|----------------|------------------|------------------|---------------|-----------------|------------------|
| <b>31 December 2019</b>                                                                                |                |                  |                  |               |                 |                  |
| <b>Financial assets</b>                                                                                |                |                  |                  |               |                 |                  |
| Cash and cash equivalents                                                                              | 77,405         | 2,115            | 60               | 18            | -               | 79,598           |
| Trade and other receivables                                                                            | 26,712         | -                | -                | -             | -               | 26,712           |
| Long term receivables                                                                                  | 318,193        | -                | -                | -             | -               | 318,193          |
| Other financial assets                                                                                 | 5,265          | -                | -                | -             | -               | 5,265            |
| Total financial assets                                                                                 | 427,575        | 2,115            | 60               | 18            | -               | 429,768          |
| <b>Financial liabilities</b>                                                                           |                |                  |                  |               |                 |                  |
| 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)        |
| <b>Net financial assets/(liabilities)</b>                                                              | <b>276,357</b> | <b>(527,445)</b> | <b>(162,590)</b> | <b>18</b>     | <b>(50,242)</b> | <b>(463,902)</b> |
| Less: Net financial liabilities<br>denominated in the<br>respective entities'<br>functional currencies | (276,357)      | -                | -                | -             | -               | (276,357)        |
| Currency swaps                                                                                         | -              | 213,181          | 161,026          | -             | 50,895          | 425,102          |
| Currency forwards                                                                                      | -              | 6,000            | -                | -             | -               | 6,000            |
| Options                                                                                                | -              | 100,000          | -                | -             | -               | 100,000          |
| <b>Net currency exposure</b>                                                                           | <b>-</b>       | <b>(208,264)</b> | <b>(1,564)</b>   | <b>18</b>     | <b>653</b>      | <b>(209,157)</b> |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**30. Financial risk management (continued)**

(a) *Market risk (continued)*

(i) *Currency risk (continued)*

| Group                                                                                                  | INR<br>\$'000    | SGD<br>\$'000    | JPY<br>\$'000    | USD<br>\$'000 | TOTAL<br>\$'000  |
|--------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|---------------|------------------|
| <b>31 March 2019</b>                                                                                   |                  |                  |                  |               |                  |
| <b>Financial assets</b>                                                                                |                  |                  |                  |               |                  |
| Cash and cash equivalents                                                                              | 106,098          | 2,351            | 17               | 17            | 108,483          |
| Trade and other receivables                                                                            | 22,149           | -                | -                | -             | 22,149           |
| Long term receivables                                                                                  | 222,106          | -                | -                | -             | 222,106          |
| Other financial assets                                                                                 | 5,469            | -                | -                | -             | 5,469            |
| <b>Total financial assets</b>                                                                          | <b>355,822</b>   | <b>2,351</b>     | <b>17</b>        | <b>17</b>     | <b>358,207</b>   |
| <b>Financial liabilities</b>                                                                           |                  |                  |                  |               |                  |
| Trade and other payables                                                                               | (146,197)        | (1,503)          | (428)            | -             | (148,128)        |
| Borrowings                                                                                             | -                | (566,198)        | (158,080)        | -             | (724,278)        |
| <b>Total financial liabilities</b>                                                                     | <b>(146,197)</b> | <b>(567,701)</b> | <b>(158,508)</b> | <b>-</b>      | <b>(872,406)</b> |
| <b>Net financial assets/(liabilities)</b>                                                              | <b>209,625</b>   | <b>(565,350)</b> | <b>(158,491)</b> | <b>17</b>     | <b>(514,199)</b> |
| Less: Net financial liabilities<br>denominated in the<br>respective entities'<br>functional currencies | (209,625)        | -                | -                | -             | (209,625)        |
| Currency swaps                                                                                         | -                | 279,820          | 118,206          | -             | 398,026          |
| Currency forwards                                                                                      | -                | 18,000           | -                | -             | 18,000           |
| Options                                                                                                | -                | 100,000          | -                | -             | 100,000          |
| <b>Net currency exposure</b>                                                                           | <b>-</b>         | <b>(167,530)</b> | <b>(40,285)</b>  | <b>17</b>     | <b>(207,798)</b> |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**30. Financial risk management (continued)**

(a) *Market risk (continued)*

(i) *Currency risk (continued)*

If SGD, JPY, USD and HKD changes against INR by 10% (31 December 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:

|                 | <b>Group</b>                      |                      |
|-----------------|-----------------------------------|----------------------|
|                 | <b>31 December 2019</b>           | <b>31 March 2019</b> |
|                 | <b>S\$'000</b>                    | <b>S\$'000</b>       |
|                 | <----- Increase/(Decrease) -----> |                      |
| SGD against INR |                                   |                      |
| - Strengthened  | (20,826)                          | (16,753)             |
| - Weakened      | 20,826                            | 16,753               |
| JPY against INR |                                   |                      |
| - Strengthened  | (156)                             | (4,028)              |
| - Weakened      | 156                               | 4,028                |
| USD against INR |                                   |                      |
| - Strengthened  | 2                                 | 2                    |
| - Weakened      | (2)                               | (2)                  |
| HKD against INR |                                   |                      |
| - Strengthened  | 65                                | -                    |
| - Weakened      | (65)                              | -                    |

(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.

**30. 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**30. Financial risk management (continued)**

*(b) Credit risk (continued)*

Expected Credit Loss (continued)

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.

*(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 2019<br>\$'000 |
|--------------|------------------------------------------|----------------------------|
| 12-month ECL | Long-term receivables at amortised costs | 318,193                    |

**30. Financial risk management** (continued)

*(b) Credit risk (continued)*

*(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 through 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 period ended 31 December 2019

**30. Financial risk management (continued)**

*(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.

| Group                           | Less than 1<br>year<br>\$'000 | Between 1<br>and 2 years<br>\$'000 | Between 2<br>and 5 years<br>\$'000 | Over 5<br>years<br>\$'000 |
|---------------------------------|-------------------------------|------------------------------------|------------------------------------|---------------------------|
| <b>31 December 2019</b>         |                               |                                    |                                    |                           |
| 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)                          | -                         |
|                                 | <b>(319,850)</b>              | <b>(133,864)</b>                   | <b>(550,010)</b>                   | <b>-</b>                  |
| <b>31 March 2019</b>            |                               |                                    |                                    |                           |
| Net-settled swaps               | (19,313)                      | (14,594)                           | (20,481)                           | -                         |
| Net-settled options             | (4,449)                       | (4,437)                            | (10,891)                           | -                         |
| Net-settled currency forwards   | (161)                         | -                                  | -                                  | -                         |
| Trade and other payables        | (92,802)                      | (55,326)                           | -                                  | -                         |
| Borrowings (including interest) | (236,313)                     | (103,180)                          | (419,506)                          | -                         |
|                                 | <b>(353,038)</b>              | <b>(177,537)</b>                   | <b>(450,878)</b>                   | <b>-</b>                  |

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 period ended 31 December 2019*

---

**30. 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 45%.

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.

|                            | <b>Group</b>       |                 |
|----------------------------|--------------------|-----------------|
|                            | <b>31 December</b> | <b>31 March</b> |
|                            | <b>2019</b>        | <b>2019</b>     |
|                            | <b>\$'000</b>      | <b>\$'000</b>   |
| Total effective borrowings | <b>718,857</b>     | 717,249         |
| Value of Trust Property    | <b>2,577,372</b>   | 2,318,922       |
| Gearing ratio              | <b>28%</b>         | <b>31%</b>      |

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 period/year ended 31 December and 31 March 2019.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**31. 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:

| Group                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>31 December 2019</b>      |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| Cash and cash equivalents    | 11   | -                                       | -                                     | 79,598                                           | -                              | 79,598                   |
| Other financial assets       |      | -                                       | -                                     | 5,265                                            | -                              | 5,265                    |
| Trade and other receivables  |      | -                                       | -                                     | 26,712                                           | -                              | 26,712                   |
| 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                                | 429,768                                          | -                              | 455,787                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| Trade and other payables     |      | -                                       | -                                     | -                                                | 152,277                        | 152,277                  |
| Borrowings                   | 26   | -                                       | -                                     | -                                                | 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                                 | -                                                | 893,668                        | 897,153                  |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**31. Accounting classifications and fair value (continued)**

(a) Accounting classifications (continued)

| Group                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>31 March 2019</b>         |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| Cash and cash equivalents    | 11   | -                                       | -                                     | 108,483                                          | -                              | 108,483                  |
| Other financial assets       |      | -                                       | -                                     | 5,469                                            | -                              | 5,469                    |
| Trade and other receivables  |      | -                                       | -                                     | 22,149                                           | -                              | 22,149                   |
| Long term receivables        | 17   | -                                       | -                                     | 222,106                                          | -                              | 222,106                  |
| Currency forwards            | 18   | 1                                       | -                                     | -                                                | -                              | 1                        |
| Currency swaps               | 18   | -                                       | 15,017                                | -                                                | -                              | 15,017                   |
| Options                      | 18   | -                                       | 43                                    | -                                                | -                              | 43                       |
|                              |      | 1                                       | 15,060                                | 358,207                                          | -                              | 373,268                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| Trade and other payables     |      | -                                       | -                                     | -                                                | 148,128                        | 148,128                  |
| Borrowings                   | 26   | -                                       | -                                     | -                                                | 724,278                        | 724,278                  |
| Currency swaps               | 18   | -                                       | 2,682                                 | -                                                | -                              | 2,682                    |
| Options                      | 18   | -                                       | 4,225                                 | -                                                | -                              | 4,225                    |
| Interest rate swaps          | 18   | -                                       | 101                                   | -                                                | -                              | 101                      |
|                              |      | -                                       | 7,008                                 | -                                                | 872,406                        | 879,414                  |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**31. Accounting classifications and fair value (continued)**

(a) Accounting classifications (continued)

| Trust                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>31 December 2019</b>      |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| 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                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| Trade and other payables     | 24   | -                                       | -                                     | -                                                | 51,797                         | 51,797                   |
| Borrowings                   | 26   | -                                       | -                                     | -                                                | 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 period ended 31 December 2019

**31. Accounting classifications and fair value (continued)**

(a) Accounting classifications (continued)

| Trust                        | Note | Fair value<br>through profit or<br>loss | Fair value -<br>hedging<br>instrument | Financial assets<br>carried at<br>amortised cost | Other financial<br>liabilities | Total carrying<br>amount |
|------------------------------|------|-----------------------------------------|---------------------------------------|--------------------------------------------------|--------------------------------|--------------------------|
|                              |      | \$'000                                  | \$'000                                | \$'000                                           | \$'000                         | \$'000                   |
| <b>31 March 2019</b>         |      |                                         |                                       |                                                  |                                |                          |
| <b>Financial assets</b>      |      |                                         |                                       |                                                  |                                |                          |
| Cash and cash equivalents    | 11   | -                                       | -                                     | 2,280                                            | -                              | 2,280                    |
| Loans to subsidiaries        | 15   | -                                       | -                                     | 699,789                                          | -                              | 699,789                  |
| Trade and other receivables  |      | -                                       | -                                     | 960                                              | -                              | 960                      |
| Currency forwards            | 18   | 1                                       | -                                     | -                                                | -                              | 1                        |
| Currency swaps               | 18   | -                                       | 15,017                                | -                                                | -                              | 15,017                   |
| Options                      | 18   | -                                       | 43                                    | -                                                | -                              | 43                       |
|                              | 1    |                                         | 15,060                                | 703,029                                          | -                              | 718,090                  |
| <b>Financial liabilities</b> |      |                                         |                                       |                                                  |                                |                          |
| Trade and other payables     |      | -                                       | -                                     | -                                                | 39,077                         | 39,077                   |
| Borrowings                   | 26   | -                                       | -                                     | -                                                | 724,278                        | 724,278                  |
| Currency swaps               | 18   | -                                       | 2,682                                 | -                                                | -                              | 2,682                    |
| Options                      | 18   | -                                       | 4,225                                 | -                                                | -                              | 4,225                    |
| Interest rate swaps          | 18   | -                                       | 101                                   | -                                                | -                              | 101                      |
|                              | -    | -                                       | 7,008                                 | -                                                | 763,355                        | 770,363                  |

**31. 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 period ended 31 December 2019*

**31. 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 reporting period:

| Group                                    | Significant<br>observable<br>inputs other<br>than quoted<br>prices<br>(Level 2)<br>\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>\$'000 | Total<br>\$'000  |
|------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------|
| <b>31 December 2019</b>                  |                                                                                           |                                                              |                  |
| <b>Recurring fair value measurements</b> |                                                                                           |                                                              |                  |
| <b>Assets</b>                            |                                                                                           |                                                              |                  |
| <b>Financial assets:</b>                 |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency forwards                      | 52                                                                                        | -                                                            | 52               |
| - Currency swaps                         | 25,632                                                                                    | -                                                            | 25,632           |
| - Options                                | 335                                                                                       | -                                                            | 335              |
| <b>Total financial assets</b>            | <b>26,019</b>                                                                             | <b>-</b>                                                     | <b>26,019</b>    |
| <b>Non-financial assets:</b>             |                                                                                           |                                                              |                  |
| Investment properties                    | -                                                                                         | 1,885,171                                                    | 1,885,171        |
| Investment properties under construction | -                                                                                         | 174,795                                                      | 174,795          |
| <b>Total non-financial assets</b>        | <b>-</b>                                                                                  | <b>2,059,966</b>                                             | <b>2,059,966</b> |
| <b>Liabilities</b>                       |                                                                                           |                                                              |                  |
| <b>Financial liabilities:</b>            |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency swaps                         | 1,710                                                                                     | -                                                            | 1,710            |
| - Options                                | 1,515                                                                                     | -                                                            | 1,515            |
| - Interest rate swaps                    | 260                                                                                       | -                                                            | 260              |
| <b>Total financial liabilities</b>       | <b>3,485</b>                                                                              | <b>-</b>                                                     | <b>3,485</b>     |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**31. Accounting classifications and fair value (continued)**

(c) *Fair value measurements (continued)*

(ii) *Assets and liabilities measured at fair value*

| Group                                    | Significant<br>observable<br>inputs other<br>than quoted<br>prices<br>(Level 2)<br>\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>\$'000 | Total<br>\$'000  |
|------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------|
| 31 March 2019                            |                                                                                           |                                                              |                  |
| <b>Recurring fair value measurements</b> |                                                                                           |                                                              |                  |
| <b>Assets</b>                            |                                                                                           |                                                              |                  |
| <b>Financial assets:</b>                 |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency forwards                      | 1                                                                                         | -                                                            | 1                |
| - Currency swaps                         | 15,017                                                                                    | -                                                            | 15,017           |
| - Options                                | 43                                                                                        | -                                                            | 43               |
| <b>Total financial assets</b>            | <b>15,061</b>                                                                             | <b>-</b>                                                     | <b>15,061</b>    |
| <b>Non-financial assets:</b>             |                                                                                           |                                                              |                  |
| Investment properties                    | -                                                                                         | 1,711,733                                                    | 1,711,733        |
| Investment properties under construction | -                                                                                         | 206,065                                                      | 206,065          |
| <b>Total non-financial assets</b>        | <b>-</b>                                                                                  | <b>1,917,798</b>                                             | <b>1,917,798</b> |
| <b>Liabilities</b>                       |                                                                                           |                                                              |                  |
| <b>Financial liabilities:</b>            |                                                                                           |                                                              |                  |
| Derivative financial instruments         |                                                                                           |                                                              |                  |
| - Currency swaps                         | 2,682                                                                                     | -                                                            | 2,682            |
| - Options                                | 4,225                                                                                     | -                                                            | 4,225            |
| - Interest rate swaps                    | 101                                                                                       | -                                                            | 101              |
| <b>Total financial liabilities</b>       | <b>7,008</b>                                                                              | <b>-</b>                                                     | <b>7,008</b>     |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial period ended 31 December 2019

**31. Accounting classifications and fair value (continued)**

(c) *Fair value measurements (continued)*

(i) *Level 2 fair value measurements*

As at 31 December 2019, 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):

| Group                                      | Fair value<br>\$'000 | Valuation<br>techniques                                   | Unobservable<br>inputs             | Range          |
|--------------------------------------------|----------------------|-----------------------------------------------------------|------------------------------------|----------------|
| <b>31 December 2019</b>                    |                      |                                                           |                                    |                |
| <b>Recurring fair value measurements</b>   |                      |                                                           |                                    |                |
| - Investment properties                    | 1,885,171            | Discounted cash flow method, income capitalisation method | Discount rate, capitalisation rate | 11.75 - 17.00% |
| - Investment properties under construction | 174,795              |                                                           |                                    | 8.75 - 9.50%   |
| Description                                | Fair value<br>\$'000 | Valuation<br>techniques                                   | Unobservable<br>inputs             | Range          |
| <b>31 March 2019</b>                       |                      |                                                           |                                    |                |
| <b>Recurring fair value measurements</b>   |                      |                                                           |                                    |                |
| - Investment properties                    | 1,711,733            | Discounted cash flow method, income capitalisation method | Discount rate, capitalisation rate | 12.00 - 14.30% |
| - Investment properties under construction | 206,065              |                                                           |                                    | 9.00 - 9.50%   |

### 31. Accounting classifications and fair value (continued)

#### (c) Fair value measurements (continued)

##### (iii) Level 3 fair value measurements (continued)

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.

### 32. Commitments

As at the end of the reporting period, the Group had the following commitments:

#### (a) Development and investment expenditure

|                                         | <b>31 December<br/>2019<br/>\$'000</b> | 31 March<br>2019<br>\$'000 |
|-----------------------------------------|----------------------------------------|----------------------------|
| Amounts approved and contracted for     |                                        |                            |
| - Investment                            | <b>335,749</b>                         | 200,036                    |
| - Development                           | <b>107,004</b>                         | 124,205                    |
| Amounts approved but not contracted for |                                        |                            |
| - Development                           | <b>20,747</b>                          | 12,213                     |
|                                         | <b>463,500</b>                         | 336,454                    |

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

---

**32. Commitments (continued)**

*(a) Development and investment expenditure (continued)*

As at 31 December 2019, amount approved and contracted for includes:

- (i) \$101,376,000 (31 March 2019: 118,384,000) pertaining to the acquisition of two IT buildings at Navi Mumbai.
- (ii) \$96,254,000 (31 March 2019: \$nil) pertaining to the acquisition of two buildings in Hyderabad.
- (iii) \$115,716,000 (31 March 2019: \$nil) pertaining to the acquisition of IT building at Pune.
- (iv) \$22,403,000 (31 March 2019: \$nil) pertaining to the acquisition of FTWZ warehouses at Panvel.
- (v) \$107,004,000 (31 March 2019: \$124,205,000) pertaining to investment properties under construction in ITPL and VITP.

As of 31 March 2019, acquisition of two buildings in Hitec City 2 Special Economic Zone in Hyderabad amounted to \$81,652,000 had been approved and contracted for.

*(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:

|                                   | <b>31 December<br/>2019<br/>\$'000</b> | 31 March<br>2019<br>\$'000 |
|-----------------------------------|----------------------------------------|----------------------------|
| Lease receivables:                |                                        |                            |
| - Within 1 year                   | <b>73,721</b>                          | 86,284                     |
| - After 1 year but within 5 years | <b>96,125</b>                          | 109,350                    |
| - After 5 years                   | <b>1,781</b>                           | 7,180                      |
|                                   | <b>171,627</b>                         | 202,814                    |

**33. 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 2019. Therefore, the Manager considers that the Group operates within a single business segment and within a single geographical segment in India.

### **34. 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. Interest expense attributable to non-SEZ properties, was apportioned between SEZ and non-SEZ properties. This resulted in additional tax demanded of INR 32 million (equivalent to \$613,000) in assessment year 2014-15 and 2016-17. 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 201 million (equivalent to \$3,812,000) 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 Commissioner of Service Tax disallowing the availment of service tax credit relating to construction costs, generation of electricity and maintenance of power plant and other miscellaneous items for the period from October 2006 to September 2016, which estimated to be INR 101 million. During the 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 INR15 million. Therefore, the potential tax exposure, including penalty is estimated to be INR 39 million (equivalent to \$743,000).

**34. Contingent liabilities (continued)**

*(b) Service tax disputes (continued)*

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 2019, the total service tax in dispute not recognised in the financial statements, including penalties and interest, amounts to INR 893 million (equivalent to \$16,941,000). 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 (equivalent to \$12,615,000), out of which Service Tax department only contested on service tax amount of INR 537 million (equivalent to \$10,187,000). The balance of INR 356 million (equivalent to \$6,753,000) represents the claim from the department for period from April 2010 to October 2016 on account of similar matters.

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 \$4,103,000).

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 \$829,000), along with interest and equivalent penalty of INR 42 million (equivalent to \$829,000) is payable. HIPL has filed an appeal before CESTAT.

*(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 \$1,095,000) for VITP and INR 7 million (equivalent to \$134,000) for Cyber Pearl.



**34. Contingent liabilities (continued)**

*(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 \$4,973,000).

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 \$4,777,000).

*(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. During the last financial year, based on the discussion with the authorities, ITPL has provided INR 139 million (equivalent to \$2,637,000).

During the financial period, ITPL had received information from BWSSB online portal that total water supply and sanitary connection amounting to INR 242 million (equivalent to \$4,591,000). ITPL had provided INR 41 million for the Anchor building which completed during the current financial period. Therefore, the potential water supply and sanitary connection decreased to INR 62 million (equivalent to \$1,176,000).

*(f) Property tax disputes*

ITPL had received demand notice of INR 398 million (equivalent to \$7,553,000) from Bruhat Bengaluru Mahanagara Palike ("BBMP") towards differential property tax paid on self-assessment basis and survey conducted by BBMP for the period 2008-09 to 2017-18. ITPL has filed an appeal.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial period ended 31 December 2019*

---

**35. Comparative figures**

The comparative figures presented in the financial statements are not comparable as the prior period figures cover the twelve-months period from 1 April 2018 to 31 March 2019, while the current period figures cover the nine-month period from 1 April 2019 to 31 December 2019 due to a change of financial year from 31 March to 31 December.

**36. Events occurring after the reporting period**

On 1 February 2020, based on the 2020 Union Budget for India, 20.56% dividend distribution tax ("DDT") on dividends applicable to domestic companies is proposed to be abolished. The Group is currently in the process of assessing the potential impact of abolition and the finality of the said proposed amendment to domestic tax laws.

**37. 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 12 February 2020.