



ASCENDAS INDIA TRUST

(Registration Number: 2007004)

(a business trust registered under the Business Trusts Act 2004)

ANNOUNCEMENT

PROPOSED FORWARD PURCHASE ACQUISITION OF INDUSTRIAL FACILITIES AT MAHINDRA WORLD CITY, CHENNAI (CASA GRANDE – PHASE 2)

1. INTRODUCTION

Further to the announcements made on 5 March 2021, 18 May 2022 and 27 May 2022, Ascendas Property Fund Trustee Pte. Ltd., as Trustee-Manager of Ascendas India Trust (“**a-iTrust**”), is pleased to announce that:

- (a) Its subsidiaries, Ascendas Property Fund (FDI) Pte. Ltd. (“**APFF**”), VITP Private Limited (“**VITP**”) and Ascendas IT Park Chennai Limited (“**AITPCL**”), have entered into an amended debenture subscription agreement (“**Amended DSA**”) with Chengalpattu Warehousing Parks Private Limited (“**CWPPL**”) to subscribe to non-convertible debentures (“**NCDs**”) issued by CWPPL; and
- (b) Its subsidiary, Ascendas Property Fund (India) Pte. Ltd. (“**APFI**”), has entered into an amended conditional share purchase agreement (“**Amended SPA**”) with the shareholders of CWPPL (“**Shareholders**”) to acquire all of the issued share capital in CWPPL, subject to the fulfilment of certain conditions precedent including, but not limited to, the completion of the construction of the Phase 2 Project (as defined below) (the “**Phase 2 Acquisition**”).

CWPPL has been incorporated by the Casa Grande Group and is developing the Phase 2 Project located at Mahindra World City, Chennai. The Casa Grande Group is a leading real estate developer in South India.

CWPPL has completed construction of a 0.02 million square feet fully pre-leased industrial facility (“**Phase 2A Project**”) and is currently developing an additional 0.29 million square feet industrial facility (“**Phase 2B Project**”, collectively with Phase 2A Project, referred to as “**Phase 2 Project**”).

This is in addition to the earlier forward purchase transaction announced on 5 March 2021 for a 0.42 million square feet fully leased industrial facility (“**Casa Grande – Phase 1**”¹) within the same micro-market. The acquisition of Casa Grande – Phase 1 was completed on 27 May 2022.

a-iTrust proposes to fund the balance development of the Phase 2 Project through its subscription to the NCDs pursuant to the Amended DSA and subsequently acquire the Phase 2 Project (the “**Transaction**”) upon completion.

2. DETAILS OF THE TRANSACTION

2.1. Funding of Phase 2 Project

Pursuant to the Amended DSA, a-iTrust will be subscribing to NCDs to be issued by CWPPL (the “**Subscription**”), to complete the development of the Phase 2 Project.

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

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

The key terms of the NCDs are:

- Interest will be accrued until the date of Phase 2 Acquisition;
- The NCDs are secured by a charge over the property, land and pledge of shares;
- The NCDs shall be automatically redeemed in the event that the Amended SPA is terminated; and
- The NCDs are further secured by personal guarantees from the Shareholders in respect of the repayment of principal and interest.

a-iTrust will provide total funding amounting to INR650 million² / S\$11.6 million³ in respect of the Phase 2 Project.

2.2. Acquisition of Phase 2 Project

Pursuant to the terms of the Amended SPA, a-iTrust shall acquire all of the issued share capital in CWPPL, upon the completion of stabilisation period of 12 months after the

¹ Casa Grande – Phase 1 was previously known as the Phase 1 Project in the announcement dated 5 March 2021.

² Includes funding of INR50 million / S\$0.9 million towards Phase 2A Project, which is completed and pre-leased.

³ Exchange rate of S\$1 = INR56 is used throughout this announcement.

completion of construction of Phase 2 Project, based on a purchase price to be determined in accordance with an agreed formula (“**Formula**”), which takes into account the pre-agreed capitalisation rate and rentals. The total purchase price for the Phase 2 Project, computed based on the Formula, is expected to be INR1,595 million / S\$28.5 million, which includes the Subscription. An independent valuation will be conducted and announced at the time of the Phase 2 Acquisition.

The Phase 2 Acquisition is subject to certain conditions precedent, which include the following:

- Completion of the Phase 2 Project and obtaining the required approvals within defined timelines; and
- Satisfactory completion of the final due diligence.

3. RATIONALE FOR THE TRANSACTION

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

3.1. Diversification into Industrial Space

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

3.2. Established Location

Mahindra World City is an established industrial micro-market occupied by leading blue-chip companies including BMW, BASF, Fujitec, NCR Corporation and B. Braun. The Phase 2 Project is in close proximity to Casa Grande – Phase 1, which is fully leased to a leading electronics contract manufacturer.

3.3. Improved Earnings and Distributions for Unitholders

The Trustee-Manager believes that the Transaction will improve the earnings and distributions for Unitholders. From the date of the Subscription up to the date of the Phase 2 Acquisition, a-iTrust will receive a coupon on NCDs that is higher than its borrowing costs. The Phase 2 Acquisition is expected to be distribution per unit (“**DPU**”) accretive on a pro forma basis. Please refer to paragraph 4 for the financial effects of the Phase 2 Acquisition.

4. METHOD OF FINANCING AND FINANCIAL EFFECTS

4.1. Method of Financing

The Trustee-Manager intends to finance the Subscription through internal accruals in AITPCL and VITP. Details of the mode of financing the Phase 2 Acquisition will be determined nearer to the point of closing.

4.2. Financial Effects

4.2.1. Assumptions

The pro forma financial effects of the Phase 2 Acquisition presented below are strictly for illustration purposes only, and do not reflect the actual financial position of a-iTrust following the completion of the Phase 2 Acquisition⁴. They have been prepared based on the latest audited financial statements of a-iTrust for the financial year ended 31 December 2021 (“FY 2021”).

4.2.2. Pro Forma Net Profits

Post-acquisition, the FY 2021 pro forma net profit attributable to the Phase 2 Acquisition is approximately S\$1.3 million⁵ assuming income generated on a stabilised basis.

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

FOR ILLUSTRATIVE PURPOSES ONLY: The table below sets out the pro forma financial effects of the Phase 2 Acquisition on the NAV per unit in a-iTrust (“Unit”) as at 31 December 2021, as if a-iTrust had completed the Phase 2 Acquisition on 31 December 2021.

	Before the Phase 2 Acquisition	After the Phase 2 Acquisition
NAV per Unit (S\$)	1.18	1.18

4.2.4. Pro Forma Distribution per Unit⁶ (DPU)

FOR ILLUSTRATIVE PURPOSES ONLY: The table below sets out the pro forma financial effects of the Phase 2 Acquisition on a-iTrust’s DPU for FY 2021, as if a-

⁴ Assuming the Transaction had been funded using 45% debt and 55% equity.

⁵ Estimated income available for distribution based on the assumed revenue derived from the Phase 2 Project post acquisition, net of operating, financing, trust expenses and withholding taxes.

⁶ Rule 1010(9) of the Listing Manual requires that the issuer discloses the effect of the Transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the Transaction had been effected at the beginning of that financial year. The effect of the Transaction on the distribution per Unit is disclosed instead as it is a more appropriate measure for a real estate investment trust.

iTrust had completed the Phase 2 Acquisition on 1 January 2021 and held the interest in the Phase 2 Project through to 31 December 2021.

	Before the Phase 2 Acquisition	After the Phase 2 Acquisition
DPU⁷ (S\$ cents)	7.80	7.81

5. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement and based on the information available to the Trustee-Manager as at the date of this announcement, certain directors of the Trustee-Manager hold direct and indirect interest in the units of a-iTrust. Save as disclosed in this announcement and based on the information available to the Trustee-Manager as at the date of this announcement, none of the Directors or the controlling unitholders of a-iTrust has any interest, direct or indirect, in the Subscription and Phase 2 Acquisition.

6. OTHER INFORMATION

6.1. Director's Service Contracts

No person is proposed to be appointed as a director of the Trustee-Manager in connection with the Subscription and the Phase 2 Acquisition or any other transactions contemplated in relation to the Subscription and the Phase 2 Acquisition.

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

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

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

Based on a-iTrust's consolidated financial statements for FY 2021, the relative figure for the basis of comparison set out in sub-paragraph (i) above in relation to the same period is not applicable as there are currently no profits attributable to the Phase 2 Project.

Based on the expected purchase consideration and a-iTrust's market capitalisation as at the date prior to the announcement of the Subscription and the Phase 2 Acquisition, the

⁷ Post retaining 10% of income available for distribution.

relative figure for the basis of comparison set out in sub-paragraph (ii) above is approximately 2.0%.

6.3. Voluntary Disclosure

The Transaction is in the ordinary course of a-iTrust's business and all of the relative figures computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual amount to 5% or less. Accordingly, it is not a requirement for the Transaction to be announced. Notwithstanding that, the Trustee-Manager is voluntarily announcing the Transaction pursuant to Rule 1008 of the SGX-ST Listing Manual as a matter of good corporate governance.

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

7. DOCUMENTS FOR INSPECTION

A copy of the Amended DSA and Amended SPA is available for inspection during normal business hours at the registered office of the Trustee-Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 for a period of three months commencing from the date of this announcement.

BY ORDER OF THE BOARD

ASCENDAS PROPERTY FUND TRUSTEE PTE. LTD.
(Company Registration No. 200412730D)
(as Trustee-Manager of Ascendas India Trust)

Hon Wei Seng
Company Secretary
14 July 2022

Important Notice

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

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

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

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