



CAPITALAND INDIA TRUST

(Registration Number: 2007004)

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

ANNOUNCEMENT

PROPOSED FORWARD PURCHASE OF A 1.0 MILLION SQ FT IT PARK AT OUTER RING ROAD, BANGALORE

1. INTRODUCTION

CapitaLand India Trust Management Pte. Ltd., as Trustee-Manager of CapitaLand India Trust ("**CLINT**"), is pleased to announce that:

- (a) Its wholly owned subsidiary, Ascendas Property Fund (FDI) Pte. Ltd. ("**APFF**") has entered into a debenture subscription agreement ("**DSA**") with Ebisu Techpark Private Limited ("**ETPL**") to subscribe to non-convertible debentures ("**NCDs**") issued by ETPL to fund the development of Building 1 (as defined below);
- (b) Its subsidiary, Information Technology Park Limited ("**ITPL**"), has entered into loan agreements ("**Loan Agreements**") with ETPL and Ebisu IT Park LLP ("**EITP LLP**") to provide loans towards development of Building 1 and Building 2 (as defined below); and
- (c) Its wholly owned subsidiary, Ascendas Property Fund (India) Pte. Ltd. ("**APFI**"), has entered into a conditional share purchase agreement ("**SPA**") with the shareholders of ETPL ("**Landowners**") to acquire 100% of the issued share capital in ETPL, subject to the fulfilment of certain conditions precedent including, but not limited to, the completion of the construction of Building 1 (the "**Acquisition**").

The Landowners are developing an IT Park with an aggregate net leasable area of approximately 1.5 million sq ft at Outer Ring Road, Bangalore, India (the "**Project**"). The Project comprises two buildings on a land parcel of approximately 5.3 acres. CLINT plans to fund the development of the Project linked to construction milestones over the estimated timeline from 1Q 2023 to 4Q 2025 and subsequently acquire net leasable area of 1.0 million sq ft ("**Building 1**") (the "**Transaction**"). The remaining net leasable area of 0.5 million sq ft ("**Building 2**") will be retained by the Landowners. CLINT's funding towards

development of Building 2 will be repaid by the Landowners at the time of acquisition of Building 1.

The Landowners have appointed CapitaLand Services (India) Private Limited (“**CSIPL**”)¹ to oversee the design, development and leasing of the Project.

2. DETAILS OF THE TRANSACTION

2.1. Funding

Pursuant to the DSA and the Loan Agreements, APFF and ITPL shall provide funding to ETPL and EITP LLP (the “**Funding**”), to develop the Project.

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

- ETPL and EITP LLP having entered into all necessary agreements and obtained approvals in relation to the creation of security for the Funding; and
- ETPL and EITP LLP having performed all necessary amendments to their charter documents to enable the Funding.

The key terms of the Funding are:

- The Funding is secured by a charge over the property, land and pledge of shares of ETPL;
- The Funding will be further secured by a charge over an additional land parcel and personal guarantees from the Landowners in respect of the repayment of principal and interest;
- APFF and ITPL can call for repayment of the Funding on occurrence of an event of default; and
- Interest will be accrued on a quarterly basis until the date of Acquisition.

CLINT shall provide total funding of up to INR8,684 million / S\$142.4 million² in respect of the Project.

2.2. Acquisition of Building 1

Pursuant to the terms of the SPA, CLINT shall acquire 100% of the issued share capital in ETPL, subject to a stabilisation period of 18 months after completion of the construction of Building 1 or achieving the leasing threshold, whichever is earlier, based on a purchase price to be determined in accordance with an agreed formula (“**Formula**”), which takes

¹ CSIPL is the property manager for CLINT’s existing portfolio.

² Exchange rate of S\$1 = INR61 is used throughout this announcement.

into account the pre-agreed capitalisation rate, rentals and leasing level. The total purchase price for Building 1, computed based on the Formula, is expected to be INR12,261 million / S\$201.0 million, which includes the Funding. An independent valuation will be conducted and announced at the time of the Acquisition.

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

- Completion of the construction of Building 1 and obtaining the Occupancy Certificate; 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 CLINT (“**Unitholders**”):

3.1. Established Location

Outer Ring Road is Bangalore’s largest office micro-market owing to its access to the international airport and proximity to the city centre. The micro-market represents 44%³ of Bangalore’s absorption and has low vacancy. Outer Ring Road is one of the preferred locations for multinational tenants including Google, Amazon, Goldman Sachs and JP Morgan. The Project is adjacent to an upcoming metro station and is surrounded by established business parks, hospitality, retail and healthcare developments.

3.2. Complements CLINT’s Existing Portfolio in Bangalore

Upon completion, the Acquisition will increase CLINT’s area under operation in Bangalore from 6.9⁴ million sq ft to 7.9 million sq ft. The Project complements CLINT’s existing portfolio in Whitefield (International Tech Park Bangalore) and Hebbal (Gardencity) to offer tenants options across micro-markets and leverages its deep market knowledge and occupier relationships in Bangalore.

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

³ From 2017 – 2021; Source: CBRE.

⁴ Includes International Tech Park Bangalore and Gardencity (IT park at Hebbal).

4. METHOD OF FINANCING AND FINANCIAL EFFECTS

4.1. Method of Financing

The Trustee-Manager intends to finance the Funding through a combination of debt and internal resources linked to construction milestones. Over the next 12 months, the Funding will be financed through internal resources and the Trustee-Manager expects to utilise debt only from 1H 2024.

Details of the mode of financing the Acquisition will be determined nearer to the estimated timeline of closing in 2027.

4.2. Financial Effects

4.2.1. Assumptions

The pro forma financial effects of the Acquisition presented below are strictly for illustration purposes only, and do not reflect the actual financial position of CLINT following the completion of the Acquisition⁵. They have been prepared based on the latest audited financial statements of CLINT 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 Acquisition is approximately S\$9.4 million⁶ assuming income generated on a stabilised basis.

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

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

	Before the Acquisition	After the Acquisition
NAV per Unit (S\$)	1.18	1.19

4.2.4. Pro Forma Distribution per Unit⁷ (DPU)

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

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

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

FOR ILLUSTRATIVE PURPOSES ONLY: The table below sets out the pro forma financial effects of the Acquisition on CLINT’s DPU for FY 2021, as if CLINT had completed the Acquisition on 1 January 2021 and held the interest in Building 1 through to 31 December 2021.

	Before the Acquisition	After the Acquisition
DPU⁸ (S\$ cents)	7.80	7.84

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 CLINT. 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 CLINT has any interest, direct or indirect, in the Funding and the Acquisition.

6. OTHER INFORMATION

6.1. Director’s Service Contracts

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

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

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

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

Based on CLINT’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 Building 1.

Based on the expected purchase consideration and CLINT’s market capitalisation as at

⁸ Post retaining 10% of income available for distribution.

the date prior to the announcement of the Funding and the Acquisition, the relative figure for the basis of comparison set out in sub-paragraph (ii) above is approximately 15.0%.

6.3. Voluntary Disclosure

The Transaction is in the ordinary course of CLINT's business and does not fall under Chapter 10 of the SGX-ST Listing Manual. Notwithstanding that, the Trustee-Manager is voluntarily announcing the Transaction 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 DSA, Loan Agreements and SPA is available for inspection during normal business hours at the registered office of the Trustee-Manager⁹ 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

CAPITALAND INDIA TRUST MANAGEMENT PTE. LTD.
(Company Registration No. 200412730D)
(as Trustee-Manager of CapitalLand India Trust)

Hon Wei Seng
Company Secretary
18 January 2023

⁹ Prior appointment with the Trustee-Manager (telephone: +65 6713 2888 or email address: cheah.yingsoon@clint.com.sg) will be appreciated.

Note:

- (a) The name of the business trust has been changed from “Ascendas India Trust” to “CapitaLand India Trust” with effect from 27 September 2022.
- (b) The name of the trustee-manager has been changed from “Ascendas Property Fund Trustee Pte. Ltd.” to “CapitaLand India Trust Management Pte. Ltd.” with effect from 27 September 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 express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this release. Neither CapitaLand India Trust Management 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 CapitaLand India Trust (“**CLINT**”) is not indicative of future performance. The listing of the units in CLINT (“**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.