



## **CAPITALAND INDIA TRUST**

(Registration Number: 2007004)

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

### **ANNOUNCEMENT**

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#### **RESPONSE TO QUERIES FROM SGX-ST ON THE FINANCIAL RESULTS OF CAPITALAND INDIA TRUST**

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CapitaLand India Trust Management Pte. Ltd. (the "**Trustee-Manager**"), as trustee-manager of CapitaLand India Trust ("**CLINT**"), hereby provides its response to the queries raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 7 March 2023 in relation to CLINT's unaudited results for the half year and full year ended 31 December 2022 announced via the SGXNet on 6 February 2023 ("**Results Announcement**"), as set out below:

#### **Question 1:**

Please disclose:

- a) the nature of the non-current receivables; and
- b) the Board's assessment of the recoverability of the non-current trade and other receivables.

#### **Trustee-Manager's Response:**

- a) The non-current receivables pertain mainly to accrued interest on long term receivables and advances paid to suppliers for investment properties under developments.
- b) The accrued interest on long term receivables is related to construction funding provided for forward purchase projects. This is secured by a charge over the underlying lands/properties/receivables of the non-related parties and is backed by personal/corporate guarantees. The Trustee-Manager continuously monitors the status of the interest receivables, long term receivables and underlying projects, to ensure they remain on track. As such, the Board is of the view that there is no material concern over recoverability of the non-current trade and other receivables.

**Question 2:**

Please disclose the nature and breakdown of the Group's other assets.

**Trustee-Manager's Response:**

The Group's other assets pertain mainly to electricity and other deposits, prepayments and an advance payment related to the acquisition of aVance 5, Hyderabad. The breakdown is provided below.

	<b>Group</b>	
	2022	2021
	\$'000	\$'000
<b>Current</b>		
Deposits	94	108
Prepayments	1,725	1,772
	<b>1,819</b>	<b>1,880</b>
<b>Non-current</b>		
Advance payment for acquisition of investment property	26,218	29,158
Deposits	5,733	5,080
Prepayments	197	185
	<b>32,148</b>	<b>34,423</b>

**Question 3:**

Please disclose a breakdown of trade and other payables amounting to \$197,938,000 as at 31 December 2022. For other payables, please disclose the nature of these other payables and whether the counterparties are related parties.

**Trustee-Manager's Response:**

Trade and other payables pertain mainly to accruals, rental deposits from tenants and deferred consideration related to the acquisition of aVance 6 in Hyderabad, which will be paid upon the acquisition of aVance 5, Hyderabad. The Group had originally planned to acquire both aVance 5 and aVance 6 buildings concurrently in a single transaction. However, due to the delays in construction completion of aVance 5 caused by COVID-19 pandemic, there was a change in the acquisition plan. As such, aVance 6 was acquired first in March 2021 with deferred consideration to facilitate the acquisition of aVance 5 at a later date.

Other payables include amounts payable to companies controlled by the Group's Sponsor, CapitaLand Investment Limited, of S\$11,227,000 (2021: \$11,807,000).

The breakdown of trade and other payables is provided below.

	<u>Group</u>	
	2022	2021
	\$'000	\$'000
<b>Current</b>		
Other payables		
- Non-related parties		
- Interest payable	11,208	11,747
- Construction cost payable	5,103	6,405
- Retention sum payable	3,452	3,238
- Advances	7,576	3,955
- Companies controlled by a Unitholder that has significant influence over the Group	11,227	11,807
Accruals	21,230	17,925
Deferred consideration	26,218	29,796
Rental deposits	35,763	38,945
Others	15,849	14,490
	<u>137,626</u>	<u>138,308</u>
<b>Non-current</b>		
Rental deposits	60,106	58,772
Accruals	21	24
Others	185	210
	<u>60,312</u>	<u>59,006</u>
	<b><u>197,938</u></b>	<b><u>197,314</u></b>

**Question 4:**

Please provide the reason(s) for the significant increase of S\$26,031,000 in the Group's interest receivable from \$62,972,000 as at 31 December 2021 to \$89,003,000 as at 31 December 2022.

**Trustee-Manager's Response:**

The increase in the Group's interest receivables was mainly due to the increase in interest receivables on fixed deposits and long term receivables related to construction funding provided for forward purchase projects.

During the financial year, the Group continued to provide construction funding to non-related parties via inter-corporate deposits ("ICDs") and subscription of non-convertible debentures ("NCDs") issued by non-related parties. The funding through ICDs and NCDs are a multi-stage process to eventually acquire the buildings when certain conditions are met, through the acquisition of the issued and paid-up capital of the non-related entities.

**Question 5:**

Given the Group's significant short-term liabilities of \$532,188,000 and cash and bank balance of only \$167,398,000, please disclose the Board's assessment:

- (i) whether the Company's current assets are adequate to meet the Company's short-term liabilities of \$532,188,000, including its basis of assessment; and
- (ii) how the Company intends to fulfil its significant payment obligations in the next 12 months.

Where the Company has worked out debt repayment plans to fulfil its debt obligations, please disclose if the Company is on track to fulfilling these obligations.

**Trustee-Manager's Response:**

The Group's current liabilities included S\$383.4 million of borrowings due within one year. These borrowings consisted of (a) S\$191.5 million of short-term revolving credit facilities from various banks which are rolled over as and when they are due, (b) S\$99.9 million of bilateral term loans with banks which will mature in September 2023, and (c) S\$92.0 million of medium term notes which will mature between April 2023 and December 2023. The Group was in net current liabilities position of \$255.6 million.

Steps have been taken to plan early for funding and expense requirements to manage cash position at any point in time. As at 31 December 2022, the Group and the Trust have undrawn credit facilities of \$206 million and are in discussions for additional credit facilities of approximately \$110 million.

The Group has initiated discussions for the re-financing of the bilateral term loan and medium term notes due in 2023, and the Trustee-Manager does not foresee difficulties in re-financing these debts.

The Group's healthy gearing ratio at 37%, interest service coverage ratio of 3.1 times and ample debt headroom (up to S\$856 million) as at 31 December 2022 together reflects the solid balance sheet position. In summary, the Trustee-Manager is confident of re-financing its borrowings and meeting its current obligations as and when they fall due.

**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  
13 March 2023

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.

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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.

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